



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Downtown Project Authorization and Request for Exceptions

HEARING DATE: NOVEMBER 13, 2014

Date: November 6, 2014
Case No.: **2014.0103XV**
Project Address: **690 MARKET STREET**
Zoning: C-3-O (Downtown – Office) Zoning District
285-S Height and Bulk District
Block/Lot: 0311/016 – 119 (104 lots)
Project Sponsor: G. Scott Emblidge, Moscone Emblidge Sater & Otis LLP
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Staff Contact: Kanishka Burns – (415) 575-9112
kanishka.burns@sfgov.org
Recommendation: **Approval with Conditions**

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PROJECT DESCRIPTION

The Project Sponsor proposes to convert 24 timeshare hotel units, in an existing 24 story mixed-used building, into dwelling units. The proposal would result in the existing building going from 44 hotel rooms and 57 dwelling units to 20 hotel rooms and 81 dwelling units. The proposal includes the installation of 81 Class 1 bicycle parking spaces and four Class 2 bicycle parking spaces in the basement level parking garage. No exterior alterations are proposed. The conversion from hotel units to dwelling units requires an exception pursuant to Planning Code Section 309 and two Variances. The 309 exception is for a reduction in Rear Yard requirements and the Variances are for residential open space and dwelling unit exposure for one dwelling unit.

The existing building and uses were reviewed and entitled under Case Number 2004.0584EKXCMTZLU. On March 18, 2004 Planning Commission Motion Number 16747 entitled the following project scopes:

- seismic upgrade of an existing 16-story building,
- restoration of the building's character-defining historic facades,
- construction of a new addition that included horizontal expansion of floors 13 through 16 and an eight story vertical addition,
- convert the existing office use to a mix of 106 residential condominiums and timeshare hotel units,
- provide 11 off-site Below Market Rate units at 938-942 Market Street,
- provide 6,200 square feet of newly configured ground floor retail space; and,
- create a two-level below grade parking garage that would support a maximum of 29 independently accessible parking stalls or up to 100 valet parked spaces.

Motion Number 16748 granted Conditional Use authorization for the creation of a new hotel in the C-3-O Zoning District on March 18, 2004. The original project was facilitated by the creation of a Downtown Housing Demonstration SUD approved through Motion Number 16750 on March 18, 2004. The SUD exempted residential uses from Floor Area Ratio (FAR) restrictions and maximum dwelling unit densities, allowed the Commission to grant exceptions to residential and commercial open space requirements and dwelling unit exposure requirements for new residential uses through the Section 309 process and increased the maximum height and bulk allowed on the Project Site from 250-S to 285-S and required that residential uses be subject to the Inclusionary Affordable Housing Requirements. The Downtown Housing Demonstration SUD was repealed on April 7, 2011. The structural work on the project was completed in 2008, when the SUD was still in effect.

PURPOSELY LEFT BLANK SPACE

Table 1: Project Comparison

	Original 2004 Project	Existing (Built)	Revised Proposed Project	Total (Existing + Revised Project)
Residential	40 to 64 units (number of units dependent on unit scenario mix)	57 units	24 units (38,535 gsf conversion from hotel to residential w/ interior construction work only)	81 units
Hotel/Timeshare	49 to 73 units (number of units dependent on unit scenario mix)	44 units	-24 units (existing hotel to be converted to residential)	20 units
Total Unit Count	113	101	0 (change of use)	101
Retail¹	6,875 gsf	6,200 gsf	No change	6,200 gsf
Vehicle Parking	29 parking spaces that would accommodate 100 vehicles with valet & lifts (30,360 gsf)	36 spaces that accommodate 85 vehicles with valet & lifts	No change	36 spaces that accommodate 85 vehicles with valet & lifts
Bicycle Parking	8	8	77	85 ²
Restoration	Completed in 2008			
Height	24 stories (312 ft tall)	24 stories (314 ft tall)	No change	314 ft
Zoning District	Downtown Housing SUD (DH-SUD)	C-3-O	No change	NA

The original Floor Area Ratio (FAR) was approximately 19.68 where the underlying zoning permitted a 9 to 1 FAR. With the exclusion of residential floor area, as permitted with the new SUD, the project's FAR met the Planning Code. Motion No. 16747 granted the following exceptions pursuant to Section 309:

- Rear Yard (Section 134)
- Residential Open Space (Section 135)
- Publicly Accessible Open Space (Section 138)
- Dwelling Unit Exposure (Section 140)

¹ The retail space was sold by the building owner in 2009 and consists of a Sprint store and 7-11.

² The bike parking requirement is triggered by the addition of dwelling units to an existing building where off-street vehicle parking exists (155.2(a)(2); therefore, rule 155.2(b)(3) applies.

- Sunlight Access to Public Sidewalks in C-3 Districts (Section 146)
- Reduction of Ground Level Wind Currents (Section 148)
- Independently Accessible Parking Spaces (Section 151)
- Upper Tower Extension (Section 263.9)

The proposed conversion of 24 hotel units into dwelling units requires an additional Section 309 exception to the Rear Yard requirements. As the Downtown Housing Demonstration SUD is no longer in place, exceptions to required Dwelling Unit Exposures and Residential Open Space require a Variance from the Planning Code.

SITE DESCRIPTION AND PRESENT USE

The Project Site is an existing 24 story, approximately 314 foot tall, 202,935 gross square foot hotel and residential building, located at the north side of Market Street at the intersection of Geary Street and Kearny Street. The lot is an irregular shaped corner lot measuring 11,058 square feet with three street facades, bounded by Market Street for 84 feet, Geary Street for 58 feet and Kearny Street for 112 feet. The property is in the C-3-O (Downtown Office) District and 285-S Height and Bulk District. The building includes one basement level of parking which is connected with the basement level parking at the adjacent 88 Kearny Street and 660 Market Street buildings. The Project Site contains up to 36 parking spaces that can accommodate 85 vehicles with valet service and lifts. The ground floor includes approximately 6,200 gross square feet of retail space with entrances on Geary Street and Kearny Street and a residential lobby with entrance on Market Street. The building contains 44 hotel units and 57 dwelling units.

Historically known as the Chronicle Building, the first part of the structure was built in 1890. An addition was commissioned in 1905 however, near completion, the 1906 earthquake struck causing significant damage to both the existing structure and the incomplete addition. The entire building was repaired and completed in 1908. The building was remodeled in 1962-1963; the remodel included the installation of a corporate-modern steel and glass curtain wall that was designed to hide the original 1890 and 1908 exteriors. In the course of installing the new veneer, some original façade features were removed. Construction approved under Case No. 2004.0854EKXCMTZLU included restoration of the original façade that was below the 1960's façade as well as vertical expansion of the building. The restoration work and building expansion was completed in accordance with the *Secretary of Interior Standards* in 2008. On November 14, 2008, the Board of Supervisors signed an ordinance designating 690 Market Street as a historical resource under CEQA under Planning Code Article 11.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the heart of the Financial District. The immediately adjacent building to the east on Market Street is a five-story mixed use building consisting of ground floor retail uses and office uses above. The structure is also a historic resource under CEQA under Planning Code Article 11. To the rear of the Project Site and immediate adjacent to the north on Kearny Street is a six story mixed-use building also consisting of ground floor retail with office uses above. The subject block is zoned C-3-O with C-3-R and C-3-O(SD) Zoning Districts abutting.

Planning Code Section 210.3 characterizes the Zoning District as a having a leading national role in finance, corporate headquarters and service industries. It serves as the employment center for the region, consisting of high-quality office development. The building and development intensity is the greatest in the City, “resulting in a notable skyline symbolizing the area’s strength and vitality.” The district is served by the City and regional transit reaching its central portions and automobile parking at peripheral locations. Office development is supported by some related retail and service uses within the area.

ENVIRONMENTAL REVIEW

On March 18, 2004, the Commission held a duly noticed and advertised public hearing and adopted a determination of compliance under the California Environmental Quality Act, as described in a revised Final Mitigated Negative Declaration (FMND) dated February 11, 2004, in connection with a proposal to restore the historic façade, seismically upgrade the structural system and construct an eight-story vertical addition to an existing 16-story commercial and change the existing office use to residential and time-share hotel units at 690 Market Street. In Motion No. 16745, the Planning Commission found that the proposed project would not result in any significant impacts not identified in the FMND nor cause significant effects identified in the FMND to be substantially more severe.

On October 29, 2014, the Planning Department reviewed and considered an Addendum to the FMND for a modified project and found that the contents of said report and the procedures through which the Addendum was prepared, publicized and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the “CEQA Guidelines”) and Chapter 31 of the San Francisco Administrative Code (Chapter 31’): and

The Planning Department/Planning Commission found the FMND and Addendum were adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission and approved the Addendum for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31. The Addendum to Mitigated Negative Declaration can be found in Exhibit C.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	10 days	November 3, 2014	October 24, 2014	20 days
Posted Notice	10 days	November 3, 2014	October 24, 2014	20 days
Mailed Notice	10 days	November 3, 2014	October 31, 2014	14 days

PUBLIC COMMENT

As of November 6, 2014 the Department has received no correspondence regarding the proposed project.

ISSUES AND OTHER CONSIDERATIONS

- Past Entitlements: The Planning Commission previously approved the existing project site through Case No. 2004.0584EKXCMTZLU subject to conditions stipulated in Motion Nos. 16745, 16746, 16747, 16748, 16749 and 16750 on March 18, 2004. The proposal was to: 1) rezone the Height and Bulk District from 250-S to 285-S; 2) create the Downtown Housing Demonstration SUD at the Project Site; 3) permit an eight-story vertical addition, historic façade rehabilitation and restoration, convert the existing office building to a mixed-use building with approximately 64 dwelling units, 73 timeshare hotel units, 6,200 square feet of ground floor retail and a two level subgrade parking garage with 29 independently accessible parking spaces and two loading spaces. The previous project also included the conditional designation of the Project Site as Landmark No. 243 and conditional approval of a Mills Act Contract. Rather than being designated a Landmark, 690 Market Street was designated as a historical resource under CEQA under Planning Code Article 11.
- Downtown Housing Demonstration SUD: The SUD exempted residential uses from Floor Area Ratio and maximum dwelling unit densities. It also allowed the Commission to grant exceptions to residential and commercial open space requirements and dwelling unit exposure requirements for new residential uses through the Section 309 process. The SUD was further aligned with the new Height and Bulk designation of 285-S and required residential uses be subject to the Inclusionary Housing Requirements.
- Floor Area Ratio (FAR): The previous project approval was contingent upon the enactment of the SUD, which allowed the project to exempt residential uses from FAR calculations. This allowed the project to exceed the base FAR of 9.0 to 1.0 without the purchase of TDR. The SUD was repealed in 2011 and the base FAR of 9.0 to 1.0 stands. The Project now proposes no changes to FAR but is currently at an FAR of 17.8 to 1.0.
- Downtown Project Authorization Exceptions: As part of the Downtown Project Authorization (DPA), the Commission may grant exceptions from certain Planning Code requirements for projects that exhibit outstanding overall design and are complementary to the design and values of the surrounding area. The proposed project requests an exception from the requirements for rear yard (Planning Code Section 134). Department staff is generally in agreement with the proposed modifications given the overall project benefits of providing additional dwelling units without altering the existing historic structure and nearby Landmarks.
- Variances: In addition to the exceptions granted by the Planning Commission, the proposed project is seeking variances from the Zoning Administrator from the following requirements: 1) open space (Planning Code Section 135), and dwelling units exposure (Planning Code Section 140).
- Affordable Housing Fee: The Project Sponsor has elected the affordable housing fee, identified in Planning Code Section 415.5. Per Planning Code Section 415.5(b)(1), the amount of the fee shall be based upon the number of units equivalent to the applicable off-site percent of the number of units in the project, which is 20 percent of the total number of units. The Project includes 24 dwelling units (10 one-bedroom units, 12 two-bedroom units and two three-bedroom units); therefore, the Project is required to pay the affordable housing fee for five units. The fee will be calculated and collected by the Mayor's Office of Housing pursuant to Conditions of Approval numbers 22 and 23.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant a Downtown Project Authorization pursuant to Planning Code Section 309 to allow the conversion of 24 timeshare hotel units to dwelling units, and to allow modifications to the requirements for rear yard (Planning Code Section 134).

BASIS FOR RECOMMENDATION

The Department believes this project is approvable for the following reasons:

- The Project is consistent with the objectives and policies of the General Plan.
- The Project is located in a zoning district where residential is principally permitted and will increase dwelling unit density.
- The Project complies with the First Source Hiring Program.
- The Project adds up to 24 new dwelling units to the City's housing stock by converting unused commercial hotel space into much needed housing.
- The Project shall pay the appropriate Affordable Housing Fees.
- The Project will provide housing without altering a historically significant building or making any exterior alterations.

RECOMMENDATION: Approval with Conditions
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Attachments:

Draft Motion-Downtown Project Authorization

Exhibit A – Conditions of Approval

Exhibit B – Parcel Map

Sanborn Map

Aerial Photograph

Zoning Map

Architectural Drawings

Exhibit C – Addendum to 2004 FMND

Exhibit D – Affidavit for Compliance with the Inclusionary Affordable Housing Program

Affidavit for First Source Hiring Program Administrative Code Chapter 83

Attachment Checklist

- | | |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project Sponsor Submittal |
| <input checked="" type="checkbox"/> Draft Motion | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Environmental Determination | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u> |
| <input checked="" type="checkbox"/> Height & Bulk Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Parcel Map | <input type="checkbox"/> Health Dept. Review of RF levels |
| <input checked="" type="checkbox"/> Sanborn Map | <input type="checkbox"/> RF Report |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> Community Meeting Notice |
| <input checked="" type="checkbox"/> Context Photos | <input checked="" type="checkbox"/> Inclusionary Affordable Housing Program:
Affidavit for Compliance |
| <input checked="" type="checkbox"/> Site Photos | |

Exhibits above marked with an "X" are included in this packet

_____ KB
Planner's Initials

KB: G:\Documents\Cases\2013.1601VX - 690 Market Street\2013.1601XV - Exec Summary.doc



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Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other (Street Trees Sec. 428)

Planning Commission Draft Motion

HEARING DATE: NOVEMBER 13, 2014

Date: November 6, 2014
Case No.: **2014.0103XV**
Project Address: **690 MARKET STREET**
Zoning: C-3-O (Downtown – Office) Zoning District
 285-S Height and Bulk District
Block/Lot: 0311/016 – 119 (104 lots)
Project Sponsor: G. Scott Emblidge, Moscone Emblidge Sater & Otis, LLP
 220 Montgomery Street, Suite 2100
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Staff Contact: Kanishka Burns – (415) 575-9112
kanishka.burns@sfgov.org

ADOPTING FINDINGS RELATING TO A DOWNTOWN PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 309, TO ALLOW AN EXCEPTION TO REAR YARD REQUIREMENTS PURSUANT TO PLANNING CODE SECTION 134. THE PROPOSED PROJECT IS TO AMEND CONDITIONS OF APPROVAL OF A PREVIOUSLY-APPROVED PROJECT THAT CHANGED THE USE FROM OFFICE TO 106 RESIDENTIAL AND TIMESHARE HOTEL UNITS (CASE NO. 2004.0584EKXCMTZLU) TO CONVERT 24 TIMESHARE HOTEL UNITS INTO DWELLING UNITS WITHIN THE EXISTING BUILDING. THE PROJECT SITE IS LOCATED WITHIN THE C-3-O (DOWNTOWN OFFICE) ZONING DISTRICT AND 285-S HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On March 18, 2004, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Application No. 2004.0584EKXCMTZLU and approved 2004.0584EKXCMTZLU subject to conditions stipulated in Motion Nos. 16745, 16746, 16747, 16748, 16749 and 16750. The proposal was to: 1) amend Map 5 of the Downtown Area Plan of the General Plan to change the height and bulk district of the existing site; 2) amend the Planning Code to add Section 249.25 that would establish the

Downtown Housing Demonstration Special Use District (“SUD”) encompassing and comprising the property called 690 Market Street, Assessor’s Block 311, Lot 006 (at the time); 3) amend Zoning Maps 1, 1H and 1SU of the Planning Code to implement the SUD; 4) permit an eight-story vertical addition, historic façade rehabilitation and restoration, and conversion of an existing office building to a mixed-use project for up to approximately 64 dwelling units, up to approximately 73 timeshare hotel, approximately 6,200 square feet of ground level retail space, and a sub-grade parking garage with 29 independently-accessible parking spaces and two loading spaces (with the capability of accommodating up to 100 vehicles through the use of valet services and stacking devices)(collectively, the “Previous Project”); 5) conditional designation of the completed Previous Project as San Francisco Landmark No. 243¹; and 6) conditional approval of a Mills Act Contract; all for Project Site, in the C-3-O (Downtown Office) Zoning District and 250-S Height and Bulk District.

Motion Number 16745 for Case No. 2004.0584E² adopted findings related to a determination of compliance under CEQA in a revised Final Mitigated Negative Declaration dated February 11, 2004.

Motion Number 16746 for Case No. 2004.0584K determined the net new shadow impact from the proposed rehabilitation and expansion of 690 Market Street will not be adverse.

Motion Number 16749 for Case No. 2004.0584M added a new Planning Code Section 249.25 creating a new “Downtown Housing Demonstration Special Use District” (“the SUD”) which exempted residential uses from Floor Area Ratio restrictions and maximum dwelling unit densities, allowed the Commission to grant exceptions to residential and commercial open space requirements and dwelling unit exposure requirements for new residential uses through the Section 309 process, increased the maximum height and bulk allowed from 250-S to 285-S and required that residential uses be subject to the Inclusionary Affordable Housing Requirements.

Motion Number 16750 for Case No. 2004.0584TZ approved Planning Code text amendments to add Section 249.25, the SUD and amendments to Planning Code Zoning Maps 1H and 1SU that changed the Height and Bulk District from 250-S to 285 S for the Project Site and SUD.

Motion Number 16747 for Case No. 2004.0584X authorized a Determination of Compliance under Section 309 of the Planning Code, conditional upon final adoption by the San Francisco Board of Supervisors of the SUD. Exceptions were granted for Section 132.1 separation of towers in C-3 Districts, Section 134 rear yard set-backs, Section 135 residential open space requirements, Section 138 publicly-accessible open space requirements, Section 140 dwelling unit exposure, Section 146 sunlight on public sidewalks for Kearny Street, Section 148 ground-level wind currents, Section 151 independently-accessible parking and Section 263.9 upper tower extensions.

¹ The conditional Landmark designation was not finally approved and the building was categorized as an Article 11 Category II building.

² Motion Nos. 16745 and 16746 cite Case No. 2003.0584 and Motion Nos. 16749 and 16750 cite Case No. 2004.0584. The Planning Department believes this was a typographical error as the project description, hearing date and approvals are consistent. The previous project will be referred to in this document as Case No. 2004.0584.

On April 20, 2004, the San Francisco Board of Supervisors passed Board File Number 040147, an ordinance amending the General Plan and Planning Code to create the SUD. The Ordinance was signed into law by then-Mayor Gavin Newsom on April 22, 2004. Construction of the project was completed in 2008.

On April 5, 2011, the San Francisco Board of Supervisors finally passed Board File Number 101053, an ordinance that, among other Planning Code amendments, repealed the Downtown Housing Demonstration SUD. The Ordinance was signed into law by Mayor Ed Lee on April 7, 2011.

On January 28, 2014, Scott Emblidge of Moscone Emblidge Sater & Otis, LLP (“Project Sponsor”), filed Application No. 2013.1601EXV (hereinafter “Application”) with the Planning Department for a Downtown Project Authorization with exception to the rear yard requirement to convert 24 existing timeshare hotel units into dwelling units within an existing 24-story hotel and residential building at 690 Market Street (Block 0311, lots 016-119) in San Francisco, California. A variance from Planning Code Sections 135 for usable open space and 140 for dwelling unit exposure are also required.

On October 29, 2014, the Planning Department reviewed and considered an Addendum to the FMND for a modified project and found that the contents of said report and the procedures, through which the Addendum was prepared, publicized and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), Title 14 California Code of Regulations Sections 15000 et seq. (the “CEQA Guidelines”) and Chapter 31 of the San Francisco Administrative Code (Chapter 31’): and

The Planning Department/Planning Commission found the FMND and Addendum were adequate, accurate and objective, reflected the independent analysis and judgment of the Department of City Planning and the Planning Commission and approved the Addendum for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31. The Addendum to Mitigated Negative Declaration can be found in Exhibit C.

The Planning Department, Jonas O. Ionin, is the custodian of records, located in the File for Case No. 2013.1601EXV at 1650 Mission Street, 4th Floor, San Francisco, California.

On November 13, 2014, the Planning Commission (“Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Downtown Project Authorization Application No. 2013.1601X.

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 Downtown Project Authorization with exceptions requested in Application No. 2013.1601X, 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 an existing 24-story, approximately 314 foot tall, 202,935 gross square foot (gsf) hotel and residential building, located at the north side of Market Street at the intersection of Geary Street and Kearny Street. The lot is an irregular shaped corner lot measuring 11,058 square feet with three street facades, bounded by Market Street for 84 feet, Geary Street for 58 feet and Kearny Street for 112 feet. The property is in the C-3-O (Downtown Office) Zoning District and 285-S Height and Bulk District. The building includes one basement level of parking, which is connected with the basement level parking at the adjacent 88 Kearny Street and 660 Market Street buildings. The Project Site contains up to 36 parking spaces that can accommodate 85 vehicles with valet service and lifts. The ground floor includes approximately 6,200 gross square feet of retail space with entrances on Geary Street and Kearny Street and a residential lobby with entrance on Market Street. The building contains 44 hotel units³ and 57 dwelling units.

Historically known as the Chronicle Building, the first part of the structure was built in 1890. An addition was commissioned in 1905 however, near completion, the 1906 earthquake struck causing significant damage to both the existing structure and the incomplete addition. The entire building was repaired and completed in 1908. The building was remodeled in 1962-1963; the remodel included the installation of a corporate-modern steel and glass curtain wall that was designed to hide the original 1890 and 1908 exteriors. In the course of installing the new veneer, some original façade features were removed. Construction approved under Case No. 2004.0584EKXCMTZLU included restoration of the original façade that was below the 1960's façade as well as vertical expansion of the building. The restoration work and building expansion was completed in accordance with the *Secretary of Interior Standards* in 2008. On November 14, 2008, the Board of Supervisors signed an ordinance designating 690 Market Street as a historical resource under CEQA under Planning Code Article 11.

3. **Surrounding Properties and Neighborhood.** The project site is located in the heart of the Financial District. The immediately adjacent building to the east on Market Street is a five-story mixed use building consisting of ground floor retail uses and office uses above. The structure is also a historic resource under CEQA under Planning Code Article 11. To the rear of the Project Site and immediate adjacent to the north on Kearny Street is a six story mixed-use building also consisting of ground floor retail with office uses above. The subject block is zoned C-3-O with C-3-R and C-3-O (SD) Zoning Districts abutting.

³ The hotel units are time-share or fractional ownership units. They each have 12 partial owners.

Planning Code Section 210.3 characterizes the Zoning District as a having a leading national role in finance, corporate headquarters and service industries. It serves as the employment center for the region, consisting of high-quality office development. The building and development intensity is the greatest in the City, "resulting in a notable skyline symbolizing the area's strength and vitality." The district is served by the City and regional transit reaching its central portions and automobile parking at peripheral locations. Office development is supported by some related retail and service uses within the area.

4. **Project Description.** The Project Sponsor proposes to convert 24 timeshare hotel units, in an existing 24-story hotel and residential building, into dwelling units. The proposal would result in the existing building going from 44 hotel rooms and 57 dwelling units to 20 hotel rooms and 81 dwelling units. The proposal includes the installation of 73 Class 1 bicycle parking spaces and four Class 2 bicycle parking spaces in the basement level parking garage. No exterior alterations are proposed. The conversion from hotel units to dwelling units requires an exception pursuant to Planning Code Section 309 and two Variances. The 309 exception is for a reduction in Rear Yard requirements and the Variances are for residential open space for all new units and dwelling unit exposure for one dwelling unit.

The existing building and uses were reviewed and entitled under Case Number 2004.0584EKXCMTZLU. On March 18, 2004 Planning Commission Motion Number 16747 entitled the following project scopes:

- seismic upgrade of an existing 16-story building,
- restoration of the building's character-defining historic facades,
- construction of a new addition that included horizontal expansion of floors 13 through 16 and an eight story vertical addition,
- convert the existing office use to a mix of 106 residential condominiums and timeshare hotel units,
- provide 11 off-site Below Market Rate units at 938-942 Market Street,
- provide 6,200 square feet of newly configured ground floor retail space; and,
- create a two-level below grade parking garage that would support a maximum of 29 independently accessible parking stalls or up to 100 valet parked spaces.

Motion Number 16748 granted Conditional Use authorization for the creation of a new hotel in the C-3-O Zoning District on March 18, 2004. The original project was facilitated by the creation of a Downtown Housing Demonstration SUD approved through Motion Number 16750 on March 18, 2004. The SUD exempted residential uses from Floor Area Ratio (FAR) restrictions and maximum dwelling unit densities, allowed the Commission to grant exceptions to residential and commercial open space requirements and dwelling unit exposure requirements for new residential uses through the Section 309 process and increased the maximum height and bulk allowed on the Project Site from 250-S to 285-S and required that residential uses be subject to the Inclusionary Affordable Housing Requirements. The Downtown Housing Demonstration SUD was repealed on April 7, 2011. The structural work on the project was completed in 2008, when the SUD was still in effect.

Table 1: Project Comparison

	Original 2004 Project	Existing (Built 2008)	Revised Proposed Project	Total (Existing + Revised Project)
Residential	40 to 64 units (number of units dependent on unit scenario mix)	57 units	24 units (38,535 conversion from hotel to residential w/ interior construction work only)	81 units
Hotel	49 to 73 units (number of units dependent on unit scenario mix)	44 units	-24 units (existing hotel to be converted to residential)	20 units
Total Unit Count	113	101	0 (change of use)	101
Retail⁴	6,875 gsf	6,200 gsf	No change	6,200 gsf
Vehicle Parking	29 parking spaces that would accommodate 100 vehicles with valet & lifts (30,360 gsf)	36 spaces that accommodate 85 vehicles with valet & lifts	No change	36 spaces that accommodate 85 vehicles with valet & lifts
Bicycle Parking	8	8	77	85 ⁵
Restoration	Completed in 2008			
Height	24 stories (312 ft tall)	24 stories (314 ft tall)	No change	314 ft
Zoning District	Downtown Housing SUD (DH-SUD)	C-3-O	No change	NA

The original Floor Area Ratio (FAR) was approximately 19.68 where the underlying zoning permitted a 9 to 1 FAR. With the exclusion of residential floor area, as permitted with the new SUD, the project's FAR met the Planning Code. Motion No. 16747 granted the following exceptions pursuant to Section 309:

⁴ The retail space was sold by the building owner in 2009 and consists of a Sprint store and 7-11.

⁵ The bike parking requirement is triggered by the addition of dwelling units to an existing building where off-street vehicle parking exists (155.2(a)(2); therefore, rule 155.2(b)(3) applies.

- Rear Yard (Section 134)
- Residential Open Space (Section 135)
- Publicly Accessible Open Space (Section 138)
- Dwelling Unit Exposure (Section 140)
- Sunlight Access to Public Sidewalks in C-3 Districts (Section 146)
- Reduction of Ground Level Wind Currents (Section 148)
- Independently Accessible Parking Spaces (Section 151)
- Upper Tower Extension (Section 263.9)

The proposed conversion of 24 hotel units into dwelling units requires an additional Section 309 exception to the Rear Yard requirements. As the Downtown Housing Demonstration SUD is no longer in place, exceptions to required Dwelling Unit Exposures and Residential Open Space require a Variance from the Planning Code.

5. **Public Comment.** As of November 6, 2014, the Department has received no public comments regarding the proposal.
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. **Floor Area Ratio (Section 124).** The floor area ratio (FAR) limit as defined by Planning Code Section 124 for the Downtown Office Zoning District is 9.0 to 1. The Downtown Housing Demonstration SUD, which facilitated the previous project, allowed dwellings and other residential uses to be exempt from the floor area ratio limits of Section 124. The SUD has since been repealed and the FAR of 9.0 to 1 is in effect.

The previous project included approximately 202,935 gross square feet of residential, hotel, mechanical, parking and accessory spaces consisting of retail, lobbies, meeting rooms and hotel accessory spaces. Planning Code Section 102.9 allows the mechanical spaces to be exempt from FAR calculations in the C-3 Zoning Districts. Under the previous SUD, the 99,585 gsf of residential use and 6,170 gsf of mechanical space would be exempt resulting in a gross floor area of 97,180 on an 11,058 sf lot, thereby yielding a FAR of 8.8 to 1.0, within the 9.0 to 1 permitted FAR. The Project now proposes to convert 38,565 sf of hotel use to residential use. The SUD was repealed in 2011; therefore, residential space is no longer exempt from FAR. The Project today has 196,765 gsf (exempting 6,170 gsf of mechanical space) on an 11,058 sf lot yielding an FAR of 17.8 to 1.0, well above the permitted FAR of 9.0 to 1.0. No changes to FAR are proposed with the Project, nor has the FAR changed since the original project approvals in 2004. The repealing of the SUD has simply removed exemptions from FAR resulting in a new FAR. The Project has an existing noncompliant FAR.

- B. **Rear Yard (Section 134).** Planning Code Section 134 requires that a project's minimum rear yard depth be equal to 25 percent of the total lot depth of the lot on which the building is situated at all residential levels. Pursuant to Planning Code Sections 309(a)(1) and 134(d), an exception to the rear yard requirement is permitted in the C-3 Districts, provided that the

building location and configuration assure adequate light and air to windows within the residential units and to the usable open space provided.

The existing building is a historic structure with 100% lot coverage. Complying with Section 134 rear yard requirements would require demolishing approximately one quarter of the Article 11 Significant building. Motion No. 16747 granted a rear yard exemption for dwelling units located on floors 11-24 (there is no 13th floor) based on the dwelling units being guaranteed access to light and air in perpetuity through the purchase of air and light easements above the surrounding properties. The current Project proposes to convert timeshare hotel units on floors 2, 5, 6, 7 and 9 into dwelling units. As the previous project approvals did not consider residential uses on these floors, a new rear yard exemption is required to create new dwelling units without a code compliant rear yard. As such, the Project is seeking an exception from the rear yard requirements of Planning Code Section 134 for the conversion of 24 hotel units into dwelling units.

- C. **Residential Open Space (Section 135).** Planning Code Section 135 requires 36 sf of private open space per dwelling unit or 48 sf of common open space per dwelling unit.

The previous project approved 57 dwelling units which required 2,052 sf of private usable open space or 2,736 sf of common usable open space. The project was approved with three private terraces (290 sf and 295 sf on the 21st floor and 615 sf on the 22nd floor) and 1,710 sf of common usable open space via a view terrace on the 12th floor. The Downtown Housing Demonstration SUD in effect at the time allowed the Commission to grant exceptions to the open space requirements of Section 135 through the Downtown Project Authorization process. The Commission found that providing the additional common usable open space required would result in practical difficult and unnecessary hardship because there was no clear design solution without damaging the historic fabric of the building, increasing the height of the proposed 100' addition or detracting from the quality of the overall building design. Page 9 of Motion No. 16747 discusses design alternatives in great detail.

The Project today proposes to add 24 dwelling units, which requires an additional 864 sf of private open space or 1,152 sf of common open space. No additional open space is being provided. Of the existing 57 dwelling units, five have private decks and the remaining 52 units share the 1,170 sf terrace. As the SUD has been repealed, the Project is seeking a Variance from the open space requirements of Planning Code Section 135.

- D. **Public Open Space (Section 138).** New buildings in the C-3-O Zoning District must provide public open space at a ratio of one square foot per 50 gross square feet of all uses, except residential uses, institutional uses and uses in a predominantly retail/personal services building.

The previous approval Motion No. 16747 discusses the Planning Code requirement to provide approximately 582 sf of publicly accessible open space pursuant to Planning Code Section 138 for the net addition of 29,089 gsf of non-residential space. The previous project was granted an exception from the publicly accessible open space requirement through the Downtown Project Authorization process under a provision of the SUD. The Project currently provides no publicly accessible open space. The proposed conversion of timeshare hotel units to dwelling units decreases the amount of non-residential

space from 84,840 gsf to 46,275 gsf. As the proposal is not an addition of gross floor area, no additional provision of public open space is required.

- E. **Street Trees (Section 138.1).** Planning Code Section 138.1 requires one new street tree for every 20 feet of street frontage for projects proposing the addition of dwelling units.

The Project includes the addition of 24 dwelling units through conversion from hotel units. The Project Site has approximately 84 feet of street frontage on Market Street, 58 feet of street frontage along Geary Street and 112 feet of street frontage along Kearny Street for a total of 254 feet of street frontage. The Project requires 13 street trees and has no existing street trees, therefore 13 new street trees are required.

The Department of Public Works, Urban Forestry Division determined that none of the required 13 street trees could be approved at the Project Site. Kearny Street is not suitable due to the bus zone running along the frontage and Market and Geary Streets are not suitable due to the existing sub-sidewalk basement. The Project will pay the in-lieu fee, currently \$1,809, per required street tree that they are unable to plant. Therefore, the Project complies with Planning Code Section 138.1.

- F. **Dwelling Unit Exposure.** Planning Code Section 140 requires that at least one room of all dwelling units face onto a public street, public alley or side yard at least 25 feet in width, rear yard, which meets the requirements of the Planning Code, or an inner courtyard that is 25 feet in every horizontal dimension for the floor at which the dwelling unit in question is located and the floor immediately above it, with an increase in five feet in every horizontal dimension at each subsequent floor.

Under the previous project, between six and ten dwelling units did not meet the exposure requirements of the Planning Code because their windows opened onto air space located above the two adjoining properties to the northeast of the Project Site. Under the SUD, the Planning Commission was able to grant exceptions to Section 140 requirements through the Downtown Project Authorization process. An exception to Section 140 was granted in Motion No. 16747 for up to 11 dwelling units because the Commission found that the acquisition of permanent air and light easements above each of the adjoining properties satisfied the intent of Section 140. Strict application of Section 140 would require providing a 25 foot rear yard at the 11th floor with subsequent 5 foot increases at each level resulting in the elimination of some dwelling units.

The Project today proposes to convert 24 hotel timeshare units at floors 2, 5, 6, 7 and 9 into dwelling units. The units are designed to each have windows facing onto Market Street, Geary Street or Kearny Street, with the exception of unit 905 which is located at the northeast corner of the Project Site and faces the adjacent airspace. Unit 905 does not meet the exposure requirements of the Planning Code and requires a Variance, as the SUD is no longer in effect.

- G. **Off-Street Parking.** Planning Section 151.1 does not require off-street parking for the project, but it allows 0.25 spaces per dwelling unit as of right. Hotel uses may provide up to 1 off-street parking space for each 16 guest bedrooms. All off-street parking for non-residential uses may not exceed 7% of the gross floor area for non-residential uses.

The Project is allowed to have a maximum of 21 off-street parking spaces for the proposed 81 dwelling units and 20 hotel rooms. The non-residential gross floor area of 46,275 gsf can provide up to 3,239 gsf of non-residential off-street parking. Currently, the Project provides 36 off-street parking spaces that can accommodate up to 85 vehicles via mechanical lifts in 7,830 gsf of parking space. No vehicles are individually parked and the off-street parking is shared with the adjacent building garage at 660 Market Street. The existing parking will remain with the proposed Project.

The previous project proposed to connect the existing garage underneath 88 Kearny Street with a new, two-level basement garage underneath 690 Market Street and manage the two properties as a single, shared garage. It was anticipated that the 29 independently accessible parking spaces under 690 Market could accommodate approximately 100 vehicles, but that the proposed garage would operate more like a vehicle storage facility than a conventional parking garage. As the primary use was timeshare hotel located in a transit rich area, it was thought that guests would not be dependent on their vehicles after they arrived. In Motion No. 16747, the Commission granted an exception from Section 151 requirements that nine to 14 required parking spaces be independently accessible because the required parking was being provided through valet and mechanical lifts.

The two level parking was determined to be infeasible due to interference with BART's underground facilities. The plan was modified to provide 36 independently accessible spaces contained in a single-level garage under 690 Market Street and 660 Market Street with access to 88 Kearny Street. Currently, the shared garage between 690 and 660 Market Street can accommodate 85 vehicles with valet service.

- H. **Loading (Section 152.1).** Section 152.1 establishes minimum requirements for off-street loading. In C-3 Districts, the loading requirement is based on the total gross square floor area of the structure or use. Residential and hotel uses between 100,001 and 200,000 square feet are required to provide one off-street loading spaces. Retail uses less than 10,000 square feet are not required to provide any loading spaces.

The Project would result in 169,720 gsf of residential and hotel use and 6,200 gsf of retail use. Therefore, one off-street loading space is required. The Project Site currently has access to one dedicated off-street loading space in the 88 Kearny Street parking garage, meeting the Planning Code requirement. Access to the loading area is from the entrance/exit ramp from Post Street. The shared parking facility meets General Plan Policy 17.2. No changes to the existing off-street loading spaces are proposed.

- I. **Bicycle Parking.** Planning Section 155.2 of the Planning Code requires one Class 1 bicycle parking space per dwelling unit and one Class 2 bicycle parking spaces for every 20 dwelling units for projects that add dwelling units to an existing building where off-street vehicle parking exists.

The Project proposes 81 dwelling units, therefore, the Project is required to provide 81 Class 1 bicycle parking spaces and 4 Class 2 bicycle parking spaces. There are currently eight existing Class 1 bicycle parking spaces in the garage and the Project will provide an additional 73 Class 1 spaces for a total of

81 Class 1 bicycle parking spaces. The Project will also provide four Class 2 bicycle parking spaces in the garage which will be publically accessible via elevators from the lobby. The Project is subject to the Class 2 bicycle parking signage requirements as well. Therefore, the Project complies with Planning Code Section 155.2.

- J. **Tour Bus Loading Spaces (Section 162).** Planning Code Section 162 requires one off-street tour bus loading space for hotels in the C-3 Zoning Districts with between 201 and 350 hotel rooms.

The Project currently has 44 timeshare hotel room units and will convert 24 of them to dwelling units, resulting in a total of 20 timeshare hotel units. Therefore, no off-street tour bus loading spaces are required. The Project complies with Planning Code Section 162.

- K. **Car Share Requirements (Section 166).** Planning Code Section 166 requires one car-share parking space for 50 to 200 dwelling units over 200.

Since the Project proposes the addition of 24 dwelling units, the Project itself does not require a car share parking space. Therefore, the Project complies with Planning Code Section 166.

- L. **Unbundled Parking (Section 167).** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures or conversion of non-residential buildings to residential use of 10 dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The Project's parking garage provides no independently accessible off-street parking spaces. All vehicle parking is facilitated through valet service and mechanical lifts. Parking spaces are not available for sale. The Project complies with Planning Code Section 167.

- M. **Use (Section 215 and 216).** The Project Site is located in a Downtown Office (C-3-O) Zoning District wherein residential and commercial uses are permitted. Planning Code Section 215(a) permits a residential density of up to one dwelling unit per 125 square feet of lot area. Planning Code Section 216(b)(i) requires Conditional Use Authorization for hotels with 200 or less rooms in the C-3-O Zoning District.

The lot size of 11,058 square feet allows up to 89 dwelling units where 81 dwelling units are proposed. The hotel use was granted Conditional Use Authorization on March 18, 2004 pursuant to Motion No. 16748. The residential and hotel uses of the proposed Project meet Planning Code Sections 215(a) and 216(b).

- N. **Inclusionary Affordable Housing Program (Section 415).** 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 ten or more units.

The previous project was required to provide 11 off-site Below Market Rate (BMR) units at 938-942 Market Street, a companion historic restoration and office to residential conversion project. This was equivalent to 19 to 32% times the total number of residential units at 690 Market Street, depending on the final program of uses, a higher rate of BMR units that what would normally be required under the law at the time.

The Project Sponsor 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 through payment of the Fee, in an amount to be established by the Mayor's Office of Housing at a rate equivalent to an off-site requirement of 20 percent, as defined in Planning Code Section 415.7(a)(1)(C).

7. **Exceptions Request Pursuant to Planning Code Section 309.** The Planning Commission has considered the following exception to the Planning Code, makes the following findings and grants the exception as further described below:

- A. **Section 134: 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 the first level containing a dwelling unit, and at every subsequent level. Per Section 134(d) exceptions to the rear yard requirements may be granted provided that the building location and configuration assure adequate light and air to the residential units and the open space provided.

The proposed Project would not meet the Planning Code's minimum rear yard requirement in that the existing building covers 100% of the lot and does not provide a rear yard. Open space is provided on private decks and a common view terrace facing Market Street and Geary Street at the front of the building. The Project proposes to convert timeshare hotel units on floors 2, 5, 6, 7 and 9 into dwelling units. The residential units are guaranteed access to light and air in perpetuity through the purchase of air and light easements above the surrounding properties. All but one of the proposed new dwelling units receive light and air by facing Market Street, Geary Street and/or Kearny Street. The sole unit that does not receive light and air from a public street is located at the rear of the 9th floor and is guaranteed light and air through the easement above the adjacent property. Therefore, it is appropriate to grant an exception from the rear yard requirements of Planning Code Section 134.

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

HOUSING

Objectives and Policies

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

The Project is a high density residential development in a dense urban area. The proposal responds to the demand for housing in a transit rich, dense part of the City by converting timeshare hotel units into dwelling units. The Project will pay the Affordable Housing Fee, which will provide opportunities for affordable housing across the City.

OBJECTIVE 11

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.7

Respect San Francisco's historic fabric, by preserving landmark buildings and ensuring consistency with historic districts.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The Project proposed no physical changes to the structure, however, the previous project made significant changes to the historic building while respecting the building and ensuring consistency with the district. The proposed housing will be high quality housing in a building with existing residential use, thereby respecting the existing neighborhood character. The proposed residential conversion will have no impact on the existing neighborhood character and conforms to the prescribed density and residential land use in the General Plan.

OBJECTIVE 12

BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

Policy 12.3

Ensure new housing is sustainably supported by the City's public infrastructure systems.

The Project is located in a dense and infrastructure rich part of the City at the major intersection of Market, Geary and Kearny Streets, in the heart of the Financial District. A strong network of public infrastructure already exists in the area to support the high rate of workers, visitors and residents traveling within the area daily. The addition of housing will be sustainably supported by the City's public infrastructure systems.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 1:

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

Policy 1.6:

Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

The Project proposes new dwelling units in the most transit rich part of the City. The Project Site is located one block from the Montgomery Street BART and MUNI stations, providing access to the region and all MUNI subway and streetcar lines. The Project Site is adjacent to two bus stops providing access to approximately 26 MUNI bus lines, including four "Limited" lines, four "Express" lines and three "OWL" lines. The Project provides vehicle parking for up to 85 vehicles, shared with two adjacent buildings as well as 81 secure bicycle parking spaces. All modes of transportation are served by the Project.

OBJECTIVE 2:

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

Policy 2.3:

Design and locate facilities to preserve the historic city fabric and the natural landscape, and the protect views.

The Project is located in an Article 11 Category II building known as the Chronicle Building, originally built in 1890. The proposed conversion of 24 timeshare hotel units into dwelling units will not alter the historic city fabric or the natural landscape. Existing views will continue to be protected. The Project also includes a light and air easement over adjacent buildings to protect future development into the adjacent airspace.

OBJECTIVE 17:

DEVELOP AND IMPLEMENT PARKING MANAGEMENT PROGRAMS IN THE DOWNTOWN THAT WILL PROVIDE ALTERNATIVES ENCOURAGING THE EFFICIENT USE OF THE AREA'S LIMITED PARKING SUPPLY AND ABUNDANT TRANSIT SERVICES.

Policy 17.2:

Encourage collaboration and cooperation between property owners, neighboring uses and developers to allow for the most efficient use of existing and new parking facilities.

The Project utilizes shared underground parking facilities with the two adjacent buildings. All vehicle parking is facilitated through valet service and mechanical lifts to accommodate the most vehicles in a minimal space. One off-street freight loading space is also shared for all three buildings. No additional parking is being proposed with the Project.

OBJECTIVE 24:

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.1

Preserve existing historic features such as streetlights and encourage the incorporation of such historic elements in all future streetscape projects.

Policy 24.2

Maintain and expand the planting of street trees and the infrastructure to support them.

The Project Site is adjacent to a Landmark No. 200 Path of Gold Light Standards lamppost and faces Landmark No. 73 Lotta's Fountain. Neither Landmark will be altered or impacted. Both Landmarks will continue to be preserved. The Project is unable to plant any of the 13 required street trees due to the existing conditions of the public-right-of-way adjacent to the Project Site. The Project Sponsor will instead pay the in-lieu fee, currently \$1,809, per required street tree. The Street Tree In-Lieu Fee is deposited in the Department of Public Works Adopt-A-Tree Fund which provides funding for maintenance of San Francisco's urban forest.

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:

Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:

Provide parking facilities which are safe, secure, and convenient.

The Project includes 81 Class 1 bicycle parking spaces and 4 Class 2 bicycle parking spaces in secure, convenient locations.

OBJECTIVE 32:

LIMIT PARKING IN DOWNTOWN TO HELP ENSURE THAT THE NUMBER OF AUTO TRIPS TO AND FROM DOWNTOWN WILL NOT BE DETRIMENTAL TO THE GROWTH OR AMENITY OF DOWNTOWN.

Policy 32.1

Discourage new long-term commuter parking spaces for single-occupant automobiles in and around downtown. Limit the long-term parking spaces to the number that already exists.

The Project currently shares up to 85 off-street vehicle parking spaces with the adjacent building. No additional parking is being provided with the proposal to convert timeshare hotel units to dwelling units.

OBJECTIVE 34:

RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project shares up to 85 valet and lift service parking spaces with the adjacent retail and office building. The lack of independently accessible parking at a transit rich intersection encourages transit use. No additional parking or curb cuts are being provided with the proposal to add dwelling units.

DOWNTOWN AREA PLAN

Objectives and Policies

OBJECTIVE 7:

EXPAND THE SUPPLY OF HOUSING IN AND ADJACENT TO DOWNTOWN.

Policy 7.1:

Promote the inclusion of housing in downtown commercial developments.

Policy 7.2:

Facilitate conversion of underused industrial and commercial areas to residential use.

The Project integrates dwelling units with hotel, retail and office uses in the existing and adjacent buildings. The timeshare hotel units proposed for conversion were never fully built out to serve as hotel units. The Project will facilitate conversion of these underutilized commercial areas to residential uses within the downtown commercial area.

OBJECTIVE 12:

CONSERVE RESOURCES THAT PROVIDE CONTINUITY WITH SAN FRANCISCO'S PAST.

Policy 12.1:

Preserve notable landmarks and areas of historic, architectural or aesthetic value, and promote the preservation of other buildings and features that provide continuity with past developments.

The Project will continue to preserve the two adjacent landmarks: Landmark No. 200 Path of Gold Light Standards lamppost and Landmark No. 73 Lotta's Fountain.

9. **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 project site will continue to provide existing ground floor retail uses that serve the neighborhood as well daily downtown visitors and workers.

- 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 convert hotel units to dwelling units and continue to preserve the neighborhood character by creating no changes to the cultural and economic diversity of the neighborhood.

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

The Project will not displace any affordable housing because there is currently no housing on the site. The Project will comply with the City's Inclusionary Housing Program, and shall pay the Affordable Housing Fee, which shall provide opportunity for future affordable housing.

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

The project site is well-served by public transportation. The Project Site is located one block from the Montgomery Street BART and MUNI stations, providing access to the region and all MUNI subway

and streetcar lines. The Project Site is adjacent to two bus stops providing access to approximately 26 MUNI bus lines, including four "Limited" lines, four "Express" lines and three "OWL" lines. The Project provides vehicle parking for up to 85 vehicles, shared with two adjacent buildings as well as 81 secure bicycle parking spaces.

- 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 would not displace any industrial or service sectors due to commercial office development, because the Project solely includes new residential uses. The existing timeshare units were never fully built out so no resident employment will be affected by their loss.

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

The project will be designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

The Project Site is an Article 11 Category II building and will be preserved. No exterior alterations are being made to the building.

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

The Project will not affect the City's parks or open space or their access to sunlight and vistas.

11. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor completed the Affidavit of First Source Hiring which has been submitted to the Office of Economic and Workforce Development's CityBuild program for further coordination of First Source Hiring.

12. 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.
13. The Commission hereby finds that approval of the Downtown Project 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 Downtown Project Authorization Application No. 2013.1601X** under Planning Code Section 309.1 to allow the conversion of 24 timeshare hotel units into dwelling units in an existing hotel and residential building with a modification to the requirements for rear yard (Planning Code Section 134), within the C-3-O (Downtown Office) Zoning District, and a 285-S Height and Bulk District. The project is subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated October 23, 2014, 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 Section 309.1 Downtown Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on November 13, 2014.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: November 13, 2014

EXHIBIT A

AUTHORIZATION

This authorization is for a Downtown Project Authorization to allow for the conversion of 24 timeshare hotel units into dwelling units within an existing 24-story hotel and residential building and a modification to the requirements for rear yard, located at 690 Market Street, Lots 016-119 (104 lots) in Assessor's Block 0311, pursuant to Planning Code Section 309 within the C-3-O (Downtown Office) Zoning District, and a 285-S Height and Bulk District; in general conformance with plans, dated October 23, 2014, and stamped "EXHIBIT B" included in the docket for Case No. 2013.1601X and subject to conditions of approval reviewed and approved by the Commission on November 13, 2014 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 November 13, 2014 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 Office Development 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 authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

- 1. 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
- 2. 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
- 3. 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
- 4. 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
- 5. 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
- 6. Additional Project Authorization.** The Project Sponsor must obtain a variance from the Zoning Administrator to address the requirements for open space (Planning Code Section 135), and dwelling unit exposure (Planning Code Section 140). 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

7. **Prior Conditions of Approval.** This Motion No. XXXXX allows the conversion of 24 timeshare hotel units into dwelling units in an existing 24-story hotel and residential building. The Conditions of Approval for this Motion supersede the conditions of approval for previously-approved Motion Nos. 16747 and 16748 (Case No. 2004.0584EKXCMTZLU).

DESIGN – COMPLIANCE AT PLAN STAGE

8. **Street Trees.** Pursuant to Planning Code Section 138.1 (formerly 143), the Project Sponsor is required to provide 13 street trees along Market, Geary and Kearny Street. The Department of Public Works, Urban Forestry Division determined that the required street trees cannot be approved in the public right-of-way, on the basis of interference with an existing bus zone and sub-sidewalk basement. The Project Sponsor is required to pay the in-lieu fee in place at the time of Building Permit approval per required street tree that is unable to be planted, as determined by DPW and the Zoning Administrator.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

9. **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 architectural addenda. 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

10. **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 for each building. 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

PARKING AND TRAFFIC

11. **Unbundled Parking.** If any off-street parking spaces are made available to Project residents for sale or rent, they shall only be made available 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

- 12. Bicycle Parking.** Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than **81** Class 1 bicycle parking spaces and **4** Class 2 bicycle parking spaces.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

- 13. 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

PROVISIONS

- 14. 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

MONITORING

- 15. 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

- 16. 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

OPERATION

- 17. 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>

- 18. 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>

- 19. 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 415-553-0123, www.sf-police.org

- 20. 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

21. **Lighting.** All Project lighting shall be directed onto the project site and immediately surrounding sidewalk area only, and designed and managed so as not to be a nuisance to adjacent residents. Nighttime lighting shall be the minimum necessary to ensure safety, but shall in no case be directed so as to constitute a nuisance to any surrounding property.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

INCLUSIONARY HOUSING

22. **Requirement.** Pursuant to Planning Code 415.5, the Project Sponsor must pay an Affordable Housing Fee at a rate equivalent to the applicable percentage of the number of units in an off-site project needed to satisfy the Inclusionary Affordable Housing Program Requirement for the principal project. The applicable percentage for this project is twenty percent (20%).

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing at 415-701-5500, www.sf-moh.org.

23. **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 the terms of the 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 Mayor's Office of Housing ("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 or rent.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org or the Mayor's Office of Housing at 415-701-5500, www.sf-moh.org.

- a. The Project Sponsor must pay the Fee in full sum to the Development Fee Collection Unit at the DBI for use by MOH prior to the issuance of the first construction document, with an option for the Project Sponsor to defer a portion of the payment prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge that would be deposited into the Citywide Inclusionary Affordable Housing Fund in accordance with Section 107A.13.3 of the San Francisco Building Code.
- b. Prior to the issuance of the first construction permit by the DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that records a copy 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.

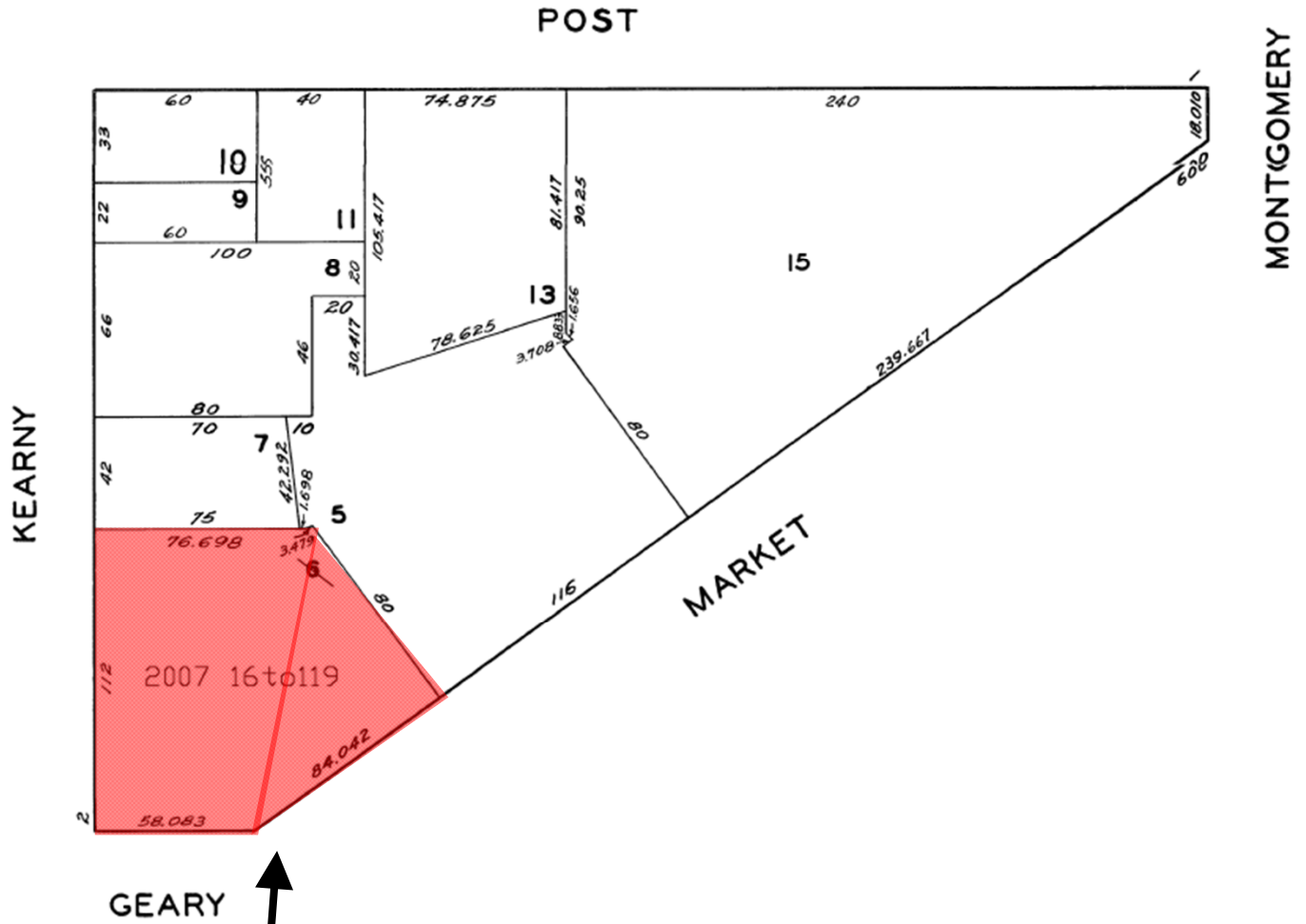
- c. If project applicant fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Sections 415 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all other remedies at law.

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Exhibit B

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Parcel Map



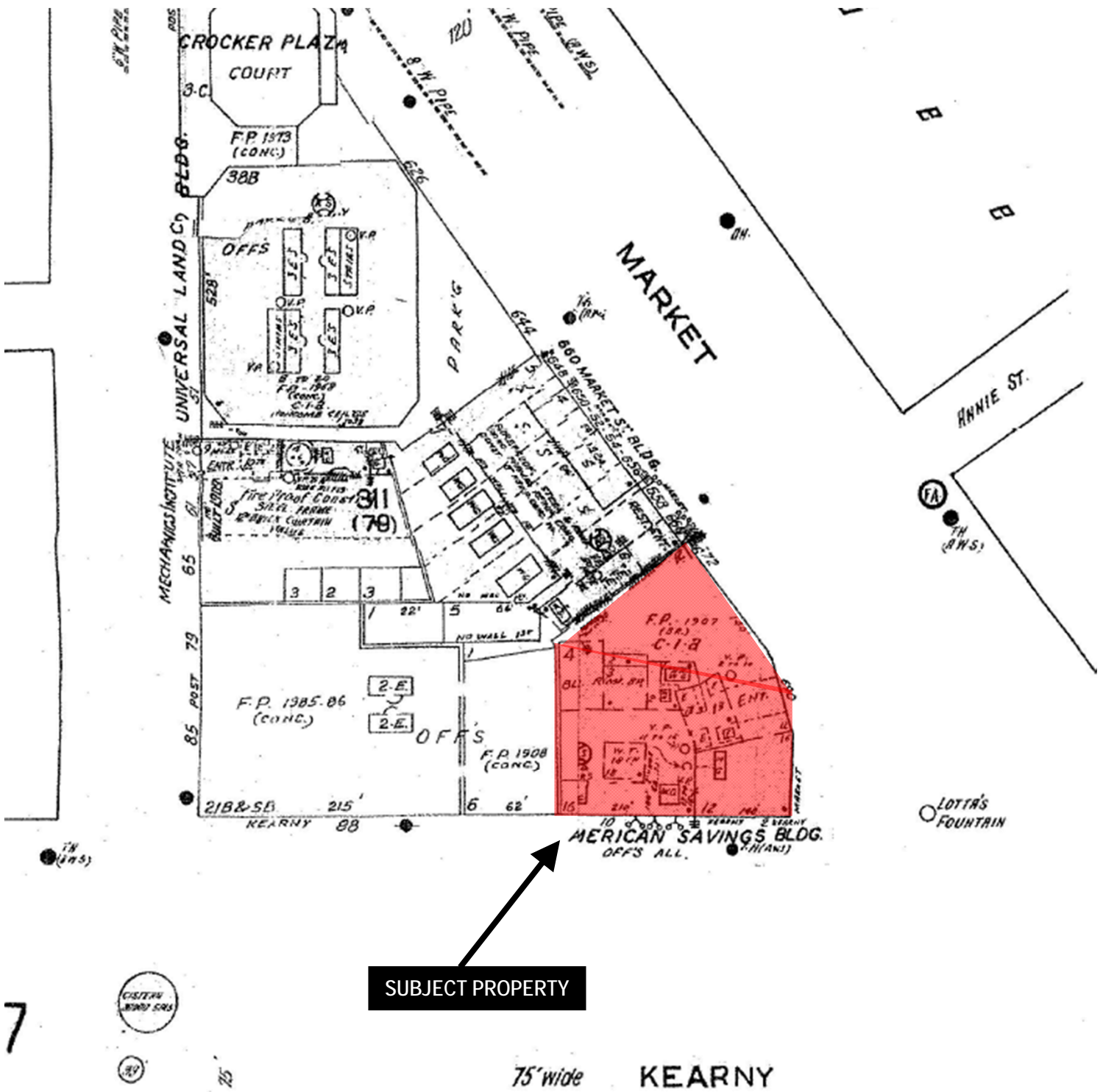
GEARY

SUBJECT PROPERTY



Downtown Project Authorization
Case Number 2013.1601X
690 Market Street

Sanborn Map*

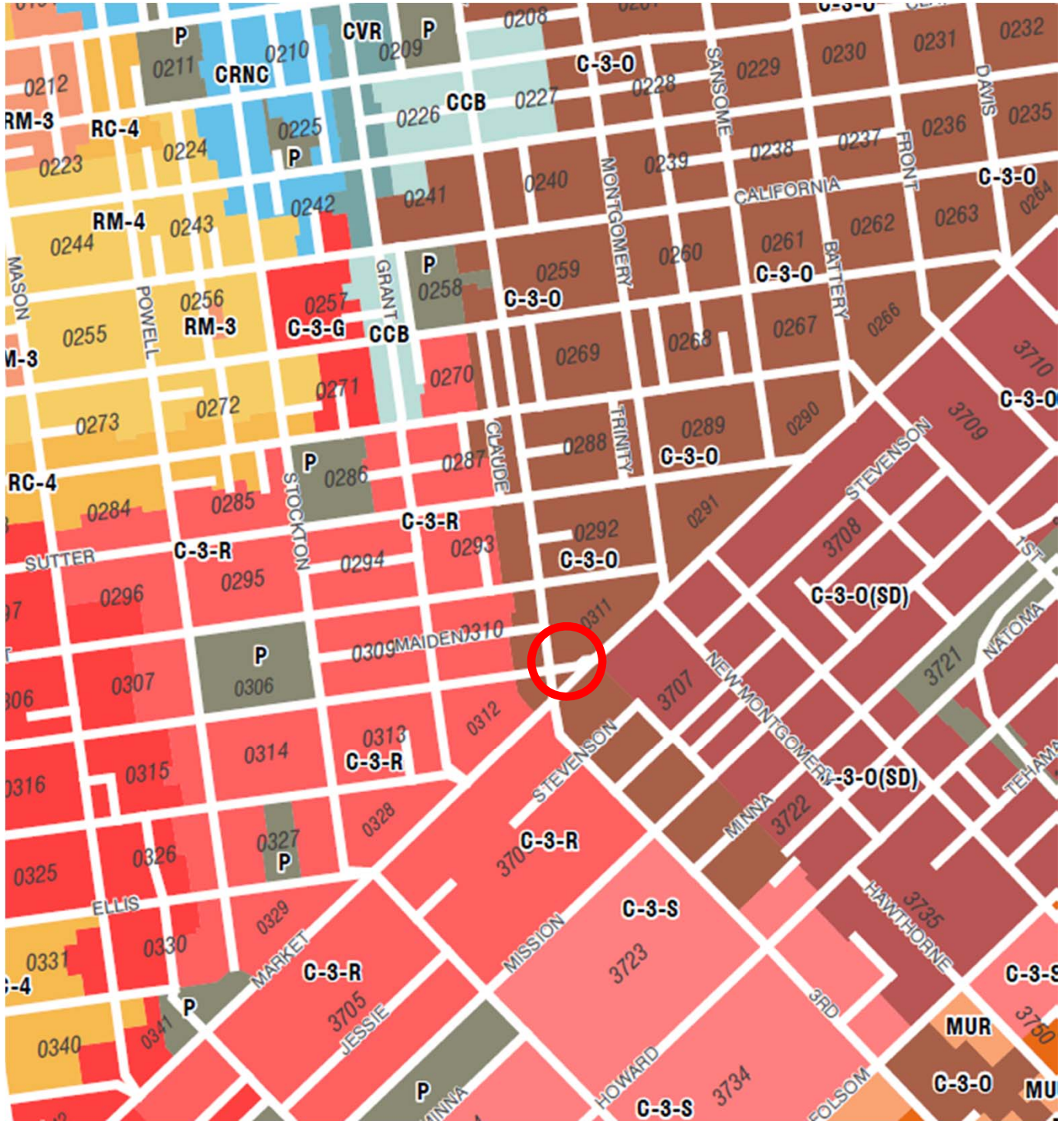


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Downtown Project Authorization
 Case Number 2013.1601X
 690 Market Street

Zoning Map



Downtown Project Authorization
Case Number 2013.1601X
690 Market Street

Aerial Photo (looking north)



SUBJECT PROPERTY



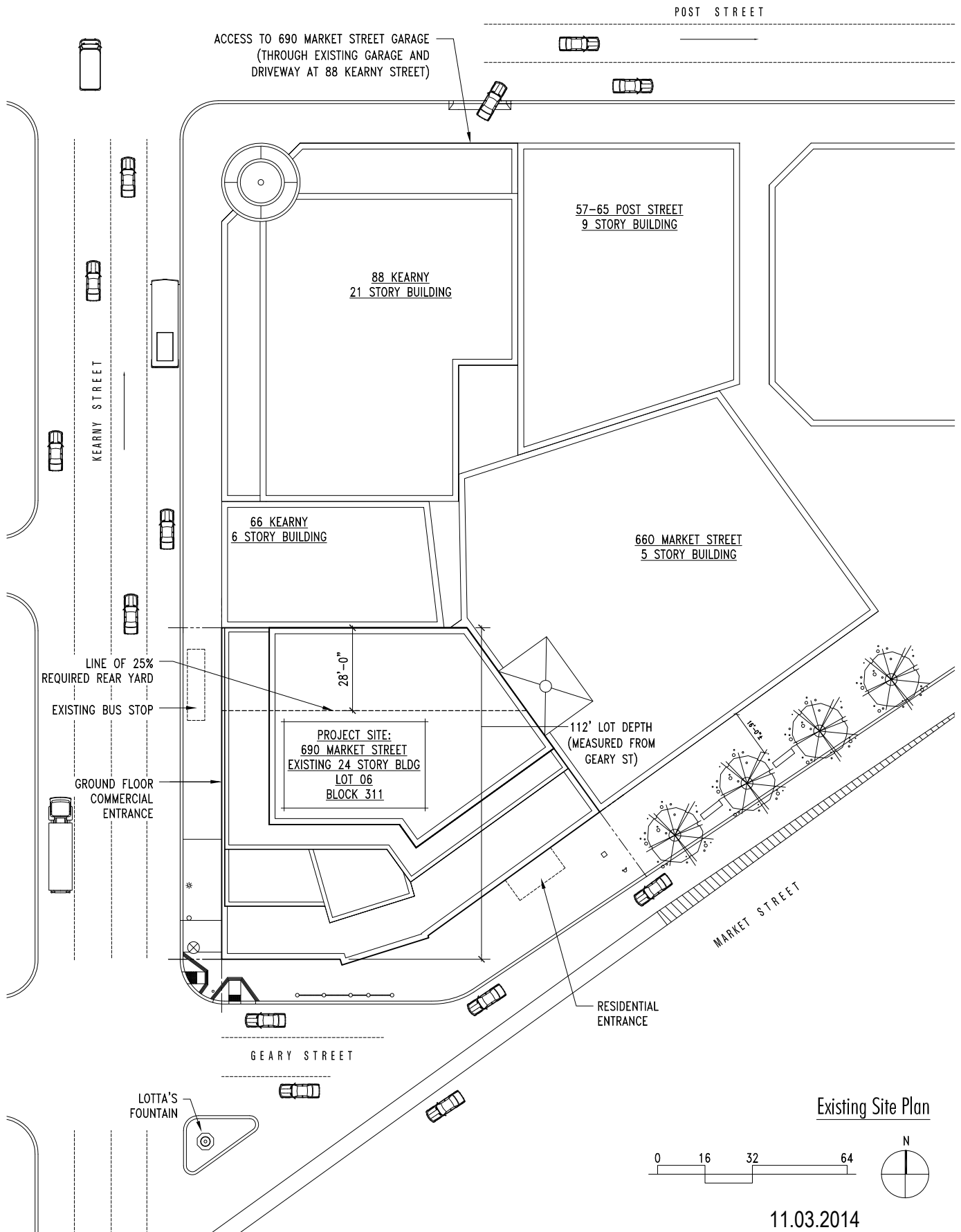
Downtown Project Authorization
Case Number 2013.1601X
690 Market Street

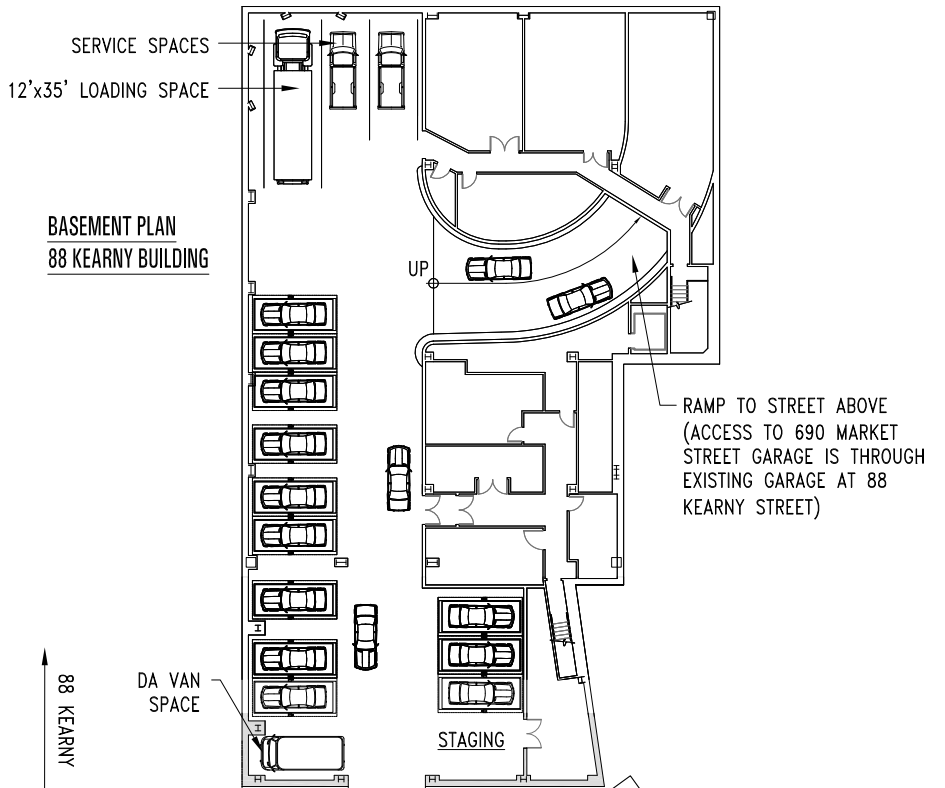
Site Photo



Source: Sfmarrinhomes.com

Downtown Project Authorization
Case Number 2013.1601X
690 Market Street



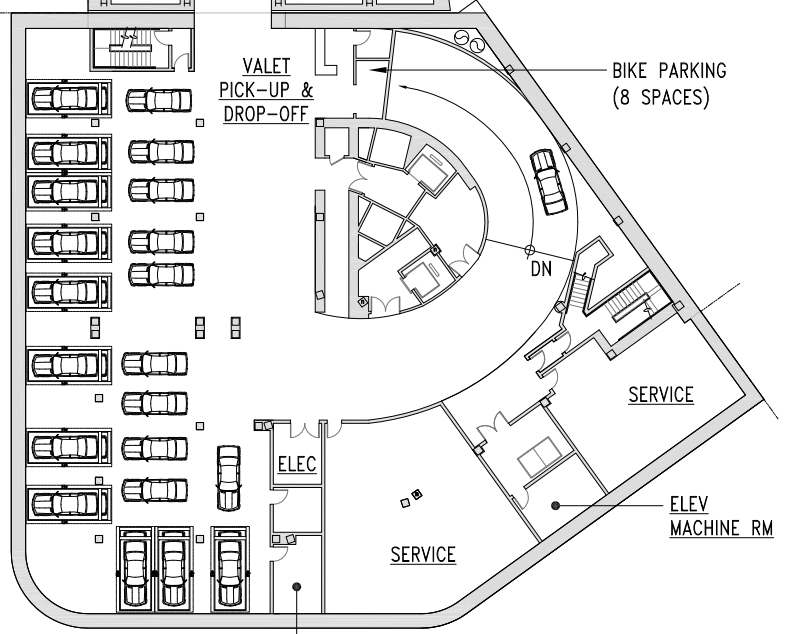


**BASEMENT PLAN
88 KEARNY BUILDING**

**2004 PROPOSED PARKING
(PARKING ANALYSIS FROM 2004 MND)**

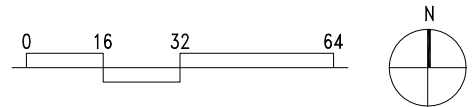
INDIVIDUAL PARKING SPACES: 29

CAPACITY WITH VALET
SERVICE AND VEHICLE LIFTS: 100 CARS (APPROX.)



**LOWER BASEMENT PLAN
690 MARKET BUILDING**

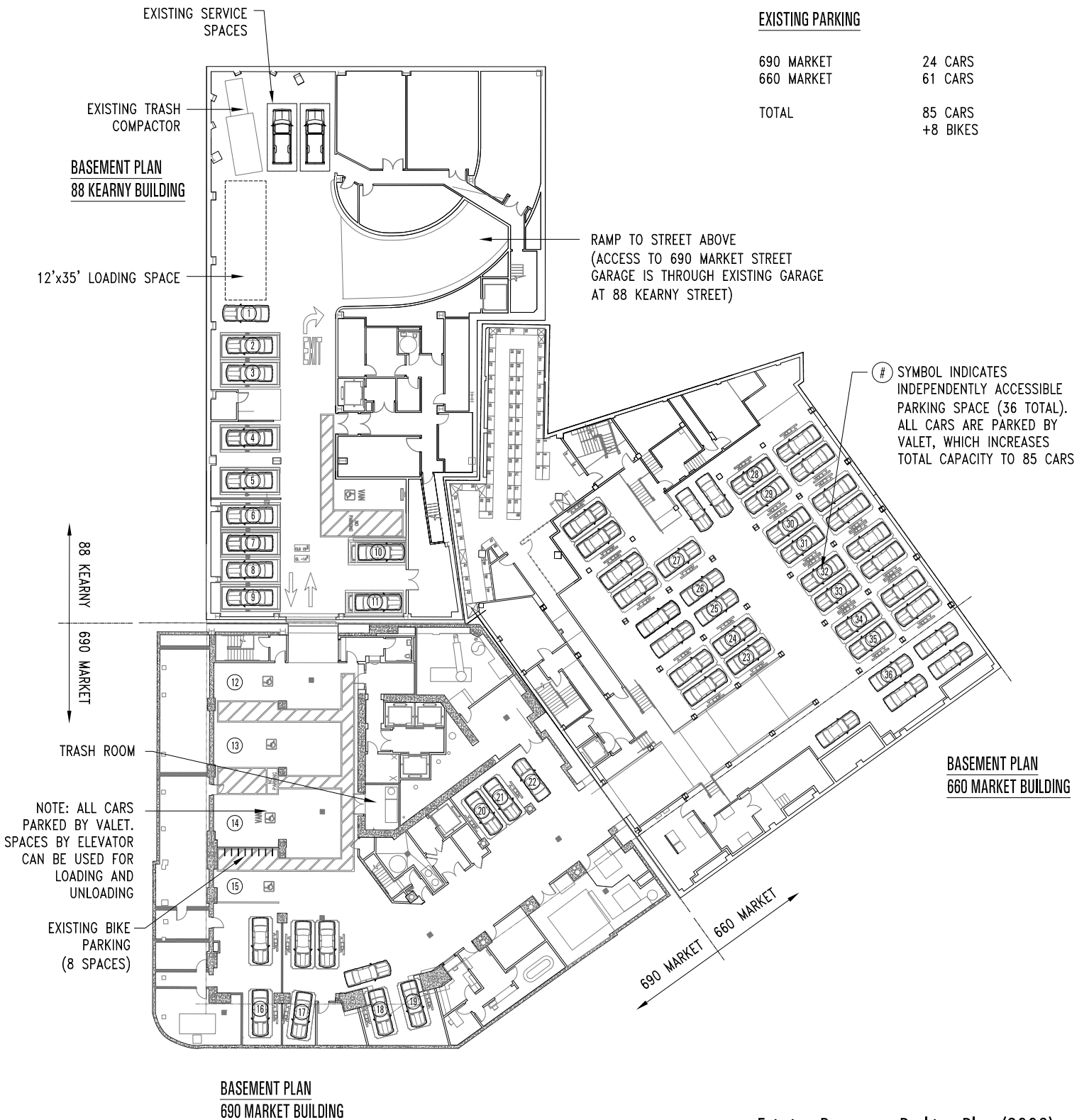
Basement Parking Plan - 2004 MND Proposal



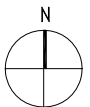
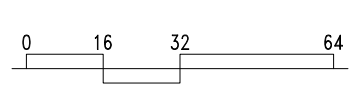
11.03.2014

EXISTING PARKING

690 MARKET	24 CARS
660 MARKET	61 CARS
TOTAL	85 CARS
	+8 BIKES



Existing Basement Parking Plan (2008)



11.03.2014

EXISTING SERVICE SPACES

EXISTING TRASH COMPACTOR

**BASEMENT PLAN
88 KEARNY BUILDING**

12'x35' LOADING SPACE

PROPOSED PARKING

690 MARKET	24 CARS
660 MARKET	61 CARS
TOTAL	85 CARS
	+81 RESIDENT BIKE SPACES
	+4 CLASS 2 BIKE SPACES

RAMP TO STREET ABOVE
(ACCESS TO 690 MARKET STREET GARAGE IS THROUGH EXISTING GARAGE AT 88 KEARNY STREET)

PROPOSED RESIDENT BIKE PARKING
(11 WALL-MOUNTED SPACES)

SYMBOL INDICATES INDEPENDENTLY ACCESSIBLE PARKING SPACE (36 TOTAL). ALL CARS ARE PARKED BY VALET, WHICH INCREASES TOTAL CAPACITY TO 85 CARS

88 KEARNY

690 MARKET

TRASH ROOM

NOTE: ALL CARS PARKED BY VALET. SPACES BY ELEVATOR CAN BE USED FOR LOADING AND UNLOADING

EXISTING RESIDENT BIKE PARKING (8 SPACES)

**BASEMENT PLAN
660 MARKET BUILDING**

PROPOSED RESIDENT BIKE PARKING (37 WALL-MOUNTED SPACES)

690 MARKET
660 MARKET

**BASEMENT PLAN
690 MARKET BUILDING**

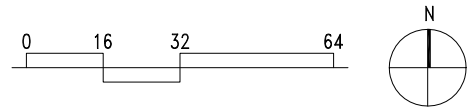
PROPOSED RESIDENT BIKE PARKING (25 WALL-MOUNTED SPACES)

PROPOSED CLASS 2 BIKE PARKING (2 FLOOR MOUNT U-RACKS PROVIDING 4 SPACES TOTAL). SPACES ARE 2'x6' CLEAR.

BIKE PARKING SIGN AS DESCRIBED IN ZA BULLETIN 9. PROJECT TO INCLUDE APPROPRIATE SIGNAGE DIRECTING VISITORS TO BIKE PARKING FROM GARAGE ENTRANCE ON POST STREET

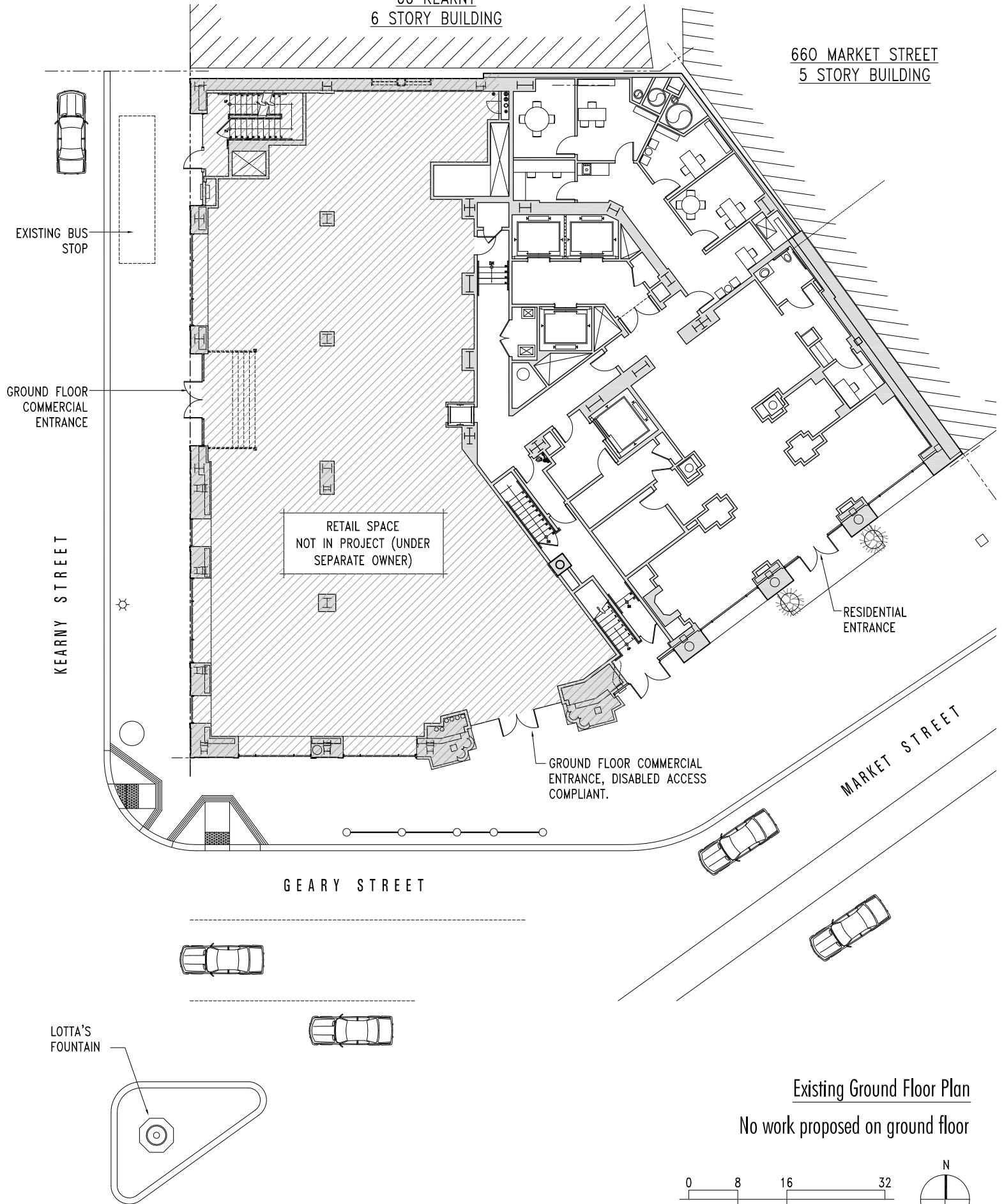
2014 Proposed Basement Parking Plan

Proposed work includes addition of 73 wall-mounted bike racks to basement parking area



66 KEARNY
6 STORY BUILDING

660 MARKET STREET
5 STORY BUILDING



GEARY STREET

MARKET STREET

KEARNY STREET

EXISTING BUS STOP

GROUND FLOOR COMMERCIAL ENTRANCE

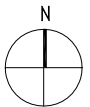
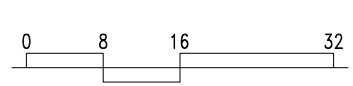
RETAIL SPACE
NOT IN PROJECT (UNDER
SEPARATE OWNER)

RESIDENTIAL ENTRANCE

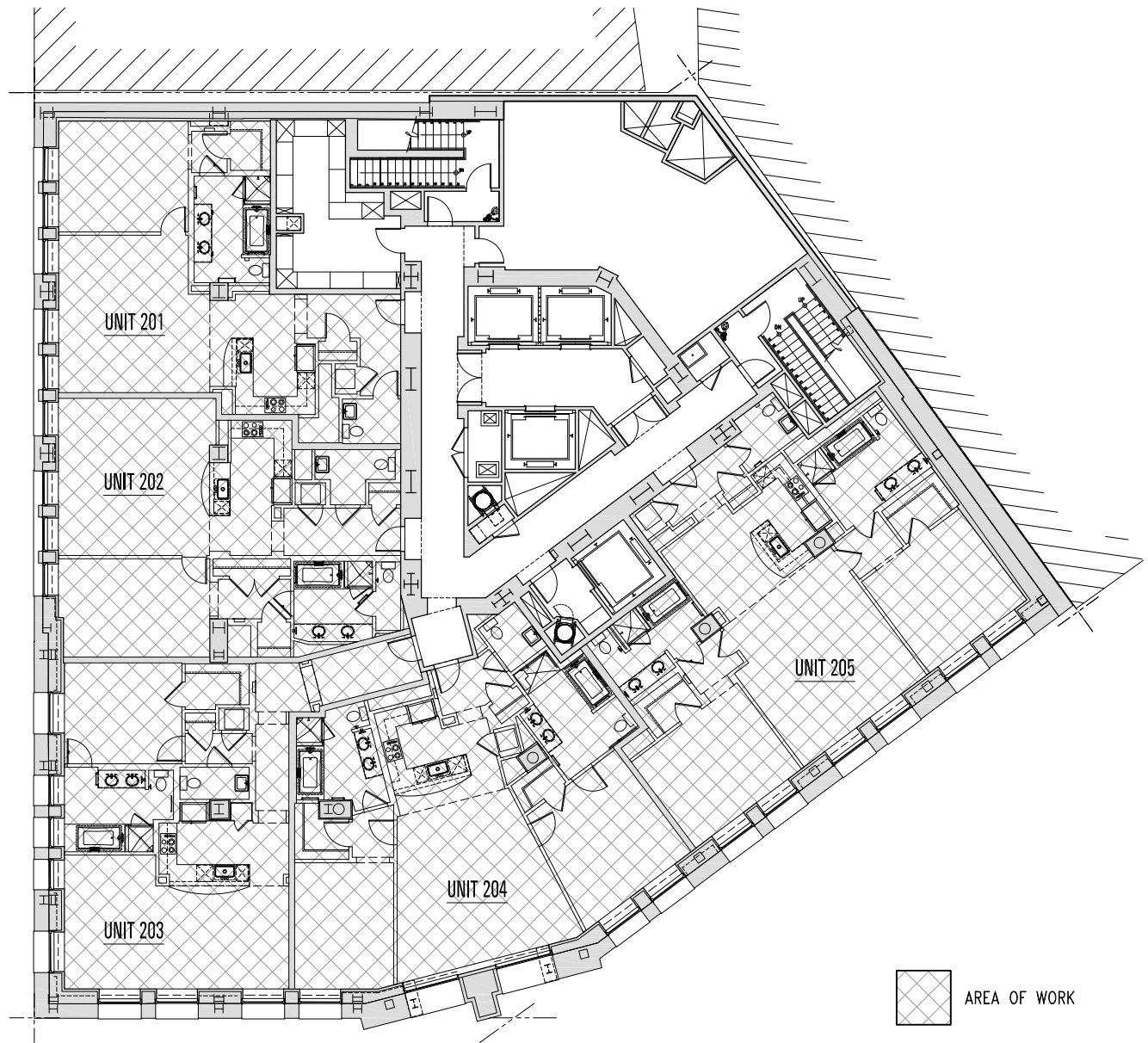
GROUND FLOOR COMMERCIAL ENTRANCE,
DISABLED ACCESS COMPLIANT.

LOTTA'S FOUNTAIN

Existing Ground Floor Plan
No work proposed on ground floor

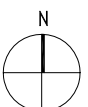
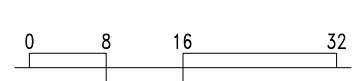


11.03.2014

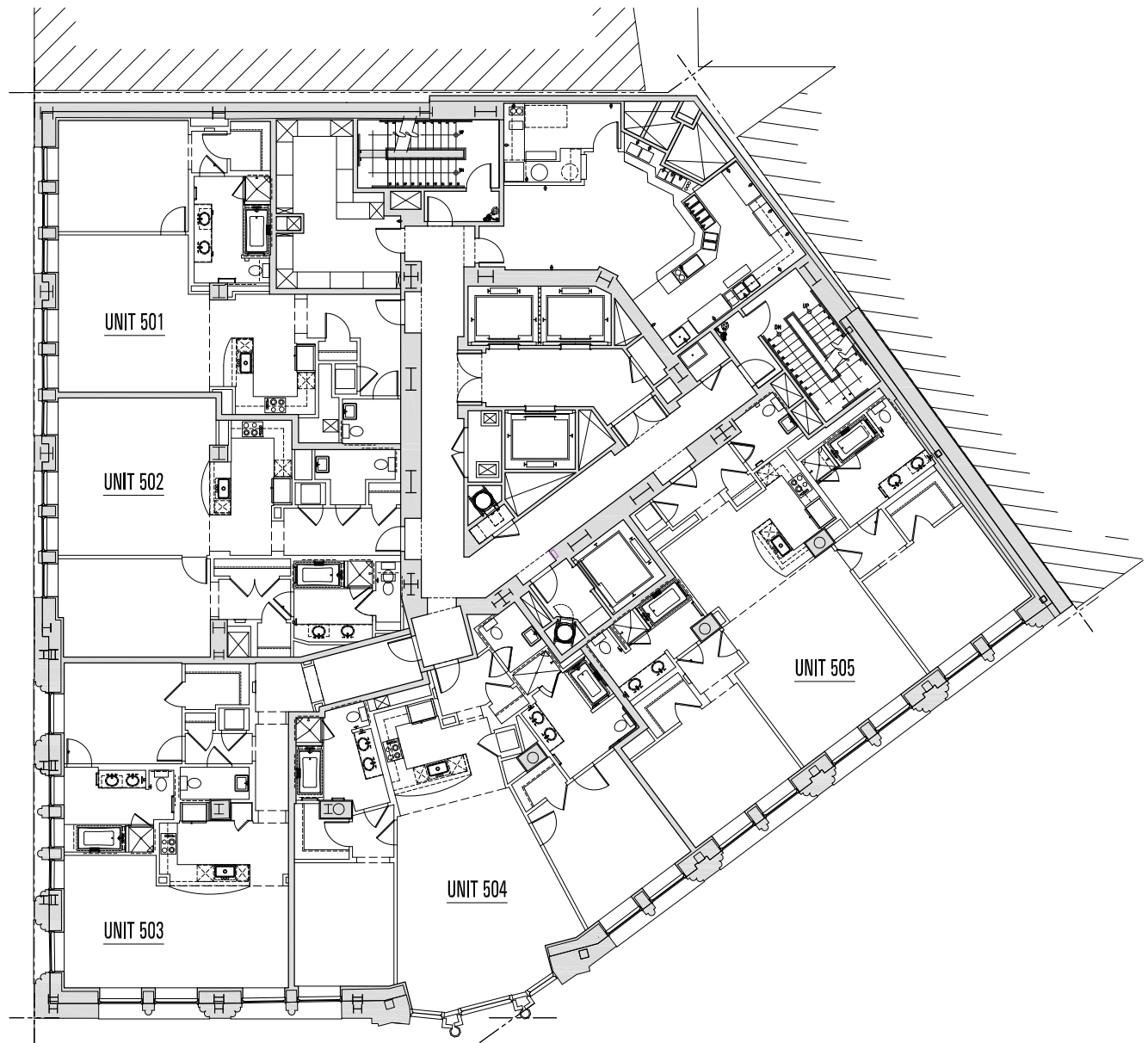


Existing & Proposed Second Floor Plan

Floor currently in 'cold-shell' condition. Proposed work includes construction of unit demising walls and build-out of units in hatched area of plan

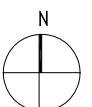
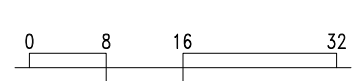


11.03.2014

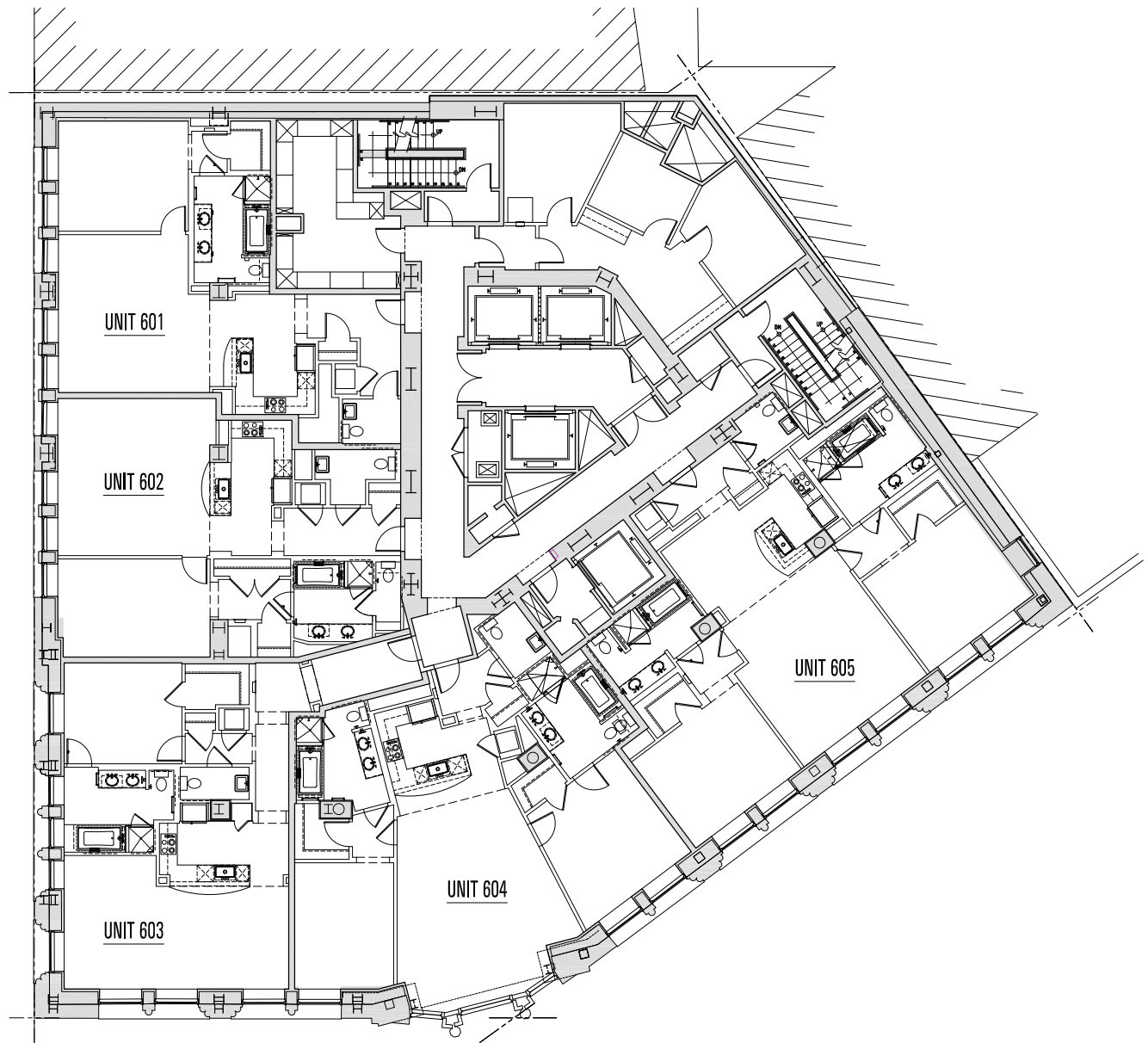


Existing & Proposed Fifth Floor Plan

Units are currently constructed as shown
Proposed work includes finish and disabled access updates only. No modifications
are proposed for the base building structure, MEP systems, or fire protection systems

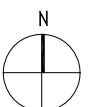
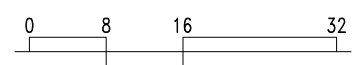


11.03.2014

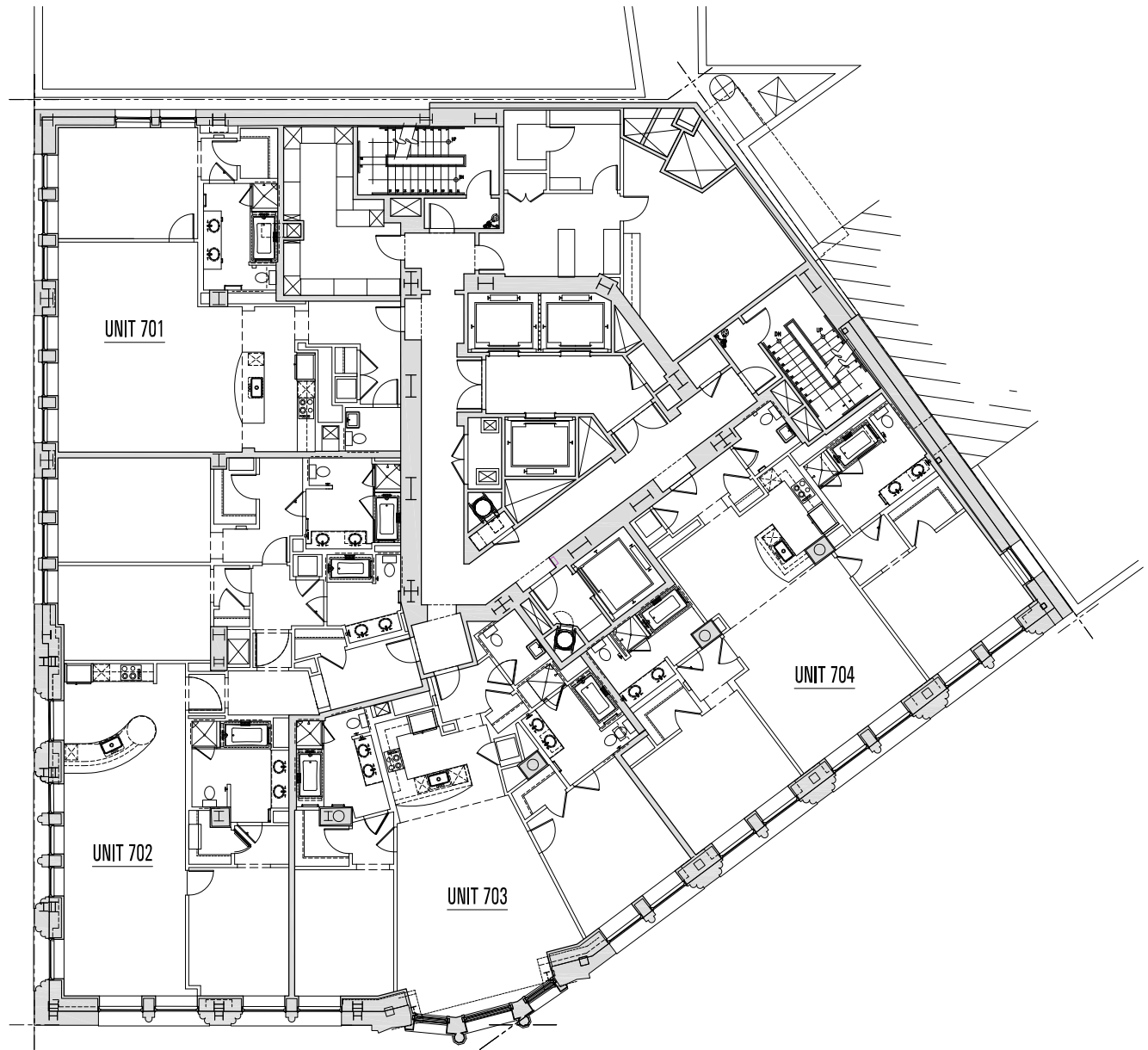


Existing & Proposed Sixth Floor Plan

Units are currently constructed as shown
 Proposed work includes finish and disabled access updates only. No modifications
 are proposed for the base building structure, MEP systems, or fire protection systems



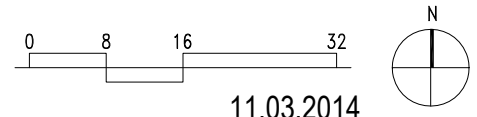
11.03.2014



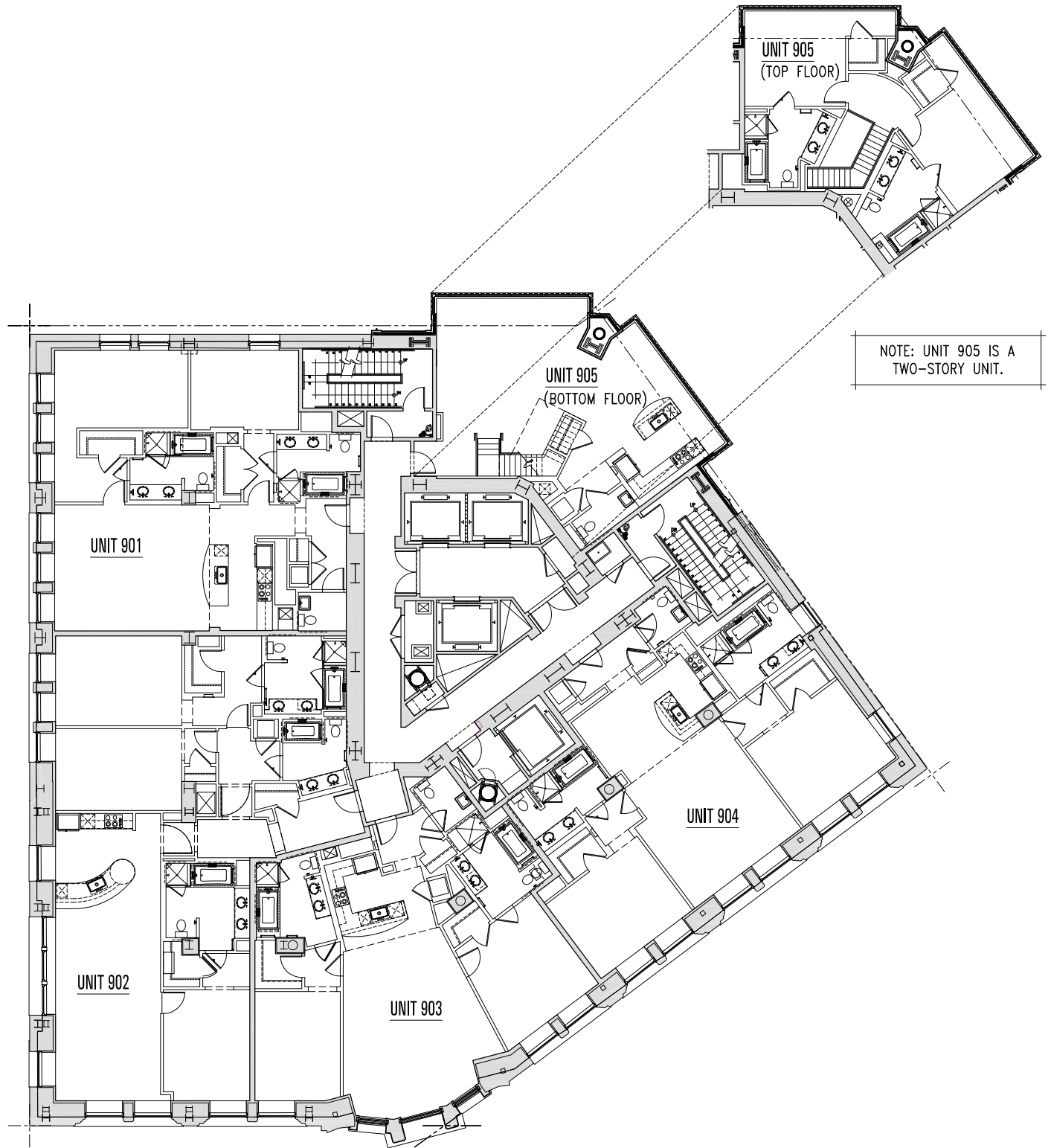
Existing & Proposed Seventh Floor Plan

Units are currently constructed as shown

Proposed work includes finish and disabled access updates only. No modifications are proposed for the base building structure, MEP systems, or fire protection systems

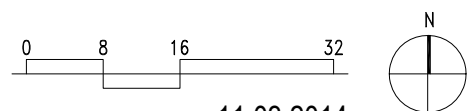


11.03.2014



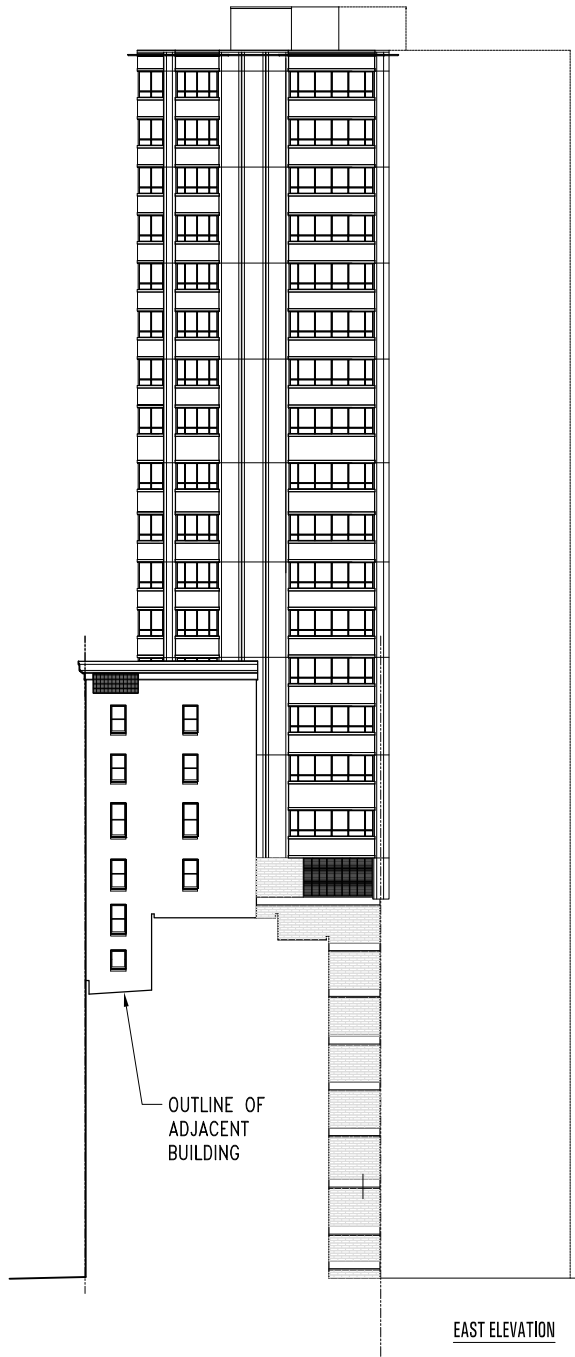
Existing & Proposed Ninth Floor Plan

Units are currently constructed as shown
 Proposed work includes finish and disabled access updates only. No modifications
 are proposed for the base building structure, MEP systems, or fire protection systems



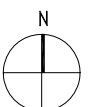
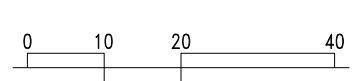
11.03.2014

⊕	314'-1"	ROOF
⊕	HIGH POINT	
⊕	300'-10"	24 PENT
⊕	288'-4"	23
⊕	275'-10"	22
⊕	263'-4"	21
⊕	250'-10"	20
⊕	238'-4"	19
⊕	225'-10"	18
⊕	213'-3"	17
⊕	198'-10"	16
⊕	185'-5"	15
⊕	173'-0"	14
⊕	160'-7"	13
⊕	148'-2"	12
⊕	135'-6"	11
⊕	122'-9"	10
⊕	108'-5 1/4"	9
⊕	94'-9 1/4"	8
⊕	82'-10 1/2"	7
⊕	70'-11 1/2"	6
⊕	58'-6"	5
⊕	46'-7"	4
⊕	34'-8"	3
⊕	21'-3"	2
⊕	9'-0"	1
⊕	0'-0"	GR
⊕	-4'-6"	
⊕	-16'-0"	B1



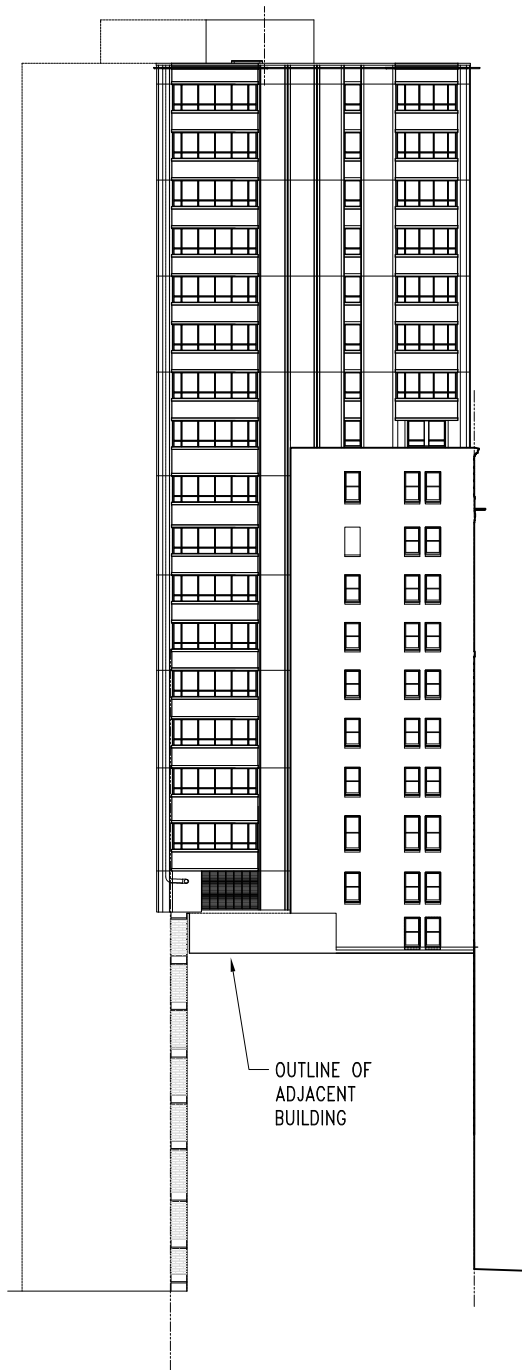
Existing East Elevation

No exterior work is proposed. Change of use is proposed for floors 2, 5, 6, 7, and 9



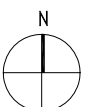
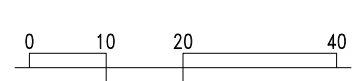
11.03.2014

⊕	314'-1"	ROOF
⊕	HIGH POINT	
⊕	300'-10"	24 PENT
⊕	288'-4"	23
⊕	275'-10"	22
⊕	263'-4"	21
⊕	250'-10"	20
⊕	238'-4"	19
⊕	225'-10"	18
⊕	213'-3"	17
⊕	198'-10"	16
⊕	185'-5"	15
⊕	173'-0"	14
⊕	160'-7"	13
⊕	148'-2"	12
⊕	135'-6"	11
⊕	122'-9"	10
⊕	108'-5 1/4"	9
⊕	94'-9 1/4"	8
⊕	82'-10 1/2"	7
⊕	70'-11 1/2"	6
⊕	58'-6"	5
⊕	46'-7"	4
⊕	34'-8"	3
⊕	21'-3"	2
⊕	9'-0"	1
⊕	0'-0"	GR
⊕	-4'-6"	
⊕	-16'-0"	B1



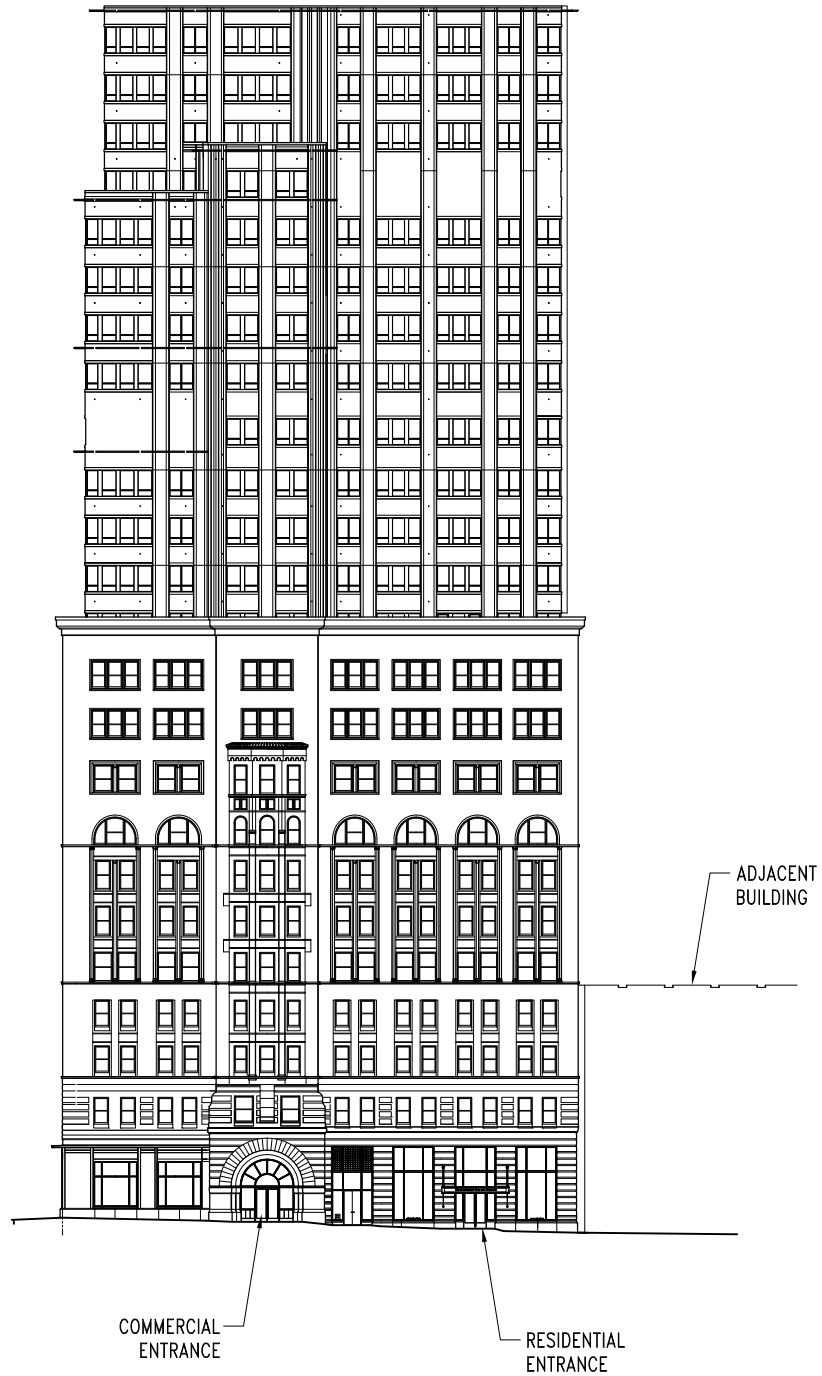
Existing North Elevation

No exterior work is proposed. Change of use is proposed for floors 2, 5, 6, 7, and 9



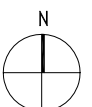
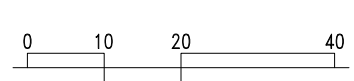
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⊕	314'-1"	ROOF
⊕	HIGH POINT	
⊕	300'-10"	24 PENT
⊕	288'-4"	23
⊕	275'-10"	22
⊕	263'-4"	21
⊕	250'-10"	20
⊕	238'-4"	19
⊕	225'-10"	18
⊕	213'-3"	17
⊕	198'-10"	16
⊕	185'-5"	15
⊕	173'-0"	14
⊕	160'-7"	13
⊕	148'-2"	12
⊕	135'-6"	11
⊕	122'-9"	10
⊕	108'-5 1/4"	9
⊕	94'-9 1/4"	8
⊕	82'-10 1/2"	7
⊕	70'-11 1/2"	6
⊕	58'-6"	5
⊕	46'-7"	4
⊕	34'-8"	3
⊕	21'-3"	2
⊕	9'-0"	1
⊕	0'-0"	GR
⊕	-4'-6"	
⊕	-16'-0"	B1

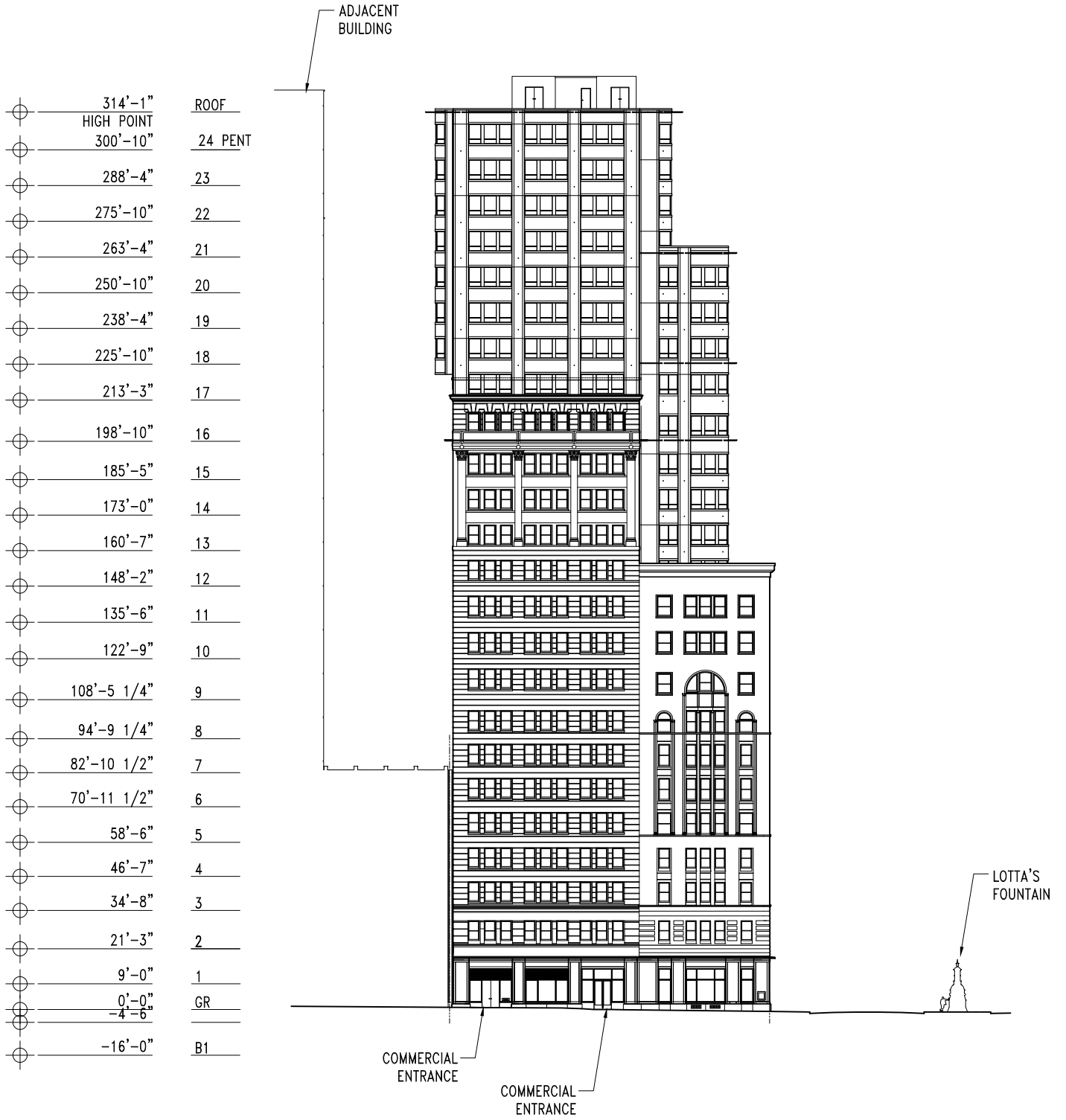


Existing South Elevation

No exterior work is proposed. Change of use is proposed for floors 2, 5, 6, 7, and 9

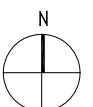
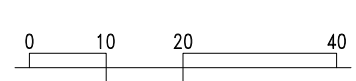


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Existing West Elevation

No exterior work is proposed. Change of use is proposed for floors 2, 5, 6, 7, and 9



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Exhibit C

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SAN FRANCISCO PLANNING DEPARTMENT

Addendum to Mitigated Negative Declaration

Date of Publication of Addendum: October 29, 2014
Date of Publication of FMND: February 11, 2004
MND Case No.: **2003.0584E**
Addendum Case No.: **2013.1601E**
Project Title: **690 Market Street**
Block/Lot: 0311/006
Project Sponsor: Deborah Holley, Holley Consulting – Project Sponsor’s Representative (415) 389-9329
Lead Agency: San Francisco Planning Department
Staff Contact: Monica Pereira – (415) 575-9107
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REMARKS

Background

A final mitigated negative declaration (FMND), case file number 2003.0584E, for the project site was adopted and issued on February 11, 2004.¹ The project site is located at 690 Market Street, at the southeast corner of Kearny Street (see **Figure 1: Site Location**).

Project Analyzed in the 2004 FMND

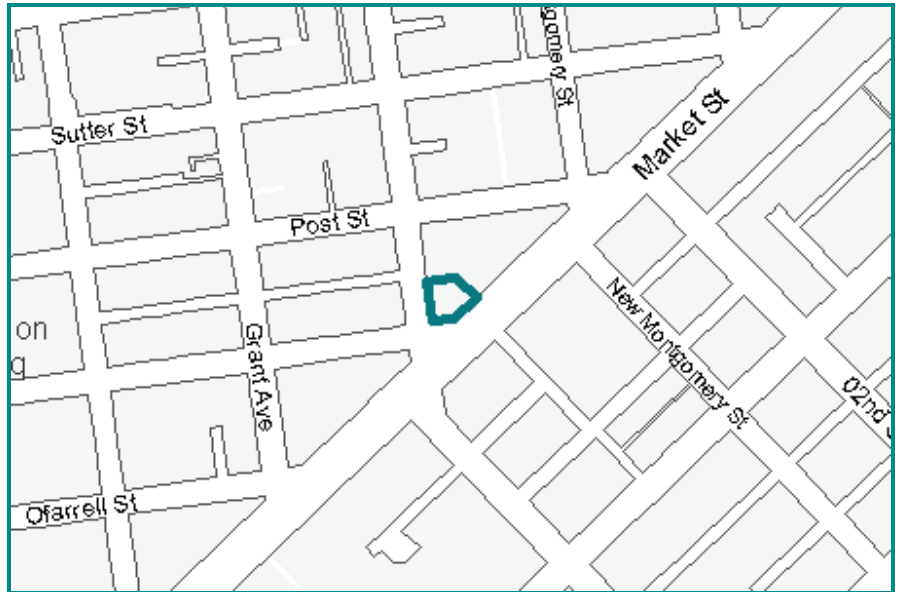
The project analyzed in the 2004 FMND consisted of an eight-story vertical addition (125,160 gross square feet – gsf) to an existing 16-story office building, a change of use from office to residential and hotel uses and rehabilitation of the original building’s historic exterior consistent with the Secretary of the Interior’s *Standards for Rehabilitation* and *Standards for Restoration*. The addition was to have resulted in a 312 feet (ft) tall building (24 stories tall), 113 dwelling units (197,600 gsf – a mix of hotel and residential units); 6,875 gsf of retail use; 30,360 gsf of garage space with 29 independently accessible parking spaces and 100 vehicles accommodated by valet service and vehicle lifts on a two-level basement garage, eight bicycle parking spaces, one full-sized loading space and two service vehicle parking spaces; and 30,965 gsf of circulation, lobby, storage and mechanical service spaces. The total gross square footage assessed in the FMND with the addition was 265,800.

¹ San Francisco Planning Department, *690 Market Street, Final Mitigated Negative Declaration*, February 11, 2004. This document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No. 2003.0584E.

FIGURE 1: SITE LOCATION

2.83 mi

520 ft



95 ft

The unit mix included 41 one-bedroom, 67 two-bedroom, and five three-bedroom units. As shown in **Table – 1 Unit Mix by Scenario**, the mix of unit sizes analyzed was different under two ownership scenarios. The “maximum residential scenario” included 26 one-bedroom and 38 two-bedroom single-ownership condominium units, and 15 one-bedroom, 29 two-bedroom and five three-bedroom “fractional interest ownership”² (hotel use) units. The “maximum hotel scenario” included 14 one-bedroom and 26 two-bedroom units in single ownership, and 27 one-bedroom, 41 two-bedroom, and five three-bedroom units in fractional ownership.

Table 1 - Unit Mix by Scenario

	Maximum Residential Scenario (FMND)		Maximum Hotel Scenario (FMND)		Project as Built Post FMND	
	Residential	Hotel	Residential	Hotel	Residential	Hotel
One Bedroom	26	15	14	27	7	16
Two Bedroom	38	29	26	41	39	24
Three Bedroom		5		5	11	4
Sub Total	64	49	40	73	57	44
Total	113		113		101	

The 2004 FMND project also included the adoption of a Downtown Housing Demonstration Special Use District (SUD) for the project site to eliminate certain zoning requirements related to new residential uses on site.

Approved Project

The SUD was approved on March 18, 2004 by the Planning Commission (*Motion No. 16747*). The remaining project analyzed in the FMND was approved on March 18, 2004 by the Planning Commission (*Motion No. 16748*). The approved project differs from what was analyzed in the 2004 FMND in that it included the construction of 106 dwelling units on site instead of 113 dwelling units and 6,200 gsf of retail space on the ground floor instead of 6,875 gsf.³

² Fractional interest ownership refers to programs that divide ownership among a relatively small number of owners/users per dwelling unit. The project sponsor sold 1/12 interests in each of the fractional interest ownership units.

³ The project analyzed in the 2004 FMND included 6,875 gsf of retail space. In 2008 6,200 gsf was constructed and it was sold in 2009. There is currently a Sprint store that fronts on Geary and Kearny and a 7 Eleven store on Kearny, just north of Sprint.

Project Constructed in 2008

The SUD for 690 Market Street, analyzed in the 2004 FMND, was adopted on March 18, 2004, by the Planning Commission (*Motion No. 16747*). The SUD adoption was repealed three years later, on April 7, 2011, when *Ordinance 63-11* was signed by Mayor Edwin Lee and went into effect 30 days later; thus, the zoning district of 690 Market Street remains C-3-O.⁴ As previously stated, the structural work for the project was completed in 2008, when the SUD was still in effect.

The constructed project differs from what was analyzed in the 2004 FMND in that: (1) twelve fewer units were actually constructed (101 units vs. 113); (2) the building is 314 ft tall instead of 312 ft tall (however, it is still 24 stories tall as described in the 2004 FMND and approved by Planning Commission *Motion No. 16748*); and (3) the parking garage is one level instead of two;⁵ (4) the garage spans the basement levels of 690 and 660 Market Street, instead of being located in the basement level of 690 Market Street only;⁶ and (5) the parking garage has 36 parking spaces and can accommodate 85 cars through valet and stackers instead of 29 parking spaces and the accommodation of 100 cars through valet parking and stackers (**Figures 2 through 5**).

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⁴ The SUD does not need to be in place for the implementation of the revised proposed project (change of use for 24 units from hotel to residential). The underlying C-3-O zoning allows for this project modification.

⁵ The two-level basement garage analyzed in the 2004 FMND was not feasible because the lower basement level would have interfered with BART's underground facilities. Email correspondence from Deborah Holley, Holley Consulting and Monica Pereira, San Francisco Planning Department, October 09, 2014. This document is on file in Case File No. 2013.1601E and available for public review at the San Francisco Planning Department, 1650 Mission Street, Suite 400.

⁶ In 2008, the developer acquired the rights to the basement of 660 Market Street to construct a garage. After acquisition, the basements of 660 and 690 Market Street were connected through a wall removal. Together, these basements form the garage space currently known as the "690 Market Street garage". Garage access, to 660 & 690 Market Street is through 88 Kearny Street and it was analyzed in the 2004 FMND.

Proposed Revisions to Project

The revised project herein consists of the conversion of 24 hotel units to residential use. Of the 24 units to be converted, five are in shell condition (plumbing, wiring and ductwork need to be installed to connect to the existing base building systems), 14 are approximately 75 to 80 percent complete, and five are fully built out, but are unoccupied. As shown in **Table 2 - Revised Proposed Project Unit Mix**, there are ten one-bedroom units, 12 two-bedroom units and two three-bedroom units proposed. These units are located on floors 2, 5, 6, 7, and 9. The proposed project would also include the installation of 73 additional bicycle parking spaces (a mix of Class 1 and Class 2) in the parking garage that spans the basement levels of 690 Market Street and 660 Market Street. The proposed project does not include additional off-street parking, and all work associated with the currently proposed project would take place in the interior of the units in order to finish them and make them habitable (**Figures 6 through 11**).

Table 2 - Revised Proposed Project Unit Mix

	Floor 2	Floor 5	Floor 6	Floor 7	Floor 9	Total
One Bedroom	3	3	3	1	0	10
Two Bedroom	2	2	2	2	4	12
Three Bedroom	0	0	0	1	1	2
Total	5	5	5	4	5	24

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FIGURE 2: EXISTING SITE PLAN

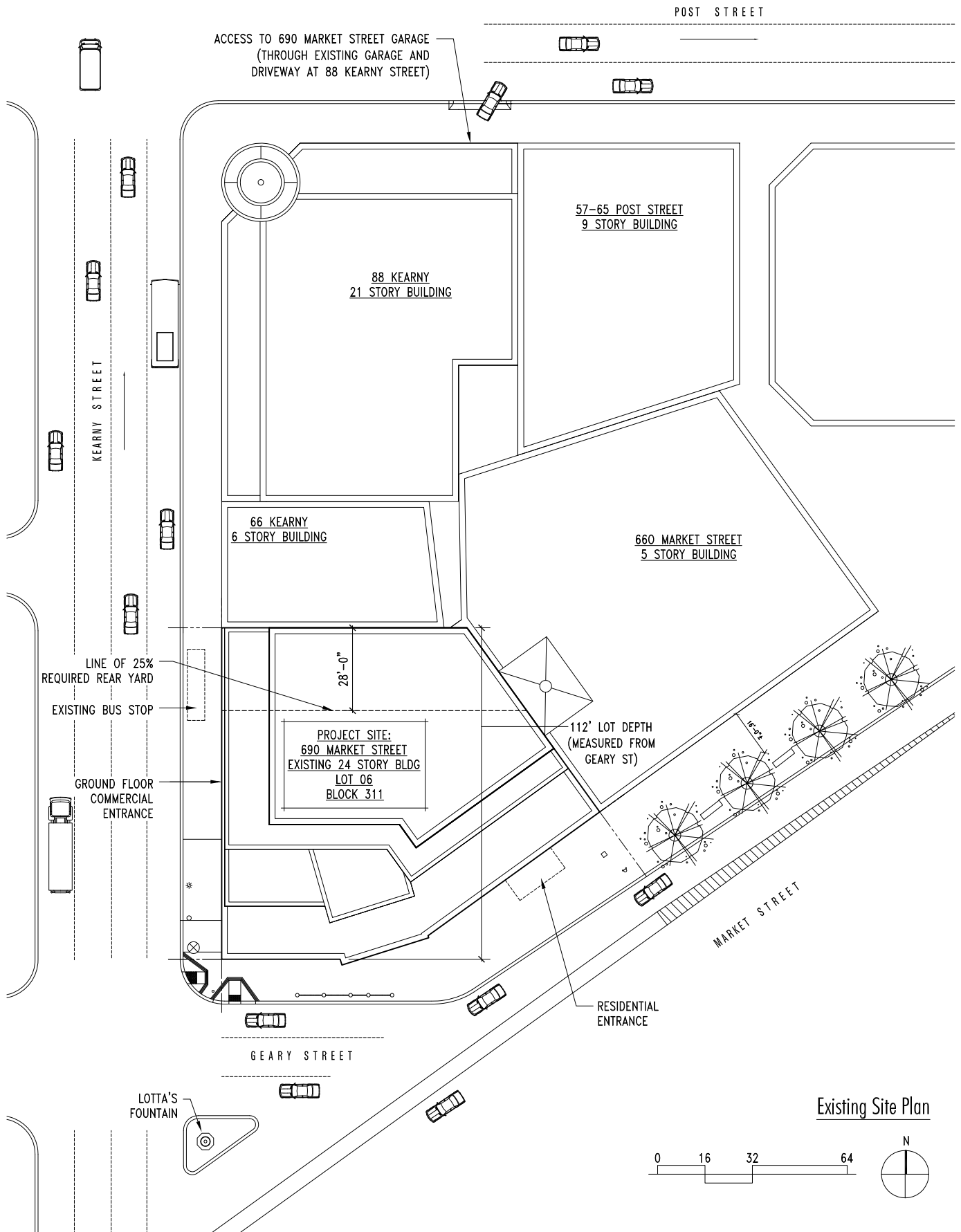


FIGURE 3: EXISTING GROUND FLOOR PLAN
(No work proposed on this floor)

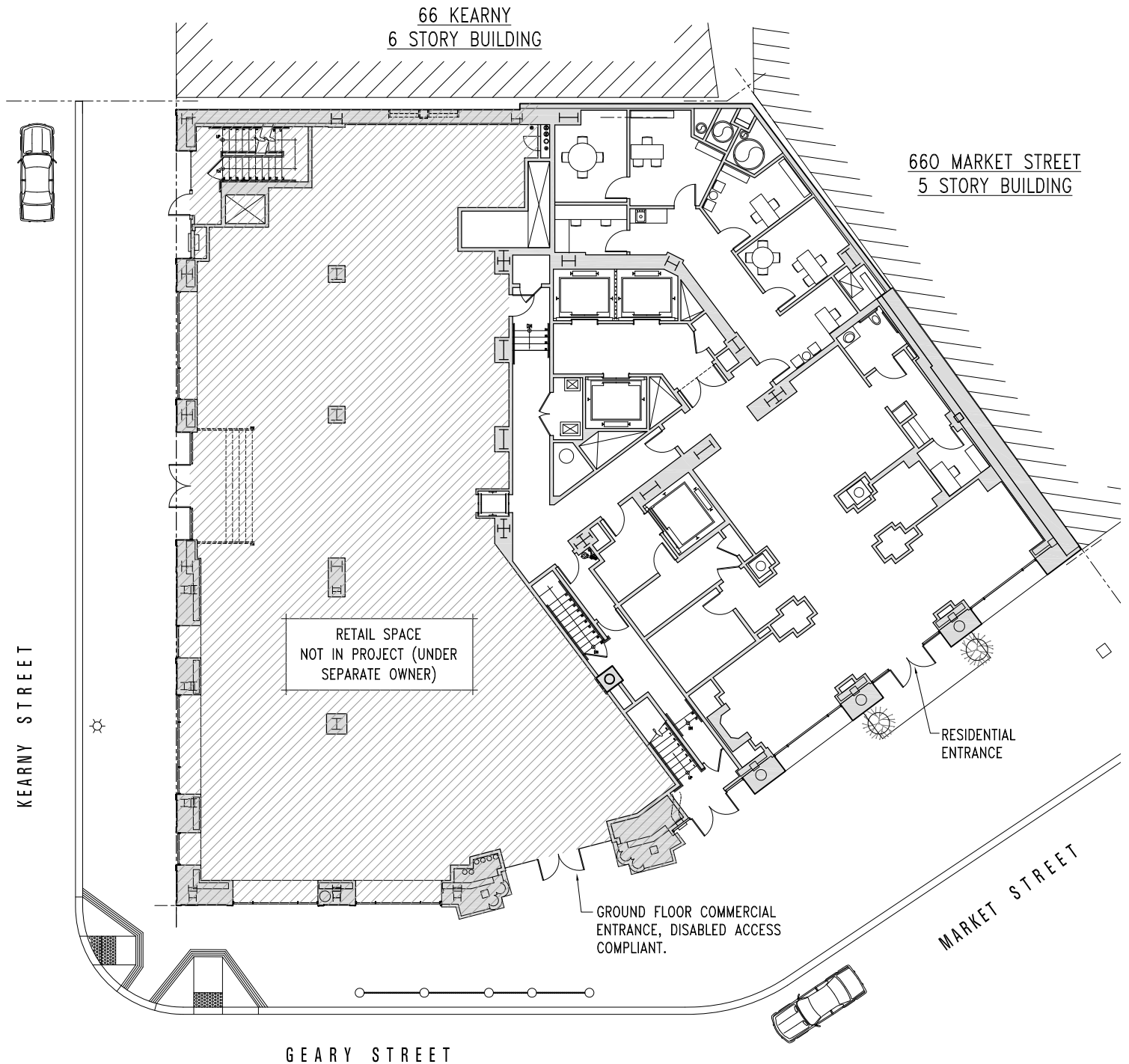
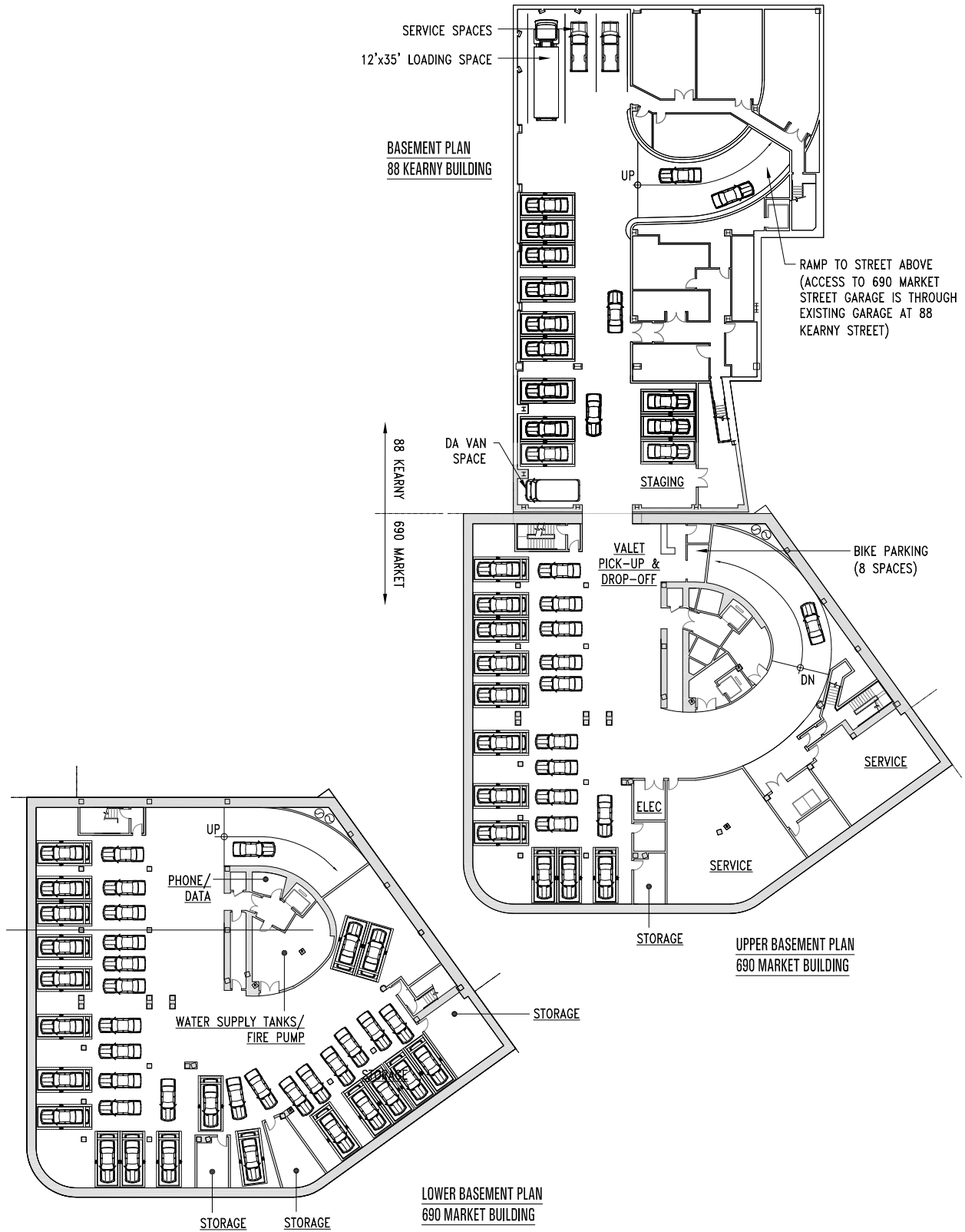


FIGURE 4: BASEMENT PARKING PLAN
 (2004 MND PROPOSAL)



**FIGURE 5: EXISTING PARKING PLAN
(2008 CONSTRUCTION)**

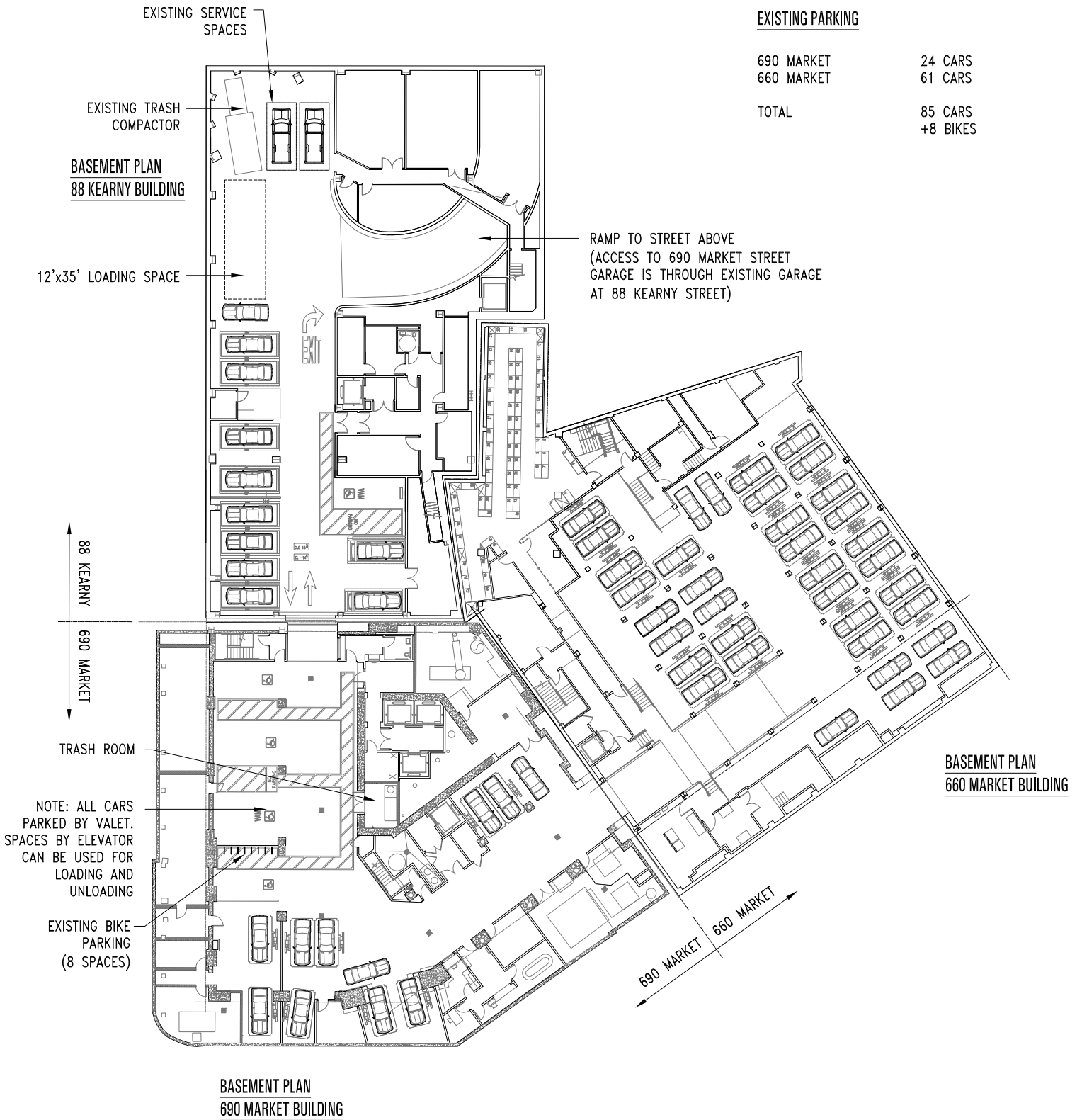


FIGURE 6: PROPOSED SECOND FLOOR PLAN
(Floor in shell condition)

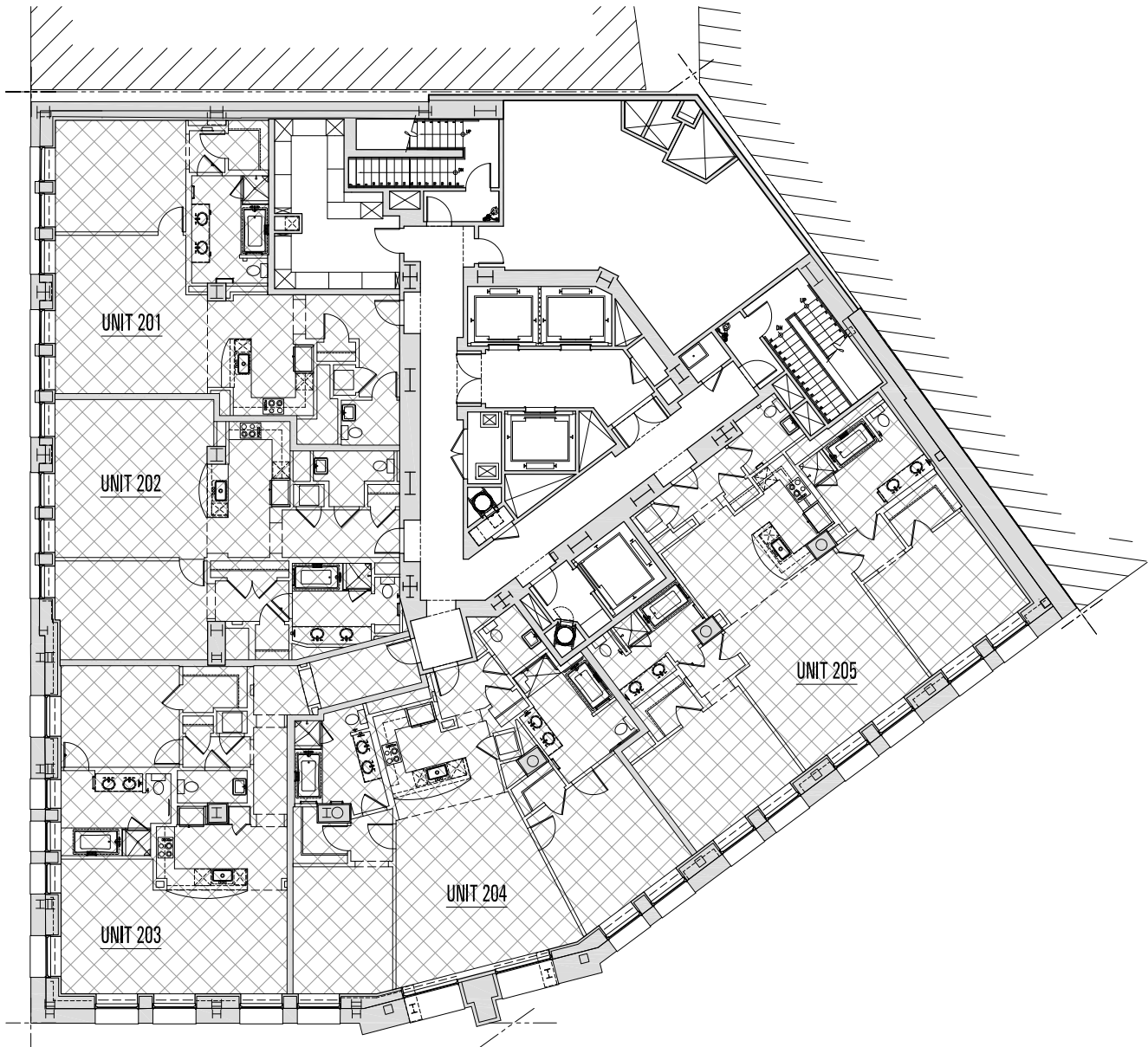


FIGURE 7: PROPOSED FIFTH FLOOR PLAN
(Units are constructed as shown)

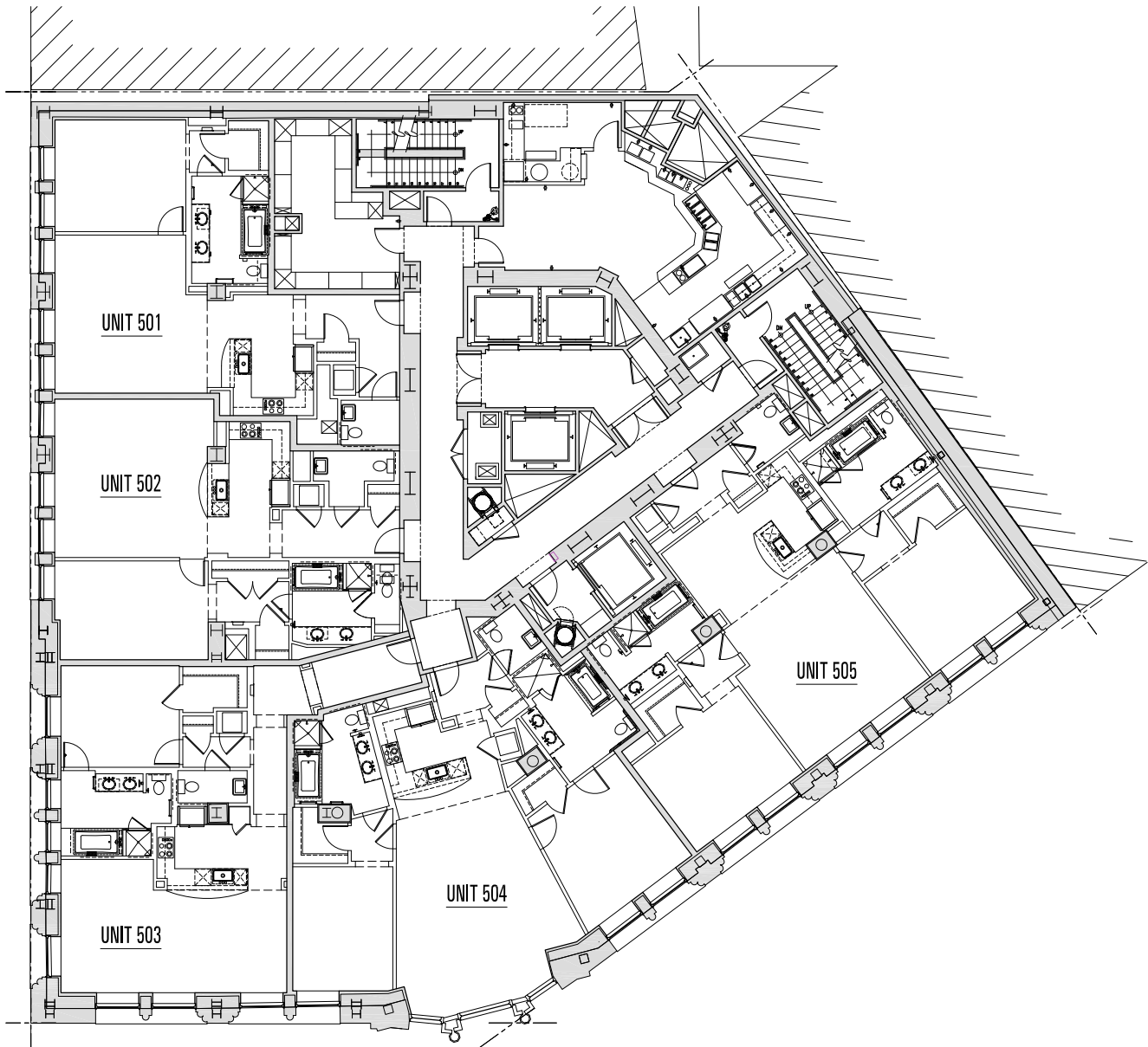


FIGURE 8: PROPOSED SIXTH FLOOR PLAN

(Units are constructed as shown)

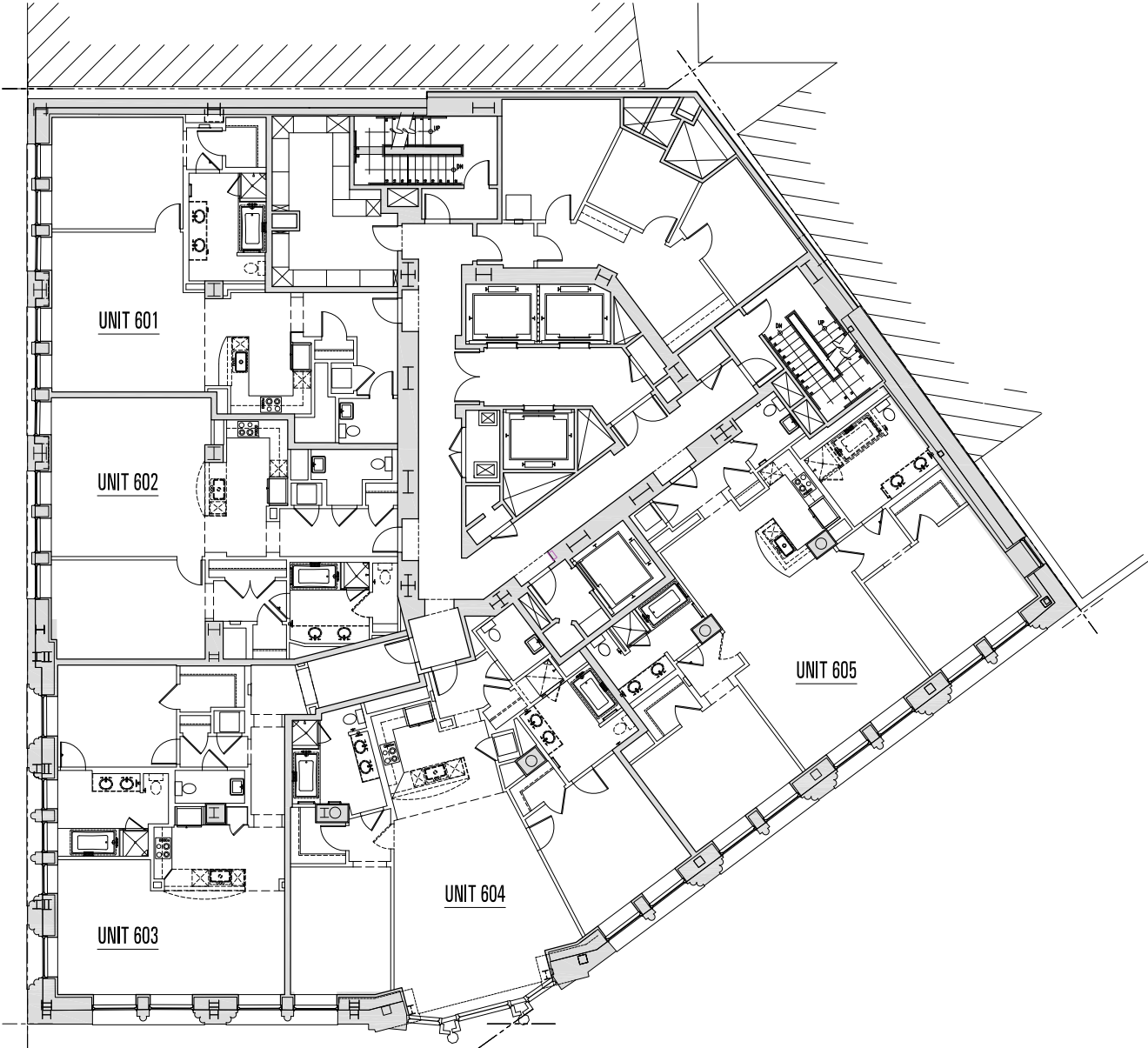


FIGURE 9: PROPOSED SEVENTH FLOOR PLAN

(Units are constructed as shown)

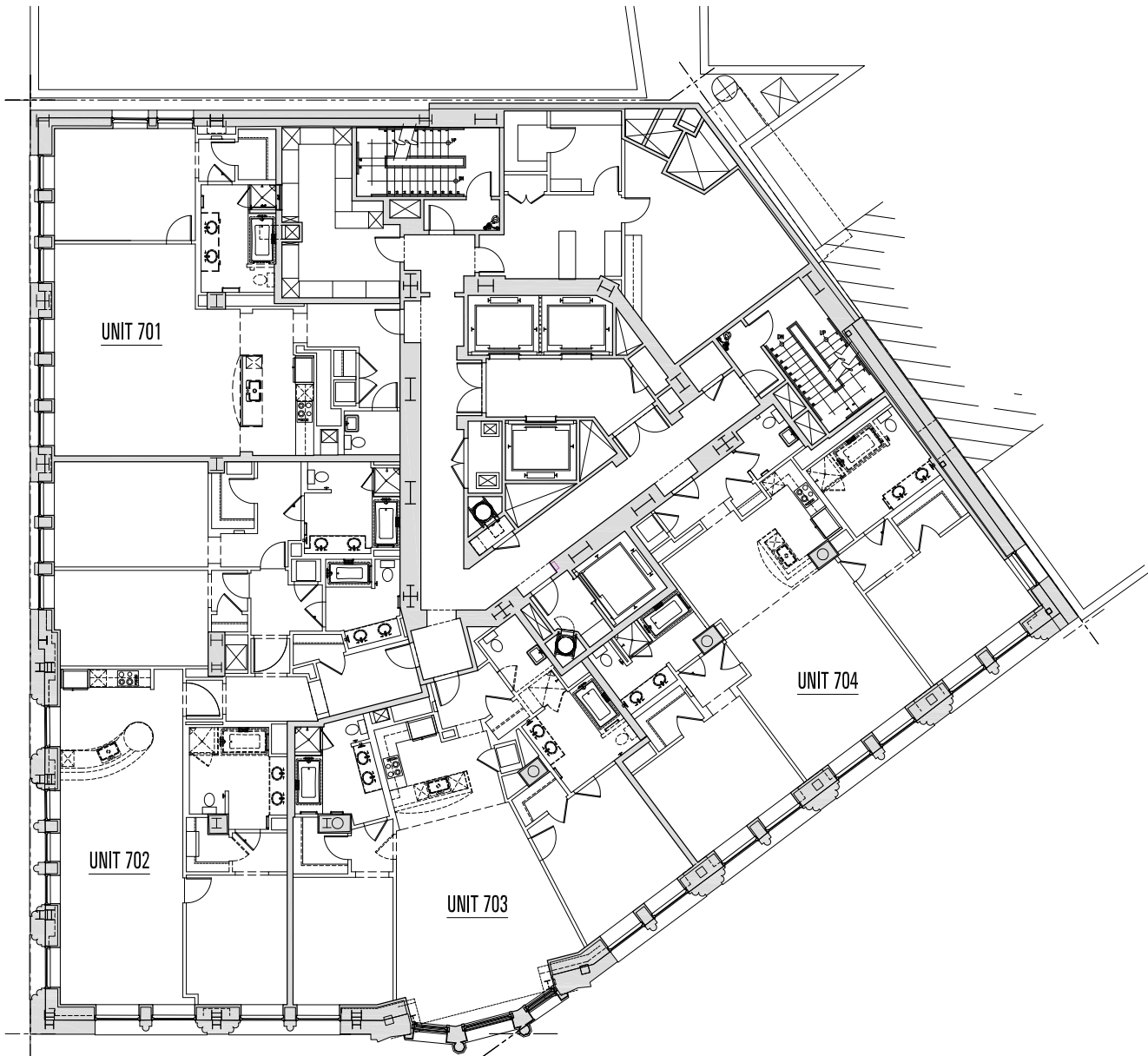


FIGURE 10: PROPOSED NINTH FLOOR PLAN

(Units are constructed as shown)

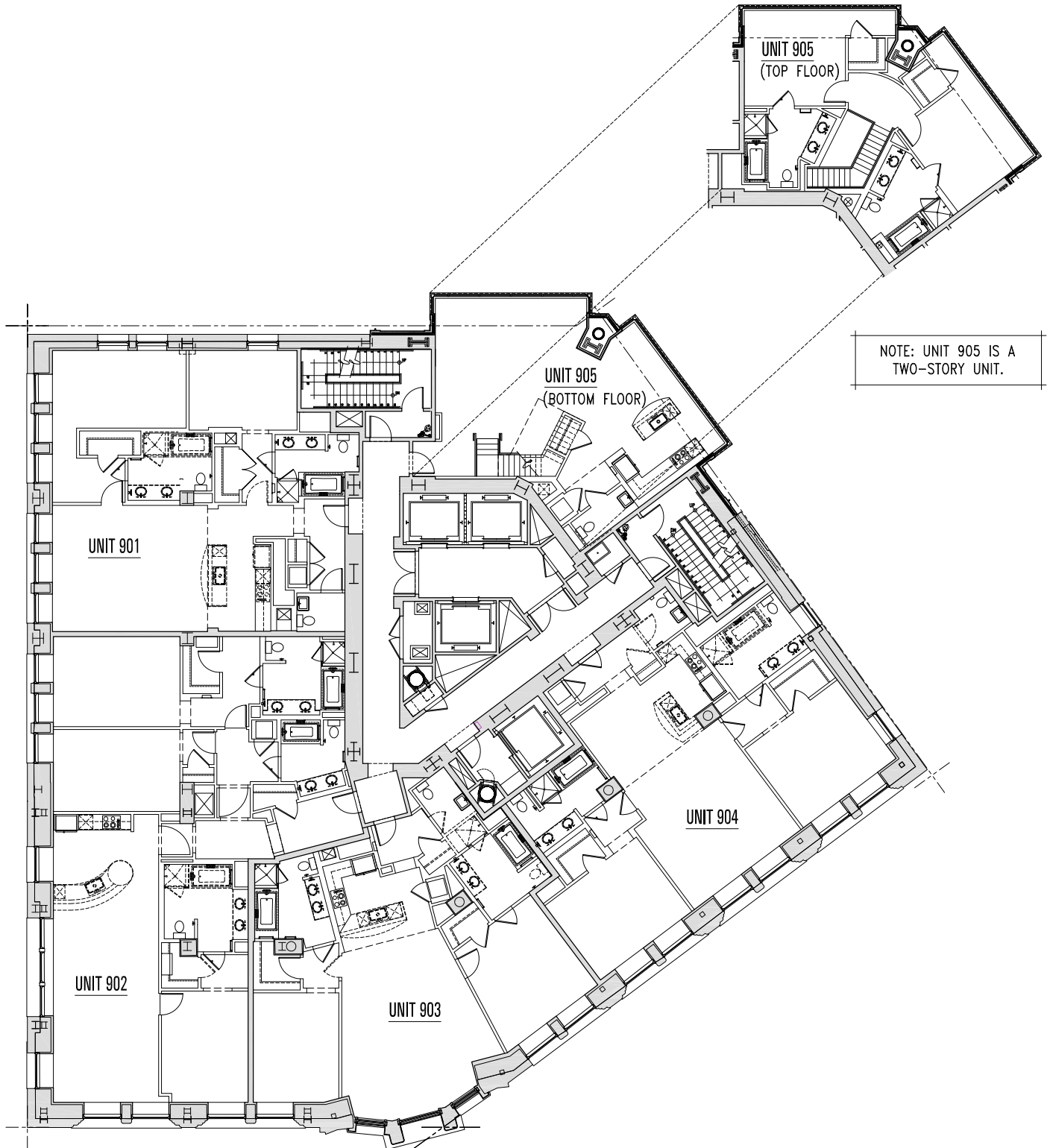


FIGURE 11: 2014 PROPOSED PARKING PLAN

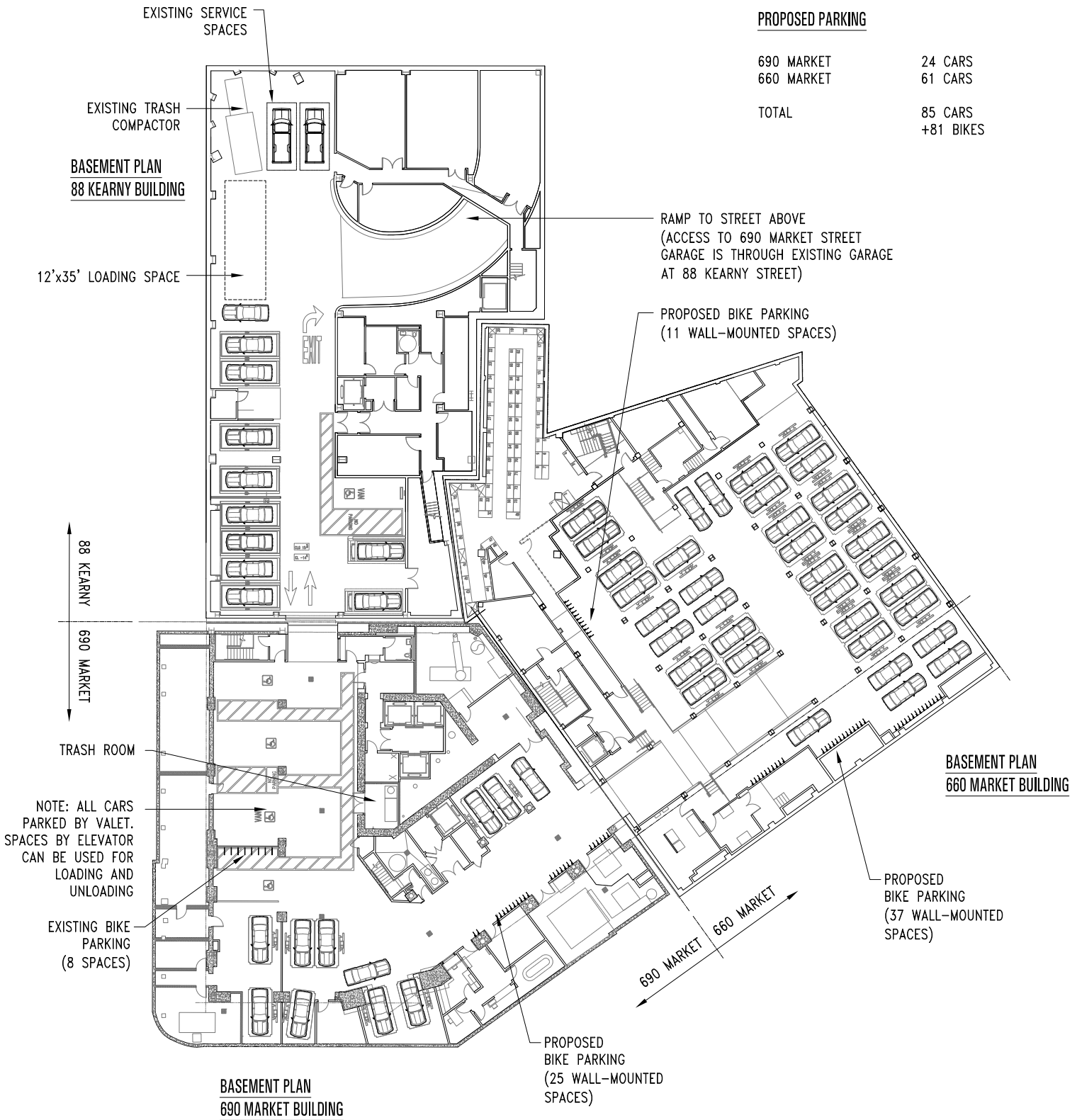


Table 3 - Project Comparison and **Table 4 - Maximum Residential Unit Mix Scenario Comparison**, compare the original 113-unit analyzed in the 2004 FMND project and the revised project. The revised project differs from that analyzed in the FMND in that the 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; the unit count would include 12 fewer units than what was analyzed in the FMND (101 instead of 113 units). Overall the proposed modifications would result in the conversion of 24 hotel units to residential units, which would reduce the size of the hotel use analyzed in the FMND from 115,425 gsf to 31,570 gsf, and the installation of 73 additional bicycle parking spaces (a mix of Class 1 and Class 2) in the parking garage that spans the basement levels of 690 Market Street and 660 Market Street. There would be 81 bicycle parking spaces instead of the eight analyzed in the FMND.

The proposed project does not include the construction of new vehicle parking spaces; however, the existing parking garage would be available to residents and hotel guests.

Table 3: Project Comparison

	Original 2004 Project	Existing (Built)	Revised Proposed Project	Total (Existing + Revised Project)
Residential	40 to 64 units (number of units dependent on unit scenario mix)	57 units	24 units (38,535 conversion from hotel to residential w/ interior construction work only)	81 units (exceeds max analyzed in FMND by 17 units)
Hotel/Timeshare	49 to 73 units (number of units dependent on unit scenario mix)	44 units	-24 units (existing hotel to be converted to residential)	20 units (below min analyzed in MND by 29 units)
Total Unit Count	113	101	0 (change of use)	101
Retail	6,875 gsf	6,200 gsf	0	6,200 gsf
Vehicle Parking	29 parking spaces that would accommodate 100 vehicles with valet & lifts (30,360 gsf)	36 spaces that accommodate 85 vehicles with valet & lifts	No change	36 spaces that accommodate 85 vehicles with valet & lifts
Bicycle Parking	8	8	73	81 ⁷

⁷ The bike parking requirement is triggered by the addition of dwelling units to an existing building where off-street vehicle parking exists (155.2(a)(2); therefore, rule 155.2(b)(3) applies.

Restoration	Completed in 2008			
Height	24 stories (312 ft tall)	24 stories (314 ft tall)	No change	314 ft
Zoning District	Downtown Housing SUD (DH-SUD)	C-3-O	No change	NA

As shown in **Table 4 - Maximum Residential Unit Mix Scenario Comparison**, there would be 17 one-bedroom, 51 two-bedroom and 13 three-bedroom total residential units. There would be six one-bedroom, 12 two-bedroom, and four three-bedroom hotel units. There would be 29 fewer hotel units 17 more residential units; fewer one-bedroom and two-bedroom units and more three-bedroom units than assessed in the FMND.

Table 4 - Maximum Residential Unit Mix Scenario Comparison

	FMND		Revised Proposed Project	
	Condominium	Hotel	Condominium	Hotel
One Bedroom	26	15	17	6
Two Bedroom	38	29	51	12
Three Bedroom		5	13	4
Sub Total	64	49	81	20
Total	113		101	

Approvals Required

- San Francisco Planning Commission approval for a Downtown Project Authorization (DPA) pursuant to Planning Code Section 309 to modify a previously approved Downtown Project Authorization under Case Number 2004.0584EKXCMTZLY. The DPA is the approval action for the project.
- Variances for the following Planning Code Sections:
 - Required rear yard - Section 134(d) for all new residential units.
 - Usable open space – Section 135 for all new residential units.
 - Open space exposure – Section 140 for one new residential unit.
- San Francisco Department of Building Inspection (DBI) building permits for interior alterations.

Analysis of Potential Environmental Effects

Section 31.19(c)(1) of the San Francisco *Administrative Code* states that a modified project must be reevaluated and that, "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons therefor shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter."

California Environmental Quality Act (CEQA) Guidelines Section 15164 provides for the use of an addendum to document the basis for a lead agency's decision not to require a subsequent MND for a project that is already adequately covered in an adopted MND. The lead agency's decision to use an addendum must be supported by substantial evidence that the conditions that would trigger the preparation of a Subsequent MND, as provided in CEQA Guidelines Section 15162, are not present.

The previously approved project was subject to an FMND adopted by the Planning Department on February 11, 2004. The FMND analyzed the potential impacts of the original proposed project and found that the project would have three impacts that could be reduced to a less-than-significant level with the incorporation of mitigation measures (Air Quality, Hazardous Materials, and Archaeological Resources) and the project as mitigated would not have a significant effect on the environment. One improvement measure was included in the FMND to require the project sponsor to meet with the San Francisco Municipal Transportation Agency to determine ways to reduce impacts on traffic and pedestrian circulation for the conversion of an existing truck loading bay on Market Street to a shared truck and passenger loading bay.

The FMND also analyzed the project's potential impacts in the areas of Land Use, Visual Quality, Population, Transportation/Circulation, Noise, Air Quality/Climate, Shadows and Wind, Utilities/Public Services, Biology, Geology/Topography, Water, Energy/Natural Resources, Hazards and Cultural Resources.

Except for Greenhouse Gas Emissions, analyzed in this Addendum, all the effects of the original proposed project and the revised proposed project would be substantially the same. The following discussion substantiates this determination.

Since adoption of the FMND, no changes have occurred in the circumstances under which the original project or the project as is currently proposed would change the severity of the project's physical impacts, and no new information has emerged that would materially change the analyses or conclusions set forth in the FMND. Further, proposed changes to the project analyzed in the 2004 FMND, as demonstrated

below, would not result in any new significant environmental impacts or a substantial increase in the significance of previously identified environmental effects. The effects of the project would be substantially the same, or for many environmental topic areas of lesser severity than reported in the FMND for 690 Market Street. The following discussion provides the basis for this conclusion.

Land Use

The 2004 FMND found that the original project would introduce more intense residential and retail mixed uses in the area which includes existing and future residential commercial mixed uses. The changes in land use from office to residential, hotel and retail uses on the project site would not disrupt or divide the physical arrangement of this area of downtown San Francisco. Residential and retail uses are principally permitted uses in C-3 Districts; hotel use is conditionally allowed. Introduction of these uses at the project site would, therefore, be in conformance with the Planning Code. The nature and intensity of the proposed land use for the project were also consistent with the character of the area. Therefore, the 2004 change of use from office to residential, hotel and retail uses on the project site was determined to have a less-than-significant impact to land use.

The revised project differs from that analyzed in the mitigated negative declaration in that 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; which would result in an increase in the total number of residential units at the site from 64 to 81 and a decrease in hotel units from 49 to 20. As previously stated, these units were constructed in 2008, but the construction work has not been completed to a level of occupancy. Thus, these units would require interior construction work in order to be finished.

The revised project would contain similar land uses as the project analyzed in 2004 and a similar arrangement of open space, public accessibility, and roadways. The project would require a Downtown Project Authorization application for open space exception and variances for Planning Code sections: 134 (Rear Yard), 135 (Open Space), and 140 (Dwelling Unit Exposure). Although the unit mix (hotel vs. dwelling units) proposed by the revised project is different than what it was analyzed in the 2004 FMND, the total unit count proposed by the revised project is still within the 113 analyzed in that document. Thus, neither the increase of residential units, a Downtown Project Authorization, nor a variance would change the FMND conclusions. Furthermore, all proposed physical changes at the site for the revised proposed project are associated with construction work to finish the 24 existing hotel units that are under various stages of completion. All construction work would occur within the existing building shell and would not affect the building exterior or its height. Thus, changes proposed under the revised project would not result in adverse land use impacts either individually or cumulatively.

Historic Architectural Resources

As noted in the 2004 FMND, 690 Market Street was rated as a category “3S” building, which indicated that the building appeared to be eligible for listing in the National Register. It is noted in the FMND that the removal of a metal and glass curtain wall, installed in the 1960’s, and the restoration of the building’s original exterior fabric, would qualify the building as a potential historic resource. It was further stated that 690 Market Street was one of the few downtown buildings to survive the 1906 Earthquake and Fire. Thus, the building was evaluated, in the 2004 FMND, as a “presumed historic resource” which is considered a historic resource for CEQA purposes.

The original project included restoration of the original façade that was beneath a façade installed in the 1960’s as well as vertical expansion to the existing building. Since the proposed restoration and the new addition was to be completed in accordance with the *Secretary of Interior’s Standards*, the 2004 FMND found that the project analyzed in 2004 would not cause a substantial adverse change or materially impair the significance of the historic resource, as defined by CEQA.

The restoration work and building expansion was completed in accordance with the *Secretary of Interior’s Standards* in 2008. On November 14, 2008, the Board of Supervisors signed an ordinance designating 690 Market Street as a historical resource under CEQA under Planning Code Article 11.⁶

The revised project differs from the project analyzed in 2004 in that it would only result in physical changes to the building interior in order to finish the construction of the 24 dwelling units proposed for the change of use from hotel to residential. The revised project, as proposed, would not change the existing building’s character-defining features from the original project evaluated in the FMND or the restoration work performed in 2008. Accordingly, the revised project, as with the original project analyzed in the FMND, would not result in a significant adverse impact on historic resources.⁷

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⁶City of San Francisco Board of Supervisor’s File No.080954, November 17, 2008. A copy of this document is available for public review at the Planning Department, 1650 Mission Street, 4th Floor.

⁷ Lily Yegazu, San Francisco Planning Department, email correspondence to Monica Pereira, September 23, 2014. The document is available for public review as part of Case File No. 2013.1601E at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA.

Transportation

A transportation study was prepared for the 2004 FMND to analyze the transportation impacts of the original 2004 project.⁹ The FMND found that the 2004 original project would have a less-than-significant impact to traffic, transit, pedestrians, bicycles, parking, construction, and loading.

Traffic

As set forth in the Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review, October 2002 (Guidelines)*,¹⁰ the Planning Department evaluates traffic conditions for the weekday PM peak period to determine the significance of an adverse environmental impact. Weekday PM peak-hour conditions (between the hours of 4 PM to 6 PM) typically represent the worst-case conditions for the local transportation network.

For purposes of conservative analysis, potential traffic effects of the revised project (a change of use of 24 existing units from hotel to residential) were examined using the trip generation rates for residential uses in the Planning Department's *Guidelines*¹¹ and it was assumed that trips generated by the revised project would have similar distribution patterns on the local and regional roadway network and street directions as for the previously proposed project in the FMND.

Under these conditions, the revised project would generate 215 daily person-trips (Person-trips include trips made by vehicle, transit, and walking or bicycling). The *Guidelines* indicate that 17.3% percent of the weekday person-trips for residential uses would occur during the PM peak-hour. Therefore, in this worst-case scenario, the revised project would generate about 37 new daily weekday PM peak-hour person trips. Overall, the daily weekday PM peak-hour person trips would be less than the 179 weekday PM peak-hour person trips generated for the maximum residential scenario analyzed for the original project. Vehicle-trips in the PM peak hour would be approximately 5 PM peak-hour vehicle trips, which would be less than the 82 PM peak-hour vehicle trips for maximum residential scenario analyzed in the 2004 FMND. This relatively low number of new trips would not have the potential to substantially affect levels of service at local intersections. Similar to the conclusions reached in the FMND, the revised project would not be expected to result in significant traffic impacts related to vehicular levels of service at either the project or cumulative levels.

⁹LCW Consulting, *690 Market Street Transportation Study*, San Francisco Planning Department Case #2003.0584E, November 20, 2003. A copy of this report is available for public review at the Planning Department, 1650 Mission Street, Suite 400, San Francisco CA.

¹⁰This document can be located at <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=6753>.

¹¹Tania Sheyner, San Francisco Planning Department, *Transportation Calculations*, November 22, 2013. These calculations are available for public review as part of Case File No. 2013.1601E at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA.

Transit

Similar to the conclusions reached in the FMND, the revised project would not cause a substantial increase in transit demand which cannot be accommodated by existing transit capacity. The revised project would generate about 8 transit trips during the weekday PM peak hour as opposed to about 43 PM peak-hour transit trips for the maximum residential scenario and 45 PM peak-hour transit trips for the maximum hotel scenario analyzed in the FMND. Transit trips to and from the project site would utilize the nearby Muni bus lines and transfer to other Muni bus and light rail lines, or to regional transit providers including Caltrain, SamTrans, AC Transit, Golden Gate Transit and BART. Near the project site, transit lines have available capacity to accommodate additional transit trips generated by the revised project without substantially affecting transit operations. Similar to the findings in the FMND, the revised project would not substantially affect or result in a significant project or cumulative impact on transit operations.

Pedestrians

As with the original project, new pedestrian trips associated with the revised project would be accommodated on the existing sidewalks and crosswalks adjacent to the project site and would not substantially affect current pedestrian conditions. Therefore the revised project's impacts to the pedestrian network would be less than significant.

Bicycle

Some of the "walk/other" trips generated by the proposed project would be bicycle trips. The revised project would generate about 1 "other" trip during the PM peak hour, which could include bicycle trips. The revised project would provide 73 bicycle parking spaces on site and as proposed, it would not affect bicycle travel in the area or result in conflicts between bicycles and vehicles. Similar to the conclusions reached in the FMND, the revised project would not result in significant project or cumulative impacts to bicyclists.

Parking

The findings in this Addendum are consistent with the findings reported in the 2004 FMND and are presented here for informational purposes. The FMND notes that parking supply is not considered to be part of the permanent physical environment and lack of such parking would not be considered an environmental impact as defined by CEQA.

As discussed in the FMND, at midday, the original project would generate an estimated parking demand of 89 to 106 spaces depending on which residential/hotel use unit mix chosen to be implemented. The original project proposed 29 off-street parking spaces that would accommodate 100 vehicles through a combination of mechanical lifts and valet parking services. These parking spaces were to be provided in

the two-level subsurface garage with access from the 88 Kearny Street building driveway on Post Street. The original project would have resulted in a parking shortfall of 23 parking spaces.

The parking demand for the new uses associated with the proposed project was determined based on the methodology presented in the *Guidelines*. At midday, the demand for parking would be for 32 spaces. There are no new parking spaces proposed to meet this additional demand; thus, as proposed, the project would have an unmet parking demand of 32 parking spaces.

Public Resources Code Section 21099(d), effective January 1, 2014, provides that, “aesthetics and parking impacts of a residential, mixed-use residential, or employment center project on an infill site located within a transit priority area shall not be considered significant impacts on the environment.” Accordingly, aesthetics and parking are no longer to be considered in determining if a project has the potential to result in significant environmental effects for projects that meet all of the following three criteria:

- a) The project is in a transit priority area;
- b) The project is on an infill site; and
- c) The project is residential, mixed-use residential, or an employment center.

The proposed project meets each of the above three criteria and thus, this determination does not consider the adequacy of parking in determining the significance of project impacts under CEQA.¹¹ The Planning Department acknowledges that parking conditions may be of interest to the public and the decision makers.

Parking conditions are not static, as parking supply and demand varies from day to day, from day to night, from month to month, etc. Hence, the availability of parking spaces (or lack thereof) is not a permanent physical condition, but changes over time as people change their modes and patterns of travel. While parking conditions change over time, a substantial shortfall in parking caused by a project that creates hazardous conditions or significant delays to traffic, transit, bicycles or pedestrians could adversely affect the physical environment. Whether a shortfall in parking creates such conditions will depend on the magnitude of the shortfall and the ability of drivers to change travel patterns or switch to other travel modes. If a substantial shortfall in parking caused by a project creates hazardous conditions

¹¹ San Francisco Planning Department, Transit-Oriented Infill Project Eligibility Checklist for 690 Market Street, April 17, 2014. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.1601E.

other travel modes. If a substantial shortfall in parking caused by a project creates hazardous conditions or significant delays in travel, such a condition could also result in secondary physical environmental impacts (e.g., air quality or noise impacts caused by congestion), depending on the project and its setting.

The absence of a ready supply of parking spaces, combined with available alternatives to auto travel (e.g., transit service, taxis, bicycles or travel by foot) and a relatively dense pattern of urban development, induces many drivers to seek and find alternative parking facilities, shift to other modes of travel, or change their overall travel habits. Any such resulting shifts to transit service or other modes (walking and biking), would be in keeping with the City's "Transit First" policy and numerous San Francisco General Plan Policies, including those in the Transportation Element. The City's Transit First Policy, established in the City's Charter Article 8A, Section 8A.115, provides that "parking policies for areas well served by public transit shall be designed to encourage travel by public transportation and alternative transportation."

The transportation analysis accounts for potential secondary effects, such as cars circling and looking for a parking space in areas of limited parking supply, by assuming that all drivers would attempt to find parking at or near the project site and then seek parking farther away if convenient parking is unavailable. The secondary effects of drivers searching for parking is typically offset by a reduction in vehicle trips due to others who are aware of constrained parking conditions in a given area, and thus choose to reach their destination by other modes (i.e. walking, biking, transit, taxi). If this occurs, any secondary environmental impacts that may result from a shortfall in parking in the vicinity of the proposed project would be minor, and the traffic assignments used in the transportation analysis, as well as in the associated air quality, noise and pedestrian safety analyses, would reasonably address potential secondary effects. As previously stated on an average weekday, the demand for parking would be for 32 spaces. The proposed project would not provide off-street parking spaces. Thus, as proposed, the project would have an un-met parking demand on site.

Loading

Planning Code Table 152.1 requires residential and hotel uses between 200,001 and 500,000 square feet to provide 2 off-street loading spaces. The revised project would result in 31,570 gsf of hotel space; thus, an off-street loading space is not required. Currently, there is one dedicated off-street loading space in the 88 Kearny Street parking garage that meets the Planning Code requirements. Access to the loading area is from the entrance/exit ramp from Post Street. This loading area would service the proposed new residential dwelling units. Therefore, consistent with the findings in the FMND for the original project, the revised project would have a less-than-significant impact on loading.

Construction

Construction to finish the 24 dwelling units would be phased over and take approximately 8 months, shorter than the 23 months estimated in the FMND. Construction is estimated to begin starting early spring of 2015. Construction staging would take place onsite, and there would be sufficient space to accommodate temporary off-loading and stacking materials. Construction worker parking is also expected to be accommodated on site. It is anticipated that no regular travel lanes or bus stops would need to be closed or relocated during the construction period. As with the original project, construction-related impacts to transportation, circulation, and parking would be temporary and would be less than significant.

Air Quality

The 2004 FMND found that the project would not violate ambient air quality standards, expose sensitive receptors to substantial pollutant concentrations, create objectionable odors, or alter wind, moisture, or temperature so as to substantially affect public areas.

The FMND determined that construction emissions associated with the original project would be less than significant because the original project would be required to implement construction-related ***Mitigation Measure 1: Construction Air Quality***, which would require the implementation of best management practices recommended by the Bay Area Air Quality District's (BAAQMD). For operational emissions, the original project would not exceed the BAAQMD thresholds (in place in 2003) for particulate matter (PM10), nitrogen oxide (NOx), or reactive organic gases (ROG).

San Francisco has adopted a Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008). The Construction Dust Control Ordinance was adopted with the intent of reducing the quantity of dust generated during site preparation, demolition and construction work in order to protect the health of the general public and on-site workers, minimize public nuisance complaints, and avoid orders to stop work by the Department of Building Inspection (DBI). Thus, the air quality mitigation measure (***Mitigation Measure 1: Construction Air Quality***) set forth in the 2004 FMND would no longer apply to the proposed project.

Below are the following regulations and procedures set forth in Section 106A.3.2.6.3 of the San Francisco Building Code's General Dust Control Requirements:

- Water all active construction areas sufficiently to prevent dust from becoming airborne. Increased watering frequency may be necessary whenever wind speeds exceed 15 mile per hour. Reclaimed water must be used if required by Article 21, Section 1100 et seq. of the San Francisco Public Works Code. If not required, reclaimed water should be used whenever possible;

- Provide as much water as necessary to control dust (without creating run-off) in an area of land clearing, earth movement, excavation, drillings, and other dust-generating activity;
- During excavation and dirt-moving activities, wet sweep or vacuum the streets, sidewalks, paths, and intersections where work is in progress at the end of the workday;
- Cover any inactive (no disturbance for more than seven days) stockpiles greater than ten cubic yards or 500 square feet of excavated materials, backfill material, import material, gravel, sand, road base, and soil with a 10 mil (0.01 inch) polyethylene plastic or equivalent tarp and brace it down or use other equivalent soil stabilization techniques; and
- Use dust enclosures, curtains, and dust collectors as necessary to control dust in the excavation area.

Compliance with the San Francisco Building Code’s General Dust Control Requirements would ensure that the project’s fugitive dust impacts would be less than significant.

Subsequent to publication of the 690 Market Street FMND, the Bay Area Air Quality Management District (BAAQMD), the regional agency with jurisdiction over the nine-county San Francisco Bay Area Air Basin (Air Basin), updated the 2011 BAAQMD CEQA Air Quality Guidelines (Air Quality Guidelines),¹² and provided new methodologies for analyzing air quality impacts for construction and operations. The Air Quality Guidelines provide screening criteria for determining whether a project’s criteria air pollutant emissions may violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. If a project meets the screening criteria, then the lead agency or applicant would not need to perform a detailed air quality assessment of their proposed project’s criteria air pollutant emissions, and construction or operation of the proposed project would result in a less-than-significant regional air quality impact.

As proposed, the revised project meets the BAAQMD’s thresholds for criteria air pollutant emissions for construction and operations, and therefore project impacts would be less than significant.

For determining potential health risk impacts, San Francisco has partnered with the BAAQMD to inventory and assess air pollution and exposures from mobile, stationary, and area sources in San Francisco, and identify portions of the City that result in additional health risks for affected populations (Air Pollutant Exposure Zone). The Air Pollutant Exposure Zone was identified based on two health based criteria:

¹²BAAQMD, CEQA Air Quality Guidelines, updated May 2011.

1. Excess cancer risk from all sources > 100; and
2. Particulate matter 2.5 microns in diameter or less (PM_{2.5}) concentrations from all sources, including ambient particulates less than 10 micrograms per cubic meter.

Sensitive receptors¹³ in the Air Pollutant Exposure Zone are more at risk for adverse health effects from exposure to substantial air pollutant concentrations than sensitive receptors outside the Air Pollutant Exposure Zone. These locations (i.e., in the Air Pollutant Exposure Zone) require additional consideration when projects or activities have the potential to emit toxic air contaminants (TACs), including diesel particulate matter (DPM) emissions from temporary and variable construction activities.

The project site is located in an Air Pollutant Exposure Zone. As such, the project is required to comply with Article 38 requirements which requires the project sponsor to demonstrate, to the Department of Public Health (DPH), that the building ventilation system removes at least 80 percent of the outdoor PM_{2.5} concentrations from habitable areas and be designed by an engineer certified by ASHRAE, who should provide a written report documenting that the system meets the 80 percent performance standard and offers the best available technology to minimize outdoor to indoor transmission of air pollution.

In 2008, an HVAC system was installed at the project site as part on the overall project construction. On June 9, 2014, the project sponsor submitted a copy of an *Enhanced Ventilation Proposal* for 690 Market Street to DPH for review and approval.¹⁴ On June 11, 2014, DPH issued an approval letter deeming the current ventilation system in compliance. In its approval letter, DPH recommended that the DBI consider the ventilation system, as described in the June 9th letter, compliant with Article 38.¹⁵

As previously discussed, the proposed project has been revised, compared to the original project that was analyzed in 2004. The revised project differs from that analyzed in the mitigated negative declaration in that 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; which would

¹³ The BAAQMD considers the following as sensitive receptors: children, adults or seniors occupying or residing in: 1) residential dwellings, including apartments, houses, condominiums; 2) schools, colleges, and universities; 3) daycares; 4) hospitals; and 5) senior care facilities. BAAQMD, *Recommended Methods for Screening and Modeling Local Risks and Hazards*, May 2011, page 12.

¹⁴ Charles F. Bloszies, *Residential Conversion – 690 Market Street SFDPH Article 38 Ventilation Documentation*, June 9, 2014. A copy of this document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No.2013.1601.

¹⁵San Francisco Department of Public Health. *Article 38 Enhanced Ventilation System Approval for 690 Market Street Project*, June 11, 2014. This document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No.2013.1601.

result in an increase on the total number of residential units at the site from 64 to 81 and a decrease in hotel units from 49 to 20. As previously stated, these units were constructed in 2008, but the construction work has not been completed to allow occupancy. Thus, these units would require interior construction work in order to be finished. The proposed project would generate 5 PM peak-hour vehicle trips, which would be less than the 51 PM peak-hour vehicle trips for maximum residential scenario and 44 PM peak-hour vehicle trips for the maximum hotel scenario previously analyzed in the 2004 FMND. Thus, operational emissions would remain less than significant as the change of project-related traffic would not be substantial compared to the revised project.

Based on the above, the proposed project would have less-than-significant impacts related to air quality, as was identified in the 2004 FMND.

Greenhouse Gases

The State CEQA Guidelines were amended in 2010 to require an analysis of a project's greenhouse gas (GHG) emissions on the environment. The FMND for the 690 Market Street was adopted in 2004, and therefore did not analyze the effects of GHG emissions. In addition, the BAAQMD has prepared guidelines that provide methodologies for analyzing air quality impacts under CEQA, including the impact of GHG emissions. The following analysis is based on BAAQMD's guidelines for analyzing GHG emissions, and incorporates amendments to the CEQA guidelines relating to GHGs.

The proposed project would increase the activity onsite by replacing the existing 24 timeshare units (hotel use) with 24 residential dwelling units. Therefore, the proposed project would contribute to annual long-term increases in GHGs as a result of increased vehicle trips (mobile sources) and residential operations that result in an increase in energy use, water use and wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions.

The BAAQMD has prepared guidelines and methodologies for analyzing GHGs. These guidelines allow for projects that are consistent with a Qualified GHG Reduction Strategy to conclude that the project's GHG impact is less than significant. San Francisco's Strategies to Address Greenhouse Gas Emissions (GHG Reduction Strategy)¹⁶ presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's Qualified GHG Reduction Strategy in compliance with the

¹⁶ Greenhouse Gas Analysis: Compliance Checklist for 690 Market Street. May 28, 2014. This document is on file in Case File No. 2013.1601E and available for public review at the Planning Department, 1650 Mission Street, Suite 400.

BAAQMD's guidelines. These actions have resulted in a 14.5 percent reduction in GHG emissions in 2010 compared to 1990 levels, exceeding the year 2020 reduction goals outlined in the BAAQMD's 2010 Clean Air Plan, Executive Order S-3- 05, and Assembly Bill 32 (also known as the Global Warming Solutions Act). Therefore, projects that are consistent with San Francisco's GHG Reduction Strategy would not result in GHG emissions that would have a significant effect on the environment, and would not conflict with state, regional, and local GHG reduction plans and regulations.

The proposed project would be subject to and required to comply with several regulations adopted to reduce GHG emissions as identified in the GHG Reduction Strategy. The regulations that are applicable to the proposed project include the Bicycle Parking in Residential Buildings requirements, Car Sharing and Parking requirements, Street Tree Planting Requirements for New Construction, Mandatory Recycling and Composting Ordinance, Indoor Water Efficiency, Stormwater Management, Building Code Low-emitting Materials Requirements and San Francisco Green Building Requirements for Energy Efficiency, Water Use Reduction, and Construction and Demolition Debris Recycling.

These regulations, as outlined in San Francisco's Strategies to Address Greenhouse Gas Emissions, have proven effective, as San Francisco's GHG emissions have been measurably reduced when compared to 1990 emissions levels, demonstrating that the City has met and exceeded Executive Order S-3-05, Assembly Bill 32, and the Bay Area 2010 Clean Air Plan GHG reduction goals for the year 2020. The proposed project was determined to be consistent with San Francisco's GHG Reduction Strategy. Other existing regulations, such as those implemented through Assembly Bill 32, will continue to reduce a proposed project's contribution to climate change. Therefore, the proposed project's GHG emissions would not conflict with state, regional, and local GHG reduction plans and regulations. Thus, the proposed project would result in a less-than-significant impact with respect to GHG emissions. No mitigation measures are necessary.

Noise

The 2004 FMND states that the original project would have involved construction of an eight-story addition to an existing building to accommodate 113 dwelling units, retail and parking spaces. The project also included rehabilitation of the original building's historic exterior. Per the 2004 FMND, the construction work would have required pile driving within the existing enclosed basement of the building.

The FMND identified an increase in the ambient sound levels during construction as a result of construction equipment that included pile driving. The FMND determined that compliance with the San Francisco Noise Ordinance would reduce construction impacts to less-than-significant levels.

As previously stated, the building expansion and infrastructure work was completed in 2008, which included the construction of the existing 24 dwelling units that are currently proposed for a change of use from hotel to residential. These 24 dwelling units were not constructed to completion and require additional work to be deemed habitable by Planning and Building standards. The proposed construction work necessary to finish these units would take place in the interior of the building. Also, as proposed there would be no pile driving associated with the current project. Thus, construction noise and vibration impacts would be similar or less than the originally proposed 2004.

In addition to construction noise, the 2004 FMND states that the original project would have included stationary noise sources associated with the mixed-use development. The project would include mechanical equipment, such as air-conditioning units and chillers. These stationary noise sources would not have caused a noise impact given the background noise in the area. The currently proposed project would utilize the existing HVAC system in the building, which was installed in 2008 and will not require upgrades or expansion. Thus, stationary noise sources for the proposed project would be similar to those described in the 2004 FMND; no new impacts would occur and no mitigation measures are required.

The 2004 FMND noted that the background noise level in San Francisco is elevated primarily due to traffic noise, and that traffic volumes would have to double before an increase in noise level would be noticeable to most people. Traffic noise increases with implementation of the currently propose project would be similar to those described for the project analyzed in the 2004 FMND, and no new impacts would occur.

The 2004 FMND states that the original project would have been exposed to ambient noise in the project area due primarily to traffic. The original analysis called for the 2004 project to comply with Title 24 standards. Title 24 required interior noise levels at noise sensitive uses to achieve 45 dBA or less. The 2004 FMND concluded that compliance with Title 24 would reduce exposure to ambient noise to a less-than-significant impact. As of January 2014, Title 24 no longer regulates interior noise insulation for residential use; however, the building upgrades and expansion were constructed in 2008 in accordance to formal Title 24 requirements of that time.

than-significant impact. As of January 2014, Title 24 no longer regulates interior noise insulation for residential use; however, the building upgrades and expansion were constructed in 2008 in accordance to formal Title 24 requirements of that time.

To evaluate sensitive user's exposure to ambient noise levels, noise measurements were conducted at the project site between May 22, 2014, and May 23, 2014 and presented in an Environmental Noise Study prepared by Salter Associates.¹⁸ The noise monitoring survey included two long-term noise measurements and one short-term measurement. In the vicinity of the project site, the measured outdoor ambient day-night sound level (DNL or L_{dn}) was 78 decibels (dBA) along Market Street, and the DNL along Kearny Street was 77 dBA. Consistent with the findings in the 2004 FMND, the noise environment at the site still is dominated by vehicular traffic along Market Street and Kearny Street. There are bus routes along both streets and light rail lines along Market Street. Truck and motorcycle passbys and emergency vehicles also contribute to the noise environment.

Like the original project analyzed 2004 FMND, the revised proposed project would also be exposed to ambient noise in the project area due primarily to traffic. However, since the building was constructed to the more restrictive Title 24 guidelines in place in 2008, interior noise levels would achieve 45 dBA or less, and therefore, the currently proposed project would be compatible with the ambient noise environment. In addition, both construction and operation of the revised proposed project would be required to comply with the San Francisco Noise Ordinance (Article 29 of the *Police Code*), amended in November 2008, which includes restrictions on noise levels of construction equipment and hours of construction activity. Compliance with Article 29 would ensure that this project has a less-than-significant impact on noise levels, similar to the less-than-significant impact identified for the 2004 FMND.

Other Issues

The 2004 FMND for the 690 Market Street project determined that, for the following topics, any environmental effects associated with the project would either be insignificant or would be reduced to a level of less-than-significant by implementation of the mitigation measures adopted as conditions of project approval: Visual Quality, Population, Wind, Shadow, Utilities/Public Services, Biology, Geology/Topography, Water, Energy/Natural Resources, Hazardous Materials, and Archaeological Resources. The FMND's mitigation measures to address Air Quality, Hazardous Materials, and

¹⁸Charles M. Salter Associates, Inc., *Environmental Noise Study for 690 Market Street, San Francisco, CA, CSA Project Number: 14-0298*. June 18, 2014. Prepared for Holley Consulting. This document is available for public review at the Planning Department, 1650 Mission Street, Suite 400, as part of Case No. 2013.1601E.

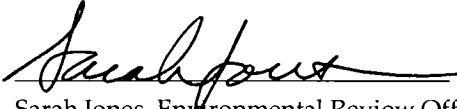
be applied to the revised project, except the Construction Air Quality Mitigation Measure as discussed above.

Conclusion

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the final mitigated negative declaration adopted and issued on February 11, 2004 remain valid and that no supplemental environmental review is required. The proposed revisions to the project would not cause new significant impacts not identified in the final mitigated negative declaration, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the project would cause significant environmental impacts. Therefore, no supplemental environmental review is required beyond this addendum.

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

October 29, 2014
Date of Determination


Sarah Jones, Environmental Review Officer
for John Rahaim, Director of Planning

cc: Scott Emblidge, Moscone Emblidge Sater & Otis
Kanishka Burns, Current Planning Division
Distribution List
Virna Byrd, Master Decision File/Bulletin Board

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Exhibit D

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SAN FRANCISCO
PLANNING
DEPARTMENT

AFFIDAVIT FOR Compliance with the Inclusionary Affordable Housing Program

Date: January 11, 2013

Planning Department
1650 Mission Street
Suite 400
San Francisco, CA
94103-9426

To: Applicants subject to Planning Code Section 415: Inclusionary
Affordable Housing Program

From: San Francisco Planning Department

Re: Compliance with the Inclusionary Affordable Housing Program

T: 415.558.6378

F: 415.558.6409

All projects that involve five or more new dwelling units must participate in the *Inclusionary Affordable Housing Program* contained in Section 415 of the Planning Code. Every project subject to Section 415 must pay an Affordable Housing Fee that is equivalent to the applicable percentage of the number of units in the principal project, which is 20% of the total number of units proposed (or the applicable percentage if subject to different area plan controls or requirements).

A project may be eligible for an Alternative to the Affordable Housing Fee if the developer chooses to commit to sell the new on- or off-residential units rather than offer them as rental units. Second, the project may be eligible for an Alternative to the Affordable Housing Fee if it has demonstrated to the Planning Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act. All projects that can demonstrate that they are eligible for an alternative to the Affordable Housing Fee must provide the necessary documentation to the Planning Department and the Mayor's Office of Housing. Additional material may be required to determine if a project is eligible to fulfill the Program's requirements through an alternative.

Before the Planning Department and/or Planning Commission can act on the project, this *Affidavit for Compliance with the Inclusionary Affordable Housing Program* must be completed.

Affidavit for Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415

October 31, 2014

Date

I, Donald L. Baarman, do hereby declare as follows:

a. The subject property is located at (address and block/lot):

690 Market Street 0311/006
Address Block / Lot

b. The proposed project at the above address is subject to the Inclusionary Affordable Housing Program, Planning Code Section 415 et seq.

The Planning Case Number and/or Building Permit Number is:

2013.1601E
Planning Case Number Building Permit Number

This project requires the following approval:

- Planning Commission approval (e.g. Conditional Use Authorization, Large Project Authorization)
- This project is principally permitted.

The Current Planner assigned to my project within the Planning Department is:

Kanishka Burns
Planner Name

Is this project within the Eastern Neighborhoods Plan Area?

- Yes (if yes, please indicate Tier) _____
- No

This project is exempt from the Inclusionary Affordable Housing Program because:

- This project uses California Debt Limit Allocation Committee (CDLAC) funding.
- This project is 100% affordable.

c. This project will comply with the Inclusionary Affordable Housing Program by:

- Payment of the Affordable Housing Fee prior to the first site or building permit issuance (Planning Code Section 415.5).
- On-site or Off-site Affordable Housing Alternative (Planning Code Sections 415.6 and 416.7).

- d. If the project will comply with the Inclusionary Affordable Housing Program through an **On-site or Off-site Affordable Housing Alternative**, please fill out the following regarding how the project is eligible for an alternative and the accompanying unit mix tables on page 4.
- Ownership.** All affordable housing units will be sold as ownership units and will remain as ownership units for the life of the project.
 - Rental.** Exemption from Costa Hawkins Rental Housing Act.² The Project Sponsor has demonstrated to the Department that the affordable units are not subject to the Costa Hawkins Rental Housing Act, under the exception provided in Civil Code Sections 1954.50 through one of the following:
 - Direct financial contribution from a public entity.
 - Development or density bonus or other public form of assistance.
 - Development Agreement with the City. The Project Sponsor has entered into or has applied to enter into a Development Agreement with the City and County of San Francisco pursuant to Chapter 56 of the San Francisco Administrative Code and, as part of that Agreement, is receiving a direct financial contribution, development or density bonus, or other form of public assistance.
- e. The Project Sponsor acknowledges that failure to sell the affordable units as ownership units or to eliminate the on-site or off-site affordable ownership-only units at any time will require the Project Sponsor to:
- (1) Inform the Planning Department and the Mayor's Office of Housing and, if applicable, fill out a new affidavit;
 - (2) Record a new Notice of Special Restrictions; and
 - (3) Pay the Affordable Housing Fee plus applicable interest (using the fee schedule in place at the time that the units are converted from ownership to rental units) and any applicable penalties by law.
- f. The Project Sponsor must pay the Affordable Housing Fee in full sum to the Development Fee Collection Unit at the Department of Building Inspection for use by the Mayor's Office of Housing prior to the issuance of the first construction document, with an option for the Project Sponsor to defer a portion of the payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge that would be deposited into the Citywide Affordable Housing Fund in accordance with Section 107A.13.3 of the San Francisco Building Code.
- g. I am a duly authorized officer or owner of the subject property.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.
Executed on this day in:

Orlando, Florida
Location

October 31, 2014
Date


Signature

Donald L. Baarman Vice President
Name (Print), Title

cc: Mayor's Office of Housing
Planning Department Case Docket
Historic File, if applicable
Assessor's Office, if applicable

(407) 206-6309
Contact Phone Number

Unit Mix Tables

NUMBER OF ALL UNITS IN PRINCIPAL PROJECT					
Total Number of Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units
24	0	0	10	12	2

If you selected an On-site or Off-Site Alternative, please fill out the applicable section below:

- On-site Affordable Housing Alternative (Charter Section 16.110 (g) and Planning Code Section 415.6): calculated at 12% of the unit total.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED ON-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

- Off-site Affordable Housing Alternative (Planning Code Section 415.7): calculated at 20% of the unit total.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

Area of Dwellings in Principal Project (in sq. feet)	Off-Site Project Address				
Area of Dwellings in Off-Site Project (in sq. feet)					
Off-Site Block/Lot(s)	Motion No. (if applicable)	Number of Market-Rate Units in the Off-site Project			

- Combination of payment of a fee, on-site affordable units, or off-site affordable units with the following distribution:

Indicate what percent of each option would be implemented (from 0% to 99%) and the number of on-site and/or off-site below market rate units for rent and/or for sale

- Fee 100 % of affordable housing requirement.
- On-Site 0 % of affordable housing requirement.


NUMBER OF AFFORDABLE UNITS TO BE LOCATED ON-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

- Off-Site 0 % of affordable housing requirement.

NUMBER OF AFFORDABLE UNITS TO BE LOCATED OFF-SITE					
Total Affordable Units	SRO	Studios	One-Bedroom Units	Two-Bedroom Units	Three-Bedroom Units

Area of Dwellings in Principal Project (in sq. feet)	Off-Site Project Address				
Area of Dwellings in Off-Site Project (in sq. feet)					
Off-Site Block/Lot(s)	Motion No. (if applicable)	Number of Market-Rate Units in the Off-site Project			

Affidavit for Compliance with the Inclusionary Affordable Housing Program

CONTACT INFORMATION AND DECLARATION OF SPONSOR OF PRINCIPAL PROJECT	CONTACT INFORMATION AND DECLARATION OF SPONSOR OF OFF-SITE PROJECT (IF DIFFERENT)
Company Name R.C. Chronicle Building	Company Name
Print Name of Contact Person Don Baarman	Print Name of Contact Person
Address 6649 Westwood Blvd. Suite 500	Address
City, State, Zip Orlando, FL 32821	City, State, Zip
Phone, Fax (407) 206-6309 / (407) 206-6262	Phone, Fax
Email don.baarman@mwc.com	Email
I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above.  _____ Signature Donald L. Baarman Vice President _____ Name (Print), Title	I hereby declare that the information herein is accurate to the best of my knowledge and that I intend to satisfy the requirements of Planning Code Section 415 as indicated above. _____ Signature _____ Name (Print), Title



SAN FRANCISCO
PLANNING
DEPARTMENT

AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM

Administrative Code

Chapter 83

1650 Mission Street, Suite 400 • San Francisco CA 94103-2479 • 415.558.6378 • <http://www.sfplanning.org>

Section 1: Project Information

PROJECT ADDRESS 690 Market Street		BLOCK/LOT(S) 0311/006	
BUILDING PERMIT APPLICATION NO.	CASE NO. (IF APPLICABLE) 2013.1601E	MOTION NO. (IF APPLICABLE)	
PROJECT SPONSOR R.C. Chronicle Bldg.	MAIN CONTACT Don Baerman	PHONE 407 206-6309	
ADDRESS 6649 Westwood Blvd.			
CITY, STATE, ZIP Orlando Fla. 94104		EMAIL don.baerman@mvmc.com	
ESTIMATED RESIDENTIAL UNITS 24	ESTIMATED SQ FT COMMERCIAL SPACE 0	ESTIMATED HEIGHT/FLOORS	ESTIMATED CONSTRUCTION COST
ANTICIPATED START DATE February 2015			

Section 2: First Source Hiring Program Verification

CHECK ALL BOXES APPLICABLE TO THIS PROJECT	
<input checked="" type="checkbox"/>	Project is wholly Residential
<input type="checkbox"/>	Project is wholly Commercial
<input type="checkbox"/>	Project is Mixed Use
<input checked="" type="checkbox"/>	A: The project consists of ten (10) or more residential units;
<input type="checkbox"/>	B: The project consists of 25,000 square feet or more gross commercial floor area.
<input type="checkbox"/>	C: Neither 1A nor 1B apply.
NOTES:	
<ul style="list-style-type: none"> If you checked C, this project is <u>NOT</u> subject to the First Source Hiring Program. Sign Section 4: Declaration of Sponsor of Project and submit to the Planning Department. If you checked A or B, your project <u>IS</u> subject to the First Source Hiring Program. Please complete the reverse of this document, sign, and submit to the Planning Department prior to any Planning Commission hearing. If principally permitted, Planning Department approval of the Site Permit is required for all projects subject to Administrative Code Chapter 83. For questions, please contact OEWD's CityBuild program at CityBuild@sfgov.org or (415) 701-4848. For more information about the First Source Hiring Program visit www.workfordevelopmentssf.org If the project is subject to the First Source Hiring Program, you are required to execute a Memorandum of Understanding (MOU) with OEWD's CityBuild program prior to receiving construction permits from Department of Building Inspection. 	

Continued...

Section 3: First Source Hiring Program – Workforce Projection

Per Section 83.11 of Administrative Code Chapter 83, it is the developer's responsibility to complete the following information to the best of their knowledge.

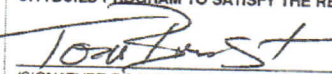
Provide the estimated number of employees from each construction trade to be used on the project, indicating how many are entry and/or apprentice level as well as the anticipated wage for these positions.

Check the anticipated trade(s) and provide accompanying information (Select all that apply):

TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS	TRADE/CRAFT	ANTICIPATED JOURNEYMAN WAGE	# APPRENTICE POSITIONS	# TOTAL POSITIONS
Abatement Laborer	—	—	—	Laborer	\$48.27	1	3
Boilermaker	—	—	—	Operating Engineer	—	—	—
Bricklayer	—	—	—	Painter	\$59.62	1	3
Carpenter	\$68.07	1	4	Pile Driver	—	—	—
Cement Mason	—	—	—	Plasterer	—	—	—
Drywall/Latherer	\$68.85	1	3	Plumber and Pipefitter	\$108.44	1	2
Electrician	\$87.73	1	2	Roofer/Water proofer	—	—	—
Elevator Constructor	—	—	—	Sheet Metal Worker	\$91.64	1	2
Floor Coverer	—	—	—	Sprinkler Fitter	\$78.19	1	2
Glazier	—	—	—	Taper	\$61.21	1	3
Heat & Frost Insulator	—	—	—	Tile Layer/Finisher	\$56.06	1	3
Ironworker	—	—	—	Other:			
			TOTAL:	9			
					TOTAL:	18	

- | | | |
|--|-------------------------------------|--------------------------|
| | YES | NO |
| 1. Will the anticipated employee compensation by trade be consistent with area Prevailing Wage? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Will the awarded contractor(s) participate in an apprenticeship program approved by the State of California's Department of Industrial Relations? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Will hiring and retention goals for apprentices be established? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. What is the estimated number of local residents to be hired? | | <u>+8</u> |

Section 4: Declaration of Sponsor of Principal Project

PRINT NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	EMAIL	PHONE NUMBER
Tom Brust	tom.brust@muwc.com	407-513-6641
I HEREBY DECLARE THAT THE INFORMATION PROVIDED HEREIN IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND THAT I COORDINATED WITH OEWD'S CITYBUILD PROGRAM TO SATISFY THE REQUIREMENTS OF ADMINISTRATIVE CODE CHAPTER 83.		
 (SIGNATURE OF AUTHORIZED REPRESENTATIVE)		10/31/14 (DATE)

FOR PLANNING DEPARTMENT STAFF ONLY: PLEASE EMAIL AN ELECTRONIC COPY OF THE COMPLETED AFFIDAVIT FOR FIRST SOURCE HIRING PROGRAM TO OEWD'S CITYBUILD PROGRAM AT CITYBUILD@SFGOV.ORG

Cc: Office of Economic and Workforce Development, CityBuild
 Address: 1 South Van Ness 5th Floor San Francisco, CA 94103 Phone: 415-701-4848
 Website: www.workforcedevelopmentsf.org Email: CityBuild@sfgov.org