



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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|-------------------------------------------------------------------|-----------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Affordable Housing (Sec. 415) | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code) |
| <input type="checkbox"/> Jobs Housing Linkage Program (Sec. 413)  | <input type="checkbox"/> Child Care Requirement (Sec. 414)            |
| <input type="checkbox"/> Downtown Park Fee (Sec. 412)             | <input checked="" type="checkbox"/> Other                             |

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## Planning Commission Motion 18922

HEARING DATE: JULY 11, 2013

*Date:* July 3, 2013  
*Case No.:* **2012.0081C**  
*Project Address:* **450 HAYES STREET**  
*Zoning:* Hayes-Gough NCT (Neighborhood Commercial Transit) District  
40-X Height and Bulk District  
*Block/Lot:* 0808/039  
*Project Sponsor:* Craig Hamburg  
Hayes Street Hayes Valley LLC  
448 Linden Street  
San Francisco, CA 94102  
*Staff Contact:* Kevin Guy – (415) 558-6163  
kevin.guy@sfgov.org

**ADOPTING FINDINGS RELATED TO THE APPROVAL OF A CONDITIONAL USE AUTHORIZATION TO ALLOW DEVELOPMENT OF A LOT EXCEEDING 10,000 SQUARE FEET, PURSUANT TO SECTIONS 121.1 AND 303 OF THE PLANNING CODE, FOR A PROJECT TO DEMOLISH AN EXISTING SURFACE PARKING LOT AND CONSTRUCT A NEW FOUR-STORY MIXED-USE BUILDING CONTAINING APPROXIMATELY 41 DWELLING UNITS, 3,700 SQUARE FEET OF GROUND-FLOOR COMMERCIAL USES, AND 20 OFF-STREET PARKING SPACES, ON A PROPERTY LOCATED AT 450 HAYES STREET, LOT 039 IN ASSESSOR'S BLOCK 0808, WITHIN THE HAYES-GOUGH NCT DISTRICT AND THE 40-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

### PREAMBLE

On July 18, 2012, Craig Hamburg, acting on behalf of Hayes Street Hayes Valley LLC ("Project Sponsor"), filed an application with the Planning Department ("Department") for Conditional Use Authorization to allow development on a lot exceeding 10,000 square feet under Planning Code Sections ("Sections") 121.1, and 303 to allow a project that would demolish an existing surface parking lot and construct a new four-story mixed-use building containing approximately 41 dwelling units, 3,700 square feet of ground-floor commercial uses, and 20 off-street parking spaces, located at 450 Hayes Street, Lot 039 in Assessor's Block 0808, within the Hayes-Gough NCT District and the 40-X Height And Bulk District (collectively, "Project", Case No. 2012.0081C).

On July 18, 2012, the Project Sponsor submitted a request for a modification of the rear yard requirements of Section 134, pursuant to the process identified in Section 134(e).

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Market and Octavia Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on April 5, 2007, by Motion No. 17406, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., hereinafter "CEQA"). The certification of the EIR was upheld on appeal to the Board of Supervisors at a public hearing on June 19, 2007. The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Market and Octavia Area Plan, the Commission adopted CEQA Findings in its Motion No. 17406 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides an exemption from environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, and (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

The Project is consistent with the adopted zoning controls in the Market and Octavia Area Plan and was encompassed within the analysis contained in the Final EIR. Since the Final EIR was finalized, there have been no substantial changes to the Market and Octavia Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Market and Octavia Area Final EIR, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation, Monitoring, and Reporting Program (MMRP), and this material was made available to the public and this Commission for the Commission's review, consideration and action.

On July 11, 2013, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2012.0081C.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

**MOVED**, that the Commission hereby authorizes the Conditional Use requested in Application No. 2012.0081C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## **FINDINGS**

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project site is a 17,399-square-foot lot on the north side of Hayes Street, between Octavia Boulevard and Gough Street, in the Market and Octavia Area Plan. The lot is currently used as a surface parking lot, but was formerly occupied by a portion of the Central Freeway which was removed following the 1989 Loma Prieta earthquake. There are currently no structures on the property.
3. **Surrounding Properties and Neighborhood.** Parcels formerly occupied by the Central Freeway are situated to the northeast and southwest of the Project Site. While some of these parcels are used as surface parking lots, several of these sites have been recently developed, or are currently being developed with mixed-use buildings containing residential and retail uses. The adjacent property to the east is developed with a four-story residential building fronting on Hayes Street, as well as a single-story commercial building fronting on Ivy Street. The adjacent property to the west is developed with a three-story mixed-use building and restaurant patio fronting on Hayes Street, as well as a three-story residential building fronting on Ivy Street. Ground floor retail and restaurant uses are found along Hayes Street two blocks south of the Project Site, while other isolated commercial establishments are scattered throughout the neighborhood. The Civic Center district is located to the east, and includes various government buildings, museums, libraries, and performance spaces. Open spaces in the vicinity include Patricia's Green and Hayes Valley Playground to the southwest, Jefferson Square and Hayward Playground to the northwest, and Civic Center Plaza to the northeast.
4. **Project Description.** The proposal is to demolish the existing surface parking lot and construct a new four-story mixed-use building containing approximately 41 dwelling units, 3,700 square feet

of ground-floor commercial uses, and 20 off-street parking spaces. The project would be expressed as two separate masses organized around a central courtyard. The ground-level units on Ivy Street feature direct access to the street from the main level, with sunken living areas located at the basement level.

5. **Public Comment.** The Department has received communications that express support for the Project, citing the construction of dense housing in walkable, transit-served locations, as well as the minimal parking provided in the Project. The Department has also received communications that express concern that the Project may impair access and visibility to an adjacent business located on Ivy Street.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
  - A. **Use and Density.** Per Section 720.90, dwelling units within the Hayes-Gough NCT District are principally permitted at all levels, except along the Hayes Street frontage where ground-floor commercial uses are required pursuant to Section 145.4. Per Section 720.91, no specific density limitations apply in this District, allowing physical controls such as height, bulk, and setbacks to define an allowable building envelope. Per Section 720.40, retail uses are principally permitted at the ground floor within the Hayes-Gough NCT District.

*The proposed residential uses, as well as the proposed ground-floor commercial uses on Hayes Street, are principally permitted, and therefore comply with the Planning Code. No residential density limitations apply within the Hayes-Gough NCT District, allowing physical design controls to define an allowable building envelope. While the project is seeking a modification of the rear yard requirements of Section 134, the proposal is in keeping with the intent of the overall physical design controls of the Planning Code, as well as the policies and objectives of the General Plan, including the design principles of the Market and Octavia Area Plan.*

- B. **Height and Bulk.** The subject property is located within a 40-X Height and Bulk District. Pursuant to Section 270, projects within "-X" Bulk Districts are not subject to specific bulk controls. Pursuant to Section 263.20, projects within NCT Districts and within 40-X or 50-X Height and Bulk Districts are allowed an additional five feet of height if the project includes active ground floor commercial uses with elevated ceilings taller than 10 feet, and/or walk-up residential units that are elevated from the sidewalk. Pursuant to Section 260(b), certain rooftop features may exceed the maximum permitted height limitation, provided that these features comply with specified dimensions. Pursuant to Section 261.1, upper portions of buildings that abut the southerly side of narrow streets must be set back to avoid penetrating a sun access plane defined by an angle of 45 degrees, extending from the directly opposite northerly property line.

*The Project proposes ground floor commercial spaces fronting along Hayes Street, and therefore qualifies for an additional five feet of height. The Project reaches a maximum roof height of 45 feet. The Project includes an elevator penthouse reaching a height of approximately 60 feet. Pursuant to*

*Section 260(b)(1)(B), elevator penthouses may extend to a height 16 feet above the applicable height limitation. Therefore, the Project complies with the applicable height limit.*

*The Ioy Street frontage of the Project Site is subject to the additional height limitation for buildings along narrow streets, per Section 261.1. The applicable sunlight access plane required by Section 261.1 applies above a height of 35 feet at the property line of the Project Site. Where the additional height limitation applies, the dwelling units at the fourth floor are set back from the property line to the south to comply with the sunlight access place. Therefore, the Project complies with the additional height limitation*

- C. **Floor Area Ratio.** In the Hayes-Gough NCT District, Section 124 allows a Floor Area Ratio (FAR) of up to 3.0 to 1. With a site area of 17,399 square feet, the allowable FAR would permit a building of up to 52,197 square feet of Gross Floor Area as defined in Section 102.9.

*The Project would measure a total of approximately 64,470 square feet. Pursuant to Section 124(b), within NC and R Districts, the cited Floor Area Ratio limits do not apply to residential uses. Subtracting the area of the residential uses, approximately 23,790 square feet of Gross Floor Area within the Project would be subject to the allowable FAR. The Project therefore complies with the maximum allowable FAR.*

- D. **Rear Yard.** Section 134(a)(1) of the Planning Code requires a rear yard equal to 25 percent of the lot depth to be provided at every residential level for the portion of the site within the Hayes-Gough NCT District.

*The Project consists of two masses situated around a central courtyard situated toward the interior of the property. The configuration of this courtyard does not meet the requirements for a rear yard, and thus the Project requires a modification of the rear yard requirement through the process described by Section 134(e)(1). Specifically, the Zoning Administrator must consider whether the Project meets the following criteria:*

- i. Residential uses are included in the new or expanding development and a comparable amount of usable open space is provided elsewhere on the lot or within the development where it is more accessible to the residents of the development.*
- ii. The proposed new or expanding structure will not significantly impede the access of light and air to and views from adjacent properties.*
- iii. The proposed new or expanding structure will not adversely affect the interior block open space formed by the rear yards of adjacent properties.*

*The Project Sponsor is requesting that the Zoning Administrator grant a modification of the rear yard requirements through the process in Section 134(e)(1).*

*A code-complying rear yard would measure approximately 4,770 square feet. The Project includes private decks, of varying sizes, for 16 of the dwelling units. In addition, the Project includes a total of 4,052 square feet of common open space.*

- E. **Usable Open Space.** Section 135 requires that a minimum of 60 square feet of private usable open space, or 79.8 square feet of common usable open space be provided for dwelling units within the Hayes-Gough NCT District. This Section specifies that the area counting as usable open space must meet minimum requirements for area, horizontal dimensions, and exposure.

*The Project proposes private decks for seven of the dwelling units at the first floor, one of the units at the second floor, and five of the units at the fourth floor. In addition, three private roof decks are assigned to the use of three of the dwelling units at the fourth floor. Applying the required common open space ratios for the remaining 25 dwelling units, the Project requires 1,995 square feet of common open space. The Project proposes a total of 4,052 square feet of common open space at the ground level and on a rooftop deck. The Project complies with the requirements for residential open space.*

- F. **Streetscape and Pedestrian Improvements.** Section 138.1 requires that the Project include streetscape and pedestrian improvements appropriate to the site in accordance with the Better Streets Plan, as well as the planting of street trees.

*The conceptual plans for the Project show street trees and a continuous permeable paver strip within the public right-of-way along the Hayes Street frontage. Section 138.1 would also require the installation of street trees along the Ivy Street frontage. Staff from the Planning Department and other appropriate agencies will coordinate with the Project Sponsor to refine the details of required streetscape improvements during the building permit review to ensure compliance with Section 138.1.*

- G. **Dwelling Unit Exposure.** Section 140 requires that at least one room of all dwelling units face onto a public street, a rear yard, or other open area that meets minimum requirements for area and horizontal dimensions.

*The majority of the dwelling units have exposure onto Hayes or Ivy Streets. These units comply with the requirements of Section 140. A number of units have exposure only on the interior courtyard. Section 140 specifies that an open area (such as the courtyard) must have minimum horizontal dimensions of 25 feet at the lowest floor containing a dwelling unit that faces solely onto the courtyard and the floor immediately above, with an increase of five feet in horizontal dimensions for each subsequent floor above. According to this methodology, the open area above the courtyard would need to measure at least 25 feet in horizontal dimensions at the 2nd and 3rd floors, and 30 feet at the 4th floor of the Project. The central courtyard measures approximately 33 feet in width at all levels. Therefore, the Project complies with the exposure requirements of Section 140.*

- H. **Active Street Frontages.** Section 145.1 requires active uses to be located at the ground-floor of the Project, with the exception of space allow for parking, building egress, and access to mechanical systems. Active uses may include commercial uses with transparency along the sidewalk, walk-up residential units, and spaces accessory to residential uses.

*The Hayes Street frontage of the Project is occupied by several commercial spaces, which qualify as active uses. The Ivy Street frontage of the Project is occupied by walk-up residential units with direct access to the sidewalk, which qualify as active uses. Therefore, the Project complies with the active street frontage requirements of Section 145.1.*

- I. **Off-Street Parking and Car Sharing.** Pursuant to Section 151.1, up to 21 off-street residential parking spaces could be principally permitted for the project (one space for each two dwelling units, rounded up to the nearest whole number).

*The Project proposes 20 off-street parking spaces to serve the residential uses. The Project therefore complies with the parking limitations of Section 151.1.*

- J. **Off-Street Loading.** Section 152 provides a schedule of required off-street freight loading spaces for all uses in districts other than C-3 or South of Market. Pursuant to this Section, residential uses measuring between less than 100,000 square feet do not require off-street loading spaces. In addition, retail uses measuring less than 10,000 square feet do not require off-street loading spaces.

*The residential component of the Project measures less than 100,000 square feet, and the commercial component measures less than 10,000 square feet. Therefore, no off-street loading spaces are required for the Project, and the Project complies with Section 152.*

- K. **Dwelling Unit Mix.** Section 207.6 requires that, for projects creating five or more dwelling units within the NCT-3 District, a minimum of 40 percent of the dwelling units contain at least two bedrooms.

*The Project proposes a total of 41 dwelling units. 16 of these units are two-bedroom units, and one of these units is a three-bedroom unit. In total, constitute 41 percent of the dwelling units contain at least two bedrooms. The Project complies with the dwelling unit mix requirements.*

- L. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects that consist of five or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 415.5 and 415.6, the Project is meeting the Inclusionary Affordable Housing Program requirement through the On-site Affordable Housing Alternative by providing 15% of the proposed dwelling units as affordable. Pursuant to San Francisco Charter Section 16.110 (g), adopted by the voters in November, 2012, beginning on January 1, 2013, the City shall reduce by 20% the on-site inclusionary housing obligation for all on-site projects subject to the Inclusionary Affordable Housing, but in no case below 12%. Thus, under Charter Section 16.110 (g) all the on-site requirements here is reduced by 3% (20% of 15%) to 12%.

*The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. 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. The Project Sponsor submitted such Affidavit on July 1, 2013. The EE application was submitted on April 9, 2012. Pursuant San Francisco Charter Section 16.110 (g) the 15% on-site requirement stipulated in Planning Code Section 415.6, is reduced by 3% (20% of 15%) to 12%. 5 units (3 one-bedroom, and 2 two-bedroom) of the 41 units provided will be affordable ownership units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.*

7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use authorization. Projects that proposed a Planned Unit Development through the Conditional Use authorization process must meet these criteria, in addition to the PUD criteria of Section 304, discussed under Item #10. On balance, the project complies with the criteria of Section 303, in that:
  - a. The proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

*The Project will add significant housing opportunities at a density suitable for an urban context that is well served by public transit. Retail spaces in the project will provide employment opportunities, activate the streetscape, and will serve the residents of the Project and the larger neighborhood. By targeting infill, mixed-use development at such locations, residents will be able to walk, bicycle, or take transit to commute, shop, and meet other needs without reliance on private automobile use.*

*The Project is generally compatible with the scale and intensity of development in the vicinity. The Project would consist of two separate masses which are unified by a common vernacular, but are arranged and detailed to respond to their respective contexts. While the site occupies a relatively large lot, the Hayes Street elevation incorporates angled bays and compositions of wood panels which are evocative of the fine-grained vertical rhythm of older development in the area. On the Ioy Street elevation, walk-up units at the ground floor and the setback at the forth story relate to the more intimate pedestrian scale of the alley.*

*The Project is necessary and desirable for, and is compatible with the neighborhood.*

- b. The use or feature as proposed will not be detrimental to the health, safety, convenience, or general welfare of persons residing or working in the vicinity, or injurious to property,

improvements, or potential development in the vicinity, with respect to aspects including, but not limited to the following:

- i. The nature of the proposed site, including its size and shape, and the proposed size, shape, and arrangement of structures.

*The Project Site is an irregular diagonal shape that is an artifact of the alignment of the Central Freeway. While the Project Site is not a regularly-shaped lot, it is adequately sized to accommodate the development. In lieu of providing a Code-complying rear yard, the Project is arranged around a central courtyard that establishes a pattern of mid-block open space that is currently lacking on the subject block. Existing development in the vicinity varies in size and intensity, and the Project is generally compatible with the eclectic character of the area. The Project is designed as two separate masses that relate to the distinct scales of the Hayes and Ioy Street frontages. The shape and size of development on the subject property will not be detrimental to persons or adjacent properties in the vicinity.*

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading and of proposed alternatives to off-street parking, including provisions of car-share parking spaces, as defined in Section 166.

*The Project does not require any off-street loading facilities under the Planning Code. The Project provides minimal off-street parking for the residential uses, encouraging residents to walk, bicycle, or utilize transit rather than drive private automobiles to commute and to access goods and services in the vicinity.*

- iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust, and odor.

*The Project includes residential and commercial uses that are typical of the Market and Octavia Plan area, and should not introduce operational noises or odors that are detrimental, excessive, or atypical for the area. While some temporary increase in noise can be expected during construction, this noise is limited in duration and will be regulated by the San Francisco Noise Ordinance which prohibits excessive noise levels from construction activity and limits the permitted hours of work. The building will not utilize mirrored glass or other highly reflective materials, therefore, the Project is not expected to cause offensive amounts of glare.*

- iv. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting, and signs.

*The Project provides open space in the form of private decks, common rooftop decks, and common open space within a central courtyard. The Project will include street trees and other public right-of-way improvements. Minimal off-street parking is provided for the residential units. The area is well-served by transit and a variety of retail options within walking distance. Conditions of approval also require that, as the Project proceeds through the review of building permits, the*

*Project Sponsor will continue to work the Department staff to refine details of project massing, lighting, signage, materials, street trees, and other aspects of the design.*

- c. Such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan.

*The Project generally complies with the applicable sections of the Code, with the exception of the rear yard requirements of Section 134. The residential and commercial uses contemplated for the Project are permitted within the Hayes-Gough NCT District. Considered as a whole, the Project would add housing and commercial goods and services to create a vibrant, active mixed-use node. The Project Site is well-served by transit and retail services, allowing residents to commute, shop, and reach amenities by walking, transit, and bicycling. The Project includes a mix of unit types and sizes, including 24 one-bedroom units, 16 two-bedroom units, and one three-bedroom unit. This mix of units will ensure that the Project will serve a diversity of household sizes and people with varied housing needs. The Project conforms with multiple goals and policies of the General Plan, as described in further detail in Item #9.*

- d. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

*The Project is consistent with the stated purposes of the Hayes-Gough NCT District in that it would provide ground floor commercial spaces suitable for neighborhood-serving retail, and would provide housing, a use that is strongly encouraged in the district.*

8. **Planning Code Section 121.1** establishes criteria for the Planning Commission to consider when reviewing applications for projects within the NCT-3 District on lots that exceed 10,000 square feet, through the Conditional Use authorization process. On balance, the project complies with said criteria in that:
  - a. The mass and facade of the proposed structure are compatible with the existing scale of the district.
  - b. The facade of the proposed structure is compatible with the design features of adjacent facades that contribute to the positive visual qualities of the district.

*Existing buildings in the area exhibit an eclectic architectural character, with no prevailing style establishing a dominant visual pattern for the neighborhood. The scale of development also varies somewhat in the vicinity. Existing development within Hayes Valley is primarily constructed in the late 19th and early 20th Century in a finer-grained pattern of individual buildings situated on narrow lots. Nearby development in the Western Addition is largely characterized by large, mid-century public housing projects that occupy full blocks. Development within the Civic Center to the east ranges in age and style from post-1906 Beaux-Arts buildings, to mid- to late-20<sup>th</sup> Century additions which are generally compatible with the monumental scale and character of older buildings.*

*While no single architectural style or development pattern predominates, the Project reflects the disparate elements of this context while establishing its own contemporary language. The Project is generally compatible with the scale and intensity of development in the vicinity. The Project would consist of two separate masses which are unified by a common vernacular, but are arranged and detailed to relate to their respective contexts. While the site occupies a relatively large lot, the Hayes Street elevation incorporates angled bays and compositions of wood panels which are evocative of the fine-grained vertical rhythm of older development in the area. At the streetscape, the storefronts are comprised of undulating bays which serve to effectively widen the public realm, and break down the scale of the pedestrian realm into discrete units characteristic of the narrow storefronts found on Hayes Street. On the Ioy Street elevation, walk-up units at the ground floor and the setback at the fourth story relate to the more intimate pedestrian scale of the alley.*

9. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

## COMMERCE AND INDUSTRY ELEMENT:

### Objectives and Policies

#### OBJECTIVE 6

**MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.**

#### Policy 6.4:

Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.

#### Policy 6.10:

Promote neighborhood commercial revitalization, including community-based and other economic development efforts where feasible.

*The Project would replace an existing surface parking lot with an intense, mixed-use development suited to an urban context. The Project includes 41 dwelling units. Residents of these units would shop for goods and services in the area, bolstering the viability of the existing businesses. In addition, the Project would provide approximately 3,700 square feet of ground-floor commercial uses. These retail activities will contribute to the economic vitality of the area, fulfill shopping needs for residents, and will activate the streetscape.*

## HOUSING ELEMENT:

### Objectives and Policies

#### OBJECTIVE 1

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

##### Policy 1.1:

Encourage higher residential density in areas adjacent to downtown, in underutilized commercial and industrial areas proposed for conversion to housing, and in neighborhood commercial districts where higher density will not have harmful effects, especially if the higher density provides a significant number of units that are affordable to lower income households.

##### Policy 1.3

Identify opportunities for housing and mixed-use districts near downtown and former industrial portions of the City.

##### Policy 1.4:

Locate in-fill housing on appropriate sites in established residential neighborhoods.

*The Project will add residential units to an area that is well-served by transit, services, and shopping opportunities. The site is suited for dense, mixed-use development, where residents can commute and satisfy convenience needs without frequent use of a private automobile. The Project Site is located within walking distance of the employment cluster of the Civic Center, and is in an area with abundant transit options with routes that travel to the South of Market and Financial District areas. The Project includes a mix of units in a range of sizes, to provide housing opportunities for various household types and socioeconomic groups within the neighborhood.*

## MARKET AND OCTAVIA PLAN:

### Objectives and Policies

#### OBJECTIVE 1.1

CREATE A LAND USE PLAN THAT EMBRACES THE MARKET AND OCTAVIA NEIGHBORHOOD'S POTENTIAL AS A MIXED-USE URBAN NEIGHBORHOOD.

##### Policy 1.1.2:

Concentrate more intense uses and activities in those areas best served by transit and most accessible on foot.

*The Project Site is situated in an area that is well-served by transit, and has amenities and convenience goods and services within walking distance. The retail spaces will diversify the mix of retail offerings in the area, and will be consistent with the small-scale retail uses along Hayes Street.*

**OBJECTIVE 2.1:**

**REQUIRE DEVELOPMENT OF MIXED-USE RESIDENTIAL INFILL ON THE FORMER FREEWAY PARCELS.**

**Policy 2.1.1:**

Develop the Central Freeway parcels with mixed-use, mixed- income (especially low income) housing.

*The Project proposes a mixed-use development on a Central Freeway lot.*

**OBJECTIVE 2.2**

**ENCOURAGE CONSTRUCTION OF RESIDENTIAL INFILL THROUGHOUT THE PLAN AREA.**

**Policy 2.2.2:**

Ensure a mix of unit sizes is built in new development and is maintained in existing housing stock.

**Policy 2.2.4:**

Encourage new housing above ground-floor commercial uses in new development and in expansion of existing commercial buildings.

*The Project is a mixed-use infill development that includes a variety of dwelling unit types. The residential uses are situated over retail spaces, providing convenient access to goods and services for residents of the proposed project and the surrounding neighborhood.*

**OBJECTIVE 3.1:**

**ENCOURAGE NEW BUILDINGS THAT CONTRIBUTE TO THE BEAUTY OF THE BUILT ENVIRONMENT AND THE QUALITY OF STREETS AS PUBLIC SPACE.**

**Policy 3.1.1:**

Ensure that new development adheres to principles of good urban design.

*The Project would adhere to the following Fundamental Design Principles of the Market and Octavia Area Plan:*

- Most new buildings should be built to all property lines facing public rights-of-way.

- Building façades should include three-dimensional detailing; these may include bay windows, cornices, belt courses, window moldings, and reveals to create shadows and add interest.
- Building façades that face the public realm should be articulated with a strong rhythm of regular vertical elements.
- High-quality building materials should be used on all visible façades and should include stone, masonry, ceramic tile, wood (as opposed to composite, fiber-cement based synthetic wood materials), precast concrete, and high-grade traditional “hard coat” stucco (as opposed to “synthetic stucco” that uses foam).
- Ground floor retail use should be directly accessible from the street at the grade of the sidewalk onto which it fronts.
- Ground-floor retail spaces should have at a minimum a 12-foot, ideally 15 feet, clear ceiling height.
- Residential uses on the ground floor are encouraged on alleys.
- Encourage rooftop gardens as a form of common open space.
- If provided, off-street parking should be accessed via side streets or alleys where that is possible.

*The proposed Project would be built to the property lines along all frontages, with two separate masses organized around a central courtyard. The ground-floor of the Hayes Street would have a well-defined, active base, including retail spaces with generous ceiling heights that are directly accessible from the sidewalk. The Project includes private open spaces, as well as common open spaces for in the form of a rooftop deck and a central courtyard. The unique architectural character of the Project, as well as the varied massing and details along each frontage building, creates an appropriate scale and relationship to the surrounding context. The Project provides minimal parking for the residences, encouraging occupants to travel by means other than private automobile use. The parking is accessed from a driveway on Ivy Street, preserving the Hayes Street frontage for active commercial uses and lobby space.*

## **OBJECTIVE 5.2**

**DEVELOP AND IMPLEMENT PARKING POLICIES FOR AREAS WELL SERVED BY PUBLIC TRANSIT THAT ENCOURAGE TRAVEL BY PUBLIC TRANSIT AND ALTERNATIVE TRANSPORTATION MODES AND REDUCE TRAFFIC CONGESTION.**

### **Policy 5.2.1:**

Eliminate minimum off-street parking requirements and establish parking caps for residential and commercial parking.

### **Policy 5.2.3:**

Minimize the negative impacts of parking on neighborhood quality.

*The Project proposes minimal parking for the residential uses, which will contribute to a built environment that encourages a variety of transportation options and discourages private automobile use as a primary mode of travel in walkable and transit-rich neighborhoods such as the Market and Octavia Plan Area.*

10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

*The new residents and visitors to the Project will patronize area businesses, bolstering the viability of surrounding commercial establishments. In addition, the Project would include retail spaces to provide goods and services to residents in the area, contribute to the economic vitality of the area, and will define and activate the streetscape.*

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

*The project will not diminish existing housing stock, and will add dwelling units in a manner that enhances the vitality of the neighborhood.*

- C. That the City's supply of affordable housing be preserved and enhanced,

*No housing is removed for this Project. The Project includes five affordable units on-site.*

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

*A wide variety of goods and services are available within walking distance of the Project Site without reliance on private automobile use. In addition, the area is well served by public transit, providing connections to all areas of the City and to the larger regional transportation network.*

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

*The Project will not displace any service or industry establishment, and does not propose any office development. The Project will include retail spaces that will provide employment opportunities for area residents.*

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

*The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code.*

- G. That landmarks and historic buildings be preserved.

*A landmark or historic building does not occupy the Project site.*

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

*The Project will not cast shadows or impede views for parks and open spaces in the area, nor have any negative impact on existing public parks and open spaces.*

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
12. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

**DECISION**

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2012.0081C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated July 11, 2013, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the CEQA findings contained in Planning Commission Motion No. 17406, incorporated herein as part of this motion, by this reference thereto, and the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Market and Octavia Area Plan EIR and contained in the MMRP are included as conditions of approval.

**APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 18922. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.**

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on July 11, 2013.

Jonas P. Ionin  
Acting Commission Secretary

AYES: Fong, Antonini, Borden, Moore, Sugaya, Wu

NAYS:

ABSENT: Hillis

ADOPTED: July 11, 2013

## **EXHIBIT A**

### **AUTHORIZATION**

This authorization is for a conditional use authorization to allow development on a lot exceeding 10,000 square feet for a Project to demolish an existing surface parking lot and construct a four-story mixed-use building containing approximately 41 dwelling units, 3,700 square feet of ground-floor commercial uses, and 20 off-street parking spaces, located at 450 Hayes Street (Block 0808, Lot 039), pursuant to Planning Code Sections 121.1 and 303, within the Hayes-Gough NCT District and the 40-X Height and Bulk District; in general conformance with plans, dated July 11, 2013, and stamped "EXHIBIT B" included in the docket for Case No. 2012.0081C and subject to conditions of approval reviewed and approved by the Commission on July 11, 2013 under Motion No 18922. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

### **RECORDATION OF CONDITIONS OF APPROVAL**

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on July 11, 2013 under Motion No 18922.

### **PRINTING OF CONDITIONS OF APPROVAL ON PLANS**

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 18922 shall be reproduced on the Index Sheet of construction plans submitted with the site or building permit application for the Project. The Index Sheet of the construction plans shall reference the Conditional Use authorization and any subsequent amendments or modifications.

### **SEVERABILITY**

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

### **CHANGES AND MODIFICATIONS**

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Conditional Use authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

**Validity.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Diligent pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Expiration and Renewal.** Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not

revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Diligent Pursuit.** Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since the date that the Planning Code text amendment(s) and/or Zoning Map amendment(s) became effective.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Additional Project Authorization.** The Project Sponsor must obtain a Project authorization under Section 134(e) for a modification of rear yard requirements and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Mitigation Measures.** Mitigation measures described in the MMRP attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor. Their implementation is a condition of project approval.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## **DESIGN – COMPLIANCE AT PLAN STAGE**

**Final Materials.** The Project Sponsor shall continue to work with Planning Department on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

**Garbage, composting and recycling storage.** Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled

and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

**Rooftop Mechanical Equipment.** Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

**Streetscape Plan.** Pursuant to Planning Code Section 138.1, the Project Sponsor shall continue to work with Planning Department staff, in consultation with other City agencies, to refine the design and programming of the Streetscape Plan so that the plan generally meets the standards of the Better Streets Plan and all applicable City standards. The Project Sponsor shall complete final design of all required street improvements, including procurement of relevant City permits, prior to issuance of first architectural addenda, and shall complete construction of all required street improvements prior to issuance of first temporary certificate of occupancy.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

**Transformer Vault.** The location of individual project PG&E Transformer Vault installations has significant effects to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

1. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
2. On-site, in a driveway, underground;
3. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
4. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding effects on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
5. Public right-of-way, underground; and based on Better Streets Plan guidelines;
6. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
7. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Work's Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>*

**Overhead Wiring.** The Property owner will allow MUNI to install eyebolts in the building adjacent to its electric streetcar line to support its overhead wire system if requested by MUNI or MTA.

*For information about compliance, contact San Francisco Municipal Railway (Muni), San Francisco Municipal Transit Agency (SFMTA), at 415-701-4500, [www.sfmta.org](http://www.sfmta.org)*

**Street Trees.** Pursuant to Planning Code Section 138.1 (formerly 143), the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating that street trees, at a ratio of one street tree of an approved species for every 20 feet of street frontage along public or private streets bounding the Project, with any remaining fraction of 10 feet or more of frontage requiring an extra tree, shall be provided. The street trees shall be evenly spaced along the street frontage except where proposed driveways or other street obstructions do not permit. 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 this Section 428 may be modified or waived by the Zoning Administrator to the extent necessary.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

## **PARKING AND TRAFFIC**

**Parking for Affordable Units.** All off-street parking spaces shall be made available to Project residents only as a separate “add-on” option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may homeowner’s rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Bicycle Parking.** The Project shall provide no fewer than 21 Class 1 bicycle parking spaces as required by Planning Code Sections 155.1 and 155.5.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Parking Maximum.** Pursuant to Planning Code Section 151.1, the Project shall provide no more than 21 off-street parking spaces.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Managing Traffic During Construction.** The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation effects during construction of the Project.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## **PROVISIONS**

**First Source Hiring.** The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

*For information about compliance, contact the First Source Hiring Manager at 415-581-2335, [www.onestopSF.org](http://www.onestopSF.org)*

**Transit Impact Development Fee.** Pursuant to Planning Code Section 411 (formerly Chapter 38 of the Administrative Code), the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

### **Affordable Units.**

1. **Number of Required Units.** Pursuant to Planning Code Section 415.6, the Project is required to provide 15% of the proposed dwelling units as affordable to qualifying households. Pursuant San Francisco Charter Section 16.110 (g) the 15% on-site requirement stipulated in Planning Code Section 415.6, is reduced by 3% (20% of 15%) to 12%. The Project contains 41 units; therefore, 5 affordable units are required. The Project Sponsor will fulfill this requirement by providing the 5 affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing ("MOH").

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

2. **Unit Mix.** The Project contains 24 one-bedroom, 16 two-bedroom, and 1 three-bedroom unit; therefore, the required affordable unit mix is 3 one-bedroom and 2 two-bedroom units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOH.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*

3. **Unit Location.** The affordable units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of the first construction permit.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
4. **Phasing.** If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than twelve percent (12%) of the each phase's total number of dwelling units as on-site affordable units.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
5. **Duration.** Under Planning Code Section 415.8, all units constructed pursuant to Section 415.6, must remain affordable to qualifying households for the life of the project.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
6. **Other Conditions.** The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOH at 1 South Van Ness Avenue or on the Planning Department or Mayor's Office of Housing's websites, including on the internet at:  
<http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>.  
As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.  
*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org) or the Mayor's Office of Housing at 415-701-5500, [www.sf-moh.org](http://www.sf-moh.org).*
  - a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.

- b. If the units in the building are offered for rent, the affordable unit(s) shall be rented to qualifying households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average fifty-five (55) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco." The initial and subsequent rent level of such units shall be calculated according to the Procedures Manual. Limitations on (i) occupancy; (ii) lease changes; (iii) subleasing, and; are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOH shall be responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOH at least six months prior to the beginning of marketing for any unit in the building.
- d. Required parking spaces shall be made available to renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOH or its successor.
- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating the intention to enter into an agreement with the City to qualify for a waiver from the Costa-Hawkins Rental Housing Act based upon the proposed density bonus and concessions (as defined in California Government Code Section 65915 et seq.) provided herein. The Project Sponsor has executed the Costa Hawkins agreement and will record a Memorandum of Agreement prior to issuance of the first construction document or must revert payment of the Affordable Housing Fee.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.

- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit or may seek a fee deferral as permitted under Ordinances 0107-10 and 0108-10. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOH and pay interest on the Affordable Housing Fee at a rate equal to the Development Fee Deferral Surcharge Rate in Section 107A.13.3.2 of the San Francisco Building Code and penalties, if applicable.

**Market Octavia Affordable Housing Fee.** Pursuant to Planning Code Section 416 (formerly 315.4), the Project Sponsor shall comply with the Market Octavia Affordable Housing requirements through payment of the Market Octavia Affordable Housing Fee in full to the Treasurer, prior to the issuance by Department of Building Inspection of the first certificate of occupancy for the development project.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

**Market Octavia Community Improvements Fund.** Pursuant to Planning Code Section 421 (formerly 326), the Project Sponsor shall comply with the Market Octavia Community Improvements Fund provisions through payment of an Impact Fee in full to the Treasurer, or the execution of a Waiver Agreement, or an In-Kind agreement approved as described per Planning Code Section 421 (formerly 326) prior to the issuance by Department of Building Inspection of the construction document for the development project.

*For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org)*

## **MONITORING - AFTER ENTITLEMENT**

**Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

**Revocation due to Violation of Conditions.** Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*

## OPERATION

**Garbage, Recycling, and Composting Receptacles.** Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, <http://sfdpw.org>*

**Sidewalk Maintenance.** The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

*For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org>*

**Community Liaison.** Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org)*