



SAN FRANCISCO PLANNING DEPARTMENT

Preliminary Project Assessment

Date: August 13, 2013
Case No.: **2013.0792U**
Project Address: 400 Bay Street
Block/Lot: 0030/003
Zoning: C-2 (Community Business) District
Waterfront Special Use District No. 2.
40-X
Area Plan: N/A
Project Sponsor: Russ Naylor
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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 proposal is to demolish an existing approximately 2,981 square foot one-story restaurant, constructed in 1906, and construct a new four-story boutique hotel with ground floor retail uses. The proposed hotel would consist of 15 hotel rooms, approximately 1,325 square feet of commercial space located on the ground floor, and two roof decks for use by hotel guests. The roof deck at the second floor is approximately 785 square feet and the roof deck at the upper roof level is approximately 1,941 square feet. Parking is not provided on-site. The proposed hotel building would be approximately 14,950 gross square feet in area, five stories, and 40 feet in height.

ENVIRONMENTAL REVIEW:

The project initially requires the following environmental review, pursuant to the California Environmental Quality Act (CEQA). This review may be done in conjunction with the required approvals listed below, but must be completed before any project approval may be granted.

In order to facilitate environmental review and comply with CEQA, the applicant shall submit an Environmental Evaluation Application (EEA). The application is 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.

If the additional analysis outlined below indicates that the project would not have a significant effect on the environment, the project may qualify for a Class 32 categorical exemption, which then the Planning Department would issue a Certificate of Determination of Exemption from Environmental Review. Section 15332 of the CEQA Guidelines, or Class 32, provides a categorical exemption for projects, characterized as in-fill development.

If the additional analysis performed after submittal of the Environmental Evaluation Application indicates that the project may have a significant effect on the environment, Planning Department staff would prepare an Initial Study to determine whether a Mitigated Negative Declaration (MND) or Environmental Impact Report (EIR) is needed.

If the Department finds that the project would have significant impacts that can be reduced to a less-than-significant level by mitigation measures agreed to by the project sponsor, then the Department would issue a Preliminary Mitigated Negative Declaration. If the Initial Study process indicates that the project would result in a significant impact that cannot be mitigated to below a significant level, an EIR will be required to be prepared by an environmental consultant from the Planning Department's environmental consultant pool. The Planning Department would provide more detail to the project sponsor regarding the EIR process should this level of environmental review be required.

The following issues would be investigated as part of the environmental review process:

1. **Historic Architectural Resources:** The proposed project consists of demolition of a building constructed 50 or more years ago (circa 1906); therefore, the Planning Department requires that the project sponsor submit a Historic Resource Evaluation (HRE). The HRE must be prepared by one of three historic resource consultants provided to them by the Planning Department's Senior Preservation Planner, in accordance with the Planning Department's Environmental Planning Division's Environmental Review Guidelines. Please contact Tina Tam, by email at tina.tam@sfgov.org or phone at (415) 558-6325, for a list of three historic resource consultants. Please ensure that the selected historic resource consultant receives approval from Planning Department Preservation staff regarding the scope and content of the HRE prior to commencement of any work.

Under CEQA, evaluation of the potential for proposed projects to impact "historical resources" is a two-step process: the first is to determine whether the property is an "historical resource" as defined

in Section 15064.5(a)(3) of CEQA; and, if it is found to be an “historical resource,” the second is to evaluate whether the action or project proposed by the sponsor would cause a “substantial adverse change”. CEQA defines a “substantial adverse change” as the physical demolition, destruction, relocation or alteration of the historical resource or its immediate surroundings such that the significance of an historical resource would be materially impaired. For example, if the structure proposed for demolition at 400 Bay Street is identified as an historical resource, its demolition would be a substantial adverse change resulting in material impairment of the resource, thereby requiring preparation of an EIR.

For more information on the Planning Department’s Historic Architectural Resource Evaluation, please see San Francisco Preservation Bulletin No. 16, which is available at www.sfplanning.org under “Historic Preservation.”

2. **Transportation.** The Department has preliminarily determined that a transportation study would not be required for the proposed project. The project includes the construction of 10,340 square feet of hotel space and 1,325 square feet of retail space that would generate approximately 199 new daily person trips, of which approximately 18 trips would be in the PM Peak Hour. This would not likely increase existing traffic volumes on streets within the vicinity of the project site and would not likely cause adverse impacts to nearby intersections already operating at Level of Service (LOS) D or worse. In addition, the proposed project would not have the potential to adversely impact transit operations or the carrying capacity of nearby transit services, nor would the project worsen conditions for pedestrian and bicycle facilities.
3. **Archeological Resources.** The proposed project would require excavation up to an approximate depth of greater than 8 feet for the installation of foundation piles, an elevator pit, and basement storage space. A Preliminary Archeological Review (PAR) would be required and would be conducted in-house by the Planning Department archeologist. During the PAR, it will be determined what type of soils disturbance/modification would result from the project, such as excavation, installation of foundations, soils improvement, site remediation, etc. Any available geotechnical/soils report prepared for the project site will be reviewed at this time. Also, if the archeological review determines that archeological resources may be present, the project sponsor would be required to implement mitigation measures to avoid environmental impacts on potential archeological resources.
4. **Geology.** The project site is located in a liquefaction hazard zone as identified in the San Francisco General Plan. An investigation of geotechnical and soil conditions is required to make a determination as to whether the project would result in any environmental impacts related to structural damage, ground subsidence, liquefaction, landslides, and surface settlement. To assist our staff in their determination, please provide a copy of a geotechnical investigation with boring logs for the proposed project. As discussed above, this study will also help inform the archeological review. In general, compliance with the State and San Francisco building codes would avoid the potential for

significant impacts related to structural damage, ground subsidence, liquefaction, landslides, and surface settlement.

- Hazardous Materials.** The Department's database indicates the presence of past industrial uses on the project site. The database also indicates that the site is underlain by fill materials. Should the project require ground disturbance, a Phase I Environmental Site Assessment (Phase I) will be required. The Phase I will determine if the site may contain contaminated soils, the potential for site contamination, the level of exposure risk associated with the project, and whether any additional analysis (e.g., a Phase II soil sampling) would be necessary. The Phase I must be submitted with the EEA. Review of the Phase I and any additional studies recommended by the Phase I would require oversight from the Department of Public Health (DPH). Additionally, depending on the scope of the project and its potential to disturb contaminated soils, the proposed project may be subject to the amended Maher Ordinance, which will become effective August 15, 2013. During environmental review of the proposed project, the Planning Department will coordinate with DPH to determine the appropriate course of action.

In addition, because the existing building was constructed prior to 1980, asbestos-containing materials, such as floor and wall coverings, may be found in the building. The Bay Area Air Quality Management District (BAAQMD) is responsible for regulating airborne pollutants including asbestos. Please contact BAAQMD for the requirements related to demolition of buildings that may contain asbestos-containing materials.

- Air Quality.** The proposed project, which includes the demolition of an existing one-story commercial (restaurant) building and the construction of a new four-story mixed-use building at a total of 14,950 gsf including 15 hotel rooms and 3,285 gsf of retail space, does not exceed the Bay Area Air Quality Management District's (BAAQMD) construction and/or operational screening levels for criteria air pollutants. Therefore an analysis of the project's criteria air pollutant emissions is not likely to be required.

Project-related demolition, 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, demolition 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.

If the project would generate new sources of toxic air contaminants including, but not limited to, diesel generators or boilers, or any other stationary sources, the project 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.

- 7. Greenhouse Gases.** The 2010 CEQA Air Quality Guidelines provide CEQA thresholds of significance for greenhouse gas (GHG) emissions. On August 12, 2010, the San Francisco Planning Department submitted to the BAAQMD a draft of the City and County of San Francisco's Strategies to Address Greenhouse Gas Emissions. This document presents a comprehensive assessment of policies, programs and ordinances that collectively represent San Francisco's Qualified Greenhouse Gas Reduction Strategy. The BAAQMD reviewed San Francisco's GHG reduction strategy and concluded that the strategy meets the criteria for a Qualified GHG Reduction Strategy as outlined in BAAQMD's CEQA Guidelines (2010).¹ Therefore, projects that are consistent with San Francisco's GHG reduction strategy would result in less-than-significant 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 project sponsor would be required to submit the completed table regarding project compliance with the identified regulations and provide project-level details in the discussion column. This information will be reviewed by the environmental planner during the environmental review process to determine if the project would comply with San Francisco's Greenhouse Gas Reduction Strategy. Projects that do not comply with an ordinance or regulation may be determined to be inconsistent with the Greenhouse Gas Reduction Strategy.

- 8. Noise.** The project site is located on the block bounded by Bay Street, North Point Street, Mason Street, and Taylor Street. Planning Department noise maps identify the site as an area with existing ambient noise levels that range between 50-70 decibels along the south perimeter of the project site (Bay Street). The proposed project would not involve the construction of new noise-sensitive uses (e.g., residential uses) and would include the construction of a mixed-use (hotel/retail) building. Given the mixed-use nature of the project, the Planning Department would require the preparation of a noise technical memorandum that describes project operations and the potential for noise to affect

¹ San Francisco's Strategies to Address Greenhouse Gas Emissions and BAAQMD's letter are available online at: <http://www.sfplanning.org/index.aspx?page=1570>.

existing nearby residences. This analysis would include at least one 24-hour noise measurement. The analysis must be prepared by persons qualified in acoustical analysis and/or engineering and shall demonstrate with reasonable certainty that Title 24 insulation standards, where applicable can be met, and that there are no peculiar circumstances about the proposed uses or arrangement of uses across the project site would warrant heightened concern about the noise levels in the vicinity. The findings of the acoustical study are intended to be included in the environmental review document. Finally, detailed information related to construction equipment, phasing and duration of each phase shall be provided to assess construction noise levels and methods to reduce such noise, as feasible.

9. **Wind.** The project site is located in an area that does not experience high wind speeds. Also, the height of the proposed mixed-use building at 400 Bay Street (approximately 40 feet) is not expected to cause adverse ground-level wind speeds resulting from the project. Therefore a wind analysis study would not likely be required.
10. **Tree Planting and Protection Checklist.** The Department of Public Works Code Section 8.02-8.11 requires protection of landmark, significant, and street trees located on private and public property. Any tree identified in the Tree Planting and Protection Checklist must be shown on the Site Plans with size of the trunk diameter, tree height, and accurate canopy drip line. Please submit a Tree Planting and Protection Checklist with the Environmental Evaluation Application and ensure trees are appropriately shown on site plans.
11. **Notification of a Project Receiving Environmental Review.** Notice is required to be sent to occupants of properties on and adjacent to the project site and owners of properties within 300 feet of the project site at the initiation of the environmental review process. Please be prepared to provide these mailing labels upon request at the time of the Environmental Evaluation Application submittal.

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.** The Planning Commission must grant a Conditional Use Authorization per Planning Code Sections 216, 240.2 (b), and 303 for the new construction of a hotel. Please also be aware that there are specific findings that must be made for hotels in Planning Code Section 303 (g).
2. **Variance Application.** The Zoning Administrator must grant a Variance pursuant to Planning Code Section 145.1, Street Frontages in Commercial Districts, for a lobby exceeding 40 feet or 25% of building frontage, whichever is larger.

3. **Building Permit Application.** A Building Permit Application is required for demolition of the existing building on the subject property and the new construction of a hotel on the subject property.

Conditional Use Authorization 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.

PRELIMINARY PROJECT COMMENTS:

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

1. **Street Trees.** Planning Code Section 138.1 requires one tree of 24-inch box size for each 20 feet of frontage of the property along each street or alley, with any remaining fraction of 10 feet or more of frontage requiring an additional tree for new construction projects. Such trees shall be located either within a setback area on the lot or within the public right-of-way along such lot. The frontage on Bay Street is 37'-6" and requires two street trees. The frontage on Mason Street is 87'-6" and requires four street trees. Please also be aware that there are specific requirements for street trees located in C-Districts which specify the branch height, caliper, and sidewalk opening. Planning Code Section 138.1 (c) (1) (B) contains additional information regarding these requirements.
2. **Roof Top Features.** Planning Code Section 260 exempts unenclosed seating areas limited to tables, chairs and benches, and related windscreens, lattices and sunshades with a maximum height of 10 feet measured from the height limit. Please ensure that roof top features meet these requirements and include dimensions on plans submitted to the Department to ensure compliance with this Section of the Planning Code.
3. **Street Frontages in Commercial Districts.** Planning Section 145 requires active uses be provided on the ground floor of newly constructed buildings in the C-2 (General Commercial) District. Pursuant to Planning Code Section 145.1, "building lobbies are considered active uses, so long as they do not exceed 40 feet or 25% of building frontage, whichever is larger." The lobby frontage on Mason Street is approximately 50 feet and 57% of the frontage, thereby exceeding the requirement. Please either alter the proposed design or apply for a Variance application.

4. **Transit Impact Development Fee.** Pursuant to Planning Code Section 411 (formerly Chapter 38 of the Administrative Code), the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid. As of this writing the rate for hotel uses is \$12.64 per square foot while the rate for retail is \$13.30 per square foot; however, fees are indexed on an annual basis.

Development projects that meet specific policy goals can apply for Policy Credits and, if granted, can use them to reduce or eliminate TIDF fees that would otherwise be due. Policy Credits are granted to all projects meeting applicable criteria on a “first come-first-served” basis until the annual Policy Credit fund is exhausted. Policy Credits are available only for projects that either (1) involve a small business or (2) would provide fewer off-street parking spaces than allowed.

5. **Flood Notification.** The project site is located in a flood-prone area. Please see the attached bulletin regarding review of the project by the San Francisco Public Utilities Commission.

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 overall massing is appropriate. Due to the nature of the adjacent buildings and their setbacks from the side lot lines, the side walls of this building will be visible for the foreseeable future. The building should be designed to take this into account and treat the blind walls as second elevations.
2. **Street Frontage.** The frontage should provide a consistent and active relationship with the fronting streets. The Department appreciates the treatment of the lobby with active uses and a transparent storefront; however, the lobby is too large to be considered an active use. The plan indicates a fireplace not shown in the elevation. The Department recommends moving the fireplace further north, closer to the lobby entry, so as to provide an uninterrupted storefront at the building’s corner and to align the heavier, durable fireplace materials with the more solid, recessed portion of the façade above. The fireplace could also turn into a concrete bulkhead 12” – 16” high to provide a strong base to the building. As the elevation indicates, plantings could help soften the streetscape. Consider recessing the entries to the commercial storefront. Develop the lobby entrances with architectural details that might signify entry, by employing a more gracious (wider, higher, and deeper recess) and adding awnings, landscaping, and signage.
3. **Architecture.** The Department believes a crisp, modern aesthetic could be pushed further. The Department suggests that carrying some solid vertical modulation such as columns or pilasters to the ground may help integrate the base with the body. The brise-soleil at the roof may not be allowed, but the impulse to terminate the roof should be further explored. At this point the architecture is assumed to be preliminary and the Department will provide further detailed design review on the subsequent submission of materials and details to insure that the high

quality design is achieved. It is expected that the architecture and quality of execution will be superior. High quality materials combined with exceptional articulation and detailing on all visible facades will be essential to the success of approval of this project.

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 **February, 13, 2015**. 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.

Enclosure: Neighborhood Group Mailing List
Flood Notification: Planning Bulletin

cc: North Beach Hotel Development Company, Property Owner
Kate Conner, Current Planning
Christopher Espiritu, Environmental Planning
David Winslow, Citywide Planning and Analysis
Jerry Robbins, MTA
Jerry Sanguinetti, DPW