DATE: January 4, 2016
TO: Reggie Hanna, Hudson Pacific Properties
FROM: Joy Navarette, Planning Department
RE: PPA Case No. 2015-009141PPA for 875 Howard Street

Please find the attached Preliminary Project Assessment (PPA) for the address listed above. You may contact the staff contact, Brett Bollinger, at (415) 575-9024 or brett.bollinger@sfgov.org, to answer any questions you may have, or to schedule a follow-up meeting.

Joy Navarette, Senior Planner
Preliminary Project Assessment

Date: January 4, 2016
Case No.: 2015-009141PPA
Project Address: 875-899 Howard Street
Block/Lot: 3733/079
Zoning: C-3-S District - Downtown Support
Youth and Family Zone SUD
130-F Height and Bulk District
Area Plan: Central SoMa Area Plan
Project Sponsor: Reggie Hanna – Hudson Pacific Properties, Inc.
(650) 200-2927
Staff Contact: Brett Bollinger – (415) 575-9024
brett.bollinger@sfgov.org

DISCLAIMERS:
This Preliminary Project Assessment (PPA) letter provides feedback to the project sponsor from the Planning Department regarding the proposed project described in the PPA application submitted on October 6, 2015, as summarized below. This PPA letter identifies Planning Department review requirements for the proposed project, including those related to environmental review, approvals, neighborhood notification and public outreach, the Planning Code, project design, and other general issues of concern for the project. Please be advised that the PPA application does not constitute an application for development with the Planning Department. The PPA letter also does not represent a complete review of the proposed project, does not grant a project approval of any kind, and does not 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, Public Works, the Municipal Transportation Agency, Department of Public Health, San Francisco Public Utilities Commission, and others. The information included herein is based on the PPA application and plans, 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 proposal is to convert approximately 86,166 gross square feet (gsf) of existing vacant educational/institutional and retail space to new office space. The project site consists of two existing buildings: a three-story over basement building at the corner of Howard and 5th Streets (899 Howard Street) and a six-story building at 875 Howard Street. The project proposes to convert the lower two floors at 875 Howard Street building and the upper two floors at the 899 Howard Street building to office space. Currently, the 875 Howard Street building includes approximately 40,502 gsf of institutional space on the first and second floors that was most recently occupied by Heald College. The building at 899 Howard Street is roughly 92,000 gsf in size, and currently has three above grade floors over a basement
occupied by a retail use (Burlington Coat Factory). The project proposes to convert the top two floors, approximately 45,664 gsf, to office space, with the ground and basement floors continuing to be occupied by Burlington Coat Factory. No exterior changes are proposed.

ENVIRONMENTAL REVIEW:
In compliance with the California Environmental Quality Act (CEQA), the environmental review process must be completed before any project approval may be granted. This review may be done in conjunction with the required approvals listed below. Note that until an approval application is submitted to the Current Planning Division, only the proposed Project Description will be reviewed by the assigned Environmental Coordinator. In order to begin formal environmental review, please submit an Environmental Evaluation Application (EEA) for the full scope of the project.

Based on the preliminary review of the proposed project, the project may qualify for a categorical exemption from environmental review under CEQA. However, a formal determination would be made upon submittal of an EEA. The project involves change of use from approximately 40,502 gsf of institutional uses and 46,336 gsf of retail uses to 86,166 gsf of new office uses. The project as proposed would be eligible for categorical exemption using the categorical exemption checklist since it would not result in an intensification of use.

If the proposed project description changes and exterior alterations are proposed, the project would require historic resource evaluation. The project site contains one or more buildings or structures considered to be a potential historic resource (constructed 45 or more years ago); therefore, proposed exterior alterations would be subject to review by the Department's Historic Preservation staff. To assist in this review, the project sponsor must hire a qualified professional to prepare a Historic Resource Evaluation (HRE) report. The professional must be selected from the Planning Department's Historic Resource Consultant Pool. Please contact Tina Tam, Senior Preservation Planner, via email (tina.tam@sfgov.org) for a list of three consultants from which to choose. Please contact the HRE scoping team at HRE@sfgov.org to arrange the HRE scoping. Following an approved scope, the historic resource consultant should submit the draft HRE report for review to Environmental Planning after the project sponsor has filed the EE Application and updated it as necessary to reflect feedback received in the PPA letter. The HRE should be submitted directly to the Department and copied to the project sponsor. Project sponsors should not receive and/or review advance drafts of consultant reports per the Environmental Review Guidelines. Historic Preservation staff will not begin reviewing your project until a complete draft HRE is received.

If it is determined that the project would have potential significant adverse impacts on the environment, the project would not be eligible for a categorical exemption. Rather, an Initial Study would need to be completed. If the Department finds that the project would have significant impacts that can be reduced to a less-than-significant level by mitigation measures agreed to by the project sponsor, then the Planning Department would issue a Mitigated Negative Declaration (MND). If the Initial Study process indicates that the project would result in a significant impact that cannot be mitigated to below a significant level, an Environmental Impact Report (EIR) will be required to be prepared by an environmental consultant from the Planning Department’s environmental consultant pool. The Planning Department would provide more detail to the project sponsor regarding the MND or EIR process should this level of environmental review be required.
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. A Conditional Use Authorization is required per Sections 303 and 210.2 for the establishment of a non-retail use at the ground floor.
2. An Office Allocation Application is required per Section 321 for the conversion of 86,166 square feet into office use.
3. A Building Permit Application is required for the proposed new construction on the subject property.

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.

NEIGHBORHOOD NOTIFICATIONS AND PUBLIC OUTREACH:
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.

PRELIMINARY PROJECT COMMENTS:
The following comments address specific Planning Code and other general issues that may substantially impact the proposed project.

1. Downtown Area Plan and Draft Central SoMa Area Plan. The proposed project’s site is within the area covered by the Downtown Area Plan (and the Central SoMa Area plan presently being prepared, see next paragraph) in the General Plan. As proposed, the project is generally consistent with the overarching objectives of the Downtown Area Plan. The proposed project would renovate the existing building and would not increase building area or height. The project and design comments below discuss any items where more information is needed to assess conformity with either specific policies or Code standards or where the project requires minor modification to achieve consistency. The project sponsor is encouraged to read the full plan, which can be viewed at http://www.sf-planning.org/ftp/General_Plan/Downtown.htm.

The proposed project site is also in the Central SoMa Area Plan’s study area generally bounded by 2nd, 6th, Townsend and Market Streets. The Central Corridor Draft Plan was published in April 2013. The draft plan is being evaluated in an Environmental Impact Report (EIR). The draft Plan proposes changes to the allowed land uses and building heights, and includes a strategy for improving the public realm in this area. The EIR, the Plan, and the proposed rezoning and affiliated Code changes are anticipated to be before decision-makers for approval in 2016. The Central Corridor Draft Plan would not change the current C-3-S Land Use District nor the 130-F Height and Bulk District designations, and the proposed project does not request such changes. The Draft Plan is available for
download at http://centralsoma.sfplanning.org. Further comments in this section of the PPA are based on the draft Central Corridor Draft Plan.

2. **Gross Floor Area.** The project proposes to convert 45,644 square feet of retail and 40,502 square feet of institutional use into office use. The project totals when complete will include a total of 212,066 square feet of office, 46,336 square feet of retail, and 21,600 square feet of parking. These totals have been determined from the PPA application statement. Future plan submittals should include existing as well as proposed floor plans that clearly indicate the use and amount of square feet per use. If the office space will be dispersed amongst multiple tenant spaces, please indicate so on plans.

3. **Ground Floor Frontages.** Planning Code Section 145.1 includes regulations intended to provide active, transparent, and vibrant ground floor frontages. The plans that were provided do not provide sufficient information to determine whether the proposed ground floor uses comply with the requirements. In particular, future submittals and accompanying plans should demonstrate how the project would comply. Should the project not comply, additional entitlements may be required.

4. **Bicycle Parking.** Planning Code Section 155.2 outlines requirements for Class 1 and Class 2 bicycle parking spaces for developments. For office uses, one Class 1 space is required for every 5,000 square feet of Occupied Floor Area and a minimum of two Class 2 spaces plus one additional Class 2 space for each additional 50,000 square feet. The proposed project contains no bicycle parking and should be revised to provide the required bicycle parking triggered by the change of use.

5. **Sustainability & Central SoMa Eco-District.** The Planning Department has identified the Central SoMa plan area as a Type 2 Eco-District—an infill area composed of many smaller parcels and property owners. An “eco-district” is a neighborhood or district where residents, community institutions, property owners, developers, and businesses join together with city staff and utility providers to meet sustainability goals by formulating a portfolio of innovative projects at a district or block-level. The Department sees a special opportunity for new development sites in Central SoMa to exhibit a variety of sustainability best practices including and beyond those required by the Green Building Code and other City and State environmental requirements.

All major new development in the Central SoMa Plan Area will be expected to participate in some capacity in the Eco-District Program and a possible Sustainability Management Association to help guide it. Planning staff are working with other City agencies and the development community to explore both voluntary options and possible new requirements related to renewable energy generation (solar), high performing rooftop uses (renewable energy, living roofs, stormwater management and open space) and non-potable water recycling systems. Additionally, the Planning Department is exploring possibilities for activating and greening land located near and underneath the freeway.

As development in the Plan Area progresses, Department staff are interested in working with development and design teams to help achieve the Area Plan’s sustainability goals. Department staff are available to discuss how the project’s environmental performance and community benefit may be improved and best contribute to the larger Central SoMa Eco-District. For more information please see:

6. SFPUC Requirements & Project Review. The SFPUC administers San Francisco’s various water, sewer, and stormwater requirements such as the Stormwater Design Guidelines, construction site runoff, sewer connections, recycled water and onsite water reuse, water efficient irrigation, and hydraulic analysis for fire suppression systems. To assist developers and property owners in meeting these requirements, the SFPUC provides project plan review, technical assistance, and incentives. The SFPUC also has a separate project review process for projects that propose to use land owned by the SFPUC or are subject to an easement held by the SFPUC; or projects that propose to be constructed above, under, or adjacent to major SFPUC infrastructure. For projects meeting these criteria, please contact SFProjectReview@sfwater.org for a SFPUC Project Review and Land Use Application. For more information regarding SFPUC Project Review or any of the SFPUC requirements, please visit www.sfwater.org/reqs.

7. Impact Fees. This project will be subject to various impact fees. 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.

Based on an initial review of the proposed project, the following impact fees, which are assessed by the Planning Department, will be required:
   a. Transportation Sustainability Fee (TSF)
   b. Jobs-Housing Linkage (413)
   c. Child-Care (414)
   d. Downtown Park Fee (412)

PRELIMINARY PROJECT ASSESSMENT EXPIRATION:
This Preliminary Project Assessment is valid for a period of 18 months. An Environmental Evaluation, Conditional Use Authorization, Office Allocation Application and Building Permit Application, as listed above, must be submitted no later than July 4, 2017. 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: Reggie Hanna, Property Sponsor
    Claudine Asbagh, Current Planning
    Brett Bollinger, Environmental Planning
    Scott Edmondson, Citywide Planning and Analysis
    Planning Department Webmaster (planning.webmaster@sfgov.org)