DATE: September 12, 2013

TO: Marc Babsin, Emerald Fund, Inc.

FROM: Nannie Turrell, Planning Department

RE: PPA Case No. 2013.0973U for 150 Van Ness Avenue

Please find the attached Preliminary Project Assessment (PPA) for the address listed above. You may contact the staff contact, Chelsea Fordham, at (415) 575-9071 or Chelsea.Fordham@sfgov.org, to answer any questions you may have, or to schedule a follow-up meeting.

Nannie Turrell, Senior Planner
**SAN FRANCISCO**  
**PLANNING DEPARTMENT**

**Date:** September 13, 2013  
**Case No.:** 2013.0973U  
**Project Address:** 150 Van Ness Avenue  
**Block/Lot:** 0814/014, 001, 015, 016, 021  
**Zoning:** C-3-G, (Downtown General Commercial) District  
Van Ness Market Downtown Residential Special Use District  
120 - R - 2 Height and Bulk District  
**Project Sponsor:** Marc Babsin, Emerald Fund, Inc.  
415-489-1313  
**Staff Contact:** Chelsea Fordham (415) 575-9071  
Chelsea.Fordham@sgov.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 Public Utilities Commission, 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 is located on five city lots that front on Hayes Street (Assessor’s Block 0814, Lot 001, 014, 015, 016, and 021) on a site that composes half of a city block, which is bound by Van Ness Avenue to the west and Polk Street to the east. The project site totals 46,490 square-feet (sq. ft.) and is currently composed of two existing office buildings and four surface parking lots. The proposed project would include merger of the five lots, demolition of the two existing office buildings and surface parking lots, and construction of a new 12-story, 120-foot tall mixed-use building with 429 residential units and basement level garage. The two existing office buildings total 149,049 sq.ft, and are 108-feet tall. The four existing surface parking lots include 99-off street parking spaces which are currently used for construction staging and for hourly and daily parking. The proposed project would construct a mixed use building with 429 residential units (with 112 two-bedroom units and 317 one-bedroom and studio units) and 9,000 sq.ft. of retail use. The proposed basement level garage would be accessed from Hayes Street and would contain 218 off-street parking spaces (including four car share spaces) and 211 bicycle parking...
spaces. A loading entrance is proposed off Polk Street. The total square footage for the proposed mixed-use building would be 512,010 sq. ft.

**ENVIRONMENTAL REVIEW:**

Environmental evaluation is required for the full scope of the project. Section 15183 of the California Environmental Quality Act (CEQA) Guidelines states that projects that are consistent with the development density established by a community plan for which an environmental impact report (EIR) was certified do not require additional environmental review, except as necessary to determine the presence of project-specific significant effects not identified in the programmatic plan area EIR.

The proposed project is located within the Market and Octavia Neighborhood Plan, which was evaluated in *Market and Octavia Neighborhood Plan Programmatic Final Environmental Impact Report EIR* (Market and Octavia FEIR), which was certified in 2007. Because the proposed project is consistent with the development density identified in the area plan, it is eligible for a community plan exemption (CPE). Within the CPE process, there can be three different outcomes as follows:

1. **CPE Only**

   All potentially significant project-specific and cumulatively considerable environmental impacts are fully consistent with significant impacts identified in the Market and Octavia FEIR and there would be no new "peculiar" significant impacts unique to the proposed project. In these situations, all pertinent mitigation measures and CEQA findings from the Market and Octavia FEIR are applied to the proposed project, and a CPE checklist and certificate is prepared. With this outcome, the applicable fees are: (a) the CPE determination fee (currently $13,339); (b) the CPE certificate fee (currently $7,402); and (c) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia FEIR.

2. **CPE and Focused Initial Study/Mitigated Negative Declaration**

   If new site- or project-specific significant impacts are identified for the proposed project that were not identified in the Market and Octavia FEIR, and if any of these new significant impacts can be mitigated to a less-than-significant level, then a focused mitigated negative declaration is prepared to address these impacts, and a supporting CPE certificate is prepared to address all other impacts that were encompassed by the Market and Octavia FEIR, with all pertinent mitigation measures and CEQA findings from the Market and Octavia FEIR also applied to the proposed project. With this outcome, the applicable fees are: (a) the CPE determination fee (currently $13,339); (b) the standard environmental evaluation fee (which is based on construction value); and (c) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia FEIR.

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3. **CPE and Focused EIR**

If any site- or project-specific impacts cannot be mitigated to a less-than-significant level, then a focused EIR is prepared to address these impacts, and a supporting CPE certificate is prepared to address all other impacts that were encompassed by the Market and Octavia FEIR, with all pertinent mitigation measures and CEQA findings from the Market and Octavia FEIR also applied to the proposed project. With this outcome, the applicable fees are: (a) the CPE determination fee (currently $13,339); (b) the standard environmental evaluation fee (which is based on construction value); (c) one-half of the standard EIR fee (which is also based on construction value); and (d) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia FEIR.

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

1. **Archeological Resources.** The Market and Octavia FEIR anticipated that development at the project site would have the potential to disturb archeological deposits and Mitigation Measure C2 (also known as 5.6.A2) was determined to be applicable for any project involving any soils-disturbing activities beyond a depth of four feet and located within areas in the Neighborhood Plan for which no archeological assessment report has been prepared. This mitigation measure requires that a preliminary archeological review be conducted by Department staff to determine the appropriate action necessary to mitigate potential effects to less than significant. This mitigation measure would be included in the CPE and would not require additional analysis in a focused initial study or EIR. Please submit with the EEA information anticipated depths of below ground surface construction.

2. **Historic Resources.** The proposed project consists of the demolition of a potential historic resource (building constructed 50 or more years ago); therefore, the project is subject to the Department’s Historic Preservation review, which would include preparation of an Historic Resource Evaluation (HRE) by a qualified professional who meets the Secretary of the Interior’s Professional Qualification Standards. The purpose of the HRE is to assist the Department in making a determination of whether the subject building is an eligible historic resource as defined by CEQA. Additionally, the project site is adjacent to the Civic Center Historic District, which is a National Historic Landmark District and local Landmark District designated pursuant to Article 10 of the Planning Code. As such, the adjacent Historic District, which includes properties on Van Ness Avenue, opposite the proposed project site, would be considered a historical resource pursuant to CEQA. The HRE will need to determine the compatibility of the proposed new design and facade with the adjacent Civic Center Historic District and to 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. The department will provide the project sponsor with a list of three consultants from the Historic Resource Consultant Pool, which shall be known
as the potential consultant list or PCL. Once the Environmental Evaluation Application is submitted, please contact Tina Tam, Senior Preservation Planner, via email (tina.tam@sfgov.org) for the list of three consultants. Upon selection of the historic resource consultant, the scope of the Historic Resource Evaluation shall be prepared in consultation with Department Preservation staff.

1. **Transportation Impact Study.** The Market and Octavia FEIR noted that implementation of the Plan (Program Level) would have significant and unavoidable impacts on nine intersections, even with mitigation, and less-than-significant impacts on transit, pedestrian, bicycle, loading, and construction.

   Based upon the proposal submitted with the PPA application, a transportation study is likely to be required for this project. However, a formal determination of whether a Transportation Impact Study is required will be made after submittal of the Environmental Evaluation Application and after an analysis has been conducted to determine if prior occupation of the site at the time of certification of the Market & Octavia FIER would be credited towards the proposed project. If such a study is required, the consultant must be selected from one of three transportation consultants assigned to this project by the Department during the environmental review process.

   Additionally, an initial review of the proposed project was conducted by Planning Department staff transportation planners. The following recommendations and questions are to be addressed before the submittal of final project plans and the Environmental Evaluation Application:

   - Consider moving the parking garage access further east on Hayes Street to be located closer to the mid-block and away from the intersection of Hayes Street and Van Ness Avenue.
   - Clarify why 100 Van Ness Avenue and the project site have a shared garage access.
   - Present plans LLI and LL2 on separate sheets to show the ramps and connections between 150 Van Ness and 100 Van Ness Avenue.
   - The site plans need to clearly show the loading dock dimensions, the bicycle lane on Polk Street, and any adjacent bus stops.
   - Does the project propose removal of the pedestrian bridge over Hayes?

2. **Air Quality (AQ) Analysis.** The proposed project at 429 dwelling units exceeds the Bay Area Air Quality Management District’s (BAAQMD) construction screening levels for criteria air pollutants. Therefore an analysis of the project’s criteria air pollutant emissions is likely to be required. The Market and Octavia FEIR noted that development could have significant impacts from construction-related dust and exhaust emissions and Mitigation Measures E1 and E2 (also known as 5.8.A and 5.8.B) reduced potential effects to less than significant.

   The project proposes demolition of a two office buildings totaling 149,049 sf and construction of a 429 unit, 512,010 sf residential building. Project-related demolition, excavation, grading and other construction activities may cause wind-blown dust that could contribute particulate matter into
the local atmosphere. Subsequent to the certification of the Market and Octavia FEIR, to reduce construction dust impacts, the San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes generally referred hereto as the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008) with the intent of reducing the quantity of dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of onsite workers, minimize public nuisance complaints, and to avoid orders to stop work by the Department of Building Inspection (DBI). Pursuant to the Construction Dust Ordinance, the proposed project would be required to prepare a Construction Dust Control Plan for review and approval by the San Francisco Department of Public Health (DPH). Therefore, Mitigation Measure E1 is not applicable to the proposed project.

In addition to construction dust, demolition and construction activities would require the use of heavy-duty diesel equipment which emit diesel particulate matter (DPM). DPM is a designated toxic air contaminant, which may affect sensitive receptors located up to and perhaps beyond 300 feet from the project site. Additional measures may be required to reduce DPM emissions from construction vehicles and equipment.

The proposed project includes new sensitive land uses, including dwelling units that would be affected by nearby roadway-related pollutants and other sources that may emit toxic air contaminants. The project site has been identified as being located within an air pollution hot spot zone. Therefore, sponsors of projects on sites within air pollution hot spot zones are required to install ventilation systems. The sponsor will be required to design a building ventilation system that reduces outdoor transmission of PM2.5 level indoors by 80 percent pursuant to Health Code Article 38. For more information on Health Code Article 38 see: http://www.sfdph.org/dph/EH/Air/default.asp.

If the project would generate new sources of toxic air contaminants including, but not limited to: diesel generators or boilers, or any other stationary sources, the project would result in toxic air contaminants that may affect both on-site and off-site sensitive receptors.

During the environmental review process the proposed project will be reviewed to determine whether mitigation measures in the form of either construction emissions minimization measures or air filtration and ventilation mitigation measures will be required and whether any additional mitigation measures identified in the underlying Market & Octavia PEIR will be required. Should the project include stationary sources of air pollutants including, but not limited to, diesel boilers or back-up generators, an Air Quality Technical Report may be required for additional air pollutant modeling. If an Air Quality Technical Report is required, the project sponsor must retain a consultant with experience in air quality modeling to prepare a scope of work that must be approved by Environmental Planning prior to the commencement of any required analysis and/or modeling determined necessary.
3. **Noise.** The proposed project site is located on Van Ness Avenue and Hayes Street. The Planning Department’s noise maps indicate that existing ambient noise levels on surrounding streets are at, or exceed 75 decibels. The project involves the siting of new noise-sensitive uses (e.g., residential uses) and therefore requires an acoustical analysis demonstrating that the building will meet Title 24 noise insulation standards. This analysis shall include at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes). The analysis must be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that Title 24 noise insulation standards, where applicable, can be met, and that there are no particular circumstances about the project site that warrant heightened concern about noise levels in the vicinity. To the maximum extent feasible open space provided per the Planning Code should be protected from existing ambient noise levels that could prove annoying or disruptive to users of the open space.

4. **Greenhouse Gas Compliance Checklist for Private Development Project.** Potential environmental effects related to greenhouse gas emissions from the proposed project need to be addressed in a project’s environmental evaluation. An electronic version of the Greenhouse Gas Compliance Checklist Table 1 for Private Development Projects is available on the Planning Department’s website at [http://www.sfplanning.org/index.aspx?page=1886](http://www.sfplanning.org/index.aspx?page=1886). The project sponsor would be required to submit the completed table regarding project compliance with the identified regulations and provide project-level details in the discussion column. This information will be reviewed by the environmental planner during the environmental review process to determine if the project would comply with San Francisco’s Greenhouse Gas Reduction Strategy. Projects that do not comply with an ordinance or regulation may be determined to be inconsistent with San Francisco’s GHG Reduction Strategy.

5. **Wind Analysis.** As discussed below, Planning Code Section 148 requires a wind analysis study to ensure that the project will not exceed the comfort criteria (ground level wind levels not to exceed 11 mph in areas of substantial pedestrian use or 7 mph in public seating areas). Section 148 specifically outlines these criteria for the Downtown Commercial (C-3) Districts, but the Market-Octavia Plan FEIR, for the implementation of CEQA, used the Planning Code’s wind hazard criterion for evaluating wind impacts, which is a 26 mph equivalent wind speed for a single full hour of the year.

The Market and Octavia FEIR noted that individual development in the Plan Area would have the potential for new wind impacts, and that Mitigation Measures B1 and B2 (also known as 5.5.B1 and 5.5.B2) would reduce impacts to less than significant. Mitigation Measure B1 applies to all buildings in excess of 85 feet in height in the Plan Area. Mitigation Measure B2 applies to all new construction in the Plan Area. These mitigation measures would apply to the proposed project and would be included in the CPE and would not require additional analysis in a focused initial study or EIR. However, if the project results in any hazard exceedances, a project-specific significant impact would occur.
3. **Shadow Analysis.** The Market and Octavia FEIR states that new projects would be subject to *Mitigation Measure A1* to determine shadow impacts on these properties.

The environmental review would require a more detailed shadow analysis to identify potential shadow impacts and to determine whether the proposed 120-foot tall building would have significant shadow impacts on the Civic Center Plaza, a nearby property owned by the San Francisco Recreation and Park Department. As discussed below, Planning Code section 295 requires that a shadow analysis must be performed to determine whether a project has the potential to cast shadow on properties under the jurisdiction of the San Francisco Recreation and Park Commission. Department staff has prepared a shadow fan that indicates the project would potentially cast new shadow on properties under the jurisdiction of the Parks and Recreation Department. The project therefore triggers the requirement for submittal of a Shadow Study Application and a detailed shadow study prepared by a qualified consultant. Under the direction of Environmental Planning, the consultant should prepare a scope of work for review and approval prior to preparing the shadow analysis.

6. **Geology and Soils.** The Market and Octavia Neighborhood Plan FEIR did not identify any significant operational impacts related to geology, soils, and seismicity. However, the project site is located within a seismic hazard zone for potentially liquefiable soils. Therefore, the applicant shall submit a geotechnical study with the submittal of an EEA that investigates the soils underlying the site and identifies any geotechnical concerns related to the proposed project’s foundation. The geotechnical study should determine whether the site is subject to liquefaction, and should provide recommendations for addressing any geotechnical concerns identified in the study. The investigation of geotechnical and soil conditions and the application of the building codes for new development based on these conditions would reduce the potential for impacts related to structural damage; ground subsidence, liquefaction, and landslides; and surface settlement to a less-than-significant level. The geotechnical study will also help inform the archeological resources review mentioned above. It is likely this analysis would be included in the CPE and would not require additional analysis in a focused initial study or EIR.

4. **Soil Erosion.** The Market and Octavia Neighborhood Plan EIR identified a potentially significant impact related to soil erosion during construction. *Mitigation Measure G1* (also known as 5.11.A), which consists of construction best management practices to prevent erosion and discharge of soil sediments to the storm drain system, would reduce any potential impacts to less than significant. This mitigation measure would be included in the CPE and would not require additional analysis in a focused initial study or EIR.

5. **Stormwater Management.** Prior to issuance of a building permit, the project sponsor is required to submit a stormwater control plan to the San Francisco Public Utilities Commission Wastewater Enterprise, Urban Watershed Management Program that demonstrates compliance with the City’s Stormwater Design Guidelines. The proposed project’s environmental evaluation would generally evaluate how and where the implementation of required stormwater management and low-impact design approaches would reduce potential negative effects of stormwater runoff. This may include environmental factors such as the natural hydrologic system, city sewer collection system, and receiving body water quality. For more information on the SFPUC’s stormwater...
management requirements, see http://stormwater.sfwater.org. It is likely this analysis would be included in the CPE and would not require additional analysis in a focused initial study or EIR.

6. **Hazardous Materials.** The Market and Octavia FEIR anticipated that development would have the potential to disturb unknown soil contaminants and Mitigation Measure F1 (also known as 5.10.A) would be applicable to projects depending upon the type and extent of contamination associated with each individual project. The proposed project is not located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code. However, the project site at 101 Hayes Street is the location of a closed leaking underground storage tank (LUST), and a Phase I Environmental Site Assessment must be submitted with the EEA. Review of the Phase I ESA and any additional studies recommended by the Phase I ESA would require oversight from the San Francisco Department of Public Health (DPH). If Planning staff, working with the Department of Public Health, determines that there is a potential to release hazardous materials, Mitigation Measure F1 would be applicable to the proposed project. This mitigation measure would be included in the CPE and would not require additional analysis in a focused initial study or EIR.

7. **Tree Disclosure Affidavit.** The Department of Public Works Code Section 8.02-8.11 requires disclosure and protection of landmark, significant, and street trees located on private and public property. Any tree identified in this Disclosure Statement must be shown on the Site Plans with size of the trunk diameter, tree height, and accurate canopy drip line. Please submit an Affidavit with the Environmental Evaluation Application and ensure trees are appropriately shown on site plans.

8. **Notification of a Project Receiving Environmental Review.** Notice is required to be sent to occupants of properties adjacent to the project site and owners of properties within 300 feet of the project site at the initiation of the Community Plan Exemption process. Please provide these mailing labels at the time of submittal.

Please submit an Environmental Evaluation Application to either Jeanie Poling or Chelsea Fordham as a community plan exemption application. 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 at the Planning Department’s website: www.sfplanning.org.

**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. **Downtown Project Authorization.** Planning Code Section 309 establishes a framework for review of construction or substantial alteration of structures in C-3 (Downtown Commercial) Zoning Districts. Projects over 50,000 gross square feet or 75 feet in height require Planning Commission approval. As part of the Downtown Project Authorization process, a Project
Sponsor may request exceptions from the Planning Commission for certain sections of the Planning Code. A Planning Commission hearing is required even if no exceptions are required. As proposed, it appears that the project would need to be redesigned to comply with the Code, or may require the following exceptions:

a. Parking in excess to what is principally permitted. (See Preliminary Project Comment #12)
b. Ground Level Wind Currents (See Preliminary Project Comment #11)

2. **Building Permit Application.** A Building Permit Application is required for the demolition of the existing office building, 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.

3. **Variance.** The Planning Code regulates the use of property, including the size, design, and siting of buildings that may be constructed on a piece of property. The Planning Code has standards for buildings that govern such features as rear yards, front setbacks, usable open space, height, and parking. A Variance is a request for an exception to a Planning Code standard. The Zoning Administrator is the City official that interprets and maintains the Planning Code. As proposed, it appears that the project would need to be redesigned to comply with the Code, or may potentially require the following variances.

a. Exposure. (See Preliminary Project Comment #9)
b. Street Frontages. (See Preliminary Project Comment #10)
c. Parking and Loading Access (See Preliminary Project Comment #13)

Applications for the actions listed above 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).

**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:**

1. **Floor Area Ratio (FAR).** Per Section 124 and 249.33, buildings within the C-3-G District and Van Ness and Market Downtown Residential Special Use District have a basic FAR of 6.0 to 1, or a maximum of 9.0 to 1. This maximum may be achieved through a payment of the Van Ness & Market Street Affordable Housing Fee to the Citywide Affordable Housing Fund pursuant to Planning Code Section 249.33 (b)(6)(B)(ii). As of this writing the rate is $33.18 per square foot for that increment of FAR between 6.0 to 1 and 9.0 to 1; however, fees are indexed on an annual basis. Note that with Planning Commission approval of a Conditional Use Authorization, floor area for
on-site affordable housing and floor area for student housing are excluded from FAR, as outlined in Planning Code Sections 124(f) and 124(k).

Future submittals should provide a detailed calculation of the gross floor area of the project, including floor plans which clearly indicate those areas included within the calculation of “gross floor area” pursuant to the definition in Section 102.9. The PPA submittal proposed a maximum floor area ratio of 9.0 to 1. Please indicate on future submittals how this FAR is accomplished.

2. **Interdepartmental Project Review.** Interdepartmental Project Reviews are mandatory for new construction projects that propose buildings eight stories or more and new construction on parcels identified by the State of California Department of Conservation, Division of Mines and Geology as Seismic Hazard Zones in the City and County of San Francisco. Projects identified as such, must request and participate in an interdepartmental project review prior to any application that requires a public hearing before the Planning Commission or new construction building permit. This project must file for an Interdepartmental Project Review.

3. **Bay Windows.** Pursuant to Planning Code Section 136, bay windows projections into the required open area shall be limited to three feet, provided that projection over streets and alleys shall be further limited to two feet where the sidewalk width is nine feet or less, and the projection shall in no case be closer than eight feet to the centerline of any alley. In addition, the maximum length of each bay window or balcony shall be 15 feet at the line establishing the required open area, and shall be reduced in proportion to the distance from such line by means of 45 degree angles drawn inward from the ends of such 15-foot dimension, reaching a maximum of nine feet along a line parallel to and at a distance of three feet from the line establishing the required open area. Only one of the bay windows is dimensioned in the provided plan set and it appears that it meets this requirement with a width of 9’-8” and projection of 2’-2”. Further submittals should clearly dimension all permitted obstructions. Also please be aware that bay windows are not permitted to project over Van Ness Avenue because it is a Caltrans right-of-way for California State Highway 101. The City of San Francisco does not have jurisdiction over this right-of-way. Please remove the proposed bay from the Van Ness Avenue frontage.

4. **Public Open Space.** Pursuant to Planning Code Section 138, one square foot of public open space shall be provided for every 50 square feet of retail space provided; therefore, a 9,000 square foot retail space would require a total of 180 square feet of public open space. Pursuant to Planning Code Section 249.33, up to 40 percent of usable open space required by Planning Code Sections 135 and 138 may be provided off-site if it is within the Van Ness and Market Street Downtown Residential Special Use District or within 900 feet of the project site and meets the standards described in Planning Code Section in 138 and 249.33.

5. **Street Trees.** Pursuant to Planning Code Section 138.1, 28 street trees shall be provided, at a ratio of one street tree for every 20 feet of street frontage with any remaining fraction of 10 feet or more of frontage requiring an extra tree. The exact location, size and species of tree shall be as
approved by the Department of Public Works (DPW). In any case in which DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, and where installation of such tree on the lot itself is also impractical, the requirements of Section 428 may be modified or waived by the Zoning Administrator to the extent necessary. Please be aware that there are additional street tree specifications for street trees located in C-Districts pursuant to Planning Code Section 138.1.

6. **Tree Planting and Protection Checklist.** Completion of this checklist is required for this project. No permit will be approved by the Planning Department before satisfying all applicable tree-related requirements, including receiving clearance from the Department of Public Works (DPW) to plant required street trees and/or remove and Protect Trees.

7. **Streetscape Plan.** Pursuant to Planning Code Section 138.1, a Streetscape Plan is required prior to Planning Commission approval. The Streetscape Plans must meet the standards of the Better Streets Plan and all applicable City standards. The final design of all required street improvements, including procurement of relevant City permits, shall be obtained prior to issuance of first architectural addenda.

8. **Bird Safety.** The subject property is not located adjacent to an Urban Bird Refuge; however, pursuant to Planning Code Section 139, there are certain feature related hazards that must be treated for bird safety. Feature-related hazards include free-standing glass walls, wind barriers, skywalks, balconies, and greenhouses on rooftops that have unbroken glazed segments 24 square feet and larger in size. Any structure that contains these elements shall treat 100% of the glazing on feature-related hazards. If there are wind screens or glass railings proposed at the roof level, please indicate on future submittals that these features will meet bird safety requirements.

9. **Exposure.** Pursuant to Planning Code 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. An open area (such as a courtyard) 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. Residential units face both the West Courtyard and the East Courtyard. Future submittals should clearly show that these units comply with this requirement. If the project cannot comply with these requirements, the project must either be redesigned or seek and justify a Variance application.

10. **Street Frontages in Commercial Districts.** Pursuant to Planning Code Section 145.1, there are certain requirements for street frontages in commercial districts including: parking setbacks, active uses, parking and loading entrances, ground floor ceiling height, street facing ground floor spaces, transparency and fenestration, and gates, railings and grillwork. With regard to parking and loading entrances, the Polk Street frontage does not meet the requirement to devote no more
than one third of the frontage or 20 feet maximum, whichever is less, to parking and loading entrances. It appears that close to half of this frontage may be devoted to parking and loading. Future submittals should clearly dimension the area devoted to parking and loading and either comply with the requirement or seek and justify a Variance application.

11. **Ground Level Wind Currents.** As discussed under the “Environmental Review” section (5), the height of the proposed residential building would trigger a wind analysis study in order to identify changes in ground-level wind speeds resulting from project. Planning Code Section 148 establishes comfort criteria (ground level wind levels not to exceed 11 mph in areas of substantial pedestrian use or 7 mph in public seating areas) and a hazard criterion, which is a 26 mph equivalent. If the project creates new exceedances of the comfort-level criteria, or if the project fails to ameliorate existing exceedances, an exception may be sought through the Section 309 review process. No exception may be sought, however, if the project creates new exceedances of the hazard-level criteria.

12. **Parking.** Pursuant to Planning Code Section 151.1, dwelling units in C-3 Districts and in the Van Ness and Market Downtown Residential Special Use District are permitted to provide up to one car for each four dwelling units. The Planning Commission can consider a request to provide up to 0.5 parking spaces for each dwelling unit through a Downtown Project Authorization exception process. With 429 residential units and 214 proposed parking spaces, there is a ratio of 0.5 parking spaces for each dwelling unit, thereby requiring Planning Commission approval.

13. **Parking and Loading Access.** Pursuant to Planning Code 155, any single development is limited to a total of two facade openings of no more than 11 feet wide each or one opening of no more than 22 feet wide for access to off-street parking and one faced opening of no more than 15 feet wide for access to off-street loading. The proposal includes two openings for loading. Please revise the proposal to meet this requirement or seek and justify a Variance application.

14. **Location and Arrangement of Off-Street Parking, Freight Loading and Service Vehicle Facilities.** Pursuant to Planning Code Section 155, whenever off-street freight loading spaces are provided, freight elevators immediately accessible from the loading dock shall be provided to all floors which contain uses that are included in the calculation of required number of freight loading spaces. It appears that there is a mechanical area located behind the loading spaces; however it is not labeled as an elevator. Future submittals should clearly show compliance with this requirement.

15. **Bicycle Parking.** Planning Code Section 155.2 outlines requirements for bicycle parking for residential developments. For projects over 100 dwelling units, 100 Class 1 spaces plus one Class 1 space for every 4 dwelling units over 100 is required. In addition, one Class 2 space is required for every 20 units. Based upon the current project description, the project is required to provide at least 183 Class 1 bicycle parking spaces and 22 Class 2 bicycle parking spaces. The current
project description includes 183 Class 1 bicycle parking spaces and 22 Class 2 bicycle parking spaces, thereby meeting this requirement.

16. **Diaper Changing Stations.** Planning Code Section 168 requires that Substantially Renovated Public-Serving Establishment (which include retail uses over 5,000 sq. ft.) must install and maintain, at each floor level containing restrooms accessible to the public, at least one Baby Diaper-Changing Accommodation that is accessible to women and one that is accessible to men, or a single Diaper-Changing Accommodation that is accessible to both. The proposed retail tenant is 9,000 square feet in area. Please make this notation on your plans to show compliance with this Planning Code Section.

17. **Shadow.** The proposed project would involve construction of a building(s) greater than 40 feet in height and would therefore require a shadow study. A preliminary shadow analysis indicates that the proposed project would potentially cast new shadow on Civic Center, a nearby property owned by the San Francisco Recreation and Park Department. As discussed under ‘Environmental Review,’ above, a detailed shadow study must be conducted by a qualified shadow consultant to evaluate impacts on affected parks and open spaces that are under the jurisdiction of the Recreation and Parks Department. The Planning Department will provide additional guidance on preparing a detailed quantification of shadow square-foot-hours affecting the pertinent space(s) after submittal of the Environmental Evaluation. If this additional analysis indicates new shadow on Recreation and Parks property, approval by both Commissions will be required.

18. **First Source Hiring Agreement.** A First Source Hiring Agreement is required for any project proposing to construct 25,000 gross square feet or more. 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 contact: 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.
19. **Public Art Requirement.** Pursuant to Planning Code Section 429, the Project will have a public art requirement because it is a project in a C-3 District that involves the construction of a new building. The public art must be valued at least 1% of the construction cost of the project. Residential projects within the C-3 District have options of satisfying the public artwork requirement. The project sponsor may choose to provide on-site artwork, pay into the Public Artworks Fund, or fulfill the requirement with any combination of on-site artwork or fee payment as long as it equals 1% of the project total costs. If the on-site artwork option is selected a general art concept should be presented to the Planning Department staff during the initial schematic design phase of the project. The project sponsor is encouraged to focus on the art concept, and if appropriate, include the artist in the design team as early in the project design process as possible.

20. **Transit Impact Development Fee.** Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF). As of this writing the rate for retail uses is $13.30 per square foot and residential uses are excluded; however, fees are indexed on an annual basis.

Development projects that meet specific policy goals can apply for Policy Credits and, if granted, can use them to reduce or eliminate TIDF fees that would otherwise be due. Policy Credits are granted to all projects meeting applicable criteria on a “first come-first-served” basis until the annual Policy Credit fund is exhausted. Policy Credits are available only for projects that either (1) involve a small business; or (2) would provide fewer off-street parking spaces than allowed.

21. **Inclusionary Housing.** Pursuant to Planning Code Sections 249.33 and 415, affordable housing is required for a project proposing ten or more dwelling units. The Project Sponsor must submit an ‘Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,’ to the Planning Department identifying the method of compliance. Affordable units designated as on-site units shall be sold as ownership units, not rental, and will remain as ownership units for the life of the project.

A project may provide on-site rental units if it has demonstrated to the Planning Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act (a Costa Hawkins exception). Affordable units are not subject to the Costa Hawkins Rental Housing Act under the exception provided in Civil Code Sections 1954.50 through one of the following methods: direct financial construction from a public entity or development bonus or other form of public assistance. A Costa Hawkins exception agreement is drafted by the City Attorney. You must state in your submittal how the project qualifies for a Costa Hawkins exception. The request should be addressed to the Director of Current Planning. If the project is deemed eligible, we may start working with the City Attorney on the agreement, which must be executed prior to the Planning Commission hearing.
MARKET AND OCTAVIA AREA PLAN COMMENTS:

1. **Market and Octavia Impact Fees.** The Market and Octavia Community Improvement Impact Fees applies to the Project Area. These fees shall be charged on net additions of gross square feet which result in a net new residential unit, contribute to a 20 percent increase of non-residential space in an existing structure, or create non-residential space in a new structure. Fees shall be assessed per net new gross square footage on residential and non-residential uses within the Plan Area. Fees shall be assessed on mixed use projects according to the gross square feet of each use in the project.

The Market and Octavia Plan Area and Upper Market NCD Community Improvement Impact Fees shall be paid before the City issues a first construction document, with an option for the project sponsor to defer payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge in accordance with Section 107A.13.3 of the San Francisco Building Code.

Option for In-Kind Provision of Community Improvements and Fee Credits. Project sponsors may propose to directly provide community improvements to the City. In such a case, the City may enter into an In-Kind Improvements Agreement with the sponsor and issue a fee waiver for the Market and Octavia Community Improvements Impact Fee from the Planning Commission. This process is further explained in Section 412.3(d) of the Planning Code.

2. **Market Octavia Affordable Housing Fee.** Pursuant to Planning Code Section 416, the Project Sponsor shall comply with the Market Octavia Affordable Housing requirements through payment of the Market Octavia Affordable Housing Fee.

PRELIMINARY DESIGN COMMENTS:

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

1. **Massing, Site Design, and Open Space.** In general, the siting and massing is appropriate. The Planning Department would like to see the building articulated in a manner similar to the intent of the conceptual diagram that delineates massing breaks to create a family of buildings that modulates the scale along Hayes Street. As currently designed, the breaks should create stronger and more distinct modules. Similarly, the massing break that delineates the entry may be strengthened by a couple of gestures: 1) a greater contrast between the solid material book-ending the curtain wall by extending width of the solid bays on either side of the entry break; and 2) a deeper forecourt and corresponding setback in the plane of the entry extending to the upper floors.
2. **Street Frontage.** The building frontage should provide a consistently active relationship with Van Ness and Hayes Streets. The Planning Department recommends adhering to the intent of the Residential Ground Floor Design Guidelines in which ground floor uses provide direct engagement with, and access from the street. Per the Draft Ground Floor Residential Design Guidelines, the Planning Department recommends the ground floor residential units be raised three to five feet above grade and setback a minimum of 7 feet, providing landscape to soften the transition between the sidewalk and the ground floor dwellings.

If the residential entries are at-grade the Planning Department recommends they be set back at least 8 to 9 feet and be expressed as a two story volume to provide a gracious transition from street to dwelling unit.

Refer to the draft Ground Floor Residential Design Guidelines for treatment of the building along the street for residential uses on the ground floor. The draft guidelines are located on the Department website under “Resource Center/Department Publications/Guidelines for Ground Floor Residential Design.”

3. **Architecture.** The Planning Department will provide further detailed design review on the subsequent submission of materials and details to insure that an acceptable and compatible design is achieved.

4. **Streetscape.** Per Planning Code Section 138.1, the Department will 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 improvement would be part of basic project approvals not count for as credit towards in-kind contributions.

The proposed project may seek exemptions from specific planning code requirements; however, they must be justified with a project of high design quality that conforms to the spirit of policies in both the General Plan and the Market Octavia Area Plan.

**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 13, 2015**. 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.
Enclosure: Shadow Fan
Neighborhood Group Mailing List

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David Winslow, Design Review
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