# Executive Summary Conditional Use <br> HEARING DATE: AUGUST 2, 2012 

1650 Mission St.

| Date: | July 26, 2012 |
| :--- | :--- |
| Case No.: | 2012.0142CV |
| Project Address: | 491-499 Haight Street |
| Zoning: | NC-2 (Neighborhood Commercial, Small-Scale) Zoning District |
|  | 40-X Height and Bulk District |
| Block/Lot: | 0859/025 |
| Project Sponsor: | Michael Harris |
|  | Michael Harris Architecture |
|  | 101 South Park |
|  | San Francisco, CA 94102 |
| Staff Contact: | Elizabeth Watty - (415) 558-6620 |
| Recommendation: | Elizabeth.Watty@sfgov.org |
|  | Approval with Conditions |

## PROJECT DESCRIPTION

The project sponsor proposes a new Formula Retail Use (dba "CVS") to occupy a ground-floor commercial space previously occupied by a different Formula Retail Use (dba "Walgreens").

The project sponsor is also proposing to increase the formula retail space on the first floor and decrease the storage space on the basement floor; expand several of the residential units, including expansions to five of the 11 top floor units by raising portions of the roof to create loft space; and construct decks and a stair penthouse at the rear of the existing structure, which are subject to rear yard and noncomplying structure variances. The project sponsor has already sought approval through a separate permit to fill-in four interior light wells not visible from adjacent properties, remodel and reconfigure the apartment interiors, and replace apartment windows.

## SITE DESCRIPTION AND PRESENT USE

The project is located at the southeast corner of Haight and Fillmore Streets, Block 0859, Lot 025. The subject property is located within the NC-2 Zoning District and the 40-X Height and Bulk District, within the Lower Haight neighborhood. The property is developed with a three-story-over-basement, 21-unit mixed-use building. The building is currently vacant, due to a fire that vacated the structure in September 2011; however it was previously occupied by Walgreens along the Haight Street frontage, and 3 Twins ice cream (planning to return), Estelle's sandwiches (planning to return) and Upper Playground gallery (not planning to return) along Fillmore Street.

## SURROUNDING PROPERTIES AND NEIGHBORHOOD

The NC-2 Districts are intended to serve as the City's Small-Scale Neighborhood Commercial Districts. These districts are linear shopping streets that provide convenience goods and services to the surrounding neighborhoods as well as limited comparison shopping goods for a wider market. The range of comparison goods and services offered is varied and often includes specialty retail stores, restaurants, and neighborhood-serving offices. NC-2 Districts are commonly located along both collector and arterial streets which have transit routes. Buildings typically range in height from two to four stories with occasional one-story commercial buildings. The small-scale district controls provide for mixed-use buildings which approximate or slightly exceed the standard development pattern. Most new commercial development is permitted at the ground and second stories, and neighborhood-serving businesses are strongly encouraged. Housing development in new buildings is encouraged above the ground story, and existing units are protected by limitations on demolition and upper-story conversions.

The surrounding area includes two-to-four story mixed-use structures at the intersection of Haight and Fillmore Streets, and a mixture of commercial, residential, and mixed use structures along the NC-2 zoned portion of Haight Street. The properties surrounding this District are zoned RM-1 (Residential, Mixed Districts, Low Density), NC-1 (Neighborhood Commercial Cluster District) and RH-3 (Residential, House, Three-Family).

## ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

HEARING NOTIFICATION

| TYPE | REQUIRED <br> PERIOD | REQUIRED <br> NOTICE DATE | ACTUAL <br> NOTICE DATE | ACTUAL <br> PERIOD |
| :--- | :---: | :---: | :---: | :---: |
| Classified News Ad | 20 days | July 13,2012 | July 11,2012 | 22 days |
| Posted Notice | 20 days | July 13,2012 | July 13,2012 | 20 days |
| Mailed Notice | 20 days | July 13,2012 | July 11,2012 | 22 days |

The proposal requires a Section 312-neighborhood notification, which was conducted in conjunction with the Conditional Use authorization process.

## PUBLIC COMMENT

- To date, the Department has received correspondence from four people who expressed concerns about various components of the project; however, none of the individuals were concerned about the Conditional Use authorization being requested under this Application. One individual was concerned about the rear balconies being sought under the variance application, while the other individuals expressed concerns about the dwelling-unit reconfigurations that occurred under a separate permit.


## ISSUES AND OTHER CONSIDERATIONS

- Although the subject matter before the Commission is a request for Conditional Use Authorization to allow a new formula retail tenant (from Walgreens to CVS), there have been several other permits issued relating to the repair and remodel of the subject property since a major fire gutted the building on Sept. 27, 2011. One of these permits included interior alterations of the existing 21 dwelling units, located on the second and third floors of the building. The permit sought to reconfigure the dwelling-units, with some increases and some decreases to the unit sizes. All of these changes complied with the Planning Code, and did not require neighborhood notification or a Planning Commission hearing. This permit was approved by Planning staff prior to this hearing, in an effort to expedite the repair of the building to enable residential and commercial tenants to move back in as soon as possible. Staff has received comments from several former tenants who were concerned about their units being converted from one-bedroom units to studios.


## REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use authorization, pursuant to Planning Code Sections 303(c) and (i), 703.3, and 703.4, to allow a new Formula Retail Use (dba "CVS") to occupy a commercial space previously occupied by a Formula Retail Use (dba "Walgreens") on the ground floor of the three-story-over-basement 21-unit mixed-use building.

The Zoning Administrator must also grant the request for Variances, pursuant to Planning Code Sections 134 and 188 , to allow deck and stair encroachments into the required rear yard.

## BASIS FOR RECOMMENDATION

- The project promotes the continued operation of a retail pharmacy within the neighborhood, which serves the communities surrounding the property.
- The project will not displace any existing independent retail tenant.
- The Project will result in improved street frontages along Haight and Fillmore Streets, by creating greater transparency along the ground floor of the Formula Retail tenant space.
- The project is desirable for, and compatible with the surrounding neighborhood.


## RECOMMENDATION: Approval with Conditions

Attachments:<br>Block Book Map<br>Sanborn Map<br>Zoning Map<br>Aerial Photographs<br>Project Sponsor Submittal, including:<br>- Reduced Plans<br>- Site Photographs

| Executive Summary |
| :---: |
| Draft Motion |
| Environmental Determination |
| Zoning District Map |
| Height \& Bulk Map |
| Parcel Map |
| Sanborn Map |
| Aerial Photo |
| Context Photos |
| Site Photos |

Project sponsor submittal
Drawings: Existing Conditions
$\searrow$ Check for legibility
Drawings: Proposed Project
$\searrow$ Check for legibility
Housing Documents
Inclusionary Affordable Housing Program: Affidavit for Compliance
$\square$ Residential Pipeline

Exhibits above marked with an " $X$ " are included in this packet
$\frac{\text { EW }}{\text { Planner's Initials }}$


ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 (c) \& (i), 703.3, AND 703.4, TO ALLOW A NEW FORMULA RETAIL PHARMACY (DBA "CVS") TO OCCUPY THE GROUND FLOOR COMMERCIAL SPACE PREVIOUSLY OCCUPIED BY A FORMULA RETAIL PHARMACY (DBA "WALGREENS") OF A THREE-STORY-OVER-BASEMENT, 21-UNIT MIXED-USE BUILDING WITHIN THE NC-2 (SMALL-SCALE, NEIGHBORHOOD COMMERCIAL) DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

## PREAMBLE

On February 14, 2012, Michael Harris of Michael Harris Architecture (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use authorization under Planning Code Sections 303(c) and (i), 703.3, and 704.4, to allow a new formula retail pharmacy (dba "CVS") within the NC-2 (Small-Scale, Neighborhood Commercial) District and a 40-X Height and Bulk District.

On August 2, 2012, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2012.0142CV.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

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. 2012.0142 CV , 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 is located at the southeast corner of Haight and Fillmore Streets, Block 0859, Lot 025. The subject property is located within the NC-2 Zoning District and the $40-\mathrm{X}$ Height and Bulk District. The property is developed with a three-story-overbasement, 21 -unit mixed-use building. The building is currently vacant, due to a fire that vacated the structure in 2011; however it was previously occupied by Walgreens along the Haight Street frontage, and 3 Twins ice cream, Estelle's sandwiches, and Upper Playground gallery along Fillmore Street.
3. Surrounding Properties and Neighborhood. The NC-2 Districts are intended to serve as the City's Small-Scale Neighborhood Commercial Districts. These districts are linear shopping streets which provide convenience goods and services to the surrounding neighborhoods as well as limited comparison shopping goods for a wider market. The range of comparison goods and services offered is varied and often includes specialty retail stores, restaurants, and neighborhood-serving offices. NC-2 Districts are commonly located along both collector and arterial streets which have transit routes. Buildings typically range in height from two to four stories with occasional one-story commercial buildings. The small-scale district controls provide for mixed-use buildings which approximate or slightly exceed the standard development pattern. Most new commercial development is permitted at the ground and second stories, and neighborhood-serving businesses are strongly encouraged. Housing development in new buildings is encouraged above the ground story, and existing units are protected by limitations on demolition and upper-story conversions.

The surrounding area includes two-to-four story mixed-use structures at the intersection of Haight and Fillmore Streets, and a mixture of commercial, residential, and mixed use structures along the NC-2 zoned portion of Haight Street. The properties surrounding this District are zoned RM-1 (Residential, Mixed Districts, Low Density), NC-1 (Neighborhood Commercial Cluster District) and RH-3 (Residential, House, Three-Family).
4. Project Description. The project includes a tenant change from one formula retail pharmacy (dba "Walgreens") to another formula retail pharmacy (dba "CVS").

The project sponsor is also proposing to increase the formula retail space on the first floor and decrease the storage space on the basement floor; expand several of the residential units, including expansions to five of the 11 top floor units by raising portions of the roof to create loft space; and construct decks and a stair penthouse at the rear of the existing structure, which are subject to rear yard and noncomplying structure variances. The project sponsor has already sought approval through a separate permit to fill-in four interior light wells not visible from adjacent properties, remodel and reconfigure the apartment interiors, and replace apartment windows.
5. Public Comment. To date, the Department has received correspondence from four people who expressed concerns about various components of the project; however, none of the individuals were concerned about the Conditional Use authorization being requested under this Application. One individual was concerned about the rear balconies being sought under the variance application, while the other individuals expressed concerns about the dwelling-unit reconfigurations that occurred under a separate permit.
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. Other Retail Sales and Services. Planning Code Section 711.40 states that a retail use, as defined by Planning Code Section 790.102, is permitted-by-right at the ground floor.

The Project proposes a retail use at the ground floor. Although it is permitted by right as a general use category, the formula retail controls outlined in Section 8 below require that this Project obtain a Conditional Use authorization to allow "CVS" to occupy the space.
B. Street Frontage in Neighborhood Commercial Districts. Section 145.1 of the Planning Code requires that NC Districts provide the following: 1) "active uses" within the first 25 feet of building depth on the ground floor from any facade facing a street at least 30 feet in width; 2) street-facing ground-level spaces that open directly onto the street; and 3) frontages that are fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and that allow visibility to the inside of the building.

The subject commercial space has approximately $90^{\prime}-6$ " of frontage along Haight Street and $85^{\prime}-6{ }^{\prime \prime}$ of frontage along Fillmore Street. The Haight Street frontage and a portion of the Fillmore Street frontage will be occupied by the "active use" of CVS, a formula retail tenant. At least $60 \%$ of the combined street frontages will be dedicated to clear, unobstructed clear-glass windows, including a street-facing entrance that opens directly onto the sidewalk. The tenant space windows will be clear, un-tinted, and unobstructed, and are required through the conditions of approval to retain transparency into the retail space.
C. Use Size. Planning Code Section 711.21 allows a use size up to $3,999 \mathrm{gsf}$ as-of-right, and any use size $4,000 \mathrm{gsf}$ and above requires a Conditional Use authorization.

The Project will occupy the entire vacant Haight Street tenant space that was previously occupied by Walgreens prior to the fire. The existing space includes approximately $5,902 \mathrm{gsf}$ on the first floor, and approximately $4,942 \mathrm{gsf}$ of basement storage, for a total of $10,844 \mathrm{gsf}$. The Project includes an interior expansion of the formula retail use on the first floor, resulting in approximately $6,927 \mathrm{gsf}$, as well as a reduction to the basement storage space, resulting in 3,506 gsf, for a project total of 10,433 gsf. The first floor retail space is increased by the elimination of an adjacent office space that was accessed off of Fillmore Street (due to the topography of Fillmore Street, the office space was located on the second floor when accessed from Fillmore Street, which is the first floor when accessed from Haight Street).

Since there will be no increase to the existing gross square footage as a result of this Project, the new formula retail tenant is "grandfathered-in" as having a Conditional Use for use size.
D. Parking. Planning Section 151 of the Planning Code requires retail uses to provide one offstreet parking for every 500 square-feet of occupied floor area, where the occupied floor area exceeds 5,000 square-feet.

Since the proposed project results in a reduction in use size for the formula retail tenant, off-street parking is not required.
E. Loading. Section 152 requires off-street freight loading for uses above a certain size. Retail establishments and uses primarily engaged in the handling of goods (such as the proposed business) are not required to provide off-street freight loading if they measure less than 10,000 square feet in gross floor area.

With a gross floor area of under 10,000 square feet, the Project is not required to provide any off-street loading.
F. Hours of Operation. Planning Code Section 711.27 allows hours of operation from 6:00 a.m. until 2:00 a.m. as-of-right in the NC-2 District, and requires Conditional Use authorization to operate between the hours of 2:00 a.m. and 6:00 a.m.

CVS will operate within the permitted-by-right hours of operation.
G. Formula Retail. Section 703.3(f) allows formula retail uses in the NC-2 District with a Conditional Use authorization.

The Project is considered to be a formula retail use as defined by Section 703.3 of the Planning Code, and as such, is seeking a Conditional Use authorization.
H. Signage. Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage will be subject to the review and approval of the Planning Department.
7. Planning Code Section 303 establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Project has been found to be necessary and desirable at the proposed location as it would allow a retail pharmacy to reoccupy the subject tenant space, which has been unoccupied since a fire vacated the building in 2011. A retail pharmacy is an amenity in neighborhood commercial districts since it provides neighborhood-serving goods to persons who live and work in the area. There is no change in use, just a change in tenant, and the new tenant will improve the ground floor of the building as part of this project to bring the building into compliance with current Planning Code regulations aimed at improving the public realm by creating active and transparent ground floor spaces.
B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:
i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The size and shape of the site, as well as the size, shape, and arrangement of the building on the site are not changing as a result of this Conditional Use authorization. The Conditional Use authorization would not physically expand the existing building, and therefore would not alter the existing appearance or character of the surrounding area.
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;

The Project will not adversely affect public transit or overburden the existing supply of parking in the neighborhood. The area is well-served by ample public transportation, with four bus lines (the $6,71,71 \mathrm{~L}$, and 22) having direct access to the subject property. Although the formula retail tenant is changing, the underlying land use is not. The project is designed to meet the needs of the immediate neighborhood and should not generate significant amounts of vehicular trips from the immediate neighborhood or citywide. Off-street parking and loading are not required for the Project.
iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The formula retail business is not expected to generate noxious or offensive emissions such as noise, glare, dust and odor. The proposed use is subject to the standard conditions of approval for controlling noise and odor, as outlined in the conditions of approval.
iv. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The project site is completely built-out at the ground-floor level to all street-facing property lines, thus no landscaping will be provided. There is one existing street tree on the Fillmore Street frontage, and no new street trees are required or proposed as part of this project. No off-street parking or loading spaces are currently provided on the property, nor are there any proposed as part of the project. Any future changes in lighting and signage would be required to comply with the requirements of the Planning Code, CEQA, the Urban Design Element of the General Plan, and other applicable regulations and policies, in accordance with conditions of approval contained in Exhibit A.
C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The project complies with all relevant requirements and standards of the Planning Code, other than those being sought as part of the variance request, and is consistent with Objectives and Policies of the General Plan as detailed below.
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 purposed of NC-2 Districts in that the intended use is located at the ground floor, and will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours.
8. Planning Code Sections $303(\mathbf{i})$ and 703.4 require Conditional Use authorization for the establishment of a formula retail use in Neighborhood Commercial Districts. The Planning Commission shall consider the following criteria set forth in Section 303(i) in addition to the criteria set forth in Section 303(c):
A. The existing concentrations of formula retail uses within the Neighborhood Commercial District.

The proposed formula retail use will replace an existing formula retail use, thus not affecting the current concentration of formula retail uses within this NC-2 District.
B. The availability of other similar retail uses within the Neighborhood Commercial District.

Within the survey area of the NC-2 District between Steiner and Webster Streets, there are no other pharmacy/retail uses.
C. The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the Neighborhood Commercial District.

No exterior expansions of the subject building would be necessary to accommodate the proposed formula retail use, and thus the formula retail use would remain compatible with the architectural and aesthetic character of the Neighborhood Commercial District. Furthermore, the proposed project will result in improvements to the architectural character of the building by increasing the transparency into the retail space through the addition of storefront windows where a solid wall currently exists.
D. The existing retail vacancy rates within the Neighborhood Commercial District.

There are currently approximately 11 vacant commercial storefronts in the NC-2 District between Steiner and Webster Streets, in addition to the subject tenant space, which is sufficient capacity for independent businesses to locate within this District.
E. The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the Neighborhood Commercial District.
This NC-2 District primarily contains independently-owned specialty retail stores and eating and drinking establishments, interspersed with ground-floor residential uses and personal services. The proposed use is intended to be neighborhood-serving and will replace the same type of use that previously occupied the subject tenant space prior to the fire in 2011.
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 1: <br> MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

## Policy 1.1:

Encourage development which provides substantial net benefits and minimizes undesirable consequences.

## Policy 1.3:

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The project will affirmatively support these Policies by creating new full- and part-time jobs and by activating the street through the addition of glazing and transparency along the Haight and Fillmore Street
frontages. It will also bring a retail pharmacy use back to this NC-2 District, which occupied this site prior to the fire in 2011.

## OBJECTIVE 2: <br> MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1:
Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

The Project will attract a new commercial tenant to a vacant commercial space. By attracting a well-known retail pharmacy to this vacant tenant space, it will help attract shoppers to the other businesses located within this District.

## OBJECTIVE 3:

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

## Policy 3.1:

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

The project promotes this Policy, as it will provide new jobs within this neighborhood, specifically for unskilled and semi-skilled workers.

## Neighborhood Commerce

## OBJECTIVE 6:

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

## Policy 6.1:

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the City's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

The project will provide a necessary, neighborhood-serving retailer that is not currently found within the District.

Policy 6.9:
Regulate uses so that traffic impacts and parking problems are minimized.

The project is not expected to be a heavy vehicle trip generator, as many of the expected customers live or work in the Lower Haight neighborhood, and will travel to the retail pharmacy by foot, bicycle, or public transit.

## TRANSPORTATION ELEMENT

## Objectives and Policies

## OBJECTIVE 2:

USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

## Policy 2.2:

Reduce pollution, noise and energy consumption
The project furthers these Policies in that it proposes no new off-street parking. The easy access to the property by public transportation encourages employees and patrons to utilize public transit, thereby reducing pollution, noise and energy consumption relating to automobile use.
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 complies 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 project would not affect any neighborhood-serving retail uses, as the proposed use will occupy a vacant store front. By occupying and improving a vacant store front, the project will activate the space, attracting pedestrian traffic that may patronize other existing neighborhood businesses. It is also intended to be a neighborhood-serving use that will offer employment opportunities for neighborhood residents.
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 have an adverse effect on neighborhood character or the cultural and economic diversity of the neighborhood. With the addition of the subject business, the NC-2 District between Steiner and Webster Streets would enjoy a greater mix of uses and a greater choice for consumers. Furthermore, the addition of this formula retail use would not add to an overconcentration of formula retail uses since it will replace a business that was previously occupied by a formula retail tenant. The project will have no effect on housing since the space was previously occupied by non-residential tenants, and it will not significantly change the retail character of this NC-2 corridor.
C. That the City's supply of affordable housing be preserved and enhanced,

The project would not affect the City's supply of affordable housing, since it is a formula retail pharmacy that will occupy a vacant commercial store front.
D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The project would not adversely affect public transit or place a burden on the existing supply of parking in the neighborhood. The area is well-served by public transportation and many of the business' customers will walk, bicycle, or take public transit to the retail pharmacy.
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.

There is no commercial office development associated with the project, and no industrial or service sector uses would be displaced. The project will, however, create several new service sector employment opportunities, which were lost after the building was heavily damaged by a fire in 2011.
F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The project does not involve any construction activities that would compromise the structural integrity of the existing building; in fact, the project will improve the building's structural integrity by repairing and upgrading the building to current Building Codes. All interior tenant improvements associated with this project will conform to the structural and seismic safety requirements of the City's Building Code.
G. That landmarks and historic buildings be preserved.

The proposed exterior alterations associated with this project are compatible with the building's existing architecture and have been reviewed and deemed appropriate by the Department's historic preservation specialists.
H. That our parks and open space and their access to sunlight and vistas be protected from development.

The project would not affect any parks or open spaces, or their access to sunlight, since the scope of work under this application is limited to the Haight Street ground floor tenant space.
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. 2012.0142CV subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated July 07, 2012, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

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. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30day 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) 5545184, 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 August 02, 2012.

Linda D. Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: August 02, 2012

## EXHIBIT A

## AUTHORIZATION

This authorization is for a Conditional Use to allow a formula retail pharmacy (dba "CVS") with 10,433 gsf of gross floor area at 491-499 Haight Street, Block 0859, and Lot 025 pursuant to Planning Code Section(s) 303(c) and (i), 703.3, and 704.4, within the NC-2 District and a 40-X Height and Bulk District; in general conformance with plans, dated July 7, 2012, and stamped "EXHIBIT B" included in the docket for Case No. 2012.0142CV and subject to conditions of approval reviewed and approved by the Commission on August 02, 2012, under Motion No XXXXXX. 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 August 02, 2012, under Motion No XXXXXX.

## PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXXX 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 to 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 and Expiration. The authorization and right vested by virtue of this action is valid for three years from the effective date of the Motion. A building permit from the Department of Building Inspection to construct the Project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed Project and conveys no independent right to construct the Project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within three (3) years of the date of the Motion approving the Project. 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. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org

Extension. This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said tenant improvements is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s). For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sfplanning.org

## DESIGN - COMPLIANCE AT PLAN STAGE

Final Materials. The Project Sponsor shall continue to work with Planning Department staff on the building design. Final materials, glazing, color, texture, landscaping, and detailing shall be subject to Department staff review and approval.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.org

Transparency and Fenestration. The Haight and Fillmore Street frontages must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Fenestration shall not be obstructed by any feature greater than $42^{\prime \prime}$ above the floor on the interior of the commercial space for a minimum depth of five feet, in order to retain transparency into the interior of the commercial tenant space from the street. This includes, but is not limited to: product displays, shelving, window blinds, security gates/grills, or advertisements. For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.org

Formula Retail Storage Space. The formula retail tenant is limited to $3,506 \mathrm{gsf}$ of storage space (including elevator and stair areas) shown as "Storage \#1" on the basement plan of Exhibit B. Any expansion of this
storage space without the commensurate reduction of gross floor area on the first floor will necessitate a Conditional Use authorization for Use Size, pursuant to Planning Code Section 121.2.
For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.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.sfplanning.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.sfplanning.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.sfplanning.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

Noise Control. The premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of the building and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.
For information about compliance with the fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org
For information about compliance with the construction noise, contact the Department of Building Inspection, 415-558-6570, www.sfdbi.org
For information about compliance with the amplified sound including music and television contact the Police Department at 415-553-1012 or 415-5530123, www.sf-police.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.sfplanning.org

## Parcel Map

## HAIGHT



WEBSTER

## Sanborn Map*


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.

## Zoning Map



Conditional Use Hearing Case Number 2012.0142CV 491-499 Haight Street

## Site Photo



Haight Street Frontage

Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Site Photo



## Corner of Haight and Fillmore Streets

Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Site Photo



Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Aerial Photo



SUBJECT PROPERTY

Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Aerial Photo



Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Aerial Photo



Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

## Aerial Photo



SUBJECT PROPERTY

Conditional Use Hearing
Case Number 2012.0142CV
491-499 Haight Street

# REUBEN ${ }^{〔}$ JUNIUS ${ }_{\text {uр }}$ 

July 25, 2012

VIA MESSENGER

Mr. Rodney Fong, President
San Francisco Planning Commission
1650 Mission Street, $4^{\text {th }}$ Floor
San Francisco, CA 94103

Re: CVS Pharmacy - 499 Haight Street<br>Planning Department Case No. 2012.0142C<br>Hearing Date: August 2, 2012<br>Our File No.: 7127.01

Dear President Fong and Commissioners:
This office represents Armstrong Development Properties, Inc., the project sponsor for a proposed CVS pharmacy and retail store ("Project" or "CVS") to be located at 499 Haight Street (the "Property"), at the southeast corner of Haight Street and Fillmore Street.

The Property consists of an existing mixed-use building with one large retail space along Haight Street, three smaller retail spaces along Fillmore Street, and residential units above. The building was severely damaged by a fire in September of 2011. The owner of the Property is now in the process of rehabilitating the building.

The large retail unit along Haight Street was formerly occupied by a formula retail Walgreens pharmacy and retail store. CVS is now proposing to replace Walgreens and operate a pharmacy and retail store at the Property. Since the fire shut down the previous pharmacy at the Property, there have been no pharmacies serving the Lower Haight neighborhood. The Project would re-establish a pharmacy at this location, as well as stimulate foot traffic at this intersection, benefiting nearby businesses.

The Project Sponsor held a public meeting on July 18. There was overwhelming support for the proposed CVS, as local residents have been waiting for a pharmacy to return to this convenient location, and local merchants have been waiting for the foot traffic that such a pharmacy would generate. Our outreach team has also canvassed area merchants and contacted key neighborhood groups to provide information regarding the Project.

The Planning Commission approval required for this Project is a conditional use authorization for formula retail use. The Project would occupy an approximately 9,443 square foot retail space within the existing building at the Property. The Project will not expand the building envelope but will significantly improve the ground floor street frontage of the building.

A site plan and elevations for the proposed store are included in your packet.

## A. Benefits of the Project

Benefits of the Project will include:

- Renovating and re-activating an existing retail space at a prominent corner along Haight Street;
- Bringing back the only local pharmacy serving Lower Haight residents;
- Creation of new construction jobs during store construction;
- Creating up to 25 new jobs in the city, including 6 to 8 full time positions and many other entry-level opportunities; CVS will make efforts to locate former Walgreens employees that have not found a new job and ask them to apply for the new positions;
- Generation of new economic activity and production of business tax revenue to the City.


## B. Compliance with Conditional Use Criteria for Formula Retail Use

The proposed Project meets and exceeds the requirements necessary to grant a conditional use authorization for a formula retail use.

The retail space at the Property along Haight Street has sat vacant since the September 2011 fire and local residents have informed us they would like to see a pharmacy back in operation as soon as possible. The proposed CVS will occupy the retail unit that was previously occupied by a formula retail Walgreens pharmacy, meaning the Project will only be replacing an identical use, and will maintain the balance of formula retail uses or pharmacy uses in the neighborhood.

The Project will also significantly improve the building's street frontage along both Haight Street and Fillmore Street. Previously, there were no windows or other transparency provided along the street façade of this retail unit except for the entrance on Haight Street. The Project will provide windows along virtually the entirety of the façade of the retail unit. This will create a much more inviting and interesting experience for pedestrians. This is especially important along Haight Street, a corridor heavily travelled by pedestrians.

The Project will provide a retail pharmacy store in a neighborhood currently served by zero pharmacies since the 2011 fire. Reestablishing a pharmacy and retail store at the Property will provide many basic, daily necessities, for neighborhood residents and help beautify the Haight Street corridor by improving the ground floor retail frontage of the building.

## C. Providing Access to Good Jobs

CVS also looks forward to being a strong source of good jobs in the community. CVS wages and benefits programs are developed specifically for each individual location and are very competitive, taking into account area wages of direct competitors, union wage salaries, and other geographical market factors.

CVS is committed to filling its new positions with local hires. CVS will work to identify former employees of the Walgreens at this site and invite them to apply for the new positions if they have not found a new job yet. CVS will also work with the Mayor's Office of Economic and Workforce development to identify qualified local candidates and will post signs at the Property advertising the available positions.

## D. Conclusion

The Project requires conditional use authorization for a formula retail use. It provides substantial benefits to the City by renovating, occupying and reactivating a retail space along the Haight Street commercial corridor. It will reestablish the only pharmacy serving the residents of the Lower Haight neighborhood, providing them with a convenient location for their pharmacy and convenience item needs. It will also generate foot traffic that will benefit nearby businesses something several business owners have communicated to us is extremely important to them. Planning staff is recommending approval of the requested authorization. The neighborhood is very supportive and anxious for the store to open as quickly as possible. For all of these reasons and those listed in the application, we respectfully request this Commission grant this conditional use authorization for this Project.


Mr. Rodney Fong
July 25, 2012
Page 4
cc: Vice President Cindy Wu
Commissioner Michael Antonini
Commissioner Gwen Borden
Commissioner Rich Hillis
Commissioner Kathrin Moore
Commissioner Hisashi Sugaya
John Rahaim - Planning Director
Scott Sanchez - Zoning Administrator
Linda Avery - Commission Secretary
William McDermott - Armstrong Development Properties, Inc.


HAIGHT STREET


FILLMORE STREET


HAIGHT STREET (OPPOSITE SIDE)


49I-499 HAIGHT STREET SF, CA 941I7


(3) $\frac{\text { Provect }}{\text { N.T.S. }}$ DIRECTORY

(7) $\frac{\text { propect }}{\text { NT: }}$ Location

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(2) SCOPE

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| zoning: | NC. 2 | NC.2 |



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D.A. CHECKLIST (p. 1 of 2)

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> (10) PROUECT SYMBOLS

D.A. CHECKLIST ( (.) 2 of 2):



(3) ELEVATOR CONTROL PANEL

(2) $\frac{\text { INSTALLATION HEIGHTS ABOVE CAB FLOOR }}{\text { N.T.S. }}$



1. ELEVATOR ENTRANCE

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(15) 2 N.T.SRE-APP MEETING NOTES

MICHAEL HARRIS ARCHITECTURE

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NOTE THE NUMBERS INTHIS TABLE ARE
SUBEEQUENT TO THOSE IN PRRMIT 201.04.17. 8530

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