



SAN FRANCISCO PLANNING DEPARTMENT

Letter of Determination

January 16, 2018

John Mikita, Facilities Manager
NIO
3200 North First Street
San Jose, CA 95134
John.mikita@nio.io

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Name:	NextEV/NIO
Site Address:	1155 Bryant Street
Assessor's Block/Lot	3526/019B
Zoning District:	PDR-1-G (Production, Distribution & Repair-1-General)
Staff Contact:	Kimberly Durandet, (415) 575-6816 or kimberly.durandet@sfgov.org
Record No.:	2017-001785ZAD

Dear Mr. Mikita:

This letter is in response to your request for a Letter of Determination regarding the property at 1155 Bryant Street. The subject property is located in the PDR-1-G (Production, Distribution & Repair-1-General) Zoning District and 40-X Height and Bulk District. The request seeks a determination as to whether NextEV/NIO, a design and production studio for electronic and autonomous cars, would be a permitted use at the subject property.

Background

As noted in your letter (and as seen on your website), NextEV/NIO is a technology company whose mission is to develop the next-generation of electric and autonomous vehicles. NextEV/NIO proposes to use of the space at 1155 Bryant Street as an integrated studio for design and on-site prototype production of the interiors, exteriors, and component parts of electric vehicles. As described in your letter, the functions that would occur at the property are as follows:

- *Fabrication* – The ground floor is described and shown to contain an auto lab, 3-D printers, a model wood/metal shop and a materials/art/craft space in addition to storage areas and mechanical equipment for the building.
- *Workstations* – The second floor is described and shown as predominately open office workstations with several conference rooms, a fittings area and research/collaboration areas.
- *Design Collaboration* – The third floor is described and shown as containing foam 'mach-up', photographic print and display areas, as well as additional research and design review/critique areas.

Laboratory/Accessory Office

Per Planning Code Section 210.3, a Laboratory is a permitted use in the PDR-1-G District. Section 102 defines a Laboratory as follows:

A Non-Retail Sales and Services Use intended or primarily suitable for scientific research. The space requirements of uses within this category include specialized facilities and/or built accommodations that distinguish the space from Office uses, Light Manufacturing, or Heavy Manufacturing. Examples of laboratories include the following:

- (a) Chemistry, biochemistry, or analytical laboratory;
- (b) Engineering laboratory;
- (c) Development laboratory;
- (d) Biological laboratories including those classified by the Centers for Disease Control (CDC) and National Institutes of Health (NIH) as Biosafety level 1, Biosafety level 2, or Biosafety level 3;
- (e) Animal facility or vivarium, including laboratories classified by the CDC/NIH as Animal Biosafety level 1, Animal Biosafety level 2, or Animal Biosafety level 3;
- (f) Support laboratory;
- (g) Quality assurance/Quality control laboratory; and
- (h) Core laboratory; and
- (i) Cannabis testing facility (any use requiring License Type 8 – Testing Laboratory, as defined in California Business and Professions Code, Division 10).

Office use is not a permitted principal use in the PDR-1-G Zoning District, however, Planning Code Section 204.3 allows office as an accessory use as follows:

No use shall be permitted as an accessory use to a lawful principal or conditional use in any PDR or M District that involves or requires the use of more than one-third (1/3) of the total floor area occupied by such use and the principal or conditional use to which it is accessory, except in the case of accessory retail, off-street parking, and loading. Multiple PDR uses within a single building or development may combine their accessory retail allotment into one or more shared retail spaces, provided that the total allotment of accessory retail space per use does not exceed what otherwise would be permitted by this Section.

Determination

Based upon the information provided in your request, it is my determination that NextEV/NIO is a Laboratory use, and more specifically, an engineering laboratory use. As such, NextEV/NIO would be a permitted use at 1155 Bryant Street. Any submittal to authorize the proposed use at the subject property must include a detailed chart, breakdown and explanation of the proposed office uses (i.e. conference rooms, research and collaboration areas) to ensure that the proposal complies with the accessory use provisions of the Planning Code.

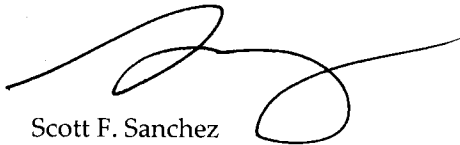
John Mikita
NIO
3200 North First Street
San Jose, CA 95134

January 16, 2018
Letter of Determination
NextEv/NIO

Please note that a Letter of Determination is a determination regarding the classification of uses and interpretation and applicability of the provisions of the Planning Code. This Letter of Determination is not a permit to commence any work or change occupancy. Permits from appropriate Departments must be secured before work is started or occupancy is changed.

APPEAL: If you believe this determination represents an error in interpretation of the Planning Code or abuse in discretion by the Zoning Administrator, an appeal may be filed with the Board of Appeals within 15 days of the date of this letter. For information regarding the appeals process, please contact the Board of Appeals located at 1650 Mission Street, Room 304, San Francisco, or call (415) 575-6880.

Sincerely,



Scott F. Sanchez
Zoning Administrator

cc: Property Owner
Neighborhood Groups
BBN Holder (if any)
Kimberly Durandet, Senior Planner
Dario Jones, Senior Enforcement Planner

September 2, 2016

Scott Sanchez
Office of the Zoning Administrator
City and County of San Francisco
1650 Mission Street, Suite 400
San Francisco, CA 94103

R# 2017-001785 ZAD
CKs # 1134 \$645.- } \$664.-
1170 19.- }
R. SUCKE (SE)

RE: Request for Letter of Determination – Proposed PDR-1-G Zoning District Use

1155 BRYANT ST. (3526/019B)

Dear Mr. Sanchez:

We are seeking a Letter of Determination to confirm that NextEV's proposed use of the property located at 1155 Bryant in San Francisco (the "Property") as a design and production studio, as described below and depicted on the accompanying Zoning Diagrams, complies with the existing Production, Distribution and Repair zoning for the Property.

The Property is located in the PDR-1-G (Production, Distribution and Repair) Zoning District. To be clear, no new construction or change to zoning designation is requested at this time. We seek only confirmation that our intended use is permitted under the existing PDR-1-G zoning designation.

Proposed Use

NextEV is a technology company currently working to produce next-generation electric vehicles. At the Property, we intend to operate an integrated studio for design and on-site prototype production of interiors, exteriors and component parts for our electric vehicles. The San Francisco design studio would support our North American headquarters located in San Jose.

The studio will contain holistic design and production elements in an open floor plan to allow our designers and engineers to create, modify and otherwise work with physical models of their designs. Included are floor-by-floor Zoning Diagrams labeled "SK1," "SK2" and "SK3" depicting how we intend to utilize the Property. Fabrication will be located on SK1; workstations will be located on SK2; and design collaboration will be on SK3. The workstations on SK2 will be connected with on-site 3D printing and industrial equipment, such as lathes and drill presses. This equipment will produce models and prototypes of both scale and full size parts and components as the designs are engineered, developed, produced, and internally displayed in the same studio space. We include a description of this equipment and its anticipated location in the Property. We will have two teams working on separate design projects. To facilitate this, SK2 and SK3 will be appropriately split between the U.S. design team and the German design team.

Ancillary to the design and production studio, our anticipated use includes some office-type space, including conference rooms and offices/cubicles. However, this would be no more than a cumulative total of 1/3 of the total SK2 floor area we would occupy, pursuant to Planning Code Sections 204 and 204.3(d).

There will necessarily be materials shipped to the studio in order to supply the modeling operations, though we do not envision routine large-volume shipments as would require frequent tractor-trailer delivery or pick-up.

Application of PDR-1-G Zoning

The design and production studio fits squarely within the Production, Distribution and Repair ("PDR") designation as both the creative design portion of the studio and the prototype production fit within the City of San Francisco's purpose for PDR usage.

San Francisco's published purpose for PDR zoning is to "provide space for a wide variety of PDR (production, distribution and repair) and other non-residential activities in districts where these uses are free from inherent economic and operational competition and conflicts with housing, large office developments, and large-scale retail, which are not permitted in these districts." Planning Code Section 210.7. Further, "PDR includes arts activities, performance spaces, furniture wholesaling and design activities." Online posting at <http://sf-planning.org/about-eastern-neighborhoods#3> (emphasis added). It is our understanding from conversations with Planning Department staff that the Zoning and Compliance Director's Office has traditionally determined that an artist's studio conforms with PDR usage, while an architect or design consultant's use is deemed office usage not permitted in PDR zoned districts.

In our intended studio, the designers' and engineers' ability to produce physical parts and prototypes onsite is a critical part of the ability to design our products. This allows for collaboration and immediate opportunity for further refinement and creation. In this way, our use combines on-site design and production activities in much the same way as in an artist's studio and is thus fundamentally different from "pure" design activities associated with an architect's office, where design is produced solely for implementation in a different physical location. Moreover, our need to use industrial-type machinery and technology to create physical products renders our design and production studio incompatible with a traditional office or residential neighborhood.

Further, while prototypes will be produced onsite, our design center will not involve volume industrial production for distribution requiring the heavier use of PDR-2 zoning. For example, there will not be production requiring trucking activity multiple times per day, nor will the design-based production levels produce excessive noises, vibrations or odors outside of the Property.

Conclusion

We respectfully request that you confirm that our usage as described herein would be permitted in the PDR-1-G Zoning District where the Property is situated.

A check payable to the Planning Department in the amount of \$645 for a Zoning Administrator Written Decision is enclosed. Thank you in advance for your consideration.

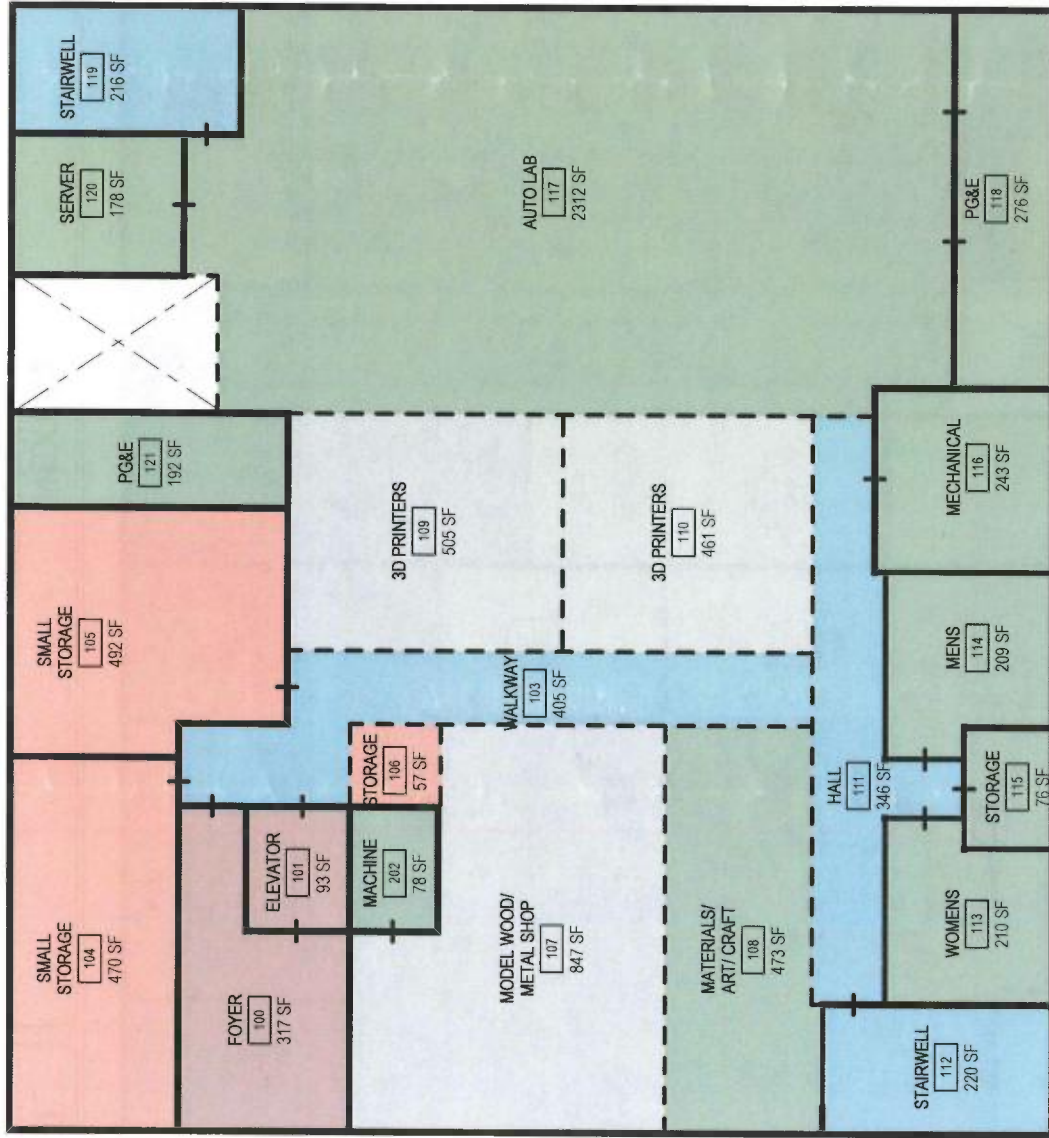
Sincerely,



John M. Hetta
Facilities Manager

CONTACT PHONE: (650) 862-4400

Enclosures

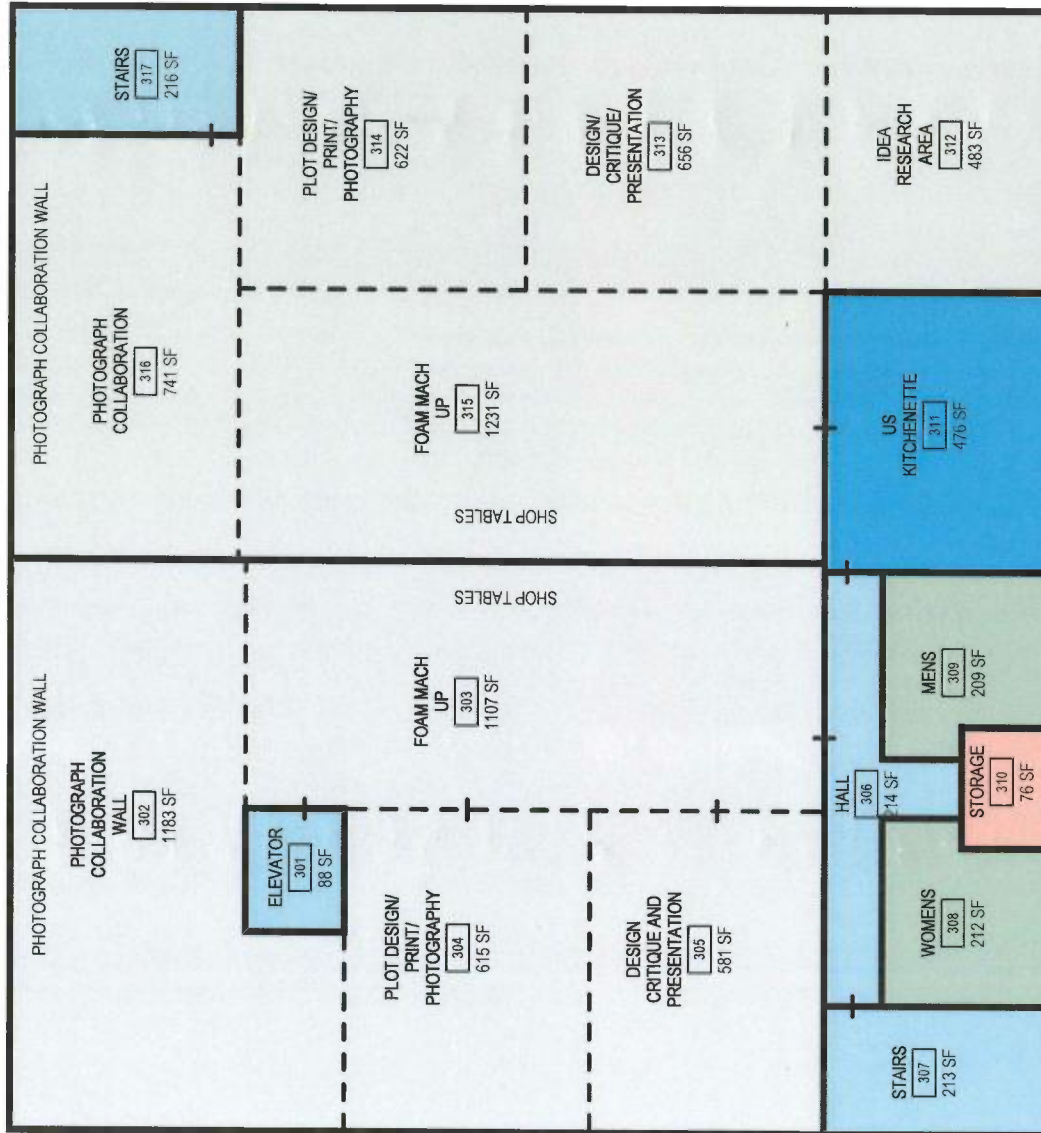


NEXTEV
1155 BRYANT STREET, SAN FRANCISCO CA
FIRST FLOOR ZONING DIAGRAM

DATE	09/01/16
SCALE	3/32" = 1'-0"
PROJECT NO.	SK1

US LED DESIGN TEAM

MUNICH LED DESIGN TEAM



ZONING LEGEND

- BREAK AREAS
- FACILITY SUPPORT
- MAIN CIRCULATION
- SHOPS
- STORAGE



LOS REYES
THE CYNETIC ALTERNATIVE
ARCHITECTURE

1155 BRYANT STREET, SAN FRANCISCO CA
94103
TEL: 415.398.1234 FAX: 415.398.1235
WWW.LOSREYESARCH.COM

NEXTEV

1155 BRYANT STREET, SAN FRANCISCO CA
THIRD FLOOR ZONING DIAGRAM

DATE 09/01/16

SCALE 3/32" = 1'-0"

PROJECT NO.

SK3

1155 Bryant Equipment Needs and Area Definition

Drawing SK1

1. Auto Lab 117
 - a. Various Power tools
 - b. Various work benches
 - c. Air Compressor
2. Area 104, small storage various supplies
3. Area 105, storage various supplies
4. Area 107 Metal and Wood shop
 - a. Various saws and wood working equipment
 - b. Possible Lathe, small welding area
5. Area 108, Art and craft Materials, foam sculpting equipment
6. Area 109, 3D Printer and work bench
7. Area 110, 3D printer and work bench

Drawing SK2

1. US Area 204 design and concept area for Fittings materials
2. US Area 205 work stations and Autocad area.
3. US Area 206 automobile design concept and collaboration area.
4. Munich Area 215 work stations and Autocad area.
5. Munich Area 214 idea concept research area.
6. Munich Area 217 automobile design concept and collaboration area.

Drawing SK2

1. US Area 302 Photography and sketch collaboration area for vehicle design concept
2. US Area 303 Vehicle Foam Moch up area
3. US Area 312 Idea research area
4. Munich 315 Vehicle Foam Moch up area
5. Munich Area 316 Photography and sketch collaboration area for vehicle design concept
6. Munich 315 Foam Moch up vehicle design



SAN FRANCISCO PLANNING DEPARTMENT

December 7, 2016

John Mikita, Facilities Manager
Nextev USA, Inc.
3200 N 1st Street
San Jose, CA 94134-1936

SUBJECT: Request for Letter of Determination
Proposed PDR-1-G Zoning District Use

Dear Mr. Mikita:

Our Department received a request from you for a Letter of Determination dated September 2, 2016. Unfortunately, the check you enclosed has the old fee (\$645.00). Our new fee for LOD's is now \$664.00 (as of 9/1/2016).

Since your letter did not list any contact information, I checked your website for your phone number and left numerous messages to (408) 518-7000 and (408) 428-2010. To this date, I am unsuccessful in contacting you; so I am sending you this letter.

Please mail us the \$19.00 difference on the fee so we can move forward in processing your request.

If you have any questions, please call me at (415) 575-6809. Thank you.

Sincerely,

Eva A. Taylor
Eva A. Taylor

Executive Assistant to the Zoning Administrator

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

\$ 19.00 CHECK
RECEIVED 2/10/2017

1/31/17

Hello Eva,

Please accept this check for the difference of \$19.00, this is in regards to our Letter of Determination.

Thank you so much for your time and patience,

A handwritten signature in black ink, appearing to read 'John Mikita', with a small dot to the right.

John Mikita

Facilities Manager, NEXTEV

650.862.4400