

**RESOLUTION MAKING FINDINGS TO ALLOW TELECONFERENCED
MEETINGS UNDER CALIFORNIA GOVERNMENT CODE SECTION
54953(e)**

WHEREAS, California Government Code Section 54953(e) empowers local policy bodies to convene by teleconferencing technology during a proclaimed state of emergency under the State Emergency Services Act so long as certain conditions are met; and

WHEREAS, In March, 2020, the Governor of the State of California proclaimed a state of emergency in California in connection with the Coronavirus Disease 2019 (“COVID-19”) pandemic, and that state of emergency remains in effect; and

WHEREAS, In February 25, 2020, the Mayor of the City and County of San Francisco (the “City”) declared a local emergency, and on March 6, 2020 the City’s Health Officer declared a local health emergency, and both those declarations also remain in effect; and

WHEREAS, On March 11 and March 23, 2020, the Mayor issued emergency orders suspending select provisions of local law, including sections of the City Charter, that restrict teleconferencing by members of policy bodies; those orders remain in effect, so City law currently allows policy bodies to meet remotely if they comply with restrictions in State law regarding teleconference meetings; and

WHEREAS, On September 16, 2021, the Governor signed AB 361, a bill that amends the Brown Act to allow local policy bodies to continue to meet by teleconferencing during a state of emergency without complying with restrictions in State law that would otherwise apply, provided that the policy bodies make certain findings at least once every 30 days; and

WHEREAS, While federal, State, and local health officials emphasize the critical importance of vaccination and consistent mask-wearing to prevent the spread of COVID-19, the City’s Health Officer has issued at least one order (Health Officer Order No. C19-07y, available online at www.sfdph.org/healthorders) and one directive (Health Officer Directive No. 2020-33i, available online at www.sfdph.org/directives) that continue to recommend measures to promote physical distancing and other social distancing measures, such as masking, in certain contexts; and

WHEREAS, The California Department of Industrial Relations Division of Occupational Safety and Health (“Cal/OSHA”) has promulgated Section 3205 of Title 8 of the California Code of Regulations, which requires most employers in California, including in the City, to train and instruct employees about measures that can decrease the spread of COVID-19, including physical distancing and other social distancing measures; and

WHEREAS, Without limiting any requirements under applicable federal, state, or local pandemic-related rules, orders, or directives, the City’s Department of Public Health, in coordination with the City’s Health Officer, has advised that for group gatherings indoors, such as meetings of boards and commissions, people can increase safety and greatly reduce risks to the health and safety of attendees from COVID-19 by maximizing ventilation, wearing well-fitting masks (as required by Health Officer Order No. C19-07), using physical distancing where the vaccination status of attendees is not known, and considering holding the meeting remotely if feasible, especially for long meetings, with any attendees with unknown vaccination status and where ventilation may not be optimal; and

WHEREAS, On July 31, 2020, the Mayor issued an emergency order that, with limited exceptions, prohibited policy bodies other than the Board of Supervisors and its committees from meeting in person under any circumstances, so as to ensure the safety of policy body members, City staff, and the public; and

WHEREAS, [Insert name of Board/Commission] has met remotely during the COVID-19 pandemic and can continue to do so in a manner that allows public participation and transparency while minimizing health risks to members, staff, and the public that would be present with in-person meetings while this emergency continues; now, therefore, be it

RESOLVED, That [insert name of Board/Commission] finds as follows:

1. As described above, the State of California and the City remain in a state of emergency due to the COVID-19 pandemic. At this meeting, [Insert name of Board/Commission] has considered the circumstances of the state of emergency.
2. As described above, State and City officials continue to recommend measures to promote physical distancing and other social distancing measures, in some settings.

3. As described above, because of the COVID-19 pandemic, conducting meetings of this body [and its committees] in person would present imminent risks to the safety of attendees, and the state of emergency continues to directly impact the ability of members to meet safely in person; and, be it

FURTHER RESOLVED, That for at least the next 30 days meetings of [insert name of Board/Commission] [and its committees] will continue to occur exclusively by teleconferencing technology (and not by any in-person meetings or any other meetings with public access to the places where any policy body member is present for the meeting). Such meetings of [insert name of Board/Commission] [and its committees] that occur by teleconferencing technology will provide an opportunity for members of the public to address this body [and its committees] and will otherwise occur in a manner that protects the statutory and constitutional rights of parties and the members of the public attending the meeting via teleconferencing; and, be it

FURTHER RESOLVED, That the [clerk/secretary/staff] of [insert name of Board/Commission] is directed to place a resolution substantially similar to this resolution on the agenda of a future meeting of [insert name of Board/Commission] within the next 30 days. If [insert name of Board/Commission] does not meet within the next 30 days, the [clerk/secretary/staff] is directed to place a such resolution on the agenda of the next meeting of [insert name of Board/Commission].

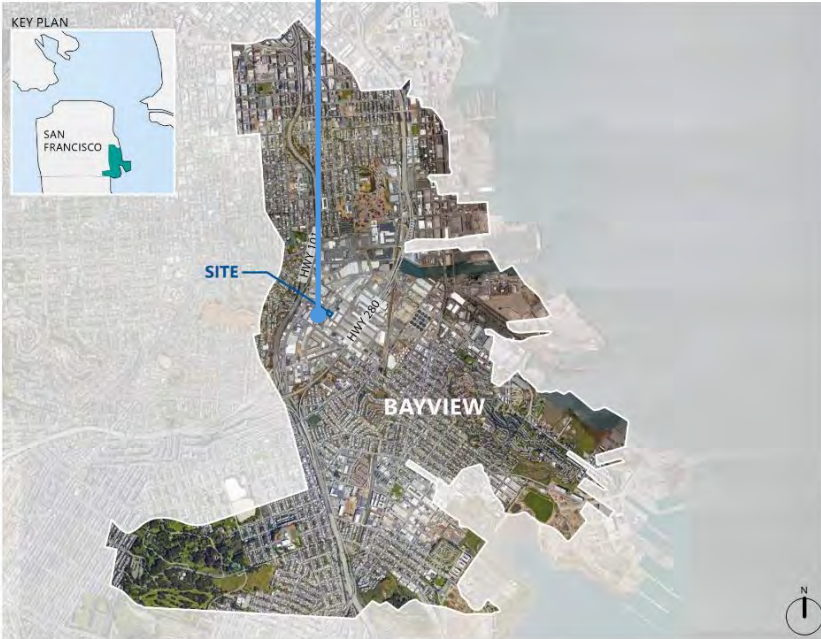
2270 McKinnon Ave

Bayview CAC Meeting

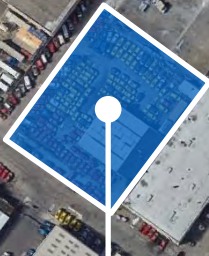
July 6, 2022

Project Site

2270 McKinnon Ave, San Francisco



- Corner of McKinnon & Upton
- Mixed-use PDR & Self-Storage
- Ground floor PDR with Self-storage above
- Enhanced public realm: new sidewalk, street trees, Upton circulation
- Solar (PV) & green roof



Project Site
2270 McKinnon Ave, San Francisco

Existing site lacks maintenance, streetscape and circulation

Looking north from McKinnon Ave



Looking south from McKinnon Ave

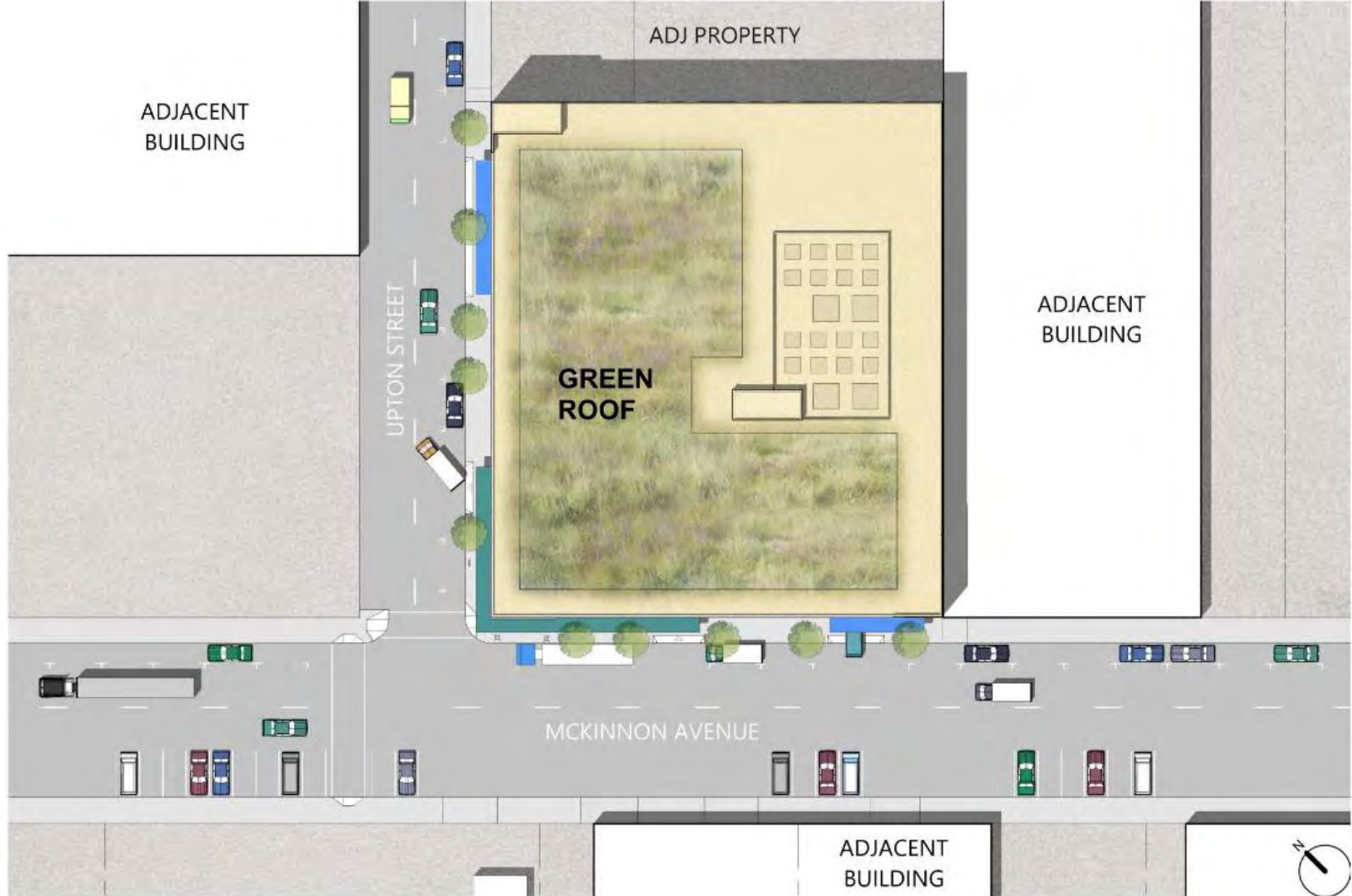


Looking NE from McKinnon Ave



Looking south from Upton Street





Ground Floor Plan



PDR Rendering



Building Rendering



Value of Self-Storage: Supports People in Transition & Small Businesses

Commerce

Approx. 25-30% of SS customers are small, local businesses

Examples: Electrical, plumbing & HVAC contractors, food & beverage automotive & furniture companies, wholesalers & distributors

On-site PDR tenants may store goods in self-storage

Moving

~50% of customers use space to support a home move

Affordable

More cost-effective than renting/purchasing a larger apartment, home or more warehouse space

Short term

Avg. length of stay is typically 10 months

Community Impact

Jobs

- 135 new high-paying union construction jobs via Project Labor Agreement
- 39 new permanent PDR jobs
- 7 new self-storage jobs
- Implement First Source across construction & permanent jobs
- Partner with local CBO to hire local entry level jobs

Improved Safety

- New infrastructure: roads, sidewalk, street trees
- Blight removal, reduced traffic
- Improved Connectivity, Circulation and Safety

Outreach: Who else should we be talking to?



Our questions for you:

- Potential PDR Tenants?
- Feedback on design?
- Other topics?



2270 McKinnon Ave

Bayview CAC Meeting

July 6, 2022

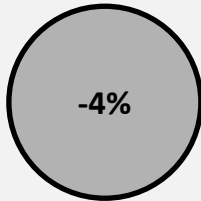
Building Elevations



The city really does need more self storage space

Storage inventory is actually shrinking (converted to office)...

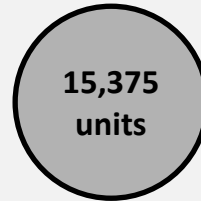
Storage inventory
change (5 yr)



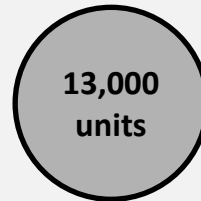
Source: Paragon

Meanwhile, residential
units continue to deliver...

New housing
(2010-2016)



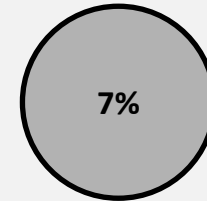
New housing
(2018-2021)



Source: Paragon

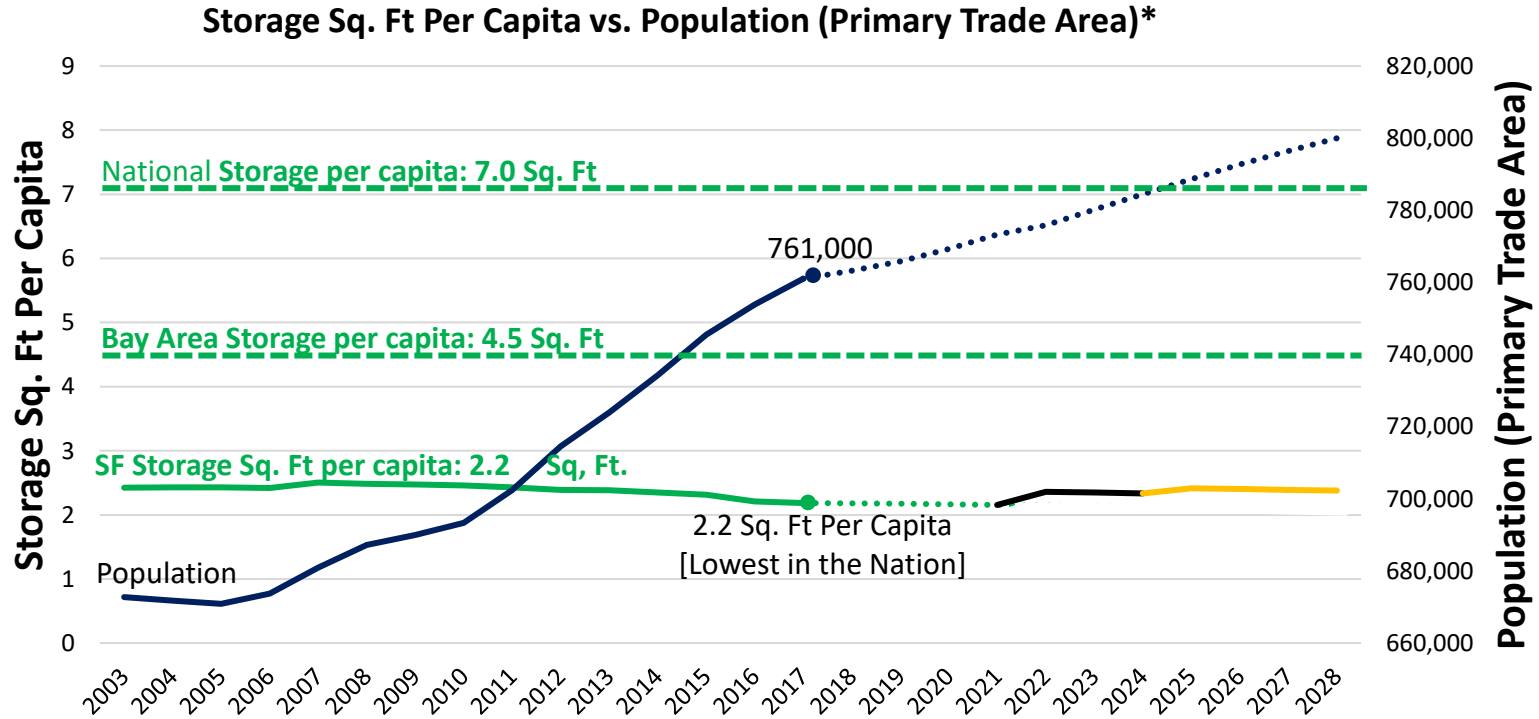
Residential units are
getting smaller...

Apartment size decrease
(2009->2016)



Source: Axiometrics; RCLCO

SF Self-storage Market In short Supply



**Based on Self Storage Almanac 2018 data and California Department of Transportation population growth forecast*

Bayview Hunters Point Citizen Advisory Committee
Project Questionnaire

Dear Project Sponsor:

Thank you for considering Bayview for your project. The Bayview Hunters Point Citizen Advisory Committee (CAC) is an advisory board tasked with providing policy advice on planning and land use matters in Zone 2 of Bayview/Hunters Point to the City of San Francisco (including the Board of Supervisors, the Planning Department and other applicable city boards and commissions).

We are providing you with this project information template so that the CAC will be best informed about your project so that your CAC presentation and Q&A session will be the most productive for you and the CAC. If there are any items below that are unfamiliar or not applicable to your project, please indicate this as needed.

Please Note: The CAC expects this questionnaire to be fully completed and the Project Sponsor to attend and be available to answer questions at your CAC presentation. Failure to do so may lead to a delayed decision regarding your project.

Thank you for your cooperation and we look forward to hearing about
your proposal. Bayview Hunters Point CAC

Project Name: 2270 McKinnon Ave Date: 6.29.22

Project Address: 2270 McKinnon Ave, San Francisco, CA

Project Sponsor: DECA

Project Sponsor Phone and Email: Travis Duncan 949.433.3460 travis.duncan@decaco.com

Architect: Jackson Liles Architecture

SF Planning Contact / rep: Xinyu Liang, (628) 652-7316, xinyu.liang@sfgov.org

Has a PPA (preliminary planning assessment) request been submitted? Yes. If yes, please attach a copy of the PPA letter (all pages) and any response from the San Francisco Planning Administrator, if received.

I. OVERVIEW

1. Is the project a primary or mixed-use development (e.g., housing + retail, office + housing, industrial + office, or clinic + housing, etc)? Please provide a brief overview of the type of project.

The project is a mixed-use PDR and self-storage project with the PDR occupying majority of the ground floor with self-storage on remainder of the ground floor and the upper levels. The project totals five stories and approximately 174,000 sf. The ground floor consists of primarily PDR space, and includes a small office, parking and operational space (trash, restrooms, transformer room) serving the self-storage use. The project anticipates creating 45 permanent jobs and 67 construction jobs.

II. RESIDENTIAL USES – N/A

(Please complete if residential use is part of the project. If no residential use is proposed, please skip this section).

The proposed project does not include any residential uses

2. Total number of units in the project: _____

Number of units for sale: _____

Number of units for rent: _____

3. Please describe the proposed overall mix of units for **sale** at market rates and percentage of AMI; and if applicable the units for **rent** and percentage of AMI.

4. Does your project plan include features or units that accommodate those with physical disabilities?

5. Please describe how many parking spaces are proposed for vehicles and/or bikes.

6. What is your connection to the Bayview Hunters Point Community? Please describe.

III. RETAIL/ OFFICE / COMMERCIAL USES -

(Please complete if retail/commercial use is part of the project. If no retail/commercial use is proposed, please skip this section).

Project is a mixed use project featuring PDR and Self-Storage. While City Planning Code classifies self-storage as retail, in many ways it functions as a commercial use similar to some PDR uses, serving both residents and small businesses.

7. Has an economic impact report been submitted by the project owner/sponsor?

A draft EIS by a 3rd party consultant has been prepared, submitted and is attached.

8. Has a business plan been submitted by the project owner/sponsor?

Please see the draft Economic Impact Report for a detailed description of the business plan. In summary, the PDR space on the ground floor will be leased to PDR tenants. The self-storage on the upper levels will be rented to both businesses and individuals looking for storage space.

9. Is this an established business with a demonstrated history of success?

Sponsor intends on utilize a self-storage property manager with a demonstrable record of success in and around San Francisco. PDR tenants are not yet known, though expected to be established businesses.

10. Is this a new business?

PDR tenants are likely to be existing businesses when eventually rented. The self-storage business will be new.

11. Is the business conducted by: a sole proprietor _____; a corporation X ; a non-profit org _____

12. Is the business part of a chain or stores or franchise?

The PDR tenants and SS facility operator is to be determined upon completion.

13. Is the project a:

retail sales operation Yes
wholesale distributor/ warehouse/storage Yes
industrial use/manufacturer Yes
office/business service Yes

14. Expected Annual gross sales expected at project site.

See draft Economic Impact Study for detailed description. With PDR users not yet know, it is impossible to estimate gross sales from that use. For the Self-Storage, small scale packaging goods (boxes, tape, packaging supplies) shall be sold on site expected to be \$5,000 - \$15,000 in monthly gross sales for such retail goods is anticipated. Rental rates for self-storage range based on market factors, vacancy rates, facility location, and storage unit location (elevator proximity, ground floor, etc.) and the provision of air conditioning.

15. Does the project provide a diversity in retail use for the area?

Yes, new PDR and Self- storage space are both in short supply in the City. The new ground floor PDR space should have users like: arts, food & restaurant, retail, furniture, caterers, trade offices and shops, and wholesale sales business, plus a wide variety of other possible uses. The project is designed to maximize the flexibility to accommodate a variety of users.

16. Are other similar type retail operations in proximity to the proposed project?

There are minimal new PDR spaces of this size in the market and there are 2-3 self-storage facilities within a half mile.

17. Is the project an anchor tenant in a larger retail/commercial complex? N/A

18. Is the project stand-alone storefront or office? N/A

19. Are residential tenants living in/above or adjacent to the project site? N/A

20. Is the project a potential catalyst for other activities?

Yes, the self-storage component is the catalyst that enables the PDR space on the ground floor. Furthermore, it improves the streetscape and the challenging circulation environment on Upton which is currently used as unpermitted pseudo-parking See #22 below for more detailed description.

Typical users of self-storage are those going through a move, while approximately 30% of self-storage users in urban locations like this are typically small, local businesses. While the uses do not cause these, they do reduce friction in the process.

21. Is the project a potential catalyst for other businesses?

Yes. See above. Also, the self-storage space can help nearby businesses manage inventory & equipment needs

22. Does the project contribute to the enhancement of the physical appearance of the site, street frontage, or complex which may generate similar renovations?

Yes – The current site is a surface parking lot for vehicle storage and maintenance and is in a poor state of repair. Additionally, most of the site perimeter has no sidewalk and the where the sidewalk would be (the public right of way) is littered with trash, automobile parts and has no area for safe pedestrian passage, forcing pedestrians to pass within the street. The new project will significantly enhance the streetscape with an entirely new sidewalk and street trees; providing safer public circulation and security, and produce significantly less traffic compared to the current use. The new building will be an attractively design, mixed-use structure that should enhance the neighborhood.

23. Does the project benefit from the Third Street Light Rail as a transit-oriented development?

While it is possible that some folks will access their storage units or PDR space via public transit, most people are likely to access the site with vehicles, as they are likely bringing or taking items to/from it. A traffic engineer has advised that a 12% % transit mode utilization may be possible driven by the employees commuting to the site.

24. Please describe how many parking spaces are proposed for vehicles and/or bikes for the retail/commercial portion of the project.

A total of 10 total parking spaces are proposed for the retail (self-storage) portion of the site including 3 on-site loading spaces and 1 off-site loading space. 4 class 1 bike spaces are proposed. PDR tenants will be able to park within their spaces should they elect to. 2 Class 1 bike parking spaces are proposed for the PDR uses.

25. What is your connection to the Bayview Hunters Point Community? Please describe.

DECA is a local SF development company, our office is in the Mission and all of our employees live in SF. We are excited to bring this project to life. Our architect, JLA is based in the Dogpatch, and has designed several projects in the Bayview Hunters Point Community including portions of the SF Market and Meals on Wheels.

IV. INDUSTRIAL USES

(Please complete if industrial use is part of the project. If no industrial use is proposed, please skip this section).

This project is a Commercial/Retail mixed-use project and is fully described in the section above.

26. Expected Annual gross sales expected at project site. _____ Est. Sales per Sq. Ft. _____.
27. Does the project provide a diversity in industrial use for the area.
28. Are other similar type industrial operations in proximity to the proposed project?
29. Is the project an anchor tenant in an industrial complex?
30. Does the project contribute to the enhancement of the physical appearance of the site, street frontage, or complex

which may generate similar renovations?

31. Please describe how many parking spaces are proposed for vehicles and/or bikes for the industrial portion of the project.

32. What is your connection to the Bayview Hunters Point Community? Please describe.

EMPLOYMENT IMPACT FOR BAYVIEW/HUNTERS POINT

33. Has the owner/sponsor identified a BVHP Community Based Organization (“CBO”) providing job training and referral to fulfill the basic employment requirements of the project? Which CBO or CBO’s?

We have begun initial conversations, but a CBO has not been selected yet. The General Contractor once selected will work through First Source and City Build once construction is due to begin.

34. Does the owner/sponsor have plans to incorporate youth internship opportunities for local resident youth in connection with the project? If so, please provide details.

This has not been contemplated, but we are open to ideas if the BVHP CAC has suggestions.

35. Will the project request proposals for pre-construction activities from local residents and/or local companies?

The sponsor is currently working with a small, local, woman-owned architecture firm as its architect – Jackson-Liles Architecture who is based in Dogpatch. Our Civil Engineer, Sherwood Engineers, is also based in SF.

36. Will the project provide opportunities for construction employment by local companies and/or local residents either directly or through an established Community Jobs Program?

Yes, the project will follow the City’s First Source program for the hiring of entry level construction personnel. Furthermore, the project is working towards a Project Labor Agreement to ensure local union workers will build the project.

37. Will the project provide entry-level employment opportunities for local individuals to enter the construction, service, and/or retail sectors as the basis for promotion to full time, fully benefited employment?

Yes, the project will utilize First Source for both its construction and operation of the building.

38. Will the project provide on-going and operational employment for local individuals?

Yes, the project will provide on-going and operational employment for local individuals through participation in the First Source hiring program.

39. Will the project provide opportunities for local Minority owned Business Enterprise (MBE) and/or Women owned Business Enterprise (WBE) to participate in the pre-construction, construction, and operational employment requirements?

Yes, where feasible, the general contractor will attempt to solicit Minority owned Business Enterprise (MBE) and/or Women owned Business Enterprise (WBE) enterprises for the construction of the project. We have a subcontractor list of firms that fit this criteria, and are always looking to add to it, if BVHP CAC has suggestions.

40. Note details of:

Designated primary CBO for training and employment: TBD, under discussion

Designated secondary CBO for training and employment: N/A

First Source Hiring Goals: Fully compliant with First Source for both construction and operations

Workforce Hiring Goals: Project Labor Agreement and include local, WBE and MBE on subcontractor bid lists.

Compliance officer identified for hiring implementation: Travis Duncan during pre-construction, General Contractor during Construction and Property Manager during operations.

41. Are the training and employment opportunities as outlined above, or in a separate MOU, Employment Agreement, or Contract acceptable to the PAC as a basis for endorsing this project?

We will sign an MOU with CCSF for First Source, and a Project Labor Agreement MOU with local unions regardless of the CAC's endorsement.

V. ECONOMIC IMPACT FOR BAYVIEW/HUNTERS POINT

42. Has the project owner/sponsor agreed to direct support of a CBO through fixed annual contribution, percentage of profit contribution, donation of goods or services?

This has not been contemplated to date.

43. Does the project involve ownership by a 'home grown' or locally owned business or micro-business?

The PDR space would be available to any and all businesses including locally owned. Due to the type and size of the location, we expect many local businesses to be attracted to the space.

44. Is there an opportunity for 'community ownership' or 'community investment' in this project?

None envisioned at this time; however PDR tenants would likely have long term leases and space from which to own and run their businesses.

45. If applicable, how will the project sponsor utilize the space during any period of entitlement or permitting? Has the project sponsor made any plans to mitigate negative impacts of site work or site closure? Please mention any local economic development agencies, merchant associations, small businesses, non-profits, or faith-based institutions that you will be working with on these mitigation efforts.

There is not expected to be a long-term vacancy between the departure of the existing tenant and the start of construction.

Other Comments:

+ Date and attach any and all letters of acknowledgment, notices or endorsement, resolutions, or memoranda to this

Draft Economic Impact Study dated 6.17.22

PPA Response from CCSF dated 4.19.22



PRELIMINARY PROJECT ASSESSMENT

Project Address: 2270 MCKINNON AVE
Case Number: 2021-001639PPA
Date: April 19, 2021
To: Rachel Holloway, Pennington LLP
From: Richard Sucre, Planning Department
Xinyu Liang, Planning Department

This Preliminary Project Assessment (PPA) provides feedback from the Planning Department regarding the proposed project at the property listed above, based on the information provided in the PPA application, the Planning Code, General Plan, Planning Department policies, and local, state, and federal regulations as of the date of this document, all of which are subject to change.

Please be advised that the PPA application does not constitute an application for development with the Planning Department. This PPA does not represent a complete review of the proposed project, does not grant a project approval of any kind, and does not supersede any required Planning Department approvals.

A Project Application may be submitted with the Planning Department within 18 months following the issuance of this PPA. After that time, this PPA is considered expired and a new PPA application will be required. The Project Application should include any supplemental applications for entitlement or required information for environmental review, as indicated in this PPA. The Project Application, and all supplemental applications, may be found here: <https://sfplanning.org/applications>

The Planning Department may provide additional comments once a Project Application has been submitted. While some approvals are granted by the Planning Department, some are at the discretion of other bodies, such as the Planning Commission or Historic Preservation Commission. Additionally, the project will likely require approvals from other City agencies. For more, see the Appendix C: Additional Policies and Requirements. You may contact Xinyu Liang, at 628-652-7316 or Xinyu.Liang@sfgov.org, to answer any questions you may have about this PPA, or to schedule a follow-up meeting with Planning staff.

Cc: Kelly Yong, Environmental Planning Division
Luiz Barata, Citywide Planning Division
Luiz Barata, Urban Design Advisory Team
Seung Yen Hong, Streetscape Design Team
Jonas Ionin, Director of Commission Affairs
planning.webmaster@sfgov.org

CPC.EPIntake@sfgov.org
Daniel Sheeter, SFMTA
Charles Rivasplata, SFMTA
Jerry Sanguinetti, Public Works
June Weintraub, Jonathan Parks, SFDPH
Dawn Kamalanathan, SFUSD



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Appendix E: Preliminary Street Design Comments

I. EXECUTIVE SUMMARY

Site Details

Block/Lot(s):	5285A/004
Parcel Area:	35,000 sq. ft.
Zoning District(s):	PDR-2 (Core Production, Distribution, and Repair) Industrial Protection Zone Special Use District
Height/Bulk District(s):	65-J Height and Bulk District
Plan Area:	Bayview Hunters Point

Project Description

The proposal is to demolish the existing private parking lot and accessory structure and construct an approximately 119,881-square-foot four-story self-storage building (the "Project").

Key Project Considerations

Any Project Application for the proposed project should consider and, to the extent feasible, address the following issues:

- 1. Bayview Hunters Point Area Plan.** The subject property falls within the area covered by the Bayview Hunters Point Area Plan in the General Plan. As proposed, the project is generally consistent with the overarching objectives of the Plan, though the project and design comments below discuss topics for which the project requires minor modification to achieve consistency. View the full plan at: https://generalplan.sfplanning.org/Bayview_Hunters_Point.htm
- 2. African American Arts and Cultural District.** This property falls within the African American Arts and Culture District (AAACD). The Cultural Districts represent a formalized, collaborative partnership between the City and community leadership, through which the City allocates resources to assist in stabilizing historically marginalized communities at risk of displacement. Before plan submission, the Planning Department recommends reaching out to the Cultural District as an opportunity for input. Please describe such outreach if conducted and identify any plan changes which are made as a result. The AAACD contacts are Ericka Scott (ericka@sfaacd.org) and Ebon Glenn (ebon@sfaacd.org).
- 3. Industrial Displacement and Growth.** The General Plan seeks to retain existing and attract new industrial activity to San Francisco and the Bayview (Commerce and Industry Policies 2.1 and 4.11). Public actions should avoid displacing viable industrial firms (Policy 3.4) and attempts should be made to relocate desired firms when they are displaced (Policy 4.4). The Project Sponsor should contact Jeremy Shaw at jeremy.shaw@sfgov.org to share the project's displacement strategies and coordinate further.
- 4. Neighborhood Coordination.** Bayview Hunters Point Area Plan Policy 4.1 calls for coordinating roadway improvements. The Project Sponsor should coordinate with the Street Design Advisory Team and

neighboring projects to ensure adequate neighborhood and workforce access in the area. Please note that Upton Street is a public street – it should be publicly accessible and built per Better Streets and Public Works standards. See Appendix E for related comments.

5. **Bayview Hunters Point CAC.** This Project is located in Zone 2 of Bayview and is subject to the Bayview Hunters Point Citizen Advisory Committee (CAC) Review. In addition, projects in this area that involve ten or more units or 25,000 or more square feet of commercial use require special coordination between Planning, Bayview Hunters Point Project Area Committee (PAC), and the Office of Community Investment and Infrastructure (successor to the Redevelopment Agency): [BVHP Project Area B Project Sponsor Handout 09 02 10.doc \(sfplanninggis.org\)](#).

In addition, applicants should review **Appendix C: Additional Policies and Requirements** prior to the submittal of any Project Application. This document provides important information about project review requirements and policies applicable to development projects in San Francisco.

Planning Code Review

The proposed project will be reviewed for conformity with the requirements of the San Francisco Planning Code, and as required by the California Environmental Quality Act (CEQA), upon submittal of a Project Application. Based on the information provided in the PPA application, a Project Application for the proposed project must include the following supplemental applications:

1. Conditional Use Authorization
2. Transportation Demand Management Program
3. Variance

For more information, including conformity of the proposed project with Planning Code requirements, and applicable Development Impact Fees, see **Appendix A: Planning Code Review Checklist**.

Please refer to the [Planning Director's Bulletin No. 1](#) for an overview of Development Impact Fees, and to the Department of Building Inspection's [Development Impact Fee webpage](#) for more information about current rates.

Project Sponsors are encouraged, and in some cases required, to conduct public outreach with the surrounding community and neighborhood groups early in the development process. Additionally, many approvals require a public hearing with an associated neighborhood notification. Differing levels of neighborhood notification are mandatory for some or all of the reviews and approvals listed above.

Environmental Review

The proposed project would require environmental review in accordance with the California Environmental Quality Act (CEQA). Based on preliminary review of the proposed project, the following would be likely to apply:

Likely Environmental Document: **Initial Study/Mitigated Negative Declaration**

The Project Application must include the following information to be deemed accepted:

- **Environmental Review Fees.** The sponsor will be notified of the fee amount after the department receives and processes the Project Application and updated plans.
- **Historic Resource Evaluation (HRE), Part 1 Draft**
- **Greenhouse Gas Analysis Compliance Checklist**
- **Geotechnical Study with Foundation Recommendations**
- **Proof of Maher Enrollment Application with the Department of Public Health**

Additional information noted in items 2.1(a) Proposed Scope of Work for consultant-prepared initial study (if this option is chosen), 2.3(a) Roadway changes – construction, 2.3(b) Roadway changes – operation, 2.4(b) Noise-mechanical equipment or other noise sources, 2.5(a) Air Quality-stationary sources, 2.8 Wind/Shadow-building setbacks, 2.10(a) Biological Resources-trees, 2.13 Additional-on-site and off-site locations and details of loading facilities, 2.14 Additional information-Air Quality/Noise/Vibration-construction equipment list.

For more information on what is required to be submitted as part of the Project Application, see **Appendix B: Preliminary Environmental Review Checklist.**

LAND USE:

Permitted Use	Conditional Use	Planning Code Section & Comment		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	210.3	PDR-2	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	249.22	Industrial Protection Zone SUD	The provisions of the M-1 and M-2 use districts established by Section 201 of this Code shall prevail except for Housing and Office Uses.
<i>Comments:</i> Self-Storage is a Retail use and is permitted on this site due to the SUD.				

CONDITIONAL USE AUTHORIZATION:

Required	Planning Code Section	
<input checked="" type="checkbox"/>	121.6	Large-Scale Retail Uses
<input checked="" type="checkbox"/>	303	Conditional Use Authorization
<p><i>Comments:</i></p> <p>Conditional Use Authorization is required. Please refer to Planning Code Section for the additional finding required under Planning Code Sections 121.6 or 303(i).</p> <p>Establishment of a single retail use in excess of 50,000 gross square feet in any zoning district other than the C-3 Zoning Districts shall require conditional use authorization pursuant to Section 303 unless such use already is prohibited. Also, establishment of a single retail use in excess of 120,000 gross square feet is prohibited in any zoning district other than a C-3 Zoning District.</p>		

OTHER REQUIRED APPROVALS:

Required	Planning Code Section	
<input checked="" type="checkbox"/>	305	Variance
<i>Comments:</i> Any building permit which seeks to reduce the floor-to-floor height to less than 17 feet shall require a variance as set forth in Section 305 of this Code. In order for the ZA to grant the variance, please demonstrate how plain and literal interpretation and enforcement of the Code would result in practical difficulties, unnecessary hardships, or where the results would be inconsistent with the general purpose of the Code.		

ADDITIONAL PLANNING CODE REQUIREMENTS:

Complies	Does Not Comply	Needs Info	Planning Code Section		Comments
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	102	Gross Floor Area	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	124	Floor Area Ratio	5:1
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	136	Permitted Obstructions	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	138.1	Streetscape Plan	See SDAT comment letter
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	139	Bird Safety	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	142	Parking Screening & Greening	

Complies	Does Not Comply	Needs Info	Planning Code Section		Comments
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	145.5	Ground Floor Standards in Industrial Districts	All new buildings constructed in Industrial Districts, as defined in Section 201, shall provide ground floor spaces with a minimum floor-to-floor height of 17 feet, as measured from grade. Any building permit which seeks to reduce the floor-to-floor height to less than 17 feet shall require a variance as set forth in Section 305 of this Code. Variance for new construction is generally not supported.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	149	Better Roofs/ Living Roof Alternative	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	151	Off-Street Parking	None required. Maximum 1.5 parking spaces for every three self-storage units. Please show parking lot design.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	152	Required Off-Street Loading	Please provide calculation of OFA. 60,001 - 100,000 OFA: 2 required Over 100,000 OFA: 3 plus 1 for each additional 80,000 sq. ft. Please identify the location and dimensions of loading spaces.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	154	Parking Dimensions	Every required off-street freight loading space shall have a minimum length of 35 feet, a minimum width of 12 feet, and a minimum vertical clearance including entry and exit of 14 feet with exceptions.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	155.2	Bicycle Parking	Class 1: One Class 1 space for every 40,000 square feet. 3 required. Class 2: none required.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	155.4	Required Showers & Lockers	Two showers and 12 clothes lockers where the Occupied Floor Area exceeds 50,000 square feet.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	166	Car-Share	0 required under 25 non-accessory parking spaces.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	169	Transportation Demand Management	Self Storage is under Category D (Other). Multimodal wayfinding signage is proposed. Please show the signage location on the site plan.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	202.7	Demolition of Industrial Buildings in PDR Districts	The existing private parking lot and accessory structure are considered an Automotive Use and are not Industrial Uses. Therefore, it is not subject to the Industrial Building Replacement Requirement.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	260(a)	Height Measurement	

Complies	Does Not Comply	Needs Info	Planning Code Section		Comments
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	260(b)	Exemptions from Height	Please provide dimension of the proposed elevator/stairs penthouse and any applicable mechanical equipment on the roof.
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	263	Height Limit, Special Exemptions	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	270	Bulk	65-J

DEVELOPMENT IMPACT FEES:

Required	Planning Code Section	
<input checked="" type="checkbox"/>	411A	Transportation Sustainability Fee (TSF)
<input checked="" type="checkbox"/>	413	Jobs-Housing Linkage Fee

TABLE 1. POTENTIAL ENVIRONMENTAL DOCUMENT

No. ¹	Document Type	Applicable to Proposed Project	Notes / Links	(For Dept. use upon submittal of Project Application) Accepted
1.1(a)	Considered a 'project' subject to CEQA review per section 15378 and 15060(c)(2)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<p>The proposal is a project subject to CEQA. The 35,000 square feet (sf) project site is located at the corner of McKinnon Avenue and Upton Street in the Bayview neighborhood on Assessor's Block and Lot 5285A/004. The site is currently used as a taxi-cab company with one existing 6,752 sf, single-story, 15-foot-tall building and an estimated seventy on-site parking spaces. The existing structure was constructed in 1968. There are not any on-site loading spaces or any open space. The project proposes to demolish the existing building and remove approximately fifty on-site parking spaces to construct an approximately 119,881 sf building with four stories, 40 feet in height, containing 111,073 sf of self-storage use. The project would include 8,808 sf of on-site parking for twelve vehicles, four loading spaces, and three Class 1 bicycle parking spaces all within the ground floor of the new building. The project would excavate 4 feet below grade and disturb approximately 5,185 cubic yards (cy) of soil. The project proposes to utilize a pile with pile cap and grade beam foundation. The project proposes two new curb cuts at 30 feet wide each on McKinnon Avenue and Upton Street for access to the loading area at the ground floor of the new building. Pedestrians would access the property via the self-storage office at the corner of McKinnon Avenue and Upton Street. The project would also install new 12-foot-wide sidewalks and eleven new street trees along the frontages of the proposed building along both McKinnon Avenue and Upton Street.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
1.1(e)	Requires an initial study to determine environmental document AND Likely to require a mitigated negative declaration	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> TBD	<p>The environmental review process for the project requires an initial study and the following topics may require mitigation: archeology, construction air quality, and construction noise. The project site is located near a known sensitive area for archeological resources. The project is also located in the air pollutant exposure zone (APEZ) and will require the use of low emission construction equipment. Due to the proposed use of piles and pile caps more information is needed to determine if a noise or vibration study is required which may identify the need for mitigation measures.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

TABLE 1. POTENTIAL ENVIRONMENTAL DOCUMENT

No. ¹	Document Type	Applicable to Proposed Project	Notes / Links	(For Dept. use upon submittal of Project Application) Accepted
1.1(f)	Optional use of general environmental consultant	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<p>The environmental document may be prepared by a professional selected from the department's general environmental consultant pool. Contact CPC.EnvironmentalReview@sfgov.org for list of eligible consultants, if use of a consultant is desired.</p> <p>Note: An initial study may be prepared by department staff. However, if analysis results in significant environmental impact(s) that cannot be mitigated to a less than significant level, an environmental consultant must be engaged to prepare the EIR.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

TABLE 2. REQUIREMENTS FOR AN ACCEPTED APPLICATION

Environmental review fees are required for a complete application.

Please submit both a word and pdf version of any required draft technical studies and scopes of work.

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.1(a)	Initial Study document preparation	Optional use of general environmental consultant	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<p>The project optionally could utilize a general environmental consultant to conduct the review under the department's supervision. Contact CPC.EnvironmentalReview@sfgov.org for list of eligible consultants. As part of a complete application, the consultant must submit a draft general environmental scope of work to the department.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

¹ Note: Numbers appear nonconsecutively because certain topics do not apply to the proposed project. These rows have been deleted for clarity.

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.2(a)	Historic Preservation	Requires consultant-prepared Historic Resource Evaluation (HRE), Part 1	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<p>The project proposes demolition of an on-site building that is over 45 years old and has not been evaluated for historic resource status (Category B). Whenever demolition of such a structure is proposed, a Historic Resource Evaluation Part I (HRE part 1) is required to determine if the property is a historic resource. Prior to submitting the Project Application, an HRE must be prepared by a qualified consultant selected from the department's historic resource consultant pool. Contact CPC-HRE@sfgov.org for a list of three consultants to choose from. The selected consultant must send a draft scope to CPC-HRE@sfgov.org and CPC.EPIntake@sfgov.org for department approval. The consultant must submit the first draft of HRE directly to the department at the time of the Project Application submittal. If the HRE part 1 finds the subject building is individually eligible for listing in the California Register of Historic Resources, then demolition of the building would be a significant and unavoidable historic resource impact and require an EIR be prepared.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.2(b)	Historic Preservation	Requires consultant-prepared Historic Resource Evaluation (HRE), Part 2	<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> TBD	An HRE Part 2 may be requested depending on the outcome of the HRE Part 1 review. If required, the department will determine whether a consultant-prepared report is necessary. If a consultant report is necessary, it must be prepared by a qualified consultant selected from the department's historic resource consultant pool. Contact CPC-HRE@sfgov.org for a list of three consultants to choose from. The consultant must send a draft scope to CPC-HRE@sfgov.org for department approval. The consultant must submit the first draft of HRE directly to the department.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(a)	Transportation	Roadway changes – construction	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe the location of any anticipated changes to roadways during construction, including the duration and location of temporary construction closure or relocation of travel lanes, sidewalks, bus stops, etc.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(b)	Transportation	Roadway changes – operation	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe the location and provide plans of typical roadway dimensions (e.g., lane dimensions/stripping plans, on-street parking; loading; and bike, transit, and travel lane), including identifying any non-typical roadway dimension (e.g., turn pockets, bulb outs).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(c)	Transportation	Requires School and Child Care Drop-Off & Pick-Up Management Plan Application	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project. As part of the project application, please include the required School and Child Care Drop-Off and Pick-Up application: https://sfplanning.org/resource/school-and-child-care-drop-and-pick-up-management-supplemental	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.3(d)	Transportation	Requires consultant-prepared School OR Child Care Transportation Study Scope of Work and Draft 1 Transportation Study	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project. A School OR Child Care Transportation Study must be prepared by a qualified consultant selected from the department's transportation consultant pool. Search for Transportation Consultant Pool under: https://sfplanning.org/permit/environmental-consultant-pools-and-sponsor-resources . The consultant must submit a scope of work to the planning department for review and approval. The consultant must also submit a first draft of study with the project application. The consultant must submit the draft study directly to CPC.TransportationReview@sfgov.org .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(e)	Transportation	Requires department transportation planner coordination	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> TBD	Not required for this project. At the time of the Project Application submittal, the department will assign a department transportation planner to coordinate on transportation topics as seen in the attached Scope of Work Checklist.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(f)	Transportation	Requires consultant-prepared Site Circulation Study/ or environmental document transportation Section	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> TBD	Not required for this project. For Site Circulation Study/Sections, the project sponsor shall select qualified consultant from the department's list of eligible Transportation consultants: https://sfplanning.org/permit/environmental-consultant-pools-and-sponsor-resources . At the time of the Project Application submittal, the selected consultant must submit a scope of work directly to the planning department for review and approval to CPC.TransportationReview@sfgov.org	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.3(g)	Transportation	Requires consultant-prepared Complex Transportation Study/or environmental document transportation Section Scope of Work and Draft 1 Study	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> TBD	Not required for this project. For Complex Transportation Study/Sections, contact CPC.TransportationReview@sfgov.org for a list of consultants prior to submitting the Project Application. At the time of the Project Application submittal, the selected consultant must submit a scope of work directly to the planning department for review and approval to CPC.TransportationReview@sfgov.org .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(h)	Transportation	Scope of Work Checklist	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project. Refer to attached checklist which lists the likely transportation study scope requirements.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.3(i)	Transportation	SFMTA Fees for Transportation	SFMTA fees <input type="checkbox"/> Transportation Review Fee: \$15,500 <input type="checkbox"/> Site-Circulation Review Fee: \$3,050 <input checked="" type="checkbox"/> Development Project Review Fee: \$1000	The project requires transportation analysis. At the time of the Project Application submittal, Sponsor to pay: SFMTA fees directly to: SFMTA Revenue Section Attn: David Kim One South Van Ness, 8 th Floor San Francisco, CA 94103. Make check(s) out to: SFMTA –2270 McKinnon Avenue, case number 2021-001639PPA. Accompanying the check, please provide a letter that indicates the Planning Department PPA case number, project address, and the number of checks enclosed and for the specific type of review (the development project review).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.4(a)	Noise	Requires consultant-prepared Noise Study/or environmental document noise Section Scope of Work	<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> TBD	Additional information is needed to determine if noise and/or vibration analysis is required. The PPA application states the intended use of piles with pile caps and grade beam foundation. Please provide more information on the pile system to be used, clarifying if these are driven or drilled piles. Also please complete the attached Construction Equipment list for construction phasing and anticipated types of construction equipment. At the time of the Project Application, along with the additional information the department will confirm if a study is needed. If so, the consultant (not subject to a pre-qualified department consultant list) must submit a draft Scope of Work to the department.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.4(b)	Noise	Mechanical equipment or other noise sources	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe the location and provide plans with the number and size (horsepower) of stationary sources or mechanical equipment (e.g. fans, HVAC, backup diesel generators, fire pumps) or other noise sources.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.5(a)	Air Quality	Stationary sources	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Please provide additional information regarding any stationary sources such as back up generators. The project sponsor must describe the location and provide plans with the number, size (horsepower), and engine tier level of stationary sources (e.g., backup diesel generators, fire pumps).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 2. REQUIREMENTS FOR AN ACCEPTED APPLICATION

Environmental review fees are required for a complete application.

Please submit both a word and pdf version of any required draft technical studies and scopes of work.

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.5(b)	Air Quality	Subject to San Francisco Health Code article 38	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project. The project site is within the air pollutant exposure zone (APEZ); however, it does not propose any air quality sensitive uses such as residential. More information about Health Code Article 38 is found here: http://www.sfdph.org/dph/eh/Air/default.asp .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.5(c)	Air Quality	Requires consultant-prepared Air Quality Study/ or environmental document air quality Section For Criteria Air Pollutants (CAP) AND Health Risk Scope of Work	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	An Air Quality study is not required as described below. The proposed project is below the CAP pollutant thresholds for the proposed land use type. The proposed project is below the criteria pollutant screening thresholds at approximately 111.1 ksf and 0.8 acres (compared with general light industry, a similar land use type to the proposed project). Construction activities within the APEZ zone are required to use low emission construction equipment. This may result in the project being subject to the construction air quality mitigation. Alternatively, the sponsor may choose to apply for clean construction priority processing pursuant to Director's Bulletin No. 2. More information about Director's Bulletin 2 in relation to clean construction equipment can be found here: https://sfplanning.org/resource/priority-application-processing-clean-construction-projects-db2-supplemental	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

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Environmental review fees are required for a complete application.

Please submit both a word and pdf version of any required draft technical studies and scopes of work.

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.6	Greenhouse Gas Emissions	Requires Greenhouse Gas Analysis Compliance Checklist	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must submit a Greenhouse Gas Compliance Checklist For Private Development Projects, found here: https://sfplanning.org/permit/environmental-consultant-pools-and-sponsor-resources under Document Templates and Checklists - Applications.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.7(a)	Wind	Requires consultant-prepared qualitative Wind Memorandum Scope of Work	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project as the project would not be tall enough to result in hazardous ground level wind. The wind consultant (not subject to a department pre-qualified consultant list) must submit scope of work for the memorandum. The memo could potentially conclude tunnel testing is needed.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.7(b)	Wind	Requires consultant-prepared quantitative Wind Study With Tunnel Testing Scope of Work	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> TBD	Not required for this project. The consultant (not subject to department list) must submit a scope of work to the department.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.8	Wind/Shadow	Building setbacks	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must provide labeled and dimensioned plans of building setbacks and coverage at each above-grade level, including height of the roof, parapet, ridge, towers, and penthouses.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.9	Shadow	Shadow Analysis	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	The department prepared the attached Shadow Fan which shows no new shadow on publicly accessible open space(s). No further shadow analysis is required.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 2. REQUIREMENTS FOR AN ACCEPTED APPLICATION

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.10 (a)	Biological Resources	Trees	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe location and show on plans the number of trees on, over, or adjacent to the project site, including those significant, landmark, and street trees (see Public Works article 16 for definitions) and those removed and added by the project.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.10 (b)	Biological Resources	Requires consultant-prepared Biological Resources Study Scope of Work	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> TBD	Not required for this project. The consultant (not subject to department list) must submit a first draft of the study.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.11 (a)	Geology and Soils	Project site slope	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not required for this project. The project sponsor must describe the average slope of the project site (in percentage).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.11 (b)	Geology and Soils	Requires Geotechnical Study with foundation recommendations that addresses liquefaction hazard zones.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The subject parcel is located in a liquefaction zone. Therefore, the project sponsor must submit Geotechnical Study prepared by a qualified civil or geotechnical engineer with foundation recommendations and that addresses liquefaction hazard zones.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.12 (a)	Hazardous Materials	Subject to Health Code article 22 (Maher Ordinance)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> TBD	The project site is located on the Maher map showing areas in the City with hazardous materials. The project sponsor must submit a copy of the Maher Application with proof of receipt from the department of public health. More information is found here: http://www.sfdph.org/dph/EH/HazWaste/hazWasteSiteMitigation.asp .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.12 (b)	Hazardous Materials	Cortese List [CA Government Code 65962.5(a)]	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	The project site is not on a list of places known to have past or current hazardous materials per Government Code 65962.5(a) .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 2. REQUIREMENTS FOR AN ACCEPTED APPLICATION

Environmental review fees are required for a complete application.

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No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Accepted Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
2.12 (c)	Hazardous Materials	Requires consultant-prepared Phase I Environmental Site Assessment (ESA)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> TBD	After enrollment in the Maher program, the Department of Public Health may require a Phase 1 ESA at which point Environmental Planning would also like to receive a copy of the report.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.13	Additional information	Loading: On-site and off-site locations and details of loading facilities	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	More information is needed regarding the on-site and any off-site loading spaces for the proposed project. The preliminary plans are currently unclear with respect to on-site and off-site loading facilities (existing and proposed – within the public right of way adjacent to the project site). Please identify all on-site/off-street and off-site/on-street loading facilities on plans submitted with the project application.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
2.14	Additional information	Air Quality/Noise/Vibration: Construction Equipment List	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Please complete the Construction Equipment list provided with this PPA checklist and submit it with the project application. As stated above, construction activities within the APEZ zone are required to use low emission construction equipment. Alternatively, the sponsor may choose to apply for clean construction priority processing pursuant to Director's Bulletin No. 2. More information about Director's Bulletin 2 in relation to clean construction equipment can be found here: https://sfplanning.org/resource/priority-application-processing-clean-construction-projects-db2-supplemental	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 3. POST-ACCEPTED APPLICATION REQUIREMENTS ²

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
3.1(b)	General	Other agency approvals	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must submit a list of anticipated permits and approvals from other agencies (e.g., SFMTA, SFPUC, Public Works, etc.).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.2	Archeology	Preliminary archeological review	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Department will conduct a preliminary archeological review. The project site is located in a known sensitive area for archeological resources and will likely result in archeological mitigation measures. Project sponsor must provide detailed information, including sections, on proposed soils-disturbing activities, such as grading, excavation, installation of foundations, soils improvement, and site remediation. Project sponsor must submit any available geotechnical/soils or Phase II environmental site assessment. The preliminary review could result in the requirement of a technical study.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.3(a)	Transportation	Sidewalk dimensions	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must provide existing and proposed sidewalk dimensions, taking into account presence and general location of physical structures.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.3(b)	Transportation	Intersection improvements	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe the location and type of existing and proposed intersection curb ramps, intersection crossing treatments (e.g., crosswalks), or traffic control devices (e.g., stops signs, gates, signals).	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

² Project sponsor must submit these materials after the department deems the project application accepted.

TABLE 3. POST-ACCEPTED APPLICATION REQUIREMENTS ²

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
3.3(e)	Transportation	Programmatic features – internal to buildings	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Please provide more information about the four proposed on-site loading spaces. The project sponsor must describe operations of vehicle stackers, elevators, turning tables, loading facilities, etc.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.3(f)	Transportation	Turning templates	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Please provide more information on the types of vehicles that will be utilizing the on-site loading area. The project sponsor must provide plans of vehicle turning templates, indicating the vehicle types.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.4(b)	Transportation / Noise / Air Quality	Construction – equipment	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe estimated number, size (horsepower), and use (daily and total) of construction equipment by type, including trucks and any impact equipment, by phase. The project sponsor must indicate whether nighttime construction could occur. SF Planning's construction equipment list is attached for use.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.4(d)	Transportation / Noise / Air Quality	Operation – waste facilities	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project sponsor must describe and provide plans of the location and dimensions of rooms for compost, recycling, and waste.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.6(b)	Hydrology and Water Quality	Stormwater and sewer management	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	The project would disturb an area of approximately 35,000 sf. Therefore, the project sponsor must describe stormwater retention, detention, infiltration, and treatment features proposed to meet requirements of Stormwater Management Ordinance .	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 3. POST-ACCEPTED APPLICATION REQUIREMENTS ²

No.	Environmental Topic	General Description of Requirement	Applicable to Proposed Project	Notes / Links / Application Requirements	(For Dept. use upon submittal of Project Application) Accepted
3.7(a)	Hazardous Materials	Requires consultant-prepared Phase II environmental site assessment	<input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> TBD	The Department of Public Health will review the Phase I Environmental Assessment, if requested or required, to determine if the project sponsor must conduct a Phase II Environmental Assessment or site characterization.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A
3.8	Geology and Soils: Paleontology	Preliminary Paleontological Evaluation	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Department will conduct a Preliminary Paleontological Evaluation. Project sponsor must provide detailed information, including sections, on proposed soils-disturbing activities, including the depth in feet and amount of excavation in cubic yards. Project sponsor must submit required geotechnical investigation with foundation recommendations. The preliminary review could result in a determination that the project requires mitigation measures.	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A

TABLE 4. ADDITIONAL INFORMATION

No.	Environmental Topic	General Description	Applicable to Proposed Project	Notes / Links
4.1	General	Resources	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Please see the following links for additional resources that may inform the environmental analysis: https://sfplanninggis.org/pim/ http://sfplanninggis.org/TIM/ http://sfplanninggis.org/Pipeline/
4.2	Tribal Cultural Resources	Consultation	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> TBD	The department will determine if notifying California Native American tribes regarding tribal cultural resources is required. Consultation with California Native American tribes regarding tribal cultural resources may be required at the request of the tribes. No additional information is needed from the project sponsor at this time.

Abbreviations:

CEQA: California Environmental Quality Act

EIR: Environmental Impact Report

SFMTA: San Francisco Municipal Transportation Agency

Attachments:

- Transportation Study Determination Form
- Preliminary Shadow Fan
- Construction Equipment List



Date: March 4, 2021
To: Lauren Bihl, Jenny Delumo, Ryan Shum, & Transportation Staff
From: Xinyu Liang

RE: Transportation Study Determination Request
Record No.: 2021-001639PPA, 2270 MCKINNON AVE
Neighborhood: Bayview
Zoning: PDR-2 (PDR PRODUCTION, DISTRIBUTION, AND REPAIR)
Area Plan: Bayview Hunters Point

Attached is information regarding the above project for which a determination of whether a transportation study (TS) is or may be required.

Helpful Links:

- SF Transportation Information Map (TIM): <https://sfplanninggis.org/tim/>
- SF Travel Demand estimate webtool: <http://sftraveldemand.sfcta.org>
- Caltrans Interactive Highway Map:
<https://caltrans.maps.arcgis.com/apps/webappviewer/index.html?id=04efb9a9f14c4da2aabd9ce36b7dda48>
- Development Pipeline Map: <http://sfplanninggis.org/pipeline/>

Environmental Coordinator completes this section:

To facilitate this determination, please fill-in the appropriate boxes below and save the requested information in M-Files (PPA or ENV record number for project). Email the record number with the Transportation Study Determination request form to CPC.TransportationReview@sfgov.org

Project Description & Transportation-Related Notes:

	Existing	Net Change	New Total	Notes
Street Frontage(s) (Street Names)	McKinnon Avenue			
Retail/Commercial GSF (note ground floor vs. elsewhere; Hotel)	0	111,333	111,333	910 Self-storage units on 4 floors
Industrial/PDR GSF	6,752	-6752	0	One story
On-Street Vehicle Parking (# of spaces or linear feet) & Street Name	Approx. 16 on Upton Street/ Approx. 8 spaces on McKinnon Avenue	n/a	n/a	Details for existing or proposed on-street vehicular parking not provided in project plans or application; Estimates from views on Google maps

Off-Street Vehicle Parking Spaces (number)	70	58	12	Ground floor
Off-Street Vehicle Parking and loading (sf)	28,248	-19,700	8,548	Ground floor inside the building
Off-Street Loading Spaces (number)	n/a	4	n/a	Existing information was not provided; Ground floor inside the building
On-Street Passenger Loading Space (linear feet of white color curb) & Street Name	n/a	n/a	n/a	Information not provided; from plans and application, it seems there is not any proposed on-street passenger loading.
On-Street Commercial Loading Space (linear feet of yellow color curb) & Street Name	n/a	n/a	n/a	Information not provided; from plans and application, it seems there is not any proposed on-street commercial loading.
Bicycle Parking-Class 1 (number)	0	3	3	Ground floor inside the building
Curb Cut (linear feet) & Street Name	Information on location and length of existing curb cuts is not provided and was hard to make out on Google maps; it does seem one curb cut/driveway approach will be removed on the east side of the property along McKinnon Avenue and also on the northwest side of the project along Upton Street. From the plans, it also seems they are proposing two curb cuts, one along the frontage in front of the loading dock on McKinnon (this may already be existing) and one on the other side of the building also adjacent to the loading dock on Upton Street. They may be planning to have trucks drive in one way and exit the other side.			
Additional Notes: The project proposes to add 11 new street trees along the perimeters of the building on both McKinnon Avenue and Upton Street. The proposed project location is not located within 300 feet of a hospital, fire or police station.				

Note: Sometimes applicants propose changes to project descriptions for development projects. If there is a substantial change in the project description after a TS Determination has been made, please consult with transportation staff (Transportation Office Hours on Wednesdays from 3:00 to 4:00 pm, or during TS Determination on Tuesdays from 11:00 am to 12:00 pm). Substantial changes will require a new TS Determination to be submitted.

- ☐ Would the project include a unique land use such as a recreational facility, concert venue, child care facility, school, homeless navigation center, or large land use such as Pier 70, seawall lot, etc.? (SF Travel Demand data output¹ not required for a TS Determination Request)

¹ If the project proposes a land use for which trip generation rates are not included in the *SF Transportation Impact Analysis Guidelines* (SF Travel Demand webtool), consult with transportation staff, and note specific transportation issues related to project.

- ☒ Would the project potentially add 50 or more dwelling units, or 5,000 square feet or more of non-residential uses, or 20 or more off-street vehicular parking spaces? (SF Travel Demand data output is required for a TS Determination Request)
- ☐ Would the project add a child care facility or school, or intensify a child care facility or school?
 # of students or children: Existing: _____ Net New: _____ Total: _____
 # of square feet: Existing: _____ Net New: _____ Total: _____
- ☒ Would project result in 300 project vehicle trips during the a.m. or p.m. peak hour?
- ☐ Would the project make alterations to Muni, or Other Regional Transit Agencies, or Public Works' public right-of-way, such as relocate, add, or remove a bus stop; propose a new color curb; remove an existing color curb; propose a use on public right-of-way such as reducing sidewalk width, remove or add a travel lane (including turn pockets), remove a parking lane, add a new street, add or remove a traffic signal, etc.?
- ☐ Would the project be located within 300 feet of a Caltrans right-of-way or be adjacent to a regional transit stop? (Review the Interactive Highway Map (link above) and the "Transit" tab in [TIM](#) to look up this information. Note: all highway ramps leading to these facilities are also within Caltrans jurisdiction.)
- ☐ Would the project include any frontage on a street designated on the high-injury network?
 If so, which street? (Review the "Safety" tab in [TIM](#) to look up this information)
- ☐ Would the project exceed the amount of off-street vehicular parking permitted:
☐ By right? or
☐ With a Conditional Use Authorization as per the Planning Code?
- ☐ Would the project exceed the Vehicle Miles Traveled (VMT) and vehicular parking map-based screening criteria? Review the "Vehicles & Parking" tab on [TIM](#) to ensure that it is located in an area that exhibits Regional Average VMT minus 15% based on the proposed principal use.
- ☐ Additional screening criteria for VMT: Does the project contain the following features? (check this box if *either* of the boxes below are checked)
☐ Does the project qualify as a "small project"? or
☐ Is the project site in proximity to a transit station? (must meet all four sub-criteria)
- Located within one-half mile of an existing major transit stop; and
 - Would have a floor area ratio greater than or equal to 0.75; and
 - Would result in an amount of vehicle parking that is less than or equal to that allowed by the Planning Code without a Conditional Use Authorization; and
 - Is consistent with the Sustainable Communities Strategy?
- ☒ Does the project contain transportation elements? (check this box if either of the boxes below are checked)
- ☒ Does the project qualify as an "active transportation, rightsizing (also known as 'Road Diet') and Transit Project"? They may be installing sidewalk and are installing street trees where they are not in existence. or

☒ Does the proposed project qualify as an “other minor transportation project”? The project will include the removal of off- and/or on-street vehicular parking spaces

☐ Would the project exceed the transportation-related construction screening criteria? (Check this box if either 1b, 1c, or 1d and 2b or 2c are filled-in)

1) Project Site Context

☐ (a) Information unavailable; or

☒ (b) Amount of excavation would be more than two levels below ground surface; and/or

☐ (c) Amount of demolition would result in more than 20,000 cu yards of material removed from the site.

☐ (d) Presence of transportation facility used by a substantial number of people would require closure or substantial relocation. For example, the project would close off a street used by public transit or emergency service operators.

Notes: _____

2) Construction Duration and Magnitude

☒ (a) Information unavailable; or one of the options below:

☐ (b) Construction is anticipated to be completed in 30 months or more.

☐ (c) Construction of project would be multi-phased (e.g., construction and operation of multiple buildings planned over a long time period)

Notes: _____

SDAT Criteria that would require review by the Street Design Advisory Team

Check the appropriate box(es) if the project involves any of the following:

Better Streets Plan required per Planning Code [138.1](#):

☒ On a lot greater than one-half acre; or

☒ Includes more than 50,000 gross square feet (per PC sec. [102](#)) of new construction; or

☒ Contains 150 feet (or more) of lot frontage on one or more public rights-of-way; or

☐ Frontage encompasses the entire block face between the nearest two intersections with any other publicly accessible right-of-way

AND

☐ New construction of 10 or more dwelling units; or

☒ New construction of 10,000 gross square feet or greater of non-residential space; or

☐ Addition of 20% or more of gross floor area to an existing building; or

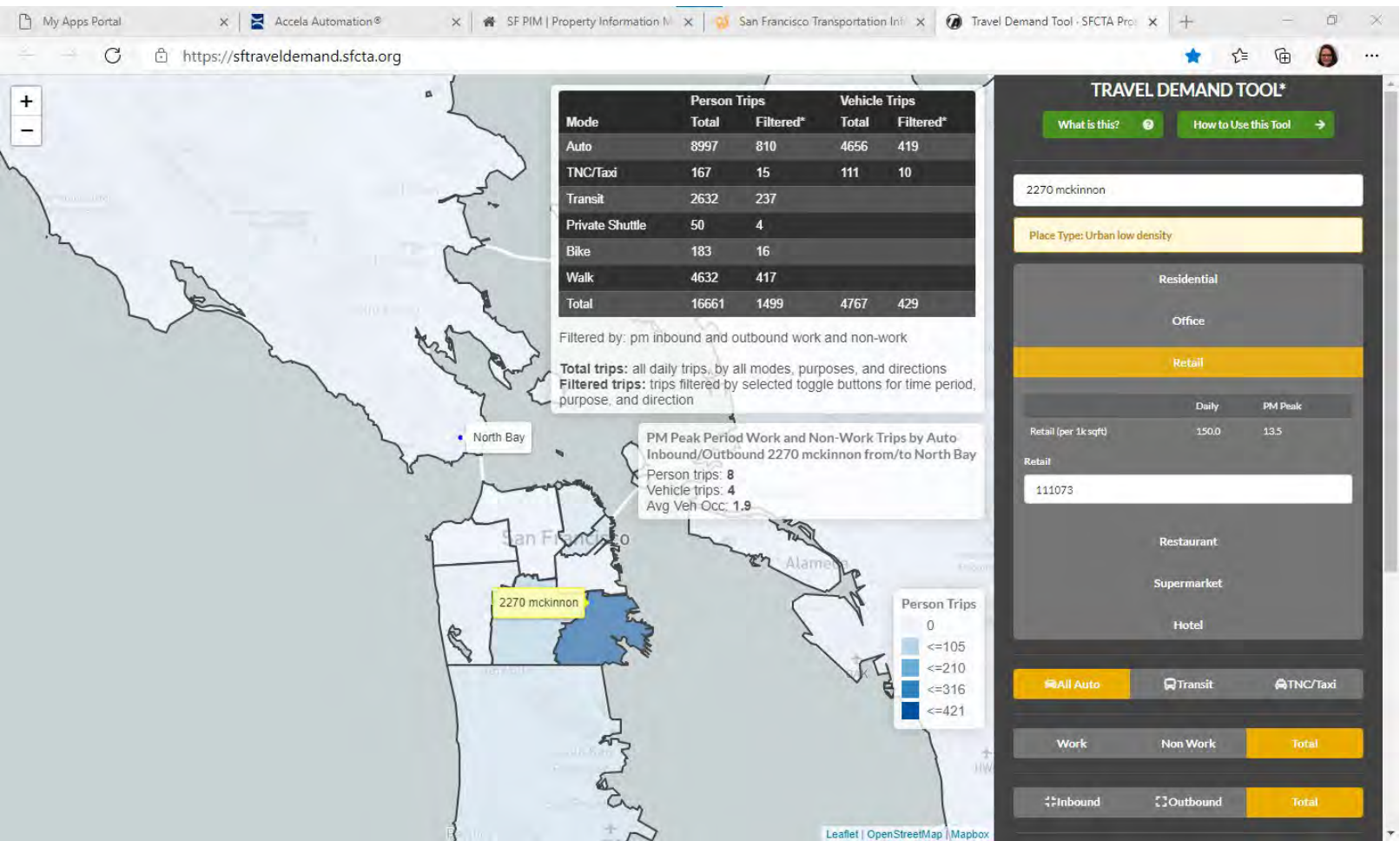
☒ Change of use of 10,000 gross square feet or greater of a PDR use to non-PDR use

☒ Other: (e.g., curb line modification, shared street, high-injury network, etc.)

UDAT Criteria that would require review by the Urban Design Advisory Team

Check the appropriate box if the project involves any of the following:

- ☐ Development proposes new porte cochere or other type of off-street sidewalk level vehicular driveway, typically used for passenger loading/unloading, between the building and the public right-of-way; or
- ☐ Development is seeking an exception for off-street loading (freight, service, or tour bus) requirements; or
- ☐ Development is seeking a conditional use for additional vehicular parking; or
- ☐ Development is proposing vehicular parking for non-accessory uses (i.e., private or public parking garage/lot); or
- ☒ Development is proposing greater than 50 vehicular parking spaces for residential and office uses or greater than 10 vehicular parking spaces for retail uses; or
- ☒ Development is proposing to retain or alter an existing curb cut, but with increased vehicular activity (i.e., greater than 50 vehicular parking spaces for residential and office uses or greater than 10 vehicular parking spaces for retail uses); or
- ☒ Development triggers large project requirements of Planning Code section 138.1 (Better Streets Plan); or
- ☒ Development is proposing a new curb cut within 15 feet of another curb cut, greater than 15 feet in width for dual-lane vehicular parking garages, greater than 24 feet in width for dual-lane large truck loading bays, a combined parking/loading curb cut greater than 27 feet, or a total of more than 30 feet of curb cuts (e.g., multiple driveways); or
- ☐ Development is proposing a new curb cut along a street identified within Planning Code section [155\(r\)\(1\)\(2\)\(3\)\(4\)\(5\)](#). Please review the “Ped & Bike” tab in [TIM](#).



Transportation Study Determination Team completes this section:

Please indicate the determination of whether a transportation study is required below.

PPA Record (check all that are applicable):

- ☐ Consultant-prepared Complex Transportation Study/Section, or Site Circulation Study, is not likely required
- ☐ Consultant-prepared Complex Transportation Study/Section is likely required (see Scope of Work Checklist)
- ☐ Consultant-prepared Site Circulation Study (e.g., School) is likely required (see Scope of Work Checklist)
- ☐ Transportation Planner Coordination is likely required (see Scope of Work Checklist)
- ☐ SFMTA Consultation

Reason for TS determination:

- ☐ Low p.m. peak volume of vehicle trips compared to existing conditions.
- ☐ Other:

ENV Record (check all that are applicable):

- ☐ Consultant-prepared Complex Transportation Study/Section, or Site Circulation Study, is not required
- ☐ Consultant-prepared Complex Transportation Study/Section is required (see Scope of Work Checklist)
- ☐ Consultant-prepared Site Circulation Study (e.g., School) is required (see Scope of Work Checklist)
- ☐ Transportation Planner Coordination is required (see Scope of Work Checklist)
- ☐ SFMTA Consultation

Reason for TS determination:

- ☐ Low p.m. peak volume of vehicle trips compared to existing conditions.
- ☐ Other:

Environmental Coordinator / Assigned Planner: Please review all comments in the next two pages.

Determined by:

Date:

Comments to Sponsor Regarding the CEQA Transportation Review (check all that are applicable):

- ☐ The Department has determined that this is a complex project. Complex projects are multi-phased, require a large infrastructure investment, include both programmatic and project-level environmental review, or are of statewide, regional, or area-wide significance as defined in CEQA. A list of three consultants will be provided to the applicant.
- ☐ The Department has determined that this is a regular project or a project that requires site circulation. Site circulation or regular projects are projects that require analysis of one or more transportation topics within a geographic area that may include the project block or extend beyond the project block. Project sponsors may select any consultant from the pool for regular projects.
- ☐ Please submit the Transportation Study fee [\$26,330/\$27,310] payable to the San Francisco Planning Department ("Transportation Review or Study" fee) and address the payment to Virna Byrd.
- ☐ Please submit the Site Circulation Review fee [\$9,560/\$9,916] payable to the San Francisco Planning Department ("Transportation Review or Study" fee) and address the payment to Virna Byrd.
- ☐ Please submit the SFMTA \$15,500 Complex Transportation Review fee payable to the SFMTA.
- ☐ Please submit the SFMTA \$3,050 Site Circulation Review fee payable to the SFMTA.
- ☐ Please submit the SFMTA \$1,000 Development Project Review fee payable to the SFMTA.

The contact person at SFMTA responsible to receive these fees is:

SFMTA Revenue Section
Attn: David Kim
One South Van Ness Avenue, 8th Floor
San Francisco, CA 94103
Phone: (415) 646-2192 or David.Kim@sfmta.com

Additional Comments to Sponsor:

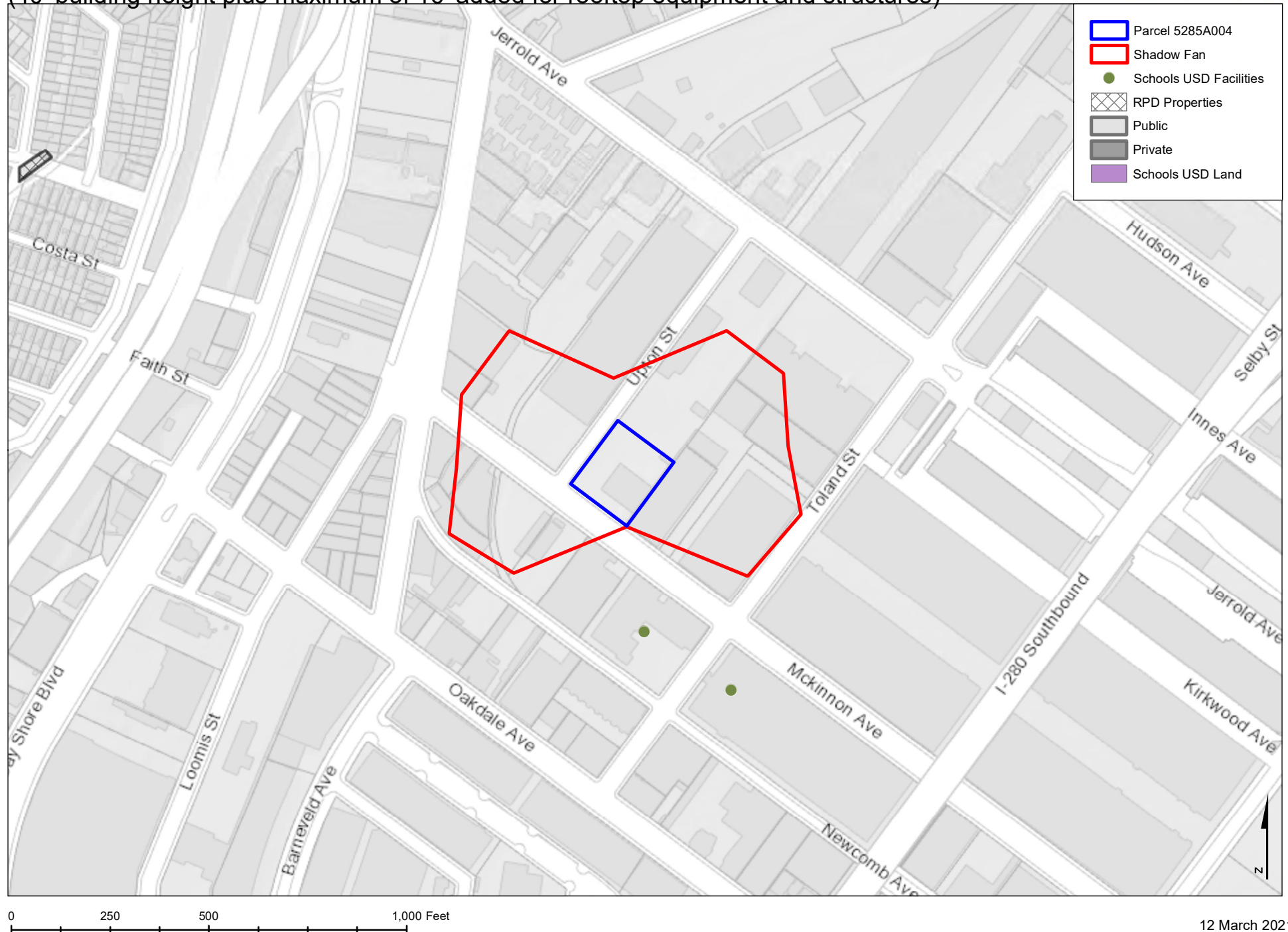
- ☐ Please provide two separate checks for payment.
- ☐ Other: _____

Comments to Staff (check all that are applicable):

- ☐ ENV / EP Transportation Planner should conduct a site visit to identify any potential hazards for people walking, bicycling, riding transit, or driving.
- ☐ ENV/PPA or EP Transportation Planner should bring this project to SDAT.
- ☐ ENV/PPA or EP Transportation Planner should bring this project to UDAT.
- ☐ ENV Planner / EP Transportation Planner should coordinate with Caltrans on:
- ☐ ENV Planner / EP Transportation Planner should attend Color Curb Office hours: _____
- ☐ ENV Planner / EP Transportation Planner should coordinate with Other Transit Agencies on:

Additional Comments to Staff:

2270 McKinnon Avenue-Run at a building height of 56'
(40' building height plus maximum of 16' added for rooftop equipment and structures)





SAN FRANCISCO PLANNING DEPARTMENT

MEMO

Sample Construction Air Quality and Noise Information

Please request the following information for Construction from the project sponsor.

Project Address: _____ Project Case No.: _____

Step 1: Obtain basic construction information:

- Overall construction schedule (number of months or weeks)
- Cubic yards of material transport, separated by import and export.

Step 2: If it is determined that modeling will be required for construction (i.e., for criteria air pollutants and/or health risk), obtain the following additional information:

- Phases using the following categories:

Construction Phase	Definition	Associated Schedule	Total Acres Disturbed	Material Imported/Exported
Demolition (Make sure you identify the square footage of buildings to be demolished.)	Involves tearing down of buildings or structures.			
Site Preparation	Involves clearing vegetation (grubbing and tree/stump removal) and stones prior to grading			
Grading	Involves the cut and fill of land to ensure the proper base and slope for the construction foundation			
Building Construction	Involves the construction of structures and buildings			
Architectural Coatings	Involves the application of coatings to both the interior and exterior of buildings or structures			
Paving	Involves the laying of concrete or asphalt such as in parking lots or roads			
Other:	Provide a general description if the phase does not fit within the above definitions			

b. Equipment Type (if known – can use defaults in CalEEMod)

Equipment Type	Associated Horsepower	No. of Equipment	Associated Construction Phase	Hours per Day	Total Number of Days in Construction Phase
Aerial Lifts					
Air Compressors					
Bore/Drill Rigs					
Cement and Mortar Mixers					
Concrete/Industrial Saws					
Cranes					
Crawler Tractors					
Crushing/Processing Equipment					
Dumpers/Tenders					
Excavators					
Forklifts					
Generator Sets					
Graders					
Off-Highway Tractors					
Off-Highway Trucks					
Other Construction Equipment					
Other General Industrial Equip					
Other Material Handling Equip					
Pavers					
Paving Equipment					
Plate Compactors					
Pressure Washers					
Pumps					
Rollers					
Rough Terrain Forklifts					
Rubber Tired Dozers					
Rubber Tired Loaders					
Scrapers					
Signal Boards					
Skid Steer Loaders					
Surfacing Equipment					
Sweepers/Scrubbers					
Tractors/Loaders/Backhoes					
Trenchers					
Welders					

San Francisco's residents, employees, and visitors benefit the most from project designs that are innovative, thoughtful and well-coordinated early in the development process. As sponsors refine their projects based on comments in this PPA letter, they should also consider how to implement the policies and regulations below. Project sponsors are advised to work with the relevant City agencies listed below to confirm details and potential updates.

ENVIRONMENTAL SUSTAINABILITY

- 1. Green Building, Climate, and Energy.** San Francisco has committed to achieving net-zero greenhouse gas emissions (GHGs) by 2050, aligning with other global cities in support of the Paris Climate Accords. Today, almost half of local GHGs come from buildings. The San Francisco [Green Building Code](#) (GBC) outlines LEED certification and other green building requirements. Projects are encouraged to work with Planning, SF Environment (SFE) and the Department of Building Inspection (DBI) to determine how to meet or exceed GHG requirements. Potential strategies include passive design; renewable energy generation, all-electric systems, and 100% green (GHG-free) power purchases. Visit sfenvironment.org/buildings-environments/green-building for more information.
- 2. Better Roofs.** The Better Roofs Ordinance requires projects to install solar power (photo voltaic and/or solar thermal systems) on at least 15% of cumulative roof area, living (green) roofs on 30%, or a combination of both. The Better Roofs program provides guidance to meet or exceed these requirements, which can also support a variety of other sustainability goals. Please see <http://sf-planning.org/san-francisco-better-roofs> for more information, including the Planning Department's Living Roof Manual.
- 3. Clean Energy.** San Francisco City Administrative Code Article 99 requires the San Francisco Public Utilities Commission (SFPUC) to consider providing 100% greenhouse gas-free electric service (Hetch Hetchy power) for all eligible new development, including large infill buildings and redevelopment projects typically over 50,000 square feet or with substantial electrical loads. Smaller private projects can take advantage of other SFPUC clean power programs, including CleanPowerSF and GoSolarSF. To apply for GHG-free electricity or for more information, contact HHPower@sfwater.org or visit <https://sfwater.org/index.aspx?page=1209>.
- 4. Recycled Water Use.** Certain projects located in San Francisco's Recycled Water Use areas are required to install recycled water systems ("purple pipe") for irrigation, cooling, and/or toilet and urinal flushing, per Article 22 of the San Francisco Public Works Code. New construction or major alterations with a total cumulative area of 40,000 square feet or more; any new, modified, or existing irrigated areas of 10,000 square feet or more; and all subdivisions are required to comply. For more information, visit: sfwater.org/index.aspx?page=687.
- 5. Non-Potable Water.** All new development of 250,000 square feet of gross floor area or more must use non-potable water for 100% of flushing and irrigation demands (and ideally HVAC cooling). Subject projects must install non-potable water reuse systems or partner with adjacent developments to treat and reuse available alternate water sources. Example sources include graywater (from laundry and showers), rain water, foundation drainage, and more. Applicable projects need approvals from the SFPUC and permits from the Department of Public Health (DPH) and DBI. Projects greater than 40,000 square feet are required to complete and submit a water balance study. For more information, visit <http://www.sfwater.org/np>.
- 6. Stormwater.** Any project disturbing 5,000 square feet or more of ground surface is subject to the Stormwater Management Ordinance. Applicable projects must prepare a Stormwater Control Plan and a signed maintenance agreement, which must be approved by the SFPUC before site or building permits may be issued. Projects are encouraged to focus on green infrastructure (e.g. open space, rooftop, sidewalk treatments) that maximizes co-

benefits for other sustainability requirements. For more information, contact stormwaterreview@sfgwater.org or visit <http://sfgwater.org/sdg>.

7. **Flood Notification.** Applicants for building permits for new construction, change of use or occupancy, or major alterations or enlargements must initiate contact with the SFPUC to determine whether the project would result in ground-level flooding during storms. Project sponsors may be required to include measures to ensure positive sewage flow, raise entryway elevation, and/or special sidewalk construction and deep gutters. Side sewer connection permits need to be reviewed and approved by the SFPUC at the beginning of the review process for all permit applications submitted to SF Planning or DBI. For more information visit: <https://sfgwater.org/index.aspx?page=1316>.
8. **Water.** A hydraulic analysis will be required to confirm the adequacy of the water distribution system for proposed new potable, non-potable, and fire water services. If the current distribution system pressures and flows are inadequate, the project sponsor will be responsible for any capital improvements required to meet the proposed project's water demands. To initiate this process, please contact the SFPUC Customer Service Bureau at 415-551-2900 or contact cddengineering@sfgwater.org. The project sponsor will be required to design all applicable water facilities, including potable, fire-suppression, and non-potable water systems, to conform to the current SFPUC City Distribution Division (CDD) and San Francisco Fire Department (SFFD) standards and practices. For more information, visit: <https://sfgwater.org/index.aspx?page=574>.
9. **Residential Water Submetering.** New multi-family residential buildings are required to comply with residential water submetering requirements set forth in the California Water Code (Division 1, Chapter 8, Article 5, Section 537-537.5) by Senate Bill 7 and enforced in San Francisco by the SFPUC. As a condition of the site permit issuance and water service, applicable site plans must indicate that each dwelling unit will be submetered. The SFPUC will review plans for compliance only for projects that apply for a site permit from DBI and for new water service from SFPUC after January 1, 2018. For more information on this requirement, visit <https://sfgwater.org/reqs/submetering>.
10. **Refuse Collection and Loading.** All buildings must include spaces for collecting and loading recycling and composting in common and private areas. Composting and recycling must be as or more convenient than waste disposal. Design and implementation assistance is available from the San Francisco Department of the Environment's Zero Waste Team by calling 415-355-3700 or visiting <https://sfenvironment.org/recycling-composting-faqs>.
11. **Biodiversity.** The San Francisco Biodiversity Resolution establishes biodiversity as a citywide priority to elevate the conservation and stewardship of local native species and habitats. Projects are encouraged to support the City's vision of climate-resilient ecosystems by amplifying greening throughout all public spaces, yards, rooftops, and facade walls. Please see the City's Plant Finder tool to identify native species most appropriate for your project: www.sfplantfinder.org.
12. **Green Connections.** Green Connections are the City's comprehensive network of streets identified as key opportunities to be greener and healthier streets for walking, biking, and active transportation, especially connecting parks and open spaces. Projects along a Green Connection, should incorporate designs from the Green Connections Design Toolkit at <https://sfplanning.org/project/green-connections>. Identify if your parcel is on a green connection at <https://sfplanninggis.org/TIM>.

TRANSPORTATION

13. **Electric Vehicles** [GBC Sec 4.106.4.1–2]. To support the transition to zero-emission vehicles, projects are required to support electric vehicle infrastructure in off-street parking facilities. Please refer to the City standards on the number, location, and size of EV charging spaces, as well as the requirement to service 100 percent of off-street parking spaces with adequate electrical capacity and infrastructure to support future EV charging stations. For more, visit sfenvironment.org/clean-vehicles/overview/clean-fuels-and-vehicles.
14. **Bike Share**. The region is expanding its Bike Share Program, including many new Bike Share Stations throughout San Francisco and the introduction of electric options. Projects should consider any existing or planned bikeshare stations nearby and receive TDM points for subsidizing bike share memberships. For more, visit <https://www.lyft.com/bikes/bay-wheels/expansion>.

ADDITIONAL CONSIDERATIONS

15. **Civic Design Review**. The Civic Design Review Committee, a sub-committee of the Arts Commission, reviews new and renovated structures on (or, sometimes adjacent to) City property to ensure design excellence for San Francisco's civic facilities and structures. Please see the Civic Design Review Guidelines at <https://www.sfartscommission.org/sites/default/files/CDR%20Guidelines%20Fall%202019.pdf>
16. **First Source Hiring Agreement**. A First Source Hiring Agreement is required for any project proposing to construct 25,000 gross square feet or more. For more, visit <https://oewd.org/first-source>
17. **Noise Regulations Relating to Residential Uses Near Places of Entertainment (POE)**. New residential developments within 300 feet of a POE must complete the Entertainment Commission outreach process and record a Notice of Special Restrictions (NSR). For these projects, the Planning Department will not consider an application complete until (A) the Entertainment Commission has provided written notification to the Planning Department indicating that it either did not wish to hold a hearing, or that it held a hearing and the Project Sponsor attended; and (B) The Project Sponsor has included a copy and the date(s) of any comments and/or recommendations provided by the Entertainment Commission. For more information, visit: <https://sfgov.org/entertainment/developers-and-project-sponsors>.

NEIGHBORHOOD CONTEXT

The neighborhood is characterized by one- and two-story warehouses and industrial buildings that are interspersed with parking lots and/or yards dedicated to industrial operations. The industrial buildings in this area are characterized by large roll-up metal garage door openings and minimal number of windows. Arched, gable roof, and large flat roofs are predominant in this area. The rooflines reveal skylights and other ventilation and mechanical features. The typical building materials are concrete, plaster, metal siding, and concrete blocks.

COMPLIANCE WITH DESIGN GUIDELINES

Due to its type or location, the project is required to comply with the following design guidelines:

Industrial Area Design Guidelines	
GUIDELINES NOT CURRENTLY MET	RECOMMENDATIONS FOR COMPLIANCE
Competing land-uses, such as live / work housing and office / multimedia buildings, have emerged in industrial areas. As this pattern of development continues, it is important to maintain and enhance the character of industrial areas in order to preserve San Francisco's diverse and rich architectural heritage.	Provide internal layout for typical self-storage floor plan, demonstrating / clarifying internal partitions, unit cells, internal circulation, freight elevator access, HVAC and security systems, and space relationships with windows on façades.
Respect the prevailing industrial scale, pattern and architectural character of predominantly industrial blocks	Provide minimum 17' height at ground floor (also please see code review's comments).
Utilize innovative materials and design that enrich the architectural character of predominantly industrial areas	Improve architectural corner expression of building at McKinnon Avenue and Upton Street.

For a full list of guidelines that may apply to this site, refer to the "Design Guidelines" link under the zoning tab when researching the property on the Planning Department's Property Information Map.

STREET DESIGN REVIEW

The Street Design Advisory Team (SDAT) is an inter-agency review body that provides street design guidance for projects subject to the streetscape and pedestrian improvement requirements established in the Better Streets Plan, or any project proposing work in the public right-of-way. SDAT includes representatives from The Planning Department, Department of Public Works, Municipal Transportation Agency (SFMTA), San Francisco Fire Department (SFFD), and the San Francisco Public Utilities Commission (SFPUC). SDAT reviewed the proposed project on March 22, 2021 and provides the following comments:

Site Conditions

(See Transportation Info Map <https://sfplanninggis.org/TIM/>)

- | | |
|----------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Vision Zero Network High Injury | <input type="checkbox"/> Transit Preferential Street |
| <input type="checkbox"/> Bicycle Network | <input type="checkbox"/> Key Walking Street |
| <input type="checkbox"/> Green Connections Network | <input type="checkbox"/> Curb Cut Restriction |
| <input type="checkbox"/> Muni Corridor | <input type="checkbox"/> SFMTA or Public Works Projects |

Conditions Requiring Street Design Review

- ☒ Planning Code 138.1 (required streetscape improvements per the Better Streets Plan)
- ☐ Vision Zero
- ☐ Other:

Based on the information provided in the PPA Application:

- ☐ **Development Application will not require SDAT review.**
- ☒ **Development Application will require SDAT review.** The proposed project will require SDAT review upon submittal of the first Development Application. Any Development Application for a project requiring SDAT review shall include the required elements for a Streetscape Plan outlined in the Plan Submittal Guidelines here: http://forms.sfplanning.org/Plan_Submittal_Guidelines.pdf

REQUIRED STREETScape FEATURES

Based on a preliminary interagency review, SDAT anticipates the project would be required to install the following streetscape features. Be aware that these recommendations are subject to change.

1. Sidewalk widening (required per Planning Code Sec. 138.1)

- The sponsor is required to improve and maintain both the Upton Street and McKinnon Ave frontages up to the centerline of the street, as well as to bringing that portion of the street up to City standard.
- The submitted plans show 12' sidewalks along the project's Upton and McKinnon Avenue frontages.
- For the McKinnon Avenue frontage, the legislated sidewalk width is 10'. SDAT requires keeping the existing curb location as it is. The sponsor shall provide civil drawings showing existing curb location in relation to the project property line.
- The project is required to install a 10' wide sidewalk along the project's Upton Street frontage and convert on-street parking to parallel parking. The project is responsible for any street improvements and utility work associated the construction of the sidewalk, including re-grading the roadway. Further coordination and studies may be necessary related to ADA access, sewer, water, and dry utility connections. The sidewalk width may be revisited up on review of loading operations plan and turn templates (see Comment #3).
- As part of the Upton Street improvements, on-street parking shall be reconfigured from diagonal parking to parallel parking. The sponsor shall also remove the existing wire fence/gate located within the public right-of-way.

Follow-up for Sidewalk widening	Pre-entitlement/Next SDAT
	<ul style="list-style-type: none"> • Sponsor to submit revised plans to SDAT showing required sidewalk widening and street improvements • Provide civil drawings showing existing curb location in relation to the project property line.
	Pre- or Post-entitlement
	<ul style="list-style-type: none"> • Through the Street Improvement Permit process, further study and review related to ADA access, sewer, water, and dry utility connections may be required. • Obtain relevant permits from BSM www.sfpublicworks.org/services/permits

2. Accessible Curb Ramps (Required per Public Works Order No: 185854)

- The project is required to upgrade/install accessible pedestrian ramps at the corner of Upton and McKinnon.
- Public Works Order 184,350 requires sponsors installing ADA-compliant curb ramps at crosswalks to install receiving ramps at the opposite end of the crosswalk if none exist or if an existing ramp does not comply with modern City standards. In addition to the ramps required on the west return of Upton St and McKinnon Avenue in front of the project, the project sponsor will be required to evaluate the existing ramp across the street. The sponsor shall submit an Existing Curb Ramp Slope inspection Form and required photographs for the curb ramp at the North return of Upton St and McKinnon Avenue as part of the BSM Street Improvement Permit.

Follow-up	Pre-entitlement/Next SDAT
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	<ul style="list-style-type: none"> Show conceptual ramp locations in future SDAT submittal.
	Pre- or Post-entitlement <ul style="list-style-type: none"> Meet with the Public Works Disability Access Coordinator's Office to ensure ramp designs meet City standards. (Public Works Standard Curb Ramp Plans) Obtain relevant permits from BSM
Contacts	Karina Lairet (karina.lairet@sfdpw.org), Public Works Disability Access Coordinator's Office

3. Off-Street Loading

- Please submit a loading operations plan describing the anticipated volume of vehicles, time of day deliveries that are likely to occur and size of vehicles that will use the off-street loading area.
- For your next SDAT review, please include a drawing showing a scaled freight vehicle parked within the off-street loading area to demonstrate that the expected freight vehicle types in the loading bays will be fully enclosed within the building and will not encroach on the public sidewalk.
- Please reduce all proposed curb cut widths to the extent possible, as justified by turn templates.
- The sponsor shall submit the following turn templates to justify the proposed widths of the curb cuts and demonstrate that Upton Street with on-street parking is wide enough to accommodate truck maneuvers. It is assumed that in the future should the lot on the west side of Upton Street be developed, the 50' public right-of-way can accommodate a 10' sidewalk on either side and one 8' parking lane on one side.
 - Service vehicles that will access the garage (e.g. AASHTO 2011 SU-30)
- Note that turn templates must be approved by SDAT prior to Planning entitlement.

Follow-up for curb cuts, off-street parking and loading	Pre-entitlement/Next SDAT submittal <ul style="list-style-type: none"> Include revised plans showing reduced curb cut width Include revised plans showing restored curb Include revised plans showing a scaled freight vehicle parked within the off-street loading area submit loading demand analysis and loading operations plan submit turn templates
Contacts	Coordinate with your assigned Planner

4. Street Trees

- The project is required to install street trees along the project frontages. Please coordinate with SF Public Works Bureau of Urban Forestry for guidance on spacing of tree basins.
- Per SFMTA standards, trees are not allowed within 25 feet of the corner property line on approach, but trees can be placed closer to the intersection on exit, to enhance pedestrian visibility and safety.
- Any proposed new, removed, or relocated street trees and/or landscaping within the public sidewalk may require a permit from SF Public Works Bureau of Urban Forestry (BUF).

Follow-up	Pre-entitlement/Next SDAT <ul style="list-style-type: none"> Sponsor to submit written statement to Planning expressing intention to follow-up on this item submit plans that differentiate existing trees from new trees
-----------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<ul style="list-style-type: none"> submit revised plans that address tree placement comments above
	Post-entitlement <ul style="list-style-type: none"> Sponsor to obtain any required permits from Public Works Bureau of Urban Forestry
Contacts	Public Works Bureau of Urban Forestry, urbanforestry@sfdpw.org , (415) 554-6700

5. Street Lighting

- If existing lighting conditions on fronting the project site do not meet City standards, the project will be required to upgrade street lighting and/or pedestrian lighting. To determine if lighting improvements are required, the sponsor will need to provide photometric studies for street lighting plans to the SFPUC.

Follow-up	Pre-entitlement/Next SDAT <ul style="list-style-type: none"> Sponsor to submit written statement to Planning expressing intention to follow-up on this item and confirm that Sponsor has reviewed the “Standard SDAT Comments” (see the end of this document) Post-entitlement <ul style="list-style-type: none"> Projects are required to submit proposed street lighting plans and photometric studies to the Public Works Bureau of Street Use and Mapping (BSM) prior to issuance of the Streetscape Permit
Contacts	SFPUC Streetlights Division, Streetlights@sfgov.org

6. Transformer

- If a new electrical power transformer is required by PG&E to provide power to the building, please show the location of the transformer room on the plans for SDAT review. Should the project wish to install an electrical transformer within the public right-of-way, be aware that sidewalk vaults are considered an exception by SF Public Works Bureau of Street Use & Mapping (BSM).
- SDAT does not support installing transformers within the public ROW at this location. The project shall locate all electrical transformers required to service the property on the private property within transformer rooms or in underground vaults. Confirm all location and access requirements with PG&E prior to submitting the final building designs to the Planning Department.

Follow-up	Pre-entitlement/Next SDAT <ul style="list-style-type: none"> Sponsor to show proposed transformer locations on plans to be submitted and approved by SDAT Coordinate with SFPUC or PG&E to ensure proposed transformer location meets relevant standards.
Contacts	<ul style="list-style-type: none"> Transformer Location (ROW v. Private Property): Coordinate with your assigned Current Planner on this item Transformer Location Technical Feasibility: Coordinate with electrical power utility (SFPUC or PG&E) and Public works BSM.

7. Waste Collection (Requested)

- Please provide trash loading and removal strategy explaining how trash bins will be moved between the trash storage area and the street on pickup days.

Follow-up	Pre-entitlement/Next SDAT <ul style="list-style-type: none">• Sponsor to submit trash loading and removal strategy to SDAT
Contacts	Coordinate Recology to ensure proposed trash strategy is feasible

ADDITIONAL INFORMATION REQUIRED FOR NEXT SDAT REVIEW

- ☒ Existing/proposed curb cuts and curb cuts to be removed
- ☒ Street names
- ☒ Dimensions of existing and proposed sidewalk and curb extensions on plans
- ☒ Dimensions of existing and proposed curb cuts on plans
- ☐ Dimensions of existing and proposed transit stops
- ☒ Site plan with streetscape features (e.g., bulbouts, trees, transit shelters, benches, bike racks)
- ☒ Proposed street tree locations
- ☒ Adjacent ROW widths
- ☒ Locations of existing utility poles and hydrants
- ☒ Turn templates for loading
- ☐ Curb-to-curb section, including dimensions of tree wells and path of travel
- ☒ Proposed transformer vault location

STANDARD SDAT COMMENTS

For your next SDAT submittal, please review the “Standard SDAT Comments” which can be found on the SDAT website (<https://sfplanning.org/project/street-design-advisory-team>), and include a written statement clarifying that this task has been completed and that all plans are consistent with guidelines/standards enumerated in the “Standard SDAT Comments”.



**Berkson
Associates**

Urban Economics
Policy Forensics & Forecasting
Planning & Policy Analysis

DRAFT REPORT

2270 MCKINNON

ECONOMIC IMPACT STUDY

Prepared for the City and County of San Francisco
On behalf of 2270 McKinnon, LLC

Prepared by Berkson Associates

June 17, 2022



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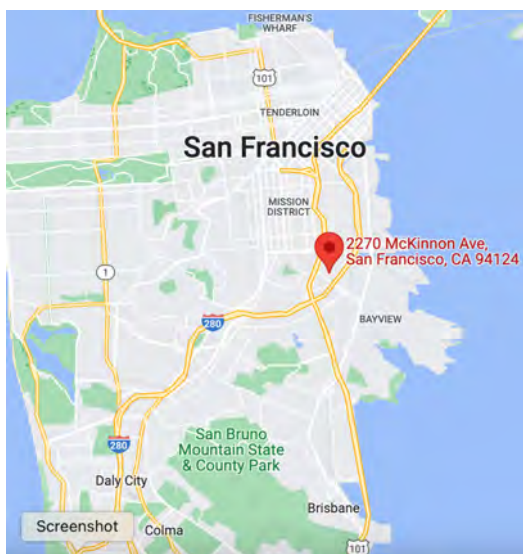
EXECUTIVE SUMMARY

This Economic Impact Study (“EIS”) provides information to the City of San Francisco’s Planning Commission in its review of the potential costs and benefits of the project proposed at 2270 McKinnon (the “Project”). The Project includes approximately 141,690 square feet of self-storage uses (including circulation) and 23,460 square feet of ground floor Production, Distribution and Repair (PDR) uses, in addition to parking and ancillary 1,020 square feet of office space. **FIGURE 1** illustrates the Project’s location.

San Francisco Planning Code Sec. 303(i) requires that large-scale retail uses prepare an economic impact study. While the self-storage component of the Project is not traditional “retail” it is listed within a broad definition of “retail” in the Planning Code.¹ As noted in the EIS, certain characteristics and impacts of self-storage differ significantly from large-scale retail.

The EIS draws upon a review of Project application materials, City budgets and ordinances, similar economic studies conducted in San Francisco, industry sources, and information and studies provided by the Project’s Developer. All dollar amounts are expressed in terms of 2022 purchasing power except where noted. Actual impacts may change depending on Project implementation and future economic and fiscal conditions.

Figure 1 2270 McKinnon Project Area



¹ Sec. 102 of the Planning Code defines a “Commercial Use” as a use that “includes uses that involve the sale of goods, typically in small quantities, or services directly to the ultimate consumer or end user...”

EMPLOYMENT

Development of the Project will generate an estimated 135 construction job-years, or 67.5 full-time equivalent (FTE) construction jobs over a two-year construction period (this will vary depending on phasing and total years of construction). Self-storage jobs add an estimated seven permanent jobs at the project and PDR uses add 39 jobs. **Chapter 2** further describes employment and wage estimates.

The self-storage jobs will earn a wage that exceeds the minimum wage in San Francisco, and the majority of the jobs will receive a living wage, assuming a two-person household (both adults working) and two or fewer children. In addition to a living wage, the jobs are anticipated to be paid bonuses, retirement benefits, and health benefits. Although the future household income distribution for production, distribution, repair (PDR) jobs at the Project is unknown, Citywide nexus studies report that the median PDR household earns a “moderate income” (80 to 120 percent of area median income).

FISCAL IMPACTS

The Project will generate an estimated \$543,700 in annual tax revenues to the City of San Francisco, or \$435,000 after 20 percent City Charter-mandated baseline allocations. Deducting \$56,700 of estimated City expenditures for direct services to the Project produces a net benefit of \$378,300 annually to the City. In addition, other City Funds (Children’s Fund, Library Fund, and Open Space Acquisition) benefit by \$50,000 annually. Funds will also be generated for education.

Construction activity will generate a total of about \$85,000 of one-time sales tax and \$197,000 of gross receipts tax over the construction period. The Project will pay approximately \$8.6 million in impact fees. The fees include Jobs Housing Linkage Fees that significantly exceed the impacts on housing need from the Project’s relatively few self-storage jobs; self-storage is charged the retail fee rate that is based on a significantly greater impact on jobs and housing need than generated by self-storage uses.

Chapter 3 further describes public tax revenue and expenditure estimates. The impacts are based on a project-specific review of direct impacts for directly affected services using average cost and revenue estimates, and actual City-adopted formulas and rates that determine specific revenues accruing to the City from the Project. This approach focuses on the project and better

captures impacts of a single small project that would otherwise not be revealed by a global analysis of the City's total budget and all services.

LEAKAGE ANALYSIS

The demand for self-storage space is significantly underserved in San Francisco; the existing approximately 1.6 million square feet of self-storage in the primary trade area is significantly less than the estimated 3.4 million square feet of demand based on industry averages.² The 1.8 million square feet of shortfall represent “leakage” and unmet demand partially captured by the Project. At an average rental rate of \$4.00 per square foot per month, the Project's 135,000 square feet of net leased space capture up to \$6.48 million of self-storage space rental income; this income would otherwise be spent outside of the Primary Trade Area (or not spent at all). The Project's feasibility does not occur at the cost of existing businesses in the City since unmet demand exists to support the Project.

Unit sizes will be smaller than the average for the current supply, thereby better meeting current San Francisco demand. The smaller, lower-cost storage units will help support smaller lower-income households in San Francisco who are looking to store belongings in a more affordable location. The storage functionality will also help facilitate local business activity including PDR users at the Project. Such users may include automotive, arts, food & restaurant, retail, furniture and other business, caterers, trade offices and shops, wholesale sales business, electricians, plumbers, carpenters, masons, HVAC and other building and service contractors who may need cost-effective short term or permanent storage solutions.

Chapter 4 describes the demand and leakage analysis. The methodology utilized to estimate leakage is more fully described and detailed in **Appendix B** which includes a recent market analysis prepared for a similar but larger self-storage project near the subject project in San Francisco. The analysis is similar to a recent EIS prepared for another self-storage project on Jerrold Avenue.³ The latter EIS estimated that unmet demand exists after the addition of the Jerrold Avenue project, and this conclusion did not include any “estimate of potential commercial business demand for self-storage”⁴ which is included in the current analysis and indicates a greater level of unmet need for self-storage facilities in San Francisco.

² Self-Storage Market Analysis, THK Associates Inc., Oct. 19, 2018 (THK, 2018).

³ Self-Storage Expansion Economic Impact Study 2285 Jerrold Avenue, Economic Forensics and Analytics EFA, March 2020 (EFA 2020).

⁴ EFA 2020, pg. 19.

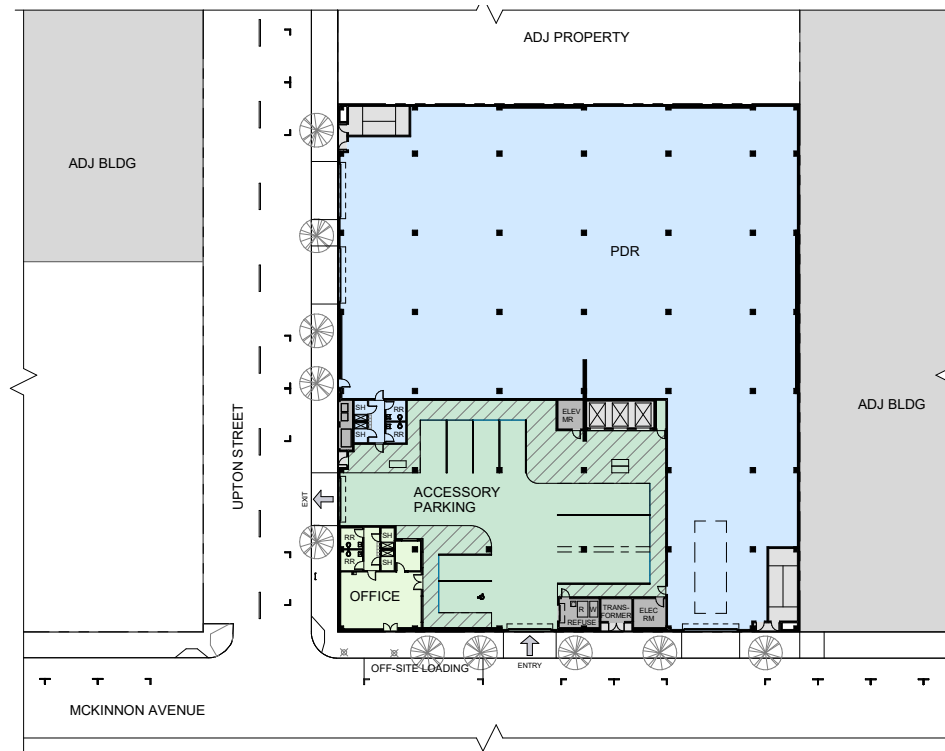
1. PROJECT DESCRIPTION

FIGURE 2 provides preliminary views of the proposed Project. The preliminary site and ground floor plan is shown in **FIGURE 3**.

Figure 2 Preliminary Elevation of the Project



Figure 3 Proposed Site and Ground Floor Plan



The Project's gross floor area totals 174,400 square feet. Self-storage spaces could range from approximately 1,260 to 1,840 units; the current analysis assumes 1,840 units with ground floor PDR space. The project description assumed in this analysis for each use is summarized in **FIGURE 4**. Detailed renderings and space totals are available in project submittals.

Figure 4 Summary of Project Description

Item		Units or Sq.Ft.
<u>Self-Storage</u>		
Self-Storage Units (1)		1,840 units
Self-Storage Net Rentable Square Feet (1)	73 sf/unit	135,020 sq.ft.
Other Self-Storage (hallways, etc.) (2)		<u>6,660</u>
Total Self-Storage		141,680 sq.ft.
Ancillary Office		<u>1,020</u> sq.ft.
Total Self-Storage and Ancillary Office		142,700 sq.ft.
<u>PDR</u>		
PDR		<u>23,460</u> sq.ft.
Total PDR (4)		23,460 sq.ft.
<u>Other</u>		
Parking (3)		<u>8,240</u> sq.ft.
Total		8,240 sq.ft.
TOTAL AREA (5)		174,400 sq.ft.

(1) Includes estimates of self-storage unit counts and avg. sq.ft./unit from Project Plans, revised 6/03/2022.

(2) "Other Self-Storage (hallways, etc.) equals total self-storage (exc. ancillary office) minus net leasable storage space)

(3) Parking includes 6 parking spaces and 4 freight loading spaces.

(4) Level 1 PDR from Project Plans 2022-06-03, includes restrooms, showers & lockers.

(5) Total area shown does not include roof and living roof area.

DEVELOPMENT COSTS AND ASSESSED VALUE

FIGURE 5 summarizes development costs totaling an estimated \$54.5 million. These costs provide the basis for estimates of fiscal tax revenues and economic impacts.

Figure 5 Summary of Development Costs and Assessed Value

Item	Total
Development Costs	
Buildings & Other Hard Costs (1)	\$27,500,000
Engineering, Design and Other Soft Costs (2)	13,500,000
Other Costs (3)	<u>11,100,000</u>
Total Development Costs	\$52,100,000
(less) Existing Assessed Value (4)	\$2,426,255
Net Increase in Taxable Assessed Value (5)	\$54,526,255

(1) Includes construction materials and labor, and contractor fees.

(2) Includes planning, design, permits and fees, finance charges, consultant fees.

(3) Other costs include acquisition, finance charges, and closing costs.

(4) SF Assessor FY20, Parcel 5285A004, 2270 McKinnon, Assessors Report downloaded 2/28/22.

(5) Assessed value will increase annually at 2% (or inflation, whichever is less), or if the property sells at a value greater than assessed value.

2. EMPLOYMENT

CONSTRUCTION JOBS

Based on the Project's estimated hard construction costs, opportunities will be created for approximately 135 construction job-years. In other words, a two-year construction period will employ 67.5 full-time equivalent (FTE) construction workers each year over the two years.

PERMANENT EMPLOYMENT

Self-Storage Jobs

The self-storage facility will employ an estimated 7 staff as shown in FIGURE 6 for management, sales, maintenance and security. The actual number may vary depending on future operations and level of activity.

PDR Jobs

Although it is not possible to predict the PDR businesses and activities that will locate at the Project, PDR jobs are estimated based on employment density factors reported in the City's 2019 Jobs Housing Nexus analysis. The analysis estimates approximately 39 PDR jobs.

WAGES

San Francisco Living Wage

A "living wage" is "the minimum income standard that, if met, draws a line between the financial independence of the working poor and the need to seek out public assistance or suffer consistent and severe housing and food insecurity."⁵ The living wage per worker in a two-adult household (both adults working) and no children is estimated to be \$45,070 (\$21.67 per hour) or \$90,140 per household of two workers. The amount of the living wage varies depending on the number of working adults in a household and increases with more children and depends on the cost of living for a given area.

⁵ Source: Living Wage Calculator User's Guide and Technical Notes, Carey Anne Nadeau, Open Data Nation, Prepared for Amy K. Glasmeier, Ph.D., 2020-21 Update. Note: the living wage cited in the Glasmeier report has been updated by 5.39% CPI to provide the numbers in the current EIS.

Self-Storage Facility Employee Wages

The estimated wages of employees at the self-storage facility, ranging from \$22.80/hour to \$76.00 per hour, are expected to exceed the City's minimum wage of \$16.32 per hour⁶ which increases to \$16.99 July 1, 2022.

FIGURE 6 compares projected wages at the self-storage facility to estimated living wages per working adult in a San Francisco household. The figure indicates that wages for at least half or more of the self-storage employees exceed the living wage per employee for two-adult households (both working) with up to three children. The lower-paid positions also achieve a living wage assuming fewer or no children. The wages shown below do not include potential bonuses and 401k contributions expected to be paid to the self-storage employees.⁷

Figure 6 Wages (Self-Storage) vs. San Francisco Living Wage

			Living Wage/Employee for 2-Adult Households (both working)			
			0 Children	1 Child	2 Children	3 Children
			\$45,070	\$64,974	\$80,100	\$99,829
FTE Position	Hourly Wage	Annual Wage	Amount of Annual Wage Above or (Below) Living Wage			
1 Manager	\$76.00	\$158,085	● \$113,015	● \$93,111	● \$77,985	● \$58,256
1 Sales Reps	\$38.00	\$79,043	● \$33,973	● \$14,068	● (\$1,057)	● (\$20,786)
3 Desk Managers	\$38.00	\$79,043	● \$33,973	● \$14,068	● (\$1,057)	● (\$20,786)
1 Maintenance	\$25.33	\$52,695	● \$7,625	● (\$12,279)	● (\$27,405)	● (\$47,134)
1 Security	\$22.80	\$47,426	● \$2,356	● (\$17,549)	● (\$32,674)	● (\$52,403)

(1) Wages are before income taxes, and do not include payroll taxes or benefits (i.e., bonus, 401k, health insurance).

Source: Living Wage for San Francisco from Carey Anne Nadeau, Open Data Nation,
Prepared for Amy K. Glasmeier, Ph.D., 2020-2021 Update. Living wages adjusted by 5.39% CPI.
Wages and positions are from 2270 McKinnon, LLC.
<https://livingwage.mit.edu/counties/06075>

PDR Employee Wages

PDR wages will vary depending on the types and scale of PDR businesses and tenants at the Project. For reference, the 2019 Jobs Housing Nexus Analysis reported that the PDR median household income falls into the "Moderate Income" category that ranges between 80 to 120

⁶ San Francisco minimum wage effective July 1, 2021; Section 12.R.; San Francisco Administrative Code Chapter 12.R.

⁷ 2270 McKinnon, LLC.

percent of Area Median Income (AMI).⁸ The San Francisco AMI for a two- to three-person household ranges from \$85,250 to \$143,900.⁹

Assuming the PDR households include two working adults, the average wage per adult would range from approximately \$42,625 to \$76,950; the upper end of this income range exceeds the living wage for two-adult households with one child.

Construction Wages

The average wage for construction jobs in San Francisco is \$78,750 or \$37.86 per hour,¹⁰ which is more than double the City's minimum wage. Assuming a two-worker household earning with each worker earning this wage level, the household income would nearly equal the living wage for households with two children.

⁸ Jobs Housing Nexus Analysis Prepared for the City and County of San Francisco, Keyser Marston Associates, Inc., May 2019, Table III-4.

⁹ 2021 Maximum Income by Household Size derived from the Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco.

¹⁰ U.S. Bureau of Labor Statistics, Occupational Employment Statistics, May 2020 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, San Francisco-Oakland-Hayward, CA, Construction and Extraction Occupations.

3. FISCAL IMPACTS ON SERVICES & REVENUES

FIGURE 7 summarizes total annual general revenues created by the Project totaling \$543,700, and net revenues of \$378,300 available after allocating 20 percent to City Charter-mandated baseline allocations and funding the Project's estimated service costs. In addition, other City Funds (Children's Fund, Library Fund, and Open Space Acquisition) benefit by \$50,000 annually. Funds will also be generated for education.

Appendix A includes detailed calculations and assumptions described in this chapter.

Figure 7 Estimated Annual Net General Revenues and Expenditures

Item	Annual Amount
Annual General Revenue (1)	
Property Taxes (2)	\$303,000
Property Tax in Lieu of VLF	57,000
Property Transfer Tax	156,000
Gross Receipts Tax	<u>27,700</u>
Subtotal, General Revenue	\$543,700
(less) 20% Charter Mandated Baseline	<u>(\$108,700)</u>
Revenues to General Fund above Baseline	\$435,000
Public Services Expenditures (3)	
Police	\$16,500
Fire	11,500
Street Trees	1,500
Roads (maintenance, street cleaning)	<u>27,200</u>
Subtotal, Services	\$56,700
NET Annual General Revenues	\$378,300
Annual Other Dedicated and Restricted Revenue	
Property Tax to Other SF Funds (2)	<u>\$50,000</u>
Subtotal	\$50,000
TOTAL, Net General + Other Dedicated Revenues	\$428,300
Other Agency Revenues	
Property Tax to State Education Rev. Fund (ERAF)	\$138,000

(1) No public parking tax or sales tax assumed.

(2) Property tax to General Fund at 55.6%. Other SF funds include the Children's Fund, Library Fund, and Open Space Acquisition.

(3) Police and Fire costs based on Citywide cost per service population. Trees and streets based on DPW average costs.

PUBLIC SERVICES AND COSTS

Actual costs will depend on the level of future service demands, and Citywide needs by City departments at the time of the Project's development and occupancy.

Police

The Project Site is served by the SFPD's Bayview Station. Over the past several decades, the SFPD has kept staffing levels fairly constant and manages changing service needs within individual districts by re-allocating existing capacity. For purposes of this analysis, the Project's police service cost is estimated based on Citywide averages per service population.¹¹

Fire and EMS

The San Francisco Fire Department (SFFD) deploys services from the closest station with available resources, supplemented by additional resources based on the nature of the call. The costs in this report have been estimated based on Citywide averages per service population.

SFMTA

The Project will be served by existing transit lines that run in proximity to the site. Operating costs are funded by fare revenues and public tax revenues allocated to transit. Capital costs are funded by allocated public taxes and the Project will pay Transportation Sustainability Fees towards transit system capital improvements.

Department of Public Works (DPW)

The Project includes streetscape improvements such as street trees, sidewalk widening and landscaping. In 2016 voters approved amending the City Charter to transfer responsibility for the care of the City's 124,000-plus trees and surrounding sidewalks from property owners to Public Works. The program is funded by an allocation of General Fund revenues, adjusted annually. The Project's contribution to annual City cost is estimated based on street trees added by the Project.

The Project's self-storage customers will utilize adjacent roadways and contribute to the need for ongoing maintenance, repair and eventual rehabilitation of pavement. For purposes of this analysis, City road-related costs attributable to the Project are estimated based on approximate street frontage and average annual City road costs for ongoing maintenance and capital improvements. Actual costs will vary depending on several factors, including truck and auto

¹¹ Service population is equal to residents plus employees in San Francisco.

traffic levels, weather conditions, aging of the roadways, and amount and type of routine maintenance performed to maintain and extend roadway life.

PUBLIC REVENUES

New tax revenues from the Project will include ongoing annual revenues and one-time revenues, as summarized in **FIGURE 7** and **FIGURE 8**. The revenues represent direct, incremental benefits of the Project. These tax revenues will help fund public improvements and services to the Project and Citywide. The following sections describe key assumptions and methodologies employed to estimate each revenue.

Charter Mandated Baseline Requirements

The City Charter requires that a 20 percent share of various General Fund revenues be allocated to specific programs. The 20 percent allocation of revenue is shown deducted from General Fund discretionary revenues generated by the Project. While these baseline amounts are shown as a deduction, they represent an increase in revenue as a result of the Project to various City programs whose costs aren't directly affected by the Project, resulting in a funding benefit to these other services.

Property Taxes

Property tax at a rate of one percent will be collected from the value of land and improvements constructed by the Project (plus tax "overrides" above the one percent, for bonds). The City receives up to \$0.65 in its General Fund and special fund allocations, of every property or possessory interest tax dollar collected. The State's Education Revenue Augmentation Fund (ERAF) receives \$0.25 of every property tax dollar collected.

The remaining \$0.10 of every property tax dollar collected, beyond the City's \$0.65 share and the \$0.25 State ERAF share, is distributed directly to other local taxing entities, including the San Francisco Unified School District, City College of San Francisco, the Bay Area Rapid Transit District and the San Francisco Bay Area Air Quality Management District. These distributions will continue and will increase as a result of the Project. Additional revenues are collected for various bonds that are paid from "overrides" above the basic 1 percent property tax.

Upon the sale of a parcel, building, or individual unit constructed at the Project, the taxable value will be assessed at the new transaction price. The County Assessor will determine the assessed values; the estimates shown in this analysis are preliminary and may change depending on future economic conditions and the exact type, amount and future value of development, turnover rate and value of property sales. Certain properties, including non-profits providing low-income rental housing, are exempt from property tax.

Property taxes will also accrue during construction of infrastructure and individual buildings, depending on the timing of assessment and tax levy. These revenues have not been estimated.

Property Tax In-Lieu of Vehicle License Fees

In prior years, the State budget converted a significant portion of Motor Vehicle License Fee (VLF) subventions into property tax distributions; previously these revenues were distributed by the State using a per-capita formula. Under the current formula, these distributions increase over time based on assessed value growth within a jurisdiction. Thus, these City revenues will increase proportionate to the increase in the assessed value added by the new development.

Sales Taxes

The City General Fund receives one percent of taxable sales. In addition to the one percent sales tax received by every city and county in California, voter-approved local taxes dedicated to transportation purposes are collected. Two special districts, the San Francisco County Transportation Authority and the San Francisco Public Financing Authority (related to San Francisco Unified School District) also receive a portion of sales taxes (0.50 and 0.25 percent, respectively) in addition to the one percent local General Fund portion. The City also receives revenues from the State based on sales tax for the purpose of funding public safety-related expenditures.

Although some taxable sales may occur due to ancillary operations, PDR uses and other small businesses utilizing storage spaces, this EIS does not include estimates of potential sales taxes from these other ongoing business activities at the site.

Sales Taxes from Construction

During the construction phases of the Project, one-time revenues will be generated by sales taxes on construction materials and fixtures purchased in San Francisco. Sales tax will be allocated directly to the City and County of San Francisco in the same manner as described in the prior paragraph. Construction sales tax revenues may depend on the City's collection of revenues pursuant to State sub-permit regulations.

Property Transfer Tax

The City collects a property transfer tax ranging from \$2.50 on the first \$500 of transferred value on transactions up to \$250,000 to \$30.00 per \$500 on transactions greater than \$25 million.

The fiscal analysis assumes that commercial property sells an average of about once every 20 years. For estimating purposes it is assumed that transfer taxes are averaged over every year, although it is more likely that sales and transfer tax from sale of the property will be sporadic and occur in a single year of sale. An average tax rate has been applied to the average sales

transactions to estimate the potential annual transfer tax to the City; actual amounts will vary depending on economic factors and decisions by the property's owners.

Gross Receipts Tax

Commercial activity, including residential rental property, generates gross receipts taxes. Actual revenues from future gross receipt taxes will depend on a range of variables, including the amount of rental income.

This analysis assumes that self-storage uses only generate gross receipts tax on rental income to the property owner and not from any new business activities that may utilize the self-storage units. PDR uses are assumed to generate both rental income to the property owner and taxable business income. Because many of the PDR uses are likely to be small businesses, the estimates assume that only 10 percent PDR businesses generate revenues exceeding \$1 million and therefore are subject to the tax.¹² Project construction will also generate gross receipts tax. Project construction will also generate gross receipts tax.

DEVELOPMENT IMPACT FEES

FIGURE 8 summarizes development impact fees and other one-time revenues during construction. The impact fee revenue will be dedicated and legally required to fund infrastructure and facilities targeted by each respective fee. Certain impact fee revenues may be used Citywide to address needs created by new development. Jobs-housing linkage fees are estimated based on the retail fee rate applied to self-storage.

¹² Business and Tax Regulations Code, Article 12-A-1 Sec. 954.1. Small Business Exemption.

Figure 8 Estimated Impact Fees and One-Time Revenues

Item	Total Amount
<u>City Development Impact Fees (1)</u>	
Jobs Housing Linkage (2)	\$4,403,700
Transportation Sustainability Fee	\$4,214,600
SFPUC Sewer and Water Connection Fees	<u>not estimated</u>
	\$8,618,300
<u>Other Fees</u>	
San Francisco Unified School District	\$15,500
<u>Other One-Time Revenues</u>	
Construction Sales Tax (1% Gen'l Fund)	\$85,000
Gross Receipts Tax During Construction	<u>\$197,000</u>
Total: Other One-Time Revenues	\$282,000

(1) Impact fee rates as of Jan. 1, 2022. Refer to Appendix Table A-3.

(2) Linkage fee for retail applied to self-storage.

(3) Affordable housing and childcare fees do not apply to commercial uses.

Development impact fees include:

- **Jobs Housing Linkage** (Planning Code Sec. 413) – These fees apply to commercial uses and are intended to provide for affordable housing required by employees.

Because “self-storage” qualifies as “large-scale retail uses”,¹³ the fee estimate shown in **FIGURE 8** applies the retail fee rate to the increase in self-storage space.

The total Jobs Housing Linkage fees to be paid by self-storage uses significantly exceed the housing impacts attributable to self-storage employees, contrary to legal requirements that a nexus exist between a fee and the impacts it mitigates. The 2019 Jobs Housing Nexus Analysis assumes 368 square feet per retail employee¹⁴ which would indicate that the Project’s 141,680 self-storage square feet generate 385 employees; however, the Project’s entire self-storage operation is anticipated to hire only 7 employees, a small percentage of the implied employment from retail uses. The affordable housing impacts would be correspondingly less for self-storage uses compared to the same amount of retail uses and therefore the fees should be less consistent with nexus principles.

¹³ San Francisco Planning Code, Sec. 121.6.

¹⁴ Jobs Housing Nexus Analysis, Prepared for City and County of San Francisco, Keyser Marston Assoc., May 2019, Table II-2.

- **Transit Sustainability Fee (TSF)** (Planning Code Sec. 411A) – This fee, effective December 25, 2015, replaced the Transit Impact Development Fee. It is a fee per square foot paid by residential and non-residential uses.
- **Sewer and Water Connection Fees** – In addition to the impact fees charged by the City, utility connection and capacity charges will be collected based on utility consumption and other factors (not estimated). Other fees will include school impact fees to be paid to the San Francisco Unified School District. The Project will also pay various permit and inspection fees to cover City costs typically associated with new development projects.

4. LEAKAGE ANALYSIS

One purpose of the leakage analysis is to determine whether a major new project can capture unfilled sales “leaking” out of the jurisdiction. Capturing unmet demand within the jurisdiction, and not relying on a shift from existing businesses, means an overall increase in economic activity in San Francisco without adversely affecting existing businesses.

Typically, a leakage analysis evaluates impacts of proposed “big box” retail on smaller local shops. In order to prepare a leakage analysis for a proposed self-storage facility, as required by the San Francisco Code Sec. 303(i), a similar methodology can be applied.

The following analysis is based on a market analysis prepared by THK Associates, Inc. (“THK Report”) that evaluates the market for self-storage facilities in San Francisco.¹⁵ The THK Report has been reviewed relative to current conditions and the proposed project and is included in **Appendix B**.

STUDY AREA

The Study Area considers supply and demand for self-storage facilities within a 15-minute drive, or approximately 5 miles.¹⁶ The population within this Primary Trade Area (PTA) represents about 86 percent, or about 750,000 residents, of the total San Francisco population.¹⁷

Approximately 95 percent of the City’s residential growth has occurred within the PTA. That trend is likely to continue with current and planned projects, including the 2,000 planned units at Pier 70 which is less than a mile from the Project site, and 2,600 planned units at the Potrero Power Station less than a half-mile distant, in addition to other smaller projects. This growth will support increased demand for self-storage space.

DEMAND FOR SELF-STORAGE FACILITIES

The THK report estimates demand within the PTA for a total of 3.4 million square feet of self-storage space based on 4.48 square feet per person. The factor of 4.48 square feet per person

¹⁵ Self-Storage Market Analysis, (THK, 2018).

¹⁶ This primary trade area is consistent with studies that have found that most facilities draw at least 75 percent of its tenant base from within a 3-mile radius or less (Self-Storage Almanac, 2020).

¹⁷ The 2021 population of San Francisco declined about 1 percent compared to the 2018 THK analysis; this change and the location of 2270 McKinnon relative to the THK subject location (about 1 mile distant) is not considered a material change to the conclusions of the THK analysis.

represents the average for the San Francisco-Oakland Core-Based Statistical Area (CBSA)¹⁸ and is an approximation that varies by city depending on demographics and economic factors. The 4.48 square feet of storage space per person is an indicator that includes self-storage space rented by businesses as well as by residents; therefore, the factor and corresponding total storage demand is higher than demand attributable solely to households.

While the population and jobs in San Francisco declined during the pandemic, industry sources anticipate that recovery and returning workers “should stimulate additional storage demand there.”¹⁹

San Francisco will tend to have a higher demand for self-storage space compared to national averages and other areas within the CBSA due to the City’s younger, predominantly renter population; however, the demand will tend to be for smaller units and less space.

SUPPLY OF SELF-STORAGE FACILITIES

Approximately 1.6 million square feet of self-storage space are occupied within the Primary Trade Area, provided by 25 self-storage facilities.²⁰ Since 2018, approvals for one project providing 120,000 square feet of self-storage space have been processed.²¹ In areas of the City, planned residential and commercial developments have eliminated self-storage and industrial space. Average vacancy rates less than five percent demonstrate high demand and minimal available vacant space. Nationally, the pandemic created new demand and “lowered the national vacancy rate to a multi-decade low.”²²

LEAKAGE AND UNMET DEMAND FOR SELF-STORAGE FACILITIES

“Leakage” consists of expenditures for self-storage that occur outside the Primary Trade Area because the demand cannot be met by the available supply of space within the PTA. In the current case, most of the leakage is likely to occur outside of the City since the PTA includes the

¹⁸ A core-based statistical area is a U.S. geographic area defined by the Office of Management and Budget that consists of one or more counties anchored by an urban center of at least 10,000 people plus adjacent counties that are socioeconomically tied to the urban center by commuting. ([Wikipedia](#))

¹⁹ 2022 Self-Storage National Investment Forecast, Marcus & Millchap.

²⁰ THK (2018); no significant additions of self-storage space have occurred since 2018 that would significantly change the findings of the THK analysis.

²¹ 2285 Jerrold Avenue.

²² “How Will Self-Storage Perform in the Year Ahead? A Real Estate Market Outlook for 2022”, Inside Self-Storage, Jan. 15, 2022.

majority of self-storage space in the City. Due to long travel times and distances to self-storage outside the City, much of the calculated leakage would be represented by residents and businesses foregoing the use of self-storage due to its lack of availability; this reduced expenditure represents “unmet demand”.

Comparing 3.4 million square feet of total estimated demand for self-storage space within the Primary Trade Area to 1.6 million square feet of estimated occupied space indicates leakage and unmet demand of 1.8 million square feet. At an average rental rate of \$4.00 per square foot per month or \$48 annually,²³ the total 1.8 million square feet of leakage and unmet demand represents \$86.4 million of annual self-storage revenue leakage. It is estimated that half of the demand would be for climate controlled space, or 900,000 square feet.²⁴

New self-storage facilities will capture a share of the 1.8 million square feet of leakage and unmet demand; approximately half of the total leakage, or 900,000 square feet, represents leakage and unmet demand for climate controlled space. At an average rental rate of \$4.00 per square foot per month, the Project’s approximately 135,000 square feet of net leased self-storage space could capture up to \$6.48 million of annual self-storage space rental sales income; this income would otherwise be spent outside of the Primary Trade Area (or not spent at all). This represents capture of approximately 7.5 percent of the total leakage and unmet demand for self-storage space.

The facility will serve residents as well as businesses that need storage space in the City. Future population growth and increased business activity will add to the total leakage and unmet demand.

RELATIONSHIP TO EXISTING STORAGE FACILITIES & CONSUMER PREFERENCES

The Project is designed specifically with self-storage in mind, whereas many of the facilities serving the Primary Trade Area are older and originally were designed for other purposes. The Project is larger and equipped with more modern amenities and will offer more storage options compared to existing facilities.²⁵ The additional supply of self-storage units in the underserved market will increase consumer choices, alleviate high occupancy rates and the resulting lack of available self-storage space, and improve price competition in the Primary Trade Area.

²³ 2270 McKinnon, LLC, 2022-02-23.

²⁴ THK (2018).

²⁵ THK (2018), Executive Summary.

The Project will provide a higher proportion of smaller units compared to existing self-storage facilities. The Project's average unit size will be approximately 72 square feet; existing facilities average about 97 square feet per unit.²⁶ The availability of smaller unit sizes targets a significant need for smaller, less expensive spaces conducive to young renters and smaller family household sizes than typical of the older facilities serving the primary trade area.

Approximately half of current facilities in the Primary Trade Area are climate-controlled; the Project will include climate-controlled units.

The self-storage space will enhance the viability of PDR and other business uses in the Primary Trade Area and more immediate vicinity by providing storage space for machinery, supplies, and inventory. The storage space will be useful for administrative storage, typical of business storage needs, as well as space for supplies, equipment and products.

²⁶ THK (2018), Table IV-7, pg. 40.



APPENDIX A:

FISCAL IMPACT ANALYSIS TABLES



2270 McKinnon
Draft Economic Impact Study
June 17, 2022

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2270 McKinnon

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Table 1
Fiscal Results Summary, Ongoing Revenues and Expenditures
2270 McKinnon

Item	Annual Amount
Annual General Revenue (1)	
Property Taxes (2)	\$303,000
Property Tax in Lieu of VLF	57,000
Property Transfer Tax	156,000
Gross Receipts Tax	<u>27,700</u>
Subtotal, General Revenue	\$543,700
(less) 20% Charter Mandated Baseline	<u>(\$108,700)</u>
Revenues to General Fund above Baseline	\$435,000
Public Services Expenditures (3)	
Police	\$16,500
Fire	11,500
Street Trees	1,500
Roads (maintenance, street cleaning)	<u>27,200</u>
Subtotal, Services	\$56,700
NET Annual General Revenues	\$378,300
Annual Other Dedicated and Restricted Revenue	
Property Tax to Other SF Funds (2)	<u>\$50,000</u>
Subtotal	\$50,000
TOTAL, Net General + Other Dedicated Revenues	\$428,300
Other Agency Revenues	
Property Tax to State Education Rev. Fund (ERAF)	\$138,000

(1) No public parking tax or sales tax assumed.

(2) Property tax to General Fund at 55.6%. Other SF funds include the Children's Fund, Library Fund, and Open Space Acquisition.

(3) Police and Fire costs based on Citywide cost per service population. Trees and streets based on DPW average costs.

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Table 2
Fiscal Results Summary, One-Time Revenues
2270 McKinnon

Item	Total Amount
<u>City Development Impact Fees (1)</u>	
Jobs Housing Linkage (2)	\$4,403,700
Transportation Sustainability Fee	\$4,214,600
SFPUC Sewer and Water Connection Fees	<u>not estimated</u>
	\$8,618,300
<u>Other Fees</u>	
San Francisco Unified School District	\$15,500
<u>Other One-Time Revenues</u>	
Construction Sales Tax (1% Gen'l Fund)	\$85,000
Gross Receipts Tax During Construction	<u>\$197,000</u>
Total: Other One-Time Revenues	\$282,000

(1) Impact fee rates as of Jan. 1, 2022. Refer to Appendix Table A-3.

(2) Linkage fee for retail applied to self-storage.

(3) Affordable housing and childcare fees do not apply to commercial uses.

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Table A-1
Project Description Summary
2270 McKinnon

Item	Units or Sq.Ft.
<u>Self-Storage</u>	
Self-Storage Units (1)	1,840 units
Self-Storage Net Rentable Square Feet (1)	73 sf/unit 135,020 sq.ft.
Other Self-Storage (hallways, etc.) (2)	<u>6,660</u>
Total Self-Storage	141,680 sq.ft.
Ancillary Office	<u>1,020</u> sq.ft.
Total Self-Storage and Ancillary Office	142,700 sq.ft.
<u>PDR</u>	
PDR	<u>23,460</u> sq.ft.
Total PDR (4)	23,460 sq.ft.
<u>Other</u>	
Parking (3)	<u>8,240</u> sq.ft.
Total	8,240 sq.ft.
TOTAL AREA (5)	174,400 sq.ft.

(1) Includes estimates of self-storage unit counts and avg. sq.ft./unit from Project Plans, revised 6/03/2022.

(2) "Other Self-Storage (hallways, etc.) equals total self-storage (exc. ancillary office) minus net leasable storage space)

(3) Parking includes 6 parking spaces and 4 freight loading spaces.

(4) Level 1 PDR from Project Plans 2022-06-03, includes restrooms, showers & lockers.

(5) Total area shown does not include roof and living roof area.

2022-06-17

Table A-2
Employment and Service Population
2270 McKinnon

Item	Assumptions		Total
EMPLOYMENT (Permanent FTEs)			
Self-Storage (1)			7.0
PDR (7)	23,460 sq.ft.	595 sf/FTE	<u>39.4</u>
Total Employment (2)			46.4
TOTAL SERVICE POPULATION			
Residents (3)			0
Employees (excluding construction jobs)			<u>46.4</u>
Total Service Population (Residents plus Employees)			46.4
Construction Employment			
Construction Jobs (job-years) (4)	\$27,500,000	Hard construction cost	135
CITYWIDE			
Residents (5)			875,010
Employees (6)			<u>770,894</u>
Service Population (Residents plus Employees)			1,645,904

(1) 2270 McKinnon, LLC, 6/17/20.

(2) No additional employment assumed related to parking.

(3) No induced increase in City population assumed.

(4) Construction job-years based on IMPLAN job factors and direct construction portion of total cost.

(5) Cal. Dept. of Finance, Rpt. E-1, 2021

(6) BLS All Jobs, San Francisco, May 2020.

(7) PDR sf/job (FTE, or Full Time Equivalent) from PDR factor from: Jobs Housing Nexus Analysis, May 2019.

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Table A-3
San Francisco City Development Impact Fee Estimate
2270 McKinnon

Item	Area (sq.ft.)	Fee Rate per sq.ft.	TOTAL FEES
Uses Subject to Fees			
Ancillary Office	1,020 sq.ft.		
Self-Storage	<u>141,680</u> sq.ft.		
Total (1)	142,700 sq.ft. (1)		
PDR	23,460 sq.ft.		
City Impact Fees (per gross building sq.ft.) (2)			
<u>Jobs-Housing Linkage (5)</u>			
Self-Storage Sq. Ft. and Fees	142,700	\$30.86	\$4,403,722
<u>Transportation Sustainability Fee (TSF)</u>			
Self-Storage Sq. Ft. and Fees	142,700	\$27.83	\$3,971,341
Net Increase in PDR (4)	23,460	\$10.37	<u>\$243,280</u>
Total, Transportation Sustainability Fees			\$4,214,621
<u>Sewer and Water Connection Fees</u>			not estimated
Total Citywide Impact Fees			\$8,618,343
Other Impact Fees			
San Francisco Unified School District (3)			
Self-Storage	142,700	\$0.010	\$1,427
PDR	23,460	\$0.600	<u>\$14,076</u>
Total, School Impact Fees			\$15,503

(1) "Self-storage" includes ancillary office, net leasable space, hallways and circulation; excludes parking, freight loading, and rooftop.

(2) All impact fees are as of January 2022, San Francisco Citywide Development Impact Fee Register.

(3) Note: prior fee register showed school fee as \$0.012; current fee schedule may have truncated the rate to only display \$0.01.

(4) Impact Fee Register provides for a TSF credit for existing PDR uses; the PDR fee is applied to the net increase in PDR.

(5) For Jobs-Housing Fee: retail fee applies to self-storage. PDR fee is \$0 (Table 413.5A, Art. 4).

6/17/22

Table A-4
Development Costs and Assessed Value Estimate
2270 McKinnon

Item	Total
Development Costs	
Buildings & Other Hard Costs (1)	\$27,500,000
Engineering, Design and Other Soft Costs (2)	13,500,000
Other Costs (3)	<u>11,100,000</u>
Total Development Costs	\$52,100,000
(less) Existing Assessed Value (4)	\$2,426,255
Net Increase in Taxable Assessed Value (5)	\$54,526,255

(1) Includes construction materials and labor, and contractor fees.

(2) Includes planning, design, permits and fees, finance charges, consultant fees.

(3) Other costs include acquisition, finance charges, and closing costs.

(4) SF Assessor FY20, Parcel 5285A004, 2270 McKinnon, Assessors Report downloaded 2/28/22.

(5) Assessed value will increase annually at 2% (or inflation, whichever is less), or if the property sells at a value greater than assessed value.

2022-05-06

Table A-5
Property Tax Estimate
2270 McKinnon

Item	Tax Factor (3)	Total
Taxable Assessed Value (1)		\$54,526,255
Gross Property Tax	1.0%	\$545,000
Allocation of Property Tax		
City and County of SF General Fund	55.59%	\$303,000
Childrens' Fund	4.00%	\$22,000
Library Preservation Fund	2.50%	\$14,000
Open Space Acquisition Fund	<u>2.50%</u>	<u>\$14,000</u>
Subtotal, Other Funds	9.00%	\$50,000
Education Revenue Augmentation Fund	25.33%	\$138,000
SF Unified School District General Fund	7.70%	\$42,000
Other Agencies	<u>2.38%</u>	<u>\$13,000</u>
	35.41%	\$193,000
Total, 1%	100.00%	\$546,000
Other (bonds, debt, State loans, etc.) (2)	18.25%	\$99,000
TOTAL	118.25%	\$645,000

(1) Assessed value based on construction cost.

(2) "Override" is City overall average. Bond amounts and other taxes above 1% can vary annually.

(3) Tax factors from FY2021-22 Secured Taxes Current Year, San Francisco Office of the Controller (correspondence, 3/15/22).

Table A-6
Property Tax in Lieu of VLF Estimate
2270 McKinnon

Item	Total
Citywide Total Assessed Value (1)	\$318,846,449,000
Total Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (2)	\$333,400,000
Project Assessed Value	\$54,526,255
Growth in Citywide AV due to Project	0.02%
TOTAL PROPERTY TAX IN LIEU OF VLF (3)	\$57,000

(1) City/County of San Francisco ACFR, Year ended June 30, 2021, pg. 258, Total A.V.

(2) City and County of San Francisco Annual Appropriation Ordinance for Fiscal Year Ending June 30, 2022.
Sources of Funds Detail by Account, Account #410913, page 126.

(3) Equals the increase in Citywide AV due to the Project multiplied by the current Citywide Property Tax
In Lieu of VLF.

No assumptions included about inflation and appreciation of Project or Citywide assessed values.

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Table A-7
Property Transfer Tax
2270 McKinnon

Item	Assumptions	Total
<u>Annual Transfer Tax from Commercial Building Sale (average)</u>		
Estimated Value (1)	\$52,100,000	
Avg. Sales Value (annual equivalent)	5.0% (<i>avg. sale once/20 years</i>)(3),(4)	\$2,605,000
Transfer Tax (annual avg.)	\$30.00 /\$500 (2)	\$156,000
TOTAL ONGOING TRANSFER TAX		\$156,000

(1) Value based on development cost; actual sales price likely to be greater. Taxable transaction assumes 100% of value.

(2) Assumes rate applicable to sales > \$25 million (\$30/\$500 per Art. 12-C, Sec. 1102)

(3) Actual sales will be periodic and for entire building; revenues have been averaged and spread annually for the of this analysis.

(4) Turnover rates are estimated averages; actual rate depends on years held prior to sale.

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Table A-8
One-Time Sales Tax Estimates
2270 McKinnon

Item	Assumptions	TOTAL
One-Time Sales Taxes on Construction Materials and Supplies (1)		
Total Development Cost		\$52,100,000
Supply/Materials Portion of Total Development (1)	32.50%	\$16,932,500
San Francisco Capture of Taxable Sales	50.00%	\$8,466,250
Sales Tax to San Francisco General Fund	1.0% tax rate	\$85,000

(1) No significant sales tax assumed from ancillary office (e.g., for packing/storage supplies) or from businesses leasing storage space, or from PDR uses.

(2) Taxable portion excludes site acquisition and finance, soft costs, and labor costs.

6/17/22

Table A-9
Gross Receipts Tax Estimates
2270 McKinnon

Item	Total Gross Receipts	GR Allocated to SF for GR Tax	Gross Revenue Tier (1)				Gross Receipts Tax
<u>Business Income (2)</u>			<u>up to \$1m</u>	<u>\$1m - \$2.50m</u>	<u>\$2.50m - \$25m</u>	<u>\$25m+</u>	
Self-Storage (3)	na						
PDR (5)	<u>\$6,686,100</u>	<u>\$668,610</u>	0.088%	<u>0.144%</u>	0.259%	0.665%	<u>\$963</u>
Subtotal	\$6,686,100	\$668,610					\$963
<u>Rental Income (2,3)</u>			<u>up to \$1m</u>	<u>\$1m - \$5.0m</u>	<u>\$5.0m - \$25m</u>	<u>\$25m+</u>	
Self-Storage		<u>\$0</u>					
Subtotal	\$6,156,912	\$6,156,912	0.413%	0.413%	<u>0.435%</u>	0.435%	\$26,783
Total Gross Receipts	\$12,843,012	\$6,825,522					\$27,745
<hr/>							
<u>Project Construction (one-time)</u>							
Total Development Cost	\$52,100,000	\$52,100,000	up to \$1m	\$1m - \$2.5m	\$2.5m - \$25m	\$25m+	
Direct Construction Cost (4)	\$31,260,000	\$31,260,000	0.420%	0.490%	0.560%	<u>0.630%</u>	\$196,938

(1) This analysis applies highlighted tax rate in tier for each use (rental per SF Code Sec. 953.7; construction per SF Code Sec. 953.5).

(2) See estimates in Table A-10.

(3) No direct business gross receipts assumed for self-storage other than rent.

(4) Direct construction assumed to be 60% of total (direct costs excluding soft costs and site acquisition).

Revenue may be spread over multiple years of construction period.

(5) PDR assumed to be 90% small businesses (up to \$1 mill.) exempt from gross receipts tax (see Sec. 953.2 for assumed rate 2022).

6/17/22

Table A-10
Rental Income for Gross Receipts Tax Estimates
2270 McKinnon

Item	Gross Sq.Ft. Units, or Space	Gross Receipts or Rent	Vacancy	Receipts or Rent Total
<u>Business Income (Gross Receipts)</u>				
Self-Storage (1)	na sq.ft.	na		na
PDR (4)	23,460 sq.ft.	\$300 /sq.ft.	5%	<u>\$6,686,100</u>
Subtotal				\$6,686,100
<u>Rental Income</u>				
Self-Storage (1,2,3)	135,020 sq.ft.	\$48 /sq.ft.	5%	\$6,156,912
PDR (3)	23,460 sq.ft.	\$24 /sq.ft.	5%	<u>\$534,888</u>
Subtotal				\$6,691,800

(1) No direct business gross receipts assumed for self-storage other than rent.

(2) Assumes avg. leasable sq.ft. per unit of 73.4 sq.ft./unit. Rents will vary by unit.

(3) Avg. rents from 2270 McKinnon LLC.

(4) PDR gross receipts based on Pier 70 "innovation" uses (Pier 70 Fiscal Analysis, 2017).

6/17/22

Table A-11
Estimated City Services Costs
2270 McKinnon

Item	City Total Budget	Cost per Service Pop. (1) or Mile	Factor	Total Cost
Citywide Service Population (1)			1,645,904 service pop.	
Project Service Population (1)			46 service pop.	
Citywide DPW Miles of Road (2)			1,067 miles	
Miles of Road in Project (estimated frontage)			0.04 miles	
Police (3)	\$586,055,289	\$356	46 service pop.	\$16,532
Fire (4)	\$408,580,636	\$248	46 service pop.	\$11,525
Trees and Sidewalks (5)		\$154	10 proposed trees	\$1,545
Roads (maintenance, street cleaning) (2)	\$204,352,000	\$191,520	0.14 miles	<u>\$27,205</u>
TOTAL				\$56,806

(1) Service Population equals jobs plus residents (see Table A-2).

(2) Road costs (FY21-22 proposed) include 91.0 mill. environmental services (pothole repair, sidewalks, graffiti, street sweeping, etc.) and \$107.4 mill. street resurfacing capital expenditures (Streets & ROW, CIP, pg. 140). Road miles from SFdata, <https://data.sfgov.org/City-Infrastructure/Miles-Of-Streets/5s76-j52p/data> downloaded 3/14/2022 (DPW jurisdiction).

(3) Total police budget (FY21-22) excludes "Airport Police".

(4) Total fire budget (FY21-22) excludes "Airport".

(5) Cost based on annual allocation of General Fund of \$19,310,000 and over 125,000 trees Citywide. Actual cost will vary annually.

6/17/22



APPENDIX B:

SAN FRANCISCO SELF-STORAGE MARKET ANALYSIS

SELF-STORAGE MARKET ANALYSIS



**800 CESAR CHAVEZ
SAN FRANCISCO, CALIFORNIA**

**PREPARED FOR:
800 CESAR CHAVEZ OWNER, LLC**



Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

SELF-STORAGE MARKET ANALYSIS

**800 CESAR CHAVEZ
SAN FRANCISCO, CALIFORNIA**

**PREPARED FOR:
800 CESAR CHAVEZ OWNER, LLC**

OCTOBER 19, 2018

PREPARED BY:



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Golf Feasibility Analysis

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The San Francisco market is home to strong economic fundamentals. In the last three years (2015-2018) the market has added, on average, 32,986 jobs each year; leading to a present day employment base of 994,873. This is due in large part to the continued expansion of technology-based industries in the area. For instance, the Information sector has added 4,326 jobs per year. The strongest growth, however, has been realized within the 'Professional and Technical Services' industries; this industry has added, on average, 8,236 jobs per year since 2015.

This economic growth has spilled over into population gains. The population that calls San Francisco home has grown by 10,000 individuals per year since 2010. Today, there are 885,233 people that live in San Francisco. Meaning, employment growth has outpaced population growth. This is due, in large part, to the geographical boundaries defining San Francisco. These geographical boundaries act similar to municipalities with urban growth boundaries – characterized as having relatively high housing prices due to a housing supply shortage.

THK projects growth in employment and population to continue through the coming decade. The economy is on track to add 32,462 jobs per year through 2028. In the same time-frame, permanent population is set to grow by 12,266 individuals per year. The housing stock will also continue to grow – albeit at a relatively slow pace. THK projects 6,524 housing units to come on-line annually through 2028.

Having determined the economic and demographic outlook for the City of San Francisco, THK performed an analysis of the self-storage market in the 800 Cesar Chavez site environs. To perform this analysis, THK defined what is known as a Primary Trade Area ("PTA"). A PTA is defined as a five mile radius with consideration for a 15-minute drive time. This area is that which THK believes will drive demand. Within this PTA there are currently 761,110 individuals living in 333,964 households. By 2028, it is expected that this population will grow to 865,177 individuals living in 381,534 households.

Within the Primary Trade Area, THK has identified 25 self-storage facilities. These 25 facilities comprise 1,664,671 square feet. Meaning, there are 2.19 existing square feet per person within this PTA. THK has surveyed each of these facilities for rental rates, occupancy rates and characteristics of their existing units such as the

Key Market Metrics		
	2018	2028
Primary Trade Area Population	761,110	865,177
Existing Storage (Square Feet)	1,664,671	-
Existing Square Feet per Capita		
<i>United States</i>	7.06	-
<i>San Francisco MSA</i>	4.79	-
<i>Primary Trade Area</i>	2.19	-
Source: THK Associates, INC		

EXECUTIVE SUMMARY

quantity of climate controlled square feet and premiums placed upon in-store rates vs. online rates. These facilities currently average 94.8% occupancy and consist of primarily non-climate controlled space (83% of inventory). The average facility consists of 66,587 square feet housed in 590 units. Most facilities are housed in improvements not originally constructed with self-storage in mind. That said, the average facility was built in 1937 and retrofitted in the past few decades.

Given the existing conditions of the San Francisco Market and the conditions of the environs defined as the Primary Trade Area, THK believes there to be demand (today) for a total of 3,412,391 square feet of self-storage space in the Primary trade Area. This is computed by taking consideration for the existing population, multiplied by a normalized occupied square feet per person factor of 4.48. This occupied square feet per person factor has been referenced from the Self-Storage Almanac of 2018, which has computed this figure for the San Jose – San Francisco – Oakland, CA region. THK believes that in a normalized market, the Primary Trade Area would be considered as at-equilibrium if it were to home to 4.48 square feet of occupied space per person.

With consideration for the existing occupied supply, THK believes there to be a **pent-up demand in the primary trade area for 1,834,896 square feet**. THK believes this demand is split evenly amongst climate-controlled and non-climate controlled storage types as the market seems evenly responsive to both. Therefore, THK believes there to be pent-up demand for 917,448 square feet of climate controlled and 917,448 square feet of non-climate controlled space.

Given the historical lack of self-storage development, coupled with the fact that no facilities are currently planned or proposed, THK believes the subject site is well-positioned to capture (a conservative) 65% of the pent-up demand as well as new demand fostered in the trade area in the years to come. If the facility were to be built and opened in 2019, THK believes the facility would be well positioned to absorb 610,646 square feet of climate controlled space.

Currently, plans call for a facility containing 430,000 gross square feet. With consideration for a 78% efficiency factor, THK believes the facility would culminate in 335,400 square feet of net rentable area. A unit mix has been proposed for this space that would result in the spatial programming of 4,625 climate controlled units with a weighted average rent per square foot per month of \$4.17. The average unit size, as proposed, is 72 square feet.

Key Project Metrics	
Size of Facility (Gross)	430,000
Projected Project Value upon Stabilization	\$263,500,526
Internal Rate of Return (IRR)	40.60%
Exit Capitalization Rate	4.00%

Source: THK Associates, INC

EXECUTIVE SUMMARY

Given the mentioned demand potentials and the proposed unit mix, THK has prepared a cash flow analysis. With consideration for stabilization at the end of year 2 of operation, THK believes the preliminary market value is \$263,500,526 at a capitalization rate of 4.00%. A ten-year projection of cash flows has resulted in a projected internal rate of return (IRR) of 40.6%.

THK prepared an additional cash flow analysis concerning an alternative scenario in which 100% non-climate controlled units are developed rather than climate-controlled. Under this condition, the weighted average rental rate per square foot per month is \$3.91. THK believes the preliminary market value in year two of operation upon stabilization is \$244,186,465 at a capitalization rate of 4.00%. A ten-year projection of cash flows has resulted in a projected internal rate of return (IRR) of 39.5%. Assumptions and a more detailed financial analysis can be viewed in section five of this analysis.

I. INTRODUCTION

I. INTRODUCTION

The purpose of this market analysis is to assess the market potential for the proposed self-storage project located at 800 Cesar Chavez Street in San Francisco, California. The site consists of 2.8 acres on which are located two industrial buildings that will be demolished. The proposed project includes preliminary plans for as much as 430,000 gross square feet of self-storage space.

In order to assess these potentials THK has undertaken the following research:

- Researched and summarized current market dynamics taking place in and around downtown San Francisco, including;
 - Public capital projects and infrastructure
 - Private developments such as new apartments, live/work loft space, and hotels
 - Economic development such as corporate headquarters
- Profiled Metro San Francisco in terms of employment, population, households, and building permit activity since 1980.
- Established a primary trade area (PTA) for the subject property and profiled historical and projected population, households, and income levels within the area. The PTA is an area within an approximate five mile radius or 15-minute drive time from the subject property, and it is primarily within this area where the facility will draw much of its demand.
- Reviewed historic trends in self-storage at the national and regional levels
- Profiled the existing self-storage square footage and square footage demand for self-storage space in the primary trade area for the 2018-2028 period.
- Determined absorption levels for self-storage space at the subject property.
- Made development recommendations per unit mix and rental rates.
- Prepared a cash flow analysis per our development recommendations

II. PROPERTY DESCRIPTION & MARKET OVERVIEW

PROPERTY DESCRIPTION & MARKET OVERVIEW

II. PROPERTY DESCRIPTION & MARKET OVERVIEW

A. Property Description

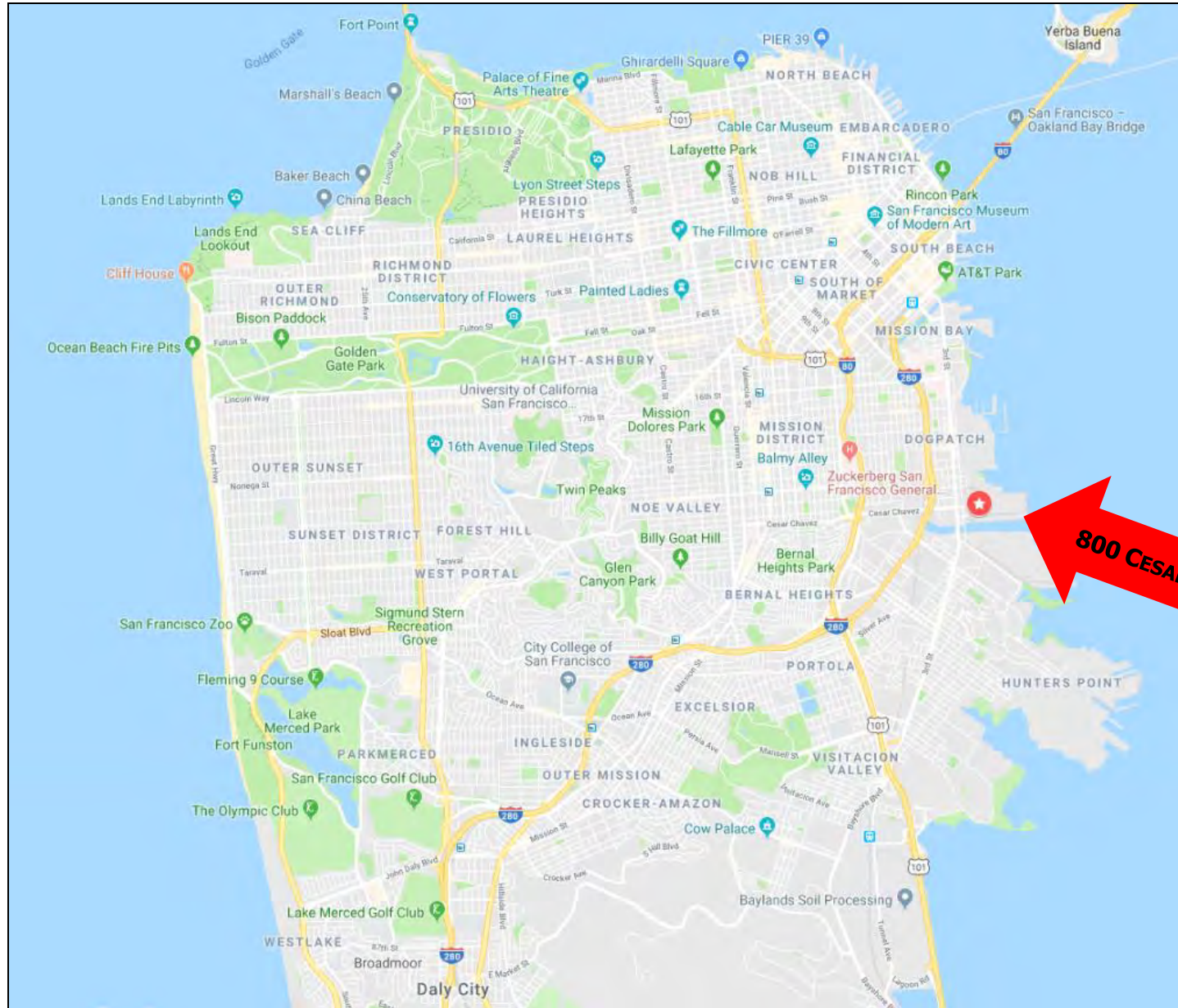
The subject property is located at 800 Cesar Chavez Street in the Central Waterfront/Dogpatch neighborhood of San Francisco, California. The property is approximately 2.81-acres or 122,355 square feet in size. At this time there are two existing buildings totaling approximately 54,027 square feet. The buildings are occupied with leases that expire in the near term. Tenants are industrial and transportation in nature. The buildings will be removed for re-development of the subject property. The property is located in the M-2 zoning district where self-storage is principally permitted. It is important to note that there is very little land in SF where the zoning permits self-storage development. The vast majority of that zoning is located in the downtown core, where self-storage is not the highest and best use (land values are \$500-\$2,000 psf). The only areas of the city where land values are low enough for self-storage development are the remaining industrial districts. However, almost all the land in these districts was rezoned from M-1/M-2 to "PDR" in 2008, and PDR does not allow for self-storage development. 800 Cesar Chavez, however, still retains the M-2 zoning, and therefore storage is "principally permitted" (as of right). The result is that there is a significant barrier to entry for development of new storage in the city, and 800 Cesar Chavez is potentially the only new source of supply for the foreseeable future (over a decade). This is evidenced by the fact that no new storage has been developed in SF since the 2008 re-zoning.

The property has extended frontage along Cesar Chavez Boulevard. The property is approximately 3.1 miles south of San Francisco's central financial district. There is easy access to US 101 (one mile to the west) and I-280 (three blocks from the subject). Third Street is a major arterial located only two blocks to the west.

The subject property is located on the north side of Cesar Chavez Boulevard. The Third Street light rail connects the subject neighborhood to the San Francisco financial district, Bay Area Rapid Transit (BART) and Caltrain (22nd Street Station). This convenient location allows for easy access to the site from all areas of the metro area.

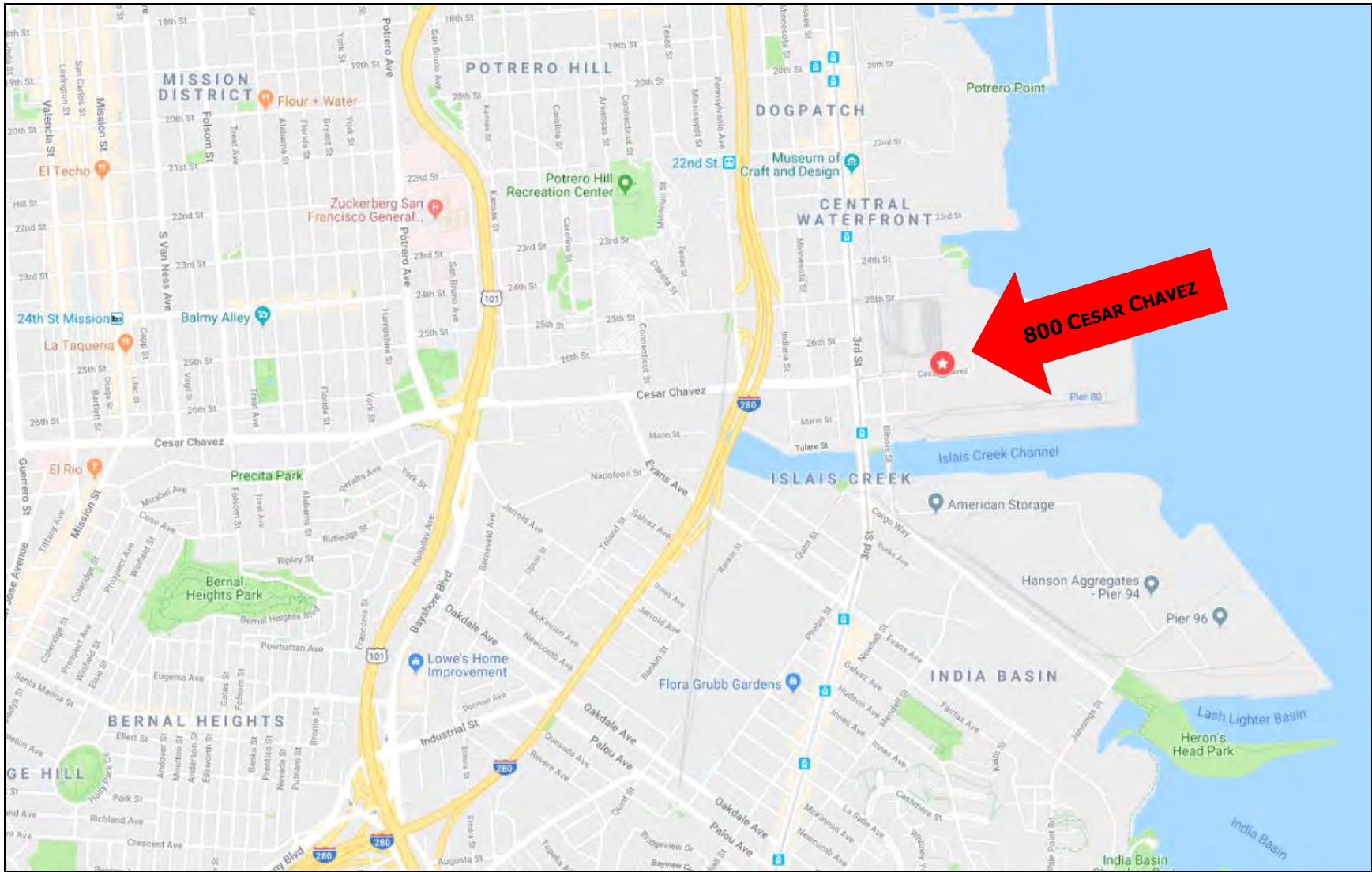
PROPERTY DESCRIPTION & MARKET OVERVIEW

Figure 1- REGIONAL MAP



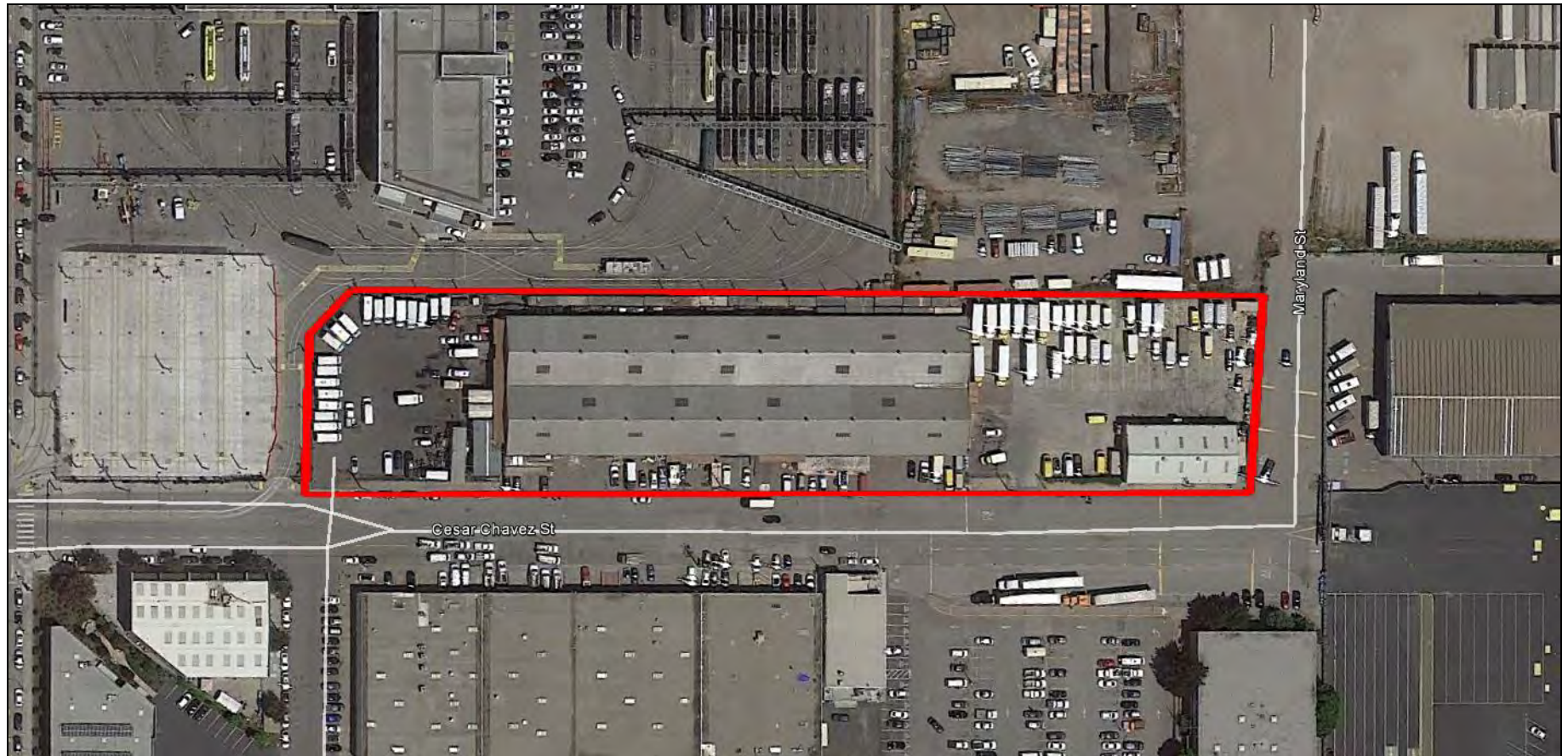
PROPERTY DESCRIPTION & MARKET OVERVIEW

Figure 2- DOWNTOWN AREA MAP



PROPERTY DESCRIPTION & MARKET OVERVIEW

Figure 3- PROPERTY AERIAL



PROPERTY DESCRIPTION & MARKET OVERVIEW

Figure 4- PROPERTY PHOTOS



PROPERTY DESCRIPTION & MARKET OVERVIEW



PROPERTY DESCRIPTION & MARKET OVERVIEW

B. Market Overview – Central Waterfront / Dogpatch

Situated along San Francisco's waterfront, the Central Waterfront has long been associated with the City's industrial and shipping history. The neighborhood is rapidly transforming with multiple major development projects on the horizon – most notably the redevelopment of Pier 70 and the former Potrero Power Plant. These two projects are anticipated to bring more than 5,000 new residential units, 2.6 million square feet of office space, and over 1 million square feet of R&D, industrial, and retail space to the area. The neighborhood is accessible to multiple forms of transportation for both industrial and passenger use including the I-280, Piers 80, 94, and 96, and Third Street Light Rail.

Directly adjacent to the Central Waterfront is the storied Dogpatch neighborhood, a small but popular enclave home to many artists, designers, entrepreneurs, and techies. Today, warehouses still commingle with Victorians in this historic neighborhood, which dodged the 1906 earthquake fires. Buoyed by a city historic district designation in 2003 and a light-rail line that began in 2007, the Dogpatch has reached a revivalist critical mass with dozens of new residential development projects recently completed or in the pipeline. Dogpatch boasts many of San Francisco's most popular restaurants, including Serpentine, Poquito, Piccino, and many more.

Other neighborhoods near the subject Dogpatch include Mission Bay and South of Market (SOMA). Mission Bay is a biotechnology hub and has undergone significant re-development and is anchored by the UCSF campus. Major developments include over 1,000,000 square feet of research and teaching space and a new state-of-the-art USCF Medical Center. Another significant developments include and new headquarters for Dropbox, the Exchange and the proposed new UBER headquarters. Nearly 6,000 new residential units have been recently completed or are under construction. Also, the Golden State Warriors are planning a new 19,000 seat arena. SOMA has developed into a technology hub with a shift of tech companies from the Silicon Valley to the SOMA neighborhood. Millions of square feet of office space and more than 5,000 residential units are planned for development.

The following are some of the recently completed or under construction high density residential projects illustrating the transformation of the environs.

PROPERTY DESCRIPTION & MARKET OVERVIEW

#1 Mission Bay Block 6E

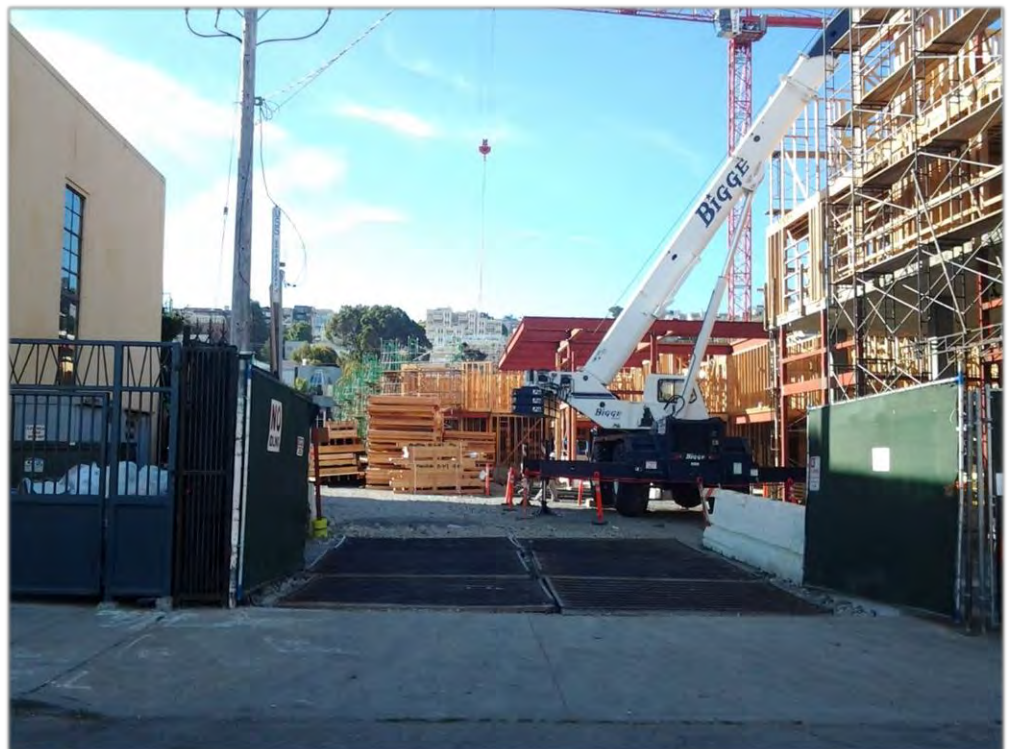
Block 6E has been completely re-developed with 135 multi-family units and in excess of 10,000 square feet of ground floor retail and restaurant uses. Estimated costs for the project range in the ballpark of \$71,000,000.



PROPERTY DESCRIPTION & MARKET OVERVIEW

#2 1601 Mariposa

Another example of high density residential development is the 299 unit 1601 Mariposa rental apartment project.



PROPERTY DESCRIPTION & MARKET OVERVIEW

#3 22 Texas Street

The 22 Texas Street project is a 256 unit rental apartment community that is nearing completion.



PROPERTY DESCRIPTION & MARKET OVERVIEW

#4 Pier 70

Pier 70 is an under-construction development that is intended to include 2,150 residential units in close proximity to the subject site. It will also include a waterfront park, and over 2,000,000 sf of office.



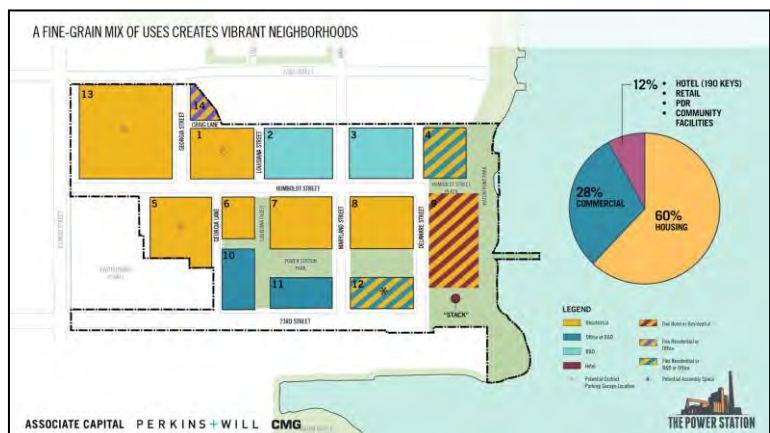
#5 India Basin

BUILD Inc. is working on plans to redevelop India Basin, a neighborhood along San Francisco's Eastern Waterfront. The developer has proposed to build over 1,200 housing units within an 11-acre urban mixed-use village to include retail, residential, open space and possible commercial space.



#6 Potrero Power Station

An investment group known as Associate Capital, backed by Hewlett Packard CEO Meg Whitman, recently purchased the old Potrero Power Plant site, a 21-acre site that sits adjacent to Pier 70. Final plans have yet to have been submitted for the site, however, it is expected to include a 180-key 5-star hotel, 2,500+ units of residential, and over 1,000,000, square feet of Class A office space. It is one of the last large-scale mixed-use opportunities in San Francisco.



PROPERTY DESCRIPTION & MARKET OVERVIEW

#7 888 Tennessee Street

This project, approved for construction, is a project by S Hekemian Group. The intended development will include 128 residential units.



#8 2177 3rd Street

Align RE has been granted approval to construct 109 residential units.



#9 950 Tennessee Street

Leap Development has been granted approval to develop 103 residential units on this site.



PROPERTY DESCRIPTION & MARKET OVERVIEW

#10 2290 3^d Street

DM Development has been granted approval to develop upwards of 71 residential units on this site.



#11 815 Tennessee Street

DM Development has recently completed the construction of 69 residential units on this site.

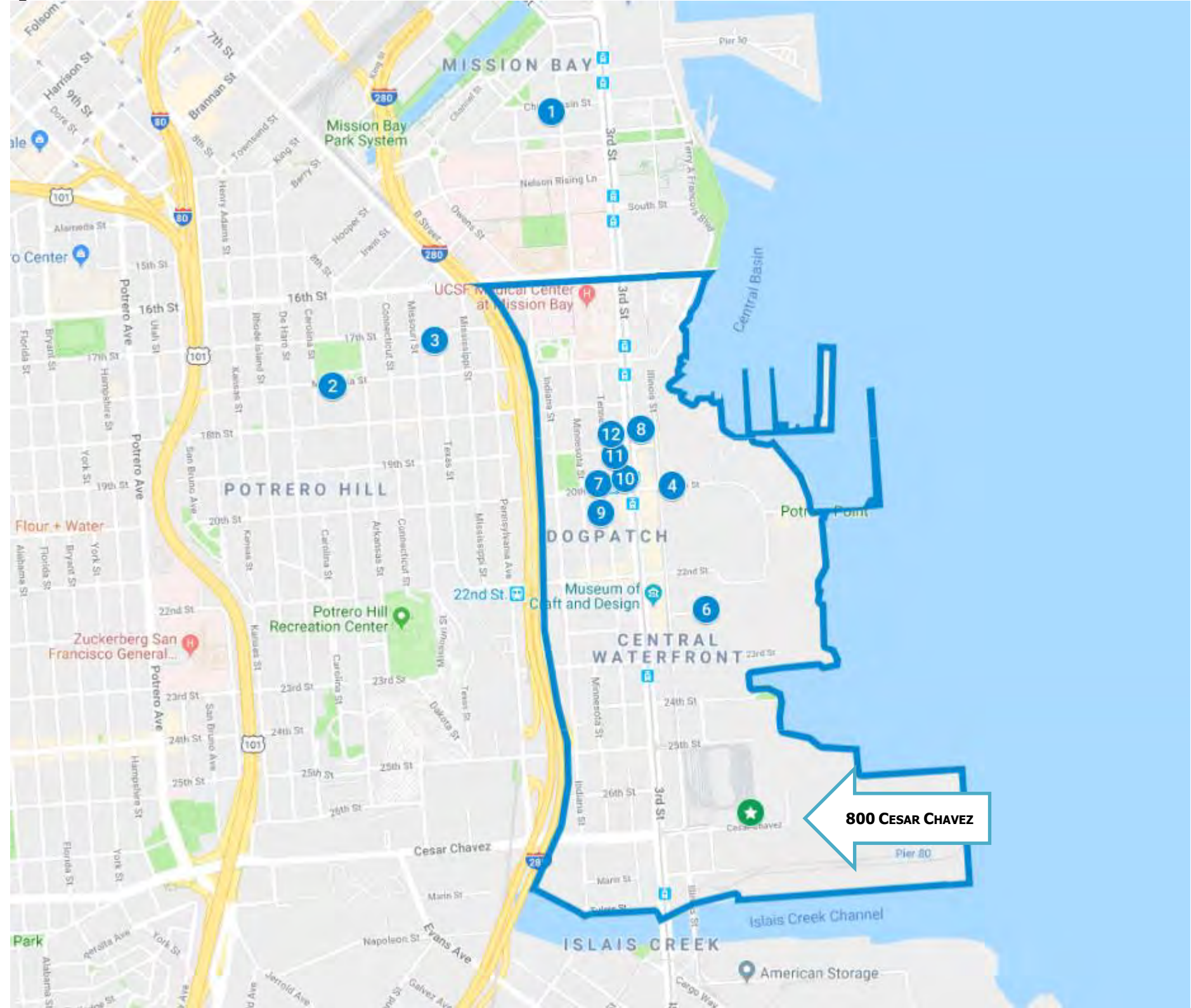


#12 777 Tennessee Street

Fisher Development has been granted approval to develop 59 residential units at this site.



Figure 5- MAP OF PROJECTS AROUND THE DOGPATCH/CENTRAL WATERFRONT DISTRICTS



- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Mission Bay Block 6E</p> <p>1300 Fourth Street
\$71,000,000
Under Construction
135 apartment units and 10,000 SF Retail</p> | <p>2. 1601 Mariposa</p> <p>1601 Mariposa Street
Cost Unknown
Under Construction
299 apartment units</p> |
| <p>3. 22 Texas Street</p> <p>22 Texas Street
Under Construction
256 apartment units</p> | <p>4. Pier 70</p> <p>499 20th Street
Cost Unknown
Under Construction
2,150 residential units</p> |
| <p>5. India Basin</p> <p>325 Mendell Street
Cost Unknown
Proposed
1,200 housing units</p> | <p>6. Potrero Power Station</p> <p>Humboldt Street
Cost Unknown
Proposed
60% proposed for residential</p> |
| <p>7. 888 Tennessee Street</p> <p>888 Tennessee Street
Cost Unknown
Approved
128 apartment units</p> | <p>8. 2177 3rd Street</p> <p>2177 3rd Street
Cost Unknown
Approved
109 residential units</p> |
| <p>9. 950 Tennessee Street</p> <p>950 Tennessee Street
Cost Unknown
Approved
103 residential units</p> | <p>10. 2290 3rd Street</p> <p>2290 3rd Street
Cost Unknown
Approved
71 residential units</p> |
| <p>11. 815 Tennessee Street</p> <p>815 Tennessee Street
Cost Unknown
Completed
69 residential units</p> | <p>12. 777 Tennessee Street</p> <p>777 Tennessee Street
Cost Unknown
Approved
59 residential units</p> |

III-ECONOMIC BASE ANALYSIS

III. ECONOMIC BASE ANALYSIS

A. Historical Employment Growth Trends

Employment trends are prime indicators of the economic growth of an area. Increases in employment generate growth for most sectors of the local economy and dictate the rate at which it will expand. This section looks at the area's various employment figures and projects their course over the next decade. Table III-1 shows historical employment growth by year in the San Francisco County market area. Total employment has grown from 655,019 in 1980 to 994,873 in 2018 – an annual average growth of 8,944 jobs, or a 1.1% growth rate. Since 2013, the San Francisco County market area has grown by 36,062 new jobs per years, or a 3.9% growth rate.

First adopted in 1997, the Standard Industrial Classification (SIC) index was replaced in 2001 by the North American Industry Classification System (NAICS). The new system allows the government an improved method of tracking economic statistics by focusing on emerging economic activities which can better reflect the changing economy. The total number of industry classifications transitioned from 11 to 21 categories, beginning in 2001. Since the institution of NAICS in 2001, the San Francisco County market has experienced growth in almost every employment sector except farming, utilities and Forestry, fishing and related activities. Employment by industry is tracked below for the San Francisco County market in Table III-2.

In The San Francisco MSA, the majority of jobs are found in Professional and Technical Services, Government and Government Enterprises, Accommodation and food services and Healthcare and social assistance. As shown in Table III-2, the Professional and Technical Services and Information sectors have experienced the greatest growth over the last three years and have increased the economic base by an annual average of 8,236 and 4,236, respectively.

ECONOMIC BASE ANALYSIS

Table III-1: San Francisco County Market Area Employment Trends, 1980-2018

Year	Total Employment	Annual Change	
		Numerical	Percent
1980	655,019	7,986	1.3%
1981	660,452	5,433	0.8%
1982	650,640	-9,812	-1.5%
1983	647,798	-2,842	-0.4%
1984	661,697	13,899	2.1%
1985	666,164	4,467	0.7%
1986	674,852	8,688	1.3%
1987	682,608	7,756	1.1%
1988	694,148	11,540	1.7%
1989	697,150	3,002	0.4%
1990	702,360	5,210	0.7%
1991	685,459	-16,901	-2.4%
1992	669,624	-15,835	-2.3%
1993	669,328	-296	0.0%
1994	666,537	-2,791	-0.4%
1995	671,666	5,129	0.8%
1996	691,230	19,564	2.9%
1997	704,504	13,274	1.9%
1998	722,919	18,415	2.6%
1999	734,594	11,675	1.6%
2000	751,897	17,303	2.4%
2001	731,767	-20,130	-2.7%
2002	694,847	-36,920	-5.0%
2003	680,507	-14,340	-2.1%
2004	675,773	-4,734	-0.7%
2005	681,338	5,565	0.8%
2006	697,767	16,429	2.4%
2007	723,835	26,068	3.7%
2008	736,436	12,601	1.7%
2009	715,451	-20,985	-2.8%
2010	712,825	-2,626	-0.4%
2011	732,751	19,926	2.8%
2012	779,724	46,973	6.4%
2013	814,561	34,837	4.5%
2014	853,961	39,400	4.8%
2015	895,915	41,954	4.9%
2016	931,565	35,650	4.0%
2017	966,540	34,975	3.8%
2018	994,873	28,333	2.9%
Annual Change			
1980-2018		8,944	1.1%
2008-2018		25,844	3.7%
2013-2018		36,062	3.9%
2015-2018		32,986	3.3%

Source: Bureau of Economic Analysis, and THK Associates, Inc.

B. Historic Employment by Industry

Table III-2: San Francisco County Submarket Employment by Industry, 1970-2017																						
Industry	1970	1980	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000								
Total Non-Farm (By Place of Work)	575,159	655,019	666,164	702,360	685,459	669,624	669,328	666,537	671,666	691,230	704,504	722,919	734,594	751,897								
Agricultural Services, Forestry, & Fisheries	1,681	1,705	1,946	1,662	1,820	1,808	2,037	2,057	1,886	1,928	2,074	2,062	2,173	2,216								
Mining, Oil & Gas	693	2,423	2,867	1,316	1,270	1,112	1,121	1,180	1,056	992	1,007	937	816	543								
Construction	21,554	24,250	17,443	20,432	19,661	17,456	17,147	17,185	18,061	19,122	21,189	22,420	23,721	24,822								
Manufacturing	55,402	52,522	44,464	41,057	41,485	40,447	40,355	39,844	37,730	38,543	38,280	37,737	33,791	31,205								
Transportation & Utilities	59,799	54,746	50,946	41,680	41,914	42,455	42,303	42,446	42,281	42,443	44,477	43,960	42,531	42,911								
Wholesale Trade	41,206	41,875	38,601	33,585	27,987	27,279	25,975	25,775	26,875	26,279	25,502	25,470	23,869	23,409								
Retail Trade	67,357	79,306	85,120	92,636	89,295	86,019	84,837	86,832	89,357	91,180	94,531	96,018	97,854	104,935								
Finance, Insurance, Real Estate	79,832	101,510	103,646	97,137	96,068	89,713	88,834	85,517	87,064	89,246	93,234	100,618	100,974	100,884								
Services	140,522	192,695	222,576	270,026	260,979	261,666	266,382	265,904	271,155	286,126	289,127	301,236	313,610	323,955								
Government	107,113	103,987	98,555	102,829	104,980	101,669	100,337	99,797	96,201	95,371	95,083	92,461	95,255	97,017								
Farm	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
Total Employment	575,159	655,019	666,164	702,360	685,459	669,624	669,328	666,537	671,666	691,230	704,504	722,919	734,594	751,897								
Industry	Sector																			Average Annual Change		
	Code	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	10	5	3
Total Non-Farm (By Place of Work)		731,767	694,847	680,507	675,773	681,338	697,767	723,835	736,436	715,451	712,825	732,751	779,724	814,561	853,961	895,915	931,565	958,357	994,873	25,844	36,062	32,986
Forestry, fishing, and related activities	11	173	214	187	228	204	199	237	231	251	236	216	230	219	220	190	196	191	190	-4	-6	0
Mining	21	394	331	416	353	359	443	564	808	861	1,081	826	1,078	993	831	819	817	810	810	0	-37	-3
Utilities	22	8,356	7,987	8,459	6,487	6,247	4,875	4,499	4,009	4,640	4,733	4,859	4,958	5,236	6,258	8,987	9,356	10,108	11,014	701	1,156	676
Construction	23	25,877	24,302	24,411	23,979	23,881	26,172	27,146	27,496	23,586	21,591	20,743	22,341	23,257	24,418	25,894	27,312	27,753	28,442	95	1,037	849
Manufacturing	31-33	19,639	16,871	15,151	14,079	13,538	12,988	13,093	12,485	11,330	10,705	10,832	11,412	11,819	12,385	12,676	14,714	14,996	15,414	293	719	913
Wholesale trade	42	16,376	15,386	15,502	15,196	15,061	14,812	15,379	15,517	13,915	13,494	14,205	15,460	19,890	21,076	22,059	23,286	23,286	23,286	777	1,253	1,132
Retail Trade	44-45	53,977	52,028	52,256	51,919	52,320	51,839	53,252	52,881	50,079	47,923	49,750	50,940	52,952	54,318	56,003	55,659	56,047	56,919	404	793	305
Transportation and warehousing	48-49	14,787	13,313	11,698	11,989	12,202	12,553	10,448	11,568	10,698	9,875	10,392	10,833	12,491	15,070	17,492	22,091	24,237	26,818	1,525	2,865	3,109
Information	51	34,220	26,386	24,738	24,323	22,532	22,647	23,673	23,954	23,681	23,543	25,739	28,179	29,900	32,824	36,328	43,090	45,898	49,306	2,535	3,881	4,326
Finance and insurance	52	68,279	63,256	59,724	57,253	57,366	57,850	60,548	61,935	60,955	58,092	60,336	60,533	57,991	59,479	61,792	65,026	65,100	65,732	380	1,548	1,313
Real estate and rental and leasing	53	28,667	28,558	29,748	30,817	32,596	33,770	35,290	35,837	34,797	35,562	36,718	36,818	38,583	40,024	40,896	42,442	43,317	44,587	875	1,201	1,230
Professional and technical services	54	103,515	93,836	88,925	90,724	95,026	102,700	109,790	113,509	109,460	110,136	118,487	128,845	138,202	150,586	163,110	168,949	177,378	187,817	7,431	9,923	8,236
Management of companies and enterprises	55	24,802	18,972	16,614	16,013	14,063	15,435	16,819	18,719	17,049	16,122	17,136	17,407	20,661	22,312	24,017	24,802	26,016	27,522	880	1,372	1,168
Administrative and waste services	56	43,279	43,875	41,918	38,605	40,510	40,673	42,708	40,701	40,427	44,227	42,778	45,222	49,374	52,024	54,155	54,808	56,235	58,191	1,749	1,763	1,345
Educational services	61	19,083	20,057	19,513	19,801	20,804	21,935	22,352	23,225	23,288	23,638	24,106	24,910	26,797	28,285	28,545	27,739	28,299	29,116	589	464	190
Health care and social assistance	62	46,340	47,477	47,931	49,434	49,275	49,594	51,321	51,805	52,676	52,638	52,942	72,402	77,995	77,906	80,029	83,188	86,950	91,658	3,985	2,733	3,876
Arts, entertainment, and recreation	71	23,814	23,225	22,965	23,545	23,707	24,165	25,717	26,137	26,121	26,332	26,950	27,790	27,160	27,719	28,495	28,866	29,002	29,388	325	446	631
Accommodation and food services	2000-2010	66,004	63,047	64,312	65,186	66,483	68,942	71,126	73,259	69,893	70,889	73,045	75,980	78,629	83,141	87,109	89,024	91,099	94,019	2,076	3,078	2,303
Other services, except public administration	81	38,840	38,373	37,922	37,363	37,967	38,521	40,150	40,189	39,205	37,726	38,902	40,696	42,244	45,300	45,975	46,902	47,825	49,184	899	1,388	1,070
Government and government enterprises	90	95,345	97,353	98,117	98,479	97,197	97,654	99,723	102,171	102,539	104,282	103,789	103,690	103,036	102,015	104,513	105,508	105,036	105,460	329	485	316
Farm employment	--	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Employment		731,767	694,847	680,507	675,773	681,338	697,767	723,835	736,436	715,451	712,825	732,751	779,724	814,561	853,961	895,915	931,565	958,357	994,873	25,844	36,062	32,986
Source: Bureau of Economic Analysis and THK Associates, Inc.																						

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C. Projected Employment Growth

As shown in Table III-3, the San Francisco Market area is projected to add, on average, approximately 32,462 jobs per year for the next ten years. This growth will likely be fueled by Professional and Technical Services and the Information Sector.

Table III-3: Projected San Francisco County Employment 2018-2028													
Industry	Annual Rate of Change	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average Annual Change
Total Non Farm (By Place of Work)	2.9%	994,873	1,022,350	1,050,813	1,080,305	1,110,869	1,142,550	1,175,398	1,209,461	1,244,794	1,281,451	1,319,490	32,462
Forestry, fishing, and related activities	0.0%	190	190	190	190	190	190	190	190	190	190	190	0
Mining	-1.9%	810	795	780	765	751	737	723	709	696	683	670	-14
Utilities	2.8%	11,014	11,320	11,633	11,955	12,286	12,627	12,976	13,336	13,705	14,084	14,474	346
Construction	2.7%	28,442	29,221	30,022	30,845	31,690	32,559	33,451	34,368	35,310	36,278	37,272	883
Manufacturing	4.3%	15,414	16,083	16,781	17,509	18,269	19,062	19,889	20,752	21,653	22,593	23,574	816
Wholesale trade	4.2%	23,286	24,256	25,267	26,320	27,416	28,559	29,749	30,988	32,280	33,625	35,026	1,174
Retail Trade	0.9%	56,919	57,413	57,912	58,415	58,922	59,433	59,950	60,470	60,995	61,525	62,059	514
Transportation and warehousing	6.8%	26,818	28,628	30,561	32,624	34,826	37,177	39,687	42,366	45,226	48,279	51,538	2,472
Information	6.1%	49,306	52,297	55,469	58,834	62,402	66,187	70,201	74,459	78,976	83,766	88,846	3,954
Finance and insurance	2.0%	65,732	67,024	68,342	69,686	71,056	72,453	73,877	75,330	76,811	78,322	79,862	1,413
Real estate and rental and leasing	2.4%	44,587	45,676	46,792	47,935	49,106	50,305	51,534	52,793	54,082	55,403	56,757	1,217
Professional and technical services	3.9%	187,817	195,064	202,590	210,406	218,524	226,955	235,711	244,805	254,250	264,060	274,247	8,643
Management of companies and enterprises	3.7%	27,522	28,546	29,607	30,709	31,851	33,035	34,264	35,538	36,860	38,230	39,652	1,213
Administrative and waste services	2.3%	58,191	59,540	60,920	62,332	63,777	65,255	66,767	68,315	69,898	71,518	73,176	1,498
Educational services	1.5%	29,116	29,563	30,017	30,477	30,945	31,420	31,902	32,392	32,889	33,394	33,906	479
Health care and social assistance	2.8%	91,658	94,245	96,906	99,641	102,454	105,346	108,320	111,377	114,521	117,754	121,078	2,942
Arts, entertainment, and recreation	1.6%	29,388	29,868	30,356	30,852	31,356	31,868	32,389	32,918	33,456	34,003	34,558	517
Accommodation and food services	2.7%	94,019	96,513	99,074	101,702	104,400	107,169	110,012	112,931	115,927	119,002	122,159	2,814
Other services, except public administration	2.2%	49,184	50,243	51,325	52,431	53,560	54,714	55,893	57,097	58,326	59,583	60,866	1,168
Government and government enterprises	0.4%	105,460	105,864	106,271	106,679	107,089	107,500	107,913	108,327	108,743	109,160	109,580	412
Farm employment	-	0	0	0	0	0	0	0	0	0	0	0	0
Total employment	2.9%	994,873	1,022,350	1,050,813	1,080,305	1,110,869	1,142,550	1,175,398	1,209,461	1,244,794	1,281,451	1,319,490	
Job growth/(losses)		36,516	27,477	28,464	29,492	30,564	31,682	32,847	34,064	35,333	36,657	38,039	32,462
Job growth rate	3.81%		2.76%	2.78%	2.81%	2.83%	2.85%	2.87%	2.90%	2.92%	2.94%	2.97%	

Source: BEA, BLS, and THK Associates, Inc.

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D. Population and Household Growth Trends

Population and household growth drive the demand for new self-storage facilities. As shown in Table III-4, the San Francisco market grew by 18,050 persons in 6,060 households on average each year since 1980. Since 2000, the MSA has grown by 14,152 persons in 6,822 households. These historic trends will be an important element in determining projections of future population growth and household formation.

Table III-4: Estimates of Population and Households in the San Francisco CBSA Market Area, 1980-2018

Year	Oakland City		San Jose City		San Francisco County		San Jose-San Francisco-Oakland, CA Total	
	Pop	HH	Pop	HH	Pop	HH	Pop	HH
1980	339,337	142,417	629,442	209,905	678,974	299,867	1,647,753	652,189
1990	370,937	144,609	790,596	254,643	723,960	305,984	1,885,493	705,236
2000	399,413	150,750	902,670	279,174	776,732	329,701	2,078,815	759,625
2010	390,724	153,791	945,942	301,366	805,235	345,811	2,141,901	800,968
2018	427,331	168,717	1,020,981	328,795	885,233	384,906	2,333,544	882,417
(1980-2018):								
Numerical	2,320	692	10,300	3,129	5,430	2,238	18,050	6,060
Percent	0.6%	0.4%	1.3%	1.2%	0.7%	0.7%	0.9%	0.8%
Percent of 9-County Total	12.9%	11.4%	57.1%	51.6%	30.1%	36.9%	100.0%	100.0%
(1990-2018):								
Numerical	2,010	861	8,230	2,648	5,760	2,819	16,000	6,330
Percent	0.5%	0.6%	0.9%	0.9%	0.7%	0.8%	0.8%	0.8%
Percent of 9-County Total	12.6%	13.6%	51.4%	41.8%	36.0%	44.5%	100.0%	100.0%
(2000-2018):								
Numerical	1,551	998	6,573	2,757	6,028	3,067	14,152	6,822
Percent	0.4%	0.6%	0.7%	0.9%	0.7%	0.9%	0.6%	0.8%
Percent of 9-County Total	11.0%	14.6%	46.4%	40.4%	42.6%	45.0%	100.0%	100.0%
(2010-2018)								
Numerical	4,576	1,866	9,380	3,429	10,000	4,887	23,955	10,181
Percent	1.1%	1.2%	1.0%	1.1%	1.2%	1.3%	1.1%	1.2%
Percent of 9-County Total	19.1%	18.3%	39.2%	33.7%	41.7%	48.0%	100.0%	100.0%

Source: Bureau of Census and THK Associates, Inc.

E. Population and Household Growth Projections

Population, household, and employment data for the San Francisco county area is presented in Table III-5. In 1980, the total population of the San Francisco area was 678,974 and resident employment was 655,019 for an employment participation rate of .965, meaning that 96.5% of the population was employed. By 1990, the area's resident employment had increased to 702,360, while the population increased to 723,960 for an employment participation rate of .970. Employment and Population continued to increase since 1990 and by 2010 the employment participation ratio had changed slightly to .885. The 2018 employment participation ratio is estimated at 1.124. This ratio is calculated by dividing the estimated permanent population in the area, 885,233 by the projected employment of 994,873.

Furthermore, Table III-5 also shows population growth projections of the San Francisco county area, based on the anticipated employment growth, which is expected to be positive. With a projected 2028 resident employment of 1,319,490 the estimated 2028 population for the area will be 1,010,570 with a projected employment participation rate of 1.306. Based on this estimated population growth, the area should see approximately 450,146 households. The area's permanent population is projected to grow by 12,534 persons per year in 6,524 households through 2028.

Table III-5: Projected Permanent Population and Households in the San Francisco County Market Area, 2018-2028									
Year	Total Employment	Employment Participation Ratio	Permanent January 1, Population	Annual Population Change	Population in Group Quarters	Permanent Population In Households	Permanent Population Per Household	Households	Annual Household Change
1980	655,019	0.965	678,974	---	16,282	662,692	2.2100	299,867	--
1990	702,360	0.970	723,960	4,500	17,929	706,031	2.3074	305,984	610
2000	751,897	0.968	776,732	5,280	19,742	756,990	2.2960	329,701	2,370
2010	712,825	0.885	805,235	2,850	24,264	780,971	2.2584	345,811	1,610
2018	994,873	1.124	885,233	10,000	26,694	858,539	2.2305	384,906	4,887
2019	1,022,350	1.141	896,140	10,907	26,950	869,190	2.2254	390,579	5,674
2020	1,050,813	1.158	907,380	11,240	27,208	880,172	2.2203	396,426	5,846
2021	1,080,305	1.176	918,960	11,580	27,469	891,491	2.2152	402,450	6,024
2022	1,110,869	1.193	930,890	11,930	27,732	903,158	2.2101	408,656	6,207
2023	1,142,550	1.211	943,190	12,300	27,998	915,192	2.2050	415,056	6,400
2024	1,175,398	1.230	955,860	12,670	28,267	927,593	2.1999	421,650	6,594
2025	1,209,461	1.248	968,930	13,070	28,538	940,392	2.1949	428,454	6,803
2026	1,244,794	1.267	982,390	13,460	28,811	953,579	2.1898	435,463	7,009
2027	1,281,451	1.286	996,260	13,870	29,087	967,173	2.1848	442,689	7,226
2028	1,319,490	1.306	1,010,570	14,310	29,366	981,204	2.1797	450,146	7,458
Average Annual Change (2018-2028)									
Numerical:	32,462		12,534		267	12,266		6,524	
Percent:	2.9%		1.3%		1.0%	1.3%		1.6%	

Source: Dept of Commerce, Bureau of the Census and THK Associates, Inc.

F. Residential Construction Trends

Table III-6 shows the single family permits in the San Francisco CBSA area each year since 1980. Single family permits have averaged 1,441 permits per year since 1980. For the past three years, the CBSA has averaged 451 single family permits per year – this decline is due to the intensification of densification in the San Francisco County environs. Geographical boundaries make multi-family development far more advantageous for investors and nearly impossible for those wishing to build single family residences.

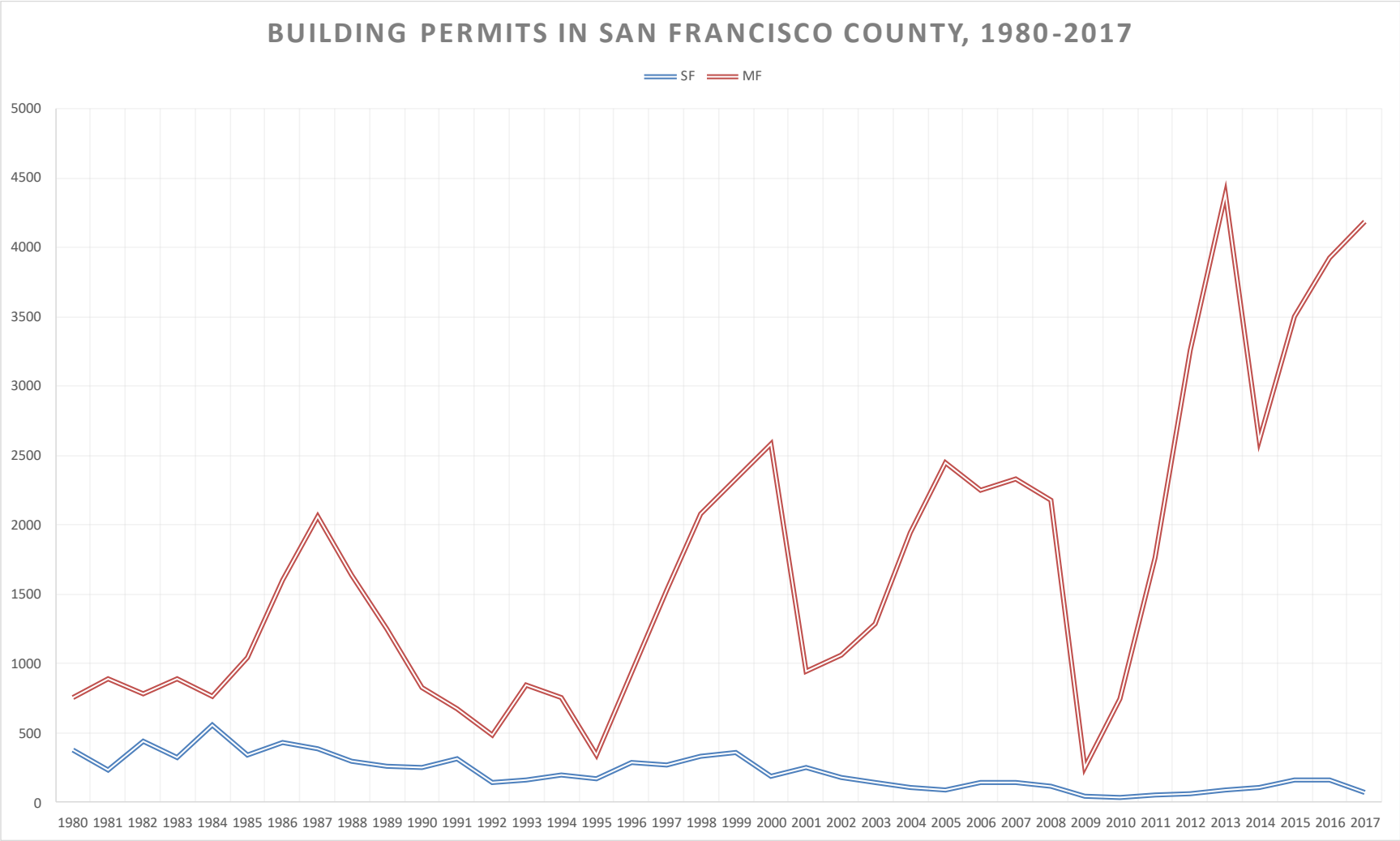
Table III-6 shows that over the last three years the area has permitted 8,532 new residential units (single family plus multi-family) a year with approximately 5.3% being single family and 94.7% being multi-family.

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Table III-6: Residential Building Permits Issued by Type and Tenure in the San Francisco CBSA Market Area, 1980-2017

Year	Single Family Units	Percent of Total	Multi-Family Units	Percent of Total	Total	Percent of Total
1980	3,869	56.8%	2,944	43.2%	6,813	100.0%
1981	1,422	42.9%	1,893	57.1%	3,315	100.0%
1982	1,685	54.3%	1,419	45.7%	3,104	100.0%
1983	2,784	44.1%	3,532	55.9%	6,316	100.0%
1984	3,108	49.6%	3,160	50.4%	6,268	100.0%
1985	2,575	38.5%	4,112	61.5%	6,687	100.0%
1986	2,044	30.9%	4,578	69.1%	6,622	100.0%
1987	1,986	29.6%	4,715	70.4%	6,701	100.0%
1988	2,261	37.5%	3,774	62.5%	6,035	100.0%
1989	1,684	40.1%	2,512	59.9%	4,196	100.0%
1990	852	27.2%	2,286	72.8%	3,138	100.0%
1991	1,157	30.4%	2,655	69.6%	3,812	100.0%
1992	1,952	61.1%	1,244	38.9%	3,196	100.0%
1993	1,153	31.5%	2,502	68.5%	3,655	100.0%
1994	1,220	38.4%	1,955	61.6%	3,175	100.0%
1995	1,050	41.2%	1,499	58.8%	2,549	100.0%
1996	2,571	46.8%	2,924	53.2%	5,495	100.0%
1997	2,736	41.7%	3,833	58.3%	6,569	100.0%
1998	2,527	34.0%	4,898	66.0%	7,425	100.0%
1999	2,185	31.5%	4,748	68.5%	6,933	100.0%
2000	1,683	22.0%	5,958	78.0%	7,641	100.0%
2001	1,146	21.2%	4,256	78.8%	5,402	100.0%
2002	1,228	26.7%	3,369	73.3%	4,597	100.0%
2003	1,672	24.4%	5,179	75.6%	6,851	100.0%
2004	1,598	26.3%	4,488	73.7%	6,086	100.0%
2005	1,133	17.3%	5,405	82.7%	6,538	100.0%
2006	974	11.7%	7,349	88.3%	8,323	100.0%
2007	757	14.0%	4,641	86.0%	5,398	100.0%
2008	466	9.9%	4,226	90.1%	4,692	100.0%
2009	199	23.4%	651	76.6%	850	100.0%
2010	264	7.1%	3,461	92.9%	3,725	100.0%
2011	169	5.4%	2,976	94.6%	3,145	100.0%
2012	308	4.3%	6,782	95.7%	7,090	100.0%
2013	428	4.9%	8,258	95.1%	8,686	100.0%
2014	576	7.8%	6,837	92.2%	7,413	100.0%
2015	408	6.3%	6,042	93.7%	6,450	100.0%
2016	576	6.4%	8,374	93.6%	8,950	100.0%
2017	370	3.6%	9,826	96.4%	10,196	100.0%
2018 est.	195	4.0%	4,630	96.0%	4,825	100.0%
37-Year Average 1980-2017	1,441	25.6%	4,191	74.4%	5,633	100.0%
10-Year Average 2008-2017	376	6.2%	5,743	93.8%	6,120	100.0%
5-Year Average 2013-2017	472	5.7%	7,867	94.3%	8,339	100.0%
3-Year Average 2015-2017	451	5.3%	8,081	94.7%	8,532	100.0%

Source: U.S. Department of Commerce C-40 Reports and THK Associates, Inc.



IV - SELF-STORAGE ANALYSIS

IV. SELF-STORAGE MARKET ANALYSIS

A. Summary of National Self-Storage Trends

The self-storage industry has experienced significant growth since the 1960s. Growth has occurred at an even greater rate in the past 20 years. In 1987, one in every 45 people used self-storage. This ratio has dramatically increased today, where one in every 13 people use these facilities. According to the Self-Storage Association, the growth rate of new self-storage facilities being added to the national market, year-to-year has averaged approximately 9.0% annually.

Between 2006 and 2017, the United States self-storage industry has continued its strong and steady growth pace. The average facility size, declined in 2010 to approximately 47,000 square feet after increasing from an average of 38,000 square feet in 2001 to about 53,000 square feet in 2009. According to the 2016 Self-Storage Almanac, in 2016, the average facility was down to approximately 52,350 square feet slightly larger than the average of approximately 52,000 square feet in 2015. In 2017, the average facility size remained unchanged with the size in 2016 at 52,350 square feet.

The Self-Storage Almanac divides the nation's self-storage facilities into five main regions and then into specific divisions. California is in the Western region. Since the fourth quarter of 2012, occupancy rates for self-storage have increased from 85.1% to 92.8% nationwide. Comparatively, the Western region has grown from 85.0% occupancy in 2012 to 91.9% in 2017.

Nationally, 53.3% of facilities are climate-controlled. The Western region is the only region in which non-climate controlled facilities out-number climate controlled – with only 32.4% of facilities being climate controlled. This lower number of facilities could be due to several factors including that many are multistory and the lack of humidity in Western states. Climate controlled facilities command a higher rental rate, which is an additional expense many consumers in the Western region might not be willing to afford. On a national level many existing climate-controlled facilities are newer – 86% of facilities built after 2010 are climate-controlled. Additionally, the number of units affects whether a facility will be climate controlled. Only 21.1% of facilities with fewer than 200 units are climate controlled, while roughly 66% of facilities with more than 600 units are climate controlled.

Following the recent increase in occupancy rates, rental rates have also continued to increase across the United States market. On a per square foot basis, nationwide rental rates have gone up 9.5% for non-climate controlled units and have remained relatively level for climate controlled units since 2013. In the Western region, where rents have historically been some of the highest, a non-climate controlled

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unit's rent has gone up approximately 9.2% while a climate-controlled unit's rent has leveled out to similar levels as those in 2013.

The majority of self-storage renters use storage facilities for residential purposes. About 82% of the occupied units in the West region are occupied by residential users. This 82% number includes students and those enlisted in the Military. Residential renters tend to have shorter lease periods at storage facilities than commercial users. 18% of renters are businesses that store files and office equipment. On average, business and commercial tenants lease storage space nine to ten months longer than residential tenants.

Tables IV-1 and IV-2 detail self-storage characteristics on a national level, a regional level and for the state of California. Table IV-1 shows the total number of facilities and the total amount of existing self-storage square footage within the United States and within the state of California. Table IV-2 shows the physical occupancy trends broken down by regional rate and also a national rate.

According to the 2018 Self-Storage Almanac, the Nation has increased an average of 959 facilities from 2006 to 2017 or 73,377,450 square feet as shown in Table IV-1. During that same period, the state of California increased by 102 self-storage facilities, or 7,371,193 square feet, on average each year.

Table IV-1: Self Storage Industry Profile, 2006-2017					
	2006	2010	2017	Annual Rate of Growth 2006-2017	Yearly Change 2010-2017
Nation					
# Facilities	33,597	37,550	44,149	2.77%	959
Sq. Ft.	1,504,136,497	1,679,949,180	2,311,288,448	4.39%	73,377,450
California					
# Facilities	2,935	3,451	4,057	3.29%	102
Sq. Ft.	131,308,944	154,394,264	212,392,064	4.93%	7,371,193
Source: 2018 Self-Storage Almanac and THK Associates, Inc.					

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As shown in Table IV-2 the National average occupancy rates for Self-Storage has increased from 85.1% in the fourth quarter of 2012 to 92.8% in the second quarter of 2017. Similarly, the West region which includes California increased in occupancy levels from 85.0% to 91.9%.

Table IV-2: Self-Storage Occupancy Trends, 2012-2017						
	<i>National</i>	<i>Midwest</i>	<i>Northeast</i>	<i>South Atlantic</i>	<i>Southwest</i>	<i>West</i>
2012 Q4	85.1%	85.3%	86.2%	83.7%	86.1%	85.0%
2013 Q1	85.3%	85.5%	86.6%	84.0%	86.5%	85.2%
2013 Q2	87.8%	88.3%	88.9%	86.9%	89.0%	87.3%
2013 Q3	87.4%	87.7%	88.6%	86.6%	88.7%	86.7%
2013 Q4	86.5%	86.8%	87.3%	85.8%	87.8%	86.1%
2014 Q1	86.6%	87.1%	87.6%	85.9%	87.7%	86.1%
2014 Q2	89.1%	89.8%	89.8%	88.3%	90.1%	88.7%
2014 Q3	88.7%	88.8%	89.1%	88.0%	89.3%	88.7%
2014 Q4	88.0%	87.8%	87.9%	87.4%	88.6%	88.2%
2015 Q1	88.2%	87.8%	88.6%	87.7%	88.5%	88.5%
2015 Q2	90.2%	89.7%	90.3%	90.2%	90.6%	90.3%
2015 Q3	89.6%	88.8%	89.2%	89.4%	89.9%	90.2%
2015 Q4	88.8%	87.7%	88.1%	88.6%	88.6%	89.8%
2016 Q1	89.1%	87.4%	88.3%	88.8%	88.6%	90.3%
2016 Q2	91.2%	90.0%	90.5%	90.9%	90.9%	92.0%
2016 Q3	92.2%	91.3%	91.8%	92.2%	91.4%	91.7%
2016 Q4	90.7%	89.6%	89.7%	89.9%	89.0%	89.9%
2017 Q1	90.3%	89.0%	90.0%	90.0%	88.7%	89.8%
2017 Q2	92.8%	90.6%	91.9%	91.5%	89.9%	91.9%

Source: Self-Storage Almanac, 2018 and THK Associates, Inc.

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Table IV-3 displays rental rates for self-storage by unit size and climate controlled as well as non-climate controlled. In general, the national average rental rates have increased since the fourth quarter of 2013. Similarly, the West region has also experienced positive rental rate increases nearly every quarter since the fourth quarter of 2012.

Table IV-3: Self-Storage Rental Rate Trends by Unit Size					
National Average Non-Climate Controlled Rental Rates					
	5x5	5x10	10x10	10x15	10x20
2013 Q4	\$51.81	\$72.11	\$113.88	\$147.62	\$179.86
2014 Q1	\$52.45	\$73.18	\$115.63	\$149.99	\$182.41
2014 Q2	\$53.94	\$75.21	\$118.85	\$153.72	\$187.01
2014 Q3	\$54.47	\$75.61	\$119.66	\$154.78	\$187.63
2014 Q4	\$54.00	\$74.87	\$118.41	\$153.53	\$186.27
2015 Q1	\$55.07	\$76.49	\$120.93	\$156.81	\$190.00
2015 Q2	\$56.87	\$79.12	\$125.24	\$162.22	\$196.39
2015 Q3	\$56.47	\$78.64	\$124.68	\$160.98	\$195.28
2015 Q4	\$56.23	\$78.29	\$123.54	\$159.81	\$193.95
2016 Q1	\$57.28	\$79.75	\$125.68	\$162.94	\$196.98
2016 Q2	\$59.00	\$82.29	\$129.23	\$167.59	\$202.85
2016 Q3	\$55.33	\$78.16	\$126.34	\$162.58	\$193.72
2016 Q4	\$49.36	\$70.86	\$115.15	\$148.68	\$179.82
2017 Q1	\$49.96	\$71.37	\$115.18	\$149.22	\$181.21
2017 Q2	\$55.63	\$79.96	\$125.99	\$161.57	\$196.27
National Average Climate Controlled Rental Rates					
	5x5	5x10	10x10	10x15	10x20
2013 Q4	\$63.61	\$91.34	\$144.66	\$189.82	\$235.18
2014 Q1	\$64.18	\$92.52	\$146.94	\$193.01	\$239.09
2014 Q2	\$66.18	\$95.46	\$151.55	\$198.66	\$245.94
2014 Q3	\$68.18	\$97.00	\$153.04	\$199.28	\$244.50
2014 Q4	\$67.40	\$95.74	\$151.17	\$197.38	\$242.50
2015 Q1	\$68.36	\$97.53	\$153.98	\$201.05	\$246.78
2015 Q2	\$71.14	\$101.52	\$159.95	\$208.45	\$255.00
2015 Q3	\$70.76	\$100.95	\$158.59	\$206.64	\$253.34
2015 Q4	\$69.85	\$99.72	\$156.06	\$204.28	\$250.71
2016 Q1	\$71.17	\$101.45	\$158.25	\$207.25	\$254.26
2016 Q2	\$73.52	\$104.87	\$162.83	\$213.39	\$260.28
2016 Q3	\$60.72	\$91.73	\$147.47	\$195.60	\$247.25
2016 Q4	\$54.55	\$83.21	\$134.93	\$178.56	\$225.52
2017 Q1	\$54.71	\$82.24	\$133.12	\$176.54	\$222.77
2017 Q2	\$59.26	\$88.95	\$142.08	\$188.95	\$242.80
West Regional Average Non-Climate Controlled Rental Rates					
	5x5	5x10	10x10	10x15	10x20
2013 Q4	\$54.27	\$78.84	\$129.56	\$169.50	\$210.07
2014 Q1	\$55.20	\$80.23	\$131.81	\$172.36	\$213.19
2014 Q2	\$56.64	\$82.24	\$134.95	\$176.32	\$218.09
2014 Q3	\$57.84	\$83.67	\$136.96	\$179.28	\$219.17
2014 Q4	\$57.49	\$83.18	\$135.71	\$178.19	\$218.07
2015 Q1	\$58.93	\$85.30	\$139.30	\$182.66	\$223.57
2015 Q2	\$61.10	\$88.06	\$143.90	\$188.83	\$230.23
2015 Q3	\$60.68	\$87.72	\$143.63	\$187.68	\$229.29
2015 Q4	\$60.61	\$87.68	\$142.85	\$187.29	\$228.81
2016 Q1	\$62.11	\$89.74	\$145.92	\$191.85	\$234.11
2016 Q2	\$63.95	\$92.66	\$149.68	\$196.77	\$240.65
2016 Q3	\$59.97	\$86.90	\$140.37	\$184.53	\$225.68
2016 Q4	\$53.50	\$77.52	\$125.22	\$164.62	\$201.33
2017 Q1	\$54.15	\$78.46	\$126.75	\$166.62	\$203.78
2017 Q2	\$60.30	\$87.37	\$141.13	\$185.53	\$226.90
West Regional Average Climate Controlled Rental Rates					
	5x5	5x10	10x10	10x15	10x20
2013 Q4	\$62.14	\$90.78	\$143.80	\$187.09	\$229.76
2014 Q1	\$62.54	\$91.42	\$145.21	\$189.46	\$232.57
2014 Q2	\$63.71	\$93.12	\$148.18	\$193.47	\$236.69
2014 Q3	\$65.79	\$96.80	\$151.13	\$193.96	\$236.82
2014 Q4	\$65.57	\$96.26	\$150.09	\$193.20	\$235.59
2015 Q1	\$66.68	\$98.21	\$153.07	\$196.57	\$239.81
2015 Q2	\$68.52	\$101.42	\$157.30	\$201.48	\$244.01
2015 Q3	\$68.30	\$100.89	\$156.77	\$200.74	\$245.40
2015 Q4	\$67.86	\$100.19	\$154.98	\$199.09	\$244.84
2016 Q1	\$69.52	\$102.70	\$157.44	\$203.34	\$249.53
2016 Q2	\$71.52	\$105.10	\$161.34	\$209.15	\$256.20
2016 Q3	\$59.07	\$91.93	\$146.12	\$191.71	\$243.37
2016 Q4	\$53.07	\$83.39	\$133.70	\$175.01	\$221.98
2017 Q1	\$53.22	\$82.42	\$131.90	\$173.03	\$219.28
2017 Q2	\$57.65	\$89.15	\$140.78	\$185.20	\$238.99

Source: Self-Storage Almanac, 2018 and THK Associates, Inc.

B. Metro San Francisco and Primary Trade Area Household Growth Trends

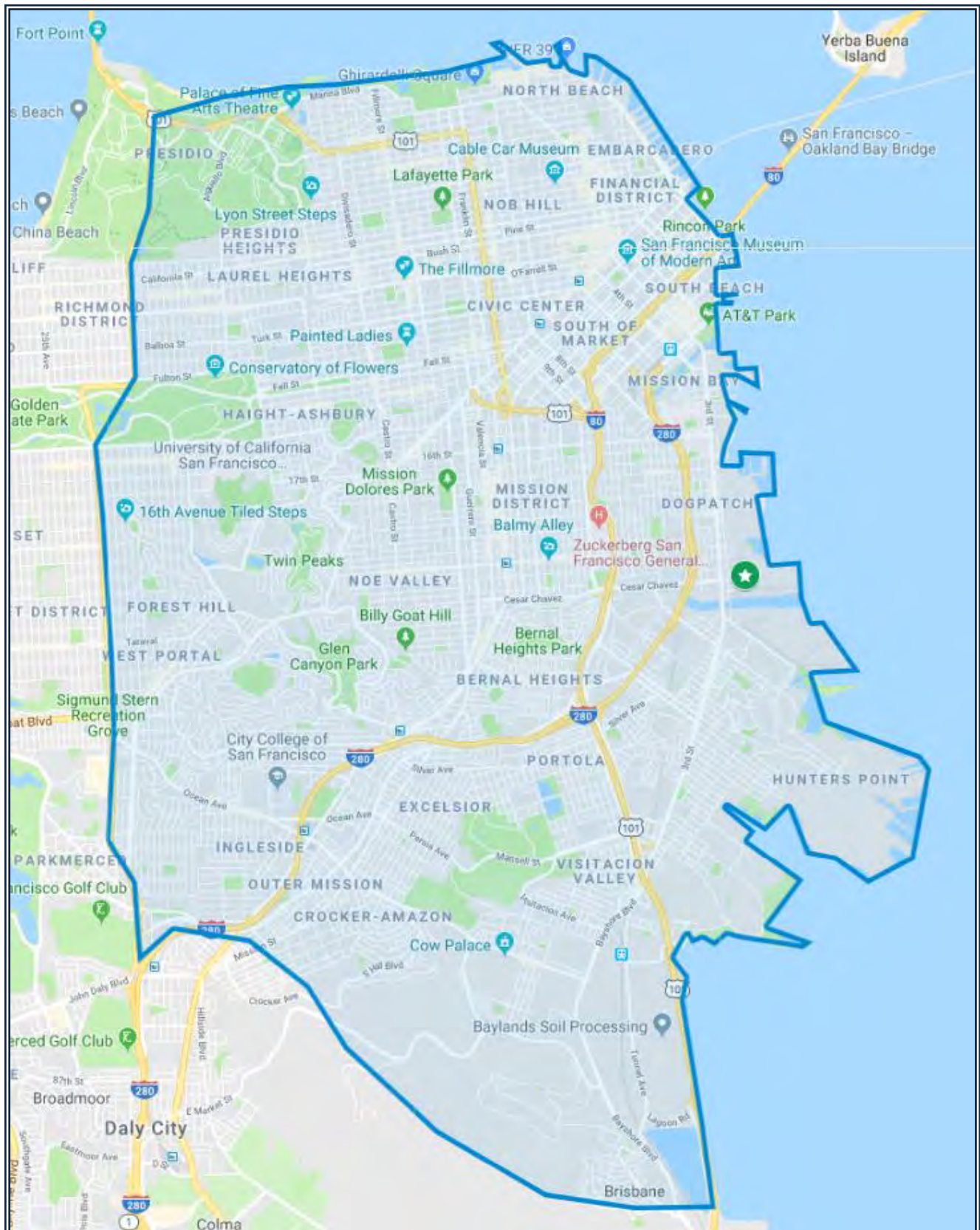
As the employment base in the property environs expands, a corresponding increase in population growth will result. Increased population and household growth will have positive impacts on self-storage occupancy levels and square footage space.

The customer base for self-storage will come from a five mile radius (with consideration taken for a 15-minute drive time) of the subject site. This area is known as the primary trade area. THK has profiled current population and household levels in this primary trade area.

In 1990, the primary trade area had 607,162 residents living in 260,067 households. Since then, the primary trade area has increased by 5,498 persons and 2,639 households annually, however, since 2010, as noted in the Market Overview section of this report, the area has experienced a surge of new residential development and population and households have grown by 9,499 and 4,326 respectively. Currently the primary trade area has 761,110 persons living in 333,964 households. By the year 2028, the primary trade area is expected to have 865,177 persons living in 381,534 households, with an annual population growth of 10,407 persons and 4,757 households. The results are shown below in Tables IV-4 and IV-5.

Furthermore, the 800 Cesar Chavez PTA currently has a self-storage square foot to population ratio of 2.19. When adjusted for current occupancy levels the occupied square foot per person in the PTA is 2.07. This ratio is compared to the San Francisco MSA as well as statewide characteristics as shown in Table IV-6. Given the population density in the PTA along with the higher percentage of apartments this ratio of 2.07 indicates pent up demand in the area for self-storage even after adjusting for occupancy levels.

Figure 6- 800 CESAR CHAVEZ TRADE AREA BOUNDARY MAP



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**Table IV-4: Population and Household Trends in City of San Francisco
and the 800 Cesar Chavez PTA, 1990-2018**

					Annual Average					
					1990-2018		2000-2018		2010-2018	
City of San Francisco	1990	2000	2010	2018	Numerical	Percent	Numerical	Percent	Numerical	Percent
Population	723,960	776,732	805,235	885,233	5,760	0.7%	6,028	0.7%	10,000	1.2%
Households	305,984	329,701	345,811	384,906	2,819	0.8%	3,067	0.9%	4,887	1.3%
800 Cesar Chavez PTA										
Population	607,162	657,887	685,118	761,110	5,498	0.8%	5,735	0.8%	9,499	1.3%
Households	260,067	283,580	299,354	333,964	2,639	0.9%	2,799	0.9%	4,326	1.4%
800 Cesar Chavez PTA as a percentage of City of San Francisco										
Population	83.9%	84.7%	85.1%	86.0%	95.5%		95.1%		95.0%	
Households	85.0%	86.0%	86.6%	86.8%	93.6%		91.3%		88.5%	
Source: U.S. Bureau of the Census, Sitewise and THK Associates, Inc.										

**Table IV-5: Projected Population and Household Trends in City of San Francisco
and the 800 Cesar Chavez PTA, 2018-2028**

				Annual Average			
				2018-2023		2018-2028	
City of San Francisco	2018	2023	2028	Numerical	Percent	Numerical	Percent
Population	885,233	943,190	1,010,570	11,591	1.3%	12,534	1.3%
Households	384,906	415,056	450,146	6,030	1.5%	6,524	1.6%
800 Cesar Chavez PTA							
Population	761,110	811,477	865,177	10,073	1.3%	10,407	1.3%
Households	333,964	356,958	381,534	4,599	1.3%	4,757	1.3%
800 Cesar Chavez PTA as a percentage of City of San Francisco							
Population	86.0%	86.0%	85.6%	86.9%		83.0%	
Households	86.8%	86.0%	84.8%	76.3%		72.9%	
Source: U.S. Bureau of the Census, Sitewise and THK Associates, Inc.							

C. 800 Cesar Chavez Environs Existing Self-Storage Supply

Currently the 800 Cesar Chavez PTA has 25 competitive self-storage facilities. Combined, these facilities have 17,208 units for a total of 1,664,671 square feet at an average occupancy of 94.8% for those facilities that reported occupancy. Furthermore, THK has determined through conversations with local contractors and through municipal planning services that no projects are being contemplated at this time. The following Table (IV-6) shows representative self-storage facilities in the San Francisco area. These facilities are inclusive of all self-storage in the primary trade area and act as a strong indication in determining unit mixes, rental rates, expected occupancy, and the number of units that should be proposed at the subject site.

Table IV-6: Self-Storage Market Conditions, 2017				
	Existing Supply Market (Sq Ft per Person)	Average Occupancy	Occupied Sq. Ft. per Person	
National	7.06	92.8%	6.55	
California	5.36	93.6%	5.02	
San Jose - San Francisco - Oakland, CA	4.79	93.6%	4.48	
800 Cesar Chavez PTA	2.19	94.8%	2.07	

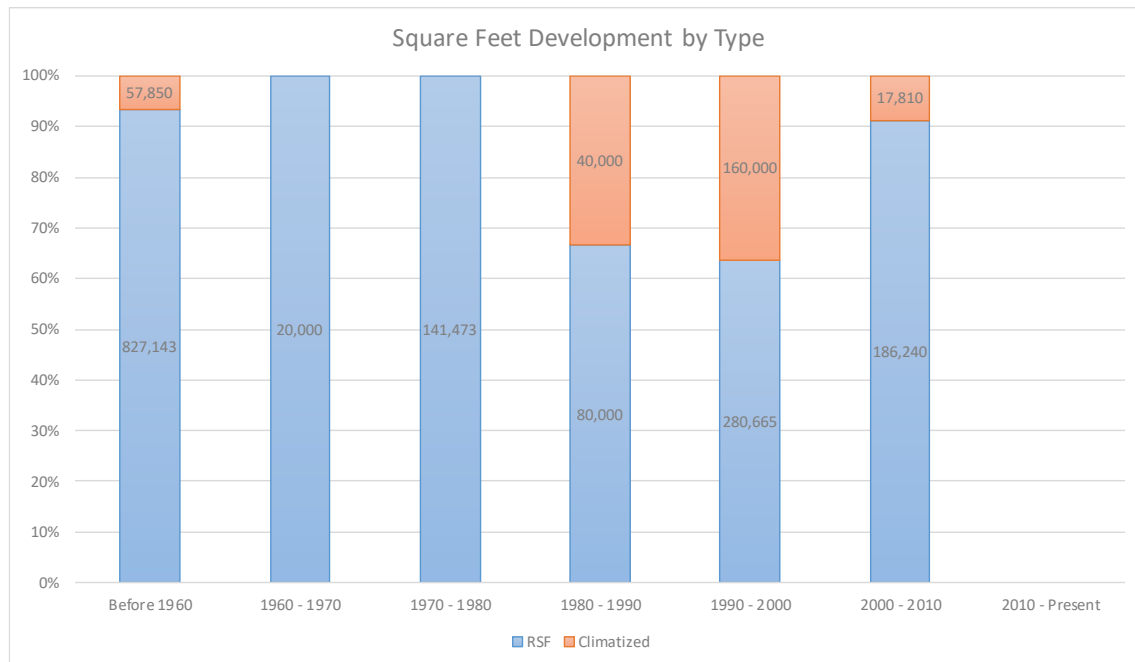
Source: 2018 Self-Storage Almanac, Marcus & Millichap 2018 US Self Storage Investment Forecast and THK Associates, Inc.

To determine the most advantageous unit types to be constructed at the subject facility it is important to look at trends in the development of existing facilities. Table IV-7 represents a timeline of the development of existing facilities. Per the table, thirteen facilities were built before 1960 – only 6.99% of the developed square feet were climate-controlled. In the following 20 years, only 4 facilities were constructed – none of these including any climate controlled unit types. From 1980 to 2010, 431,905 square feet were developed. Just over 50% of this supply stock was developed as climate-controlled. No known facilities have been constructed since 2008. This narrative suggests the market is trending towards climate-controlled units. On the following page is a graph representing the data in Table IV-7.

Table IV-7: Existing Facility Characteristics				
Year	Number of Facilities Built	Square Feet Built	Climatized Square Feet Built	Climate Square Feet: Non Climate Square Feet Ratio
Before 1960	13	827,143	57,850	7.0%
1960 - 1970	1	20,000	0	-
1970 - 1980	2	141,473	0	-
1980 - 1990	1	80,000	40,000	50.0%
1990 - 2000	3	280,665	160,000	57.0%
2000 - 2010	2	186,240	17,810	9.6%
2010 - 2018	0	0	0	-
Unknown Year Built	3	129,150	0	0.0%
TOTAL:	25	1,664,671	275,660	16.6%
1980 - 2018 Total:	6	546,905	217,810	39.8%

Source: THK Associates, INC

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Table IV-8: Representative Self Storage Facilities in the 800 Cesar Chavez PTA															
#	Name & Location	Year Built	Rentable Sq. Ft.	Climate Control Sq. Ft.	Total Number of Units	Climate Controlled	Occupancy Rate	Unit Dimensions	Climate/Regular	Square Footage	Online Monthly Rate	\$/Sq. Ft.	Monthly Rate	\$/Sq. Ft.	In-Store Premium
1	Public Storage 2690 Geary Boulevard San Francisco, CA 94118 415.523.7831	1923	56,002	0	548	No	95.20%	4 x 4	Regular	16	\$92	\$5.75	-	-	-
								5 x 5	Regular	25	\$171	\$6.84	-	-	-
								5 x 10	Regular	50	\$199	\$3.98	-	-	-
								7 x 10	Regular	70	\$239	\$3.41	-	-	-
								10 x 10	Regular	100	\$381	\$3.81	-	-	-
								10 x 11	Regular	110	\$332	\$3.02	-	-	-
								10 x 13	Regular	130	\$417	\$3.21	-	-	-
2	Extra Space Storage 1400 Folsom Street San Francisco, CA 94103 415.626.6665	1977	61,473	0	244	No	93.70%	2 x 2	Regular	4	-	-	-	-	-
								2 x 3	Regular	6	-	-	-	-	-
								2 x 4	Regular	8	-	-	-	-	-
								4 x 2	Regular	8	-	-	-	-	-
								3 x 3	Regular	9	-	-	-	-	-
								1 x 10	Regular	10	-	-	-	-	-
								2 x 3	Regular	6	\$24	\$4.00	\$39	\$6.50	38.46%
								3 x 4	Regular	12	\$47	\$3.92	\$75	\$6.25	37.33%
								4 x 8	Regular	32	\$93	\$2.91	\$149	\$4.66	37.58%
								4 x 8	1st Floor Regular	32	\$117	\$3.66	\$188	\$5.88	37.77%
								8 x 8	Regular	64	\$106	\$1.66	\$170	\$2.66	37.65%
								8 x 8	1st Floor Regular	64	\$150	\$2.34	\$230	\$3.59	34.78%
								8 x 10	1st Floor Regular	80	\$198	\$2.48	\$278	\$3.48	28.78%
								8 x 10	Regular	80	\$147	\$1.84	\$227	\$2.84	35.24%
								8 x 11	1st Floor Regular	88	\$233	\$2.65	\$313	\$3.56	25.56%
								8 x 12	Regular	96	\$186	\$1.94	\$266	\$2.77	30.08%
3	Self Storage 1 - San Francisco 1828 Egbert Ave San Francisco, CA 94124 415.508.1000	1956	98,171	0	1000	No	95.00%	6 x 8	Regular	48	\$165	\$3.44	-	-	-
								5 x 10	Regular	50	\$169	\$3.38	-	-	-
								7 x 8	Regular	56	\$179	\$3.20	-	-	-
								8 x 8	Regular	64	\$189	\$2.95	-	-	-
								6 x 12	Regular	72	\$199	\$2.76	-	-	-
								8 x 10	Regular	80	\$209	\$2.61	-	-	-
								9 x 10	Regular	90	\$233	\$2.59	-	-	-
								8 x 12	Regular	96	\$247	\$2.57	-	-	-
								10 x 10	Regular	100	\$264	\$2.64	-	-	-
								14 x 8	Regular	112	\$273	\$2.44	-	-	-
								10 x 12	Regular	120	\$279	\$2.33	-	-	-
								12 x 12	Regular	144	\$351	\$2.44	-	-	-
								10 x 15	Regular	150	\$382	\$2.55	-	-	-
								12 x 16	Regular	192	\$479	\$2.49	-	-	-
								10 x 20	Regular	200	\$489	\$2.45	-	-	-
4	SOMA Self-Storage 1475 Mission Street San Francisco, CA 94113 415.861.5500	1975	80,000	0	250	Yes	92.80%	2 x 5	Regular	10	\$118	\$11.80	-	-	-
								3 x 4	Climate	12	\$134	\$11.17	-	-	-
								4 x 4	Climate	16	\$150	\$9.38	-	-	-
								4 x 5	Regular	20	\$145	\$7.25	-	-	-
								4 x 5	1st Floor Regular	20	\$153	\$7.65	-	-	-
								4 x 6	Regular	24	\$166	\$6.92	-	-	-
								5 x 5	Regular	25	\$174	\$6.96	-	-	-
								5 x 5	Climate	25	\$192	\$7.68	-	-	-
								5 x 6	1st Floor Regular	30	\$190	\$6.33	-	-	-
								5 x 6	Climate	30	\$198	\$6.60	-	-	-
								5 x 7	1st Floor Regular	35	\$201	\$5.74	-	-	-
								5 x 7	Climate	35	\$210	\$6.00	-	-	-
								6 x 6	Regular	36	\$194	\$5.39	-	-	-
								5 x 8	Regular	40	\$200	\$5.00	-	-	-
								6 x 7	Regular	42	\$201	\$4.79	-	-	-
								5 x 9	Regular	45	\$202	\$4.49	-	-	-
								5 x 9	1st Floor Regular	45	\$212	\$4.71	-	-	-
								6 x 8	Regular	48	\$207	\$4.31	-	-	-
								6 x 8	Climate	48	\$227	\$4.73	-	-	-
								5 x 10	1st Floor Regular	50	\$219	\$4.38	-	-	-
								5 x 10	Climate	50	\$237	\$4.74	-	-	-
								6 x 9	Regular	54	\$214	\$3.96	-	-	-
								5 x 11	Regular	55	\$218	\$3.96	-	-	-
								5 x 11	Climate	55	\$247	\$4.49	-	-	-
								5 x 12	Regular	60	\$237	\$3.95	-	-	-
								6 x 10	Regular	60	\$237	\$3.95	-	-	-
								5 x 12	1st Floor Regular	60	\$248	\$4.13	-	-	-
								7 x 9	Regular	63	\$239	\$3.79	-	-	-
								8 x 8	Regular	64	\$242	\$3.78	-	-	-
								8 x 8	Climate	64	\$273	\$4.27	-	-	-
								5 x 13	Regular	65	\$244	\$3.75	-	-	-
								5 x 13	Climate	65	\$276	\$4.25	-	-	-
								7 x 10	Regular	70	\$253	\$3.61	-	-	-
								5 x 14	Regular	70	\$253	\$3.61	-	-	-
								6 x 12	Regular	72	\$259	\$3.60	-	-	-
								8 x 10	Regular	80	\$265	\$3.31	-	-	-
								8 x 10	1st Floor Regular	80	\$290	\$3.63	-	-	-
								9 x 9	Regular	81	\$275	\$3.40	-	-	-
								5 x 17	Regular	85	\$286	\$3.36	-	-	-
								8 x 11	Regular	88	\$296	\$3.36	-	-	-
								9 x 10	Regular	90	\$302	\$3.36	-	-	-
								9 x 10	Climate	90	\$336	\$3.73	-	-	-
								8 x 12	Climate	96	\$357	\$3.72	-	-	-
								9 x 11	1st Floor Regular	99	\$348	\$3.52	-	-	-
								10 x 10	Regular	100	\$335	\$3.35	-	-	-
								10 x 10	Climate	100	\$371	\$3.71	-	-	-
								8 x 13	Regular	104	\$349	\$3.36	-	-	-
								9 x 12	Regular	108	\$357	\$3.31	-	-	-
								10 x 11	Regular	110	\$361	\$3.28	-	-	-
								10 x 11	Climate	110	\$392	\$3.56	-	-	-
								8 x 14	Climate	112	\$369	\$3.29	-	-	-
								9 x 13	1st Floor Regular	117	\$530	\$4.53	-	-	-
								10 x 12	Regular	120	\$388	\$3.23	-	-	-
								12 x 10	Regular	120	\$388	\$3.23	-	-	-
								8 x 15	Regular	120	\$388	\$3.23	-	-	-
10 x 12	1st Floor Regular	120	\$407	\$3.39	-	-	-								
10 x 12	Climate	120	\$428	\$3.57	-	-	-								
10 x 13	Regular	130	\$407	\$3.13	-	-	-								
10 x 13	Climate	130	\$448	\$3.45	-	-	-								
11 x 12	Regular	132	\$412	\$3.12	-	-	-								
9 x 15	1st Floor Regular	135	\$555	\$4.11	-	-	-								
10 x 14	1st Floor Regular	140	\$568	\$4.06	-	-	-								
11 x 13	Regular	143	\$428	\$2.99	-	-	-								
9 x 16	1st Floor Regular	144	\$586	\$4.07	-	-	-								
10 x 15	Regular	150	\$450	\$3.00	-	-	-								
10 x 15	1st Floor Regular	150	\$473	\$3.15	-	-	-								
10 x 15	Climate	150	\$495	\$3.30	-	-	-								
10 x 16	Regular	160	\$462	\$2.89	-	-	-								
12 x 14	1st Floor Regular	168	\$636	\$3.79	-	-	-								
10 x 17	Regular	170	\$480	\$2.82	-	-	-								
10 x 17	1st Floor Regular	170	\$505	\$2.97	-	-	-								
10 x 17	Climate	170	\$527	\$3.10	-	-	-								
10 x 18	Regular	180	\$500	\$2.78	-	-	-								
10 x 18	1st Floor Regular	180	\$525	\$2.92	-	-	-								
10 x 18	Climate	180	\$551	\$3.06	-	-	-								
10 x 19	1st Floor Regular	190	\$544	\$2.86	-	-	-								
10 x 20	Regular	200	\$540	\$2.70	-	-	-								
10 x 20	1st Floor Regular	200	\$563	\$2.82	-	-	-								
10 x 20	Climate	200	\$594	\$2.97	-	-	-								
11 x 19	1st Floor Regular	209	\$717	\$3.43	-	-	-								
10 x 21	Regular	210	\$557	\$2.65	-	-	-								
10 x 21	1st Floor Regular	210	\$585	\$2.79	-	-	-								
10 x 21	1st Floor Regular	210	\$721	\$3.43	-	-	-								
12 x 18	1st Floor Regular	216	\$742	\$3.44	-	-	-								
10 x 22	Climate	220	\$634	\$2.88	-	-	-								
10 x 23	Regular	230	\$612	\$2.66	-	-	-								
10 x 23	Climate	230	\$653	\$2.84	-	-	-								
11 x 21	1st Floor Regular	231	\$789	\$3.42	-	-	-								
10 x 24	1st Floor Regular	240	\$660	\$2.75	-	-	-								
12 x 20	Climate	240	\$676	\$2.82	-	-	-								
10 x 25	Regular	250	\$633	\$2.53	-	-	-								
10 x 25	Climate	250	\$689	\$2.76	-	-	-								
10 x 25	1st Floor Regular	250	\$842	\$3.37	-	-	-								
14 x 18	1st Floor Regular	252	\$851	\$3.38	-	-	-								
15 x 17	1st Floor Regular	255	\$694	\$2.72	-	-	-								
15 x 18	Regular	270	\$664	\$2.46	-	-	-								
10 x 27	Climate	270	\$726	\$2.69	-	-	-								
15 x 18	Climate	270	\$733	\$2.71	-	-	-								
13 x 21	1st Floor Regular	273	\$893	\$3.27	-	-	-								
14 x 20	1st Floor Regular	280	\$903	\$3.23	-	-	-								
16 x 18	1st Floor Regular	288	\$920	\$3.19	-	-	-								
10 x 30	Regular	300	\$699	\$2.33	-	-	-								
10 x 30	1st Floor Regular	300	\$946	\$3.15	-	-	-								

SELF-STORAGE ANALYSIS

Table IV-7: Representative Self Storage Facilities in the 800 Cesar Chavez PTA															
#	Name & Location	Year Built	Rentable Sq. Ft.	Climate Control Sq. Ft.	Total Number of Units	Climate Controlled	Occupancy Rate	Unit Dimensions	Climate/ Regular	Square Footage	Online Monthly Rate	\$/ Sq. Ft.	In-Store Monthly Rate	\$/ Sq. Ft.	In-Store Premium
5	iStorage Ingleside Heights 4050 19th Ave San Francisco, CA 94132 415.333.3192	1993	50,000	0	590	No Check	83.00%	1.8 x 3	Regular Drive-up	5.4	\$16	\$2.96	\$20	\$3.70	20.00%
								3 x 3	1st Floor Regular	9	\$35	\$3.89	\$42	\$4.67	16.67%
								4 x 4	Climate	16	\$79	\$4.94	\$95	\$5.94	16.84%
								4 x 4	Climate	16	\$85	\$5.31	\$102	\$6.38	16.67%
								4 x 5	1st Floor Regular	20	\$99	\$4.95	\$119	\$5.95	16.81%
								4 x 6	1st Floor Regular	24	\$119	\$4.96	\$143	\$5.96	16.78%
								5 x 5	1st Floor Regular	25	\$109	\$4.36	\$131	\$5.24	16.79%
								5 x 5	Climate	25	\$129	\$5.16	\$155	\$6.20	16.77%
								5 x 5	Climate	25	\$124	\$4.96	\$149	\$5.96	16.78%
								5 x 6	1st Floor Regular	30	\$144	\$4.80	\$173	\$5.77	16.76%
								5 x 6	Regular	30	\$129	\$4.30	\$155	\$5.17	16.77%
								4 x 8	Climate	32	\$180	\$5.63	\$216	\$6.75	16.67%
								4 x 8	Climate	32	\$114	\$3.56	\$137	\$4.28	16.79%
								4 x 8	Climate	32	\$117	\$3.66	\$141	\$4.41	17.02%
								5 x 8	Climate	40	\$189	\$4.73	\$227	\$5.68	16.74%
								5 x 8	Regular Drive-up	40	\$174	\$4.35	\$209	\$5.23	16.75%
								5 x 8	Regular Drive-up	40	\$165	\$4.13	\$198	\$4.95	16.67%
								5 x 9	Regular	45	\$185	\$4.11	\$222	\$4.93	16.67%
								5 x 10	1st Floor Regular	50	\$224	\$4.48	\$269	\$5.38	16.73%
								5 x 10	Regular	50	\$114	\$2.28	\$137	\$2.74	16.79%
								10 x 5	Regular	50	\$189	\$3.78	\$227	\$4.54	16.74%
								9 x 6	1st Floor Regular	54	\$214	\$3.96	\$257	\$4.76	16.73%
								8 x 8	Regular Drive-up	64	\$194	\$3.03	\$233	\$3.64	16.74%
								10 x 8	Regular Drive-up	80	\$239	\$2.99	\$287	\$3.59	16.72%
								10 x 8	Regular Drive-up	80	\$219	\$2.74	\$263	\$3.29	16.73%
								10 x 8	Regular Drive-up	80	\$209	\$2.61	\$251	\$3.14	16.73%
								10 x 10	1st Floor Regular	100	\$359	\$3.59	\$431	\$4.31	16.71%
								15 x 8	Regular Drive-up	120	\$366	\$3.05	\$440	\$3.67	16.82%
								15 x 8	Regular Drive-up	120	\$366	\$3.05	\$440	\$3.67	16.82%
								15 x 8	Regular Drive-up	120	\$334	\$2.78	\$401	\$3.34	16.71%
								15 x 9	Regular	135	\$369	\$2.73	\$443	\$3.28	16.70%
6	Public Storage 611 2nd Street San Francisco, CA 94107 415.523.7775	1909	85,000	0	1000	No	95.20%	3 x 4	Regular	12	\$129	\$10.75	-	-	-
								4 x 4	Regular	16	\$132	\$8.25	-	-	-
								3 x 5	Regular	15	\$161	\$10.73	-	-	-
								6 x 6	Regular	36	\$221	\$6.14	-	-	-
								6 x 7	Regular	42	\$193	\$4.60	-	-	-
								5 x 10	Regular	50	\$265	\$5.30	-	-	-
								5 x 14	Regular	70	\$282	\$4.03	-	-	-
								7 x 10	Regular	70	\$285	\$4.07	-	-	-
								9 x 14	Regular	126	\$337	\$2.67	-	-	-
								14 x 21	Regular	294	\$971	\$3.30	-	-	-
7	Public Storage 2587 Marin Street San Francisco, CA 94124 415.523.7823	1986	80,000	40,000	630	Yes	98.00%	3 x 4	Regular	12	\$81	\$6.75	\$101	\$8.42	19.80%
								5 x 5	Regular	25	\$95	\$3.80	\$118	\$4.72	19.49%
								5 x 10	Regular	50	\$123	\$2.46	\$154	\$3.08	20.13%
								5 x 15	Regular	75	\$173	\$2.31	\$211	\$2.81	18.01%
								10 x 10	Regular	100	\$212	\$2.12	\$265	\$2.65	20.00%
								10 x 15	Regular	150	\$240	\$1.60	\$300	\$2.00	20.00%
8	Public Storage 2090 Evans Ave San Francisco, CA 94124 415.523.7804	1956	45,000	38,250	780	Yes	97.44%	3 x 4	Climate	12	\$140	\$11.67	\$171	\$14.25	18.13%
								5 x 5	Climate	25	\$130	\$5.20	\$158	\$6.32	17.72%
								5 x 5	Regular	25	\$117	\$4.68	\$142	\$5.68	17.61%
								5 x 10	Regular	50	\$153	\$3.06	\$187	\$3.74	18.18%
								6 x 10	Regular	60	\$160	\$2.67	\$196	\$3.27	18.37%
								7.5 x 10	Regular	75	\$153	\$2.04	\$191	\$2.55	19.90%
								10 x 10	Regular	100	\$275	\$2.75	\$335	\$3.35	17.91%
								10 x 15	Regular	150	\$375	\$2.50	\$457	\$3.05	17.94%
								10 x 15	Climate	150	\$478	\$3.19	\$572	\$3.81	16.43%
								10 x 17	Regular	170	\$425	\$2.50	\$518	\$3.05	17.95%
								10 x 20	Regular	200	\$438	\$2.19	\$534	\$2.67	17.98%
								10 x 20	Climate	200	\$429	\$2.15	\$523	\$2.62	17.97%
9	Public Storage 99 S Van Ness Ave San Francisco, CA 94103 415.523.7829	1934	95,000	0	1120	Yes	95.20%	5 x 5	Climate	25	\$115	\$4.60	\$140	\$5.60	17.86%
								5 x 5	Regular	25	\$117	\$4.68	\$143	\$5.72	18.18%
								6 x 6	Regular	36	\$125	\$3.47	\$152	\$4.22	17.76%
								5 x 10	Climate	50	\$160	\$3.20	\$195	\$3.90	17.95%
								5 x 10	Regular	50	\$154	\$3.08	\$188	\$3.76	18.09%
								7 x 10	Climate	70	\$219	\$3.13	\$267	\$3.81	17.98%
								7 x 10	Regular	70	\$195	\$2.79	\$238	\$3.40	18.07%
								5 x 15	Regular	75	\$210	\$2.80	\$257	\$3.43	18.29%
								10 x 10	Regular	100	\$246	\$2.46	\$293	\$2.93	16.04%
								10 x 15	Climate	150	\$304	\$2.03	\$379	\$2.53	19.79%
								10 x 17	Climate	170	\$368	\$2.16	\$460	\$2.71	20.00%
								10 x 20	Climate	200	\$470	\$2.35	\$587	\$2.94	19.93%
								18 x 13	Climate	234	\$629	\$2.69	\$786	\$3.36	19.97%
								10 x 30	Climate	300	\$706	\$2.35	\$882	\$2.94	19.95%
10	Attic Self Storage 2440 16th Street San Francisco, CA 94103 415.689.6570	1957	80,000	0	940	No	89.00%	3 x 10	Regular	30	\$93	\$3.10	-	-	-
								6 x 10	Regular	60	\$160	\$2.67	-	-	-
								7 x 10	Regular	70	\$170	\$2.43	-	-	-
								8 x 10	Regular	80	\$189	\$2.36	-	-	-
								9 x 10	Regular	90	\$205	\$2.28	-	-	-
								8 x 10.7	Regular	85.6	\$199	\$2.32	-	-	-
								7 x 10.8	Regular	75.6	\$175	\$2.31	-	-	-
								20 x 12	Regular	240	\$334	\$1.39	-	-	-
								4.5 x 12.5	Regular	56.25	\$136	\$2.42	-	-	-
								5 x 13.6	Regular	68	\$168	\$2.47	-	-	-
								10 x 14	Regular	140	\$235	\$1.68	-	-	-
								9 x 14.5	Regular	130.5	\$229	\$1.75	-	-	-

SELF-STORAGE ANALYSIS

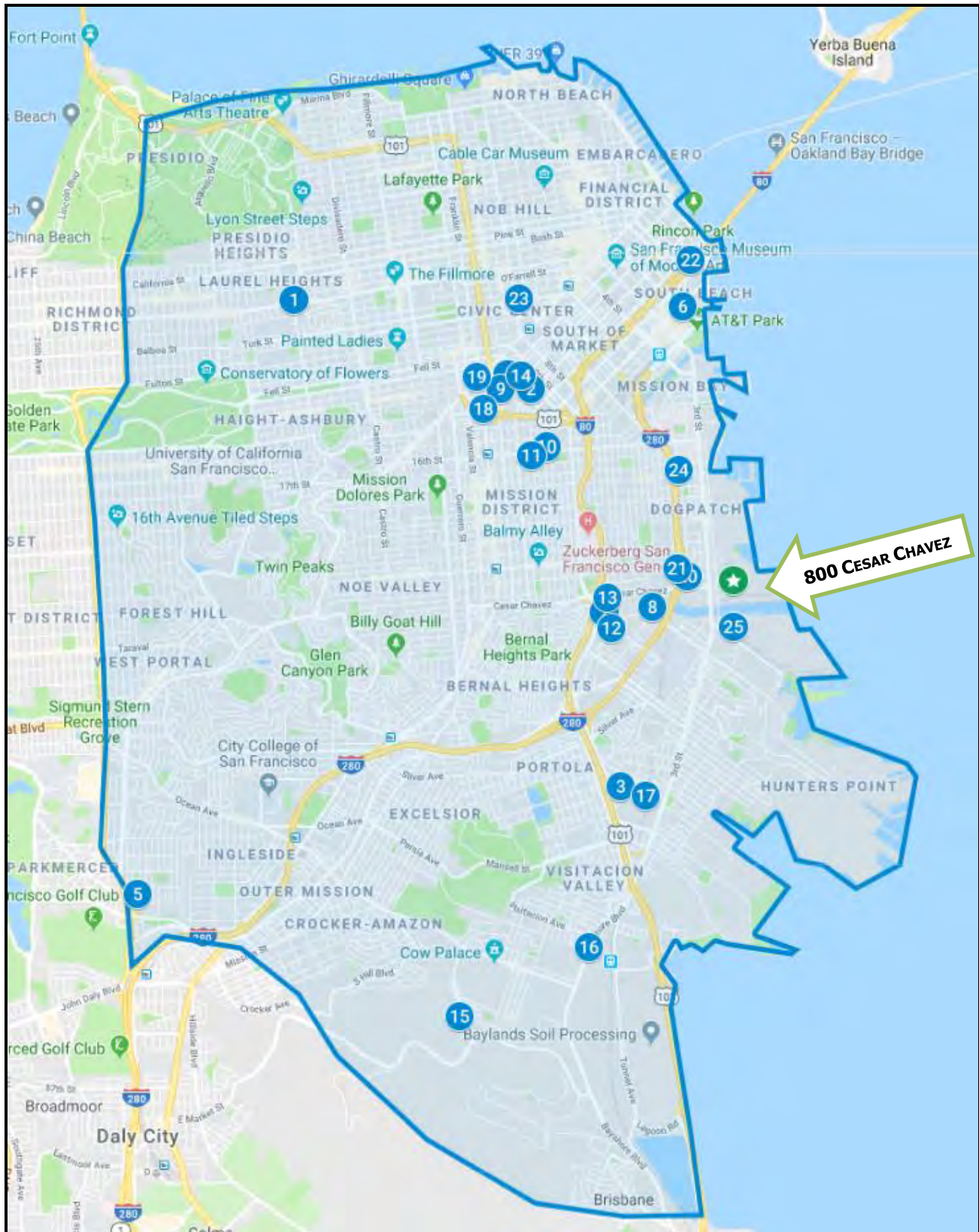
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Table IV-7: Representative Self Storage Facilities in the 800 Cesar Chavez PTA															
#	Name & Location	Year Built	Rentable Sq. Ft.	Climate Control Sq. Ft.	Total Number of Units	Climate Controlled	Occupancy Rate	Unit Dimensions	Climate/Regular	Square Footage	Online Monthly Rate	\$/Sq. Ft.	Monthly Rate	\$/Sq. Ft.	In-Store Premium
24	City Storage of San Francisco 500 Indiana Street San Francisco, CA 94108	1999	160,000	160,000	1880	Yes	95.00%	4 x 4	Climate	16	\$89	\$5.56	\$99	\$6.19	10.10%
								4 x 5	Climate	20	\$99	\$4.95	\$109	\$5.45	9.17%
								4 x 6	Climate	24	\$109	\$4.54	\$119	\$4.96	8.40%
								5 x 5	Climate	25	\$115	\$4.60	\$125	\$5.00	8.00%
								4 x 7	Climate	28	\$119	\$4.25	\$129	\$4.61	7.75%
								4 x 8	Climate	32	\$139	\$4.34	\$149	\$4.66	6.71%
								5 x 7	Climate	35	\$156	\$4.46	\$166	\$4.74	6.02%
								6 x 6	Climate	36	\$152	\$4.22	\$162	\$4.50	6.17%
								5 x 8	Climate	40	\$159	\$3.98	\$169	\$4.23	5.92%
								4 x 10	Climate	40	\$165	\$4.13	\$175	\$4.38	5.71%
								4 x 1	Climate	4	\$174	\$43.50	\$184	\$46.00	5.43%
								6 x 8	Climate	48	\$179	\$3.73	\$189	\$3.94	5.29%
								8 x 6	Climate	48	\$189	\$3.94	\$199	\$4.15	5.03%
								7 x 7	Climate	49	\$217	\$4.43	\$227	\$4.63	4.41%
								5 x 10	Climate	50	\$189	\$3.78	\$199	\$3.98	5.03%
								7 x 8	Climate	56	\$220	\$3.93	\$230	\$4.11	4.35%
								6 x 10	Climate	60	\$222	\$3.70	\$232	\$3.87	4.31%
								5 x 12	Climate	60	\$239	\$3.98	\$249	\$4.15	4.02%
								8 x 8	Climate	64	\$239	\$3.73	\$249	\$3.89	4.02%
								7 x 10	Climate	70	\$249	\$3.56	\$259	\$3.70	3.86%
								6 x 12	Climate	72	\$264	\$3.67	\$274	\$3.81	3.65%
								8 x 10	Climate	80	\$269	\$3.36	\$279	\$3.49	3.58%
								7 x 12	Climate	84	\$269	\$3.20	\$279	\$3.32	3.58%
								9 x 10	Climate	90	\$299	\$3.32	\$309	\$3.43	3.24%
								8 x 12	Climate	96	\$340	\$3.54	\$350	\$3.65	2.86%
								10 x 10	Climate	100	\$329	\$3.29	\$339	\$3.39	2.95%
								9 x 12	Climate	108	\$370	\$3.43	\$380	\$3.52	2.63%
								10 x 12	Climate	120	\$354	\$2.95	\$364	\$3.03	2.75%
								10 x 13	Climate	130	\$369	\$2.84	\$379	\$2.92	2.64%
								11 x 12	Climate	132	\$384	\$2.91	\$394	\$2.98	2.54%
								12 x 12	Climate	144	\$399	\$2.77	\$409	\$2.84	2.44%
								13 x 13	Climate	169	\$449	\$2.66	\$459	\$2.72	2.18%
								12 x 17	Climate	204	\$509	\$2.50	\$519	\$2.54	1.93%
								2 x 4	Wine Locker	8	\$43	\$5.38	\$53	\$6.63	18.87%
								3 x 3	Wine Locker	9	\$119	\$13.22	\$129	\$14.33	7.75%
								4 x 4	Wine Locker	16	\$119	\$7.44	\$129	\$8.06	7.75%
								3 x 6	Wine Locker	18	\$139	\$7.72	\$149	\$8.28	6.71%
								4 x 5	Wine Locker	20	\$139	\$6.95	\$149	\$7.45	6.71%
								4 x 6	Wine Locker	24	\$184	\$7.67	\$194	\$8.08	5.15%
								5 x 5	Wine Locker	25	\$222	\$8.88	\$232	\$9.28	4.31%
								4 x 7	Wine Locker	28	\$234	\$8.36	\$244	\$8.71	4.10%
								6 x 5	Wine Locker	30	\$301	\$10.03	\$311	\$10.37	3.22%
								5 x 7	Wine Locker	35	\$297	\$8.49	\$307	\$8.77	3.26%
								4 x 10	Wine Locker	40	\$268	\$6.70	\$278	\$6.95	3.60%
								5 x 9	Wine Locker	45	\$336	\$7.47	\$346	\$7.69	2.89%
								6 x 8	Wine Locker	48	\$301	\$6.27	\$311	\$6.48	3.22%
								7 x 8	Wine Locker	56	\$346	\$6.18	\$356	\$6.36	2.81%
								8 x 8	Wine Locker	64	\$380	\$5.94	\$390	\$6.09	2.56%
								10 x 8	Wine Locker	80	\$474	\$5.93	\$484	\$6.05	2.07%
								9 x 10	Wine Locker	90	\$522	\$5.80	\$532	\$5.91	1.88%
								10 x 13	Wine Locker	130	\$743	\$5.72	\$753	\$5.79	1.33%
										0					
25	American Storage 600 Amador Street San Francisco, CA 94124 415.824.2338	1941	98,950	0	1000	No	99.60%	5 x 8	Regular	40	\$145	\$3.63	-	-	-
								8 x 8	Regular	64	\$165	\$2.58	-	-	-
								8 x 10	Regular	80	\$190	\$2.38	-	-	-
								8 x 15	Regular	120	\$255	\$2.13	-	-	-
								8 x 20	Regular	160	\$315	\$1.97	-	-	-
								8 x 30	Regular	240	\$440	\$1.83	-	-	-
								8 x 40	Regular	320	\$500	\$1.56	-	-	-
								8.8 x 8	Regular	70.4	\$175	\$2.49	-	-	-
								8.5 x 10	Regular	85	\$195	\$2.29	-	-	-
								8.5 x 16	Regular	136	\$265	\$1.95	-	-	-
								8.5 x 24	Regular	204	\$395	\$1.94	-	-	-
								8 x 45	Regular	360	\$540	\$1.50	-	-	-
								8.5 x 48	Regular	408	\$610	\$1.50	-	-	-
TOTAL		-	-	1,664,671	275,660	17,208	-	-	-	-	-	-	-	-	
AVERAGE		-	1954	66,587	11,486	688	-	94.8%	8 x 11	-	-	\$3.97	-	\$5.22	13.10%

Source: THK Associates & Local Management

SELF-STORAGE ANALYSIS

Figure 7- REPRESENTATIVE SELF-STORAGE FACILITIES IN THE 800 CESAR CHAVEZ PTA



SELF-STORAGE ANALYSIS

Figure 8- REPRESENTATIVE SELF-STORAGE FACILITY PHOTOS

PUBLIC STORAGE – 2690 GEARY BOULEVARD



EXTRA SPACE STORAGE – 1400 FOLSOM STREET



SELF-STORAGE ANALYSIS

SELF STORAGE 1 – 1828 EGBERT AVENUE



SOMA SELF STORAGE – 1475 MISSION STREET



SELF-STORAGE ANALYSIS

iSTORAGE INGLESIDE HEIGHTS – 4050 19TH AVENUE



PUBLIC STORAGE – 611 2ND STREET

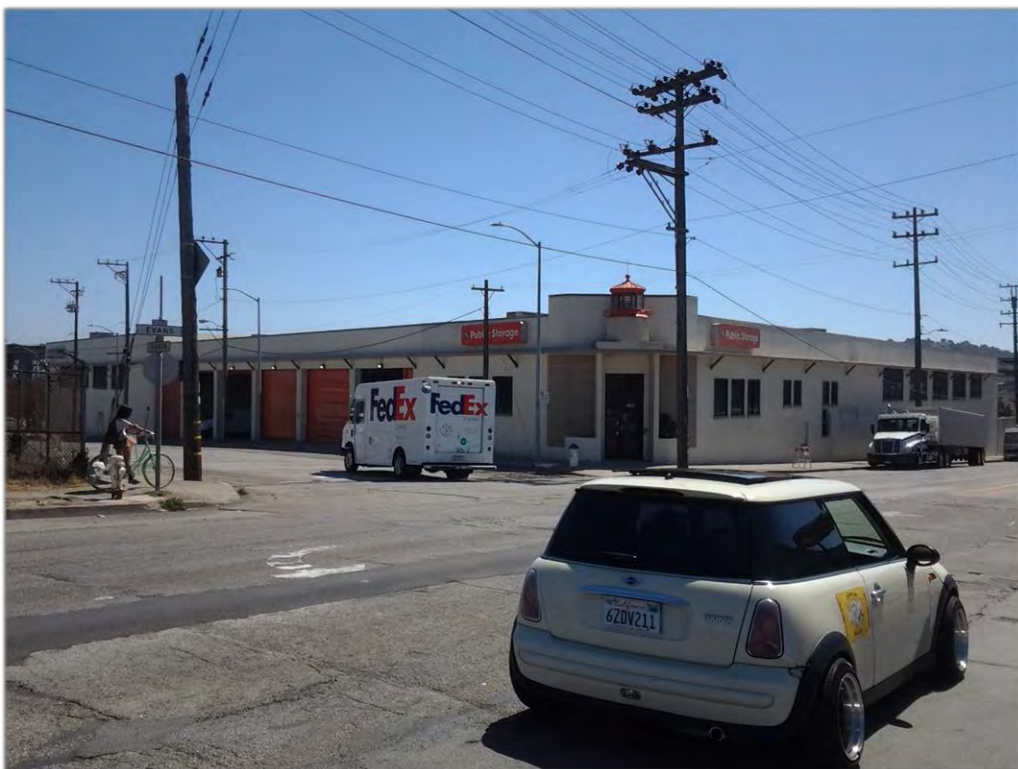


SELF-STORAGE ANALYSIS

PUBLIC STORAGE – 2587 MARIN STREET



PUBLIC STORAGE – 2090 EVANS AVENUE



SELF-STORAGE ANALYSIS

PUBLIC STORAGE – 99 S VAN NESS AVENUE



ATTIC SELF STORAGE – 2440 16TH STREET



SELF-STORAGE ANALYSIS

PUBLIC STORAGE - 300 TREAT AVE



STOP N STOR MINI STORAGE - 2285 JERROLD AVE



SELF-STORAGE ANALYSIS

EXTRA SPACE STORAGE - 2501 CESAR CHAVEZ



PUBLIC STORAGE - 190 10TH STREET

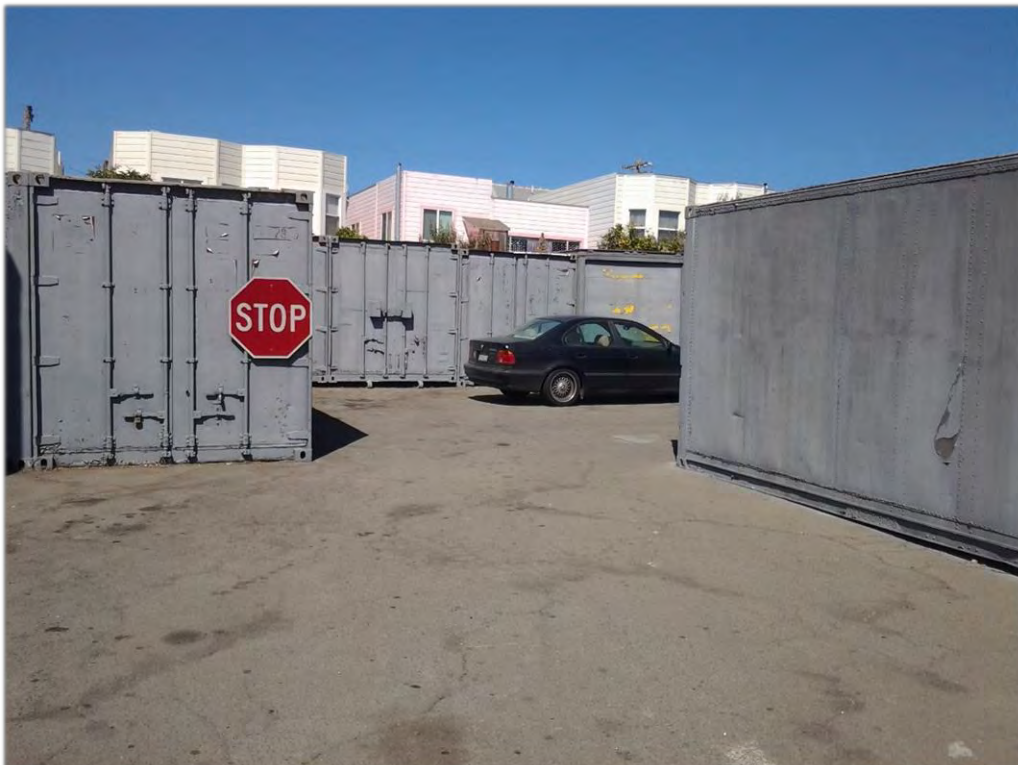


SELF-STORAGE ANALYSIS

SECURITY PUBLIC STORAGE - 1101 CARTER STREET



BAYSHORE CONTAINER STORE - 2566 BAYSHORE BLVD

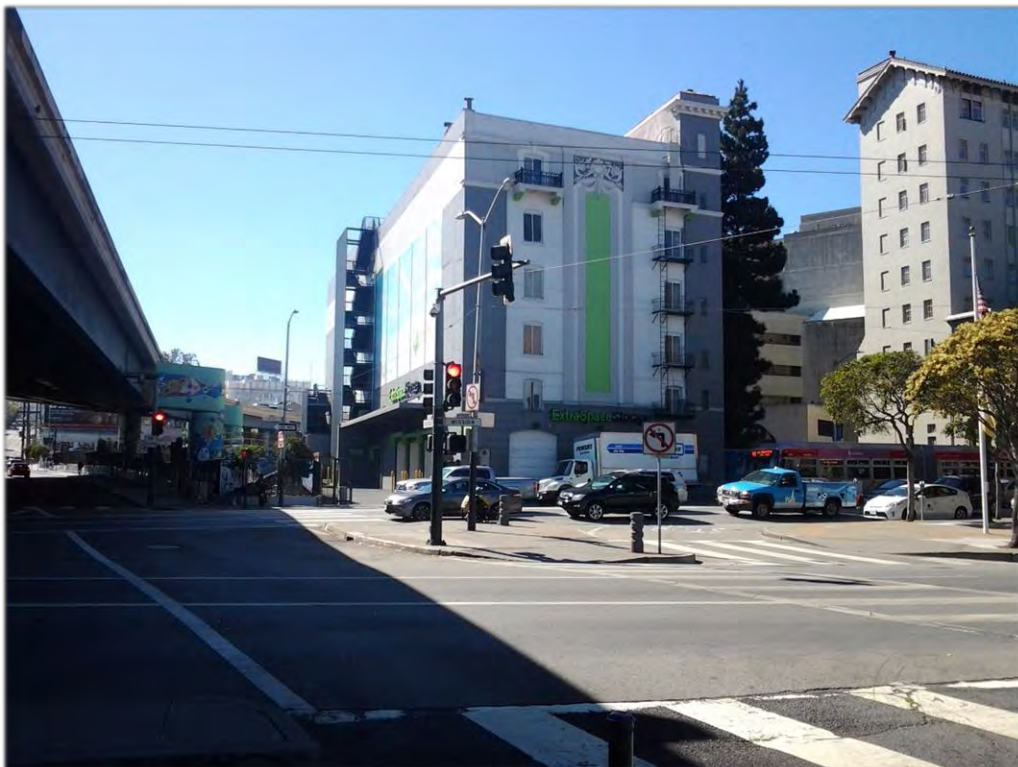


SELF-STORAGE ANALYSIS

EXTRA SPACE STORAGE - 1700 EGBERT AVE



EXTRA SPACE STORAGE - 190 OTIS STREET



SELF-STORAGE ANALYSIS

SECURITY PUBLIC STORAGE - 43 PAGE STREET



ARMY STREET MINI STORAGE - 1100 26TH STREET



SELF-STORAGE ANALYSIS

CALIFORNIA MINI STORAGE - 1111 PENNSYLVANIA AVE



STORAGEPRO SELF STORAGE - BEALE - 429 BEALE STREET



SELF-STORAGE ANALYSIS

FORT KNOX SELF STORAGE - 370 TURK STREET



CITY STORAGE OF SAN FRANCISCO - 500 INDIANA STREET



SELF-STORAGE ANALYSIS

AMERICAN STORAGE - 600 AMADOR STREET



D. 800 Cesar Chavez PTA Self-Storage Pent-up Demand & Absorption

As shown in Table IV-9, the square feet of self-storage per population is used as a guide to compare current supply levels of self-storage. This factor is adjusted per the current occupancies in surrounding facilities in the trade area to account for variation in vacancy rates in markets. The national average is currently 7.06 square feet of self-storage space per person, or after adjusting for occupancy, 6.55 square feet per person. The California average is currently 5.36 square feet of self-storage space per person, or after adjusting for occupancy, 5.02 square feet per person.

Given that there is a PTA population of 761,110, a current self-storage supply of 1,664,671 square feet and an average occupancy level of 94.8%, the current supply of occupied square feet per person in the PTA is 2.07 square feet. The San Jose – San Francisco – Oakland, California CBSA occupied square feet per person is 4.48 so an occupied square foot per person of 2.07 indicates a greater volume of storage-use from people outside of the 800 Cesar Chavez Self-Storage PTA. Due to the size of the defined Primary Trade Area THK has accounted for 0% secondary support. Table IV-6 reflects these occupied square feet per person values. Given the population in the PTA, this ratio of 2.19 square feet of storage space indicates a pent-up demand for self-storage. When multiplying the 800 Cesar Chavez area's 'normalized' occupied square feet per person of 4.48 by the current PTA population of 761,110 and a 0% secondary support to arrive at a **subject PTA total current demand of 3,412,391 square feet of self-storage space.**

Currently, there are 1,664,671 total square feet of self-storage space in the 800 Cesar Chavez Self-Storage PTA and 1,577,495 occupied square feet. The difference in square footage between the aforementioned total demand and the current supply (adjusted for 93.6% stabilized occupancy per table IV-6) results in a current pent up demand as shown in Table IV-9 of 1,834,896 square feet. The current demand has been factored into the existing supply. THK estimates 50% of this demand, 917,448 square feet, will be for non-climate controlled space and 50% of this demand (917,448 square feet) will be for climate-controlled space. Pent up demand is also known as an undersupply.

Table IV-9: 800 Cesar Chavez PTA Demand, 2018	
	PTA
2018 Population	761,110
Occ. Sq. Ft. per Pop Factor	4.48
2018 Total Demand	3,412,391
Existing Supply Occupied	1,577,495
Pent Up Demand	1,834,896
Non Climate Controlled Pent-up Demand	917,448
Climate Controlled Pent-up Demand	917,448
Source: THK Associates, Inc.	

SELF-STORAGE ANALYSIS

Table IV-10 displays the PTA's projected self-storage demand for the next ten years. Currently there are approximately 1,577,495 square feet occupied. The total feet demanded for the year 2018 (3,454,979 sq. ft.) is calculated by adding the currently occupied square feet (1,577,495 sq. ft.), the current pent up demand (1,834,896 ft. sq.) and the annual additional square feet demanded for 2018 (42,588 ft. sq.). Total square feet demanded in 2019 is the sum of the 2018 total square feet demanded and the 2019 additional square feet demanded. The ten year average annual additional demand for self-storage space is expected to be 46,288 in the trade area (including pent-up demand), leading to a cumulative new demand for 2,344,064 square feet of additional storage space in 2028.

Table IV-10: Projected Occupied 800 Cesar Chavez PTA Demands, 2018-2028							
Year	Population	Annual Change	Total Self-Storage Space Occupied (Sq. Ft.)	Ave. Demand Sq. Ft. per Person	Annual Additional Sq. Ft. Demanded*	Total Sq. Ft. Demanded	Cumulative Sq. Ft. Demanded
Pent-up Demand					1,834,896		
2018	761,110	9,499	1,577,495	4.48	42,588	3,454,979	1,877,484
2019	770,927	9,817	--	4.48	44,013	3,498,993	1,921,498
2020	780,870	9,944	--	4.48	44,581	3,543,574	1,966,079
2021	790,942	10,072	--	4.48	45,156	3,588,730	2,011,235
2022	801,144	10,202	--	4.48	45,739	3,634,469	2,056,974
2023	811,477	10,333	--	4.48	46,329	3,680,797	2,103,302
2024	821,944	10,467	--	4.48	46,926	3,727,723	2,150,228
2025	832,545	10,602	--	4.48	47,531	3,775,255	2,197,760
2026	843,283	10,738	--	4.48	48,144	3,823,399	2,245,904
2027	854,160	10,877	--	4.48	48,765	3,872,164	2,294,669
2028	865,177	11,017	--	4.48	49,394	3,921,559	2,344,064
Average Annual Demand (2018-2028)		10,324		4.48	46,288		2,106,291

Source: THK Associates, Inc.

SELF-STORAGE ANALYSIS

Table IV-11 illustrates the annual and cumulative square footage demanded for both Climate Controlled and Non-Climate Controlled units in the PTA. The projected demand at the subject 800 Cesar Chavez Self-Storage site is detailed in Table IV-10 below. Pent-up demand represents 1,834,896 square feet. THK expects the pent up demand will be split evenly for climate controlled and non-climate controlled units, therefore there is 917,448 square feet of pent up demand for climate controlled storage and 917,448 square feet of pent-up demand for non-climate controlled storage space.

Table IV-11: 800 Cesar Chavez PTA Demand 2018-2028

	Annual Additional Sq. Ft. Demanded	Cumulative Sq. Ft. Demanded	Climate Control - Demand in PTA is 50%		Non-Climate Control- Demand in PTA is 50%	
			Annual	Cumulative	Annual	Cumulative
Pent-Up Demand	1,834,896		917,448	917,448	917,448	917,448
2018	42,588	3,454,979	21,294	938,742	21,294	938,742
2019	44,013	3,498,993	22,007	960,749	22,007	960,749
2020	44,581	3,543,574	22,291	983,039	22,291	983,039
2021	45,156	3,588,730	22,578	1,005,617	22,578	1,005,617
2022	45,739	3,634,469	22,869	1,028,487	22,869	1,028,487
2023	46,329	3,680,797	23,164	1,051,651	23,164	1,051,651
2024	46,926	3,727,723	23,463	1,075,114	23,463	1,075,114
2025	47,531	3,775,255	23,766	1,098,880	23,766	1,098,880
2026	48,144	3,823,399	24,072	1,122,952	24,072	1,122,952
2027	48,765	3,872,164	24,383	1,147,335	24,383	1,147,335
2028	49,394	3,921,559	24,697	1,172,032	24,697	1,172,032
Average Annual Demand (2018-2028)	46,288	--	23,144	--	23,144	--

Source: THK Associates, Inc.

SELF-STORAGE ANALYSIS

THK has estimated that the subject property can expect to capture 65% of the pent-up demand for climate controlled storage as seen in Table IV-12, which is 596,341 square feet of pent-up space, with an average additional demand of 15,164 square feet of space per year. As the pent-up demand has been split evenly amongst climate controlled and non-climate controlled space, the same is true for non-climate controlled space demand.

Table IV-12: Projected 800 Cesar Chavez PTA Demand 2018-2028

800 Cesar Chavez PTA Site CC Demand 65% Capture				800 Cesar Chavez PTA Site Non CC Demand 65% Capture				Total Demand	
	Climate Controlled		Cumulative		Non Climate Controlled		Cumulative	Annual	
	Annual Demand In the PTA	Annual Demand 65% Capture			Annual Demand In the PTA	Annual Demand 65% Capture			
Pent-Up Demand	917,448	596,341	596,341	Pent-Up Demand	917,448	596,341	596,341		
2018	-----Planning and Development-----			2018	--Planning and Development--			2018	--Planning and Development--
2019	22,007	14,304	610,646	2019	22,007	14,304	610,646	2019	28,609 1,221,291
2020	22,291	14,489	625,134	2020	22,291	14,489	625,134	2020	28,978 1,250,269
2021	22,578	14,676	639,810	2021	22,578	14,676	639,810	2021	29,352 1,279,620
2022	22,869	14,865	654,675	2022	22,869	14,865	654,675	2022	29,730 1,309,350
2023	23,164	15,057	669,732	2023	23,164	15,057	669,732	2023	30,114 1,339,464
2024	23,463	15,251	684,983	2024	23,463	15,251	684,983	2024	30,502 1,369,966
2025	23,766	15,448	700,431	2025	23,766	15,448	700,431	2025	30,895 1,400,861
2026	24,072	15,647	716,078	2026	24,072	15,647	716,078	2026	31,294 1,432,155
2027	24,383	15,849	731,926	2027	24,383	15,849	731,926	2027	31,697 1,463,853
2028	24,697	16,053	747,980	2028	24,697	16,053	747,980	2028	32,106 1,495,959
Average Annual Demand (2018-2028)	23,329	15,164	747,980	Average Annual Demand (2018-2028)	23,329	15,164	747,980	Average Annual Demand (2018-2028)	30,328 1,371,278

Source: THK Associates, Inc.

SELF-STORAGE ANALYSIS

E. Proposed Self-Storage Unit Mix

The recommended unit mix for the 800 Cesar Chavez Self-Storage facility has been based on the inventory of self-storage space in the primary trade area, our experience with similar projects and national unit mixes. Table IV-13 illustrates the recommended unit mix for climate controlled and non-climate controlled units recommended at the proposed facility. In evaluating existing demand, THK recommends developing entirely climate controlled units in phase one. THK has recommended rates based off of the current self-storage market in San Francisco and the surrounding environs. The rental rates are representative of the market at this time (August/September) and may experience seasonal changes throughout the year.

While some of the facilities do offer larger units such as 10' x 30' the number of units in the larger sizes tends to be a smaller portion of all units and the rent per square foot for larger units is less than smaller units. THK recommends that the largest self-storage unit size at the proposed facility be no larger than 10' x 20'. This proposed unit mix inherently proposes an average unit size of 72 square feet, to be leased at a rate of \$4.17 per square foot per month.

Table IV-13: Unit Mix at the 800 Cesar Chavez Self Storage Facility												
Proposed Unit Mix at the 800 Cesar Chavez Self Storage Facility, Climate Controlled Scenario												
Unit Type	Units	SF Mix %	SF/Unit	Total SF	Online Rate/ Unit/ Mo	In-Store Rate/ Unit/ Mo	Online Rate/ Mo/ SF	In-Store Rate/ Mo/ SF	Weighted Rate/ Mo/ SF	Weighted Rate/ Yr/ SF	Weighted Total Rent/ Mo	Weighted Total Rent/ Yr
1 x 4	58	0.07%	4	231	\$45	\$51	\$11.25	\$12.82	\$12.03	\$144.37	\$2,773	\$33,279
2 x 4	96	0.23%	8	768	\$80	\$91	\$10.00	\$11.39	\$10.69	\$128.33	\$8,217	\$98,603
3 x 5	115	0.52%	15	1,729	\$120	\$137	\$8.00	\$9.11	\$8.56	\$102.66	\$14,790	\$177,486
4 x 5	480	2.86%	20	9,604	\$140	\$159	\$7.00	\$7.97	\$7.49	\$89.83	\$71,898	\$862,778
5 x 5	692	5.15%	25	17,288	\$145	\$165	\$5.80	\$6.61	\$6.20	\$74.43	\$107,231	\$1,286,772
5 x 7.5	432	4.83%	37.5	16,207	\$175	\$199	\$4.67	\$5.32	\$4.99	\$59.89	\$80,885	\$970,626
5 x 10	922	13.75%	50	46,101	\$220	\$251	\$4.40	\$5.01	\$4.71	\$56.47	\$216,927	\$2,603,125
10 x 10	711	21.19%	100	71,073	\$395	\$450	\$3.95	\$4.50	\$4.22	\$50.69	\$300,226	\$3,602,716
10 x 12.5	288	10.74%	125	36,016	\$450	\$513	\$3.60	\$4.10	\$3.85	\$46.20	\$138,661	\$1,663,930
10 x 15	615	27.49%	150	92,202	\$490	\$558	\$3.27	\$3.72	\$3.49	\$41.92	\$322,104	\$3,865,247
10 x 20	221	13.17%	200	44,180	\$565	\$644	\$2.83	\$3.22	\$3.02	\$36.25	\$133,474	\$1,601,686
Totals/Averages	4,629	100.0%	72	335,400	\$301.81	\$321	\$3.90	\$4.44	\$4.17	\$49.99	\$1,397,187	\$16,766,248
Source: THK Associates, Inc.												
Proposed Unit Mix at the 800 Cesar Chavez Self Storage Facility, Non-Climate Controlled Scenario												
Unit Type	Units	Unit Mix %	SF/Unit	Total SF	Online Rate/ Unit/ Mo	In-Store Rate/ Unit/ Mo	Online Rate/ Mo/ SF	In-Store Rate/ Mo/ SF	Weighted Rate/ Mo/ SF	Weighted Rate/ Yr/ SF	Weighted Total Rent/ Mo	Weighted Total Rent/ Yr
1 x 4	58	0.07%	4	231	\$55	\$63	\$13.75	\$15.66	\$14.70	\$176.45	\$3,389	\$40,674
2 x 4	96	0.23%	8	768	\$69	\$78	\$8.59	\$9.79	\$9.19	\$110.28	\$7,061	\$84,737
3 x 5	115	0.52%	15	1,729	\$128	\$146	\$8.56	\$9.75	\$9.15	\$109.79	\$15,817	\$189,806
4 x 5	480	2.86%	20	9,604	\$123	\$140	\$6.14	\$6.99	\$6.56	\$78.77	\$63,044	\$756,533
5 x 5	692	5.15%	25	17,288	\$149	\$170	\$5.98	\$6.81	\$6.39	\$76.70	\$110,500	\$1,325,997
5 x 7.5	432	4.83%	37.5	16,207	\$175	\$199	\$4.67	\$5.32	\$4.99	\$59.89	\$80,885	\$970,626
5 x 10	922	13.75%	50	46,101	\$201	\$229	\$4.03	\$4.59	\$4.31	\$51.69	\$198,587	\$2,383,043
10 x 10	711	21.19%	100	71,073	\$333	\$379	\$3.33	\$3.79	\$3.56	\$42.72	\$253,019	\$3,036,223
10 x 12.5	288	10.74%	125	36,016	\$405	\$461	\$3.24	\$3.69	\$3.46	\$41.58	\$124,795	\$1,497,537
10 x 15	615	27.49%	150	92,202	\$474	\$540	\$3.16	\$3.60	\$3.38	\$40.56	\$311,652	\$3,739,824
10 x 20	221	13.17%	200	44,180	\$599	\$682	\$2.99	\$3.41	\$3.20	\$38.41	\$141,430	\$1,697,164
Totals/Averages	4,629	100.0%	72	335,400	\$283	\$301	\$3.65	\$4.16	\$3.91	\$46.88	\$1,310,180	\$15,722,163
Source: THK Associates, Inc.												

V – CASH FLOW ANALYSIS

Proprietary information - redacted

VI - APPENDIX

VI. APPENDIX

Expanded Economic Base Analysis

A. Personal Income, Employment and Home Value Trends

The San Francisco MSA continues to see rising incomes as shown in Table VI-1. Only in 2002 and 2009 did the area see decreases in per capita income which followed the state and national trends at the onset of the great recession. The area experienced dramatic increases in per capita income for 2013 and 2014.

Table VI-1: Per Capita Personal Income by County for the San Francisco County Area 1990-2017

Year	San Francisco		United States	
	Income	Annual Change	Income	Annual Change
1990	\$29,434	--	\$19,591	--
1991	\$31,084	5.6%	\$19,985	2.0%
1992	\$32,119	3.3%	\$21,060	5.4%
1993	\$32,709	1.8%	\$21,698	3.0%
1994	\$33,529	2.5%	\$22,538	3.9%
1995	\$36,335	8.4%	\$23,568	4.6%
1996	\$38,630	6.3%	\$24,728	4.9%
1997	\$40,395	4.6%	\$25,950	4.9%
1998	\$45,191	11.9%	\$27,510	6.0%
1999	\$48,813	8.0%	\$28,627	4.1%
2000	\$56,326	15.4%	\$30,602	6.9%
2001	\$56,333	0.0%	\$31,540	3.1%
2002	\$54,594	-3.1%	\$31,815	0.9%
2003	\$55,129	1.0%	\$32,692	2.8%
2004	\$59,910	8.7%	\$34,316	5.0%
2005	\$65,958	10.1%	\$35,904	4.6%
2006	\$72,967	10.6%	\$38,144	6.2%
2007	\$75,740	3.8%	\$39,821	4.4%
2008	\$76,365	0.8%	\$41,082	3.2%
2009	\$73,167	-4.2%	\$39,376	-4.2%
2010	\$76,118	4.0%	\$40,277	2.3%
2011	\$81,030	6.5%	\$42,453	5.4%
2012	\$88,216	8.9%	\$44,282	4.3%
2013	\$88,977	0.9%	\$44,493	0.5%
2014	\$97,978	10.1%	\$46,494	4.5%
2015	\$105,997	8.2%	\$48,451	4.2%
2016	\$110,418	4.2%	\$49,246	1.6%
2017	\$115,904	5.0%	\$50,973	3.5%
2018 Est	\$122,081	5.3%	\$52,263	2.5%
1990-2017	\$3,203	5.2%	\$1,162	3.6%
2008-2017	\$4,393	4.7%	\$1,099	2.4%
2013-2017	\$6,732	6.8%	\$1,620	3.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, & THK Associates, Inc.

A comparison of hourly wage by occupation is presented in table VI-2. The largest delta between San Francisco County wages and United States average wages is found in Healthcare Support occupations – a 50% increase over national overages. Legal occupations are paid 49.8% more in San Francisco – presumably due to the growing demand for tech related law services.

Table VI-2: Hourly Comparison by Occupational Group in the San Francisco Market, Q1 2018

Occupation	United States	San Francisco County	Percent Difference
Management	\$57.65	\$78.16	35.6%
Business and Financial Operations	\$36.70	\$48.84	33.1%
Computer and Mathematical	\$43.18	\$60.04	39.0%
Architecture and Engineering	\$41.44	\$51.54	24.4%
Life, Physical, and Social Science	\$35.76	\$46.57	30.2%
Community and Social Service	\$23.10	\$28.27	22.4%
Legal	\$51.62	\$77.31	49.8%
Education, Training, and Library	\$26.67	\$34.97	31.1%
Arts, Design, Entertainment, Sports, and Media	\$28.34	\$39.37	38.9%
Healthcare Practitioners and Technical	\$38.83	\$56.20	44.7%
Healthcare Support	\$15.05	\$22.62	50.3%
Protective Service	\$22.69	\$29.11	28.3%
Food Preparation and Serving Related	\$11.88	\$16.59	39.6%
Building and Grounds Cleaning and Maintenance	\$13.91	\$18.14	30.4%
Personal Care and Service	\$13.11	\$14.84	13.2%
Sales and Related	\$19.56	\$27.47	40.4%
Office and Administrative Support	\$18.24	\$24.52	34.4%
Farming, Fishing and Forestry	\$13.87	\$16.92	22.0%
Construction and Extraction	\$24.01	\$33.00	37.4%
Installation, Maintenance and Repair	\$23.02	\$29.69	29.0%
Production	\$18.30	\$21.76	18.9%
Transportation and Material Moving	\$17.82	\$24.45	37.2%
Average of All Professions	\$27.03	\$36.38	33%

Source: California Dept. of Labor and THK Associates, Inc.

Table VI-3 shows the ten largest employers in the San Francisco market. These employers employ a total of 44,284 persons or 4.58% of the employment base. The largest employer is Wells Fargo with 8,195 employees. The second largest employer is Salesforce with 6,600 employees. Finances, telecommunications and healthcare are the three largest industries found in San Francisco today.

Table VI-3: Largest Employers in the San Francisco County Market Area, 2017

Employer	Industry	~Employees
1 WellsFargo & Co.	Financial Services	8,195
2 Salesforce	Telecommunications	6,600
3 California Pacific Medical Center	Health Care	6,000
4 PG&E Corp.	Energy	4,325
5 Gap Inc.	Clothing and Accessories	4,268
6 Kaiser Permanente	Health Care	4,100
7 Uber Technologies	Transportation	3,650
8 Dignity Health	Health Care	2,540
9 Academy of Art University	Art/Design University	2,402
10 Williams-Sonoma Inc.	Retail	2,204

Top 10 Employers Total Employment	44,284
Total Employment in San Francisco County	966,540
Top 10 Employers as % of Total Employment	4.58%

Source: Metro Denver Econ. Dev. Co, THK Associates Inc.

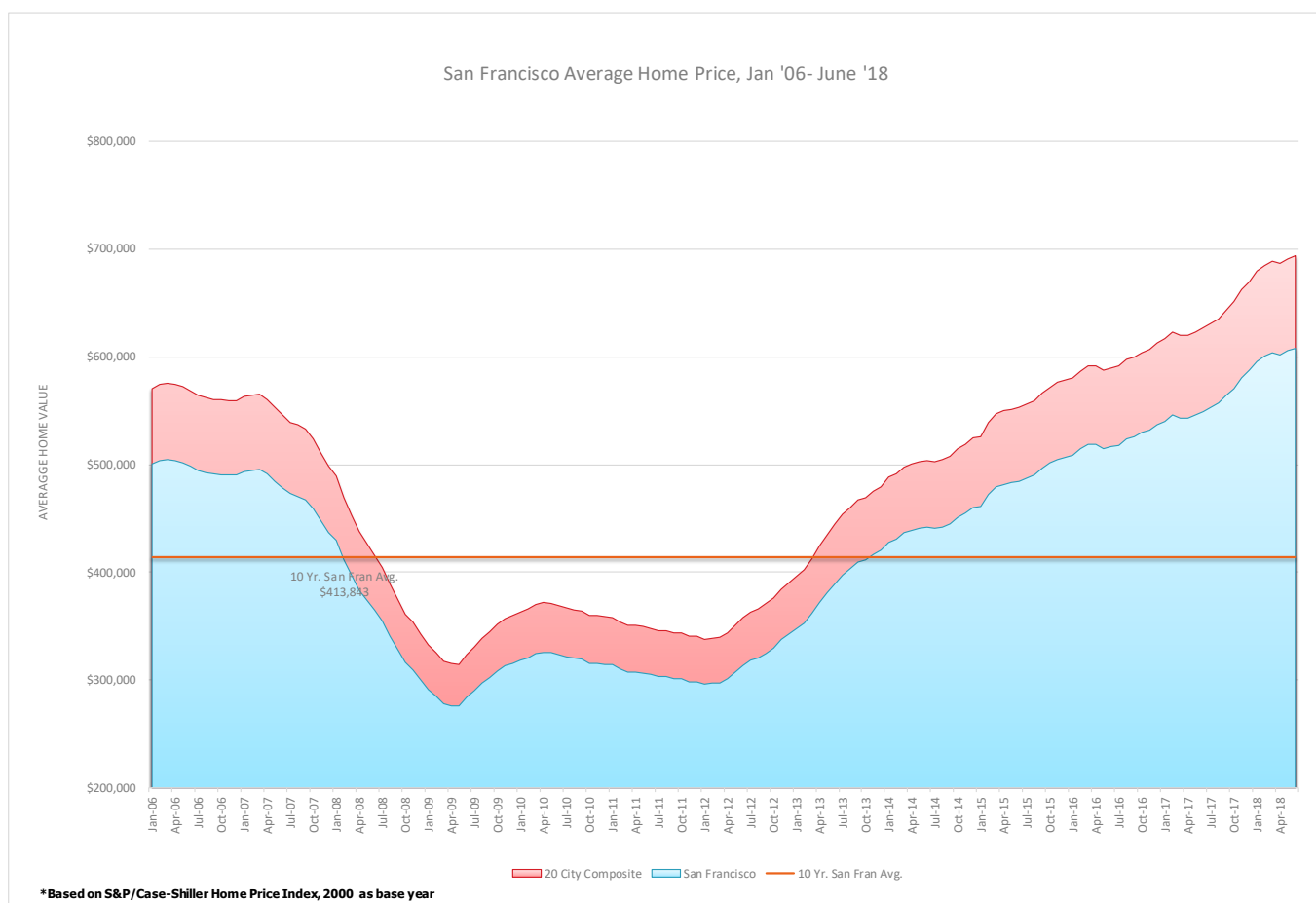
APPENDIX

Table VI-4 presents the Case Shiller S&P index values for single family homes in San Francisco since 2006. Following 2006, housing prices declined through 2009. In 2010, prices made a rebound but in the following year there was yet another decline. Since 2011, prices have been on a steep upward climb. The average single family home sold in June of 2018 (most recent data) was for \$608,118. A ten year average home value has been calculated as \$413,843. This data has been graphed following table VI-4.

Table VI-4: Case Shiller S & P Index Values for Single-Family Home Sales in San Francisco 2006-2017								
	Price	Average SFD		Price	Average SFD		Price	Average SFD
2006			2010			2014		
January	217.40	\$500,025	January	138.49	\$318,532	January	186.05	\$427,920
February	218.82	\$503,288	February	139.30	\$320,400	February	187.38	\$430,974
March	219.29	\$504,378	March	140.94	\$324,153	March	189.72	\$436,362
April	218.82	\$503,290	April	141.73	\$325,972	April	190.58	\$438,343
May	218.02	\$501,456	May	141.39	\$325,193	May	191.53	\$440,530
June	216.55	\$498,058	June	140.54	\$323,232	June	192.00	\$441,593
July	214.98	\$494,464	July	139.86	\$321,682	July	191.67	\$440,830
August	214.31	\$492,913	August	139.17	\$320,096	August	192.11	\$441,848
September	213.56	\$491,185	September	138.88	\$319,434	September	193.56	\$445,187
October	213.36	\$490,735	October	137.24	\$315,643	October	196.14	\$451,120
November	213.27	\$490,518	November	136.99	\$315,069	November	197.67	\$454,642
December	213.16	\$490,267	December	136.91	\$314,889	December	199.90	\$459,773
Average	216.0	\$496,715	Average	139.3	\$320,358	Average	192.4	\$442,427
2007			2011			2015		
January	214.62	\$493,634	January	136.53	\$314,020	January	200.30	\$460,696
February	214.88	\$494,232	February	134.76	\$309,940	February	205.30	\$472,196
March	215.32	\$495,235	March	133.70	\$307,521	March	208.53	\$479,627
April	213.53	\$491,120	April	133.51	\$307,082	April	209.45	\$481,733
May	210.77	\$484,782	May	133.19	\$306,343	May	210.16	\$483,370
June	207.97	\$478,323	June	132.55	\$304,860	June	210.64	\$484,479
July	205.57	\$472,804	July	131.93	\$303,442	July	211.89	\$487,348
August	204.52	\$470,388	August	131.88	\$303,334	August	213.17	\$490,294
September	203.12	\$467,166	September	131.00	\$301,307	September	215.76	\$496,246
October	199.65	\$459,189	October	131.16	\$301,668	October	217.85	\$501,051
November	194.70	\$447,800	November	129.80	\$298,546	November	219.47	\$504,777
December	189.99	\$436,986	December	129.87	\$298,706	December	220.45	\$507,032
Average	206.2	\$474,305	Average	132.5	\$304,731	Average	211.9	\$487,404
2008			2012			2016		
January	186.63	\$429,258	January	128.63	\$295,850	January	221.17	\$508,686
February	178.85	\$411,363	February	129.24	\$297,250	February	223.58	\$514,233
March	172.57	\$396,903	March	129.28	\$297,337	March	225.41	\$518,443
April	166.74	\$383,493	April	131.12	\$301,582	April	225.36	\$518,339
May	162.56	\$373,887	May	133.56	\$307,185	May	223.89	\$514,945
June	158.50	\$364,554	June	136.28	\$313,438	June	224.64	\$516,662
July	154.11	\$354,443	July	138.28	\$318,046	July	225.26	\$518,099
August	148.16	\$340,766	August	139.32	\$320,430	August	227.92	\$524,205
September	142.83	\$328,518	September	141.22	\$324,817	September	228.53	\$525,619
October	137.59	\$316,447	October	143.27	\$329,521	October	230.22	\$529,502
November	134.68	\$309,768	November	146.61	\$337,202	November	231.30	\$531,988
December	130.63	\$300,456	December	148.87	\$342,398	December	233.63	\$537,360
Average	156.2	\$359,155	Average	137.1	\$315,421	Average	226.7	\$521,507
2009			2013			2017		
January	126.66	\$291,308	January	151.24	\$347,845	January	234.92	\$540,312
February	123.98	\$285,144	February	153.31	\$352,609	February	237.25	\$545,666
March	121.09	\$278,506	March	157.29	\$361,767	March	236.17	\$543,195
April	120.17	\$276,390	April	161.72	\$371,961	April	236.15	\$543,144
May	119.87	\$275,693	May	165.85	\$381,462	May	237.28	\$545,736
June	123.34	\$283,688	June	169.44	\$389,707	June	238.74	\$549,105
July	126.16	\$290,166	July	172.91	\$397,694	July	240.59	\$553,363
August	129.24	\$297,241	August	175.47	\$403,591	August	242.10	\$556,840
September	131.56	\$302,580	September	178.20	\$409,858	September	245.15	\$563,851
October	134.03	\$308,262	October	178.96	\$411,610	October	247.98	\$570,361
November	136.12	\$313,071	November	180.98	\$416,248	November	252.32	\$580,330
December	137.03	\$315,162	December	182.72	\$420,261	December	255.24	\$587,054
Average	127.4	\$293,101	Average	169.0	\$388,718	Average	242.0	\$556,580

Source: Case Shiller Index, and THK Associates, Inc.

2018		
January	258.78	\$595,204
February	261.03	\$600,365
March	262.56	\$603,880
April	261.77	\$602,066
May	263.25	\$605,483
June	264.40	\$608,118
July	--	--
August	--	--
September	--	--
October	--	--
November	--	--
December	--	--
Average	262.0	\$602,519



END OF REPORT

Prepared By:



**2953 SOUTH PEORIA STREET, SUITE 101
AURORA, COLORADO 80014
(303) 770-7201 PHONE
(303) 770-7132 FAX
INFO@THKASSOC.COM**

Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

Aerial Trash Detection and Reporting

Proposal for San Francisco

May 2022

Hi, we'd like To hear from you



Brian Johnson

Father of 2, husband, Bayview resident
Problem solver, entrepreneur, environmentalist
Engineering and Business Development

Hi, we'd like To hear from you

Matthew Stevens

Father of 2 (+1 on the way), husband, Excelsior resident
Environmental enthusiast, neighborhood activist, surfer
Strategy and Business Development Executive



Problem: Dumping on Streets/Sidewalks

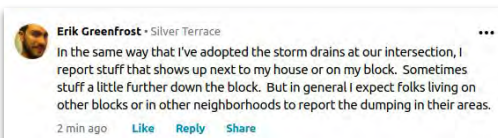
- Massive illegal dumping
- DPW/Recology working hard to cleanup dumping
- Patrolling is costly





Residents Doing Their Best

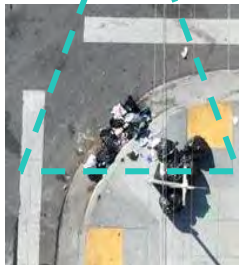
- Doing our best to report dumping
 - Having difficulty understanding process
 - Feel overwhelmed by pace of dumping
- Cleaning near our homes
- Cleaning near our parks
- Many piles are too large to clean



Residents must report for cleaning to occur, except on high traffic retail corridors.

Potential Solutions

- Putting up cameras on some corners
 - DPW/Recology trucks patrolling streets
 - Residents reporting when they can
 - ...
 - Automated trash detection and reporting?
-



Our Solution: Aerial Trash Detection & Reporting

A UAV captures momentary snapshot of streets/sidewalks within an area.

Using AI to detect trash, determine exact location.

Submit trash location and photo to SF 311.

SF 311 dispatches DPW or Recology to clean the trash.

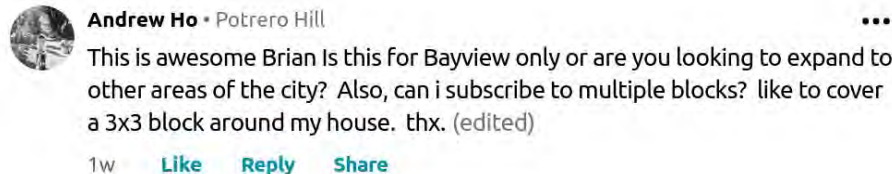
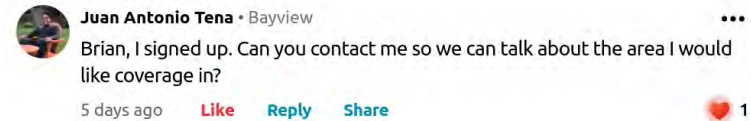
This creates a daily report for the entire neighborhood.

Every trash pile within D10 & D11 will be reported within a day of appearing.


Note: Only the street and sidewalk is imaged. No images of private areas captured

Automated Trash Detection and Reporting Pilot



- Started Bayview pilot out of passion for change:
30 miles of street every day, 750 piles garbage detected
and reported in 60 days. All of them cleaned up!




Residents Love It

- **JEAN STEADMAN** • Hunter's Point ...



Brian, I appreciate what you are doing. I live near Keith and Evans in India Basin (Bayview/Hunters' Point). Fairfax Street between Keith and Newhall has several piles of curbside ... [See more](#)

1 hr ago [Like](#) [Reply](#) [Share](#)  1
- **Gerard Wiener** • Hunter's Point ...


Not sure you want to hear someone swear for 15 minutes ;). Seriously, thanks again for your hard work. Unfortunately, I feel until there is some accountability for dumping, this will continue. I have a feeling it is the same people doing it with impunity...

1 day ago [Like](#) [Reply](#) [Share](#)
- **Juan Antonio Tena** • Bayview ...

Brian, I signed up. Can you contact me so we can talk about the area I would like coverage in?


5 days ago [Like](#) [Reply](#) [Share](#)  1
- **Chris Harney** • Potrero Hill ...

Will your service report Graffiti to the City as well?


18 May [Like](#) [Reply](#) [Share](#)
- **Brian Johnson** • Portola Place [Author](#) ...

That is something I could do. Although I haven't added that yet, I do see graffiti and could report it.


18 May [Like](#) [Reply](#) [Share](#)

- **Andrew Ho** • Potrero Hill ...



This is awesome Brian Is this for Bayview only or are you looking to expand to other areas of the city? Also, can i subscribe to multiple blocks? like to cover a 3x3 block around my house. thx. (edited)

1w [Like](#) [Reply](#) [Share](#)
- **Mike Krasilnikoff** • Mendell Hill ...

Thank you for doing this. West of Hilltop and all of Keith was a nightmare this morning.

5 days ago [Like](#) [Reply](#) [Share](#)
- **Barb Tassa** • Portola Place ...

Wow, that's an incredible transformation! It's cool you captures the image when the cleanup crew was there.

17 May [Like](#) [Reply](#) [Share](#)   3
- **Jose Yan** • San Francisco Shipyard ...

Barb so cool isn't it, I'm really interested to capture progression on how trash accumulated to begin with

17 May [Like](#) [Reply](#) [Share](#)

Environmentally Forward

1600x Efficiency for Patrolling

An F150 Pickup truck burns 3.33 kWh of energy per mile.

A UAV burns 0.002 kWh of energy per mile.

Routing the right vehicle to the right destination reduces miles driven by high energy trucks.



Our Solution: Safe, Focused, Comprehensive, Integrated

Stays safely out of the way

- Cannot be obstructed, vandalized, or stolen
- Flies over 150 feet in the air, out of sight, nearly silent, and far away from people

Focuses on trash - not people

- Cannot capture faces (overhead view)
- Looks at only streets and sidewalks

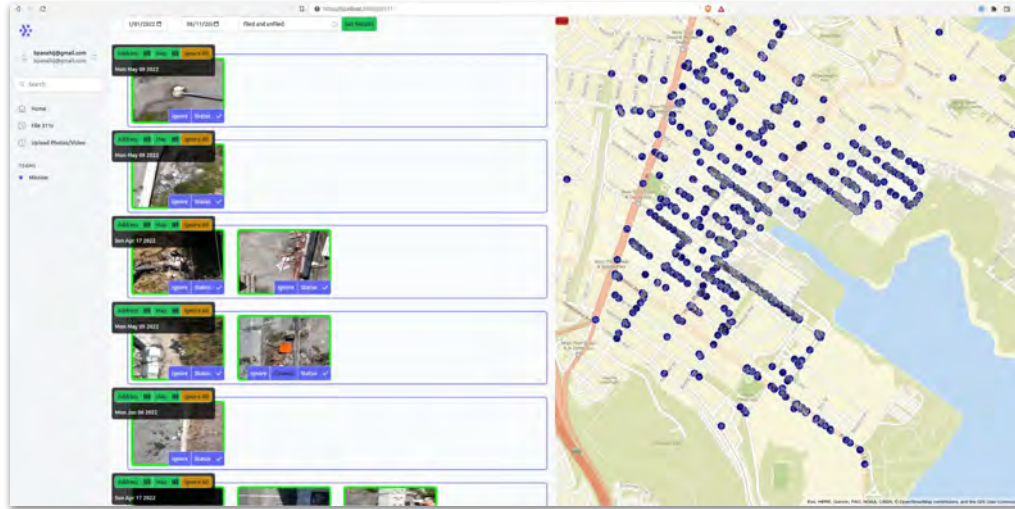
Addresses all dumping

- All streets and sidewalks for entire neighborhood
- All trash piles

Works with existing systems

- Two way communication directly with SF 311
-

Our Solution: closed feedback loop creates more efficiency for DPW

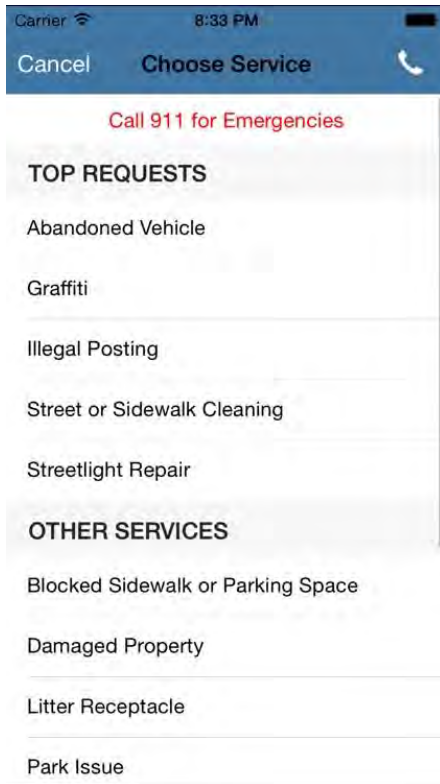


Cleanup requests are made to SF 311, API

Trash cleanups confirmed in following days

Reducing duplicate reports by following 311 guidelines

A single point of contact for 311 and DPW, empowering collaboration in improving reporting and improving data.



SF 311 Partnership

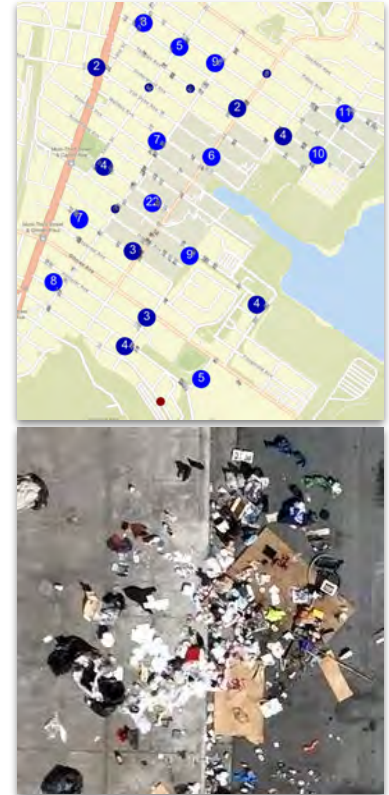
We are working closely with SF 311 IT.

The major challenges they face are:

- duplicates/repeated reporting of same issue
- wrong category selected: causes cleanup delays in routing
- inconsistency of photos and descriptions
- thousands of residents to train to get good data

SF 311 loves the aerial automated reporting. Requests are:

- Consistent
- Complete
- Correct
- Comprehensive

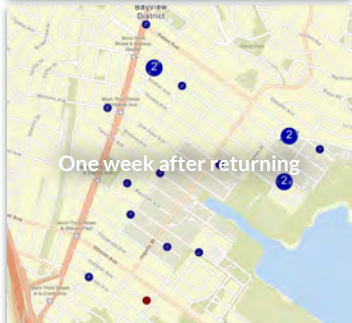
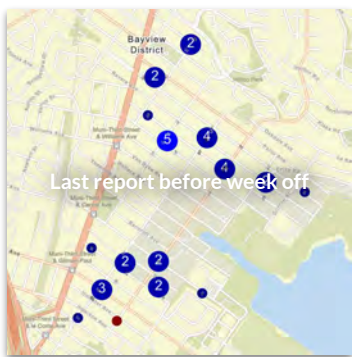


Already Effective in the Bayview



A two month pilot program in the Bayview

- Reduction in the number of daily cleanup requests (from 158 down to 10 in two months of daily reporting)
 - Total coverage of over 120 blocks, 30 miles of streets, once every day (Capable of cover any number of blocks)
 - Accurate number, locations, and photos every pre and post cleanup
 - DPW and Recology have cleared or cleaned up every pile reported - 750 total piles!
-



Impact: When we stop/start reporting

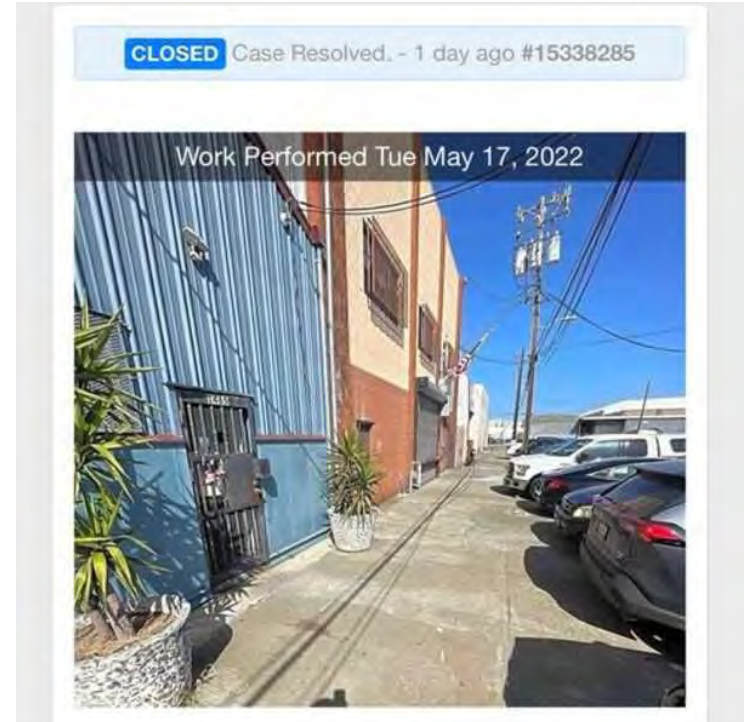
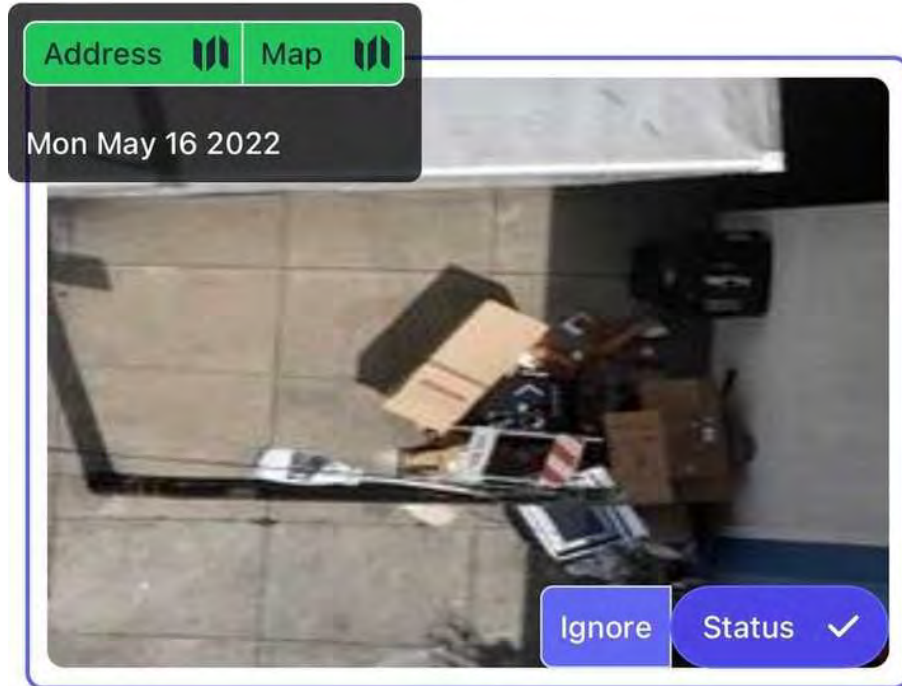
In early June of 2022, we took a one week break from reporting garbage. The day before we left we reported 34 piles of garbage on Bayview streets.

When we returned a week later, we found and reported 74 piles of garbage that day.

After two days we found and reported 28 piles that day.

After another two days we found and reported 19 piles that day.

What happens: garbage reported → garbage cleaned



Note: SF311 requested pickup confirmations which are included in the service



Licensed and Insured

Our pilots are licensed with the FAA for commercial unmanned aerial vehicle flight.

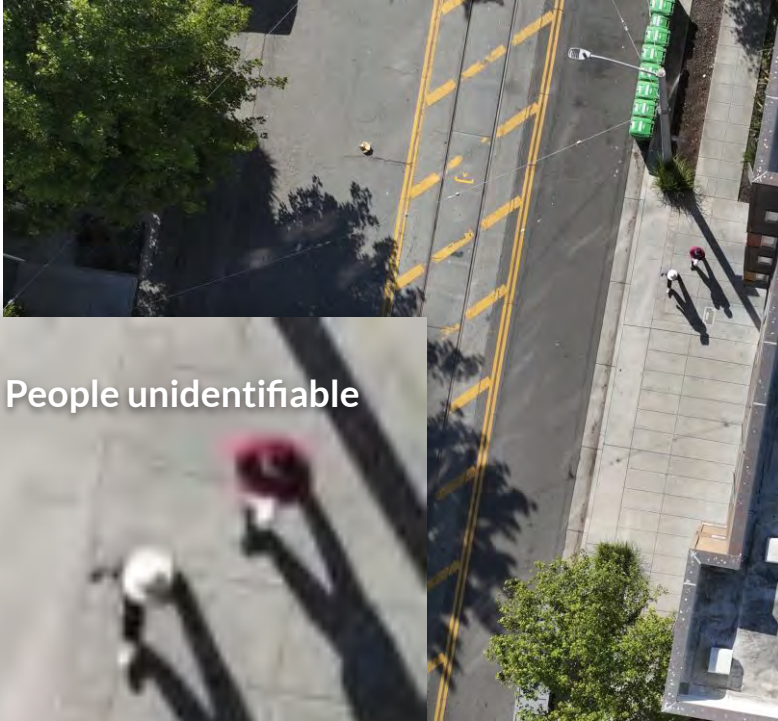
The Smart Insurance For The Sky

Only a few states to get an affordable policy customized to your needs by the 12



We carry 500 Million dollars liability insurance policy specifically designed for commercial drone flight.

Aerial Imagery Protects Privacy



People unidentifiable

- People and faces are not identifiable from above.
- We will blur any faces as an additional measure.
- Aerial images are focused on sidewalks and streets.
- We remove cars, houses, yards, and only looks for trash on streets and sidewalks.



Proposal

Seeking support for a 3, 6, 12 month pilot program

Pilot includes:

- Continuous coverage and reporting for designated area
- Automatic feed to SF311
- Feedback loop to confirm requests are complete
- Reporting and transparency of services rendered
- Improved quality of life and environmental protection
- AI continuous improvement development

3 month program: TBD

6 month program: TBD

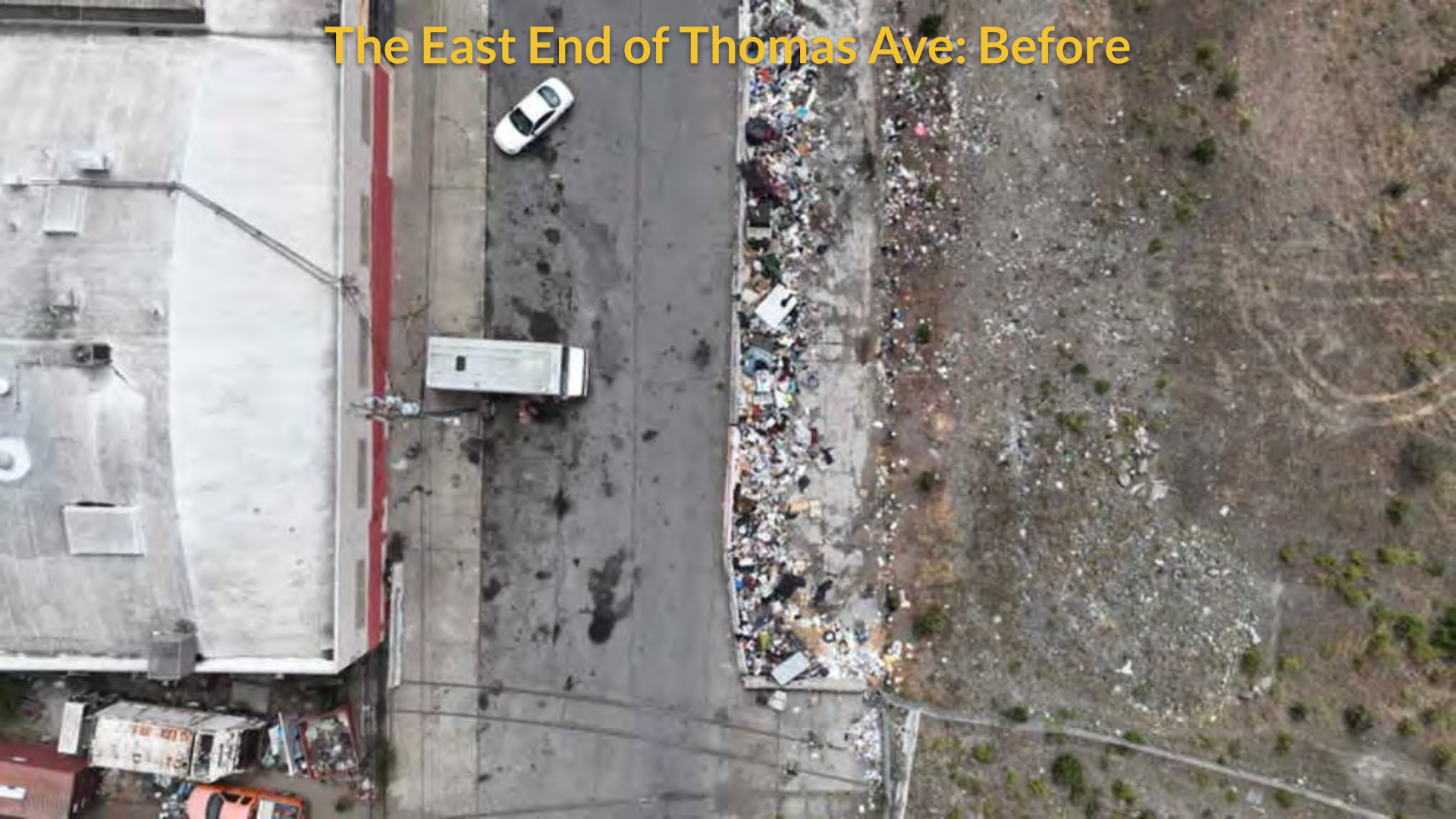
Scope (flexible): SF area TBD



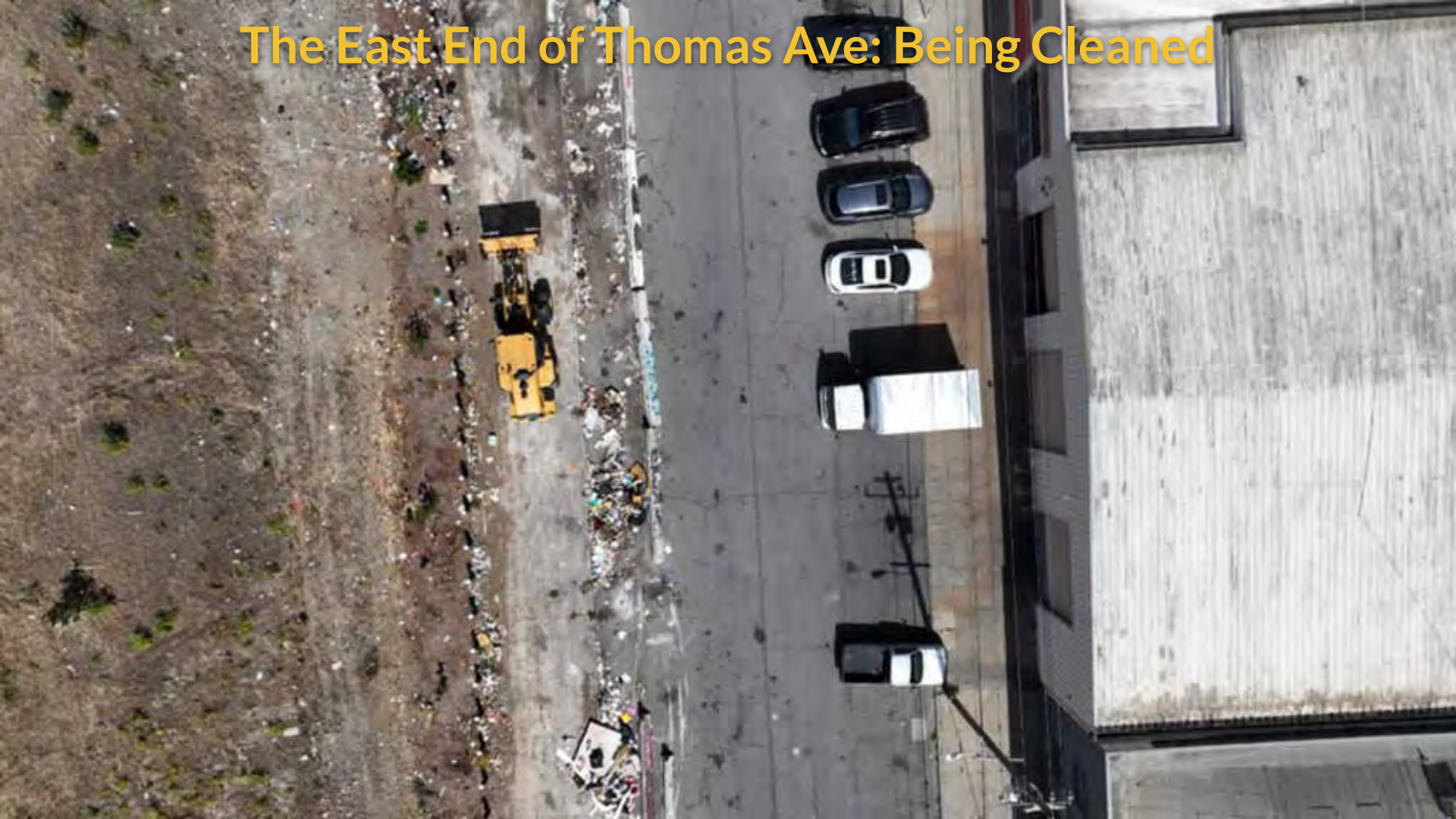
Appendix

Visuals
from April and May 2022

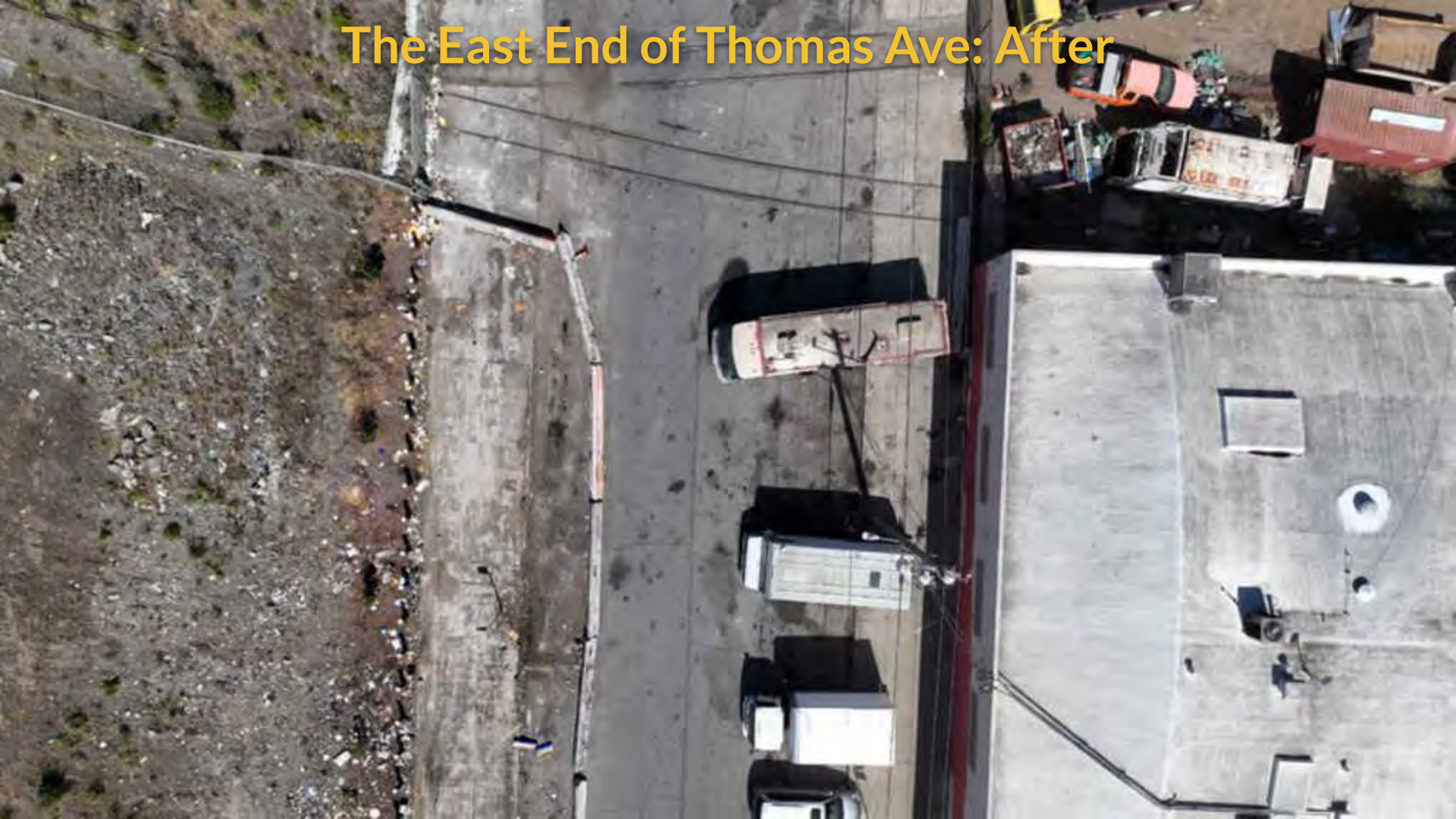
The East End of Thomas Ave: Before

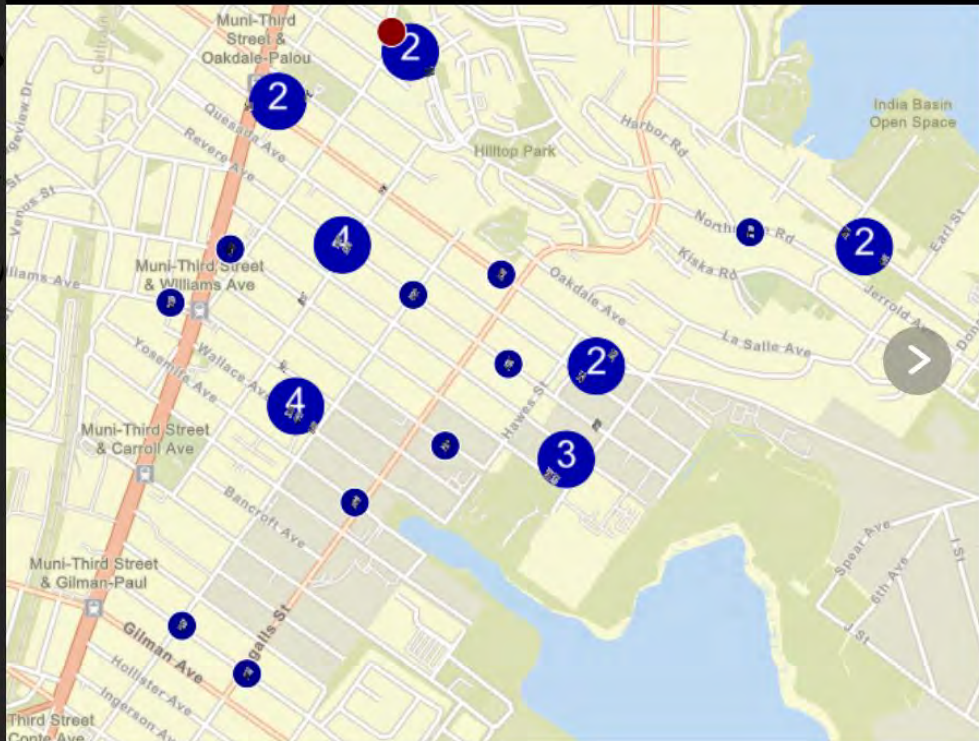


The East End of Thomas Ave: Being Cleaned



The East End of Thomas Ave: After



**Brian Johnson**

Portola Place • 5 days ago



30 Piles of garbage identified by our AI powered Drone yesterday.

<https://www.westcoastdynamics.com/bayview>

I flew a much larger area again, sitting on top of Hilltop Park, and looking out over the neighborhood.

You can sign up to be a patron here, but also set your shipping address to the area you'd like me to cover.

<https://www.westcoastdynamics.com/bayview>

**West Coast Dynamics**[westcoastdynamics.com](https://www.westcoastdynamics.com)

Posted in **Lost & Found** to **Anyone**



12



Like



1



Address



Map



Mon May 16 2022



Ignore

Status

Street or Sidewalk Cleaning at San Francisco

CLOSED

Updating Closure Information - 1 day ago

#15338269

Work Performed Tue May 17, 2022



Furniture

Object: Furniture

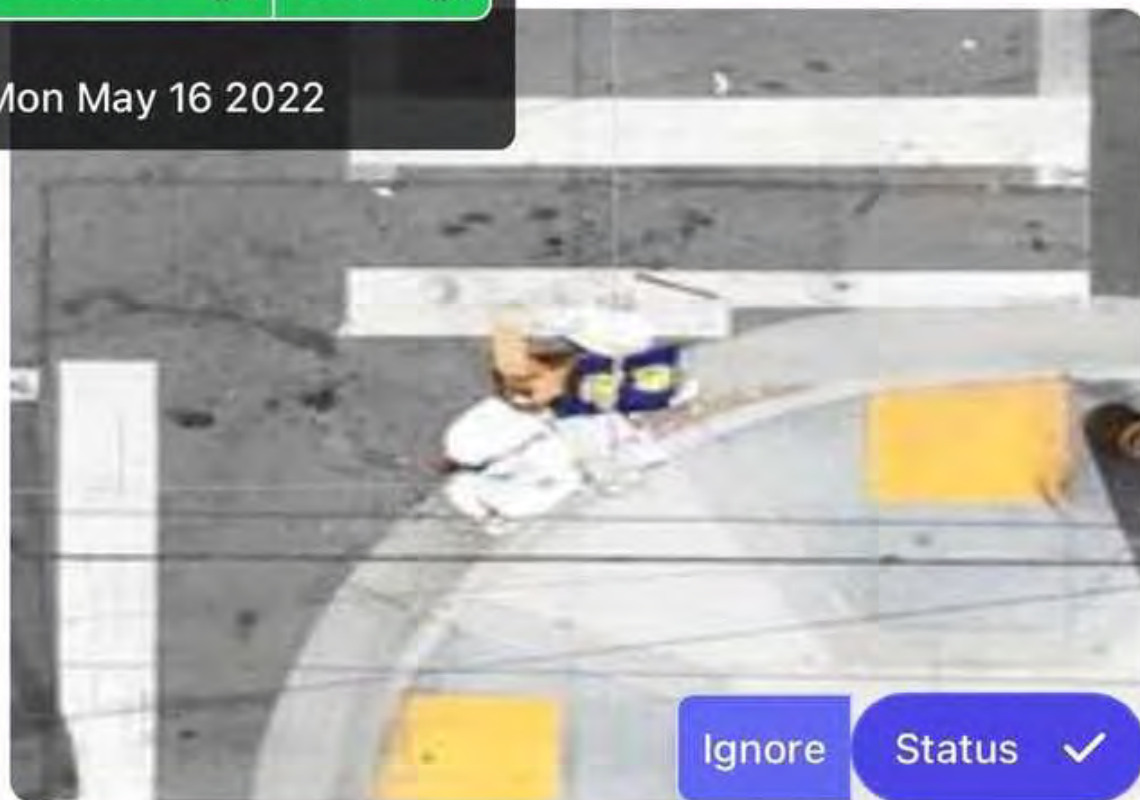
Address



Map



Mon May 16 2022



Ignore

Status



SF311

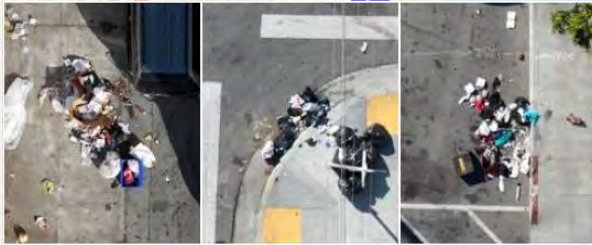
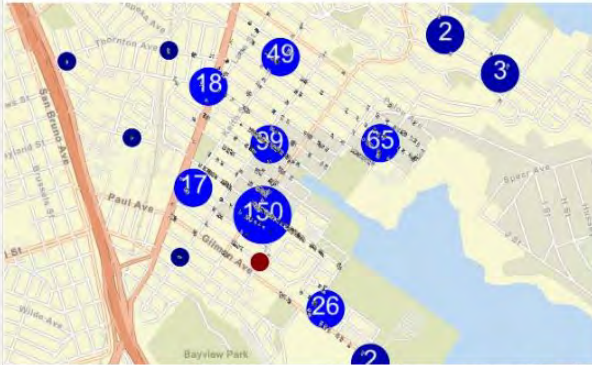


Street or Sidewalk Cleaning at San Francisco

CLOSED Case Resolved. ~ 1 day ago #15338985

Work Performed Tue May 17, 2022





👍❤️ Anna Vakulchyk and 69 others

35 comments · 2 shares

Reactions



Like



Comment



Share



Send

📊 7,824 views of your post in the feed



Oh so this happened:

Yesterday, the end of Thomas street was cleaned up!

Here are some photos showing progression from 5-15-22 to 5-17-22 (left to right)

See more...



West Coast Dynamics

westcoastdynamics.com

Posted in **General** to **Anyone**



Like



22 Comments



Share

On Street Cameras, in

- Limited visibility, can only capture small amount of sidewalk/street
 - Theft, and vandalism can occur
 - Blind spots, obstructions and camera positioning
 - Privacy concerns, captures faces, and always “watching”
 - Expense, hardware must be deployed at each location ahead of time
 - Maintenance, diagnostics on site for each camera
 - Cost of deploying cameras on every block
 - Once placed, cameras are expensive to upgrade or replace
 - Need employees to review footage
-