# SAN FRANCISCO PLANNING COMMISSION



# Thursday, October 1, 2020 1:00 p.m. Regular Meeting

COMMISSIONERS PRESENT: Chan, Diamond, Fung, Imperial, Moore, Koppel

COMMISSIONERS ABSENT: None

THE MEETING WAS CALLED TO ORDER BY PRESIDENT KOPPEL AT 1:03 PM

STAFF IN ATTENDANCE: Aaron Starr, Miriam Chion, Jeff Horn, Carolyn Fahey, David Winslow, Corey Teague – Zoning Administrator, Rich Hillis – Planning Director, Jonas P. Ionin – Commission Secretary

#### **SPEAKER KEY:**

- + indicates a speaker in support of an item;
- indicates a speaker in opposition to an item; and
- = indicates a neutral speaker or a speaker who did not indicate support or opposition.

#### A. CONSIDERATION OF ITEMS PROPOSED FOR CONTINUANCE

The Commission will consider a request for continuance to a later date. The Commission may choose to continue the item to the date proposed below, to continue the item to another date, or to hear the item on this calendar.

1. 2020-004031CUA (A. KIRBY: (628) 652-7336) 1301 STOCKTON STREET – located at the northwest corner of the intersection of Broadway and Stockton Street, Lot 005 in Assessor's Block 0147 (District 3) – Request for **Conditional Use Authorization** pursuant to Planning Code Sections 303, 303.1, and 810 expand an existing Formula Retail Financial Service use, d.b.a. East West Bank, at the ground floor of the existing building. The proposed project ("Project") includes a seismic soft story retrofit that would expand the existing 4,065 square foot retail space to 4,777 square feet for an

expansion of approximately 708 square feet to compensate in part for twelve new structural support columns. The project will include a remodel of the non-historic storefront to increase transparency on both the Stockton Street and Broadway frontages, removal of the existing wrap-around awning structure, and new signage in compliance with Article 6 of the Planning Code. There will be no expansion of the existing building envelope. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

(Proposed for Continuance to October 8, 2020)

SPEAKERS: None

**ACTION:** Continued to October 8, 2020

AYES: Chan, Diamond, Fung, Imperial, Moore, Koppel

#### 2. 2018-002124CUA

(C. ALEXANDER: (628) 652-7334) 54 04TH STREET – located on the west side of 4th Street and between Market and Mission Streets; Lot 034 in Assessor's Block 3705 (District 13) – Reguest for Conditional Use **Authorization** pursuant to Planning Code Sections 210.2 and 303 to allow a hotel use. The proposed project ("Project") includes a conversion of the 68 vacant residential hotel rooms (SROs) to tourist use. The subject property (Mosser Hotel) currently contains 81 residential hotel rooms and 87 tourist hotel rooms for a total of 168 rooms within a C-3-R (Downtown-Retail) Zoning District and 160-S Height and Bulk District. 13 tenants currently reside in the 81 residential hotel rooms, with 68 of them vacant. None of the existing tenants are proposed to be evicted. The Project Sponsor proposes to satisfy the one-for-one residential room replacement required by Administrative Code Section 41.13(a)(4) and (a)(5) by paying an in-lieu fee "to a public entity or nonprofit organization, which will use the funds to construct comparable units, an amount at least equal to 80% of the cost of construction of an equal number of comparable units plus site acquisition costs." This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

(Continued from Regular hearing on September 10, 2020)

(Proposed for Indefinite Continuance)

SPEAKERS: None

**ACTION:** Continued Indefinitely

AYFS: Chan, Diamond, Fung, Imperial, Moore, Koppel

#### 3. 2016-003164GPA

(S. NICKOLOPOULOS: (415) 575-9089)

HEALTH CARE SERVICES MASTER PLAN - General Plan Amendment Initiation to revise the Commerce and Industry Element, to update it and incorporate the 2019 Health Care Services Master Plan; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings under Planning Code Section 340 and findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

Preliminary Recommendation: Initiate

(Continued from Regular hearing on August 27, 2020)

(Proposed for Indefinite Continuance)

**SPEAKERS:** None

**ACTION:** Continued Indefinitely

Meeting Minutes Page 2of 9 AYES: Chan, Diamond, Fung, Imperial, Moore, Koppel

#### 12. 2020-002118DRP

(D. WINSLOW: (628) 652-7335)

1039 CAROLINA STREET – between 23<sup>rd</sup> and 22<sup>nd</sup> Streets; Lot 038 in Assessor's Block 4161 (District 10) – Request for **Discretionary Review** of Building Permit 2020.0206.3735 to legalize a second dwelling unit and construct front, side and rear additions (approximately 1,191 square feet); remodeling of the interior and garage; and the addition of front and rear roof decks at the third-floor of an existing single-family home within a RH-1 (Residential House, One-Family) Zoning District and 40-X Height and Bulk District. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

Preliminary Recommendation: Do Not Take Discretionary Review and Approve

#### WITHDRAWN

SPEAKERS: None ACTION: Withdrawn

#### B. COMMISSION MATTERS

- 4. Consideration of Adoption:
  - Draft Minutes for September 17, 2020

SPEAKERS: None ACTION: Adopted

AYES: Chan, Diamond, Fung, Imperial, Moore, Koppel

#### 5. Commission Comments/Questions

#### **Commissioner Moore:**

I have a question regarding the technology we've been using for our meetings. Is there a possibility for commissioners to ask questions to people who are calling in? Normally, when we are in chamber, we obviously have the ability to call somebody and ask them to clarify their question or ask additional questions. As we are online, it is hard to pose all my question to you Jonas. Is there a possibility for us to ask questions to the public?

#### Jonas P. Ionin, Commission Secretary:

Yes, Commissioner Moore. I don't see any reason why you couldn't ask members of the public under general public comment or commenting on a particular item. But I would suggest that before their time runs out, you notify me by voicing your request to ask the member of the public a question. For example, maybe when their 30-second chime is up, or when you can feel they're concluding their comments, to just voice your request for -- or to ask a question.

#### **Commissioner Moore:**

Mostly, it is actually as conversations evolve and other people comment that a question may arise when you want to go back to somebody who already spoke. It is really more that incident than in the moment wanting to interrupt and ask.

Meeting Minutes Page 3 of 9

#### Jonas P. Ionin, Commission Secretary:

That, Commissioner Moore, procedurally with the technical capabilities before me are extremely difficult because all I'm seeing when members of the public call in, is a phone number, and it's not even the entire 7-digit phone number. We're only seeing a portion of the phone number, so it would be nearly impossible for me to determine which person made the comment that you're asking the question of.

#### **Commissioner Moore:**

Thank you. That answers my question. Appreciate it.

**Jonas P. Ionin, Commission Secretary:** Okay.

### C. DEPARTMENT MATTERS

6. Director's Announcements

None

7. Review of Past Events at the Board of Supervisors, Board of Appeals and Historic Preservation Commission

#### **Aaron Starr, Manager of Legislative Affairs:**

Good afternoon Commissioner's, Aaron Starr Department Staff.

There were no Planning Department items at the Land Use Committee this week, but at the Full Board hearing, the Board considered several appeals, a CU and CEQA appeal for 1846 Grove Street and the various CEQA appeals for the MTA's slow Streets program.

 200746 Hearing - Appeal of Determination of Exemption From Environmental Review 1846 Grove Street. Special Order, 3:00 PM, Items 48-51

First up was the CU and CEQA appeal for 1846 Grove Street. Commissioners, if you recall this project proposed the construction of four single-family homes on an interior flag lot. The buildings were designed in such a way as to minimize impact on the adjacent neighbors and featured green roofs. After several continuances for this item, many of which were related to the shelter in place orders, this Commission considered the project on April 9 and voted unanimously to approve it.

The appellant group was made up of adjacent neighbors. The CEQA appeal was over the type of classification used. The appellant claimed that a class three exemption was not allowed since that only applied to 6 units in a single building and this project included four units in four separate buildings on one lot. However, the CEQA determination was not in fact based on a class three exemption. It was based on what is called a Commonsense Exemption. Basically, because CEQA Categorically exempts 6 units projects on a single lot, a 4-unit project would also not have significant environmental impacts and should receive a categorical exemption, which seems like common sense.

With the CU appeal, they were primarily concerned with fire safety. Access to the site is limited to one narrow passageway on Fulton Street, and the appellants contend that the number of people living in those units could not safely leave the area in an emergency,

Meeting Minutes Page 4 of 9

such as a fire. However, the Fire and Building Departments both confirmed prior to going before the Planning Commission that the access was adequate from a life a safety-standpoint, and that determination had not changed since. This commission also added a condition to the CU that said if the design changed for any reason due to fire safety issues, the project needed to come back to the Planning Commission for review. The appellants brought their own fire safety expert, who works on the peninsula for cities like Mountain View, to counter the argument.

During public comment there were over twice as many people calling in support of the project as there were in support of the appeal. Those in support of the appeal mainly stayed to the fire safety concerns, but excessive density, quality of life impacts and bad blood between the community and developer also came up.

The people calling in support of the project made the point that this was middle class housing, that we should be looking for creative ways like this to add housing to our established neighborhoods, and that small housing projects like this take too long to go through the process adding to the overall cost of housing. They also made the point that as far as fire safety goes, building homes in San Francisco poses a significantly smaller fire risk than continuing to push development into our rural areas and forest where we are currently seeing devastating wildfires. That sprawl is also exacerbating climate change, which increases the frequency and intensity of those fires.

The arguments in favor of the project did not seem to sway Supervisor Preston, who made a motion to deny the CEQA appeal but to modify the CU to only allow two units. At one point he attempted to have planning staff explain and defend the building's occupancy classification. After we made it clear that we are not experts in this field and can't be relied upon to make such statements, they then sought to get testimony from DBI and/or Fire. While representatives from both departments were invited to the hearing, none attended. There was also a Fire expert on the project sponsors side, a retired SF fire inspector; however, the Supervisor Preston felt it was unnecessary to have the retired fire inspector clarify the occupancy code issue because he had a financial stake in the project.

Supervisor Preston ultimately motioned to overturn the CU because he disagreed with the Department of Building Inspection and the Fire Department's occupancy classification. The motion passed unanimously with Supervisor Peskin quickly seconding the motion.

I will note that the occupancy classification is not under the purview of this commission or the Planning Department. I will also note that while the project sponsor cannot now build four dwelling units on the site, they can build two dwelling units and two Accessory Dwelling Units as of right. Effectively allowing the exact same project, just with a different ownership structure.

- <u>200903</u> Hearing Appeal of Determination of Exemption From Environmental Review -Proposed MTA's Transportation Recovery Plan: COVID-19 Emergency Temporary Transit Lanes and Bikeways Project. Special Order 3:00 PM, Items 60-63
- <u>200987</u> Hearing Appeal of Determination of Statutory Exemption From Environmental Review - Proposed MTA's Panhandle Social Distancing and Safety Project. Special Order 3:00 PM, Items 64-67

Meeting Minutes Page 5 of 9

- <u>201000</u> Hearing Appeal of Statutory Exemption From Environmental Review MTA Department Operations Center (DOC) COVID-19 Emergency Temporary Street Changes Program. Special Order 3:00 PM, Items 68-71
- 201024 Hearing Appeal of Statutory and Categorical Exemption From Environmental Review - MTA Slow Streets, Phase 3. Special Order 3:00 PM, Items 72-75

And finally, the Board considered four CEQA appeals all having to do with COVID Emergency related MTA projects, such as slow streets. The items were all called together under one hearing, which lasted about two hours. About an hour of that was taken up by appellant and staff presentations. The issues were similar to the other MTA CEQA appeals recently considered by the Board. In the end the Board unanimously rejected all of the CEQA appeals. This now allows for other slow street and COVID emergency related projects to move forward. And MTA has been very busy since Wednesday morning implementing those projects.

#### Jonas P. Ionin, Commission Secretary:

The Board of Appeals did meet last night and considered two items that may be of interest to the Commission. 50 Steuart Street, an appeal of a building permit to allow vertical and front horizontal addition and a second dwelling unit. The Planning Commission heard three DRs on this property over the course of multiple hearings in 2019. The Planning Commission ultimately approved the project with the condition that the sponsor remove a proposed ADU. At the first hearing of this matter, Commission asked the sponsor to consider adding an ADU but ultimately, the Commission decided that the ADU was not necessary. Three appeals were filed on the permit by the original 3 DR requestors. The appellants raised issues with the project's compliance with the front set back requirement, Section 317 Demolition Calculations and Residential Design Guidelines. During the course of the appeal process, it was found that the demolition calculations for the permit contained minor discrepancies. However, the project nonetheless, complied with Section 317 and was not considered a demolition. The Board of Appeals unanimously granted the appeal to adopt the updated demolition calculations and approved the project.

3601 Lawton Street, and appeal of the Planning Commission's Home SF authorization from July 30<sup>th</sup>, 2020, to allow a 5-story mixed-use building with 41 dwelling units. The appellant argued that the site was toxic and the Environmental Review was inadequate. The project received a commonsense exemption and is subject to the Maher Ordinance. While the appellant raised concerns about the environmental review, they did not file an appeal on the CEQA determination in a timely manner.

The appellant previously appealed the Home SF authorization for 3945 Judah Street with similar arguments. At that hearing, which was earlier this year, the appellant was advised on the appeal process and timelines for appeals of CEQA determinations. The Board unanimously denied the appeal and approved the Home SF authorization.

#### D. GENERAL PUBLIC COMMENT

SPEAKERS:

Georgia Schuttish – Individual Rear Yards and Rear Yard Mid Block Open Space cumulatively in the R neighborhoods, provide the ability to capture carbon, not only in the soil and natural greenery, but hold the largest tree canopy per the Department's maps. This important asset to our urban environment should not be

Meeting Minutes Page 6 of 9

obliterated by full lot excavation during extreme Alterations. Existing Rear Yards should should reviewed/protected by Staff and RDAT oversight. Synthesizing comments from Ms. Petrin and Mr. Cassidy during September 24th, 350 San Jose hearing starting at 4:14 on SFGOVTV, here is an alternate outcome: The current historic, A-rated building preserved using Department Plans, Guidelines, etc, with additional, new housing built on the existing cement parking area on the site, towards Juri Commons, with no evictions, happier neighbors. Therefore, it could possibly have been a less expensive, more timely completed project to profitably build, providing additional market rate housing.

Anastasia Yovanapolous – Tenant buyouts oftentimes not recorded

#### E. REGULAR CALENDAR

The Commission Hearing Procedures provide for presentations by staff; followed by the project sponsor team; followed by public comment for and against the proposal. Please be advised that the project sponsor team includes: the sponsor(s) or their designee, lawyers, architects, engineers, expediters, and/or other advisors.

#### 8. 2020-008417CWP

(M. CHION: (628) 652-7437)

<u>ECONOMIC RECOVERY</u> – An **Informational Presentation** from Ted Egan, Chief Economist, Office of the Controller, and Carmen Chu, Assessor, Office of the Assessor-Recorder, on the City's current conditions under COVID-19, background towards the development of Recovery Strategies.

Preliminary Recommendation: None – Informational

SPEAKERS: = Rich Hillis – Introduction

= Ted Egan – City economist presentation

= Carmen Chu - Economic Recovery Task Force presentation

= Miriam Chion – Planning Recovery Strategies= Francisco Da Costa – Comments on presentations

= Corey Smith - Encourage flexibility

ACTION: None-Informational

## 9. <u>2020-0080090TH</u>

(C. TEAGUE: (628) 652-7328)

<u>IMPLEMENTATION OF PROPOSITION E ("LIMITS ON OFFICED DEVELOPMENT")</u> – **Planning Commission Policy** – Proposal for the Planning Commission to adopt a resolution establishing various policies necessary to implement Proposition E, which was adopted by San Francisco voters on March 3, 2020, and amends the Office Development Annual Limit Program by tying the amount of office space available to be allocated from the Program to the production of affordable housing within the City.

Preliminary Recommendation: Adopt

SPEAKERS: = Corey Teague – Staff report

+ Andrew Junius - Interpret to clarify confusing elements

+ Chloe Angelis - Fees

ACTION: Adopted

AYES: Chan, Diamond, Fung, Imperial, Moore, Koppel

RESOLUTION: 20792

Meeting Minutes Page 7 of 9

#### 10. 2019-016388CUA

(J. HORN: (628) 652-7366)

<u>1760 OCEAN AVENUE</u> – located on the northeast side of the intersection of Ocean Avenue and Dorado Terrace Street; Lot 195 in Assessor's Block 3283 (District 7) – Request for **Conditional Use Authorization**, pursuant to Planning Code Sections 303 and 755, to establish an Out-Patient Dialysis Center (DBA Fresenius Kidney Care), Health Services (Retail Sales and Service) use within a currently vacant 15,300 square foot tenant space most recently used as an Formula Retail Pharmacy Use (dba CVS). The subject property is located within the Ocean Avenue NCT (Neighborhood Commercial Transit) Zoning District, Balboa Park Area Plan and 45-X Height and Bulk District. There will be no expansion or exterior modification of the existing building and the project proposes to operate from 5:00 am to 10:30 pm on Monday through Saturday. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

Preliminary Recommendation: Approve with Conditions (Continued from Regular hearing on September 17, 2020)

SPEAKERS: = Jeff Horn – Staff report

+ Jen Low, Legislative Aide to Sup Yee

+ Keith Hansell – Project sponsor presentation

- Dan Weaver – Transparency needs should be addressed

- David Bloomingfeld – Concerns or surrounding neighborhood about noise, traffic and safety

- Stephen – Opposed, safety concerns, public trust has been eroded

- Shirley – Get a continuance granted, request for a meeting and discuss conditions

- Jillian – Concerns regarding expansion

+ Virgil – Project sponsor, response to questions

ACTION: After hearing and closing public comment; Continued to November 5,

2020

AYES: Chan, Diamond, Fung, Imperial, Moore, Koppel

#### 11. <u>2019-016420CND</u>

(C. FAHEY: (628) 652-7367)

<u>424-434 FRANCISCO STREET</u> – north side of Francisco Street between Powell and Mason Streets; Lot 010 in Assessor's Block 0041 (District 3) – Request for a **Condominium Conversion** pursuant to Subdivision Code Sections 1332 and 1381 to convert a three (3)-story, six (6)-dwelling unit building into residential condominiums The project site is located within the North Beach Special Use District, the Telegraph Hill – North Beach Residential Special Use District, and the North Beach Neighborhood Commercial (NCD) Zoning District and 40-X Height and Bulk District. The proposal includes no physical change and is therefore not a project under CEQA.

Preliminary Recommendation: Approve

(Continued from Regular hearing on September 17, 2020)

Note: On September 3, 2020, after hearing and closing public comment, continued to September 17, 2020 by a vote of +5 -0 (Koppel absent). On September 17, 2020, without hearing, continued to October 1, 2020 by a vote of +5 -1 (Imperial against).

SPEAKERS: = Carolyn Fahey – Staff report

+ Steve Collier - Organized opposition

Meeting Minutes Page 8 of 9

- + Rosemarie MacGuinness Project sponsor
- Mitchell Organized opposition
- Pauline Marshall Organized opposition
- Speaker Oppose
- Speaker Oppose
- Larisa Pedroncelli Need a system
- Kelly Hill Oppose
- Theresa Flandrich Deny
- Anastasia Yovanapolous For profit scheme
- = Kate Stacy City attorney

ACTION: After a motion to approve failed +3 -3 (Chan, Imperial, Moore against) and

a motion to continue failed +3 -3 (Chan, Imperial, Moore against) and no

alternate motion made; Disapproved

#### F. DISCRETIONARY REVIEW CALENDAR

The Commission Discretionary Review Hearing Procedures provide for presentations by staff; followed by the DR requestor team; followed by public comment opposed to the project; followed by the project sponsor team; followed by public comment in support of the project. Please be advised that the DR requestor and project sponsor teams include: the DR requestor and sponsor or their designee, lawyers, architects, engineers, expediters, and/or other advisors.

#### 13. 2019-000265DRP

(D. WINSLOW: (628) 652-7335)

757 3RD AVENUE – between Fulton and Cabrillo Streets; Lot 010 in Assessor's Block 1646 (District 1) – Request for **Discretionary Review** of Building Permit 2018.1219.8795 to construct a 2-story horizontal rear addition to an existing 2-story over basement, single-family home. within a RH-1 (Residential House, One-Family) Zoning District and 40-X Height and Bulk District. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to San Francisco Administrative Code Section 31.04(h).

Preliminary Recommendation: Do Not Take Discretionary Review and Approve

SPEAKERS: = David Winslow – Staff report

- Scott Castro – DR presentation

+ Daniel Paris - Project sponsor presentation

- Ryan Wong – Reject project

Morley Pitt – Will cut off light and space
John Ho – Unique space alley provides

- Speaker - Detrimental to the character of the neighborhood

ACTION: No DR

AYES: Chan, Fung, Imperial, Moore, Koppel

RECUSED: Diamond

DRA: 723

ADJOURNMENT 5:47 PM ADOPTED OCTOBER 15, 2020

Meeting Minutes Page 9 of 9