



SAN FRANCISCO PLANNING DEPARTMENT

Preliminary Project Assessment

Date: December 20, 2012
Case No.: **2012.1362U**
Project Address: 2198 Market Street
Block/Lot: 3542/039
Zoning: NCT (Upper Market Neighborhood Commercial Transit)
40-X/65-X Height and Bulk District
Project Sponsor: Greystar Development
(415) 923-8234
Staff Contact: Brett Bollinger – (415) 244-1189
brett.bollinger@sfgov.org

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

DISCLAIMERS:

Please be advised that this determination does not constitute an application for development with the Planning Department. It also does not represent a complete review of the proposed project, a project approval of any kind, or in any way supersede any required Planning Department approvals listed below. The Planning Department may provide additional comments regarding the proposed project once the required applications listed below are submitted. While some approvals are granted by the Planning Department, some are at the discretion of other bodies, such as the Planning Commission or Historic Preservation Commission. Additionally, it is likely that the project will require approvals from other City agencies such as the Department of Building Inspection, Department of Public Works, Department of Public Health, and others. The information included herein is based on plans and information provided for this assessment and the Planning Code, General Plan, Planning Department policies, and local/state/federal regulations as of the date of this document, all of which are subject to change.

PROJECT DESCRIPTION:

The project site consists of a triangular shaped lot with frontage on Market and Sanchez Streets. The property is currently vacant but was previously developed with a gas station. The site was recently rezoned as part of the Market and Octavia Plan Area and falls within the Upper Market Street NCT Zoning District.

The proposal is to construct a mixed-use building with a height along Market Street of 65 feet and a town house-style structure with a height of 45 feet along Sanchez Street. A courtyard would be located at the center of the lot. The project would contain 85 dwelling units, 36 below grade off-street parking spaces, 87 bicycle spaces and 4,745 gross square-feet of ground floor retail space along the Market Street frontage.

ENVIRONMENTAL REVIEW:

Environmental evaluation is required for the full scope of the project. Pursuant to the California Environmental Quality Act (CEQA), this project is likely to qualify for a community plan exemption (CPE) under the Market and Octavia Neighborhood Plan. Within the CPE process, there can be three different outcomes as follows:

1. **CPE Only.** All potentially significant project-specific and cumulatively considerable environmental impacts are fully consistent with significant impacts identified in the Market and Octavia Neighborhood Plan programmatic EIR (Market and Octavia PEIR), and there would be no new "peculiar" significant impacts unique to the proposed project. In these situations, all pertinent mitigation measures and CEQA findings from the Market and Octavia PEIR are applied to the proposed project, and a CPE checklist and certificate is prepared. With this outcome, the applicable fees are: (a) the CPE determination fee (currently \$12,720); (b) the CPE certificate fee (currently \$7,061); and (c) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia PEIR.
2. **CPE + Focused Initial Study/Mitigated Negative Declaration.** If new site- or project-specific significant impacts are identified for the proposed project that were not identified in the Market and Octavia PEIR, and if these new significant impacts can be mitigated to a less-than-significant level, then a focused mitigated negative declaration is prepared to address these impacts, and a supporting CPE certificate is prepared to address all other impacts that were encompassed by the Market and Octavia PEIR, with all pertinent mitigation measures and CEQA findings from the Market and Octavia PEIR also applied to the proposed project. With this outcome, the applicable fees are: (a) the CPE determination fee (currently \$12,720); (b) the standard environmental evaluation fee (which is based on construction value); and (c) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia PEIR.
3. **CPE + Focused EIR.** If any new site- or project-specific impacts cannot be mitigated to a less-than-significant level, then a focused EIR is prepared to address these impacts, and a supporting CPE certificate is prepared to address all other impacts that were encompassed by the Market and Octavia PEIR, with all pertinent mitigation measures and CEQA findings from the Market and Octavia PEIR also applied to the proposed project. With this outcome, the applicable fees are: (a) the CPE determination fee (currently \$12,720); (b) the standard environmental evaluation fee (which is based on construction value); (c) one-half of the standard EIR fee (which is also based on construction value); and (d) a proportionate share fee for recovery for costs incurred by the Planning Department for the Market and Octavia PEIR.

Please submit an *Environmental Evaluation Application*. See pages 2, 10, and 11 of the current *Fee Schedule* for calculation of environmental fees inside adopted plan areas.¹

¹ Documents in italics in this PPA are available in the Planning Department lobby at 1650 Mission Street Suite 400, at the Planning Information Center at 1660 Mission, and can be accessed on the Planning Department's website, <http://sfplanning.org> via the website's search window.

Results of the studies below will determine which of the three different CPE outcomes described above are necessary for completion of CEQA review.

1. **Historical Resources:** The proposed project includes new construction within the identified Upper Market Street Commercial Historic District, and therefore, the project is subject to the Department's Historic Preservation review. To assist in analysis of the proposed project, the Department requires the preparation of a Historic Resource Evaluation (HRE), focused on evaluating impacts of the proposed project on identified historical resource(s), to be prepared by a qualified professional who meets the Secretary of the Interior's Professional Qualification Standards in Historic Architecture or Architectural History. The HRE should focus on evaluation of the proposed project for compatibility with the historic district, and assess potential impacts to historical resources.

In evaluating the proposed project, the architecture, massing, height, materials, and articulation of the proposed building should be considered. Additional design comments will be provided upon submittal of the Environmental Evaluation Application and HRE.

As the proposed project will create six or more dwelling units, and/or, construct an addition of 10,000 square feet or more, use of the Historic Resource consultant pool for identification of a preservation consultant to prepare the HRER shall be required. The Department will provide the project sponsor with a list of three consultants from the Historic Preservation Consultant Pool upon submittal of the Environmental Evaluation Application.

Instructions on completing this report are included in "San Francisco Preservation Bulletin No. 16: City and County of San Francisco Planning Department CEQA Review Procedures for Historic Resources." The preservation bulletin is available at www.sfplanning.org under: "Plans & Programs" "Historic Preservation" "Preservation Bulletins." Prior to initiating this report, please consult with Department Preservation Staff on the scope of work for this report.

2. **Transportation.** The proposed project includes construction of a 65-foot tall building with 85 residential units and 4,745 sf of retail space. Based on the Department's Transportation Impact Analysis Guidelines (Table C-1), a transportation study is likely to be required for this project. This determination is preliminary in nature, and will be revisited upon submittal of the EEA. The Planning Department will provide additional guidance to the project sponsor related to the process for selecting a transportation consultant and assist in the development of the scope of work for the analysis. Please see the Planning Department's Environmental Planning webpage "Resources for Consultants" for further information on administration of the consultant pool. Additionally, the site plans need to clearly show the existing and proposed curb cuts, dimensions for the proposed garage curb cut, garage aisle dimensions, and an example parking space dimension/lift dimensions.
3. **Air Quality (AQ) Analysis.** The proposed project includes construction of a 65-foot tall building with 85 residential units and 4,745 sf of retail space. Project-related excavation, grading and other construction activities may cause wind-blown dust that could contribute particulate matter into the local atmosphere. To reduce construction dust impacts, the San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes generally referred hereto as the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008) 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 of onsite workers, minimize public nuisance complaints, and to avoid orders to stop work by the Department of Building Inspection (DBI). Pursuant to the Construction Dust Ordinance, the proposed project would be required to comply with applicable dust control requirements outlined in the ordinance.

In addition to construction dust, excavation and construction activities would require the use of heavy-duty diesel equipment, which emit diesel particulate matter (DPM). DPM is a designated toxic air contaminant, which may affect sensitive receptors located up to and perhaps beyond 300 feet from the project site. Additional measures may be required to reduce DPM emissions from construction vehicles and equipment.

The proposed project also includes sensitive land uses (85 residential dwelling units) that may be affected by nearby roadway-related pollutants and other stationary sources that may emit toxic air contaminants. In addition, Health Code Article 38 applies to the proposed project. Health Code Article 38 requires that new residential development greater than 10 units located within the Potential Roadway Exposure Zone perform an Air Quality Assessment to determine whether PM_{2.5} concentrations from roadway sources exceed 0.2 micrograms per cubic meter (0.2 µg/m³). Sponsors of projects on sites exceeding this level are required to install ventilation systems or otherwise redesign the project to reduce the outdoor PM_{2.5} exposure indoors. The proposed project is located within the Potential Roadway Exposure Zone, therefore an analysis of annual exposure to roadway related particulate matter would be required. You may choose to have the air quality assessment prepared by a qualified firm and forwarded to DPH for review, or you may request that DPH conduct the assessment. For more information on Health Code Article 38 please see: <http://www.sfdph.org/dph/EH/Air/default.asp>

Lastly, the proposed project is likely to require a diesel back-up generator which would result in toxic air contaminants that may affect both on-site and off-site sensitive receptors.

During the environmental review process the proposed project will be reviewed to determine whether mitigation measures in the form of either construction emissions minimization measures or air filtration and ventilation mitigation measures will be required. Should the project include stationary sources of air pollutants including, but not limited to, diesel boilers or back-up generators, an Air Quality Technical Report may be required for additional air pollutant modeling. If an Air Quality Technical Report is required, the project sponsor must retain a consultant with experience in air quality modeling to prepare a scope of work that must be approved by Environmental Planning prior to the commencement of any required analysis and/or modeling determined necessary.

- 4. Greenhouse Gases.** The City and County of San Francisco's Strategies to Address Greenhouse Gas Emissions presents a comprehensive assessment of policies, programs, and ordinances that represents San Francisco's Qualified Greenhouse Gas (GHG) Reduction Strategy. Projects that are consistent with San Francisco's Qualified GHG Reduction Strategy would result in less-than-significant impacts from GHG emissions. In order to facilitate a determination of compliance with San Francisco's Qualified GHG Reduction Strategy, the Planning Department has prepared a Greenhouse Gas Analysis Compliance Checklist. The environmental planner assigned or CEQA

consultant in coordination with the project sponsor will prepare this checklist in coordination with the project sponsor.

5. **Geology, Soils, and Seismicity.** The project involves excavation below grade. A geotechnical study prepared by a qualified consultant should be submitted with the EEA. The study should address whether the site is subject to liquefaction and landslides, and should provide recommendations for addressing any geotechnical concerns identified in the study.
6. **Shadow.** Planning Code Section ("Section") 295 generally prohibits new buildings that would cast new shadow on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space.

As indicated below in the "Planning Department Approvals" section of this document, Department staff has prepared a preliminary shadow fan analysis to determine whether the proposed 65-foot project could potentially cast shadow on Recreation and Park Department public open space. It does not appear that the project would cast shadow on public open space. However, should the project conditions change, resulting in a shadow fan analysis that indicates that the project would cast shadow on public open space, further shadow analysis would need to be prepared that includes intervening buildings in order to determine whether the project would create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas pursuant to CEQA, or whether the project would result in an adverse impact to public open space pursuant to Planning Code Section 295.

The Planning Department Environmental Planning Staff also review project's shadow on non-Rec/Park privately owned public open space (POPOS). This is in accordance with the Planning Code Section 147 and the Department's initial study checklist question regarding whether the project would create new shadow that would substantially affect the usability of outdoor recreation facilities and other public areas. Additionally, Planning Code Section 146 requires that buildings be shaped such that they minimize shadow on public sidewalks, if it can be done without creating an unattractive design and without unduly restricting the development potential of the site.

7. **Noise.** The proposed project site is located on Market Street at the corner with Sanchez Street. The Planning Department's noise maps indicate that existing ambient noise levels on surrounding streets are at, or exceed 70 decibels. The project involves the siting of new noise-sensitive uses (e.g., residential uses) and therefore requires an acoustical analysis demonstrating that the building will meet Title 24 noise insulation standards. This analysis shall include at least one 24-hour noise measurement (with maximum noise level readings taken at least every 15 minutes). The analysis must be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that Title 24 noise insulation standards, where applicable, can be met, and that there are no particular circumstances about the project site that warrant heightened concern about noise levels in the vicinity. To the maximum extent feasible open space provided as per the Planning Code should be protected from existing ambient noise levels that could prove annoying or disruptive to users of the open space.

8. **Tree Planting and Protection Checklist.** The project site contains no mature trees onsite or along its perimeter. The Department of Public Works Code Section 8.02-8.11 requires disclosure and protection of “landmark, significant, and street trees” located on private and public property. Please submit a Tree Planting and Protection Checklist with the EEA. Any tree identified in the Tree Planting and Protection Checklist must be shown on the project site plans with size of the trunk diameter, tree height, and accurate canopy dripline.
9. **Stormwater and Flooding.** The City and County of San Francisco Stormwater Management Ordinance became effective on May 22, 2010. This ordinance requires that any project resulting in a ground disturbance of 5,000 square feet or greater prepare a Stormwater Control Plan, consistent with the November 2009 Stormwater Design Guidelines. Responsibility for review and approval of the Stormwater Control Plan is with the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise, Urban Watershed Management Program.

The initial CEQA evaluation of a project will broadly discuss how the Stormwater Management Ordinance will be implemented if the project triggers compliance with the Stormwater Design Guidelines. The project’s environmental evaluation would generally evaluate how and where the implementation of required stormwater management and Low Impact Design approaches would reduce potential negative effects of stormwater runoff. This may include environmental factors such as the natural hydrologic system, city sewer collection system, and receiving body water quality. More information is available at: <http://sfwater.org/index.aspx?page=446>

Environmental Evaluation applications are available in the Planning Department lobby at 1650 Mission Street Suite 400, at the Planning Information Center at 1660 Mission Street, and online at www.sfplanning.org. The San Francisco Preservation Bulletin No. 16 is available at www.sfplanning.org under “Historic Preservation.”

All privately-sponsored projects with Environmental Evaluation applications submitted on or after August 1, 2008, will be required to use environmental, transportation, and historic preservation consultants from the Department’s consultant pools. Private projects sponsors will have the opportunity to select a consultant from a subset of three consultants chosen by the Department.

PLANNING DEPARTMENT APPROVALS:

The project requires the following Planning Department approvals. These approvals may be reviewed in conjunction with the required environmental review, but may not be granted until after the required environmental review is completed.

1. **Conditional Use Authorization.** In order for the project to proceed the Planning Commission would need to grant Conditional Use authorization, pursuant to Section 303, for the following aspects of the project:
 - a. *Lot Size.* Planning Code Sections 121.1 and 733.1 principally permit development of lots less than 10,000 square feet in area and require Conditional Use authorization for development of lots 10,000 square foot in area or larger. The subject property is 18,830 square feet in area

thus requiring Conditional Use authorization for Lot Size as per Planning Code Sections 121.1 and 733.1.

2. **Variances.** Aspects of the project as currently proposed do not comply with the requirements of the Planning Code and a Variance would be required:
 - a. *Rear Yard.* Planning Code Sections 134 and 733.12 require a rear yard equal to 25% of the depth of the lot be provided at the grade and at all levels above grade. The project as proposed does not include any rear yard and the schematic design presented appears to disrupt the pattern of mid-block open space. Please be aware that, as an alternative to a Variance, Planning Code Section 134(e) provides a mechanism allowing the Zoning Administrator, at a duly noticed public hearing, to approve a modified rear yard equal to 25% of the lot area that is not located opposite the front property line.
 - b) *Dwelling Unit Exposure.* Planning Code Section 140 requires that at least one room of each dwelling unit face onto a public street, a Code-compliant rear yard, or other open area that meets minimum requirements for area and horizontal dimensions. Most of the units in the building have exposure on a public street. Several of the proposed dwelling units facing into the interior courtyard do not meet the exposure requirement. Therefore, a Variance is required. Were a code-compliant rear yard provided, more dwelling units would meet the exposure requirement.
3. **Building Permit Applications** are required for the preparation of the site and for the proposed new construction. Building permit applications are available at the Department of Building Inspection at 1660 Mission Street.

Conditional Use and Variance applications are available in the Planning Department lobby at 1650 Mission Street Suite 400, at the Planning Information Center at 1660 Mission Street, and online at www.sfplanning.org. Building Permit applications are available at the Department of Building Inspections at 1660 Mission Street.

NEIGHBORHOOD NOTIFICATIONS AND PUBLIC OUTREACH:

Project Sponsors are encouraged to conduct public outreach with the surrounding community and neighborhood groups early in the development process. Additionally, many approvals require a public hearing with an associated neighborhood notification. Differing levels of neighborhood notification are mandatory for some or all of the reviews and approvals listed above. The project will be subject to the notice requirements of Planning Code Section 312 and will need to provide a Pre-Application Notice to nearby neighbors, and hold a Pre-Application Meeting.

PRELIMINARY PROJECT COMMENTS:

The following comments address specific Planning Code and other general issues that may significantly affect the proposed project:

1. **Rear Yard.** Planning Code Section 134 requires that rear yards be provided at the grade, equal to 25% of the depth of the lot. In Neighborhood Commercial Districts, a modification of the rear yard requirements of this Section may be allowed, upon approval by the Zoning Administrator at a duly noticed public hearing and in accordance with the provisions of Section 134(e), provided that the following criteria are met:
 - Residential uses are included in the new or expanding development and a comparable amount of usable open space is provided elsewhere on the lot or within the development where it is more accessible to the residents of the development; and,
 - The proposed new or expanding structure will not significantly impede the access of light and air to and views from adjacent properties; and,
 - The proposed new or expanding structure will not adversely affect the interior block open space formed by the rear yards of adjacent properties.

The project does not provide a Code complying rear yard and would require a Variance from that requirement as described above. Design comments from UDAT below recommend that the rear yard be developed as an alternative to the proposed courtyard. Development of the recommended rear yard alternative would require a rear yard exception in accordance with the provisions of Section 134(e).

2. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1(c)(1) requires street trees at a ratio of one tree per every 20 feet of street frontage along both Market Street and Sanchez Street. This project would be required to plant 11 street trees along Sanchez Street and 9 street trees along Market Street.
3. **Street Frontages in Commercial Districts.** Planning Code Section 145.1(c)(4)(B) requires that ground floor non-residential uses in all NCT Districts shall have a minimum floor-to-floor height of 14 feet. The proposed ground floor-to-floor height for the project is as little as 12 feet. The floor-to-floor height of the ground floor of the project should be increased to a minimum of 14 feet. The Section also limits the width of the garage door. The proposed garage door is 22 feet wide. Please reduce the width of the garage door to no more than 12 feet.
4. **Parking Costs Separated from Housing Costs.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of 10 dwelling units or more, shall be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units, such that potential renters or buyers have the option of renting or buying a residential unit at a price lower than would be the case if there were a single price for both the residential unit and the parking space. The parking spaces in the project must be leased or sold separately from the dwelling units.

5. **Shadow.** Planning Code Section 295 limits the construction of any structure that would cast any new shade or shadow upon any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. The project does not appear to have the potential to cast new shadow on property under the jurisdiction of the Recreation and Park Commission.
6. **Formula Retail.** Planning Code Section 303(i) requires Conditional Use Authorization for Formula Retail uses defined as a type of retail sales activity or retail sales establishment, which has eleven or more other retail sales establishments located in the United States. In addition to the eleven establishments, the business maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, uniform apparel, standardized signage, a trademark or a servicemark. Conditional Use authorization would be required for any future tenant of the proposed retail spaces meeting the definition of formula retail.
7. **Transit Impact Development Fee.** Planning Code Section 411 requires the payment of a Transit Impact Development Fee for the new development in San Francisco. The fee is not required for residential uses but a fee of \$10.00/square foot is required for the proposed ground-floor retail uses.
8. **Inclusionary Affordable Housing Units.** Pursuant to Section 415, the project must satisfy the requirements of the Inclusionary Affordable Housing Program through the payment of an Affordable Housing Fee that is equivalent to the applicable percentage of the number of units in the principal project, which is 12 percent of the total number of units proposed. As an alternative, the project may be eligible to satisfy the requirements of Section 415 through the provision of on-site or off-site affordable units. In order to qualify for this alternative, the sponsor must demonstrate that the units would not be subject to the Costa Hawkins Rental Housing Act.

In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and would remain as ownership units for the life of the project. In order to be eligible to provide rental units, the Project Sponsor must submit to the Department a contract demonstrating that the project's on- or off-site units are not subject to the Costa Hawkins Rental Housing Act, California Civil Code Section 1954.50 because, under Section 1954.52(b), the Project Sponsor has entered into an agreement with a public entity in consideration for a direct financial contribution or any other form of assistance specified in California Government Code Sections 65915 et seq. Please note that not all projects can meet the criteria of having received a "direct financial contribution or other form of assistance" from the City. All such contracts entered into with the City and County of San Francisco must be reviewed and approved by the Planning Department, the Mayor's Office of Housing, and the City Attorney's Office.

9. **Market and Octavia Impact Fees.** This project is subject to the applicable fees outlined in planning Codes Section 416 and 421.
10. **First Source Hiring.** Chapter 83 of the San Francisco Administrative Code, passed in 1998, established the First Source Hiring Program to identify available entry-level jobs in San Francisco and match them with unemployed and underemployed job seekers. The intent is to provide a resource for local employers seeking qualified, job ready applicants for vacant positions while helping

economically disadvantaged residents who have successfully completed training programs and job-readiness classes.

The ordinance applies to (1) any permit application for commercial development exceeding 25,000 square feet in floor area involving new construction, an addition or a substantial alteration which results in the addition of entry level positions for a commercial activity; or (2) any application which requires discretionary action by the Planning Commission relating to a commercial activity over 25,000 square feet, but not limited to conditional use; or (3) any permit application for a residential development of ten units or more involving new construction, an addition, a conversion or substantial rehabilitation.

The project proposes more than ten dwelling units and therefore, is subject to the requirement. For further information, or to receive a sample First Source Hiring Agreement, please see contact information below:

Ken Nim, Workforce Compliance Officer
CityBuild, Office of Economic and Workforce Development
City and County of San Francisco
50 Van Ness, San Francisco, CA 94102
Direct: 415.581.2303
Fax: 415.581.2368

PRELIMINARY DESIGN COMMENTS:

The following comments address preliminary design issues that may significantly impact the proposed project:

- 1. Site Design, Open Space, and Massing.** The Planning Department recommends stepping the massing with the topography along Market Street. The Planning Department encourages the design to explore the measurement of height on sloping lots that might enable adding flexibility in massing options. The Market street façade should be vertically articulated with a 25-30' module that steps with the slope.

The Planning Department recommends vertical articulation at Sanchez Street at segments of 25' or less, a modulation that is more in keeping with the existing finer-grained neighborhood pattern. The proposed building should transition in height to the lower scale buildings to the north. The Planning Department emphasizes the importance of preserving midblock open spaces. Based on the plans, the proposed courtyard is relatively small and should respond to the existing mid-block open space of adjacent lots. The proposed courtyard currently has the feel of leftover space as shown on the plans. It is recommended that the project be revised to eliminate Unit 18 to reduce the building footprint in order to allow the courtyard to continue the mid-block open space. If the project seeks exceptions from specific rear yard, exposure, and open space requirements, the design and configuration of both open space and architecture should be exceptional.

- 2. Street Frontage.** The frontage should provide a consistent and active relationship with the fronting streets, per the Draft Ground Floor Residential Design Guidelines. Ground floor residential units should be designed with setback and raised landscaped entries that range from three to five feet above grade, to provide direct access from the street.

Per the draft Ground Floor Residential Design Guidelines, vertically modulate the façade so that residential units are individually legible. A setback and raised terrace at the ground level may count toward private open space requirements. A greater setback may be needed to accommodate building code complying handrail extensions at the sidewalk property line. The setback does not need to extend the entire face of the building.

- 3 Vehicle Circulation and Parking.** The Planning Department is concerned by the large amount of space that is devoted to parking in the current proposal. The Planning Department recommends reducing the parking footprint by using stackers.

The limited amount of parking and familiarity of residents with the garage enables a smaller garage entrance solution. Minimize the garage door to no wider than 12 feet.

Bike Parking should be as close as possible to the residential lobby or garage entrance to minimize the travel distance through the garage and conflict with automobiles.

- 4. Public Realm Improvements.** Per Planning Code Section 138.1, the project will be subject to improvements per the Better Streets Plan, which may include landscaping, site furnishings, and/or corner curb extensions (bulb-outs) at intersections (see Better Streets Plan Section 4 for Standard Improvements and Section 5.3 for bulb-out guidelines). The project sponsor is required to submit a Streetscape Plan illustrating these features, and the department will work with the project sponsor and other relevant departments to determine an appropriate streetscape design. Standard street improvement would be part of basic project approvals not count for as credit towards in-kind contributions.

The Planning Department recommends a bulb-out at the corner of Market and Sanchez, per the Upper Market Street Plan. Consider street furnishing: bike racks, benches, and planters along Market Street.

- 4. Architecture.** At this point the architecture is assumed to be schematic and The Planning Department will provide further detailed design review on the subsequent submission. Exceptions to the planning code should be responded to by exceptional design. The proposed architectural design, while preliminary, needs clarity of form. The massing is expected to be refined and articulated. High quality materials and are expected to be developed as the building design progresses. A high quality of design is expected that responds to its context with a consistent composition of building components.

Consider the design of townhomes' facades as a separate, but related to the Market street facade.

PRELIMINARY GENERAL PLAN / POLICY COMMENTS:

1. **Market-Octavia Area Plan.** The project is located within the boundary of the Market Octavia Area Plan ("Plan"). It has a diverse pattern of land uses that integrate various housing types, commercial activities, institutions, and open spaces. The Plan imagines a mixed use transit oriented neighborhood, especially in the highly transit accessible upper Market area.

New development should add to the rich mixture of uses in the area, and provide more housing, especially affordable units. New development should improve livability and be well designed, compatible with the scale of surrounding development, and consistent with neighborhood character. The project, as submitted, and the proposed uses are consistent with the plan's vision for the area, specifically with the principles below:

- Require infill development to enhance the area's established land use pattern and character. This kind of development should be...integrated into the prevailing pattern of uses, taking cues from existing development in the area.
- Concentrate new uses where access to transit and services best enables people to be less reliant on automobiles. To this end, the most intense new development should be linked directly to existing and proposed transit services, and concentrated where the area's mix of uses supports a lifestyle less dependent on cars.

As currently drafted, the project is generally consistent with the objectives and policies in the Plan. Please refer to the Market Octavia Area Plan for more guidance and to ensure general conformity with the policies of the Plan. Information on the Plan can be found on the Planning Department's website at: http://www.sf-planning.org/ftp/General_Plan/Market_Octavia.htm

2. **Upper Market Design Guidelines.** The Guidelines provide a clear vision for how the community would like to see development occur along the corridor. The purpose of the guidelines is to outline elements of the vision to developers and property owners along the corridor. The Guidelines encourage active upper story design features, and public realm and pedestrian improvements to all Market Street intersections - including Sanchez, 15th and Market Streets - and community supported land uses among other recommendations. Through the entitlements process, the project will be reviewed by Department staff and the Planning Commission for consistency with the Guidelines on balance. The project as submitted is generally consistent with the design guidelines by providing active ground floor spaces and pedestrian improvements along Market Street. However, please refer to the Upper Market Design Guidelines for more guidance and to ensure general conformity. Information on the Guidelines can be found on the Planning Department's website at: <http://uppermarket.sfplanning.org>
3. **Market Octavia and Upper Market NCD Impact Fees.** The Market and Octavia Community Improvement Impact Fees applies to the Project. These fees shall be charged on net additions of gross square feet which result in a net new residential unit, contribute to a 20 percent increase of non-residential space in an existing structure, or create non-residential space in a new structure. Based on the current fee rates, a fee in the amount of \$9.27 per net new gross square footage shall be assessed on residential uses and a fee in the amount of \$3.50 per net new gross square footage shall be assessed on non-residential uses within the Plan Area. Fees shall be assessed on mixed use projects according to the gross square feet of each use in the project.

The Market and Octavia Plan Area and Upper Market NCD Community Improvement Impact Fees shall be paid before the City issues a first construction document, with an option for the project sponsor to defer payment to prior to issuance of the first certificate of occupancy upon agreeing to pay a deferral surcharge in accordance with Section 107A.13.3 of the San Francisco Building Code.

4. **Transportation – Increasing Trips by Transit, Bicycle and Foot.** The General Plan calls for sustainable development integrating housing with transportation in ways that increases travel by foot, bicycle and transit (Housing Element Policy 13.3, Transportation Element Pol. 28.1). The General Plan and Code also call for new residential development to provide safe and secure bicycle storage. The project, located along Market and within blocks of several MUNI lines, proposes to provide 35 off-street parking spaces and 87 bicycle spaces. The provision of no more than the allowed off-street parking and of Class 1 bicycle parking is consistent with encouraging more trips by transit, bike and foot and with the referenced policies.

PRELIMINARY PROJECT ASSESSMENT EXPIRATION:

This Preliminary Project Assessment is valid for a period of **18 months**. An Environmental Evaluation, Conditional Use Authorization, or Building Permit Application, as listed above, must be submitted no later than **August 23, 2014**. Otherwise, this determination is considered expired and a new Preliminary Project Assessment is required. Such applications and plans must be generally consistent with those found in this Preliminary Project Assessment.