



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Inclusionary Housing (Sec. 315)
- Jobs Housing Linkage Program (Sec. 313)
- Downtown Park Fee (Sec. 139)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 314)
- Other

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No. 18012

HEARING DATE: JANUARY 14, 2009

Date: January 7, 2009
Case No.: **2009.1064C**
Project Address: **1345 Turk Street**
Zoning: NC-3 (Moderate-Scale Neighborhood Commercial District)
Height/Bulk: 50-X
Block/Lot: 0756/017 (formerly Lot 001)
Project Sponsor: Michael Simmons, MSPDI, Turk LLC
 2370 Market Street, #458
 San Francisco, CA 94114

Michele Davis, San Francisco Redevelopment Agency
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Staff Contact: Sara Vellve – (415) 558-6263
sara.vellve@sfgov.org

Recommendation: **Approval with Conditions**

ADOPTING FINDINGS RELATED TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION FOR A PLANNED UNIT DEVELOPMENT PER SECTIONS 712.11, 303 AND 304 OF THE PLANNING CODE TO CONSTRUCT UP TO 32, 100% AFFORDABLE DWELLING UNITS WITHIN THREE, TWO-AND THREE-STORY BUILDINGS AND 24 BELOW-GRADE OFF-STREET PARKING SPACES ON A LOT EXCEEDING 10,000 SQUARE FEET WITH MODIFICATIONS TO THE REAR YARD AND DWELLING UNIT EXPOSURE REQUIREMENTS WITHIN AN NC-3 (NEIGHBORHOOD COMMERCIAL, MODERATE-SCALE) NEIGHBORHOOD COMMERCIAL DISTRICT AND A 50-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On November 12, 2009, Michele Davis of the San Francisco Redevelopment Agency and Michael Simmons of MSPDI, Turk LLC. (hereinafter "Project Sponsors"), submitted a Conditional Use Application under Planning Code Sections 712.11, 303 and 304 to construct up to 32 affordable dwelling units and 24 below-grade off-street parking spaces within an NC-3 (Neighborhood Commercial, Moderate Scale) Neighborhood Commercial District and a 50-X Height and Bulk District.

On January 14, 2009, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2009.1064C.

The project was previously entitled by the San Francisco Redevelopment Agency Commission in 2008 (Resolution No. 35-2008). Through the previous environmental review process, a Mitigated Negative Declaration (MND) was issued and mitigation measures were developed and incorporated into the Resolution. The Planning Department has reviewed the revised proposal, and the Agency MND, and believes it analyzes all potential environmental impacts of the project and contains mitigation for all potentially significant environmental effects in compliance with the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) (CEQA), 14 California Code of Regulations Section 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 13"). The Commission concludes that with incorporation of the mitigation measures recommended in the MND and imposed by the Redevelopment Commission in its Resolution No. 35-2008, the Project could have no significant effect on the environment and no additional mitigation measures are required..

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

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2009.1064C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project is located on the southern side of Turk Street between Fillmore and Webster Streets, Block 0756, Lot 017. The property is located within the NC-3 (Moderate-Scale Neighborhood Commercial) District and 50-X height and bulk district. The property is currently undeveloped and flat. Overall, the property is approximately 26,700 square feet and generally rectangular. It was recently split from the former MUNI Substation at the corner of Fillmore and Turk Street such that what would be its northwest corner remains occupied by that use.
3. **Surrounding Properties and Neighborhood.** A MUNI Substation (City Landmark No. 105) and the Fillmore-Turk Mini-Park are adjacent to the west, Fire Station No. 5 is immediately the east, and a church and residential buildings of moderate scale abut the southern property line (zoned RM-3). While the Project site is located in an NC-3 District, the commercial/neighborhood-serving uses are generally located along Fillmore Street to the west, rather than the portion of Turk Street on which the project would be located. The subject block contains one commercial

use, a McDonalds drive-through restaurant at the corner of Fillmore Street and Golden Gate Avenue. It is likely that the MUNI Substation will be occupied by a commercial or public use in the future. Properties on the north side of Turk Street across from the proposed development are generally residential with building heights of 40 to 80 feet, zoned NC-3 and RM-3 (Mixed, Medium Density).

4. **Project Description.** The applicant proposes to construct three, two-and three-story buildings containing up to 32 dwelling units that will be 100% affordable to first-time homebuyers earning between 70% and 100% of area median income (with an average of 80% of median income). As currently proposed, the unit mix would include: seven 1-bedroom flats, one 2-bedroom flat, sixteen 2-bedroom townhouses, and eight 3-bedroom flats. A below-grade garage containing up to 24 off-street parking spaces is also proposed.

The three proposed buildings have been sited in a “mews” configuration around a central landscaped courtyard that would provide residential open space. The courtyard measures approximately 34 feet east to west and 65 feet north to south. One central entrance to the development would be located along Turk Street and the dwelling units would open to the central courtyard. Two buildings oriented north to south would be constructed on the east and west sides of the interior courtyard. The third building would be constructed parallel to the rear property line in an east west orientation, and would be separated from the two other buildings by an approximately 18-foot-wide pedestrian/open space area. The overall building heights are less than 40 feet. The garage opening is located at the east end of the lot and is approximately 10 feet wide. Residential open space would be provided via decks, balconies, open spaces between and around buildings, and within the interior courtyard.

An earlier version of the project was approved pursuant to the Western Addition A-2 Redevelopment Plan by the San Francisco Redevelopment Agency Commission on April 15, 2008 in its Resolution No. 35-2008. Conditional use approval is now necessary because the A-2 Plan expired on January 1, 2009 and the project has been modified. Initially, the project was to provide 1:1 parking for the proposed residential uses and 29 additional off street parking spaces for uses proposed in the MUNI Substation. The Substation project is currently inactive and the subject project has been relieved of providing parking for uses in that building. By removing the MUNI parking, the number of on-site parking spaces has been reduced to 24 and the garage has been submerged to lower the height of the project as a whole and bring the first floor units closer to street level.

The previously approved project also provided for 32 affordable, predominantly family-sized, first-time homebuyer units as well as 1:1 parking for those units. The current project continues to provide 32 affordable units, with only 24 off-street parking spaces for residents.

5. **Public Comment.** As of January 6, 2010, the Department is not aware of any opposition to this project.

6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Use.** Planning Code Section 712.90 permits residential uses at each story of a building in the NC-3 (Moderate-Scale Neighborhood Commercial) District.

The proposed dwelling units would be located at the first, second and third stories of the development.

- B. **Density.** Planning Code Section 712.91 permits residential density of generally 1 unit per 600 square feet of lot area.

The overall lot size is approximately 26,700 square feet and up to 44 dwelling units are permitted. The project proposes up to 34 dwelling units on the property.

- C. **Parking.** Planning Code Section 151 does not require off-street parking for affordable housing projects subject to Section 313.1 or 315.1.

As the project is subject to Section 315.1 of the Planning Code, off-street parking is not required. However, the project proposes up to 24 parking spaces in a 1-level below grade garage for use by the families that will live in the 25 (or 78%) family-sized units that will be provided by the project. Should any units in the project revert to market rate housing in the future, the parking requirement may require adjustment and/or clarification.

- D. **Open Space.** Planning Code Section 135 requires 80 square feet of private open space or 106 square feet for common useable open space per dwelling unit in the NC-3 zoning district.

The project provides residential open space at grade and via balconies. Balconies for 22 units located at the second and third stories of the proposed buildings meet the dimensional, and spatial, requirements of Section 135 and provide the required 1,760 square feet of private open space. Private patios and rear yards of 12 proposed ground-floor units do not generally meet the minimum 10' horizontal distance for open space at grade. However, open space for the ground-floor units is provided via the overall size of the interior courtyard of approximately 1,800 square feet. Additional common open space that meets the dimensional requirements of Section 135 is located around the buildings in several areas.

- E. **Rear Yard Requirement in the NC-3 District.** Planning Code Section 134 states that the minimum rear yard depth shall be equal to 25 percent of the total depth of a lot in which it is situated, but in no case less than 15 feet, and at the lowest story containing a dwelling unit.

The buildings have been sited in a "mews" configuration with open space at the center of the lot and between buildings. One building is set back from the rear property line by 5 – 10 feet. As such, the requirements of Section 134 would not be met and the project requires modification of the rear yard requirement via a Planned Unit Development pursuant to Section 304 of the Planning Code.

- F. **Exposure.** Planning Code Section 140 generally requires that every dwelling unit must have at least one major room with a window that looks out onto a public way, open space or rear yard at least 25 feet wide.

Of the 32 dwelling units, all but six comply with the requirements of Section 140. The following six units are unable to satisfy any of these means for dwelling unit exposure: 106, 109, 211, 212, 215 and 216, which face an interior courtyard approximately 18.5 feet in width and a rear yard 10 to 17 feet in depth. An exception for these units from the dwelling unit exposure requirement is sought through a Planned Unit Development pursuant to Section 304 of the Planning Code.

- G. **Lot Size.** Planning Code Section 712.11 requires conditional use authorization for development of lots exceeding an area of 10,000 square feet.

The subject lot size is approximately 26,700 square feet and requires conditional use authorization pursuant to Section 303 of the Planning Code.

- H. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that no more than 1/3 of the width of a new structure, parallel to and facing a street, shall be dedicated to ingress/egress to parking, and that in no case shall ingress/egress to a parking garage containing up to 50 cars be wider than 10 feet.

The proposed parking garage would accommodate up to 24 parking spaces; therefore, a garage opening of no more than 10 feet wide is required. Based on the plans identified as Exhibit B, the proposed garage door width does not exceed 10 feet. The development's street frontage is approximately 150 feet wide, making the garage approximately 1/15 of the width of the new structure.

- I. **Signage.** The project proposes residential uses, which typically do not include signage. Any proposed signage will be subject to the review and approval of the Planning Department.

- J. **Parking Costs Separated from Housing Costs.** Planning Code Section 167 requires the unbundling of parking costs from housing costs in projects with 10 dwelling units or more.

The project developer has committed to offering parking to owners of 3-bedroom units before owners of 2-bedroom units. The project's parking costs will be unbundled from housing costs.

- K. **Development of Large Lots in NC Districts.** Planning Code Section 121.1 requires conditional use authorization for development of lots exceeding 10,000 square feet in NC-3 zoning districts.

The project meets the criteria for conditional use authorization on a large lot in that (1) the mass and façade of the proposed structures are compatible with the existing scale of the district; and (2) the façade of the proposed structure is compatible with the design features of adjacent facades that contribute to the positive visual quality of the district.

7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 - A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The project proposes to convert the vacant 26,708 sf parcel near the corner of Fillmore and Turk Streets to ownership housing affordable to first-time homeowners earning between 70% and 100% of area median income (with an average of 80% of median income) by providing 32 predominantly (78%) family-sized dwelling units over 24 below grade parking spaces. All of the units would be affordable under Planning Code Section 315, as they would be available only to qualified first-time homebuyers whose household incomes did not exceed 100% of the Area Median Income (AMI). The project would consist of 2 to 3 stories over a partially below-grade parking garage, and reach a height of approximately 36 feet. The project exceeds the minimum requirements for residential open space through the creation of an interior courtyard, balconies, patios and unprogrammed but landscaped areas. Because of the site layout, the project provides an internal open space system and a landscaped, attractive internal pedestrian circulation system.

The project's use, size, density and height are compatible with the surrounding community. The surrounding neighborhood includes a wide range of residential, institutional, commercial and mixed uses, and varying building heights, including mid-rise apartment buildings, smaller low-rise residential buildings and single family homes. A number of lots on the block are larger and contain buildings that cover the majority of their lots. Lot 013 containing the First Union Baptist Church is approximately 27, 000 square feet. The parcel containing Fire Station No. 5 is approximately 14,000 square feet and the parcel containing a McDonalds at the corner of Golden Gate Avenue and Fillmore Street is approximately 19,000 square feet. Three lots on the block are of a standard width and depth.

The density of the project is consistent with the surrounding area. Consistent with residential development in San Francisco and the Western Addition, there are several moderate-density, multi-family buildings such as the proposed project near the site. Immediately across Turk Street from the project site are residential buildings containing 18 – 30 units, each on smaller lots. The proposed development would have a lower density per lot area and lower height than other multi-unit buildings in the area.

The lot's zoning permits a building height up to 50 feet. At approximately 36.5 feet high the project reflects nearby building heights. The MUNI Substation is approximately 36 feet high and the fire station is approximately 25 feet high. Buildings on the north side of Turk Street are generally 30 to 80 feet in height. At approximately 20 feet in height, buildings on the south side of the subject lot are generally lower; however, due to the orientation of the buildings, the proposed building height should not adversely impact the lower buildings. The proposed building height will create an appropriate transition in building heights from south of the site to north of the site.

While the site's overall building configuration deviates from the traditional rear yard, mid-block open space pattern for single-family residential uses and mid-rise apartment buildings, the development approach of clustering the buildings on the site around a central interior courtyard allows for an efficient use of the site and maximizes common open space opportunities. There is no established pattern of mid-block open space on this block that would be compromised by the proposed site layout. The layout provides for a variety of open spaces through street furniture and landscaping for passive uses such as reading, sunbathing or "people watching". The adjacent Mini-Park increases access to open space for future residents, which is a particularly significant community benefit in a neighborhood like the Western Addition that is considered underserved in terms of usable public open space.

Even though the project site is zoned NC-3, it has frontage only on Turk Street, which is not a commercial corridor. Thus, the absence in the project of ground-floor retail or commercial uses will not disrupt the established commercial corridor along Fillmore Street. There is no requirement in the Planning Code for ground floor commercial uses on Turk Street.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:
- i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The currently vacant site is approximately 26,708 sf, or .61 acres and is located in the Western Addition neighborhood. The proposed configuration of the 3 new buildings above a below-grade garage maximizes the site's potential to create and enhance multi-use common open space opportunities in the courtyard. All the units provide windows on both front and back of the units and frontages onto the courtyard to maximize light, air and natural ventilation for the residents. In addition, the configuration breaks up the large, flat site into a more visually pleasing arrangement.

The proposed configuration also maintains a height, density and development pattern to match that of the surrounding neighborhood. The new buildings will have one common canopied entrance on Turk Street. The 3-story over garage building elements are also consistent with the prevailing residential pattern found along nearby Fillmore, Turk and Webster Streets. These streets provide numerous examples of buildings that are similar in height and density to the proposed project. Because of the relatively dense residential pattern in the immediately surrounding neighborhood, the new building elements are thus able to be sited around an internal circulation system that mirrors more closely the prevailing neighborhood pattern, with residents and visitors able to traverse the site in front of the new building elements, without being separated from buildings by large surface parking lots or massive front entrances. The massing and scale of the new building elements is further broken down with the use of materials, colors and architectural features, including setbacks, large windows and building articulation.

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

Currently the site is vacant. Even though affordable housing projects do not have to provide parking under Planning Code Section 151, the project is proposing to provide 24 spaces in the 1-level, below-grade garage. Thus, the project's parking ratio is .75:1. Because 78% of the units are family-sized 2-and 3-bedrooms, the project residents would benefit from having some limited parking on the site. Entry to and exiting from the garage ramp will occur at a single curb cut along Turk Street near the project site's eastern edge, thereby minimizing disruption of pedestrian circulation.

The site is well-served by MUNI lines 22-Fillmore, 5-Fulton, 38-Geary and 31-Balboa. Because the project is only residential use, no loading spaces are required. However, 1 curb loading space is provided adjacent to the MUNI Substation building, at the project's western edge.

Traffic studies done for the project's Final Mitigated Negative Declaration, adopted on May 18, 2004 and an Addendum to the Final Mitigated Negative Declaration, adopted on November 3, 2008 found that the project will generate about 115 total vehicle trips and only 20 new p.m. peak-hour auto trips. All study intersections would continue to at an acceptable LOS. Given the reduction in parking proposed by the current project, the Addendum traffic study did not change that conclusion. Based on the expected number of vehicle trips, the reduced availability of on-site parking, the availability on-street parking and the fact that many of the households in the Western Addition do not own cars, the parking ratio of roughly .75:1 per dwelling furthers the General Plan's objective of lessening parking availability to increase use of transit and alternative modes of travel.

Pedestrian access to the site would be available only from the Turk Street entry, under an open canopy. The entryway leads directly into the courtyard, as well to the individual buildings.

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

The project is exclusively residential and will not generate unusual noise, odor, dust and glare as a result of its operations. The buildings will comply with Title 24 standards for noise insulation. The materials for the facades of the buildings will not result in glare. The project would generate additional night lighting, but not in amounts unusual for an urbanized area. Design of exterior lighting could ensure that off-site glare and lighting spillover would be minimized. The location and gradient of the garage entry/exit will minimize additional glare

Due to excavation required for the below-grade parking, dust generation will occur during construction. As required by the Mitigated Negative Declaration, the project sponsor would be required to obtain and follow the recommendations of a geotechnical report. Moreover, standard mitigation measures regarding construction air quality are required through the Final Mitigated Negative Declaration and in compliance with the Public Works Code to prevent negative impacts to the surrounding community from dust blowing during construction.

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

The project provides significant landscaping on its Turk Street frontage, which includes street trees in compliance with Section 143 as well as a permeable sidewalk. The project would include landscaping throughout in the form of trees and shrubs in planters that would be easily maintained. Street furniture would be provided in the courtyard and open areas to enable passive and active uses. The landscape plan indicates that all open areas for residential use, circulation and service areas would be appropriately treated to ensure that they would be used and not become "fallow" and unsightly.

The project entry, garage entry/exit, loading and service areas and lighting and signage will all reflect the buildings' design. Site lighting will be a combination of pole, building mounted and low level lighting to provide the code required light levels, while complimenting the site design. The lighting will be designed to support the security of the site and the surrounding neighborhood.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

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

The proposed project is consistent with the stated purposed of NC-3 as it represents development of a large-scale lot with buildings that range in height from two to four stories occupied by a principally permitted use. While the NC-3 District's definition promotes neighborhood-serving retail uses, such uses are not found on this part of Turk Street, but rather along Fillmore Street.

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

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 1:

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

Policy 1.2:

Encourage housing development, particularly affordable housing, in neighborhood commercial areas without displacing existing jobs, particularly blue-collar jobs or discouraging new employment opportunities..

POLICY 1.7

Encourage and support the construction of quality, new family housing.

The project proposes to convert the vacant 26,708 sf parcel near the corner of Fillmore and Turk Streets to ownership housing affordable to first-time homeowners earning between 70% and 100% of area median income (with an average of 80% of median income) by providing 32 predominantly (78%) family-sized dwelling units over 24 below grade parking spaces. All of the units would be affordable under Planning Code Section 315, as they would be available only to qualified first-time homebuyers whose household incomes did not exceed 100% of the Area Median Income (AMI). The development will create units that would accommodate families and provide amenities that are attractive to families. As the site is vacant there will be no loss of jobs.

OBJECTIVE 4

SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

POLICY 4.4

Consider granting density bonuses and parking requirement exemptions for the construction of affordable housing or senior housing.

The project is applying recent modifications to the Planning Code by reducing the number of off-street parking spaces for this affordable housing project from 1:1 to .75:1, which will reduce the overall cost of construction.

OBJECTIVE 5

INCREASE THE EFFECTIVENESS AND EFFICIENCY OF THE CITY'S AFFORDABLE HOUSING PRODUCTION SYSTEM.

POLICY 5.1

Prioritize affordable housing projects in the planning review and approval processes, and work with the development community to devise methods of streamlining housing projects.

By proposing a 100% affordable project, the developer has greatly reduced the overall review and approval time period. The Planning Department received the project's Conditional Use Application in November of 2009, and the Planning Commission is expected to take action on the project in January of 2010.

OBJECTIVE 8

ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.

POLICY 8.9

Encourage the provision of new home ownership opportunities through new construction so that increased owner occupancy does not diminish the supply of rental housing

The proposed 100% affordable housing project for first-time homeowners will not diminish the supply of rental housing as the subject lot is vacant.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

POLICY 4.5

Require private usable outdoor open space in new residential development.

The proposed residential development will provide open space in excess of the minimum requirement and is located adjacent to a public park. In addition, the open space will be of unique quality as it is located at the center of the development which should promote social interaction of the residents. Smaller and more private open spaces will be available as well.

TRANSPORTATION ELEMENT

Objectives and Policies

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.

The project developer is using recent changes to the parking requirement to create a balance between the amount of off-street parking spaces provided and the development's close proximity to neighborhood-serving retail and commercial areas along Fillmore Street in the Fillmore District. The development will promote lower auto ownership by providing .75:1 parking rather than 1:1 parking.

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 site is currently vacant. Thus, no existing neighborhood-serving retail businesses will be displaced. The project is a 100% affordable homeownership development so it will not provide for resident employment or ownership of any businesses, but will bring additional customers to neighborhood-serving retail uses in the vicinity.

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

The site is currently vacant. The 100% affordable homeownership project proposed for the site will revitalize the site and the neighborhood in the following ways. First, the project will develop a vacant site that will provide up to 32 affordable homeownership units. Up to 78% of those units will be family-sized (2+ bedrooms) under the Planning Commission's policy for such housing. Second, by developing the site as residential use in the proposed configuration, the project is consistent with the low and mid-rise residential buildings that predominate in the surrounding blocks. Third, providing affordable homeownership opportunities helps stabilize the community and contribute to the cultural and economic diversity of the neighborhood.

Without any current active uses on site, the site is underutilized, especially given its location in an existing, well-developed neighborhood with proximity to neighborhood-serving goods and services. The character of the site will be vastly improved by the design of the project.

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

There is currently no housing on the site. All 32 family-sized units provided by the project will be affordable units under Planning Code Section 315.

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

Neither existing on-street parking supply nor MUNI will be detrimentally impacted by the project. The project provides 24 spaces, which is 75% of the minimum required under Section 151. Even though less than the minimum parking is provided, it is not anticipated that project residents will negatively impact on-street parking. That is because this number of spaces was selected to ensure that owners of the family-sized units who have cars would be able to get a parking space. In recognition of the potentially higher need for parking by residents of the family-sized units, Planning Code Section 167 provides that owners of 3-bedroom units are to be offered parking spaces before owners of 2-bedroom units.

Second, the project's location helps further the City's Transit First policy. The site is well-served by MUNI lines 22-Fillmore, 5-Fulton, 38-Geary and 31-Balboa. Because the project is only residential use, no loading spaces are required.

- 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 vacant site has never been used for industrial or service-oriented functions. Moreover, the project does not propose any commercial office development that will displace any industrial or service sector uses or employment. Because the project is a 100% affordable home ownership development, it will not provide any opportunity for residential employment.

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

There are no buildings on the project site so there are no City, state or national landmarks on the site. The site is not within an historic district. The size and scale of the project is compatible with the landmark MUNI Substation on the adjoining lot.

- G. That landmarks and historic buildings be preserved.

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

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

The nearest open space in the project vicinity that is protected under Planning Code Section 295 is the Fillmore-Turk Mini- Park, located midblock on Fillmore, between Turk and Golden Gate, and directly to the southwest of the project site. However, Section 295 only applies if the project height will exceed 40 feet. Only 1 of the proposed 3 buildings is directly adjacent to the Mini-Park. It is only a 3-story building and does not exceed 40 feet, such that any potential shadowing of the Mini-Park would be minimal. Even the buildings located to the northeast of the Mini-Park do not exceed 40 feet. Accordingly, Section 295 does not apply.

10. 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.

11. **Planning Code Section 304** for Planned Unit Developments is required to modify the project's rear yard configuration and because 6 of the 32 units do not strictly meet the dwelling unit exposure requirements of Planning Code Section 140. Section 304 establishes 9 criteria by which to evaluate the project upon in order to gain approval.

- A. The procedures for Planned Unit Developments are intended for projects on sites of considerable size, developed as integrated units and designed to produce an environment of stable and desirable character which will benefit the occupants, the neighborhood and the City as a whole. In cases of outstanding overall design, complementary to the design and values of the surrounding area, such a project may merit a well reasoned modification of certain of the provisions contained elsewhere in this Code.

The project's use, size, density and height are compatible with the surrounding community. The surrounding neighborhood includes a wide range of residential, institutional, commercial and mixed uses, and varying building heights, including mid-rise apartment buildings, smaller low-rise residential buildings and single family homes. A number of lots on the block are sizeable and contain buildings that cover the majority of their lots. Lot 013 containing the First Union Baptist Church is approximately 27, 000 square feet. The parcel containing Fire Station No. 5 is approximately 14,000 square feet and the parcel containing a McDonalds at the corner of Golden Gate Avenue and Fillmore Street is approximately 19,000 square feet. Three lots on the block are of a standard width and depth.

The lot's zoning permits a building height up to 50 feet. At approximately 36 feet high the project reflects nearby building heights. The MUNI Substation is approximately 36 feet high and the fire station is approximately 25 feet high. Buildings on the north side of Turk Street are generally 30 to 80 feet in height. At approximately 20 feet in height, buildings on the south side of the subject lot are generally lower; however, due to the orientation of the buildings, the proposed building height should not adversely impact the lower buildings

The site's proposed building configuration deviates from the traditional rear yard configuration as the three proposed buildings are sited around one central interior courtyard and one building is located 5 – 10 feet from the rear property line. This layout results in the absence of a typical mid-block open space pattern seen in the majority of San Francisco's neighborhoods. Clustering of the buildings on the site around a central interior courtyard allows for an efficient use of the site and maximizes common open space and social interaction opportunities. This site layout also provides for a variety of uses of the common open space through the placement of street furniture and landscaping for passive uses such as reading, sunbathing or "people watching". The site is adjacent to an existing Mini-Park and residents of the project would have easy access to additional open space. Thus the project's open space features and its proximity to the Fillmore-Turk Mini-Park is a particularly significant community benefit in a neighborhood like the Western Addition that is considered underserved in terms of usable public open space.

Lastly, the interior courtyard and internal circulation system also help further break down the project site into residential buildings that are smaller in scale, and thus result in a more pedestrian-friendly landscape along both the interior and exterior of the site.

- B. The tract or parcel of land involved must be either in one ownership, or the subject of an application filed jointly by the owners of all the property included or by the Redevelopment Agency of the City. It must constitute all or part of a Redevelopment Project Area, or if not must include an area of not less than 1/2 acre, exclusive of streets, alleys and other public property that will remain undeveloped.

The vacant project site is .61 acres. Although it is no longer within a Redevelopment Area, its owner, the San Francisco Redevelopment Agency, is proposing it for development as a 100% affordable home ownership project by MSPDI Turk, LLC.

- C. Application and Plans. The application must describe the proposed development in detail, and must be accompanied by an overall development plan showing, among other things, the use or uses, dimensions and locations of structures, parking spaces, and areas, if any, to be reserved for streets, open spaces and other public purposes. The application must include such pertinent information as may be necessary to a determination that the objectives of this Section are met, and that the proposed development warrants the modification of provisions otherwise applicable under this Code.

The application on file, and drawings and site plans attached to this Motion, illustrate the breadth and detail of the proposed affordable home ownership project, its site configuration and relationship to the uses in the surrounding neighborhood.

- D. Criteria and Limitations. The proposed development must meet the criteria applicable to conditional uses as stated in Section 303(c) and elsewhere in this Code. In addition, it shall:

- i. Affirmatively promote applicable objectives and policies of the Master Plan:

As indicated in Section 3 of the Conditional Use findings above, this project furthers multiple General Plan policies relating to housing, transportation and circulation, and recreation and open space. The objectives and policies have been listed and addressed in their entirety

- ii. Provide off-street parking adequate for the occupancy proposed:

Currently the site is vacant. Planning Code Section 151 does not require off-street parking for an affordable housing project such as this. However, the project proposes up to 24 parking spaces in a 1-level below grade garage for use by the families that will live in the 25 (or 78%) family sized units that will be provided by the project. The project is located within very close proximity to Fillmore and Webster Streets and is well-served by MUNI lines 22-Fillmore, 5-Fulton, 38-Geary and 31-Balboa. Parking will be unbundled from the cost of housing.

- iii. Provide open space usable by the occupants and, where appropriate, by the general public, at least equal to the open spaces required by this Code:

Usable Open Space. *The project provides residential open space at grade and via balconies. Balconies for 22 units located at the second and third stories of the proposed buildings meet the dimensional, and spatial, requirements of Section 135 and provide the required 1,760 square feet of private open space. Private patios and rear yards of 12 proposed ground-floor units do not generally meet the minimum 10' horizontal distance for open space at grade. However, open space from the ground floor units is provided via the overall size of the interior courtyard of approximately 1,800 square feet. Additional common open space that meets the dimensional requirements of Section 135 is located around the buildings in several areas.*

When accounting for all open space provided by the development, regardless of its overall dimensions, the total project open space is 11,194 sf. The majority of the open space is designed to provide varied outdoor experiences for the residents. The courtyard and its perimeter will have

street furniture, trees and planters, providing places for passive and active uses. With a Mini-Park around the corner on Fillmore Street, residents have access to additional public open space.

Rear Yard. The project's rear yard requirement is 25% of the lot area or 6,677 sf. There are no front or side yard setbacks required. The project's site coverage is approximately 65%, leaving about 35% of the site (9,539 square feet) in undeveloped areas, well in excess of 25% of the lot area. As the undeveloped areas of the lot are not parallel and adjacent to, the rear property line a rear yard modification for the configuration, but not the size, of the yards is sought.

An exception from the rear yard configuration requirement is justified for the following reasons. First, the project has distributed undeveloped area throughout the site that that exceeds the 25% rear yard requirement. Second, to accommodate 25 family-sized units each with their own unit entrance (rather than through a double-loaded interior corridor) the buildings were distributed around the site. Third, clustering the buildings as proposed not only maximizes the number of affordable homeownership units but provides a variety of open space experiences for the residents and could promote a more cohesive social community and open space that is heavily used. This feature would not be realized with the standard building configuration. Fourth, the block generally contains buildings with footprints that do not create a mid-block open space to be considered, and addressed, in the site planning of the subject lot.

Dwelling Unit Exposure. Planning Code Section 140 generally requires that every dwelling unit must have at least one major room with a window that looks out onto a public way, open space or rear yard at least 25 feet wide. The following six units are unable to satisfy any of these means for dwelling unit exposure: 106, 109, 211, 212, 215 and 216, which face an interior courtyard approximately 18.5 feet in width and a rear yard of 10 to 17 feet in depth. An exception for these units from the dwelling unit exposure requirement is justified for the following reasons. First, the project proposes to develop a vacant site with 32 affordable, homeownership units, 78% of which are family sized. In order to finance this 100% affordable housing project, cost-effective means to create this amount of housing required some of the buildings be sited on the lot that do not meeting Section 140's requirements. The units subject to the exposure exception do contain windows at both the front and back that are between 10 and 18 feet from the faces of adjacent buildings on the property or property lines. Units subject to the exposure exception have access to sufficient light and air for each of their major rooms. Reconfiguring the site to eliminate the need for this exception would limit the multiple benefits of the project including some of the affordable, family-sized homeownership units and the significant amount of common open space provided by the interior courtyard and landscaping.

- iv. Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of this Code for a district permitting a greater density, so that the Planned Unit Development will not be substantially equivalent to a reclassification of property:

Under Section 712.91, residential density for parcels in NC-3 zoning is limited to 1:600 sf, which would permit up to 44 units on this site. The project proposes 32 units.

- v. In R Districts, include commercial uses only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC-1 Districts under this Code:

The project is located in an Neighborhood Commercial District.

- vi. Under no circumstances be excepted from any height limit established by Article 2.5 of this Code, unless such exception is explicitly authorized by the terms of this Code. In the

absence of such an explicit authorization, exceptions from the provisions of this Code with respect to height shall be confined to minor deviations from the provisions for measurement of height in Sections 260 and 261 of this Code, and no such deviation shall depart from the purposes or intent of those sections.

The project does not exceed 40 feet in height. The height limit of the site is 50 feet.

- vii. In NC Districts, be limited in gross floor area to that allowed under the floor area ratio limit permitted for the district in Section 124 and Article 7 of this Code:

Because only residential uses are proposed, floor area ratio limitations do not apply to the project.

- viii. In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code.

Under Section 712.90, residential use is permitted on the first story and above. The project's three (3) stories of housing complies with these use limitations.

- ix. In RTO and NCT Districts, include the extension of adjacent alleys or streets onto or through the site, and/or the creation of new publicly-accessible streets or alleys through the site as appropriate, in order to break down the scale of the site, continue the surrounding existing pattern of block size, streets and alleys, and foster beneficial pedestrian and vehicular circulation.

The project is located in an Neighborhood Commercial district.

- 12. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2009.1064C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans filed with the Application as received on January 6, 2009 and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 18012. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on January 14, 2009.

Linda D. Avery
Commission Secretary

AYES: Moore, Sugaya, Antonini, Miguel, Borden

NAYS:

ABSENT: Olague, Lee

ADOPTED: January 14, 2009

Exhibit A

Conditions of Approval

Wherever "Project Sponsor" is used in the following conditions, the conditions shall also bind any successor to the Project or other persons having an interest in the Project or underlying property.

This Conditional Use Authorization is for a proposed Planned Unit Development per Sections 712.11, 303 and 304 of the Planning Code to construct up to 32, 100% affordable dwelling units within 3 two- and three-story buildings and 24 below-grade off-street parking spaces on a lot exceeding 10,000 square feet with modifications to the rear yard and dwelling unit exposure requirements within an NC-3 (Neighborhood Commercial, Moderate-Scale) Neighborhood Commercial District and a 50-X Height and Bulk District, in general conformance with Case No. 2009.1064C and the plans dated January 6, 2009.

1. COMPLIANCE WITH OTHER REQUIREMENTS

- A. This decision conveys no right to construct. 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. The conditions set forth below shall remain in effect for the life of the Project, unless specifically noted otherwise

2. MITIGATION MEASURES

- A. Mitigation Measures. The Project Sponsor shall implement the mitigation and improvement measures set forth in and otherwise comply with, the Mitigation Monitoring Program attached as "Exhibit C" and incorporated herein by this reference.

3. GENERAL CONDITIONS

- A. Recordation. Prior to the issuance of any building permit for the construction of 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, which notice shall state that construction of the Project has been authorized by and is subject to the conditions of this Motion. From time to time after the recordation of such notice, at the request of the Project Sponsor, the Zoning Administrator shall affirm in writing the extent to which the conditions of this Motion have been satisfied, and record said writing if requested.
- B. Performance. The Commission may consider revocation of this conditional use authorization if a permit for the project has been issued, but is allowed to expire and more than three years have passed since the Motion was approved. This authorization may be extended at the discretion of the Zoning Administrator only if the failure to issue a permit by the Department of Building Inspection within three years is delayed by a City, state or federal agency, or by appeal of the issuance of such permit.

- C. Severability. 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 of the remaining provisions, clauses, sentences, or sections of these conditions. It is hereby declared to be the intent of the Commission that these conditions of approval would have been adopted had such invalid sentence, clause, or section or part thereof not been included herein.
- D. Inclusionary Affordable Housing Program: Sections 315.1-315.9 of the Code set forth the requirements and procedures for the Residential Inclusionary Housing Program. Under the Redevelopment Agency's Limited Equity Program, 100 percent of the units to be provided as a part of the Project are to be affordable.

In the event the Project changes and some or all of the units become market-rate, the Project shall comply with all of the requirements of the City's Residential Inclusionary Affordable Housing Program, Planning Code Section 315 et seq. or successor program. The inclusionary housing requirements at the time of the project or portion of the project's change from affordable to market-rate shall apply. This condition of approval shall constitute the written determination and notice of the Inclusionary housing requirement pursuant to the procedures set forth in Planning Code Section 315 et seq.

- E. The Project is subject to the requirements of the First Source Hiring Program (Chapter 83 of the Administrative Code) and the Project Sponsor shall comply with the requirements of this Program.
 - F. Violation of the conditions contained in this Motion or of any other provisions of the Planning Code may be subject to abatement procedures and fines up to \$500 a day in accordance with Section 176.
 - G. Should monitoring of the Conditions of Approval contained in Exhibit A of this Motion be required, the Project Sponsor or successors shall pay fees as established in Section 351(e)(1).
 - H. An enclosed garbage area shall be provided within the Project. All garbage containers shall be kept within the building until pick-up by the disposal company.
4. CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF AN ARCHITECTURAL ADDENDUM TO A BUILDING (OR SITE) PERMIT
- A. Except as otherwise provided in this Motion, the Project shall be completed in compliance with the Planning Code and in general conformity with plans dated January 6, 2010, labeled "Exhibit B".
 - B. Final detailed building plans shall be reviewed and approved by the Planning Department. Detailed building plans shall include a final site plan, elevations, sections, and a landscape plan, and shall specify final architectural and decorative detailing, materials, glazing, color and texture of exterior finishes, and details of construction.
 - C. Highly reflective spandrel glass, mirror glass, or deeply tinted glass shall not be permitted. Only clear glass shall be used at pedestrian levels.

D. Pursuant to Planning Code Section 141, rooftop mechanical equipment is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

5. CONDITIONS TO BE MET PRIOR TO ISSUANCE OF ANY CERTIFICATES OF OCCUPANCY FOR THE PROJECT.

A. All usable open spaces shall be completed and available for use.

B. An evacuation and emergency response plan shall be developed by the Project Sponsor or building management staff, in consultation with the Mayor's Office of Emergency Services, to ensure coordination between the City's emergency planning activities and the Project's plan and to provide for building occupants in the event of an emergency. The Project's plan shall be reviewed by the Office of Emergency Services and implemented by the building management insofar as feasible before issuance of the final certificate of occupancy by the Department of Public Works. A copy of the transmittal and the plan submitted to the Office of Emergency Services shall be submitted to the Department. To expedite the implementation of the City's Emergency Response Plan, the Project Sponsor shall post information (with locations noted on the final plans) for building occupants concerning actions to take in the event of a disaster.

6. OTHER CONDITIONS

A. The City acknowledges that subordination of the Affordability Conditions in 3.D above may, in some circumstances, be necessary to ensure the Project Sponsor's receipt of adequate construction and/or permanent financing for the Project.

i. These Affordability Conditions may be subordinated to the lien of any instrument securing repayment of construction or permanent financing for the Project ("Superior Indebtedness"), only if all of the following conditions have been satisfied:

a) Any proposed subordination agreement shall be reviewed and approved by the Zoning Administrator and the San Francisco Redevelopment Agency, or its successor, and shall be approved as to form by the City Attorney's Office.

b) The subordination of the Affordability Conditions shall be effective only as to maximum of eighty-five (85) percent of the total number of units in the Project (the "Subordinated Units"). The Subordinated Units shall be representative of the size and type of units in the Project. In all events and at all times, the Affordability Conditions applicable to at least fifteen (15) percent of the total number of units in the Project shall be superior to all liens applicable to the Project.

c) In the event the Project is located within a Redevelopment Agency Project Area, or a Project Area that expired less than 24 months prior to the date of this approval, the Redevelopment Agency Commission may subordinate all one hundred percent (100%) of the affordable units if it finds that subordination of all affordable units is financially and economically necessary.

- d) The holder of the Superior Indebtedness shall be a state or federally chartered financial institution or a public entity that is not affiliated, other than as a depositor or a lender, with the Project Sponsor or any of the Project Sponsor's affiliates.
 - e) The Project Sponsor shall demonstrate, to the satisfaction of the Zoning Administrator and San Francisco Redevelopment Agency, or its successor, that such subordination is economically necessary to secure adequate construction and/or permanent financing for the Project. To satisfy this requirement, the Project Sponsor shall provide the following information:
 - 1. The appraisal used by the proposed lender or other written documentation acceptable to the monitoring agency to support the lender's calculation of a permissible loan amount, including the lender's projection of a rental income from the Project on a per unit basis as a "market rate" development;
 - 2. The Project Sponsor's summary of the income levels of proposed tenants and proposed rental rates.
 - 3. Evidence from the Project Sponsor that demonstrates that (i) the proposed amount of the loan is necessary to provide adequate construction and/or permanent financing, (ii) adequate financing would not otherwise be available, and (iii) alternative subordination terms are infeasible; and
 - 4. A brief summary of all existing and proposed public and private financing for the Project, including amounts, terms, and any affordability requirements of such financing.
- B. The subordination terms shall be structured to minimize the risk that, as a result of a foreclosure by the holder of Superior Indebtedness, the Affordability Restrictions would be extinguished as to some or most of the units. To satisfy this requirement, the subordination terms should be structured to:
- i. Apply to only that number of units necessary to provide reasonable assurance to the lender of market rate rent sufficient to cover the operating expenses and debt service owed on the Superior Indebtedness, using customary standards for debt service coverage; and
 - ii. Provide the City with adequate rights to cure any defaults by the Project Sponsor under the financing documents, to help avoid the lender's declaration of a default under those documents. Such rights shall include, but not be limited to, (i) providing the monitoring agency or its successor with copies of any notices provided to the Project Sponsor of an event of default; (ii) providing the City with a minimum of forty-five (45) days from the date of any such notice to cure such default or to allow the Planning Commission to amend the Affordability Conditions to allow the Project Sponsor to receive adequate income to make past and current debt service payments on the Superior Indebtedness; and (iii) provide an additional thirty (30) days beyond the forty-five (45) days period to allow the Project Sponsor to make payments adequate to cure any defaults.

- C. Following review and approval by the Zoning Administrator and monitoring agency or its successor, and approval as to form by the City Attorney's Office, the Zoning Administrator shall be authorized to execute the approved subordination agreement.

- D. The Affordability Conditions are subordinate to affordability restrictions that may be established by the United States Department of Housing and Urban Development (the "HUD Requirements") so long as any Use Agreement, Deed of Trust, or Regulatory Agreement between the Project Sponsor and HUD, is in effect. While the Use Agreement, Deed of Trust or Regulatory Agreement is in effect, the use of the premises may not be changed without approval of the Secretary of HUD. Any use which meets HUD Requirements shall be deemed to satisfy the Commission's affordability requirements.