



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

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|---|--|
| <input type="checkbox"/> Affordable Housing (Sec. 415)                      | <input checked="" type="checkbox"/> First Source Hiring (Admin. Code)        |
| <input checked="" type="checkbox"/> Jobs Housing Linkage Program (Sec. 413) | <input checked="" type="checkbox"/> Child Care Requirement (Sec. 414)        |
| <input type="checkbox"/> Downtown Park Fee (Sec. 412)                       | <input checked="" type="checkbox"/> Other (TIDF, EN Impact Fees, Public Art) |

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## Planning Commission Motion No. 19088

HEARING DATE: FEBRUARY 20, 2014

*Date:* February 13, 2014  
*Case No.:* **2013.0007BX**  
*Project Address:* **81-85 Bluxome Street**  
*Zoning:* WMUO (Western SoMa Mixed Use-Office) District  
Western SoMa Special Use District  
65-X Height and Bulk District  
*Block/Lot:* 3786/018  
*Project Sponsor:* Cyrus Sanandaji  
Bluxome Partners, LLC  
207 King Street, Suite 300  
San Francisco, CA 94107  
*Staff Contact:* Brittany Bendix – (415) 575-9114  
[brittany.bendix@sfgov.org](mailto:brittany.bendix@sfgov.org)

**ADOPTING FINDINGS RELATING TO AN ALLOCATION OF OFFICE SQUARE FOOTAGE UNDER THE 2013 – 2014 ANNUAL OFFICE DEVELOPMENT LIMITATION PROGRAM PURSUANT TO PLANNING CODE SECTION 321 THAT WOULD AUTHORIZE THE NEW CONSTRUCTION OF APPROXIMATELY 55,000 GROSS SQUARE FEET OF OFFICE USE FOR A PROPOSED PROJECT LOCATED AT 81-85 BLUXOME STREET, LOT 018 IN ASSESSOR’S BLOCK 3786, WITHIN THE WMUO (WESTERN SOMA MIXED USE-OFFICE) ZONING DISTRICT, THE WESTERN SOMA SPECIAL USE DISTRICT, AND A 65-X HEIGHT AND BULK DISTRICT, AND ADOPT FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

### PREAMBLE

On May 16, 2013, Cyrus Sanandaji of Bluxome Partners, LLC, (hereinafter “Project Sponsor”) filed Application No. 2013.0007BX (hereinafter “Application”) with the Planning Department (hereinafter “Department”) for an Office Development Authorization to construct a new five-story, 65-foot tall, office building containing approximately 55,000 square feet of office at 81-85 Bluxome Street (Block 3786 Lot 018) in San Francisco, California.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Western SoMa Community Plan Environmental Impact Report (hereinafter “EIR”). The EIR was prepared, circulated for public review and comment, and, at a public hearing on December 6, 2012 by Motion No. 18756, certified by the Commission as complying with the

California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA")). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Western SoMa Community Plan EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the Program EIR, and no additional or new environmental review is required. In approving the Western SoMa Community Plan, the Commission adopted CEQA Findings in its Motion No. 18756 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, area plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or area plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On **January 27, 2014**, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Western SoMa Community Plan and was encompassed within the analysis contained in the Western SoMa Community Plan Final EIR. Since the Western SoMa Community Plan Final EIR was finalized, there have been no substantial changes to the Western SoMa Community Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Western SoMa Community Plan Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Western SoMa Community Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

On February 20, 2014, the Commission adopted Motion No. 19089, approving a Large Project Authorization for the Proposed Project (Large Project Authorization Application No. 2013.0007X), including a Mitigation, Monitoring, and Reporting Program for the Project, attached as Exhibit C to

Motion No. 19089, which are incorporated herein by this reference thereto as if fully set forth in this Motion.

On February 20, 2014, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Office Allocation Application No. 2013.0007B.

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

**MOVED**, that the Commission hereby authorizes the Office Development Authorization requested in Application No. 2013.0007B, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

## **FINDINGS**

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

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project is located on the southern side of Bluxome Street, between 4<sup>th</sup> and 5<sup>th</sup> Streets, Lot 018 of Assessor's Block 3786. The property is located within the WMUO (Western SoMa Mixed Use-Office) District, the Western SoMa Special Use District, and a 65-X height and bulk district. The subject property is a rectangular lot with a width of 91 feet 8 inches and a depth of 120 feet. At present, a two story, 27,646 square foot, industrial building occupies the entire 11,000 square foot lot.
3. **Surrounding Properties and Neighborhood.** The project site is located on the eastern edge of the Western SoMa Area Plan, on a block zoned as WMUO and MUO (Mixed Use-Office). Directly north of Bluxome Street and opposite to the property is a four story building occupied by the Bay Club SF Tennis facility, and directly east of the property is a six story residential building. Directly south and west of the property are three four story live work developments. The remaining uses on the subject block and within the immediate neighborhood context are characterized by live work, residential, industrial and office activities. The site is one block north of the 4<sup>th</sup> and King Caltrain Station.

The project site is also situated within the proposed Central SoMa Area Plan which is currently undergoing environmental review. If approved, as currently proposed, the subject block would be rezoned to MUO and the height limit would increase to 130 feet with a required 15 foot setback above 85 feet.

4. **Project Description.** The proposal is to demolish the existing two story industrial building and construct a five story, 65-foot tall office building of approximately 55,000 square feet. The project includes thirteen Class 1 bicycle parking spaces, and four Class 2 bicycle parking spaces. The project does not include off-street parking.

5. **Public Comment.** To date, the Department has not received direct public comment regarding the proposed project. Included in the Project Sponsor's submittal are letters from three neighboring small-businesses indicating support of the project.

Upon submittal of the application the Department received concerns from an owner of an adjacent live/work unit regarding the project's impact to his unit's light and air. The Project Sponsor is working with interested parties and their respective Home Owners Associations to find a workable alternative to address concerns.

6. **Office Development Authorization.** Planning Code Section 321 establishes standards for San Francisco's Office Development Annual Limit. In determining if the proposed Project would promote the public welfare, convenience and necessity, the Commission considered the seven criteria established by Code Section 321(b)(3), and finds as follows:

I. APPORTIONMENT OF OFFICE SPACE OVER THE COURSE OF THE APPROVAL PERIOD IN ORDER TO MAINTAIN A BALANCE BETWEEN ECONOMIC GROWTH ON THE ONE HAND, AND HOUSING, TRANSPORTATION AND PUBLIC SERVICES, ON THE OTHER.

*Currently, there is more than 2.1 million gross square feet of available "Large Cap" office space in the City. Additionally, the proposed project is subject to various development fees that will benefit the surrounding community and the city. The Project is located in close proximity to many public transportation options, including stops for both Muni and Caltrain. Therefore, the Project will help maintain the balance between economic growth, housing, transportation and public services.*

II. THE CONTRIBUTION OF THE OFFICE DEVELOPMENT TO, AND ITS EFFECTS ON, THE OBJECTIVES AND POLICIES OF THE GENERAL PLAN.

*The proposed project is consistent with the General Plan, as outlined in Section 8 below.*

III. THE QUALITY OF THE DESIGN OF THE PROPOSED OFFICE DEVELOPMENT.

*The proposed project offers high quality design for the proposed office development, which is consistent and compatible with the neighborhood's overall massing and form. In particular, the proposed project addresses the architectural vocabulary and composition found among many of the older warehouses within the immediate vicinity, as well as the more contemporary office, live/work and residential buildings. The design features a glass curtain wall with metallic accents that creates an open and transparent relationship with the street.*

IV. THE SUITABILITY OF THE PROPOSED OFFICE DEVELOPMENT FOR ITS LOCATION, AND ANY EFFECTS OF THE PROPOSED OFFICE DEVELOPMENT SPECIFIC TO THAT LOCATION.

- a) Use. *The proposed project is located within the WMUO (Western SoMa Mixed Use-Office) Zoning District, which permits office use pursuant to Planning Code Sections 845.66. The subject lot is located in an area primarily characterized by commercial, residential, live/work and light industrial*

*development. There are several office use buildings on the subject block, and on blocks to the east and west of the project site.*

- b) Transit Accessibility. *The area is served by a variety of transit options. The project site is within a quarter-mile of various Muni routes, including the 8X-Bayshore Express, 10-Townsend, 30-Stockton, 45-Union/Stockton, 47-Van Ness, and 76X-Marin Headlands Express, as well as the N-Judah and KT-Ingleside/Third Street Rail Lines. Further, the project site is located within two blocks of the Caltrain Station on King and 4<sup>th</sup> Streets.*
- c) Open Space Accessibility. *The Project provides two roof decks to comply with the non-residential open space requirements and is located within four blocks of open space at South Park.*
- d) Urban Design. *The proposed project reinforces the surrounding neighborhood character by providing a new project that is consistent and compatible with the surrounding area's mass, scale, size and architectural details.*
- e) Seismic Safety. *The proposed project would be designed in conformance with current seismic and life safety codes as mandated by the Department of Building Inspection.*

V. THE ANTICIPATED USES OF THE PROPOSED OFFICE DEVELOPMENT IN LIGHT OF EMPLOYMENT OPPORTUNITIES TO BE PROVIDED, NEEDS OF EXISTING BUSINESSES, AND THE AVAILABLE SUPPLY OF SPACE SUITABLE FOR SUCH ANTICIPATED USES.

- a) Anticipated Employment Opportunities. *The Project includes a total of 55,000 gross square feet of office space. As noted by the Project Sponsor, the additional office square footage will create new opportunities for employment.*
- b) Needs of Existing Businesses. *The Project will supply office space in the Western SoMa area, which allows office use within the WMUO Zoning District. The Project will provide office space with high ceilings and large floor plates, which are characteristics desired by emerging technology businesses. This building type offers flexibility for new businesses to further grow in the future.*
- c) Availability of Space Suitable for Anticipated Uses. *The Project will provide large open floor plates, which will allow for quality office space that is suitable for a variety of office uses and sizes.*

VI. THE EXTENT TO WHICH THE PROPOSED DEVELOPMENT WILL BE OWNED OR OCCUPIED BY A SINGLE ENTITY.

*The Project Sponsor has not determined the anticipated tenants.*

VII. THE USE, IF ANY, OF TRANSFERABLE DEVELOPMENT RIGHTS ("TDR's") BY THE PROJECT SPONSOR.

*The Project does not include any Transfer of Development Rights.*

7. **General Plan Consistency.** The General Plan Consistency Findings set forth in Motion No. XXXXX, Case No. 2013.0007X (Large Project Authorization, pursuant to Planning Code Section 329) apply to this Motion, and are incorporated herein as though fully set forth.
8. **Section 101.1 Priority Policy Findings.** Section 101.1(b)(1-8) establishes eight priority planning Policies and requires review of permits for consistency with said policies.

The Commission finds and determines that the Project is consistent with the eight priority policies, for the reasons set forth below.

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced.

*The existing building does not contain any neighborhood-serving retail uses. The proposal would enhance the neighborhood-serving retail district by introducing a large number of new employees and potential patrons to the retail uses in the area.*

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

*The existing neighborhood character will be preserved as the design of the proposal is in harmony with the building scale, massing and form found along Bluxome Street. The Project is located in the Western SoMa Area Plan and is located within a zoning district that allows and encourages office use. Other nearby properties function as either live/work, commercial residential or light industrial spaces.*

- C. The City's supply of affordable housing be preserved and enhanced.

*There is no existing affordable or market-rate housing on the Project Site. The development will contribute fees to the Jobs-Housing Linkage Program. Therefore, the Project is in compliance with this priority policy.*

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

*The area is served by a variety of transit options, including MUNI and Caltrain. It is also near several streets that are part of the City's growing bicycle network. It is not anticipated that commuter traffic will impede MUNI transit or overburden streets or neighborhood parking as the project is not required to, and does not, provide off-street parking given its proximity to transit alternatives.*

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

*The project does demolish a two-story industrial building. However, the proposed new office development is a principally permitted use within the subject zoning district and is at a scale that maximizes the current development potential of the site. The project will provide quality flexible office*

*space that is suitable for a variety of office uses and sizes. This office space will help maintain the local resident employment and demand for neighborhood-serving businesses in the area.*

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

*The proposed project is designed and will be constructed to conform to the structural and seismic safety requirements of the Building Code.*

- G. That landmarks and historic buildings be preserved.

*The subject property was evaluated as part of the South of Market Historic Resource Survey and was determined to not be an individual resource or a contributor to a district.*

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

*The proposed project would not affect nearby parks or open space.*

9. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
10. The Commission hereby finds that approval of the Office Development Authorization would promote the health, safety and welfare of the City.

**DECISION**

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Office Development Application No. 2013.0007B** subject to the conditions attached hereto as Exhibit A, which is incorporated herein by reference as though fully set forth, in general conformance with the plans stamped Exhibit B and dated December 12, 2013, on file in Case Docket No. 2013.0007B.

The Planning Commission hereby adopts the MMRP attached hereto as Exhibit C and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

**APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Section 321 Office-Space Allocation to the Board of Appeals within fifteen (15) days after the date of this Motion. The effective date of this Motion shall be the date of adoption of this Motion if not appealed (after the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1660 Mission, Room 3036, San Francisco, CA 94103.**

**Protest of Fee or Exaction:** You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission **ADOPTED** the foregoing Motion on February 20, 2014.

Jonas P. Ionin  
Commission Secretary

AYES: Commissioners Wu, Fong, Antonini, Borden, Hillis, Moore, Sugaya

NAYS: None

ABSENT: None

ADOPTED: February 20, 2014

## **EXHIBIT A**

### **AUTHORIZATION**

This authorization is for an Office Development Authorization to authorize 55,000 gross square feet of office use located at 81-85 Bluxome Street, Lot 018 in Assessor's Block 3786 pursuant to Planning Code Section 321 within the WMUO (Western SoMa Mixed Use Office) Zoning District and a 65-X Height and Bulk District; in general conformance with plans, dated December 12, 2013, and stamped "EXHIBIT B" included in the docket for Case No. 2013.0007BX and subject to conditions of approval reviewed and approved by the Commission on February 20, 2014 under Motion No. 19088. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

### **COMPLIANCE WITH OTHER REQUIREMENTS**

The Conditions of Approval set forth in Exhibit B of Motion No. 19089, Case No. 2013.0007X (Large Project Authorization Under Section 329), and the Mitigation, Monitoring, and Reporting Program adopted as Exhibit C to Planning Commission Motion No. 19089, Case No. 2013.0007X apply to this approval, and are incorporated herein as though fully set forth, except as modified herein.

### **RECORDATION OF CONDITIONS OF APPROVAL**

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on February 20, 2014 under Motion No. 19088.

### **CHANGES AND MODIFICATIONS**

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Office Development Authorization.

## Conditions of Approval, Compliance, Monitoring, and Reporting

### PERFORMANCE

**1. Development Timeline - Office.** Pursuant to Planning Code Section 321(d)(2), construction of an office development shall commence within eighteen months of the date of this Motion approving this Project becomes effective. Failure to begin work within that period or to carry out the development diligently thereafter to completion, shall be grounds to revoke approval of the office development under this conditional use authorization.

*For information about compliance, contact the Planning Department at 415-558-6378, [www.sf-planning.org](http://www.sf-planning.org).*

**2. Extension.** This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said construction is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s).

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