DATE: September 1, 2011  
TO: Marc Babsin, Emerald Fund Inc,  
FROM: Mark Luellen, Planning Department  
RE: PPA Case No. 2011.0702U for 101 Polk Street

Please find the attached Preliminary Project Assessment (PPA) for the address listed above. You may contact the staff contact, Rick Crawford, at (415) 558-6358 or rick.crawford@sfgov.org, to answer any questions you may have, or to schedule a follow-up meeting.

Mark Luellen, Senior Planner
Preliminary Project Assessment

Date: September 1, 2011  
Case No.: 2011.0702U  
Project Address: 101 Polk Street  
Block/Lot: 0811/002 and 003  
Zoning: C-3-G, (Downtown General Commercial) District  
Civic Center Special Sign District No. 1  
120-X Height and Bulk District  
Project Sponsor: Marc Babsin, Emerald Fund, Inc.  
415-777-2914  
Staff Contact: Rick Crawford– (415) 558-6358  
rick.crawford@sfgov.org

DISCLAIMERS:

Please be advised that this determination does not constitute an application for development with the Planning Department. It also does not represent a complete review of the proposed project, a project approval of any kind, or in any way supersede any required Planning Department approvals listed below. The Planning Department may provide additional comments regarding the proposed project once the required applications listed below are 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, it is likely that the project will require approvals from other City agencies such as the Department of Building Inspection, Department of Public Works, Department of Public Health, and others. The information included herein is based on plans and information provided for this assessment and the Planning Code, General Plan, Planning Department policies, and local/state/federal regulations as of the date of this document, all of which are subject to change.

PROJECT DESCRIPTION:

The project site consists of two adjacent lots occupying the entire length of the west side of Polk Street between Lech Walesa Alley and Hayes Street. The combined parcels are 13,200 square feet in area with 120 feet of frontage on Polk Street and 110 feet of frontage on Hayes Street and Lech Walesa Alley. A surface parking lot occupies both lots with no permanent structures on the property. The site is adjacent to, but not within the Civic Center Historic District and is included on the Civic Center Area Plan Map 1.

The proposal is to remove the surface parking lot and construct a 13 story, 120 foot tall, residential building with 175 rental dwelling units above a one-story subterranean parking garage. Fifty-three off-street automobile parking spaces, two off-street service-vehicle loading spaces, and 57 bicycle parking spaces will be located on the site in the subterranean parking garage.
garage. The project will include a common fitness center for residents and a rental office on the ground floor. No space for commercial uses is proposed for the building.

ENVIRONMENTAL REVIEW:

The project initially requires the following environmental review. This review may be done in conjunction with the required approvals listed below, but must be completed before any project approval may be granted:

1. An Environmental Evaluation Application is required for the full scope of the project and may include the following:

   a. Aesthetics. This environmental topic is related to the evaluation of the proposed building and the adjacent Civic Center Historic District.

   b. Archeological Study. An archeological study would be required since the proposed project would involve excavation of the site to a depth of ten feet or more. If the site is found to be sensitive, soil disturbance may trigger mitigation requirements.

   c. Transportation Impact Study. A Transportation Impact Study may be required. The proposal to construct 175 dwelling units, 53 underground parking spaces, and provide two off-street service-vehicle loading spaces in a subterranean garage may need to be initially evaluated by our Transportation Planning staff. They would determine whether a Transportation Impact Study for the proposed project would be required.

   d. Air Quality (AQ) Analysis. Demolition of the surface parking lot, site excavation and construction activities, plus project operations, including any back-up generators, would require analysis under the Bay Area Air Quality Management District’s (BAAQMD) criteria for air pollutants impacts.

   e. Greenhouse Gas (GHG) Emissions Analyses. Demolition, excavation, and construction activities plus project operations would need to be analyzed for Greenhouse Gas emissions.

   f. Wind and Shadow Impacts Studies. Wind and shadow impacts from the proposed 120-foot tall building would be required to be analyzed. An initial shadow fan prepared by staff indicates the possibility of a shadow impact on Civic Center Plaza. Therefore, further shadow analysis will be required.

   g. Geology and Soils. A geotechnical and soils investigation may be required because of the site location and the proposed excavation of the site.

   h. Phase I Report and a Phase II Study. A Phase II Study may be required by the Department of Public Health, depending on what the Phase I report finds about the historical land
use of the site, and surrounding and project vicinity uses, and because the current use of the project site is as a surface parking lot.

i. **Historic Resource Evaluation Report (HRER).** The proposed project site at 101 Polk Street is adjacent to the Civic Center Historic District, which is a National Historic Landmark District and local Historic District designated pursuant to Article 10 of the Planning Code. As such, the adjacent Historic District, which includes properties on the north side of Lech Walesa Alley and properties on the east side of Polk Street opposite the proposed project site, would be considered a historical resource pursuant to CEQA. To assist in analysis of the proposed project, which includes new construction of an approximately 120-foot-tall residential building, the Department requires a Historic Resource Evaluation Report to be prepared by a qualified professional who meets the Secretary of the Interior’s Professional Qualification Standards in Historic Architecture or Architectural History. The HRER should focus on evaluation of the compatibility of the proposed design of the new construction with the adjacent Civic Center Historic District, and assess potential impacts to the Historic District.

In evaluating compatibility with the Civic Center Historic District, the architecture, massing, height, materials, and articulation of the proposed building and its neighboring buildings should be considered. In particular, the design should address the tripartite composition (base-shaft-capitol) typical of buildings in the Historic District, and acknowledge the primary view of the new building from the District along Polk Street. Breaking up the massing with projecting features on the Polk Street façade may not be appropriate given that buildings within the district tend to have punched, or recessed, openings.

As the proposed project will create six or more dwelling units, and/or, construct a new building of 10,000 square feet or more, use of the Historic Resource consultant pool for identification of a preservation consultant to prepare the HRER shall be required. The Department will provide the project sponsor with a list of three consultants from the Historic Preservation Consultant Pool, which shall be known as the “potential consultant list” or “PCL”.

Please note that this project is not likely to qualify for a Categorical Exemption under CEQA. Additional analysis will determine if an Initial Study is required. If so, the Initial Study will help determine that either (1) the project is issued a Negative Declaration stating that the project would not have a significant effect on the environment, or (2) an Environmental Impact Report (EIR) is required to determine the project's significance on the environment.

Environmental Evaluation applications are available in the Planning Department lobby at 1650 Mission Street Suite 400, at the Planning Information Center at 1660 Mission Street, and online at [www.sfplanning.org](http://www.sfplanning.org). The San Francisco Preservation Bulletin No. 16 is available at [www.sfplanning.org](http://www.sfplanning.org) under “Historic Preservation.”
PLANNING DEPARTMENT APPROVALS:

The project requires the following Planning Department approvals. These approvals may be reviewed in conjunction with the required environmental review, but may not be granted until after the required environmental review is completed.

1. **Conditional Use Authorization.** In order for the project to proceed the Planning Commission would need to grant Conditional Use authorization, pursuant to Section 303, for the following aspects of the project:

   a. **Floor Area Ratio.** Conditional Use authorization is required per Planning Code Sections 124(f), for a Floor Area Ratio (FAR) exceeding the base FAR of 6:1 where the additional floor area is for affordable housing units.

   b. ** Dwelling Unit Density.** Conditional Use authorization is required per Section 215(b) for residential density exceeding one dwelling unit per 125 square feet of lot area.

   Please be aware that legislation pending before the Board of Supervisors could eliminate the requirement for Conditional Use Authorization. This legislation is expected to be adopted and effective by the end of this calendar year.

2. **Downtown Project Authorization** from the Planning Commission is required per Planning Code Section 309 for projects within a C-3 zoning district over 50,000 square feet in area, or over 75 feet in height and, for granting exceptions to the requirements of certain Sections of the Planning Code. The project at 101 Polk Street requires authorization under Section 309 as the project is located within the C-3-G district, has a gross floor area of 162,072 square feet, is 120 feet tall, and requires an exception from Planning Code Section 134, Rear Yards.

3. **Variances.** Several aspects of the project do not comply with the requirements of the Planning Code as currently proposed:

   a. **Usable Open Space.** Planning Code Section 135 requires 36 square feet of private, or 48 square feet of common, usable open space for each dwelling unit in the project. The Section further requires that the open space areas meet specific dimensional requirements. The project, as proposed, includes Code complying private open space on balconies for 50 dwelling units, and Code complying common open space on the 13th floor roof deck, sufficient for 21 units. The inner court proposed for the project does not count toward the required usable open space because the space does not meet the dimensional requirements of Sections 135(f) and 135(g). Section 135(f) requires that private usable open space shall have a minimum horizontal dimension of six feet and a minimum area of 36 square feet if located on a balcony. Section 135(g) states that an inner court may be credited as common usable open space, if the enclosed space is not less than 20 feet in every horizontal dimension and 400 square feet in area; and if the height of the walls and projections above the court on at least three sides (or 75 percent of the perimeter, whichever is greater) is such that no point
on any such wall or projection is higher than one foot for each foot that such point is horizontally distant from the opposite side of the clear space in the court. Based on the analysis above, 104 units do not comply with the usable open space requirement. Therefore, a Variance is required. The Planning Department would not support a Variance of this magnitude for this project.

b. **Dwelling Unit Exposure.** Per Section 140, at least one room of each dwelling unit must face onto a public street, a rear yard, or other open area that meets minimum requirements for area and horizontal dimensions. Section 140 specifies that an open area (such as the courtyards) must have minimum horizontal dimensions of 25 feet at the lowest floor containing a dwelling unit and floor immediately above, with an increase of five feet in horizontal dimensions for each subsequent floor above. Numerous units have exposure only on the proposed inner courtyard, and the majority of the courtyard area does not meet the dimensional requirements discussed above. Therefore, a Variance is required.

4. **General Plan Referral** recommendation from the Planning Commission and approval from the Board of Supervisors is necessary as the proposed streetscape improvements for the project would extend the curb line and make other improvements to Lech Walesa Alley. A General Plan Referral will be required as part of the legislation necessary to extend the curb. You may submit the General Plan Referral application to the Planning Department in conjunction with an application to extend the curb lines and make the improvements to Leah Walesa Alley.

5. A **Building Permit Application** permit application is required for the preparation of the site and for the proposed new construction. Building permit applications are available at the Department of Building Inspection at 1660 Mission Street.

Conditional Use, Section 309, General Plan Referral, and Variance applications are available in the Planning Department lobby at 1650 Mission Street Suite 400, at the Planning Information Center at 1660 Mission Street, and online at [www.sfplanning.org](http://www.sfplanning.org). Building Permit applications are available at the Department of Building Inspection at 1660 Mission Street.

**NEIGHBORHOOD NOTIFICATIONS AND PUBLIC OUTREACH:**

Project Sponsors are encouraged 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.

**PRELIMINARY PROJECT COMMENTS:**

The following comments address specific Planning Code and other general issues that may significantly influence the proposed project:
Planning Code

1. **Floor Area Ratio.** Planning Code Section 124 limits the Floor Area Ratio (FAR) in the C-3-G District to 6:1, however a FAR of 9:1 is possible provided the additional floor area is occupied by affordable housing units as defined in the Section or through the use of Transfer of Development Rights (TDR) from another parcel. The project, as proposed, exceeds the allowable FAR. The proposed affordable housing units do not have sufficient floor area to allow the proposed FAR of 9:1. The affordable units have a total floor area sufficient to allow a FAR of only 7:6:1. To comply with the FAR requirement the number of affordable housing units or the floor area of the currently proposed affordable units should be increased, the total floor area of the building should be reduced or the project will need to use TDR.

2. **Rear Yard.** Planning Code Section 134 requires that rear yards be provided at the lowest story containing a dwelling unit, and at each succeeding level or story of the building, equal to 25% of the depth of the lot. In C-3 Districts, an exception to the rear yard requirements of this Section may be allowed, in accordance with the provisions of Section 309, provided that the building location and configuration assure adequate light and air to windows within the residential units, and to the usable open space provided. The project does not provide a Code complying rear yard. Therefore, an exception is required.

3. **Active Street Frontages.** Planning Code Section 145.1 requires active ground floor uses along street frontages in new construction in the C-3 Zoning Districts. Residential uses are considered active uses above the ground floor; on the ground floor, residential uses are considered active uses only if more than 50 percent of the linear residential street frontage at the ground level features walk-up dwelling units which provide direct, individual pedestrian access to a public sidewalk, and are consistent with the Ground Floor Residential Design Guidelines, as adopted and periodically amended by the Planning Commission. Spaces accessory to residential uses, such as fitness or community rooms, are considered active uses only if they meet the intent of this section and have access directly to the public sidewalk or street. The project must comply with this Section.

4. **Ground-Level Wind Currents.** Planning Code Section 148 states that in C-3 Districts, buildings and additions to existing buildings shall be shaped, or other wind-baffling measures shall be adopted, so that the developments will not cause ground-level wind currents to exceed, more than 10 percent of the time year round, between 7:00 a.m. and 6:00 p.m., the comfort level of 11 m.p.h. equivalent wind speed in areas of substantial pedestrian use and seven m.p.h. equivalent wind speed in public seating areas. The project site is in an area of high winds and modifications to the design may be necessary to comply with this Section. The Planning Commission may grant an exception from this requirement in accordance with the provisions of Section 309 provided the project meets certain criteria in Section 148(a). Please be aware that the wind analysis must be performed by a qualified expert wind analyst.
5. **Freight Loading.** Planning Code Section 154(b) requires off-street freight loading spaces for service vehicles to be 20 feet long. The two service vehicle parking spaces proposed for the project are 18 feet long. Per Section 154(b) the service vehicle spaces in the project must be 20 feet long. The project as proposed does not comply with this requirement.

6. **Bicycle Parking.** Planning Code Section 155.5 requires that all residential buildings of four dwelling units or more provide on-site bicycle parking at a ratio of one bicycle parking space for every two dwelling units for the first 50 dwelling units and one space for every four units over 50. The project is required provide 56 bicycle parking spaces and the project proposes 57 spaces. Required bicycle parking spaces shall not be provided within dwelling units, balconies, or required open space but should be located to allow safe and convenient ingress and egress of persons with bicycles. The project should be designed so ensure safe and convenient ingress to, and egress from, the bicycle parking area.

7. **Car Sharing.** Planning Code Section 166 requires one car-share parking space in the building. The submitted project plans do not include parking for a car-share vehicle and the project does not comply with this requirement. A car share parking space must be provided in the project.

8. **Unit Count.** Planning Code 215(a) establishes a density limit for housing in the C-3-G district of one dwelling unit for each 125 square feet of lot area. Section 215(c) allows the Planning Commission to approve higher density development with Conditional Use authorization. The proposed density for the project is one unit per 75.4 square feet of lot area for a total of 175 dwelling units. The proposed density is much higher than the base permitted density and significantly higher than the density of other newly constructed or proposed projects in the area as detailed below.

   a. 1 Polk Street, density of one unit per 124.8 square feet of lot area.
   b. 1390 Market, Fox Plaza, density including the approved addition totals one unit per 139.7 square feet of lot area, unbuilt.
   c. 1340 Mission Mercy Housing, density of one unit per 119 square feet of lot area, 100% affordable units.
   d. 1411 Market Street, density one unit per 93 square feet of lot area. This project used development rights from the adjacent parcel at 1400 Mission Street to achieve this density, approved. The total density proposed for 1411 Market and 1400 Mission combined is one unit per 103 square feet of lot area.
   e. 1400 Mission Street density of one unit per 149 square feet of lot area, under review.

The Planning Department recommends reducing the density so that it is more consistent with the other new construction in the area.

9. **Shadow.** Planning Code Section 295 limits the construction of any structure that will cast any new shade or shadow upon any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. The project has the potential to cast new shadow on Civic Center Plaza, property under the jurisdiction of the Recreation and
Park Commission. The project will be required to submit a shadow analysis describing the potential to shade the Plaza. An exception from the requirements of this Section may be necessary.

10. **Public Art.** Planning Code Section 429 requires works of art costing an amount equal to one percent of the construction cost of the building shall be installed and maintained as part of this project. The integration of the artist, and/or the art concept into the early stages of the design process is recommended.

11. **Streetscape Improvements.** Per Planning Code Section 138.1, the Planning Department may require standard streetscape improvements. Please see the comment relating to Public Realm Improvements in the Preliminary Design Comments below. Please note that the San Francisco Department of Public Works will request a General Plan referral from the Planning Department for the proposed improvements to Lech Walesa Alley.

12. **Dwelling Unit Mix.** The project proposes 14% studio, 63% one-bedroom, and 23% two-bedroom dwelling units. The Planning Code and policies of the Planning Commission encourage the provision of dwelling units suitable for use by families. Given the intensity of the proposal, the programming should aim to provide either additional affordable housing units and/or additional units of a size appropriate for families. The project is located just outside of the Market and Octavia Area Plan area where the required unit mix is 40% two-bedroom or larger units. The Department recommends that the project sponsor consider a unit mix that would be consistent with the Market and Octavia Area Plan.

13. **Inclusionary Affordable Housing Units.** Pursuant to Section 415, the project must satisfy the requirements of the Inclusionary Affordable Housing Program through the payment of an Affordable Housing Fee that is equivalent to the applicable percentage of the number of units in the principal project, which is 20 percent of the total number of units proposed. As an alternative, the project may be eligible to satisfy the requirements of Section 415 through the provision of on-site or off-site affordable units. In order to qualify for this alternative, the sponsor must demonstrate that the units would not be subject to the Costa Hawkins Rental Housing Act.

In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an ‘Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,’ to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project. In order to be eligible to provide rental units, the Project Sponsor must submit to the Department a contract demonstrating that the project’s on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. Please note that not all projects can meet the criteria of having received a “direct financial contribution or other form of assistance” from the City.
All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Planning Department, the Mayor’s Office of Housing, and the City Attorney’s Office.

Please be aware that the Planning Department encourages the payment of the Affordable Housing fee as an alternative to on site rental affordable dwelling units.

14. **Signage.** The project is located within the Civic Center Special Sign District Number 1. Per Planning Code Section 608.3, no general advertising sign, and no other sign exceeding 200 square feet in area, shall be located within the Special Sign District. In addition, no sign that is located on publicly owned property, or that is located on a street frontage facing publicly owned property, shall have any moving, rotating or otherwise animated part; or have any flashing, blinking, fluctuating or otherwise animated light; or project beyond any street property line or building setback line; or be attached to a building in any manner other than with its entire area flat against a wall of such building that directly faces a street. A signage program will be required for the project indicating compliance with the restrictions of the Civic Center Special Sign District Number 1.

15. **First Source Hiring.** Chapter 83 of the San Francisco Administrative Code, passed in 1998, established the First Source Hiring Program to identify available entry-level jobs in San Francisco and match them with unemployed and underemployed job seekers. The intent is to provide a resource for local employers seeking qualified, job ready applicants for vacant positions while helping economically disadvantaged residents who have successfully completed training programs and job-readiness classes.

The ordinance applies to (1) any permit application for commercial development exceeding 25,000 square feet in floor area involving new construction, an addition or a substantial alteration which results in the addition of entry level positions for a commercial activity; or (2) any application which requires discretionary action by the Planning Commission relating to a commercial activity over 25,000 square feet, but not limited to conditional use; or (3) any permit application for a residential development of ten units or more involving new construction, an addition, a conversion or substantial rehabilitation.

The project proposes more than ten dwelling units and therefore, is subject to the requirement. For further information or to receive a sample First Source Hiring Agreement, please see contact information below:

Ken Nim, Workforce Compliance Officer  
CityBuild, Office of Economic and Workforce Development  
City and County of San Francisco  
50 Van Ness, San Francisco, CA 94102  
Direct: 415.581.2303  
Fax: 415.581.2368

**General Plan/Civic Center Area Plan**
16. To help further the Civic Center Area Plan’s goals of encouraging private businesses that serve the area’s main government orientation (Civic Center Area Plan Policy 2.1), the project should include commercial spaces at the lower levels that could be frequented by Civic Center employees and visitors or that are related to government activity, such as title companies and legal offices. Along with providing commercial space to reinforce the Civic Center’s main government administrative thrust, such uses would also help provide a more satisfying interface with the public realm than the dwelling units that are currently proposed.

**PRELIMINARY DESIGN COMMENTS:**

The following comments address preliminary design issues that may significantly affect the proposed project:

1. *Site Design, Massing, and Open Space.* 

   *Open Space.* The Planning Department recommends increasing the size of the courtyard. The proposed project may seek exemptions from specific open space requirements; however, they must be justified and the resulting open space should still be of high quality that conforms to the spirit of what would be required. There might be a great opportunity to provide direct visual access to the courtyard from the street.

   *Massing.* Except for the roof deck canopy, the form of the building mass is relatively undifferentiated. The Planning Department recommends refining and articulating the massing by several options: vary the planes and cladding; create more projections and voids; modulate by varying the heights, and/or make a stronger roof form.

2. *Ground Floor and Street Frontage.* The street frontage should provide a consistent and active face. Locating residential uses along the ground floor perimeter of the site is admirable, but locating ground floor units around the entire perimeter may prove difficult at this location. In the interest of balancing active uses at the ground floor and risk, consider relocating the fitness center to the perimeter and some of the dwellings along the courtyard. The Planning Department recommends that commercial uses, catering to residents of the project and office workers in the area, be considered for some of the ground floor space particularly at the corner of Polk and Hayes Streets.

   Where ground floor dwellings are proposed, the residential units should engage directly with the street per the draft ground floor residential design guidelines. Consider landscaped set backs that allow for entry stoops. Although the floor-to-floor height of the ground floor is 12’ high, the consistent height and material of the wall at the ground floor presents an unrelenting horizontal band that is scaled to appear institutional rather than residential. It appears too low, horizontal, and closed. Consider improving with indentation and variation or articulation of materials, and changes in the heights of the glazing where possible.

3. *Architecture.* While not within the Civic Center Historic District, the project sits at the edge of the District and should be cognizant of its compatibility with the adjacent context. The discussion under Policy 1.2 of the Civic Center Area Plan reinforces this as it states:
The core of the Civic Center is composed of classic Greek revival structures of exceptional quality that set the architectural character of the area. The symmetrical arrangement of buildings, uniform height, and application of common buildings lines and architectural features reinforce the unity of the formal composition. The design of the project building should complement the Center’s existing architectural character.

While the building need not be designed in a literal classic style, the design should be developed further to accentuate a tripartite scheme. Consider development of a mechanical penthouse that could augment the massing or cap to the building. The Planning Department would like to see the curtain wall developed to be less repetitive, by introducing an alternate pattern of either glazing or framing or both.

4. Public Realm Improvements. Per Planning Code Section 138.1, the Planning Department may require standard streetscape elements and sidewalk widening for the appropriate street type per the Better Streets Plan, including landscaping, site furnishings, and/or corner curb extensions (bulb-outs) at intersections (see Better Streets Plan Section 4 for Standard Improvements and Section 5.3 for bulb-out guidelines). The Project Sponsor is required to submit a Streetscape Plan illustrating these features, and the Department will work with the project sponsor and other relevant departments to determine an appropriate streetscape design. Standard street improvements would be part of the basic project approvals but would not count as credit towards in-kind contributions.

**PRELIMINARY PROJECT ASSESSMENT EXPIRATION:**

This Preliminary Project Assessment is valid for a period of 18 months. An Environmental Evaluation, Conditional Use Authorization, or Building Permit Application, as listed above, must be submitted no later than March 1, 2013. Otherwise, this determination is considered expired and a new Preliminary Project Assessment is required. Such applications and plans must be generally consistent with those found in this Preliminary Project Assessment.

cc: Marc Babsin, Emerald Fund Inc.
    Rick Crawford, Planner, Current Planning
    Irene Nishimura, Planner, Environmental Planning
    Mat Snyder, Planner, Citywide Planning