



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: April, 19, 2016
TO: Russ Naylor – Nc2 Architects, Primary Project Contact
FROM: Wade Wietgreffe, Planning Department
RE: PPA Case No. 2016-001059PPA for 465 Grove Street

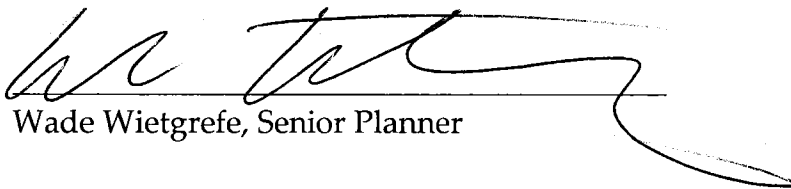
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Please find the attached Preliminary Project Assessment (PPA) for the address listed above. You may contact the staff contact, Alana Callagy, at (415) 575-8734 or alana.callagy@sfgov.org, to answer any questions you may have, or to schedule a follow-up meeting.



Wade Wietgreffe, Senior Planner



SAN FRANCISCO PLANNING DEPARTMENT

Preliminary Project Assessment

Date: April 19, 2016
Case No.: 2016-001059PPA
Project Address: 465 Grove Street
Block/Lot: 0808/022 and 043
Zoning: NCT – Hayes-Gough Neighborhood Commercial Transit
40-X
Area Plan: Market and Octavia
Project Sponsor: Russ Naylor – Nc2 Architects
415-749-6500
Staff Contact: Alana Callagy – 415-575-8734
alana.callagy@sfgov.org

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DISCLAIMERS:

This Preliminary Project Assessment (PPA) letter provides feedback to the project sponsor from the Planning Department regarding the proposed project described in the PPA application submitted on January 22, 2016, as summarized below. This PPA letter identifies Planning Department review requirements for the proposed project, including those related to environmental review, approvals, neighborhood notification and public outreach, the Planning Code, project design, and other general issues of concern for the project. Please be advised that the PPA application does not constitute an application for development with the Planning Department. The PPA letter also does not represent a complete review of the proposed project, does not grant a project approval of any kind, and does not 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 (DBI), San Francisco Public Works, the San Francisco Municipal Transportation Agency (SFMTA), Department of Public Health (DPH), San Francisco Public Utilities Commission (SFPUC), and others. The information included herein is based on the PPA application and plans, 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 is within block 0808 bounded by Grove Street to the north, Gough Street to the east, Hayes Street to the south, and Octavia Boulevard to the west. Ivy Street is an east-west roadway that bisects the block. The project site consists of two separate lots: lot 022, a 1,750 square foot (sf) lot with access along Grove Street; and lot 043, a 14,731 sf lot with access along both Ivy and Grove streets. Lot 022 consists of an existing 2-story building containing two dwelling units (1,375 gross sf (gsf)) ("477 Grove

Street"). The existing building was constructed in 1936. Lot 042 consists of an existing 4-story, 40-foot-tall building containing 12,953 gsf hotel use (47 hotel rooms) ("Days Inn Hotel") and 500 gf retail use. In addition, Lot 042 contains 9,800 sf of surface vehicular parking for 33 parking spaces, with ingress and egress from two curb cuts along Grove Street, and a continuous curb cut along Ivy Street.

The proposed project would demolish the two existing buildings and surface parking, merge lots 022 and 043, and construct a new four-story, 45-foot-tall hotel, which would contain 52,500 gsf hotel use (143 hotel rooms) and 1,500 gsf retail use. In addition, the new building would include a below grade vehicular parking garage for 33 parking spaces, accessed off of Grove Street. The basement level would also contain housekeeping/laundry, a fitness room, and storage. Soil would be excavated to approximately 15 feet below grade. A mat slab foundation would be used.

BACKGROUND:

The project site is located within the Market and Octavia Area Plan, which was evaluated in the *Market and Octavia Area Plan Programmatic Final Environmental Impact Report (Market and Octavia PEIR)*. On April 5, 2007, the Planning Commission certified the *Market and Octavia PEIR* for the Market and Octavia Area Plan by Motion 17406.¹ The certification of the PEIR was upheld on appeal to the Board of Supervisors at a public hearing on June 19, 2007. Subsequent to the certification of the PEIR, on May 30, 2008, the Board of Supervisors approved, and the Mayor signed into law, amendments to the Planning Code, Zoning Maps, and General Plan.

ENVIRONMENTAL REVIEW:

Community Plan Exemption

Section 15183 of the California Environmental Quality Act (CEQA) Guidelines states that projects that are consistent with the development density established by a community plan for which an environmental impact report (EIR) was certified do not require additional environmental review, except as necessary to determine the presence of project-specific significant effects not identified in the programmatic plan area EIR.

As discussed above, the proposed project is located within the Market and Octavia Area Plan, which was evaluated in the *Market and Octavia PEIR*, which was certified in 2007. If the proposed project is consistent with the development density identified in the area plan, it would be eligible for a community plan exemption (CPE). Please note that a CPE is a type of exemption from environmental review, and cannot be modified to reflect changes to a project after approval. Proposed increases beyond the CPE project description in project size or intensity after project approval will require reconsideration of environmental impacts and issuance of a new CEQA determination.

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 PEIR*, and

¹ San Francisco Planning Department. San Francisco Planning Commission Motion 17406, April 5, 2007. Available online at: <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=568>, accessed February 19, 2016.

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 \$14,017) and (b) the CPE certificate fee (currently \$7,779).

2. **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 checklist 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 \$14,017) and (b) the standard environmental evaluation fee (which is based on construction value).
3. **Focused EIR.** If any new site- or project-specific significant impacts cannot be mitigated to a less-than-significant level, then a focused EIR is prepared to address these impacts, and a supporting CPE checklist 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 \$14,017); (b) the standard environmental evaluation fee (which is based on construction value); and (c) one-half of the standard EIR fee (which is also based on construction value). An EIR must be prepared by an environmental consultant from the Planning Department's environmental consultant pool (http://www.sfplanning.org/ftp/files/MEA/Environmental_consultant_pool.pdf). The Planning Department will provide more detail to the project sponsor regarding the EIR process should this level of environmental review be required.

Formal environmental review begins with Planning Department review of the **Environmental Evaluation Application (EEA)** filed by the project sponsor. The EEA can be submitted at the same time as the PPA application or subsequent to issuance of the PPA letter.

The environmental review may be done in conjunction with the required approvals listed below, but must be completed before any project approval may be granted. **Note that until an entitlement application is submitted to the Current Planning Division, only the proposed Project Description will be reviewed by the assigned Environmental Coordinator.** EEAs 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 under the "Publications" tab. See "Environmental Applications" on page 2 of the current Fee Schedule for a calculation of environmental application fees.²

A detailed and accurate description of the proposed project is essential for adequate environmental review. Please update the EEA project description as necessary to reflect feedback provided in this PPA letter, and include any additional documents requested herein. Furthermore, include the following

² San Francisco Planning Department. *Schedule for Application Fees*. Available online at: <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=513>.

information regarding the proposed project: clarify/label transformer vault location, passenger and freight loading, sidewalk width, existing and proposed curb cuts (including length); whether pile driving or other particularly noisy construction methods are required; and proposed stationary sources of air contaminants (e.g., diesel generators or boilers). If you have already filed your EEA, you may provide the required information and documents as supplements to your application.

Below is a list of topic areas addressed through the environmental review process. Some of these would require additional study based on the preliminary review of the project as it is proposed in the PPA application.

1. **Historic Resources.** The project site was previously evaluated in the Market & Octavia Historical Resource Survey.³ The project site does not contain any buildings considered individually eligible for national, state, or local listing as a historic resource. However, the 477 Grove Street building was identified as a non-contributor within the adopted Hayes Valley Residential Historic District (District). The Days Inn Hotel building, at 465 Grove Street, is outside and adjacent to the District. Given the proposed project would construct a new building within and adjacent to the District, the proposed project is subject to review by the Planning Department's Historic Preservation staff for compatibility with the district. To assist in this review, the project sponsor must hire a qualified professional to prepare a Historic Resource Evaluation (HRE) report. The professional must be selected from the Planning Department's Historic Resource Consultant Pool. Please contact Tina Tam, Senior Preservation Planner, via email (tina.tam@sfgov.org) for a list of three consultants from which to choose. Please contact the HRE scoping team at HRE@sfgov.org to arrange the HRE scoping. Following an approved scope, the historic resource consultant may submit the draft HRE report for review to Environmental Planning after the project sponsor has filed the EEA and updated it as necessary to reflect feedback received in the PPA letter. The HRE should be submitted directly to the Planning Department and copied to the project sponsor. Project sponsors should not receive and/or review advance drafts of consultant reports per the Environmental Review Guidelines. Historic Preservation staff will not begin reviewing your project until a complete draft HRE is received.
2. **Archeological Resources.** Project implementation would entail soil-disturbing activities associated with building construction, including excavation that would reach a depth of approximately 15 feet below grade. The proposed project would be subject to the *Market and Octavia PEIR* Mitigation Measure C2 General Soils Disturbing Activities, which applies to any project involving any soils-disturbing activities including excavation, installation of foundations, or utilities or soils remediation beyond a depth of four feet and located within those properties for which no archaeological assessment report has been prepared.

Pursuant to Mitigation Measure C2, the proposed project will require Preliminary Archeological Review (PAR) by a Planning Department archeologist. To aid this review the Department archeologist may request a Preliminary Archeological Sensitivity Assessment (PASS) by a Planning Department Qualified Archeological Consultant, subject to the review and approval by the Department archeologist. The Planning Department archeologist will provide three names from the Qualified Archeological Consultant list if the PASS is required. The PAR will assess the archeological

³ This document is available at [http://208.121.200.84/ftp/files/Citywide/Market Octavia/MO Survey Report.pdf](http://208.121.200.84/ftp/files/Citywide/Market%20Octavia/MO_Survey_Report.pdf)

sensitivity of the project site based on in-house source material and will consider the potential for archeological impacts resulting from proposed soils disturbance. Please provide detailed information, including sections, proposed soils-disturbing activities, such as grading, excavation, installation of foundations, soils improvement, and site remediation in the EEA, and submit any available geotechnical/soils or Phase II hazardous materials reports prepared for the project to assist in this review. If the Planning Department archeologist determines that the project has a potential to adversely affect archeological resources, the PAR will identify additional measures needed to address the potential effect. These measures may include preparation of an archeological research design and treatment plan, implementation of project mitigation measures (such as archeological testing, monitoring, or accidental discovery), or other appropriate measures.

3. **Transportation.** Based on the Planning Department's Transportation Impact Analysis Guidelines for Environmental Review,⁴ the project would require additional transportation analysis to determine whether the project may result in a significant impact. Therefore, the Planning Department requires that a consultant listed in the Planning Department's Transportation Consultant Pool prepare a Transportation Circulation Technical Memorandum. You may be required to pay additional fees for the Memorandum; please contact Vimaliza Byrd at (415) 575-9025 to arrange payment. Once you pay the fees, please contact Manoj Madhavan at (415) 575-9095 or manoj.madhavan@sfgov.org so that he can provide you with a list of three consultants from the pre-qualified Transportation Consultant Pool. Upon selection of a transportation consultant, the Department will assign a transportation planner who will direct the scope of the consultant-prepared memorandum.

In order to prepare the Transportation Circulation Technical Memorandum, at a minimum, the following information will need to be provided/clarified for the project description: the location of passenger loading, the location of freight loading, existing and proposed sidewalk widths, and the location and length of existing and proposed curb cuts. Refer to "Streetscape Plan" heading within the "Preliminary Project Comments" section for additional information.

4. **Noise.** Construction noise would be subject to the San Francisco Noise Ordinance (Article 29 of the San Francisco Police Code), which includes restrictions on noise levels of construction equipment and hours of construction. If pile driving is to be used during the construction, measures to reduce construction noise may be required as part of the proposed project. The EEA application should indicate whether pile driving or other particularly noisy construction methods are required.
5. **Air Quality.** The proposed 143 hotel rooms do not exceed the Bay Area Air Quality Management District's (BAAQMD) construction screening levels for criteria air pollutants.⁵ However, should project result in a substantial amount of excavation, an analysis for the project's criteria air pollutant emissions would likely be required. Detailed information related to construction equipment, phasing and duration of each phase (including demolition), and cubic yards of both existing building material to be demolished and sub-surface material to be excavated for the proposed garage and foundation shall be provided as part of the EEA.

⁴ This document is available at: <http://www.sf-planning.org/index.aspx?page=1886>.

⁵ BAAQMD, *CEQA Air Quality Guidelines*, May 2011, Chapter 3.

In addition, 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 proposed project will be required to adhere to the dust control requirements set forth in the Construction Dust Control Ordinance contained in San Francisco Health Code Article 22B and San Francisco Building Code Section 106.A.3.2.6. The proposed project is also required to prepare a Construction Dust Control Plan for review and approval by DPH.

The project site is not located within an Air Pollutant Exposure Zone, as mapped and defined by Health Code Article 38. The Air Pollutant Exposure Zone identifies areas with poor air quality based on modeling of air pollution, exposures, and health vulnerability from mobile, stationary, and area source emissions within San Francisco. Given that the project site is not within an Air Pollutant Exposure Zone, additional measures or analysis related to local health risks are not likely to be required. However, if the project would include new sources of toxic air contaminants including, but not limited to, emissions from 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. Please provide detailed information related to any proposed stationary sources with the EEA.

In addition, equipment exhaust measures during construction, such as those listed in *Market and Octavia PEIR* Mitigation Measure E2 Construction Mitigation Measure for Short-Term Exhaust Emissions will likely be required.

6. **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.⁶ The project sponsor is 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.
7. **Wind.** The proposed project would not involve construction of a building over 80 feet in height. Therefore, a consultant-prepared wind analysis is not required. However, the proposed project would be subject to *Market and Octavia PEIR* Mitigation Measure B2 All New Construction, which applies to all new construction and requires shaping or using wind baffling measures such that the development does not cause year-round ground-level wind currents to exceed more than 10 percent of the time, between 7am and 6pm, the comfort levels of 7 or 11 miles per hour equivalent wind speeds in public seating or pedestrian use areas, respectively.

⁶ Refer to <http://sf-planning.org/index.aspx?page=1886> for latest "Greenhouse Gas Compliance Checklist for Private Development Projects."

8. **Shadow.** A preliminary shadow fan analysis prepared by Planning Department staff indicates that the proposed project would not cast shadows on any San Francisco Rec Park property subject to Section 295, or other non-rec park outdoor recreational facilities (see attached). Therefore, a detailed shadow study is not required.
9. **Geology.** The project site is not located within a Seismic Hazard Zone or on a site with a slope of more than 20 percent. Therefore, a geotechnical report is not likely to be required. In general, compliance with the building codes would avoid the potential for significant impacts related to structural damage, ground subsidence, liquefaction, landslides, and surface settlement. To assist Planning Department staff in determining whether the project would result in environmental impacts related to geological hazards, it is recommended that you provide a copy of any geotechnical information you may have, along with any boring logs for the proposed project. This study will also help inform the Planning Department Archeologist of the project site's subsurface geological conditions.
10. **Hazardous Materials.** The proposed project would result in more than 50 cubic yards of excavation. Therefore, the project may be subject to Article 22A of the Health Code, also known as the Maher Ordinance. The Maher Ordinance, which is administered and overseen by DPH, requires the project sponsor to retain the services of a qualified professional to prepare a Phase I Environmental Site Assessment (ESA) that meets the requirements of Health Code Section 22.A.6. The Phase I ESA would determine the potential for site contamination and level of exposure risk associated with the project. Based on that information, soil and/or groundwater sampling and analysis, as well as remediation of any site contamination, may be required. These steps are required to be completed prior to the issuance of any building permit.

DPH requires that projects subject to the Maher Ordinance complete a Maher Application, available at: <http://www.sfdph.org/dph/EH/HazWaste/hazWasteSiteMitigation.asp>. Fees for DPH review and oversight of projects subject to the ordinance would apply. Please refer to DPH's fee schedule, available at: <http://www.sfdph.org/dph/EH/Fees.asp#haz>.

Because the existing buildings were constructed prior to 1980, asbestos-containing materials, such as floor and wall coverings, may be found in the building. The BAAQMD is responsible for regulating airborne pollutants including asbestos. Please contact BAAQMD for the requirements related to demolition of buildings with asbestos-containing materials. In addition, because of the age of the existing buildings (constructed prior to 1978), lead paint may be found. Please contact DBI for requirements related to the demolition of buildings that may contain lead paint.

Additionally, as mentioned above under Air Quality, the project will be required to adhere to the dust control requirements in the Construction Dust Control Ordinance, which would ensure that construction dust impacts would not be significant through the reduction in the quantity of fugitive dust generated during demolition, site preparation, and construction work in order to protect the health of the general public and of on-site workers.

11. **Disclosure Report for Developers of Major City Projects.** The San Francisco Ethics Commission S.F. Camp. & Govt. Conduct Code § 3.520 et seq. requires developers to provide the public with

information about donations that developers make to nonprofit organizations that may communicate with the City and County regarding major development projects. This report must be completed and filed by the developer of any "major project." A major project is a real estate development project located in the City and County of San Francisco with estimated construction costs exceeding \$1,000,000 where either: (1) The Planning Commission or any other local lead agency certifies an EIR for the project; or (2) The project relies on a program EIR and the Planning Department, Planning Commission, or any other local lead agency adopts any final environmental determination under CEQA. A final environmental determination includes: the issuance of a CPE; certification of a CPE/EIR; adoption of a CPE/Final Mitigated Negative Declaration; or a project approval by the Planning Commission that adopts CEQA Findings. (In instances where more than one of the preceding determinations occurs, the filing requirement shall be triggered by the earliest such determination.) A major project does not include a residential development project with four or fewer dwelling units. The first (or initial) report must be filed within 30 days of the date the Planning Commission (or any other local lead agency) certifies the EIR for that project or, for a major project relying on a program EIR, within 30 days of the date that the Planning Department, Planning Commission, or any other local lead agency adopts a final environmental determination under CEQA. Please submit a Disclosure Report for Developers of Major City Projects to the San Francisco Ethics Commission. This form can be found at the Planning Department or online at <http://www.sfethics.org>.

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** is required for the construction of a Tourist Hotel in the Hayes-Gough Neighborhood Commercial Transit (NCT) zoning district (Planning Code Sections 720.55; 303(g)).
2. **Conditional Use Authorization** is required for the development of large lots in the Hayes-Gough NCT zoning district (Planning Code Sections 121.1; 303(c)).
3. **Conditional Use Authorization** is required is required for non-residential uses that exceed Use Size Limits in the Hayes-Gough NCT zoning district (Planning Code Section 121.2).
4. **Conditional Use Authorization** is required for the exceedance of basic floor area ratio in the Hayes-Gough NCT zoning district (Planning Code Section 124).
5. **Conditional Use Authorization** is required for the demolition of a residential building in the Hayes-Gough NCT zoning district (Planning Code Sections 720.37; 317).
6. **Lot Line Adjustment (Lot Merger)** is required because the project proposes development on two separate lots (Block/lots 0808/022 and 0808/043).

7. A **Building Permit Application** is required for the demolition of all existing buildings on the subject lots (Block/lots 0808/022 and 0808/043).
8. A **Building Permit Application** is required for the proposed new construction on the subject lots (Block/lots 0808/022 and 0808/043).

Conditional Use Authorization 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 Inspection at 1660 Mission Street.

NEIGHBORHOOD NOTIFICATIONS AND PUBLIC OUTREACH:

Project sponsors are encouraged, and in some cases required, 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.

This project is required to conduct a **Pre-Application** meeting with surrounding neighbors and registered neighborhood groups before a development application may be filed with the Planning Department. The Pre-Application packet, which includes instructions and template forms, is available at www.sfplanning.org under the "Permits & Zoning" tab. All registered neighborhood group mailing lists are available online at www.sfplanning.org under the "Resource Center" tab.

Neighborhood Notification. Planning Code Section 312 requires Neighborhood Notification for all building permit applications for new construction.

Notification of a Project Receiving Environmental Review. Notice may be required to be sent to occupants of the project site and properties adjacent to the project site, as well as to owners and, to the extent feasible, occupants of properties within 300 feet of the project site at the initiation of the environmental review process. Please be prepared to provide mailing addresses on a CD upon request during the environmental review process.

PRELIMINARY PROJECT COMMENTS:

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

Market and Octavia Area Plan

1. **Market and Octavia Area Plan.** The subject property falls within the area covered by the Market and Octavia Area Plan in the General Plan. As proposed, the project is generally consistent with the overarching objectives of the Plan, though the project and design comments below discuss any items where more information is needed to assess conformity with either specific policies or Code standards, or where the project requires minor modification to achieve consistency. The project sponsor is encouraged to read the full plan, which can be viewed at <http://sf-planning.org/market-octavia-area-plan>.

2. **First Floor Residential.** The Market and Octavia Area Plan encourages first-floor residential units to be at least three feet above sidewalk level such that the windowsills of these units are above pedestrian eye level in order to maintain the units' privacy. While this design guideline specifically addresses permanent residential uses, its intent can be logically extended to include hotel uses as well. As currently proposed, the project includes hotel rooms on the ground floor with virtually no vertical and horizontal separation from the sidewalk or visual screening. The project sponsor is encouraged to provide vertical and/or horizontal separation and screening between first floor hotel rooms and the sidewalk.
3. **Building Design and Neighborhood Context.** The Market and Octavia Area Plan encourages new building design that respects the character of nearby older development. The proposed project should be designed to complement the character and scale of its environs through successful transition in scale, building form and proportion, detail, and materials, particularly in relation to adjacent historic structures.
4. **Living Alleys.** The Market and Octavia Area Plan encourages the creation of "Living Alleys" on residential alleys in order to provide shared, multi-purpose space for the use of residents. When designing the Ivy Street streetscape frontage, the project sponsor is encouraged to consider treatments that incorporate living alley improvements and complement the improvements that already exist (i.e., living alley improvements just east of the proposed project). For additional information on Living Alleys and design strategies, see the Living Alleys Toolkit, which can be found here: <http://sf-planning.org/living-alleys-toolkit>.
5. **Loss of Dwelling Units.** The Market and Octavia Area Plan strongly discourages the demolition of existing residential units unless they are replaced in sufficient number to at least offset the loss of the existing units. Even when replacement housing is provided, demolitions would be permitted only through conditional use in the event the project serves the public interest by giving consideration to each of the following: (1) affordability, (2) soundness, (3) maintenance history, (4) historic resource assessment, (5) number of units, (6) superb architectural and urban design, (7) rental housing opportunities, (8) number of family-sized units, (9) supportive housing or serves a special or underserved population, and (10) a public interest or public use that cannot be met without the proposed demolition. As currently proposed, the project would demolish 1,375 sf of existing residential uses without providing any replacement units.

Conditional Use Authorization

6. **Loss of Dwelling Units through Demolition, Merger, and Conversion.** Planning Code Section 317 requires a public hearing to be held prior to approval of any permit that would remove existing housing. In the Hayes-Gough NCT zoning district, a Conditional Use Authorization is required for the demolition of a residential building.
7. **Development of Large Lots in NC Districts.** Planning Code Section 121.1 establishes lot size limits for new construction on lots larger than 10,000 sf in the Hayes-Gough NCT zoning district. Of the two proposed development lots, the larger of the two (at 14,731 sf) exceeds the lot size limits. Conditional Use Authorization is required.

8. **Use Size Limits (Non-Residential) in NC Districts.** Planning Code Section 121.2 establishes use size limits for non-residential uses in the Hayes-Gough NCT zoning district at 3,000 sf. With 54,000 gsf of proposed uses (52,500 gsf of hotel and 1,500 gsf of retail), the use size limits in the Hayes-Gough NCT zoning district are exceeded. Conditional Use Authorization is required.
9. **Floor Area Ratio (FAR).** Planning Code Section 124 establishes FAR limits for development lots located within the Hayes-Gough NCT zoning district. The base FAR limit in the Hayes-Gough NCT zoning district is 3:1. Per the plans submitted with the PPA, the maximum allowable FAR appears to have been exceeded. With 54,000 gsf of proposed uses (52,500 gsf hotel and 1,500 gsf retail) on a 16,481 sf lot (Block/lots 0808/022 and 0808/043) the proposed FAR calculates to 3.28:1. Conditional Use Authorization is required.

Streetscape

10. **Streetscape Plan.** The project contains more than 250 feet of total lot frontage on one or more publically-accessible rights-of-way and includes new construction, and as such, requires the submittal of a Streetscape Plan to the Planning Department to ensure that the new streetscape and pedestrian elements are in conformance with the Planning Department's Better Street Plan. This Streetscape Plan shall be submitted to the Planning Department no later than 60 days prior to any Planning Commission action, and shall be considered for approval at the time of other project approval actions. The Streetscape Plan should show the location, design, and dimensions of all existing and proposed streetscape elements in the public right-of-way directly adjacent to the fronting property, including street trees, sidewalk landscaping, street lighting, site furnishings, utilities, driveways and curb lines, and the relation of such elements to proposed new construction and site work on the property. Please see the Planning Department's Better Streets Plan and Section 138.1(c)(2)(ii) for the additional elements that may be required as part of the project's streetscape plan.

Projects that are required to submit Streetscape Plans pursuant to the Better Streets Plan are reviewed by the City's Interdepartmental Street Design Advisory Team (SDAT). SDAT is composed of representatives from the Planning Department, Public Works, and SFMTA. SDAT provides design review and guidance to private developments working within the City's public right-of-way.

Under the Better Streets Plan, Grove Street is classified as a Neighborhood Commercial Street, with a recommended sidewalk width of 15 feet, and Ivy Street is classified as an Alley, with a recommended sidewalk width of 9 feet or greater.

11. **Street Trees.** Planning Code Section 138.1(c)(1) requires one street tree for every 20 feet of street frontage for new construction. With approximately 271 feet of street frontage (approximately 183 and 88 feet of frontage along Grove and Ivy streets, respectively), approximately 14 street trees would be required. Additionally, per SFMTA standards, trees shall not be placed within 25 feet of intersections, to enhance pedestrian visibility and safety. All landscaping, street trees, site furniture, and special paving should be consistent with guidelines in the Better Streets Plan.

Other Code Considerations

12. **Lot Merger.** This project proposes development on two separate lots (Block/lots 0808/022 and 0808/043); therefore a lot merger is required. The lead agency for lot merger applications is Public Works. Map applications are filed with Public Works who then refers them to DBI and the Planning Department for review and approval. Review of the maps by DBI and the Planning Department is concurrent. Approvals by both DBI and the Planning Department are required in order for Public Works to continue to review the map. The role of the Planning Department, with regard to subdivision cases, is to review the referral from Public Works for consistency with the General Plan, and for compliance with the Planning Code, including Planning Code Sections 121 and 121.1.
13. **Street Frontages in Commercial Districts.** Planning Code Section 145.1 outlines requirements for development lots to promote street frontages that are pedestrian-oriented, fine-grained, and which are appropriate and compatible with the buildings and uses in NC Districts. The following controls apply to the proposed project:
- **Active Use.** Active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. Building lobbies are considered active uses so long as they do not exceed 40 feet or 25 percent of building frontage, whichever is larger.
 - **Ground Floor Ceiling Height.** Ground floor non-residential uses in all NC districts that are also located within a 40-foot height district shall have a minimum floor-to-floor height of 10 feet, as measured from grade.
 - **Street-Facing Ground Level Spaces.** The floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Street-facing ground-level spaces housing non-residential active uses in hotels shall open directly onto the street, rather than solely into lobbies and interior spaces of the buildings. Such required street-facing entrances shall remain open to the public during business hours.
 - **Transparency and Fenestration.** Frontages with active uses that are not residential or production, distribution, and repair must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.
 - **Parking and Loading Entrances.** No more than one-third of the width or 20 feet, whichever is less, of any given street frontage of a new or altered structure parallel to and facing a street shall be devoted to parking and loading ingress or egress.
14. **Off-Street Parking and Loading Requirements.** The Hayes-Gough NCT zoning district does not establish off-street parking requirements for non-residential uses. Within NC districts, hotel uses under 100,001 gsf are not required to provide off-street freight loading. Therefore, no off-street parking or off-street loading is required for the proposed project. See Preliminary Design Comments for further discussion of off-street parking.

15. **Bicycle Parking.** Planning Code Section 155.5 requires the proposed project to provide Class I and II bicycle parking spaces in the following amounts:
- **Retail Use:** Zero (0) Class I bicycle spaces (1:7,500 sf); Two (2) Class II bicycle spaces (a minimum of 2, then 1:2,500 sf).
 - **Hotel Use:** Five (5) Class I bicycle spaces (1:30 hotel rooms); At least five (5) or more Class II bicycle spaces, depending on the amount of ancillary hotel use (a minimum of 2, 1:30 rooms + 2 for every 5,000 sf of ancillary hotel use (e.g., conference, meeting, or function rooms)).
16. **Car sharing.** Given the project includes greater than 25 parking spaces, Planning Code Section 166 requires this project to provide at least one (1) car share space. The Market and Octavia Area Plan encourages the installation of car sharing locations in the plan area in order to reduce the need for local car ownership and to free up on-street parking spaces. As currently proposed, the project includes 33 parking spaces in a subterranean garage. The project sponsor is encouraged to dedicate a portion of its proposed parking spaces (at least one space required per Planning Code Section 166) to car sharing services, which could serve as an amenity both to local residents and to hotel guests in the proposed project.
17. **Baby Diaper-Changing Accommodations.** Planning Code Section 168 requires that each New Public-Serving Establishment shall be required to install and maintain, at each floor level containing restrooms accessible to the public, at least one Baby Diaper-Changing Accommodation that is accessible to women and one that is accessible to men, or a single Diaper-Changing Accommodation that is accessible to both.
18. **Additional Height Limits for Narrow Streets and Alleys in NC Districts.** Planning Code Section 261.1 requires setbacks on Narrow Streets, as defined by the Code. Ivy Street constitutes as a Narrow Street; as such, all subject frontages shall have upper stories set back at least 10 feet at the property line above a height equivalent to 1.25 times the width of the abutting Narrow Street. The width of Ivy Street is 35 feet; therefore, a 10 foot setback from the property line is required at approximately 43'-9".
19. **Special Height Exception.** Planning Code Section 263.20 allows for an additional five feet of height for active ground floor uses in NCT districts. One additional foot of height, up to a total of five feet, shall be permitted above the designated height limit for each additional foot of ground floor clear ceiling height in excess of 10 feet from sidewalk grade.
20. **Hotel Use.** Planning Code Section 303(g) states that with respect to applications for development of tourist hotels and motels, the Planning Commission shall consider, in addition to other criteria listed in Section 303, the following:
- (1) The impact of the employees of the hotel or motel on the demand in the City for housing, public transit, child-care, and other social services. To the extent relevant, the Planning Commission shall also consider the seasonal and part-time nature of employment in the hotel or motel;

- (2) The measures that will be taken by the project sponsor to employ residents of San Francisco in order to minimize increased demand for regional transportation; and
 - (3) The market demand for a hotel or motel of the type proposed.
21. **Standards for Bird-Safe Buildings.** Planning Code Section 139 requires new building construction to reduce bird mortality from circumstances that are known to pose a high risk to birds and are considered to be “bird hazards.” The two circumstances regulated by this section are 1) location-related hazards, where the siting of a structure creates increased risk to birds and 2) feature-related hazards, which may create increased risk to birds regardless of where the structure is located. Given that the property is not located within 300 feet of a possible urban bird refuge, feature-related standards would apply to the project. For more information please consult Code Section 139 (“Standards for Bird-Safe Buildings”), and refer to the following document for: [http://www.sf-planning.org/ftp/files/publications reports/bird safe bldgs/Standards%20for%20Bird%20Safe%20Buildings%20-%202011-30-11.pdf](http://www.sf-planning.org/ftp/files/publications%20reports/bird_safe_bldgs/Standards%20for%20Bird%20Safe%20Buildings%20-%202011-30-11.pdf).
22. **Shadow Analysis.** Planning Code Section 295 requires that a shadow analysis must be performed to determine whether the project has the potential to cast shadow on properties under the jurisdiction of the San Francisco Recreation and Park Commission. See Shadow under the Environmental Review section above for discussion of the preliminary shadow study.

Water Use

23. **Stormwater.** If the project results in a ground surface disturbance of 5,000 sf or greater, it is subject to San Francisco’s stormwater management requirements as outlined in the Stormwater Management Ordinance and the corresponding SFPUC Stormwater Design Guidelines (Guidelines). Projects that trigger the stormwater management requirements must prepare a Stormwater Control Plan demonstrating project adherence to the performance measures outlined in the Guidelines including:
- (a) reduction in *total volume* and *peak flow rate* of stormwater for areas in combined sewer systems OR
 - (b) *stormwater treatment* for areas in separate sewer systems. The SFPUC Wastewater Enterprise, Urban Watershed Management Program is responsible for review and approval of the Stormwater Control Plan. Without SFPUC approval of a Stormwater Control Plan, no site or building permits can be issued. The Guidelines also require a signed maintenance agreement to ensure proper care of the necessary stormwater controls. To view the Stormwater Management Ordinance, the Stormwater Design Guidelines, or download instructions for the Stormwater Control Plan, go to <http://sfwater.org/sdg>. Applicants may contact stormwaterreview@sfwater.org for assistance.
24. **Non-potable Water Reuse.** Beginning November 1, 2015, all new buildings with 40,000 to 250,000 sf of gross floor area are required to submit a water budget application and Water Use Calculator to the SFPUC. To view more information about the requirements, please visit <http://www.sfwater.org/np>. Project teams may contact nonpotable@sfwater.org for assistance.

Additional Coordination

25. **First Source Hiring Agreement.** A First Source Hiring Agreement is required for any project proposing to construct 25,000 gsf or more. For more information, please contact:

Ken Nim, Workforce Compliance Officer
CityBuild, Office of Economic and Workforce Development
City and County of San Francisco
50 Van Ness Avenue, San Francisco, CA 94102
(415) 581-2303

Impact Fees

26. **Impact Fees.** This project will be subject to various impact fees. Please refer to the Planning Director's Bulletin No. 1 for an overview of Development Impact Fees, and to DBI's Development Impact Fee webpage for more information about current rates.

Based on an initial review of the proposed project, the following impact fees, which are assessed by the Planning Department, will be required:

- a) Transportation Sustainability Fee (TSF) (formally Transit Impact Development Fee (TIDF)) (Planning Code Section 411A)
- b) Jobs-Housing Linkage (Planning Code Section 413)
- c) Child-Care (Planning Code Section 414)
- d) Market & Octavia Community Improvement Fund (421)

PRELIMINARY DESIGN COMMENTS:

The project is located in an NCT-Hayes-Gough zoning district and in the Market and Octavia Area Plan. The following comments address preliminary design issues that may significantly impact the proposed project:

- 1. Site Design, Open Space, and Massing.** The Planning Department appreciates the size of the courtyard, but suggests that it be aligned to complement the adjacent courtyard to the east and rear yards to the west.

To avoid potential conflicts with the 21 Hayes Muni bus line, the Planning Department supports eliminating off-street parking. If parking is provided, the Planning Department recommends locating the parking entrance on Ivy Street, and combining the entrance with trash, loading, and other back of house functions while at the same time reducing the width of the parking entrance to 12 to 14 feet. However, locating these building service functions along Ivy Street does not relieve the requirement of active uses on the Ivy Street frontage. Some amount of active commercial use that may augment or serve the hotel on both frontages is highly encouraged.

Recommended means of achieving the intent of activation may include:

- (1) Providing a through-block of connection (either interior or exterior) from Grove Street to Ivy Street that includes the lobby and lounge spaces;
- (2) Locating a lobby entrance and the Café/Bar with forecourt along Ivy Street to provide usable transition space on the Ivy Street frontage to provide active commercial uses; and/or

(3) Raising street level guest rooms above grade to provide better privacy and to enable street fronting terraces from guest rooms to help activate the street frontages.

2. Vehicle Circulation and Parking. The Planning Department supports and encourages the applicant to eliminate or reduce the parking due to the proximity to public transportation. Additionally, the Planning Department encourages passenger and freight loading on Ivy Street.

Bike parking is required, but not shown on the plans. The Planning Department recommends adding and locating bike parking as close and conveniently accessible to the lobby as possible.

3. Architecture. At this point the architecture is assumed to be preliminary and diagrammatic and the Planning Department will provide further detailed design review on the subsequent submission.

The design must demonstrate a high quality of design that responds to its context with a consistent composition of building components, materiality, and vertical articulation. The ground floor is expected to be transparent and programmed with active uses that contribute to the vitality of the street. Please refer to the Market Octavia Area Plan fundamental Design Principles.

4. Streetscape and Pedestrian 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 sidewalk extensions (see Better Streets Plan Section 4 for Standard Improvements). The project sponsor is required to submit a Streetscape Plan illustrating these features, and the Planning Department will work with the project sponsor and other relevant departments to determine an appropriate streetscape design.

The Planning Department recommends the project sponsor make improvements similar to those adjacent sidewalk and streetscape improvements on Ivy and Grove streets immediately to the east of the project site (450 Gough Street). The proposed streetscape improvements should match the materiality and palette of that project (special paving, street tree species, planting palette etc.).

The Planning Department strongly encourages pedestrian scale lighting on Ivy Street.

Please include proposed transformer location on future copies of your plans.

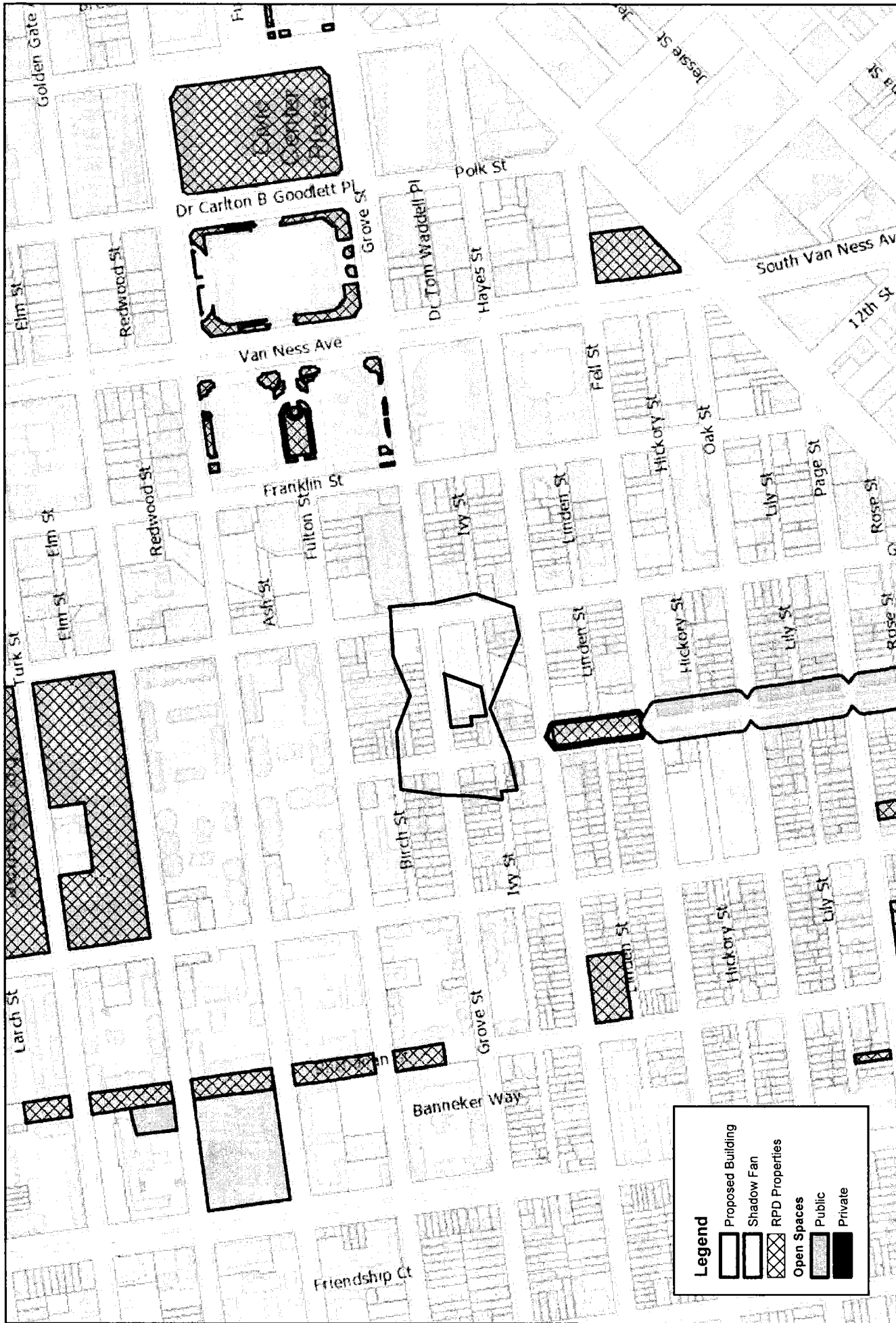
PRELIMINARY PROJECT ASSESSMENT EXPIRATION:

This Preliminary Project Assessment is valid for a period of **18 months**. An Environmental Evaluation and/or Conditional Use Authorization, as listed above, must be submitted no later than **October, 19, 2017**. 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
 Preliminary Shadow Fan Analysis

cc: Chirag Investment Co-Subhash L & Parakas, Property Owner
Nicholas Foster, Current Planning
Alana Callagy, Environmental Planning
John Francis, Citywide Planning and Analysis
David Winslow, Design Review
Jonas Ionin, Planning Commission Secretary
Charles Rivasplata, SFMTA
Jerry Sanguinetti, Public Works
Pauline Perkins, SFPUC
Planning Department Webmaster (planning.webmaster@sfgov.org)

FIRST	LAST	TITLE	ORGANIZATION	ADDRESS	CITY	STATE	ZIP	TELEPHONE	EMAIL	NEIGHBORHOOD OF INTEREST
Adrienne	Shiozaki Woo	President Board Chair	JapanTown Merchants Association Nihonmachi Little Friends	1581 Webster Street 2031 Bush Street	San Francisco San Francisco	CA CA	94115 94115	415-202-0365 415-922-8898	michidene@yahoo.com	0 Western Addition Western Addition
Al	Sodini		0 Anza Vista Civic Improvement Club	140 Terra Vista Avenue	San Francisco	CA	94115	415-921-5131	duch831@aol.com	Western Addition
Barry	Perkins	Executive Director	JapanTown Task Force	2140 Pine Street	San Francisco	CA	94115	415-990-0234	barry_perkins@yahoo.com	Western Addition
Bob	Hanaguchi		0 -	1785 Sutter Street, 2nd floor	San Francisco	CA	94115	(415) 346-1239	info@japanowntaskforce.org	Western Addition
Eve	Phasse		Marin Luther Tower	1001 Franklin Street, Apt. 10K	San Francisco	CA	94109	415-441-4639	linder@aol.com	Downtown/Civic Center, Western Addition
Gus	Hernandez	President	Alamo Square Neighborhood Association	530 Divisadero Street #178	San Francisco	CA	94117	415-271-5691	president@alamosq.org	Western Addition
Jan	Boloff	President	Western Addition Neighborhood Association	2331 Bush Street	San Francisco	CA	94115	415-831-1091	boloff@pacbell.net	Western Addition
Jason	Henderson	Vice Chairman	Marin/Ocavie Community Advisory Comm.	300 Buchanan Street, Apt. 503	San Francisco	CA	94102	415-722-0617	jhenderson@strogbbel.net	Castro/Upper Market, Downtown/Civic Center, Mission, South of Market, Western Addition
Lawrence	Li	Land-Use & Transportation Committee Chair	Lower Haight Merchant & Neighbors Association	488 Walker Street, Apt. 9	San Francisco	CA	94117	415-644-4290	lawrence@bureausf.com	Western Addition
Tim	Hickey	President	North of Panhandle Neighborhood Association (NOPNA)	732 Lyon Street	San Francisco	CA	94115		0 board@nopna.org	Height Ashbury, Western Addition
London	Breed	Supervisor, District 5	Board of Supervisors	1 Dr. Carlton B Goodlett Place, Room #244	San Francisco	CA	94102-4689	415-554-7630	London.Breed@sfgov.org; conor.johnston@sfgov.org; valle.brown@sfgov.org; Aimee.Lemjan@sfgov.org Mark.Ferrill@sfgov.org; Catherine.Stahm@sfgov.org; Margaux.Kelly@sfgov.org; Jess.Montejan@sfgov.org marvphilips@gmail.com	Bernal Heights, Downtown/Civic Center, Height Ashbury, Inner Sunset, Western Addition
Mark	Farrell	Supervisor, District 2	Board of Supervisors	1 Dr. Carlton B Goodlett Place, Room #244	San Francisco	CA	94102-4689	415-554-5942		Marina, Pacific Heights, Presidio, Presidio Heights, Russian Hill, Seafair, Western Addition
Marvis	Phillips	Land Use Chair	Alliance for a Better District 6	230 Eddy Street #1206	San Francisco	CA	94102-6326	415-674-1935		Downtown/Civic Center, Mission, South of Market, Western Addition
David	Troup	President	Duboce Triangle Neighborhood Association	2281 Market Street PMB #301	San Francisco	CA	94114	415-295-1530	president@dtma.org	Castro/Upper Market, Western Addition
Patricia	Vaughley		0 MarinaCow Hollow Neighbors & Merchants 2742 Baker Street		San Francisco, CA	94123	415-567-7152			0 Marina, Pacific Heights, Western Addition
Peter	Cohen		0 Noe Street Neighbors	33 Noe Street	San Francisco, CA	94114	415-722-0617		pcohen@gmail.com	Castro/Upper Market, Mission, Western Addition
Richard	Rabbit	President	Temescal Terrace Association	55 Temescal Terrace	San Francisco, CA	94118	415-954-9959		richard.rabbit@stanfordalum.org	Height Ashbury, Inner Richmond, Presidio Heights, Western Addition
Russell	Pritchard	Coordinator	Hayes Valley Merchants Association	568 Hayes Street	San Francisco, CA	94102	415-255-9307		russe@zonahome.com	Western Addition
Vas	Kintis	President	Fillmore Merchants & Improvement Association	2443 Fillmore Street, #198	San Francisco, CA	94115	415-776-2700		vas@zincetals.com	Pacific Heights, Western Addition
Gail	Baugh	President	Hayes Valley Neighborhood Association	700 Hayes Street	San Francisco, CA	94102	415-265-0546		president@hayesvalley.sf.org	Castro/Upper Market, Downtown/Civic Center, Mission, South of Market, Western Addition
James	Fisher		0 -	10495 N De Anza Blvd MS 74-2RC	Cupertino, CA	95014	282-352-9498		jbenjamin.fisher@gmail.com	Western Addition
Billy	Lee		0 Oak Grove Group	2505 Oak Street	Napa, CA	94559	415-310-6706		leewey_e@yahoo.com	Pacific Heights, Russian Hill, Marina, Nob Hill, Presidio, Presidio Heights, Sea Cliff, Noe Valley, Western Addition
Margaret	Banda	President	Lausatz Street Neighborhood Association	260 Lausatz Street	San Francisco, CA	94117	415-509-6669		mbanda@yahoo.com	Castro/Upper Market, Western Addition



Legend

	Proposed Building
	Shadow Fan
	RPD Properties
	Open Spaces
	Public
	Private