



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary Extension of Performance Period

HEARING DATE: AUGUST 15, 2013

*Date:* August 1, 2013  
*Case No.:* 2013.0180CX  
*Project Address:* 72 ELLIS STREET  
*Zoning:* C-3-R (Downtown, Retail) Zoning District  
80-130-F Height and Bulk District  
Kearny-Market-Mason-Sutter Conservation District  
*Block/Lot:* 0327/011  
*Project Sponsor:* James A. Reuben  
Reuben, Junius & Rose, LLP  
One Bush Street, Suite 600  
San Francisco, CA 94104  
*Staff Contact:* Kevin Guy– (415) 558-6163  
kevin.guy@sfgov.org  
*Recommendation:* **Approval with Conditions**

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Suite 400  
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CA 94103-2479

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**415.558.6409**

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**415.558.6377**

### PROJECT DESCRIPTION

The Project Sponsor requests an amendment to the conditions of approval for a previously approved project in order to extend the performance period for three years (to August 15, 2016). The project was originally approved by the Planning Commission on November 15, 2001, and would demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, located at 72 Ellis Street. No modifications are proposed to the design or intensity of the project as originally approved.

### SITE DESCRIPTION AND PRESENT USE

The project site is located on the north side of Ellis Street, between Powell and Market Streets, Assessor's Block 0327, Lot 011. The property is located within the C-3-R Zoning District, the 80-130-F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District. The project site is currently developed with a surface parking lot.

### SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is situated within the Union Square area, a destination retail and entertainment district that draws a considerable number of visitors and serves as the retail core of San Francisco. Ground floor storefronts are typically occupied by retail stores or restaurants, while upper floors of building are generally occupied by tourist-hotels, offices, or upper floors of multi-story retail establishments. Prominent uses and attractions in the area include Union Square (located two blocks to the north), Halladie Plaza and the cable-car turnaround (located one block to the south), and the San Francisco Centre (located one block to the south). The project site is also located with the Kearny-Market-Mason-

Sutter Conservation District. This District hosts a substantial number of historically significant buildings, most of which were built following the 1906 earthquake, measure four to height stories in height, and exhibit rich detailing and ornamentation.

## ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration was adopted at the time of the original project approvals in 2001. Since the MND was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the MND, and there is no new information of substantial importance that would change the conclusions set forth in the MND.

## HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	July 26, 2013	July 26, 2013	20 days
Posted Notice	20 days	July 26, 2013	July 26, 2013	20 days
Mailed Notice	20 days	July 26, 2013	July 26, 2013	20 days

## PUBLIC COMMENT

- The Department has received several communications in support of the requested extension of the performance period.

## ISSUES AND OTHER CONSIDERATIONS

- **Previous Extensions.** The project was not constructed following the original 2001 approval, and the Planning Commission previously granted an extension of entitlements for the project in 2004. At that time, the hotel market faced an economic downturn precipitated by the collapse of the "dot-com" industry and the decline in tourism following the terrorist attacks of September 11, 2001. This previous extension expired on December 9, 2007. The Commission granted an additional extension of entitlements in 2010. At that time, the local, national, and global economy experienced weakness due to the collapse of the housing market and overall poor economic conditions.
- **Term of Extension.** The sponsor wishes to preserve the opportunity to construct the project given the current state of the economy, and is requesting an extension of the performance period for an additional three years (to August 15, 2016). However, given the age of the original entitlements and the number of previous extensions, staff recommends that the Commission limit the term of the requested extension to one year (to August 15, 2014).
- The project site is located within the Kearny-Market-Mason-Sutter Conservation District. The building is composed in a classical three-part arrangement, with a defined base, shaft, and top. A projecting belt course above the seventh floor relates to the prevailing street wall eight in the area. The front facade exhibits a symmetrical fenestration pattern with recessed windows. Light

colored materials would be used for the facade framing and ground-floor storefront cladding. Therefore, while the project proposes a contemporary building design, these features properly relate the building to the context of the District.

## **REQUIRED COMMISSION ACTION**

In order for the project to proceed, the Commission must grant an amendment to the conditions of approval for the original Conditional Use authorization and Determination of Compliance (per Planning Code Sections 303(e) and 309(j)) to extend the performance period.

## **BASIS FOR RECOMMENDATION**

- A one year extension is appropriate given the present economic situation, and given that the project has received two prior extensions.
- The project would support tourism by developing a smaller boutique hotel within close proximity of transit services and the attractions of Union Square.
- The project would present a more active streetscape (with a ground-floor restaurant and lobby) compared with the existing surface parking lot.
- The contemporary architecture has been designed for compatibility with the surrounding Conservation District.
- The project is desirable for, and compatible with the surrounding neighborhood.

<b>RECOMMENDATION:</b> <i>Approval with Conditions</i>
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### **Attachments:**

Draft Motions  
Original Motions of Approval  
Mitigated Negative Declaration  
Block Book Map  
Sanborn Map  
Aerial Photograph  
Zoning Map  
Project Sponsor Submittal Package

Attachment Checklist

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary           | <input checked="" type="checkbox"/> Project sponsor submittal                              |
| <input checked="" type="checkbox"/> Draft Motion                | Drawings: <u>Existing Conditions</u>   |
| <input checked="" type="checkbox"/> Environmental Determination | <input checked="" type="checkbox"/> Check for legibility                                   |
| <input checked="" type="checkbox"/> Zoning District Map         | Drawings: <u>Proposed Project</u>  |
| <input checked="" type="checkbox"/> Height & Bulk Map           | <input checked="" type="checkbox"/> Check for legibility                                   |
| <input checked="" type="checkbox"/> Parcel Map                  | <input type="checkbox"/> Wireless Telecommunications Materials                             |
| <input checked="" type="checkbox"/> Sanborn Map                 | <input type="checkbox"/> Health Dept. review of RF levels                                  |
| <input checked="" type="checkbox"/> Aerial Photo                | <input type="checkbox"/> RF Report   |
| <input checked="" type="checkbox"/> Context Photos              | <input type="checkbox"/> Community Meeting Notice  |
| <input checked="" type="checkbox"/> Site Photos                 | <input type="checkbox"/> Housing Documents   |
|   | <input type="checkbox"/> Inclusionary Affordable Housing Program: Affidavit for Compliance |
|   | <input type="checkbox"/> Residential Pipeline  |

Exhibits above marked with an "X" are included in this packet

\_\_\_\_\_  
Planner's Initials



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Inclusionary Housing
- Childcare Requirement
- Jobs Housing Linkage Program
- Downtown Park Fee
- Public Art
- Public Open Space
- First Source Hiring (Admin. Code)
- Transit Impact Development Fee
- Other

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## Planning Commission Draft Motion

HEARING DATE: AUGUST 15, 2013

*Date:* August 1, 2013  
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*Project Address:* **72 ELLIS STREET**  
*Zoning:* C-3-R (Downtown, Retail) Zoning District  
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ADOPTING FINDINGS TO AMEND THE CONDITIONS OF APPROVAL FOR A PREVIOUSLY-APPROVED CONDITIONAL USE AUTHORIZATION TO EXTEND THE PERFORMANCE PERIOD FOR ONE YEAR TO ALLOW CONSTRUCTION OF AN 11-STORY, 125-FOOT TALL HOTEL CONTAINING APPROXIMATELY 156 ROOMS, LOBBY, ACCESSORY MEETING ROOMS, AND A RESTAURANT ON A SITE CURRENTLY USED AS A SURFACE PARKING LOT AT 72 ELLIS STREET, WITHIN ASSESSOR'S BLOCK 0327, LOT 011, LOCATED WITHIN THE C-3-R ZONING DISTRICT, THE 80-130-F HEIGHT AND BULK DISTRICT, AND THE KEARNY-MARKET, MASON, SUTTER CONSERVATION DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

### PREAMBLE

On February 21, 2013, James A. Reuben, acting on behalf of Personality Hotels, Inc. ("Project Sponsor") submitted a request with the City and County of San Francisco Planning Department ("Department") for an amendment to the conditions of approval for a previously approved project in order to extend the performance period for three years. The project was originally approved by the Planning Commission on November 15, 2001 (Case No. 2000.383CX), and would demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting

rooms, and a restaurant, located at 72 Ellis Street ("Project Site"), within the C-3-R Zoning District, the 80-130-F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District. The Project was previously granted a Conditional Use Authorization, as well as a Downtown Project Authorization and Requests for Exceptions under Planning Code Section 309, including a height exception in the 80-130-F Height And Bulk District, a bulk exception, and a height extension for a vertical extension. No modifications are proposed to the design or intensity of the project as originally approved (collectively, "Project", Case No. 2013.0180CX).

On October 31, 2001, the Draft Initial Study/Mitigated Negative Declaration for the Project was prepared and published for public review. On November 15, 2001, the Planning Commission ("Commission") reviewed and considered the Final Mitigated Negative Declaration ("FMND") and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Commission, and approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31. The Planning Department, Jonas Ionin, is the custodian of records, located in the File for Case No. 2000.383E, at 1650 Mission Street, Fourth Floor, San Francisco, California. Department staff prepared a Mitigation Monitoring and Reporting program, which material was made available to the public and the Commission for the Commission's review, consideration, and action. Since the MND was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the MND 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 MND.

On December 9, 2004, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Application No. 2004.1047CX, a request to extend the performance period of the Project for three years. The Commission reviewed and discussed the findings for approval prepared for its review by Department staff, and approved the extension of the performance period for three years (Motions 16919 and 16920), subject to the conditions of the original approval of the Project. This extension expired on December 9, 2007.

On March 25, 2010, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Application No. 2009.1105C, a request to extend the performance period of the Project for three years. The Commission reviewed and discussed the findings for approval prepared for its review by Department staff, and approved the extension of the performance period for three years (Motions 18503 and 18504), subject to the conditions of the original approval of the Project. This extension expired on March 25, 2013.

On August 15, 2013, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No 2013.0180C. 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, the Planning Department staff, and other interested parties.

**MOVED**, that the Commission hereby approves the three-year extension of the performance period requested in Application No. 2013.0180C, modifying the previous Conditional Use authorization approved by Motion No. 16283, subject to conditions contained in EXHIBIT A, attached hereto and incorporated by reference, based on the following findings:

## FINDINGS

Having reviewed the materials identified in the recitals 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 Site is located on the north side of Ellis Street, between Powell and Market Streets, Assessor's Block 0327, Lot 011. The property is located within the C-3-R Zoning District, the 80-130-F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District. The Project Site is currently developed with a surface parking lot.
3. **Surrounding Properties and Neighborhood.** The Project Site is situated within the Union Square area, a destination retail and entertainment district that draws a considerable number of visitors and serves as the retail core of San Francisco. Ground floor storefronts are typically occupied by retail stores or restaurants, while upper floors of building are generally occupied by tourist-hotels, offices, or upper floors of multi-story retail establishments. Prominent uses and attractions in the area include Union Square (located two blocks to the north), Halladie Plaza and the cable-car turnaround (located one block to the south), and the San Francisco Centre (located one block to the south). The project site is also located with the Kearny-Market-Mason-Sutter Conservation District. This District hosts a substantial number of historically significant buildings, most of which were built following the 1906 earthquake, measure four to eight stories in height, and exhibit rich detailing and ornamentation.
4. **Proposed Project.** The Project Sponsor requests an amendment to the conditions of approval for a previously approved project in order to extend the performance period for three years (to August 15, 2016). The project was originally approved by the Planning Commission on November 15, 2001, and would demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, located at 72 Ellis Street. No modifications are proposed to the design or intensity of the project as originally approved.
5. **Public Comment.** The Planning Department has received several communications in support of extending the performance period for the Project.
6. This Commission adopts the findings of the previous Planning Commission Motion No. 16283, as though fully set forth herein.
7. 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.
8. The Commission finds that, given the weakness in the hotel market due to the fluctuations of the national and global economy since the initial approval of the Project, which is beyond the control of the Project Sponsor, and given the merits of the proposed Project, it is appropriate to amend condition of approval No. 2. E. of Planning Commission Motion No. 16283 to extend the performance period of the Project to August 15, 2014.
  9. On balance, the Commission hereby finds that approval of the proposed amendment to the performance period of the Project in this case would promote the health, safety, and welfare of the City.

## DECISION

Based upon the whole record, the submissions by the Project Sponsor, the staff of the Department, and other interested parties, the oral testimony presented to the Commission at the public hearing, and all other written materials submitted by all parties, in accordance with the standards specified in the Code, the Commission hereby **APPROVES Application No. 2013.0180C**, subject to the following conditions attached hereto as "EXHIBIT A", and subject to the Conditions of Approval of Planning Commission Motion No. 16283, as amended by this approval to extend the performance period of the project to August 15, 2014, which are incorporated herein by reference as though fully set forth, in general conformance with the plans stamped Exhibit B and on file in Case Docket No. 2013.0180C.

The Planning Commission further finds that since the MND was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the MND 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 MND.

**APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion. The effective date of this Motion shall be the date of this Motion if not appealed OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.**

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting on August 15, 2013.

Jonas P. Ionin  
Acting Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 21, 2013

## Exhibit A

# Conditions of Approval

This authorization is modify the previous approval granted by Motion No. 16283 to extend the performance period of the project to August 15, 2014, for a project located at 72 Ellis Street, Lot 011 in Assessor's Block 0327, within the C-3-R District, the 80-130F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District, to demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, subject to conditions of approval reviewed and approved by the Commission on November 15, 2001 under Motion Nos. 16283 and 16284, as amended by the Planning Commission on August 15, 2013 under Motion No XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator. The Project shall be completed in general conformity with the plans dated labeled "Exhibit B" on file in Case Docket 2013.0180C, 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 November 15, 2001 under Motion Nos. 16283 and 16284, as amended by the Planning Commission on August 15, 2013 under Motion No. XXXXX.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXX shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

### SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

### 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 Conditional Use authorization.

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

### PERFORMANCE

1. **Validity and Expiration.** The authorization and right vested by virtue of this action is valid for one year from the effective date of the Motion (until August 15, 2014). A building permit from the Department of Building Inspection to construct the project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed project and conveys no independent right to construct the project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within one (1) year of the date of the Motion approving the Project. Once a site or building permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than one (1) year has passed since the Motion was approved.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*



# SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Inclusionary Housing
- Childcare Requirement
- Jobs Housing Linkage Program
- Downtown Park Fee
- Public Art
- Public Open Space
- First Source Hiring (Admin. Code)
- Transit Impact Development Fee
- Other

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ADOPTING FINDINGS TO AMEND THE CONDITIONS OF APPROVAL FOR A PREVIOUSLY-APPROVED DOWNTOWN PROJECT AUTHORIZATION AND REQUESTS FOR EXCEPTIONS UNDER PLANNING CODE SECTION 309 TO EXTEND THE PERFORMANCE PERIOD FOR ONE YEAR TO ALLOW CONSTRUCTION OF AN 11-STORY, 125-FOOT TALL HOTEL CONTAINING APPROXIMATELY 156 ROOMS, LOBBY, ACCESSORY MEETING ROOMS, AND A RESTAURANT ON A SITE CURRENTLY USED AS A SURFACE PARKING LOT AT 72 ELLIS STREET, WITHIN ASSESSOR'S BLOCK 0327, LOT 011, LOCATED WITHIN THE C-3-R ZONING DISTRICT, THE 80-130-F HEIGHT AND BULK DISTRICT, AND THE KEARNY-MARKET, MASON, SUTTER CONSERVATION DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

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construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, located at 72 Ellis Street ("Project Site"), within the C-3-R Zoning District, the 80-130-F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District. The Project was previously granted a Conditional Use Authorization, as well as a Downtown Project Authorization and Requests for Exceptions under Planning Code Section 309, including a height exception in the 80-130-F Height And Bulk District, a bulk exception, and a height extension for a vertical extension. No modifications are proposed to the design or intensity of the project as originally approved (collectively, "Project", Case No. 2013.0180CX).

On October 31, 2001, the Draft Initial Study/Mitigated Negative Declaration for the Project was prepared and published for public review. On November 15, 2001, the Planning Commission ("Commission") reviewed and considered the Final Mitigated Negative Declaration ("FMND") and found that the contents of said report and the procedures through which the FMND was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (CEQA), 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code ("Chapter 31"). The Commission found the FMND was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Commission, and approved the FMND for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31. The Planning Department, Jonas Ionin, is the custodian of records, located in the File for Case No. 2000.383E, at 1650 Mission Street, Fourth Floor, San Francisco, California. Department staff prepared a Mitigation Monitoring and Reporting program, which material was made available to the public and the Commission for the Commission's review, consideration, and action. Since the MND was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the MND 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 MND.

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On March 25, 2010, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Application No. 2009.1105CX, a request to extend the performance period of the Project for three years. The Commission reviewed and discussed the findings for approval prepared for its review by Department staff, and approved the extension of the performance period for three years (Motions 18503 and 18504), subject to the conditions of the original approval of the Project. This extension expired on March 25, 2013.

On August 15, 2013, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on Case No 2013.0180X. 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, the Planning Department staff, and other interested parties.

**MOVED**, that the Commission hereby approves the three-year extension of the performance period requested in Application No. 2013.0180X, modifying the previous Downtown Project Authorization and Requests for Exceptions under Planning Code Section 309, as approved by Motion No. 16284, subject to conditions contained in EXHIBIT A, attached hereto and incorporated by reference, based on the following findings:

## FINDINGS

Having reviewed the materials identified in the recitals 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 Site is located on the north side of Ellis Street, between Powell and Market Streets, Assessor's Block 0327, Lot 011. The property is located within the C-3-R Zoning District, the 80-130-F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District. The Project Site is currently developed with a surface parking lot.
3. **Surrounding Properties and Neighborhood.** The Project Site is situated within the Union Square area, a destination retail and entertainment district that draws a considerable number of visitors and serves as the retail core of San Francisco. Ground floor storefronts are typically occupied by retail stores or restaurants, while upper floors of building are generally occupied by tourist-hotels, offices, or upper floors of multi-story retail establishments. Prominent uses and attractions in the area include Union Square (located two blocks to the north), Halladie Plaza and the cable-car turnaround (located one block to the south), and the San Francisco Centre (located one block to the south). The project site is also located with the Kearny-Market-Mason-Sutter Conservation District. This District hosts a substantial number of historically significant buildings, most of which were built following the 1906 earthquake, measure four to eight stories in height, and exhibit rich detailing and ornamentation.
4. **Proposed Project.** The Project Sponsor requests an amendment to the conditions of approval for a previously approved project in order to extend the performance period for three years (to August 15, 2016). The project was originally approved by the Planning Commission on November 15, 2001, and would demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, located at 72 Ellis Street. No modifications are proposed to the design or intensity of the project as originally approved.
5. **Public Comment.** The Planning Department has received several communications in support of extending the performance period for the Project.
6. This Commission adopts the findings of the previous Planning Commission Motion No. 16284, as though fully set forth herein.

7. 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.
8. The Commission finds that, given the weakness in the hotel market due to the fluctuations of the national and global economy since the initial approval of the Project, which is beyond the control of the Project Sponsor, and given the merits of the proposed Project, it is appropriate to amend condition of approval No. 2. E. of Planning Commission Motion No. 16284 to extend the performance period of the Project to August 15, 2014.
9. On balance, the Commission hereby finds that approval of the proposed amendment to the performance period of the Project in this case would promote the health, safety, and welfare of the City.

## DECISION

Based upon the whole record, the submissions by the Project Sponsor, the staff of the Department, and other interested parties, the oral testimony presented to the Commission at the public hearing, and all other written materials submitted by all parties, in accordance with the standards specified in the Code, the Commission hereby **APPROVES Application No. 2013.0180X**, subject to the following conditions attached hereto as "EXHIBIT A", and subject to the Conditions of Approval of Planning Commission Motion No. 16284, as amended by this approval to extend the performance period of the project to August 15, 2014, which are incorporated herein by reference as though fully set forth, in general conformance with the plans stamped Exhibit B and on file in Case Docket No. 2013.0180X.

The Planning Commission further finds that since the MND was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the MND 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 MND.

**APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Downtown Project Authorization 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 this Motion if not appealed 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 in person at 1650 Mission Street, Room 304 or call (415) 575-6880.**

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting on August 15, 2013.

Jonas P. Ionin  
Acting Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 21, 2013

## Exhibit A

# Conditions of Approval

This authorization is modify the previous approval granted by Motion No. 16284 to extend the performance period of the project to August 15, 2014, for a project located at 72 Ellis Street, Lot 011 in Assessor's Block 0327, within the C-3-R District, the 80-130F Height and Bulk District, and the Kearny-Market-Mason-Sutter Conservation District, to demolish an existing surface parking lot and construct an 11-story, 125-foot hotel consisting of approximately 156 rooms, a lobby, accessory meeting rooms, and a restaurant, subject to conditions of approval reviewed and approved by the Commission on November 15, 2001 under Motion No. 16284, as amended by the Planning Commission on August 15, 2013 under Motion No XXXXX. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator. The Project shall be completed in general conformity with the plans dated labeled "Exhibit B" on file in Case Docket 2013.0180X, 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 November 15, 2001 under Motion Nos. 16283 and 16284, as amended by the Planning Commission on August 15, 2013 under Motion No. XXXXX.

### PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. XXXXX shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Conditional Use authorization and any subsequent amendments or modifications.

### SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

### 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 Conditional Use authorization.

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

### PERFORMANCE

1. **Validity and Expiration.** The authorization and right vested by virtue of this action is valid for one year from the effective date of the Motion (until August 15, 2014). A building permit from the Department of Building Inspection to construct the project and/or commence the approved use must be issued as this Conditional Use authorization is only an approval of the proposed project and conveys no independent right to construct the project or to commence the approved use. The Planning Commission may, in a public hearing, consider the revocation of the approvals granted if a site or building permit has not been obtained within one (1) year of the date of the Motion approving the Project. Once a site or building permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. The Commission may also consider revoking the approvals if a permit for the Project has been issued but is allowed to expire and more than one (1) year has passed since the Motion was approved.

*For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, [www.sf-planning.org](http://www.sf-planning.org).*

SAN FRANCISCO

PLANNING COMMISSION

MOTION NO. 16283

**ADOPTING FINDINGS RELATING TO THE AUTHORIZATION OF A CONDITIONAL USE FOR A HOTEL WITH FEWER THAN 200 ROOMS PURSUANT TO SECTION 303 IN A C-3-R (DOWNTOWN RETAIL) DISTRICT AND A 80-130-F HEIGHT AND BULK DISTRICT, ASSESSOR'S BLOCK 0327, LOT 011.**

**RECITALS**

1. On April 26, 2000, Lawrence Chambers, Del Campo and Maru, on behalf of Personality Hotels, Inc. ("Project Sponsor"), filed with the City and County of San Francisco Planning Department ("Department"), an Application for Review of a C-3 (Downtown) Project Under Section 309 of the Planning Code ("Project").
2. On August 7, 2001, Marie Zeller, Patri Merker Architects, on behalf of the Project Sponsor, filed with the Department an amendment to the Application for Review of a C-3 (Downtown) Project Under Section 309 of the Planning Code ("Project").
3. A Preliminary Negative Declaration of Environmental Impact, Case No. 2000.383E, was released in October 13, 2001. No appeal was filed and a final Negative Declaration was approved on November 5, 2001. By the adoption of the Final Negative Declaration, the Department, in accordance with the provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, determined that the proposed project on the subject property could have no significant effect on the environment.
4. On October 25, 2001, notice of the hearing on the Application was posted.
5. On November 15, 2001, the Commission conducted a duly noticed public hearing on the Application.
6. The Department and the Commission have reviewed and considered the information contained in the Final Negative Declaration in accordance with the requirements of CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code.
7. The Commission has also had available to it for its review and consideration the Case Report, studies, letters, plans and other materials pertaining to the Project in the Department's case files, has reviewed and heard testimony and has received materials from interested parties during the public hearings on the Project.

## **FINDINGS**

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

1. The above recitals are accurate and also constitute findings of this Commission.

2. **Project Site/Present Use**

The project site is two blocks south of Union Square and one block north of the cable car turn-around at Powell and Market Streets, just east of the intersection of Ellis and Powell Streets. The project site occupies Assessor's Block 327, Lot 11, with an area of about 8,400 sq. ft.

The existing use of the project site is an attendant-operated surface parking lot with one level of underground parking, with an overall capacity of 75 spaces. About 22 spaces are currently allocated for overnight use by the Hotel Union Square. About 13 spaces are used for hotel guest parking during the daytime, and the remaining 62 spaces are open to public use during the day. The parking lot would be demolished to accommodate the proposed hotel.

3. **Nature of Project**

The proposed project would consist of the demolition of the existing parking lot with basement and the construction of a hotel, which will be called the M31 Hotel. The façade of the M31 comprises a base of light-colored stone topped by a series of glass and masonry window divisions, each two stories in height. Its architects, designer Michael Gabellini in association with local architect Piero Patri, have designed a forward-looking, completely modern structure that consciously and effectively responds to the design guidelines of the Kearny-Market-Mason-Sutter Conservation District by combining classic architectural elements with a new modern design. The project will enhance the overall streetscape while making a refined and distinguished architectural statement. Dramatic lighting will illuminate the interior and exterior of the hotel, highlighting the restaurant, lobby, lounge areas, the rooftop view terrace, and the guest rooms themselves. The M31 Hotel will utilize natural elements such as water, landscaping, wood, and stone on the interior of the building in areas that will be visible from the exterior, adding warmth and interest to the streetscape.

The proposed 11-story, 125-ft.-tall structure would have 156 rooms, and a semi-enclosed trellis structure on the roof would rise to 146 feet. A basement level, of approximately 5,730 sq. ft., would contain service and mechanical rooms, storage areas, and a restaurant kitchen. The ground floor (first floor) would contain about 2,400 sq. ft. of restaurant space and a lobby/salon area of approximately 1,940 sq. ft. The main lobby would be double height. The ground floor would also include a meeting room/lounge of approximately 600 sq. ft. and a reception area/office space of approximately 380 sq. ft. A business center of

about 400 sq. ft would be on the second floor. Both the conference room and the business center would be for guest use. Floors 2 through 11 would contain 156 hotel rooms; 131 standard rooms ranging from 280 to 310 sq. ft.; 21 executive rooms ranging from 340 to 370 sq. ft.; and four business suites of approximately 450 sq. ft. Executive rooms would be similar to standard hotel rooms, but slightly larger with additional desk space. Business suites would be larger still, with separate sitting and bedroom areas.

The roof would contain a publicly accessible view terrace of approximately 2,780 sq. ft. near the south-facing facade. A semi-enclosed trellis structure would surround the rooftop terrace. In conformance with the General Plan guidelines for publicly accessible rooftop view terrace open spaces, the proposed terrace would also include some form of food service to enliven the space. The rooftop would also contain mechanical equipment screened from view.

The building would be built out to the sidewalk to match the prevailing street wall along Ellis Street (see Figure 5, Front Elevation, and Figure 6, East Elevation). The front elevation would have two-story masonry (most likely Indiana or French limestone) and glass wall divisions above the ground floor. Windows would be recessed 1'-0" to 3'-0" behind the masonry frame. A masonry cornice would project approximately three feet from the façade at the 83-foot elevation level, continuing the cornice line of the adjacent buildings. To further accentuate the cornice line, windows above the 83-ft. elevation (8<sup>th</sup> to 11<sup>th</sup> floors) would be recessed further behind the structural frame than those windows below. The ground floor façade walls would be clad in a light-colored stone or similar material, possibly with a granite base. Window and doorway glazing along the length of the building at ground level would be nearly continuous. A canopy would extend over the sidewalk at the hotel entrance.

A 70.5-ft.-long loading zone on the 73-ft.-wide Ellis Street frontage is proposed to provide for passenger and freight loading. With approval from the Department of Parking and Traffic (DPT), most of the existing red zone along the site frontage would be redesignated a white zone to accommodate passenger and freight loading. Approximately 2.5 ft of the curb at the eastern edge of the site frontage would remain red to facilitate vehicles exiting from the Ellis/O'Farrell garage. In addition, pavement markers, such as reflective "dots," would be placed between the garage and the proposed loading zone to discourage drivers leaving the garage from entering the loading area.

An existing sidewalk elevator on Ellis Street within the Hotel Union Square frontage, just west of the project site frontage, is proposed by the project sponsor to be relocated approximately eight feet to the east to provide direct service access to the M-31 Hotel basement. The Hotel Union Square is also owned and operated by the M-31 Hotel Project Sponsor. The sidewalk elevator would be linked within the basement of the M-31 Hotel. After relocation, the elevator opening in front of the Hotel Union Square would be sealed with concrete to match the surrounding sidewalk. In the event that the relocated sidewalk elevator is not permitted by the Department of Parking and Traffic, the Department of Public Works, or the Planning Department, the existing sidewalk

elevator would be reused, with a basement level connection to the M-31 Hotel. This option is complicated by the fact that it would require a grade change at the basement level due to the location of an existing underground sewer line which runs perpendicular to the front property line between the M-31 Hotel site and the Hotel Union Square, and thus may be cost-prohibitive. As a final option, the Project Sponsor is investigating the feasibility of the hotel being serviced through an entrance on the ground floor on the west side of the building frontage. An internal lift would access the hotel basement in this location. However, this last option is not optimal for the aesthetic or functional considerations of the ground floor street frontage, as it would detract from the clean and consistent composition of masonry and glass material, and could cause conflicts between pedestrians entering the restaurant, as well as delivery activities which would then have to cross the main path of pedestrian travel along the sidewalk. The street elevator as it is currently positioned at the curbside minimizes pedestrian conflict by not forcing deliveries to cross the entire width of the public sidewalk.

The total floor area of the project would be 76,600 sq. ft. and the FAR would be 9.0 to 1. Achieving this 9.0 FAR would require the use of approximately 25,000 square feet of transfer of development rights. Construction of the project is anticipated to begin in Spring 2002. The construction period, including demolition, would take approximately 15 months.

The Project Sponsor, Personality Hotels, Inc., has agreed to implement the following measures as part of the project: (1) hire a full-time staff person (valet) to manage the curbside passenger and freight loading activities (seven days a week from 7:00 AM to 11:00 PM), such that no vehicles would be allowed to park or stop at the Ellis Street passenger loading zone unless they are actively involved in loading and unloading activities, and (2) during project construction, limit construction truck traffic between 9:00 AM and 3:00 PM to minimize disruption of the general traffic flow on adjacent streets during peak hours.

A Shadow Analysis under Planning Code Section 295 (Proposition K) has found that no new shadows would be cast on any property under the jurisdiction of the Recreation and Parks Commission.

With respect to hazardous materials, as referred in the Preliminary Negative Declaration, a Phase I Environmental Site Assessment of the property concluded that there were no conditions existing on the site which could be considered hazardous.

The Landmarks Preservation Advisory Board ("Landmarks Board") has reviewed the Project on an informational basis and is in support of the proposed Project.

San Francisco Heritage reviewed the Project on September 4, 2001, and supported the design as presented to them at that time.

A Preliminary Negative Declaration was released on October 13, 2001. No appeal was filed, and a final Negative Declaration was approved on November 2, 2001.

4. **Conditional Use Standards**

The Project requires Conditional Use Authorization for a hotel in a C-3-R district.

Pursuant to Planning Code Section 303(c), before approving a conditional use authorization, the Planning Commission must find that the facts presented are such to establish the findings stated below.

- (A) That the proposed use or feature, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community:

The neighborhood and community for the proposed project is the hotel, retail and convention area of San Francisco, including Union Square, Yerba Buena Gardens, and the Moscone Convention Center. The convention facilities have represented a major investment for San Francisco, and have served to increase the number of visitors to the City. By providing hotel rooms for visitors to the area and to San Francisco, the proposed project is desirable for, and compatible with, the neighborhood and the community. In addition, the hotel will generate funds for the City in the form of the Transient Occupancy Tax. Hotel guests will also support downtown retail establishments in the Union Square area.

- (B) That such use or feature as proposed will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:

- (1) The nature of the proposed site including its size and shape, and the proposed size, shape and arrangement of structures;

The existing site is a parking lot in a built-up area. The proposed project will provide a lively street presence by its ground level pedestrian interaction, including a restaurant and the hotel entrance. The building's proposed size and shape is consistent with the general area and will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity.

- (2) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic and the adequacy of proposed off-street parking and loading;

The site is well served by a broad range of public transportation services, being within several blocks of BART, Muni Metro, Muni, and the Powell cable car line.

The location will discourage the use of the private automobile by employees and visitors to the site. Guest parking for those visitors arriving by automobile would be provided by valet services that would use available parking spaces at the Hotel Metropolis parking lot at 25 Mason Street, which is also owned by the project sponsor.

The Project is not required to provide any off-street parking or off-street loading. A 73-foot wide loading zone in front of the proposed hotel would provide for passenger and freight loading. The Transportation Study and Negative Declaration establish that this loading area will be sufficient for these purposes. An existing or relocated sidewalk service elevator on Ellis Street would provide freight service for the proposed project. Use of this sidewalk elevator will generally occur in morning hours, when pedestrian traffic is light.

- (3) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The structure will be occupied by hotel and restaurant uses, which by their nature do not create unusual noise, glare, dust or odor. In any event, the Project will comply with all regulations regarding noise, glare, dust and odor. The structure will utilize non-reflective glass. Additionally, regarding noise and dust during construction, any required environmental mitigation measures during construction will be carefully followed.

- (4) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs.

The site currently includes neither landscaping nor street trees. The proposed project will be increasing the amount of on-site landscaping. This will be provided by including greenery on the open space on the roof, and at the street level. Signs will be appropriately designed, and in conformance with the Sign Ordinance. New sidewalk improvements will include a minimum of four street trees and new black micro-fleck sidewalk paving.

- (C) That such use or feature as proposed will comply with the applicable provisions of this Code and will not adversely affect the General Plan.

The property is located in a C-3-R Zoning District. Hotels are permitted as a conditional use. The proposed project will comply with the applicable provisions of the Planning Code and is consistent with relevant objectives of the General Plan, including, among others, the objectives and policies discussed below in Section IV.

5. **Required Conditional Use Finding Pursuant to Section 303(g):**

Pursuant to Section 303(g)(1), with respect to applications for development of tourist hotels and motels, the Planning Commission shall consider, in addition to the criteria set forth in Subsections (c) and (d) (discussed above), the following:

- (A) The impact of the employees of the hotel or motel on the demand in the city for housing, public transit, childcare, and other social services. To the extent relevant, the Commission shall also consider the seasonal and part-time nature of the employment in the hotel or motel.

The number of hotel employees will be approximately 45, thus increasing the availability of jobs for the City's unskilled, semi-skilled and skilled workers. It would be the intent of the Project Sponsor that most of these employees will be local residents and will come to the site either on foot or on local public transit during hours that will not coincide with regular peak hour traffic, thereby helping to fill the public transit system during its usual off hours. The Project Sponsor will contribute to the funding of childcare programs of the City. The Project Sponsor will also contribute to affordable housing pursuant to the Jobs Housing Linkage Program, and a portion of the Transient Occupancy Tax is also allocated to housing needs.

- (B) 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.

The project sponsor intends to attract as many of its employees as possible from the immediate neighborhood. The project sponsor will participate in local training programs for San Francisco residents.

- (C) The market demand for a hotel or motel of the type proposed.

The project sponsors contracted with RSBA & Associates to evaluate the viability of a proposed hotel at this location. Based on the current and forecasted future strength of the San Francisco market and specifically the Union Square and Moscone Center areas, the report indicated that the potential for the hotel was positive, because of unsatisfied demand and convenient location.

In the last few years, professional evaluations of the San Francisco hotel market have considered it to be sound in view of the strong room rates and the high occupancy levels. There has been a growing demand for smaller "boutique" style hotels nearby, including the hotels owned by the project sponsor. Even with slowing of the Internet economy, San Francisco is limited in the amount of space available for any new hotel construction, which makes new projects and conversion opportunities within San Francisco for hotels viable.

There has been a dramatic increase in hotel vacancies since September 11, 2001. However, the Project Sponsor believes that growth in hotel visits will return to previous trends, especially given the Moscone Center expansion now under construction.

6. **Section 101.1 Priority Policy Findings**

**Section 101.1** requires the Project to be consistent with the eight priority policies listed below. The Commission finds that the Project is consistent with these findings as stated below:

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

- The project does not displace any existing retail use. The proposed project will provide a ground floor restaurant, and will hire local residents to the extent possible, thereby enhancing opportunities for resident employment.

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

- The proposed hotel project will include a restaurant, and will not reduce existing housing; indeed, it will provide a restaurant that will create an active street frontage along the block face, replacing an unattractive surface parking. The proposed hotel restaurant use is completely consistent with the neighborhood character, which consists primarily of a mix of retail and hotel uses.
- The building's design would help maintain elements of the existing character of the area, such as a consistent street wall, as well as hotel and restaurant uses common to the neighborhood. The Project is designed to add economic diversity to the area by providing a smaller, yet modern, state-of-the-art hotel facility that still fits in with the scale and architectural character of the neighborhood, thereby broadening the range of choices of accommodations for visitors to the city.

(3) That the City's supply of affordable housing be preserved and enhanced.

- The Project would not diminish the City's supply of affordable housing. There is no affordable or other housing on the site.
- The proposed project will participate in the City's Jobs-Housing Linkage Program. This would mean that for hotel, the amount would be \$8.50 per square foot, or \$650,709 (76,600 X \$8.50). The project sponsor may also provide the actual housing units at the rate of .000110 times the gross square footage, or 8 units of housing. The project sponsor is investigating these options, but is likely to opt for paying the in lieu fee.

(4) That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking.

- The proposed project is well served by public transit, and includes the type of uses that would be less dependent on the private automobile. As a result, the project will not adversely impact Muni transit or overburden local streets or neighborhood parking. In addition, there is off-site valet parking nearby. The loading zone proposed at the curbside in front of the proposed hotel will be operated and restricted so as to not interfere with Muni Bus service.

(5) 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.

- A private surface parking lot will be displaced. The proposed mixed-use project will provide significant new jobs for the local residential neighborhood.

(6) That the City achieve the greatest possible preparedness against injury and loss of life in an earthquake.

- The proposed project will fully comply with the seismic standards in the Building Code.

(7) That landmarks and historic buildings be preserved.

- There are no landmarks or historic buildings on the site. The Project will be consistent with the policies for new construction in the Kearny-Market-Mason-Sutter Conservation District. While a clearly modern and cutting-edge design, the proposed building respects the design guidelines established for the conservation district. This is accomplished by using rich materials common to the district such as granite and limestone, recessing windows, and

using a classical symmetrical fenestration pattern that reflects the basic patterns and scale of the district. Furthermore, a clearly delineated a base, shaft and top within the façade design relates the building design to other taller buildings in the district.

(8) That our parks and open space and their access to sunlight and vistas be protected from development.

- A Shadow Study has been conducted as part of the program planning process for this proposed project. It indicated that there is no net new shadow on any property under the jurisdiction of the Recreation and Park Department. The proposed project is an infill project that will not significantly affect any scenic vistas.

7. **Consistency with the General Plan**

The project will not adversely affect the General Plan, and will specifically advance the following objectives of the Commerce and Industry Element, the Downtown Area Plan, and the Urban Design Plan, as discussed throughout this report:

**COMMERCE AND INDUSTRY ELEMENT**

***Visitor Trade***

OBJECTIVE 8: ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

Comment: The proposed hotel will fit a niche currently unmet in Downtown San Francisco, in that it is a smaller intimate hotel, but yet it is a cutting edge, ultra modern facility providing state-of-the-art accommodations usually only found in the larger modern hotels, which themselves do not often provide such facilities with the high style and attention to detailing proposed to be provided in this facility.

**DOWNTOWN AREA PLAN**

***Space for Commerce***

OBJECTIVE 4: ENHANCE SAN FRANCISCO'S ROLE AS A TOURIST AND VISITOR CENTER.

*Policy 1:* Guide the location of new hotels to minimize their adverse impacts on circulation, existing uses, and scale of development.

Comment: The proposed hotel project is located in the primary location for hotels and retail/restaurant uses in the Union Square area. The hotel is designed to be compatible with the scale of the immediate neighborhood.

***Urban Form***

***Height and Bulk***

OBJECTIVE 13: CREATE AN URBAN FORM FOR DOWNTOWN THAT ENHANCES SAN FRANCISCO'S STATURE AS ONE OF THE WORLD'S MOST VISUALLY ATTRACTIVE CITIES.

*Policy 1:* Relate the height of buildings to important attributes of the city pattern and to the height and character of existing and proposed development.

*Policy 3:* Create visually interesting terminations to building towers.

Comment: The hotel is designed to relate appropriately to the height of neighboring buildings through the use of cornice lines and window insets. The top of the building is designed to create visual interest through materials and lighting.

***Building Appearance***

OBJECTIVE 15: TO CREATE A BUILDING FORM THAT IS VISUALLY INTERESTING AND HARMONIZES WITH SURROUNDING BUILDINGS.

Policy 1: Ensure that new facades relate harmoniously with nearby façade patterns.

Policy 2: Assure that new buildings contribute to the visual unity of the city.

Policy 3: Encourage more variation in building facades and greater harmony with older buildings through use of architectural embellishments and bay or recessed windows.

Comment: The proposed building façade is designed to relate to the bay size of historic buildings throughout the district. The fenestration is deep set to reflect the depth, texture and character of the district. The façade is also embellished with simple, clean detailing to give the building

a very rich and textured feel characteristic of the district, while not imitating past ornate styles.

*Streetscape*

**OBJECTIVE 16: CREATE AND MAINTAIN ATTRACTIVE, INTERESTING URBAN STREETSCAPES.**

Policy 1: Conserve the traditional street to building relationship that characterizes downtown San Francisco.

Policy 2: Provide setbacks above a building base to maintain the continuity of the predominant street walls along the street.

Policy 3: Maintain and enhance the traditional downtown street pattern of projecting cornices on smaller buildings and projecting belt courses on taller buildings.

Policy 4: Use designs and materials that include activities at the ground floor to create pedestrian interest.

Policy 5: Encourage the incorporation of publicly visible art works in new private development and in various public spaces downtown.

Comment: The proposed building will be built to the street frontage in the downtown San Francisco tradition. The building, which is taller than its neighbors, is articulated with a projecting belt cornice at the prevailing street wall height of the block face, and window bays above this height are more deeply recessed. The ground floor façade is clad in rich materials including granite, limestone, glass, and stainless steel; contains a restaurant and public lobby; and is articulated with large windows that reveal the activity within the building to passers-by on the street. The project will include public art visible from a public space as required by the Planning Code.

9. The Commission finds that granting Conditional Use Authorization in this case will particularly promote the public welfare, convenience and necessity for the reasons set forth above.

**DECISION**

That based upon the Record, the submissions by the Applicant, the staff of the Department, the recommendation of the Landmarks Preservation Advisory Board, the

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support of San Francisco Architectural Heritage and other interested parties, the oral testimony presented to this Commission at the public hearing, and all other written materials submitted by all parties, the Commission hereby APPROVES Conditional Use Application No. 2000.383C subject to the conditions attached hereto as EXHIBIT A, which is incorporated herein by reference as though fully set forth.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission on November 15, 2001.

Linda D. Avery  
Planning Commission Secretary

AYES: Baltimore, Chinchilla, Fay, Lim, Salinas, Theoharis

NOES: None

ABSENT: Joe

ADOPTED: November 15, 2001

**EXHIBIT A**

**CONDITIONS OF APPROVAL**

Wherever "Project Sponsor" is used in the following conditions, the conditions shall also bind any successor to the Project or other persons having an interest in the Project or underlying property.

This approval is for the construction of an approximately 76,600 square-foot, 11-story, 125-foot tall hotel containing approximately 156 rooms, lobby, small accessory meeting rooms, and a restaurant in a C-3-R (Downtown, Retail) zoning district, an 80-130-F height and bulk district, and the Kearny-Market-Mason-Sutter Conservation District. The project as described above is to be in general conformance with the plans dated November 15, 2001 and stamped Exhibit B.

1. **COMPLIANCE WITH OTHER REQUIREMENTS**

The conditions set forth below are conditions required in connection with the Project. The project is also subject to any conditions imposed by the companion Determination of Compliance Motion No.16284. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

2. **GENERAL CONDITIONS.**

A. **Mitigation Measures**

The Project shall be subject to, and the Project Sponsor shall implement and otherwise comply with the Mitigation Measures set forth in the final Negative Declaration for Application No. 2000.383E, which was adopted and issued on November 2, 2001, and is incorporated herein by this reference.

B. **Community Liaison**

The Project Sponsor shall appoint a community liaison officer to deal with issues of concern to the owners and occupants of nearby properties at all times during Project construction. Prior to the commencement of Project construction, the Project Sponsor shall give the Zoning Administrator and the owners of properties within 300 feet of the Project site boundaries written notice of the name, business address and telephone number of the community liaison.

C. **Recordation**

**PLANNING COMMISSION**

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72 Ellis Street  
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Page 2**

Prior to the issuance of any new or amended building permit for the construction of 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, which notice shall state that construction of the Project has been authorized by and is subject to the conditions of this Motion. From time to time after the recordation of such notice, at the request of the Project Sponsor or the successor thereto, the Zoning Administrator shall affirm in writing the extent to which the conditions of this Motion have been satisfied.

**D. Reporting**

The Project Sponsor shall submit to the Zoning Administrator two copies of a written report describing the status of compliance with the conditions of approval contained within this Motion every six months from the date of this approval through the issuance of the first temporary certificate of occupancy. Thereafter, the submittal of the report shall be on an annual basis. This requirement shall lapse when the Zoning Administrator determines that all the conditions of approval have been satisfied or that the report is no longer required for other reasons.

**E. Performance**

This authorization may be extended at the discretion of the Zoning Administrator only where the failure to issue a permit by the bureau of the Department of Building Inspection to construct the proposed building is caused by a delay by a City, state or federal agency or by any appeal of the issuance of such a permit(s). Construction of the project shall commence within three (3) years of the date the project is first approved. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the proposed development.

**F. Advertising**

No general advertising sign shall be permitted at any time, anywhere on the Project site or on any structure on the Project site.

**G. First Source Hiring Program**

The project is subject to the requirements of the First Source Hiring Program (Chapter 83 of the Administrative Code) and the Project Sponsor shall comply with the requirements of this Program.

3. CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF A BUILDING (OR SITE) PERMIT.

A. Design

- (1) Highly reflective spandrel glass, mirror glass, or deeply tinted glass shall not be permitted. In no case shall visible daylight transmittance be less than 75 percent. Only clear glass shall be used at pedestrian levels.
- (2) The Project Sponsor and the Project architect shall continue to work on design development with the Planning Department staff to develop further and to refine the design of the proposed project in terms of materials and detailing.
- (3) The Project Sponsor shall develop a signage and storefront program for the ground floor retail uses and submit it for staff approval before submitting any building permits for construction of the Project. All subsequent sign or storefront permits shall conform to the approved signage program.
- (4) Space shall be included for antennae in the building's design to avoid unattractive appendages.
- (5) Final architectural and decorative detailing, materials, glazing, color and texture of exterior finishes shall be submitted for review by, and shall be satisfactory to the Director of the Department. The Project architect shall submit dimensional design drawings for building details with specifications and samples of materials to insure a high design quality is maintained.
- (6) Except as otherwise provided in this motion, the Project shall be completed in general accordance with the plans identified as Exhibit B and submitted to the Commission on November 15, 2001.

B. Pedestrian Streetscape Improvements

- (1) The Project shall include pedestrian streetscape improvements generally as described in this Motion and in conformance with Section 138.1.
- (2) A final pedestrian streetscape improvement plan including landscaping and paving materials and patterns shall be submitted for review by, and shall be satisfactory to the Director of the Department, in consultation with the Director of the Department of Public Works.

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**C. Open Space**

- (1) The Project shall include the open space described generally in this Motion.
- (2) The final open space design, including materials and their treatment, furniture, and planting plan including species shall be submitted for review by, and shall be satisfactory to the Director of the Department. The open space design shall be consistent with the provisions in the open space design guidelines for rooftop view terraces found in the Downtown Element of the General Plan.
- (3) Pursuant to Section 138(h) of the Code, plaques which bear the Downtown Open Space logo which identify the publicly accessible rooftop view terrace open space, the right of the public use, the hours of availability to the public, and the name address of the owner or owner's agent responsible for maintenance shall be installed in publicly conspicuous locations at the main entrance to the building on Ellis Street, in the lobby, elevator(s) and adjacent to the rooftop terrace.
- (4) Also pursuant to Section 138, signage clearly indicating the location of public restrooms shall be installed along with the plaques described in condition (3) above, at the entrance to the building and adjacent to the rooftop terrace.

**D. Artwork**

- (1) The Project Sponsor and the Project Artist shall consult with the Department during design development. The final art concept and location shall be submitted for review by, and shall be satisfactory to the Director of the Department in consultation with the Commission. The Project Sponsor and the Director shall report to the Commission on the progress of the development and design of the art concept no later than 6 months after the date of this approval.
- (2) The proposed artwork shall meet the requirements of Section 149 of the Code and the *Fine Art Guidelines*, and shall be appropriately lit.

**E. Jobs Housing Linkage Program**

In compliance with Section 313 of the Planning Code, the Project Sponsor shall either construct or cause to be constructed the required number of housing units per Section 313.5, OR pay an in-lieu housing fee per Section 313.6, either option being commensurate with the square footage of gross floor area of the proposed hotel development as submitted for the Project site permit.

F. Other Fees

The Project Sponsor shall pay all fees required by other City agencies or departments, such as, but not limited to, school fees.

4. CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF TEMPORARY OR PERMANENT CERTIFICATION OF OCCUPANCY.

A. Open Space

- (1) The Project Sponsor shall complete the required roof top view terrace public open space.
- (2) The Project Sponsor shall install in the Project open space and shall thereafter maintain a map or diagram that shows the connection between the space and the downtown pedestrian network in the general vicinity of the Project. The materials, content and location of the map or diagram shall be submitted to the Director for approval prior to installation.
- (3) Pursuant to Section 138(h) of the Code, plaques identifying the publicly accessible rooftop view terrace open space, the right of the public use, the hours of availability to the public and the name and address of the owner or owner's agent responsible for maintenance shall be installed in publicly conspicuous locations at the main entrance to the building on O'Farrell Street, in the lobby, elevator(s) and adjacent to the rooftop terrace.
- (4) Also pursuant to Section 138, signage clearly indicating the location of public restrooms shall be installed along with the plaques described in condition (3) above, at the entrance to the building and adjacent to the rooftop terrace.

B. Pedestrian Streetscape Improvements

- (1) The Project Sponsor shall complete the required pedestrian streetscape improvements. The Project Sponsor shall be responsible for the upkeep and maintenance of such improvements if they exceed City standards.

C. Childcare Requirement

The Project Sponsor shall pay an in-lieu fee per gross square foot of new office space as required pursuant to Planning Code Section 314.

D. On-Street Loading Zone Along the North Side of Ellis Street

- (1) The Project Sponsor must, in coordination with the Department of Parking and Traffic (DPT), Muni, and Planning Department staff, seek to establish a loading zone and along the Ellis Street frontage that provides unloading space for hotel guests and access to the existing adjacent in-sidewalk elevator doors. The Project Sponsor shall comply with requirements from DPT and Muni in any effort to establish the proposed loading zone in order to insure that any such loading zone does not result in serious Muni or traffic conflicts. This includes appropriate hours of operation and limitation of operation of the loading zone when such zone space is needed for Muni Bus queuing needed from time to time to replace cable car service. The Project Sponsor shall notify Planning staff of the regulations required by DPT and Muni for this specific loading zone when they are established and the loading zone is approved. Such limitations shall apply as a Condition of Approval of this motion as though fully set forth herein.
  
- (2) The project sponsor shall provide an employee in the main lobby of the hotel as an attendant to monitor use of the Ellis Street curb-side loading area to ensure that no vehicles making deliveries or otherwise associated with the building and/or its operations utilize the loading area in a manner inconsistent with regulations established by DPT and Muni. The attendant shall also ensure that the street elevator is not in operation during normal times of heavy pedestrian activity. The attendant shall inform all operators of vehicles making deliveries, or involved in other activities associated with the operation or use of the building, of the loading regulations, and direct them to leave the loading area if they are in violation of any of these regulations. Such an attendant shall be on duty at all hours that are necessary to ensure proper operation of this curbside loading area. Should trucks or other vehicles that are not in any way associated with deliveries or activities specifically involving the Project site utilize the loading area, the attendant shall report any violations of the regulations of the loading area immediately to DPT. As to be determined by the Zoning Administrator in consultation with DPT, failure on the part of the project sponsor or any subsequent owner or manager of the Project site to ensure proper operation of the curb side loading area along O'Farrell Street will result in enforcement actions and may result in the removal of the curb side loading area and/or the sidewalk loading elevator.

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SAN FRANCISCO

PLANNING COMMISSION

MOTION NO. 16284

**ADOPTING FINDINGS RELATING TO THE APPROVAL BY THE PLANNING COMMISSION OF CITY PLANNING CODE SECTION 309 DETERMINATIONS OF COMPLIANCE AND EXCEPTIONS FROM HEIGHT AND BULK LIMITS, AND COMPLIANCE WITH SECTION 7 OF APPENDIX E TO ARTICLE 11, FOR PROPERTY IN A C-3-R (DOWNTOWN, RETAIL) DISTRICT AND A 80-130-F HEIGHT AND BULK DISTRICT, ASSESSOR'S BLOCK 0327, LOT 011.**

**RECITALS**

1. On April 26, 2000, Lawrence Chambers, Del Campo and Maru, on behalf of Personality Hotels, Inc. ("Project Sponsor"), filed with the City and County of San Francisco Planning Department ("Department"), an Application for Review of a C-3 (Downtown) Project Under Section 309 of the Planning Code ("Project").
2. On August 7, 2001, Marie Zeller, Patri Merker Architects, on behalf of the Project Sponsor, filed with the Department an amendment to the Application for Review of a C-3 (Downtown) Project Under Section 309 of the Planning Code ("Project").
3. A Preliminary Negative Declaration of Environmental Impact, Case No. 2000.383E, was released in October 13, 2001. No appeal was filed and a final Negative Declaration was adopted and issued on November 5, 2001. By the adoption of the Final Negative Declaration, the Department, in accordance with the provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, determined that the proposed project on the subject property could have no significant effect on the environment.
4. On October 25, 2001, notice of the hearing on the Application was posted.
5. On November 15, 2001, the Commission conducted a duly noticed public hearing on the Application.
6. The Department and the Commission have reviewed and considered the information contained in the Final Negative Declaration in accordance with the requirements of CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code.
7. The Commission has also had available to it for its review and consideration the Case Report, studies, letters, plans and other materials pertaining to the Project in the Department's case files, has reviewed and heard testimony and has received materials from interested parties during the public hearings on the Project.

## **FINDINGS**

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

1. The above recitals are accurate and also constitute findings of this Commission.

2. **Project Site/Present Use**

The project site is two blocks south of Union Square and one block north of the cable car turn-around at Powell and Market Streets, just east of the intersection of Ellis and Powell Streets. The project site occupies Assessor's Block 327, Lot 11, with an area of about 8,400 sq. ft.

The existing use of the project site is an attendant-operated surface parking lot with one level of underground parking, with an overall capacity of 75 spaces. About 22 spaces are currently allocated for overnight use by the Hotel Union Square. About 13 spaces are used for hotel guest parking during the daytime, and the remaining 62 spaces are open to public use during the day. The parking lot would be demolished to accommodate the proposed hotel.

3. **Nature of Project**

The proposed project would consist of the demolition of the existing parking lot with basement and the construction of a hotel, which will be called the M31 Hotel. The façade of the M31 comprises a base of light-colored stone topped by a series of glass and masonry window divisions, each two stories in height. Its architects, designer Michael Gabellini in association with local architect Piero Patri, have designed a forward-looking, completely modern structure that consciously and effectively responds to the design guidelines of the Kearny-Market-Mason-Sutter Conservation District by combining classic architectural elements with a new modern design. The project will enhance the overall streetscape while making a refined and distinguished architectural statement. Dramatic lighting will illuminate the interior and exterior of the hotel, highlighting the restaurant, lobby, lounge areas, the rooftop view terrace, and the guest rooms themselves. The M31 Hotel will utilize natural elements such as water, landscaping, wood, and stone on the interior of the building in areas that will be visible from the exterior, adding warmth and interest to the streetscape.

The proposed 11-story, 125-ft.-tall structure would have 156 rooms, and a semi-enclosed trellis structure on the roof would rise to 146 feet. A basement level, of approximately 5,730 sq. ft., would contain service and mechanical rooms, storage areas, and a restaurant kitchen. The ground floor (first floor) would contain about 2,400 sq. ft. of restaurant space and a lobby/salon area of approximately 1,940 sq. ft. The main lobby would be double height. The ground floor would also include a meeting room/lounge of approximately 600 sq. ft. and a reception area/office space of approximately 380 sq. ft. A business center of

about 400 sq. ft would be on the second floor. Both the conference room and the business center would be for guest use. Floors 2 through 11 would contain 156 hotel rooms; 131 standard rooms ranging from 280 to 310 sq. ft.; 21 executive rooms ranging from 340 to 370 sq. ft.; and four business suites of approximately 450 sq. ft. Executive rooms would be similar to standard hotel rooms, but slightly larger with additional desk space. Business suites would be larger still, with separate sitting and bedroom areas.

The roof would contain a publicly accessible view terrace of approximately 2,780 sq. ft. near the south-facing facade. A semi-enclosed trellis structure would surround the rooftop terrace. In conformance with the General Plan guidelines for publicly accessible rooftop view terrace open spaces, the proposed terrace would also include some form of food service to enliven the space. The rooftop would also contain mechanical equipment screened from view.

The building would be built out to the sidewalk to match the prevailing street wall along Ellis Street (see Figure 5, Front Elevation, and Figure 6, East Elevation). The front elevation would have two-story masonry (most likely Indiana or French limestone) and glass wall divisions above the ground floor. Windows would be recessed 1'-0" to 3'-0" behind the masonry frame. A masonry cornice would project approximately three feet from the façade at the 83-foot elevation level, continuing the cornice line of the adjacent buildings. To further accentuate the cornice line, windows above the 83-ft. elevation (8<sup>th</sup> to 11<sup>th</sup> floors) would be recessed further behind the structural frame than those windows below. The ground floor façade walls would be clad in a light-colored stone or similar material, possibly with a granite base. Window and doorway glazing along the length of the building at ground level would be nearly continuous. A canopy would extend over the sidewalk at the hotel entrance.

A 70.5-ft.-long loading zone on the 73-ft.-wide Ellis Street frontage is proposed to provide for passenger and freight loading. With approval from the Department of Parking and Traffic (DPT), most of the existing red zone along the site frontage would be redesignated a white zone to accommodate passenger and freight loading. Approximately 2.5 ft of the curb at the eastern edge of the site frontage would remain red to facilitate vehicles exiting from the Ellis/O'Farrell garage. In addition, pavement markers, such as reflective "dots," would be placed between the garage and the proposed loading zone to discourage drivers leaving the garage from entering the loading area.

An existing sidewalk elevator on Ellis Street within the Hotel Union Square frontage, just west of the project site frontage, is proposed by the project sponsor to be relocated approximately eight feet to the east to provide direct service access to the M-31 Hotel basement. The Hotel Union Square is also owned and operated by the M-31 Hotel Project Sponsor. The sidewalk elevator would be linked within the basement of the M-31 Hotel. After relocation, the elevator opening in front of the Hotel Union Square would be sealed with concrete to match the surrounding sidewalk. In the event that the relocated sidewalk elevator is not permitted by the Department of Parking and Traffic, the Department of Public Works, or the Planning Department, the existing sidewalk

elevator would be reused, with a basement level connection to the M-31 Hotel. This option is complicated by the fact that it would require a grade change at the basement level due to the location of an existing underground sewer line which runs perpendicular to the front property line between the M-31 Hotel site and the Hotel Union Square, and thus may be cost-prohibitive. As a final option, the Project Sponsor is investigating the feasibility of the hotel being serviced through an entrance on the ground floor on the west side of the building frontage. An internal lift would access the hotel basement in this location. However, this last option is not optimal for the aesthetic or functional considerations of the ground floor street frontage, as it would detract from the clean and consistent composition of masonry and glass material, and could cause conflicts between pedestrians entering the restaurant, as well as delivery activities which would then have to cross the main path of pedestrian travel along the sidewalk. The street elevator as it is currently positioned at the curbside minimizes pedestrian conflict by not forcing deliveries to cross the entire width of the public sidewalk.

The total floor area of the project would be 76,554 sq. ft. and the FAR would be 9.0 to 1. Achieving this 9.0 FAR would require the use of approximately 25,000 square feet of transferrable development rights. Construction of the project is anticipated to begin in Spring 2002. The construction period, including demolition, would take approximately 15 months.

The Project Sponsor, Personality Hotels, Inc., has agreed to implement the following measures as part of the project: (1) hire a full-time staff person (valet) to manage the curbside passenger and freight loading activities (seven days a week from 7:00 AM to 11:00 PM), such that no vehicles would be allowed to park or stop at the Ellis Street passenger loading zone unless they are actively involved in loading and unloading activities, and (2) during project construction, limit construction truck traffic between 9:00 AM and 3:00 PM to minimize disruption of the general traffic flow on adjacent streets during peak hours.

A Shadow Analysis under Planning Code Section 295 (Proposition K) has found that no new shadows would be cast on any property under the jurisdiction of the Recreation and Parks Commission.

With respect to hazardous materials, as referred in the Preliminary Negative Declaration, a Phase I Environmental Site Assessment of the property concluded that there were no conditions existing on the site which could be considered hazardous.

The Landmarks Preservation Advisory Board ("Landmarks Board") has reviewed the Project on an informational basis and is in support of the proposed Project.

San Francisco Heritage reviewed the Project on September 4, 2001, and supported the design as presented to them at that time.

A Preliminary Negative Declaration was released on October 13, 2001. No appeal was filed, and a final Negative Declaration was adopted and issued on November 5, 2001.

4. **Section 309 –Permit Review in C-3 Districts**

Because of its location in a C-3 district, the Project is subject to the requirements of Section 309, which requires determination of compliance and allows for exceptions to the City Planning Code.

**Compliance**

(a) **Section 138 – Open Space**

Code Section 138 requires that, in the C-3-R District, when a project results in the construction of a new building, the project shall provide one square foot of open space for every 100 gross square feet of space. The open space must consist of usable public space open and accessible to the public during daylight hours. Section 138 provides a number of examples of the types of improvements that will satisfy this requirement, including view and sun terraces.

- The Project proposes approximately 76,554 gross square feet of total construction. Therefore, the Project must provide approximately 766 square feet of open space at the required 1:100 ratio for the C-3-R District.
- The Project Sponsor proposes to provide approximately 2,782 square feet of open space on a rooftop view terrace. The minimum space requirement for a view terrace according to the San Francisco Master Plan is 800 square feet. The sun terrace therefore meets the open space requirement and the criteria applicable to a sun terrace.
- The sun terrace will be accessed from the building elevator lobby. The hours during which the sun terrace will be accessible to the public will be concurrent with the hours of the normal operation of the public meeting spaces of the hotel, but at least from 10am to 5pm, Monday through Friday, as required by the San Francisco Master Plan.

*Based on the proposed plans submitted by the project sponsor for the rooftop view terrace, the Commission finds that the Project complies with the requirements of **Section 138**.*

(b) **Section 138.1 - Pedestrian Streetscape Improvements**

**Section 138.1(b)** requires that when an addition of floor area equal to 20 percent or more of an existing new building is constructed in the C-3 District, street trees and sidewalk paving must be provided. Under **Section 138.1(c)**, the Commission may also require the Project Sponsor to install additional sidewalk improvements such as lighting, special paving, seating and landscaping in accordance with the guidelines of the Downtown Streetscape Plan if it finds that these improvements are necessary to meet the goals and objectives of the General Plan.

- The Project will satisfy the requirements of **Section 138.1** by providing one or more of the following types of streetscape improvements: paving treatments, trees and plantings depending on site constraints and potential impediments to pedestrian movement.

Draft Motion 2000.986X includes a Condition of Approval which provides that, prior to issuance of the final addendum to the site permit, "[a] final pedestrian streetscape improvement plan including landscaping and paving materials and patterns shall be submitted for review by, and shall be satisfactory to the Director of the Department, in consultation with the Director of the Department of Public Works."

*As so conditioned, the Commission finds that the Project complies with the requirements of **Section 138.1**.*

(c) Section 139 – Downtown Park Fund

New downtown office developments are required to pay a \$2.00 per square foot fee for the net addition of office space to mitigate the increased demand on existing public parks in the Downtown Area.

- The Project Sponsor is not proposing an office development project and therefore this requirement does not apply.

(d) Section 146 – Shadows on Streets

Section 146 provides that in order to maintain direct sunlight on public sidewalks in C-3 Districts, new structures must be shaped, if it can be done without creating an unattractive design and without unduly restricting the development potential of the site in question, so as to reduce substantial shadow impacts on public sidewalks in those areas.

- Although Ellis Street is listed on Table 146, between Cyril Magnin and Stockton Streets, and Cyril Magnin and Grant Streets, the reference is to the south side of the street. The proposed Project is on the north side of Ellis Street. Therefore, this section does not apply.

(e) Section 147 – Shadows on Publicly Accessible Open Spaces

Section 147 sets forth certain requirements and determinations regarding shadows being cast on public or publicly accessible open space. Section 147 seeks to reduce substantial shadow impacts on public plazas and other publicly accessible spaces other than those protected under Section 295.

- A shadow study was conducted for the Project. This study indicated that there would be no net new shadow on publicly accessible open space.

*Therefore, the Commission finds that the Project complies with **Section 147.***

(f) Section 149 – Public Art

In the case of construction of a new building or addition of floor area in excess of 25,000 square feet to an existing building in a C-3 District, Section 149 requires a project to include works of art costing an amount equal to one percent of the cost of construction of the building and requires the Commission to approve the type and location of the art work, but not the artistic merits of the specific art work proposed. The types of permitted artwork include sculptures, bas-reliefs, murals, mosaics, decorative water features, or other work permanently affixed to the building.

- The Project proposes new construction of floor area in excess of 25,000 square feet and therefore is subject to the public artwork requirement. The Project's estimated construction cost is \$10,500,000. The Project will provide artwork in the form of a sculpture and/or painting equal in value to \$105,000. The specific type of art is to be determined. It will be located in the lobby at the ground level, at publicly visible sidewalls, or on the sun terrace.

*The Commission finds that the project complies with Section 149 subject to a Condition of Approval requiring the project sponsor to return to the Commission within six (6) months of any approval date of a motion determining compliance under Section 309, to present more developed plans for the proposed public art.*

(g) Section 102.9(b)(16) – Replacement of Short Term Parking

Section 102.9(b)(16) provides that "gross floor area" shall not include, in C-3 Districts, floor space used for short-term parking and aisles incidental thereto when required pursuant to Section 309 in order to replace short-term parking spaces displaced by the building.

- The existing private surface parking lot is not being replaced and therefore this section does not apply.

(h) Section 313 – Jobs Housing Linkage Program

Section 313.3 provides that the housing requirements for hotel development projects applies to "any hotel development project proposing the net addition of 25,000 or more gross square feet of hotel space." The current fee for hotel space is \$8.50 per square foot.

- The Project Sponsor proposes to add approximately 76,554 gross square feet of new hotel space, resulting in an affordable housing in lieu fee of approximately \$650,709. The Project Sponsor may also provide the actual housing units at the rate of 0.0001 10 time the gross square

footage, or 8 units of housing. The Project Sponsor is investigating these options, but will probably opt for paying the in lieu fee.

(i) Section 314 – Child Care

Section 314.3 provides that the childcare requirement for hotel development projects applies to “office and hotel development projects proposing the net addition of 50,000 or more gross square feet of office or hotel space.”

- The Project involves the net addition of more than 50,000 square feet of hotel use. Hotel projects must provide a child care facility which square footage equal 0.1 times the net addition of square feet of hotel space (which is 766 square feet) or 3,000 square feet, whichever is greater. Therefore, if the Project Sponsor were to comply by providing a childcare facility, it must provide a child care facility of at least 3,000 square feet
- As an alternative, hotel projects may pay an in lieu fee equal to \$1.00 per each additional square foot of hotel space. Therefore, the Project Sponsor may pay a fee equal to \$76,554 in lieu of providing a 3,000 square foot child care facility. The Project Sponsor is opting to pay the in lieu fee.

(j) Section 1113 - New Construction in Conservation District

Section 1113 of the Planning Code requires that, “No person shall construct or cause to be constructed any new or replacement structure or add to any existing structure in a Conservation District unless it is found that such construction is compatible in scale and design with the District as set forth in Sections 6 and 7 of the Appendix which describes the District [in this case, Appendix E].”

Section 7(a) of Article E includes Section 6 by reference and requires that new construction be compatible with the District in general with respect to the building’s composition and massing, scale, materials, and colors, and detailing, and ornamentation, including those features described Section 6.

**Conformance With Article 11, Appendix E, Section 7**

Since the building is located in the Kearny-Market-Mason-Sutter Conservation District, all construction of new buildings shall be compatible with the District in general with respect to the building’s composition and massing, scale, materials and colors, and detailing and ornamentation. Emphasis shall be placed on compatibility with those buildings in the area in which the new or altered building is located.

(1) **Composition and Massing**

The Project maintains the District’s essential character by relating to the prevailing height, mass, proportions, rhythm and composition of existing Significant and Contributory Buildings. The height and massing of the Project

does not alter the traditional scale of existing buildings, streets and open spaces. The Project includes an appropriate street wall height established by reference to the prevailing height of the buildings on the block and especially that of adjacent buildings.

The Project is built to the property line in order to maintain the continuity of building rhythms and the definition of the street.

The standard proportions of the Project are established by the prevailing street wall height and width of lots. The Project's design is geared toward it relating the Project's rhythm with those of historic buildings in the area.

The Project's design repeats the prevailing pattern of two- and three-part vertical compositions. A base element is included to define the pedestrian environment. Above the base is a ten-story shaft element, capped by an architectural roof top element that provides partial spatial containment and weather protection for the publicly accessible view terrace. This top element will be appropriately lighted to emphasize the top element of the building.

#### (2) Scale

The Project's scale is broken into smaller parts by detailing and fenestration, which relate to human scale. The existing scale of the buildings in the vicinity is maintained through continuance of the existing street wall height and incorporation of a base element to maintain the pedestrian environment. The street frontage of the pedestrian level includes a both a lobby entrance and restaurant with large windows and glass doors to create visual entrance by revealing the activity going on within the building.

The Project repeats existing fenestration rhythms and proportions that have been established in the area with a classical deep-set fenestration pattern, and quality, well-detailed materials.

#### (3) Materials and Colors

The Project uses like materials, such as granite, limestone and glass, which relate it to surrounding buildings. Traditional light colors are used in order to blend in with the character of the district.

#### (4) Detailing and Ornamentation

The Project relates to the surrounding area by picking up elements from surrounding buildings and developing them. The Project incorporates prevailing cornice lines through a simple 3'-0" projecting cornice designed in the modern vernacular instead of a more ornate traditional style.

*The Project meets the criteria of Appendix E of Article 11. Therefore, Commission finds that the Project complies with **Section 1113** of the Planning Code.*

5. **Exceptions Requested Pursuant to Section 309**

***Height***

**Section 263.8 – Exceptions to Height Limits in 80-130-F and 80-130-X Height and Bulk Districts**

Pursuant to Section 309(a)(8) of the Planning Code, exceptions to the 80-foot height limits in the 80-130-F Height and Bulk District may be granted as permitted in Section 263.8. Section 263.8 provides that in the 80-130-F Height and Bulk District, exceptions to the 80-foot height limit up to 130 feet may be approved in appropriate cases in accordance with the provisions of Section 309. The purpose of allowing additional height above 80 feet only as an exception is to ensure that height above 80 feet will not adversely affect the scale of the affected area or block sunlight access to public sidewalks and parks. Such height exceptions may be permitted provided that:

- (1) **The height of the building or structure does not exceed 130 feet.**

The resulting structure, excluding the mechanical penthouse, will have a finished roof height of 125 feet, well within the maximum 130-foot height limit. (The rooftop view terrace and structure as well as the mechanical penthouse are exempted from the height limit under Section 260(b)(1)(B and E).)

- (2) **The additional height will not add significant shadows on public sidewalks or parks.**

A shadow study conducted for the Project found that the resulting structure would add no significant shadows on public sidewalks. The Project's location on the north side of Ellis Street limits the amount of shadow cast on the sidewalk. There are no parks near the Project Site that would be affected by any shadows cast by the Project building.

- (3) **The structure provides an appropriate transition to adjacent higher or lower buildings.**

The windows on the upper levels of the building are inset 3 feet 6 inches from the street wall and a simple 3'-0" projecting cornice is provided, both of which occur at the existing street wall height, thereby emphasizing the prevailing street wall height along the Ellis Street frontage. Therefore, the Project provides an appropriate transition to the adjacent buildings. Although the Project will be somewhat higher than the immediately adjacent buildings (Hotel Union Square, Ellis-O'Farrell Garage), the height differential will not be extreme or unusual given the mix of building heights in the Project block. This proposed increase in height above the prevailing street wall is also a typical historic pattern for hotels within the Kearny-Market-Mason-Sutter Conservation District.

- (4) The additional height of the structure is set back an appropriate distance from the street frontage to maintain continuity of the predominant street wall on the block.

While the proposed hotel building is higher than the neighboring buildings on the block face, it is no taller than the James Flood Building across the street, which forms a substantial portion of the Ellis Street street wall. Furthermore, the variation in height is not out of scale per se, but is typical of block faces throughout the district that maintain their historic scale and character. This being the case, a substantial literal setback is not necessary. However, as stated above in item (3), the windows on the upper levels of the building are inset from the street wall and a simple projecting cornice is provided, both of which occur at the existing street wall height, thereby emphasizing the prevailing street wall height along the Ellis Street frontage.

*The Project meets the provisions of **Section 263.8** for granting exceptions to the Height Limit in an 80-130-F Height and Bulk District. Therefore, the Commission hereby grants the requested exception to the Height Limit requirements for the proposed Project.*

### **Bulk**

#### Section 272 – Bulk Limits: Special Exceptions in C-3 Districts

Pursuant to Section 309(a)(9) of the Planning Code, exceptions to the bulk requirements may be granted as permitted in Sections 270 and 272. Section 272 of the Code states that exceptions to the bulk limits may be approved in the manner provided in Section 309, provided that at least one of the five criteria listed in Section 272 is met. The Project meets the following criterion listed in Section 272:

Criterion #3: The added bulk does not significantly affect light and air to adjacent buildings.

The bulk limit, which applies above 80 feet, is 110 feet in length and 140 feet in diagonal. At the 80-foot line, the building length is 110 feet 7 inches, which exceeds the maximum permitted length by 7 inches. The additional bulk resulting from the 7 inches is minor, and therefore will not significantly affect light and air to adjacent buildings. Moreover, it should be noted that the windows above the 83-foot elevation level will be recessed further behind from the structural frame than those windows below, which is only 3 feet over the height at which the bulk limits begin. The bulk decreases at that point and the maximum length dimension is no longer exceeded. Therefore, the maximum length dimension is only exceeded by 7 inches for three vertical feet.

The building diagonal is 127 feet 10 inches, which is within the Code limit.

*Because the project meets at least one criterium under **Section 272**, the Commission hereby grants the requested exception to the Bulk Limits for the proposed Project.*

6. **Section 101.1 Priority Policy Findings**

**Section 101.1** requires the Project to be consistent with the eight priority policies listed below. The Commission finds that the Project is consistent with these findings as stated below:

- (1) That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment and ownership of such businesses be enhanced.
  - The project does not displace any existing retail use. The proposed project will provide a ground floor restaurant, and will hire local residents to the extent possible, thereby enhancing opportunities for resident employment.
- (2) That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.
  - The proposed hotel project will include a restaurant, and will not reduce existing housing; indeed, it will provide a restaurant that will create an active street frontage along the block face, replacing an unattractive surface parking. The proposed hotel restaurant use is completely consistent with the neighborhood character, which consists primarily of a mix of retail and hotel uses.
  - The building's design would help maintain elements of the existing character of the area, such as a consistent street wall, as well as hotel and restaurant uses common to the neighborhood. The Project is designed to add economic diversity to the area by providing a smaller, yet modern, state-of-the-art hotel facility that still fits in with the scale and architectural character of the neighborhood, thereby broadening the range of choices of accommodations for visitors to the city.
- (3) That the City's supply of affordable housing be preserved and enhanced.
  - The Project would not diminish the City's supply of affordable housing. There is no affordable or other housing on the site.
  - The proposed project will participate in the City's Jobs-Housing Linkage Program. This would mean that for hotel, the amount would be \$8.50 per square foot, or \$650,709 (76,554 X \$8.50). The project sponsor may also provide the actual housing units at the rate of .000110 times the gross square footage, or 8 units of

housing. The project sponsor is investigating these options, but is likely to opt for paying the in lieu fee.

- (4) That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking.
  - The proposed project is well served by public transit, and includes the type of uses that would be less dependent on the private automobile. As a result, the project will not adversely impact Muni transit or overburden local streets or neighborhood parking. In addition, there is off-site valet parking nearby. The loading zone proposed at the curbside in front of the proposed hotel will be operated and restricted so as to not interfere with Muni Bus service.
- (5) 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.
  - A private surface parking lot will be displaced. The proposed mixed-use project will provide significant new jobs for the local residential neighborhood.
- (6) That the City achieve the greatest possible preparedness against injury and loss of life in an earthquake.
  - The proposed project will fully comply with the seismic standards in the Building Code.
- (7) That landmarks and historic buildings be preserved.
  - There are no landmarks or historic buildings on the site. The Project will be consistent with the policies for new construction in the Kearny-Market-Mason-Sutter Conservation District. While a clearly modern and cutting-edge design, the proposed building respects the design guidelines established for the conservation district. This is accomplished by using rich materials common to the district such as granite and limestone, recessing windows, and using a classical symmetrical fenestration pattern that reflects the basic patterns and scale of the district. Furthermore, a clearly delineated a base, shaft and top within the façade design relates the building design to other taller buildings in the district.
- (8) That our parks and open space and their access to sunlight and vistas be protected from development.
  - A Shadow Study has been conducted as part of the program planning process for this proposed project. It indicated that there

is no net new shadow on any property under the jurisdiction of the Recreation and Park Department. The proposed project is an infill project that will not significantly affect any scenic vistas.

7. **Consistency with the General Plan**

The project will not adversely affect the General Plan, and will specifically advance the following objectives of the Commerce and Industry Element, the Downtown Area Plan, and the Urban Design Plan, as discussed throughout this report:

**COMMERCE AND INDUSTRY ELEMENT**

***Visitor Trade***

OBJECTIVE 8: ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL CENTER FOR CONVENTIONS AND VISITOR TRADE.

Comment: The proposed hotel will fit a niche currently unmet in Downtown San Francisco, in that it is a smaller intimate hotel, but yet it is a cutting edge, ultra modern facility providing state-of-the-art accommodations usually only found in the larger modern hotels, which themselves do not often provide such facilities with the high style and attention to detailing proposed to be provided in this facility.

**DOWNTOWN AREA PLAN**

***Space for Commerce***

OBJECTIVE 4: ENHANCE SAN FRANCISCO'S ROLE AS A TOURIST AND VISITOR CENTER.

*Policy 1:* Guide the location of new hotels to minimize their adverse impacts on circulation, existing uses, and scale of development.

Comment: The proposed hotel project is located in the primary location for hotels and retail/restaurant uses in the Union Square area. The hotel is designed to be compatible with the scale of the immediate neighborhood.

***Urban Form***

***Height and Bulk***

**OBJECTIVE 13: CREATE AN URBAN FORM FOR DOWNTOWN THAT ENHANCES SAN FRANCISCO'S STATURE AS ONE OF THE WORLD'S MOST VISUALLY ATTRACTIVE CITIES.**

*Policy 1:* Relate the height of buildings to important attributes of the city pattern and to the height and character of existing and proposed development.

*Policy 3:* Create visually interesting terminations to building towers.

*Comment:* The hotel is designed to relate appropriately to the height of neighboring buildings through the use of cornice lines and window insets. The top of the building is designed to create visual interest through materials and lighting.

*Building Appearance*

**OBJECTIVE 15: TO CREATE A BUILDING FORM THAT IS VISUALLY INTERESTING AND HARMONIZES WITH SURROUNDING BUILDINGS.**

*Policy 1:* Ensure that new facades relate harmoniously with nearby façade patterns.

*Policy 2:* Assure that new buildings contribute to the visual unity of the city.

*Policy 3:* Encourage more variation in building facades and greater harmony with older buildings through use of architectural embellishments and bay or recessed windows.

*Comment:* The proposed building façade is designed to relate to the bay size of historic buildings throughout the district. The fenestration is deep set to reflect the depth, texture and character of the district. The façade is also embellished with simple, clean detailing to give the building a very rich and textured feel characteristic of the district, while not imitating past ornate styles.

*Streetscape*

**OBJECTIVE 16: CREATE AND MAINTAIN ATTRACTIVE, INTERESTING URBAN STREETSCAPES.**

*Policy 1:* Conserve the traditional street to building relationship that characterizes downtown San Francisco.

Policy 2: Provide setbacks above a building base to maintain the continuity of the predominant streetwalls along the street.

Policy 3: Maintain and enhance the traditional downtown street pattern of projecting cornices on smaller buildings and projecting belt courses on taller buildings.

Policy 4: Use designs and materials that include activities at the ground floor to create pedestrian interest.

Policy 5: Encourage the incorporation of publicly visible art works in new private development and in various public spaces downtown.

Comment: The proposed building will be built to the street frontage in the downtown San Francisco tradition. The building, which is taller than its neighbors, is articulated with a projecting belt cornice at the prevailing street wall height of the block face, and window bays above this height are more deeply recessed. The ground floor façade is clad in rich materials including granite, limestone, glass, and stainless steel; contains a restaurant and public lobby; and is articulated with large windows that reveal the activity within the building to passers-by on the street. The project will include public art visible from a public space as required by the Planning Code.

8. **Modification Required By the Commission:** Section 309(b) of the Planning Code provides that the Commission may impose additional requirements and limitations in order to achieve the objectives and policies of the General Plan. The Commission does not impose any modifications on the project.
9. The Commission finds that granting the Project Authorization in this case will particularly promote the public welfare, convenience and necessity for the reasons set forth above.

### **DECISION**

That based upon the Record, the submissions by the Applicant, the staff of the Department, the recommendation of the Landmarks Preservation Advisory Board, the support of San Francisco Architectural Heritage and other interested parties, the oral testimony presented to this Commission at the public hearing, and all other written materials submitted by all parties, the Commission hereby APPROVES Application for Review of Compliance and Exceptions Pursuant to Section 309, Application No. 2000.383X, subject to the conditions attached hereto as EXHIBIT A, which is incorporated herein by reference as though fully set forth.

**PLANNING COMMISSION**  
Hearing of November 15, 2001

**Case No. 2000.383CX**  
72 Ellis Street  
Motion No. 16284  
Page 17

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission on November 15, 2001.

Linda D. Avery  
Planning Commission Secretary

**AYES:** Baltimore, Fay, Lim, Salinas, Theoharis

**NOES:** Chinchilla

**ABSENT:** Joe

**ADOPTED:** November 15, 2001

**EXHIBIT A**

**CONDITIONS OF APPROVAL**

Wherever "Project Sponsor" is used in the following conditions, the conditions shall also bind any successor to the Project or other persons having an interest in the Project or underlying property.

This approval is for the construction of an approximately 76,554 square-foot, 11-story, 125-foot tall hotel containing approximately 156 rooms, lobby, small accessory meeting rooms, and a restaurant in a C-3-R (Downtown, Retail) zoning district, an 80-130-F height and bulk district, and the Kearny-Market-Mason-Sutter Conservation District. The project as described above is to be in general conformance with the plans dated November 15, 2001 and stamped Exhibit B.

**1. COMPLIANCE WITH OTHER REQUIREMENTS**

The conditions set forth below are conditions required in connection with the Project. The project is also subject to any conditions imposed by the companion Conditional Use Approval Motion No. 16283. If these conditions overlap with any other requirement imposed on the Project, the more restrictive or protective condition or requirement, as determined by the Zoning Administrator, shall apply.

**2. GENERAL CONDITIONS.**

**A. Mitigation Measures**

The Project shall be subject to, and the Project Sponsor shall implement and otherwise comply with the Mitigation Measures set forth in the final Negative Declaration for Application No. 2000.383E, which was adopted and issued on November 2, 2001, and is incorporated herein by this reference.

**B. Community Liaison**

The Project Sponsor shall appoint a community liaison officer to deal with issues of concern to the owners and occupants of nearby properties at all times during Project construction. Prior to the commencement of Project construction, the Project Sponsor shall give the Zoning Administrator and the owners of properties within 300 feet of the Project site boundaries written notice of the name, business address and telephone number of the community liaison.

**PLANNING COMMISSION**

**Case No. 2000.383X  
72 Ellis Street  
Block 327, Lot 11  
Motion No. 16284  
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Page 2**

**C. Recordation**

Prior to the issuance of any new or amended building permit for the construction of 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, which notice shall state that construction of the Project has been authorized by and is subject to the conditions of this Motion. From time to time after the recordation of such notice, at the request of the Project Sponsor or the successor thereto, the Zoning Administrator shall affirm in writing the extent to which the conditions of this Motion have been satisfied.

**D. Reporting**

The Project Sponsor shall submit to the Zoning Administrator two copies of a written report describing the status of compliance with the conditions of approval contained within this Motion every six months from the date of this approval through the issuance of the first temporary certificate of occupancy. Thereafter, the submittal of the report shall be on an annual basis. This requirement shall lapse when the Zoning Administrator determines that all the conditions of approval have been satisfied or that the report is no longer required for other reasons.

**E. Performance**

This authorization may be extended at the discretion of the Zoning Administrator only where the failure to issue a permit by the bureau of the Department of Building Inspection to construct the proposed building is caused by a delay by a City, state or federal agency or by any appeal of the issuance of such a permit(s). Construction of the project shall commence within three (3) years of the date the project is first approved. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the proposed development.

**F. Advertising**

No general advertising sign shall be permitted at any time, anywhere on the Project site or on any structure on the Project site.

**G. First Source Hiring Program**

The project is subject to the requirements of the First Source Hiring Program (Chapter 83 of the Administrative Code) and the Project Sponsor shall comply with the requirements of this Program.

**PLANNING COMMISSION**

**Case No. 2000.383X**

**72 Ellis Street**

**Block 327, Lot 11**

**Motion No. 16284**

**Exhibit A**

**Page 3**

3. CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF A BUILDING (OR SITE) PERMIT.

A. Design

- (1) Highly reflective spandrel glass, mirror glass, or deeply tinted glass shall not be permitted. In no case shall visible daylight transmittance be less than 75 percent. Only clear glass shall be used at pedestrian levels.
- (2) The Project Sponsor and the Project architect shall continue to work on design development with the Planning Department staff to develop further and to refine the design of the proposed project in terms of materials and detailing.
- (3) The Project Sponsor shall develop a signage program for the project and submit it for staff approval before submitting any building permits for construction of the Project. All subsequent sign permits shall conform to the approved signage program.
- (4) Space shall be included for antennae in the building's design to avoid unattractive appendages.
- (5) Final architectural and decorative detailing, materials, glazing, color and texture of exterior finishes shall be submitted for review by, and shall be satisfactory to the Director of the Department. The Project architect shall submit dimensional design drawings for building details with specifications and samples of materials to insure a high design quality is maintained.
- (6) Except as otherwise provided in this motion, the Project shall be completed in general accordance with the plans identified as Exhibit B and submitted to the Commission on November 15, 2001.

B. Open Space

- (1) The Project shall include the open space described generally in this Motion.
- (2) The final open space design, including materials and their treatment, furniture, and planting plan including species shall be submitted for review by, and shall be satisfactory to the Director of the Department. The open space design shall be consistent with the provisions in the open space design guidelines for rooftop view terraces found in the Downtown Element of the General Plan.

**PLANNING COMMISSION**

**Case No. 2000.383X  
72 Ellis Street  
Block 327, Lot 11  
Motion No. 16284  
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Page 4**

- (3) Pursuant to Section 138(h) of the Code, plaques which bear the Downtown Open Space logo which identify the publicly accessible rooftop view terrace open space, the right of the public use, the hours of availability to the public, and the name address of the owner or owner's agent responsible for maintenance shall be installed in publicly conspicuous locations at the main entrance to the building on Ellis Street, in the lobby, elevator(s) and adjacent to the rooftop terrace.
- (4) Also pursuant to Section 138, signage clearly indicating the location of public restrooms shall be installed along with the plaques described in condition (3) above, at the entrance to the building and adjacent to the rooftop terrace.

**C. Pedestrian Streetscape Improvements**

- (1) The Project shall include pedestrian streetscape improvements generally as described in this Motion and in conformance with Section 138.1.
- (2) A final pedestrian streetscape improvement plan including landscaping and paving materials and patterns shall be submitted for review by, and shall be satisfactory to the Director of the Department, in consultation with the Director of the Department of Public Works.

**D. Artwork**

- (1) The Project Sponsor and the Project artist shall consult with the Department during design development. The final art concept and location shall be submitted for review by, and shall be satisfactory to the Director of the Department in consultation with the Commission. The Project Sponsor and the Director shall report to the Commission on the progress of the development and design of the art concept no later than 6 months after the date of this approval.
- (2) The proposed artwork shall meet the requirements of Section 149 of the Code and the *Fine Art Guidelines*, and shall be appropriately lit.

**E. Jobs Housing Linkage Program**

In compliance with Section 313 of the Planning Code, the Project Sponsor shall either construct or cause to be constructed the required number of housing units per Section 313.5, OR pay an in-lieu housing fee per Section 313.6, either option being commensurate with the square footage of gross floor area of the proposed hotel development as submitted for the Project site permit.

4. CONDITIONS TO BE MET PRIOR TO THE ISSUANCE OF TEMPORARY OR PERMANENT CERTIFICATION OF OCCUPANCY.

A. Open Space

- (1) The Project Sponsor shall complete the required rooftop view terrace public open space.
- (2) The Project Sponsor shall install in the Project open space and shall thereafter maintain a map or diagram that shows the connection between the space and the downtown pedestrian network in the general vicinity of the Project. The materials, content and location of the map or diagram shall be submitted to the Director for approval prior to installation.

B. Pedestrian Streetscape Improvements

The Project Sponsor shall complete the required pedestrian streetscape improvements. The Project Sponsor shall be responsible for the upkeep and maintenance of such improvements if they exceed City standards.

C. Childcare Requirement

The Project Sponsor shall pay an in-lieu fee per gross square foot of new office space as required pursuant to Planning Code Section 314.

D. On-Street Loading Zone Along the North Side of Ellis Street

- (1) The Project Sponsor must, in coordination with the Department of Parking and Traffic (DPT), Muni, and Planning Department staff, seek to establish a loading zone and along the Ellis Street frontage that provides unloading space for hotel guests and access to the existing adjacent in-sidewalk elevator doors. The Project Sponsor shall comply with requirements from DPT and Muni in any effort to establish the proposed loading zone in order to insure that any such loading zone does not result in serious Muni or traffic conflicts. This includes appropriate hours of operation and limitation of operation of the loading zone when such zone space is needed for Muni Bus queuing needed from time to time to replace cable car service. The Project Sponsor shall notify Planning staff of the regulations required by DPT and Muni for this specific loading zone when they are established and the loading zone is approved. Such limitations shall apply as a Condition of Approval of this motion as though fully set forth herein.

**PLANNING COMMISSION**

**Case No. 2000.383X  
72 Ellis Street  
Block 327, Lot 11  
Motion No. 16284  
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Page 6**

- (2) The project sponsor shall provide an employee in the main lobby of the hotel as an attendant to monitor use of the Ellis Street curb-side loading area to ensure that no vehicles making deliveries or otherwise associated with the building and/or its operations utilize the loading area in a manner inconsistent with regulations established by DPT and Muni. The attendant shall also ensure that the street elevator is not in operation during normal times of heavy pedestrian activity. The attendant shall inform all operators of vehicles making deliveries, or involved in other activities associated with the operation or use of the building, of the loading regulations, and direct them to leave the loading area if they are in violation of any of these regulations. Such an attendant shall be on duty at all hours that are necessary to ensure proper operation of this curbside loading area. Should trucks or other vehicles that are not in any way associated with deliveries or activities specifically involving the Project site utilize the loading area, the attendant shall report any violations of the regulations of the loading area immediately to DPT. As to be determined by the Zoning Administrator in consultation with DPT, failure on the part of the project sponsor or any subsequent owner or manager of the Project site to ensure proper operation of the curb side loading area along O'Farrell Street will result in enforcement actions and may result in the removal of the curb side loading area and/or the sidewalk loading elevator.



# PLANNING DEPARTMENT

City and County of San Francisco 1660 Mission Street, Suite 500 San Francisco, CA 94103-2414

(415) 558-6378	PLANNING COMMISSION FAX: 558-6409	ADMINISTRATION FAX: 558-6426	CURRENT PLANNING/ZONING FAX: 558-6409	LONG RANGE PLANNING FAX: 558-6426
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## NEGATIVE DECLARATION

**Date of Publication of Preliminary Negative Declaration:** October 13, 2001

**Lead Agency:** Planning Department, City and County of San Francisco  
1660 Mission Street, 5th Floor, San Francisco, CA 94103

**Agency Contact Person:** Ben Helber **Telephone:** (415) 558-5968

**Project Title:** 2000.383E: 72 Ellis Street - 156-room Hotel

**Project Sponsor:** Personality Hotels, Inc.

**Project Contact Person:** Jorge Castillo, Skyline Realty, Inc. **Telephone:** (415) 861-1111

**Project Address:** 72 Ellis Street

**Assessor's Block(s) and Lot(s):** Block 327, Lot 11

**City and County:** San Francisco

**Project Description:** The project site is at 72 Ellis Street, two blocks south of Union Square and one block north of the cable car turn-around at Powell and Market Streets, east of the intersection of Ellis and Powell Streets. The project site occupies Assessor's Block 327, Lot 11, with an area of about 8,400 square feet (sq. ft.). The project site is in a C-3-R (Downtown Retail) Use District and in the Kearny-Market-Mason-Sutter Conservation District. The proposed project would consist of the demolition of an existing parking lot with basement and the construction of a hotel. The proposed 11-story, 125-foot tall structure would have 156 rooms and would be called the M-31 Hotel. A semi-enclosed trellis structure on the roof would rise to 146 feet. The hotel would contain approximately 2,400 sq. ft. of restaurant use on the first floor. Also on the first floor would be lobby areas, restrooms, offices, and a meeting space. A business center on the second floor would be approximately 400 sq. ft. The proposed hotel would have a mixture of guest rooms and business suites on floors 2 through 11. The building would include a publicly-accessible sun terrace on the roof. Total gross floor area would be 76,554 sq. ft. No on-site parking is proposed as part of the project. A 70.5-foot long loading zone on the 73-foot wide Ellis Street frontage is proposed to provide for passenger and freight loading.

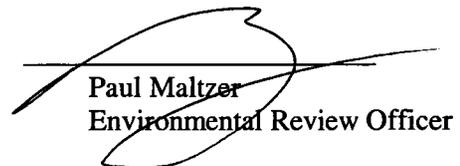
**Building Permit Application Number, if Applicable:** None, yet.

### THIS PROJECT COULD NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance) and 15070 (Decision to Prepare a Negative Declaration), and the following reasons as documented in the Environmental Evaluation (Initial Study) for the project, which is attached. Mitigation measures, if any, are included in this project to avoid potentially significant effects: see attached Initial Study, pp. 2-35.

In the independent judgment of the San Francisco Planning Department, there is no substantial evidence that the project could have a significant effect on the environment.

Final Negative Declaration adopted and issued  
on November 5, 2001

  
Paul Maltzer  
Environmental Review Officer

cc: Supervisor Chris Daly  
Adam Light, NE Quadrant  
Distribution List  
LFZ/Master Decision File

2000.383E



**INITIAL STUDY**  
**2000.383E: 72 ELLIS STREET HOTEL**

**PROJECT DESCRIPTION**

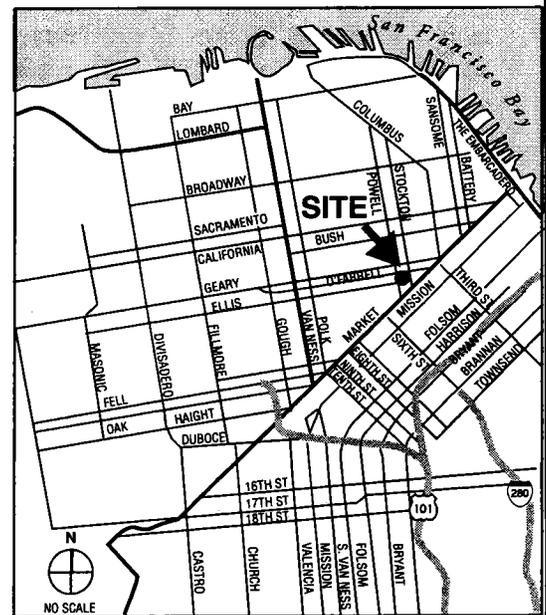
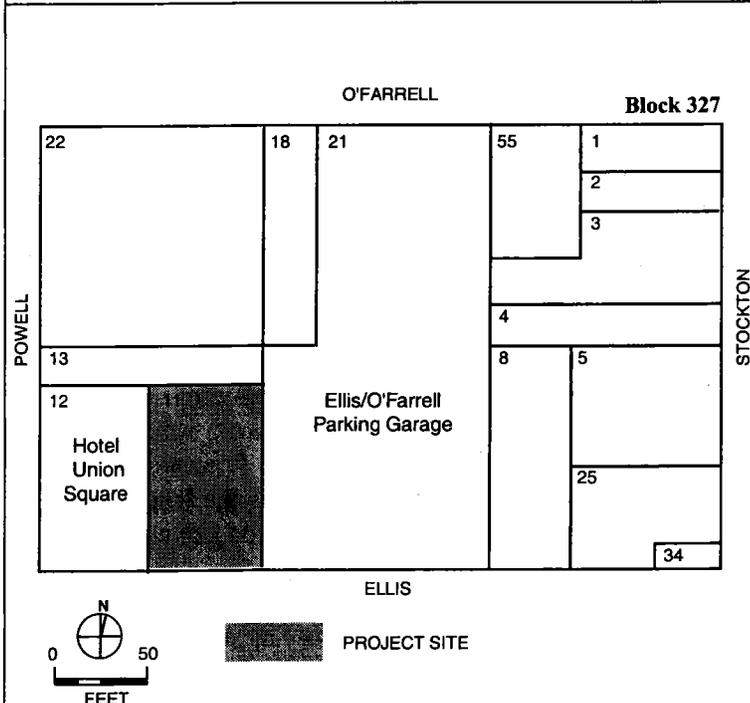
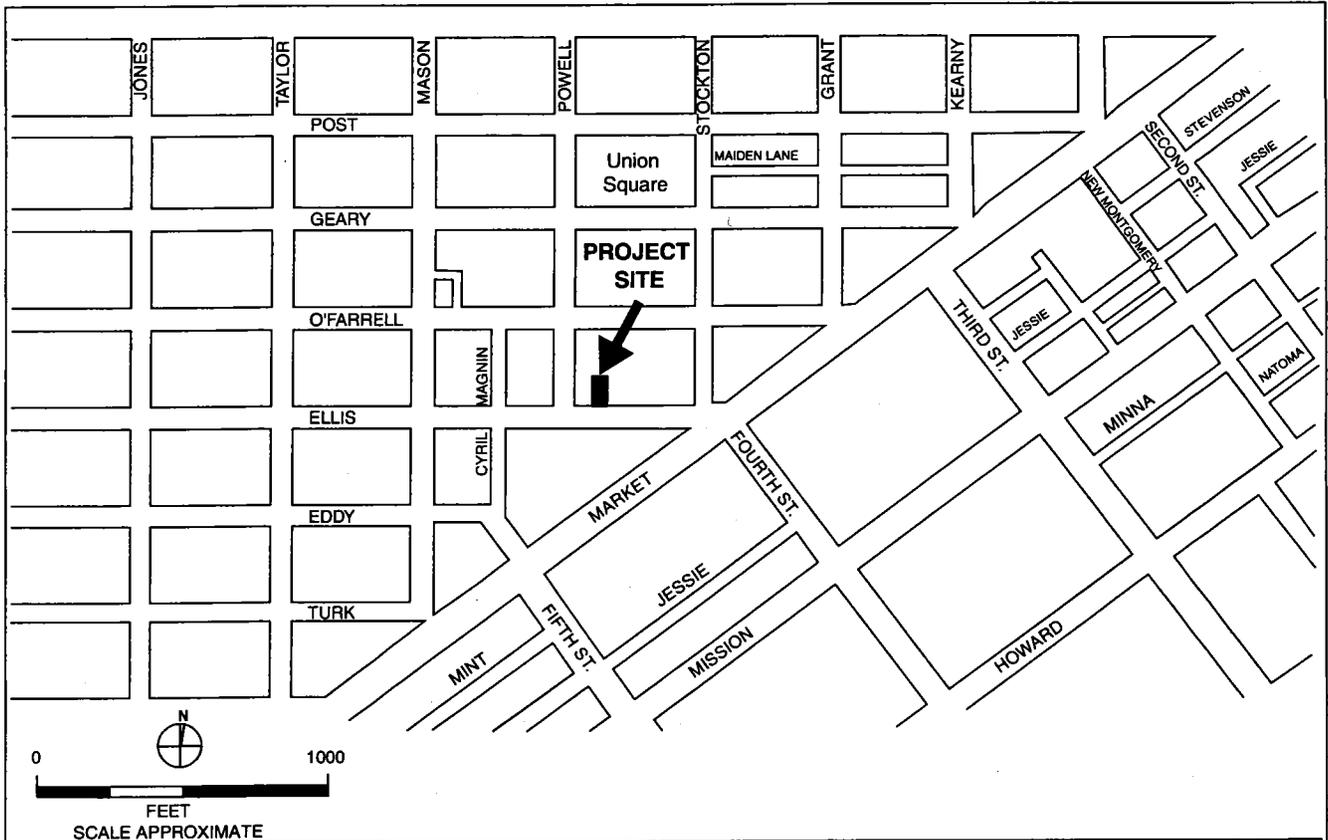
The project site is at 72 Ellis Street, two blocks south of Union Square and one block north of the cable car turn-around at Powell and Market Streets, east of the intersection of Ellis and Powell Streets. The project site occupies Assessor's Block 327, Lot 11, with an area of about 8,400 square feet (sq. ft.) (see Figure 1, Project Location). The project site is in a C-3-R (Downtown Retail) Use District and in the Kearny-Market-Mason-Sutter Conservation District. The proposed project would consist of the demolition of an existing parking lot with basement and the construction of a hotel. The proposed 11-story, 125-ft.-tall structure would have 156 rooms and would be called the M-31 Hotel. A semi-enclosed trellis structure on the roof would rise to 146 feet.

A basement level, of approximately 5,730 sq. ft., would contain service and mechanical rooms, storage areas, and a restaurant kitchen. The ground floor (first floor) would contain about 2,400 sq. ft. of restaurant space and a lobby/salon area of approximately 1,940 sq. ft. (see Figure 2, Ground-Floor Site Plan). The main lobby would be double height. The ground floor would also include a meeting room/lounge of approximately 600 sq. ft. and a reception area/office space of approximately 380 sq. ft. A business center of about 400 sq. ft. would be on the second floor. Both the conference room and the business center would be for guest use. Floors 2 through 11 would contain 156 hotel rooms; 131 standard rooms ranging from 280 to 310 sq. ft.; 21 executive rooms ranging from 340 to 370 sq. ft.; and four business suites of approximately 450 sq. ft. Executive rooms would be similar to standard hotel rooms, but slightly larger with additional desk space. Business suites would be larger still, with separate sitting and bedroom areas. A typical floor plan is shown in Figure 3, Typical Floor Plan.

The roof would contain a publicly-accessible sun terrace of approximately 2,780 sq. ft. near the south-facing facade (see Figure 4, Sun Terrace Floor Plan). A semi-enclosed trellis structure would surround the rooftop terrace. The rooftop would also contain mechanical equipment screened from view.

The building would be built out to the sidewalk to match the prevailing street wall along Ellis Street (see Figure 5, Front Elevation, and Figure 6, East Elevation). The front elevation would have two-story structural concrete and glass wall divisions above the ground floor. Windows would be recessed behind the structural concrete frame. A concrete cornice would project approximately three feet from the facade at the 83-foot elevation level, continuing the cornice line of the adjacent buildings. To further accentuate the cornice line, windows above the 83-ft. elevation (8<sup>th</sup> to 11<sup>th</sup> floors) would be recessed further behind the structural frame than those windows below. The ground floor would be clad in a light-colored stone or similar material. Window and doorway glazing along the length of the building at ground level would be nearly continuous. A canopy would extend over the sidewalk at the hotel entrance.

The Project Sponsor, Personality Hotels, Inc., has agreed to implement the following measures as part of the project: (1) hire a full-time staff person (valet) to manage the curbside passenger and freight loading activities (seven days a week from 7:00 AM to 11:00 PM), such that no vehicles would be allowed to park or stop at the Ellis Street passenger loading zone unless they are actively involved in loading and unloading activities, and (2) during project construction, limit construction truck traffic between 9:00 AM and 3:00 PM to minimize disruption of the general traffic flow on adjacent streets during peak hours.



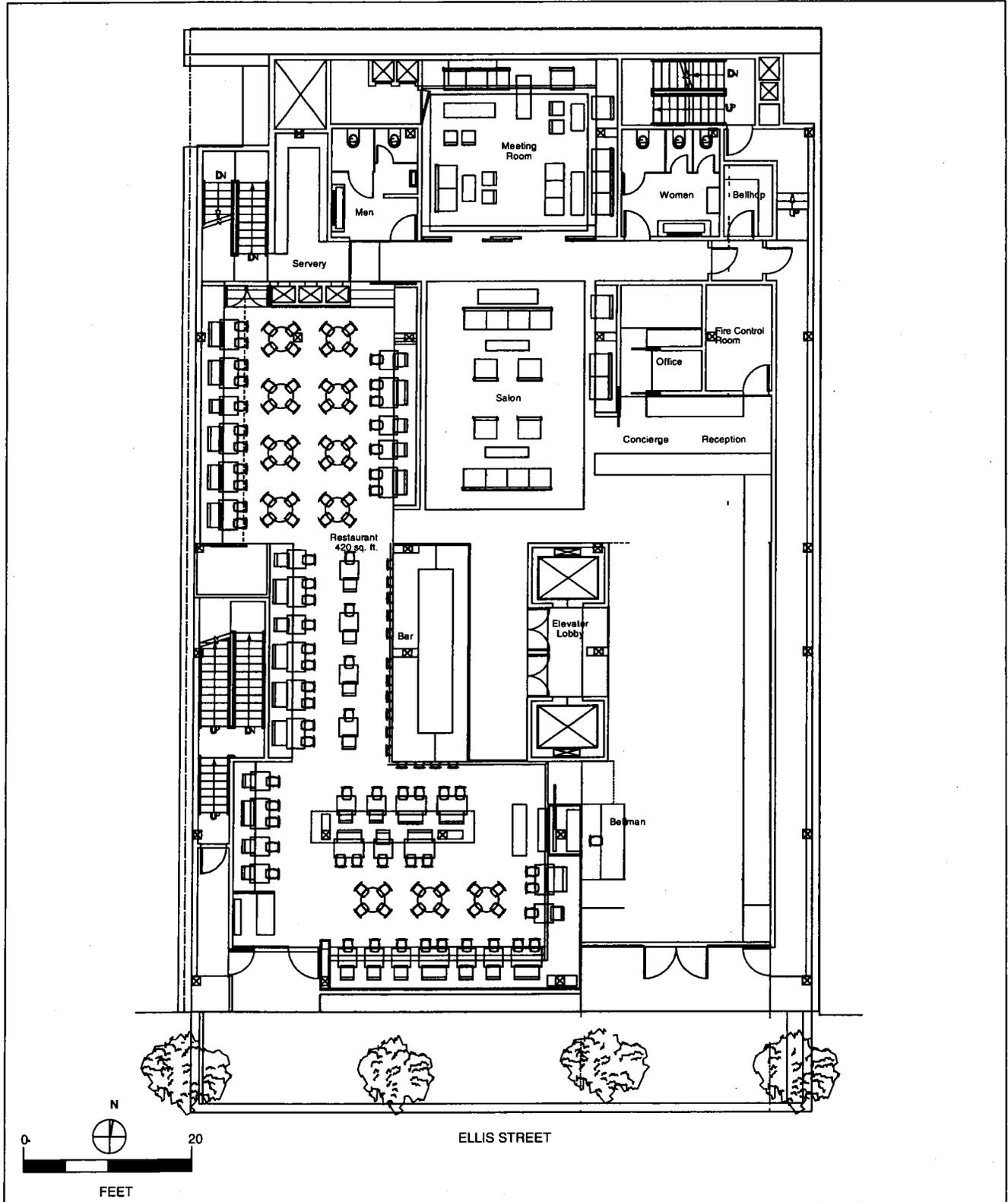
SOURCE: EIP Associates



M-31 HOTEL

FIGURE 1: PROJECT LOCATION

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION



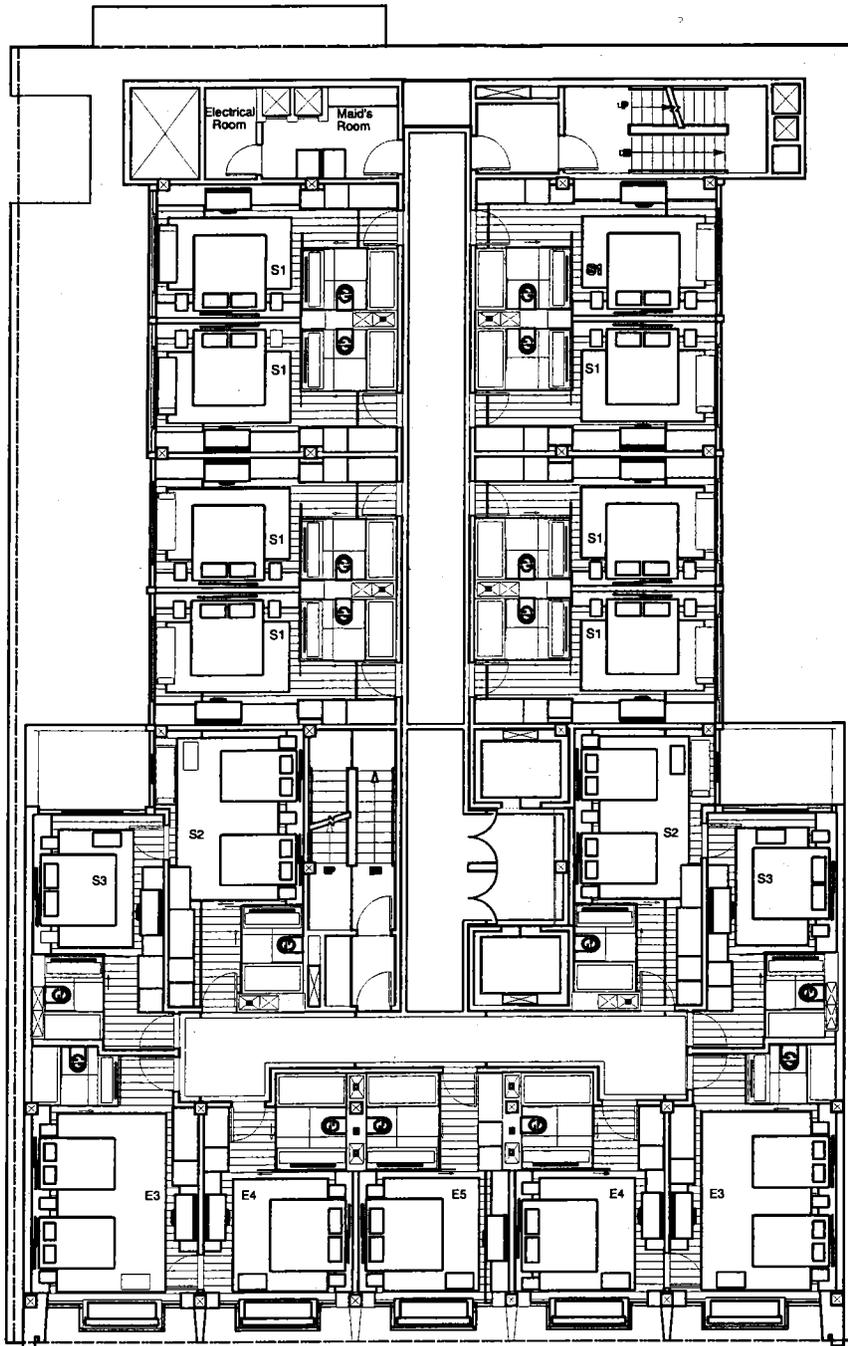
SOURCE: Gabellini Associates

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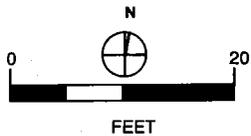
M-31 HOTEL

FIGURE 2: GROUND FLOOR SITE PLAN

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION



ELLIS STREET



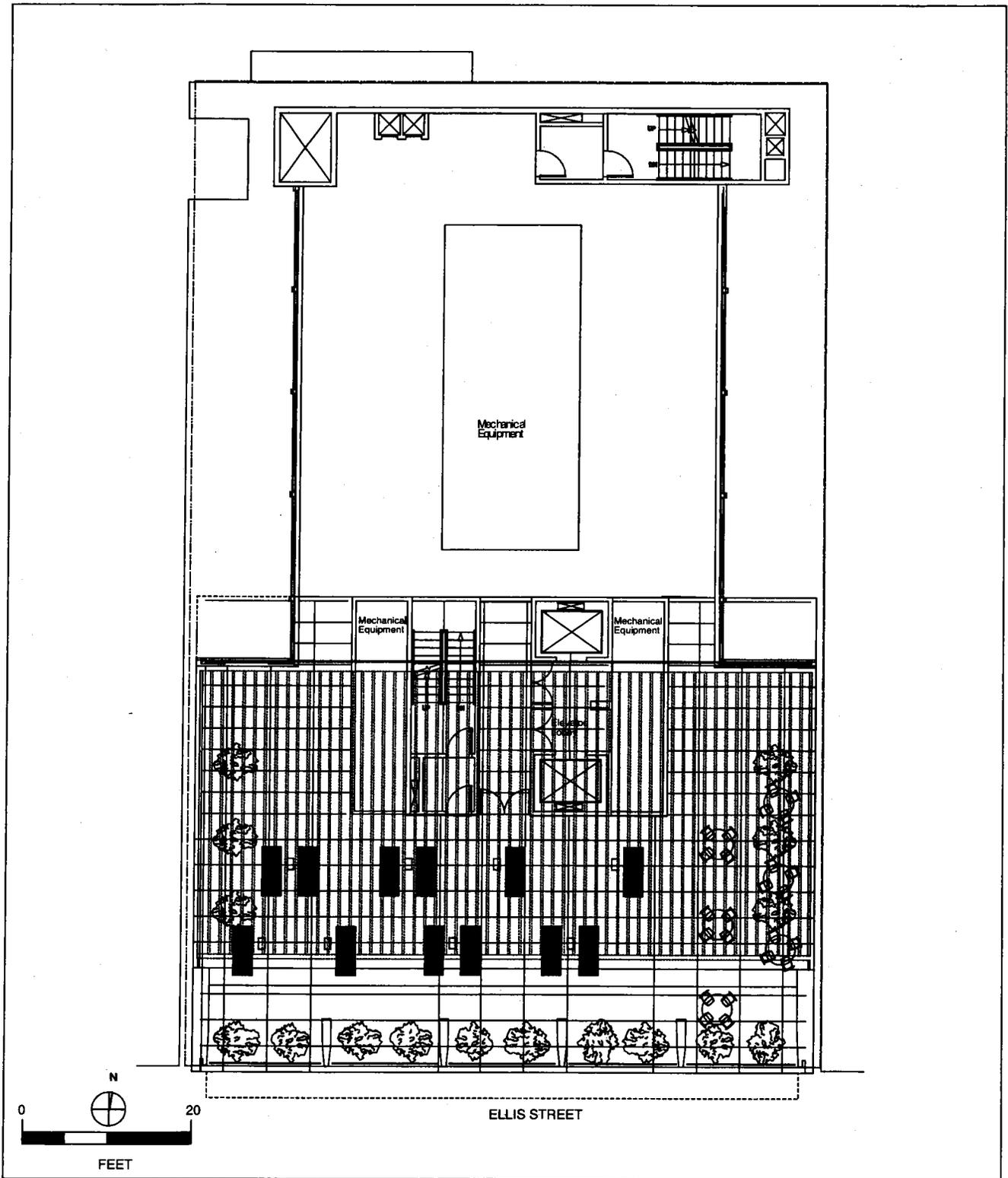
SOURCE: Gabellini Associates

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M-31 HOTEL

FIGURE 3: TYPICAL FLOOR PLAN

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION



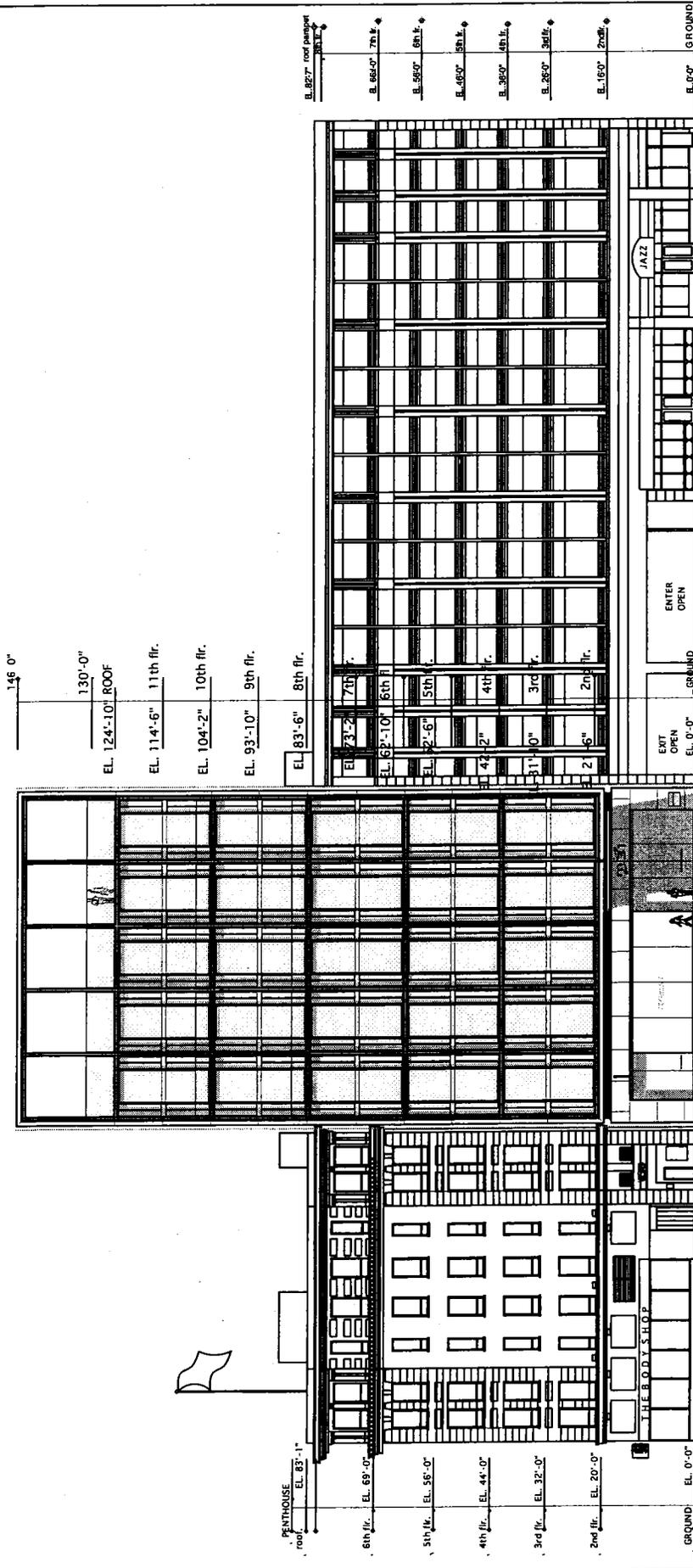
SOURCE: Gabellini Associates

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M-31 HOTEL

**FIGURE 4: SUN TERRACE FLOOR PLAN**

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION



HOTEL UNION SQUARE

M-31 HOTEL

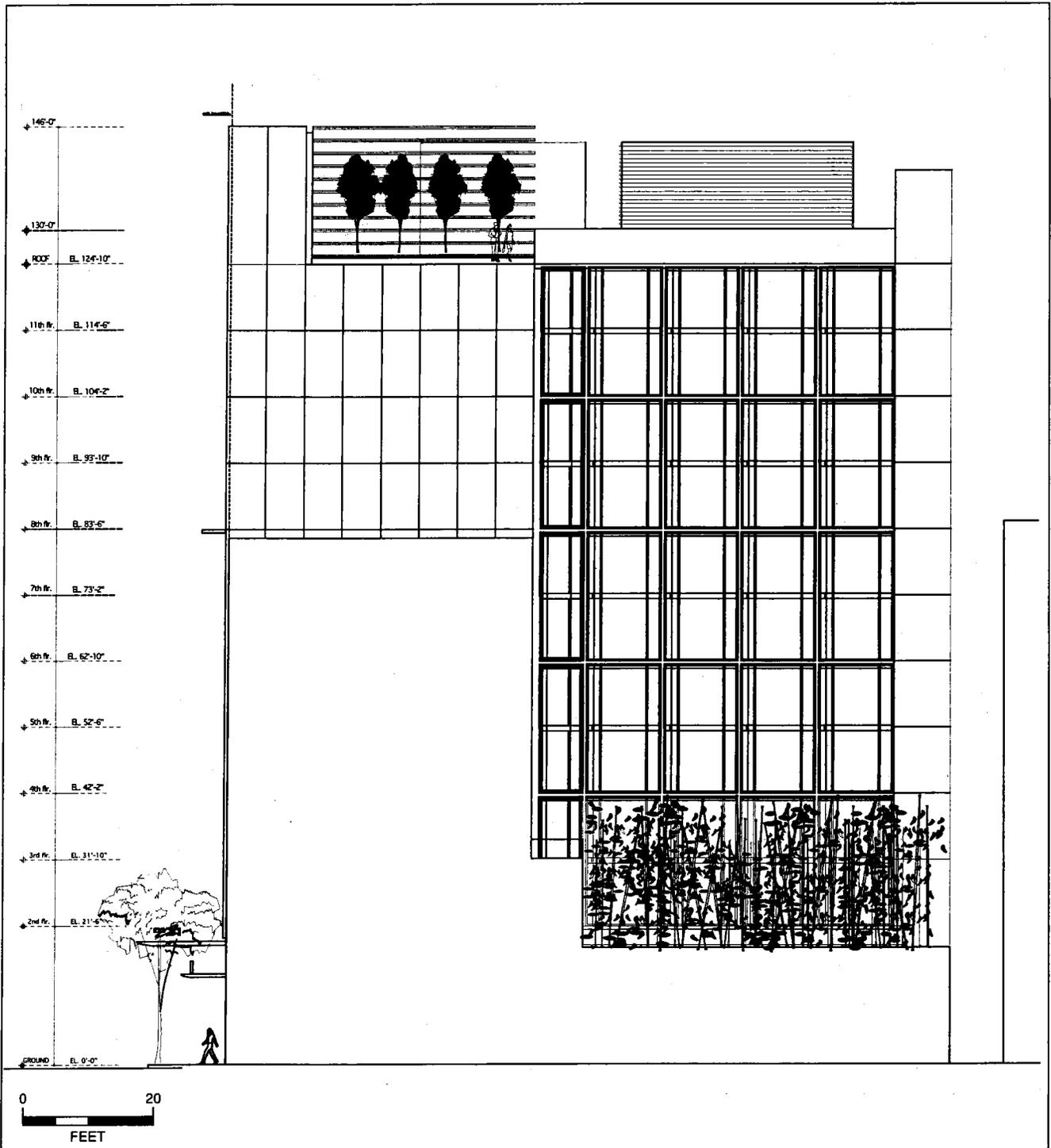
ELLIS O'FARRELL PARKING

EIP  
M-31 HOTEL

**FIGURE 5: FRONT ELEVATION**

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION

SOURCE: Gabellini Associates



SOURCE: Gabellini Associates

EIP

M-31 HOTEL  
**FIGURE 6: EAST ELEVATION**

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION

A 70.5-ft.-long loading zone on the 73-ft.-wide Ellis Street frontage is proposed to provide for passenger and freight loading. Most of the existing red zone along the site frontage would be redesignated a white zone to accommodate passenger and freight loading. Approximately 2.5 ft of the curb at the eastern edge of the site frontage would remain red to facilitate vehicles exiting from the Ellis/O'Farrell garage. In addition, pavement markers, such as reflective "dots," would be placed between the garage and the proposed loading zone to discourage drivers leaving the garage from entering the loading area.

An existing sidewalk elevator on Ellis Street within the Hotel Union Square frontage, just west of the project site frontage, is proposed to be relocated approximately eight feet to the east to provide direct service access to the M-31 Hotel basement. The Hotel Union Square is also owned and operated by the M-31 Hotel Project Sponsor. The sidewalk elevator would be linked within the basement of the M-31 Hotel. After relocation, the elevator opening in front of the Hotel Union Square would be sealed with concrete to match the surrounding sidewalk. In the event that the relocated sidewalk elevator is not permitted, the existing sidewalk elevator would be reused, with a basement level connection to the M-31 Hotel. As a final option, if neither the existing nor the relocated sidewalk elevators are permitted, the hotel would be serviced through an entrance on the ground floor on the west side of the building frontage. An internal lift would access the hotel basement in this location.

The total floor area of the project would be 76,554 sq. ft. and the FAR would be 9.0 to 1. Construction of the project is anticipated to begin in early 2002. The construction period, including demolition, would take approximately 15 months.

## **PROJECT SETTING**

As shown in Figure 1, the project site is two blocks south of Union Square and one block north of the cable car turn-around at Powell and Market Streets, east of the intersection of Ellis and Powell Streets. The project site occupies Assessor's Block 327, Lot 11, with an area of about 8,400 sq. ft. The project site is in the C-3-R (Downtown Retail) Use District and in the Kearny-Market-Mason-Sutter Conservation District. The C-3-R Use District serves as a regional center for comparison shopper retailing and direct consumer services. The District covers a compact area with a distinctive urban character, consists of uses with cumulative customer attraction and compatibility, and is easily traversed by foot. Zoning in the area near the project site is primarily C-3-R, with P (Public District) Zoning Districts to the east for the Ellis/O'Farrell Parking Garage and for Union Square to the north. The C-3-G (Downtown General Commercial) Zoning District lies west of Powell Street; this district is composed of a variety of uses that include retail, offices, hotels, entertainment, clubs and institutions, and high-density residential. The project site is in the 80-130-F Height/Bulk District (80-ft. height limit; 130-ft. height allowed by exception). Office and retail buildings in the area generally range from two to eight stories. The Flood Building at 890 Market Street directly south of the project site is 14 stories. Buildings in the area generally cover the majority of their site and are built out to the sidewalk.

Land uses in the immediate vicinity of the proposed project are a mix of retail, office, hotel, and parking. Office above retail is the predominant use to the north, south, and west of the site. There are approximately 12 hotels within a one-block radius of the site, and immediately west and north of the project site is the Hotel Union Square at 114 Powell Street, also owned by the Project Sponsor. Immediately east of the project site is the Ellis/O'Farrell Parking Garage, owned by the City and County of San Francisco, with capacity for about 820 cars.

The existing use of the project site, owned by the Project Sponsor, is an attendant-operated surface parking lot with one level of underground parking, with a capacity of 75 spaces. About 22 spaces

currently are allocated for overnight use by the Hotel Union Square, and about 13 spaces are used for hotel guest parking during the daytime. The remaining 62 spaces are open to public use during the day. The parking lot would be demolished to accommodate the proposed hotel.

**COMPATIBILITY WITH EXISTING ZONING AND PLANS**

	<u>Not Applicable</u>	<u>Discussed</u>
1. Discuss any variances, special authorizations, or changes proposed to the City <i>Planning Code</i> or Zoning Map, if applicable.	-	<u>X</u>
2. Discuss any conflicts with any adopted environmental plans and goals of the City or Region, if applicable.	-	<u>X</u>

The *San Francisco Planning Code (Planning Code)*, which incorporates by reference the City's Zoning Maps, governs permitted uses, densities, and the configuration of buildings within San Francisco. Permits to construct new buildings (or to alter or demolish existing ones) may not be issued unless either the proposed project conforms to the *Planning Code*, or an exception is granted pursuant to provisions of the *Planning Code*.

The *Planning Code* allows a hotel with fewer than 200 rooms as a conditional use in the C-3-R Use District, which would require the project to obtain a Conditional Use Authorization from the Planning Commission. In addition, the project would require Planning Commission review for compliance with the downtown provisions of Section 309 of the *Planning Code*. As part of this review process, the Planning Department would review the project for conformance with Section 7 of Appendix E to Article 11, which contains the Standards and Guidelines for Review of New Construction and Certain Alterations in the Kearny-Market-Mason-Sutter Conservation District (see Cultural, p. 29 for further discussion). The 80-130-F Height/Bulk District permits construction to a height of 80 ft., and up to 130 ft. with an exception under *Planning Code* Section 263.8. The height of the proposed hotel would be about 125 ft. at the roof, requiring such an exception. The trellis would rise an additional 21 ft. to a height of 146 ft., [this feature would not count towards the building's height per *Planning Code* Section 260(b)].

The total floor area of the project would be 76,554 sq. ft. and the Floor Area Ratio (FAR) would be 9:1. In the C-3-R District, a 6:1 FAR is allowed by right, with a maximum allowable FAR of 9:1 through the use of transferable development rights (TDR) under Section 128 of the *Planning Code*. TDRs are transferred from unused FAR from a site containing a Significant or Contributory building under Article 11. The proposed project would require purchase of TDRs to exceed the base FAR of 6:1, and would need written certification from the Zoning Administrator that the Project Sponsor owns the required number of TDRs prior to the issuance of a site or building permit.

Environmental plans and policies directly address environmental issues and/or contain targets or standards which must be met in order to preserve or improve characteristics of the City's physical environment. The proposed project would not obviously or substantially conflict with any such adopted environmental plans or policies.

The City's General Plan, which provides general policies and objectives to guide land use decisions, contains some policies which relate to physical environmental issues. The proposed project would not obviously or substantially conflict with any such policy. In general, potential conflicts with the General

Plan are considered by decision makers independently of the environmental review process, as part of the decision whether to approve or disapprove a proposed project. Any potential conflict not identified here could be considered in that context, and would not alter the physical environmental effects of the proposed project.

In November 1986, the voters of San Francisco approved Proposition M, the Accountable Planning Initiative, which added Section 101.1 to the *Planning Code* to establish eight Priority Policies. These policies are: preservation and enhancement of neighborhood-serving retail uses; protection of neighborhood character; preservation and enhancement of affordable housing; discouragement of commuter automobiles; protection of industrial and service land uses from commercial office development and enhancement of resident employment and business ownership; maximization of earthquake preparedness; landmark and historic building preservation; and protection of open space. Prior to issuing a permit for any project which requires an Initial Study under CEQA, and prior to issuing a permit for any demolition, conversion, or change of use, and prior to taking any action which requires a finding of consistency with the General Plan, the City is required to find that the proposed project is consistent with the Priority Policies. The case report for the Conditional Use Authorization and/or subsequent motion for the Planning Commission will contain the analysis determining whether the proposed project is in compliance with the eight Priority Policies.

## ENVIRONMENTAL EFFECTS

All items on the Initial Study Checklist have been checked "No," indicating that, upon evaluation, staff has determined that the proposed project could not have a significant adverse environmental effect. Several of those Checklist items have also been checked "Discussed," indicating that the Initial Study text includes discussion about that particular issue. For all of the items checked "No," without discussion, the conclusions regarding potential significant adverse environmental effects are based upon field observation, staff experience, and expertise on similar projects, and/or standard reference material available within the Department, such as the Department's Transportation Impact Analysis Guidelines For Environmental Review, or the California Natural Diversity Data Base and maps, published by the California Department of Fish and Game. For each checklist item, the evaluation has considered the impacts of the project both individually and cumulatively.

1. <u>Land Use</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Disrupt or divide the physical arrangement of an established community?	—	<u>X</u>	<u>X</u>
b. Have any substantial impact upon the existing character of the vicinity?	—	<u>X</u>	<u>X</u>

The proposed project would change the use of the project site from parking to a hotel, but would not substantially change the land use in the neighborhood. Land uses in the vicinity include retail, hotel, office, and parking. Most buildings have ground-floor retail space. Retail buildings and office with ground-floor retail and restaurant uses predominate on Ellis Street between Stockton and Mason Streets and on Powell Street, between Market and O'Farrell Streets. The proposed hotel with ground-floor restaurant use would be compatible with the character of the surrounding neighborhood and would not disrupt or divide an established community.

2. <u>Visual Quality</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Have a substantial, demonstrable negative aesthetic effect?	-	<u>X</u>	<u>X</u>
b. Substantially degrade or obstruct any scenic view or vista now observed from public areas?	-	<u>X</u>	<u>X</u>
c. Generate obtrusive light or glare substantially impacting other properties?	-	<u>X</u>	<u>X</u>

Building heights in the project vicinity range from two- to three-story commercial structures, 20 to 45 ft. tall, to seven- to nine-story retail and office buildings, 80 to 120 ft. tall. The Flood Building, directly across Ellis Street from the project site, is 14 stories and approximately 170 feet tall. From the street level on Ellis Street, existing short-range views of the project site are limited to the at-grade parking lot, the Hotel Union Square west and north of the project site, and the Ellis/O'Farrell Parking Garage to the east. Both the Hotel Union Square and the Ellis/O'Farrell Parking Garage are about 83 feet tall. These two buildings to either side of the project site are built out to the sidewalk to a height of about 83 ft. (see Figure 7, View of Ellis Street Looking East). From other public places near the project site, such as Hallidie Plaza, the Powell Street Cable Car turn-around, and Union Square, the project site is not visible. Architectural features on the Hotel Union Square and the Ellis/O'Farrell Parking Garage form a strong cornice line. The ground floors of these buildings also form a strong horizontal beltcourse.

The proposed hotel building would be built out to the sidewalk creating a continuous streetwall with the adjacent buildings. The building would rise to a height of 125 feet, with an open trellis structure rising an additional 21 feet, to approximately 146 feet (see Figure 5). Although the project would be taller than the adjacent Hotel Union Square and the Ellis/O'Farrell Parking Garage, it would not affect any scenic views or vistas from public areas (such as Union Square and Hallidie Plaza) because of existing surrounding development. Because the project site is in the Kearny-Market-Mason-Sutter Conservation District, the project would be reviewed for compatibility with other contributory buildings in that district by Planning Department staff and the City Planning Commission, as provided by Article 11 of the *Planning Code*. In general, the proposed project would continue and reinforce the architectural features of the adjacent buildings. While some of the proposed design features would introduce certain unique or contemporary elements in the Conservation District (i.e. two-story vertical structural and glass wall divisions), the project's composition and massing, scale, materials and colors, and detailing and ornamentation would be generally responsive to the Article 11 design criteria (see Cultural below, for further discussion). As a result, the proposed hotel would not have a substantial adverse impact on aesthetics.

Brightly lit storefronts, signs, and street lighting all contribute to existing nighttime lighting conditions in the project vicinity. Nighttime lighting at the project site would change from security lighting for the existing parking lot to nighttime lighting for the ground-floor restaurant and lobby, and the hotel rooms above, and would not be substantially different from the existing nighttime lighting in the project vicinity. Windows would use non-reflective glass, and would not be a substantial source of glare. Therefore, the proposed project would not create new obtrusive light and glare that would significantly impact other properties.



SOURCE: EIP Associates

EIP

M-31 HOTEL

**FIGURE 7: VIEW OF ELLIS STREET LOOKING EAST**

PRELIMINARY DRAFT--NOT REVIEWED FOR ACCURACY--SUBJECT TO REVISION

3. <u>Population</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Induce substantial growth or concentration of population?	-	<u>X</u>	<u>X</u>
b. Displace a large number of people (involving either housing or employment)?	-	<u>X</u>	<u>X</u>
c. Create a substantial demand for additional housing in San Francisco, or substantially reduce the housing supply?	-	<u>X</u>	<u>X</u>

While potentially noticeable to the immediately adjacent neighbors, the increased pedestrian trips associated with the project would not substantially increase the existing area-wide population, and the resulting density would not exceed levels which are common and accepted in urban areas such as San Francisco. Therefore, the project's contribution to an increase in the area's population would not be considered a significant effect.

The proposed project would generate about 45 new hotel jobs and another 50 restaurant jobs, for a total of approximately 95 new jobs.<sup>1</sup> A maximum of approximately 25 hotel and restaurant employees would be working at the project site at midday. The project would displace one parking attendant job associated with the existing parking lot. However, this individual would be shifted to another parking lot in San Francisco operated by the same company (Execupark, Inc.).<sup>2</sup> As a result, there would be no loss of employment associated with the project.

Some employees working at the new hotel would already live and work in San Francisco and would merely change job locations to work at the project site. Others may not live in the City but for reasons other than their job location would choose to remain at their present residential location. A few employees in the new hotel may be new to the area; some of these people would find housing in existing vacant units in San Francisco or elsewhere in the Bay Area or in new construction in the City or the rest of the region. As it would not be possible to determine with certainty how many of those employees would seek new residential construction, and where they might live, determination of where that new construction would occur would be speculative. No housing units exist on the project site, and none would be displaced as a result of the project. The project would not create a substantial demand for additional housing nor would it reduce the housing supply. As a result, the project's effect on housing would not be considered significant.

4. <u>Transportation/Circulation</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system?	-	<u>X</u>	<u>X</u>
b. Interfere with existing transportation systems, causing substantial alterations to circulation patterns or major traffic hazards?	-	<u>X</u>	<u>X</u>

- |    |   |   |          |          |
|----|---|---|----------|----------|
| c. | Cause a substantial increase in transit demand which cannot be accommodated by existing or proposed transit capacity? | — | <u>X</u> | <u>X</u> |
| d. | Cause a substantial increase in parking demand which cannot be accommodated by existing parking facilities?           | — | <u>X</u> | <u>X</u> |

In the vicinity of the proposed project, Powell Street is designated in the *San Francisco General Plan* as a Transit Oriented street, and Stockton Street and O'Farrell Street are Transit Preferential streets. Ellis Street, between Stockton and Powell Streets, has two eastbound lanes and one westbound lane plus a 135-ft. right-turn lane from the exit of the Ellis/O'Farrell Parking Garage to Powell Street. Ellis Street has on-street parking on both sides of the street. Powell Street is closed to vehicles between Market Street and Ellis Street, where it becomes the cable car turn-around. North of Ellis Street, Powell Street is a north-south roadway with one travel lane in each direction shared by cars and the cable car. Because of existing one-way street patterns in the vicinity, traffic volumes on this block of Ellis Street are relatively low.

Existing traffic volumes on Ellis Street range from 205 vehicles per hour (9:00 AM to 10:00 PM) to 540 vehicles per hour (4:00 to 5:00 PM) in both directions. Compared to its capacity, estimated to be 570 vehicles per direction per hour, the resulting volume to capacity (V/C) ratio is approximately 18% to 47%. Sources of traffic on this block are Stockton Street, the Ellis/O'Farrell Parking Garage, service vehicles at the Flood Building loading entrance on Ellis Street, and the existing site parking lot.

*Traffic.* Under the supervision of the Planning Department, a transportation study was prepared to evaluate the transportation impacts of the proposed project.<sup>3</sup> Based on counts of vehicle trips from the existing parking at the site, vehicle trips made by valet operations, and on trip generation rates in the Planning Department's Transportation Impact Analysis Guidelines,<sup>4</sup> the proposed project would generate 64 net new vehicle trips during the PM peak hour (32 outbound and 32 inbound). Inbound traffic to the proposed project on Ellis Street would come from Stockton Street, and outbound traffic from the proposed project would use westbound Ellis Street. The transportation study evaluated the effects of these net new trips on two intersections in the project vicinity: Ellis Street/Powell Street, and Ellis Street/Stockton Street/Market Street. Under Existing-Plus-Project conditions, the two study intersections would continue to operate at the same acceptable levels of service (LOS) B as under Existing conditions, with no significant changes to delays at either intersection.

The transportation study also evaluated effects on traffic operations at the study intersections with the implementation of traffic improvement measures on Stockton Street between O'Farrell Street and Ellis Street. These measures are being undertaken by the San Francisco Department of Parking and Traffic with completion expected by late-2001. The improvement measures consist of: 1) removing the existing Muni boarding island on Stockton Street at Ellis Street, 2) relocating that bus stop to the west curb lane of Stockton Street south of O'Farrell Street, 3) changing the lane configuration on the southbound approach of the Ellis Street/Stockton Street/Market Street intersection to two through traffic lanes and one shared right-turn-only bus lane, 4) widening the western sidewalk of Stockton Street by two ft., 5) building bulb-outs at the southwest and southeast corners of Ellis Street/Stockton Street/Market Street, 6) introducing an exclusive pedestrian scramble phase signal at Ellis Street/Stockton Street/Market Street, and 7) extending the existing diamond lane (transit-only) on Stockton Street from O'Farrell Street to Market Street to link eventually with a Fourth Street diamond lane south of Market Street. The analysis indicates that the Ellis Street/Stockton Street/Market Street intersection would operate at the same LOS B with those proposed changes to Stockton Street, with slight reductions in delay of vehicles at these intersections, even with implementation of the proposed

project. The reduced delay at the Ellis Street/Stockton Street/Market Street intersection would be due to the creation of the combined right-turn-only bus lane which might delay cars turning right from the southbound approach of the intersection during bus loading/unloading, but would no longer delay through traffic. Therefore, traffic impacts associated with the project would not be significant relative to the existing or future capacity of the surrounding street system.

*Parking.* The project site is in the C-3-R District and, under Section 161(c) of the *Planning Code*, is exempt from off-street parking requirements; the project does not propose any off-street parking spaces. Hotel guest parking would be provided by valet service. Valet parking operators would take cars from the project site to the Metropolis Hotel parking lot three blocks away on Mason Street. As part of the proposed project, the Project Sponsor would require the valet parking operator to take Ellis Street westbound to Mason Street, turn left on to Mason Street, and turn right into the parking lot. From the Metropolis Hotel parking lot on Mason Street to the project site, valet operators would use Mason Street southbound, Turk Street westbound, Taylor Street northbound, O'Farrell Street eastbound, Stockton Street southbound and turn right onto Ellis Street to access the project site.

The Project Sponsor also intends to provide hotel guests with the inbound and outbound routes to and from the proposed project site. Coming from the south, hotel guests would be directed to use Third Street, Geary Street, Stockton Street to Ellis Street. Guests leaving the hotel would be directed to use Ellis Street, Powell Street, O'Farrell Street, and Stockton Street to Fourth Street, I-80 or I-280; or Ellis, Powell, and Geary Streets to access western San Francisco; or Ellis, Powell, Post, and Kearny Streets to access northern San Francisco or the North Bay. Hotel promotional materials and other publications would include such route information.

In addition to the existing parking lot at the project site and the Hotel Metropolis parking lot on Mason Street, two major public garages are in the project vicinity: the Ellis/O'Farrell Parking Garage adjacent to the project site and the Union Square Garage two blocks north of the project site. The Union Square Garage is currently operating while park renovations are occurring above-ground. The total number of off-street parking spaces at these four facilities is about 2,133, with a combined 97% weekday midday occupancy and 93% Saturday midday occupancy.

The capacity of the existing site parking lot is 75 cars. Approximately 22 spaces are allocated for overnight use by the Hotel Union Square. During the day, about 13 spaces are used for Hotel Union Square guest parking, and the remaining 62 spaces are open to the public, with midday occupancy of about 58 spaces. Of the 58 spaces, 15 spaces are used by long-term monthly customers and the remaining 43 spaces are used by short-term public parking.

The parking lot at the Hotel Metropolis that is proposed for use by the project also has 75 spaces. About 60 of those spaces are currently used by overnight hotel guests from four San Francisco hotels (Hotel Metropolis, Hotel Diva, Kensington Park Hotel, and Steinhart Hotel) operated by the Project Sponsor. Daytime guest occupancy is about 35 spaces, with the remaining 40 spaces open to the public, with midday occupancy of about 32 spaces. Of the 32 parking spaces, approximately 30 spaces are used by monthly customers and the remaining 2 spaces are used by short-term public parking.

The project parking demand would be represented by the demand generated by the proposed hotel plus the demand generated by the adjacent Hotel Union Square, which currently uses a portion of the parking spaces on the project site. The project proposes to accommodate the parking demand of the proposed hotel and the Hotel Union Square at the Hotel Metropolis parking lot on Mason Street. Based on the methodology in the Planning Department's Transportation Impact Analysis Guidelines, the combined parking demand of the project and the Hotel Union Square would be 61 spaces for overnight hotel guest parking and 34 spaces for daytime parking. Combined with the existing parking

demand (discussed above) at the Hotel Metropolis, the total parking demand of the proposed project, Hotel Union Square, plus the four other hotels managed by the Project Sponsor, would be 121 overnight parking spaces and 69 daytime parking spaces.

With a capacity of 75 spaces, the Hotel Metropolis parking lot would be able to meet the combined demand for daytime hotel guest parking, but would experience a shortfall of 46 overnight spaces. The Project Sponsor proposes to accommodate this overflow of 46 spaces at the garage adjacent to the Hotel Metropolis parking lot. This garage has capacity for 100 cars, and these spaces are generally lightly used in the early evenings and after 11:00 PM. The current occupancy of the adjacent garage is 90 cars on a weekday midday.

While daytime and overnight hotel guest parking could be accommodated by the Project Sponsor's other parking facilities, the project would displace 58 spaces used by the public during midday at the existing parking lot. In addition, the proposed project would displace 26 non-hotel related cars currently parking at the Hotel Metropolis lot by shifting the project demand and the Hotel Union Square demand to the Metropolis lot. As such, the proposed project would result in a deficit of approximately 84 public parking spaces, requiring drivers to compete for a decreased supply of parking relative to demand in the area.

The parking capacity available at the Union Square and the Ellis/O'Farrell garages would be sufficient to accommodate the project's additional combined demand on midday weekends only. On midday weekdays, however, parking occupancy rates could exceed the capacity of these two parking facilities.

This increased parking deficit would force some drivers to look for parking outside the immediate area. The long-term effect of the deficit could be to discourage auto use and encourage the use of local transit; it could also encourage construction of additional parking facilities or measures to increase the supply within existing and proposed facilities. Given the relatively small number of public parking spaces that would be eliminated by the project and the relatively brief period of time when such a deficit would occur, the increased demand would not substantially alter the existing nature of the areawide parking situation. Therefore, the project's impacts on parking would not be considered significant.

In addition, parking shortfalls relative to demand are considered an inconvenience to drivers, but do not constitute impacts on the physical environment, as defined by the California Environmental Quality Act (CEQA). Faced with parking shortages, drivers generally seek and find alternative parking facilities or shift to different modes of travel (e.g., public transit, taxis, or bicycles). Secondary effects of the above described parking deficit could include increased traffic congestion. Because peak-hour traffic conditions would continue to be acceptable with the addition of project traffic and the frequency and extent of the parking deficit would vary depending on the time of day, those secondary effects are not expected to be significant. Therefore, the increase in parking demand resulting from the proposed project would not be considered significant.

*Pedestrian Impacts.* The Ellis Street/Powell Street and Ellis Street/Stockton Street/Market Street intersections have pedestrian crosswalks at all approaches and a walk signal for pedestrians. Both sidewalk and crosswalk conditions were observed to be operating at acceptable levels of service, allowing for normal walking speeds and freedom to pass. During the weekday PM peak hour, the proposed project would generate 137 new pedestrian trips (69 transit and 68 walk trips). Pedestrians traveling to the proposed project would use Ellis Street. Pedestrians traveling from the project would reach the adjacent intersections and disperse to Powell, Market, and Stockton Streets.

Sidewalk widths on Ellis Street generally range from 10 to 12 ft., and the width of the sidewalk in front of the proposed project on Ellis Street is 12 ft. Freight loading activities are proposed to be accommodated by a sidewalk elevator at the project site (see loading, below, for further discussion). The relocated sidewalk elevator would be approximately six-ft. by five-ft. in size. When opened, the elevator opening would reduce the effective sidewalk width to approximately three to four ft.<sup>5</sup> The narrowed sidewalk would accommodate one person comfortably, and two persons walking abreast less comfortably. While use of the sidewalk elevator could cause some inconvenience to pedestrians when it is open, this operation would be infrequent and would not substantially impact pedestrian circulation due to the generally low pedestrian volumes on Ellis Street. Therefore, the project would not have a significant impact on pedestrian traffic.

*Transit Impacts.* The proposed project site is in the heart of a major transit service area. It is one block from the Market Street transportation corridor, and the Powell Street BART and Muni Metro Station, where Muni, Muni Metro, and BART all provide service, one block from the Geary/O'Farrell transportation corridor, and one-half block away from the Stockton Street/Fourth Street transportation corridor. In addition, the project site is located within five blocks of the Transbay Terminal, within 10 blocks of ferry services at the foot of Market Street, and about 10 blocks from the Caltrain depot at Fourth and King Streets. The nearest bus stop to the project site serving the 30 line is located about half a block away on the corner of Ellis and Stockton Streets. The proposed project would generate approximately 69 weekday PM peak-hour transit trips. These 69 transit trips would be spread over 17 Muni bus lines, five Muni-metro lines, two cable car lines and other transit operators that are available in the project vicinity. This increase in transit demand associated with the project would not noticeably affect transit service in the area. Therefore, the proposed project would not have a significant impact on transit.

*Loading.* The proposed project would have a freight loading demand of 1.0 space during the average loading hour and 1.4 spaces during the peak loading hour. Most of the freight loading demand would be generated by the proposed restaurant, which would account for approximately 71% of the total daily truck trips. Restaurant delivery hours would usually occur in the morning, with more than 60% of deliveries during this period. According to the Project Sponsor, with experience operating a number of hotels with restaurants in the Union Square area, hotel delivery hours typically occur in the morning.<sup>6</sup> Sections 152.1 and 153(1) of the *Planning Code* do not require the project to provide any off-street loading spaces, and the project would not include any off-street loading spaces. Peak passenger loading demand would be two spaces, and would likely occur during peak check-in and check-out times, which would occur somewhat later than freight loading activities. The project site frontage has a 73 ft.-long curb space that is currently a red zone. The Project Sponsor proposes to apply to redesignate this curb into 70.5 ft. of white zone for loading, and keep 2.5 ft. of red zone at the eastern edge of the project frontage to facilitate vehicles exiting westbound from the Ellis/O'Farrell Garage. The Project Sponsor would be required to gain approval to redesignate the curb from the Department of Parking and Traffic (DPT) through a DPT petition process.

Based on the calculation of demand, a 70.5 ft. white curb in front of the project site would be sufficient to accommodate both freight and passenger loading for average conditions. The adequacy of the space, however, may be compromised due to a number of factors. For example, during peak check-out periods and late afternoon concentrations of activity, curb space needs may be greater than that which is available. When this occurs, double-parking in front of the project site may occur. To reduce the potential for double-parking, the Project Sponsor intends to hire a full-time valet to manage the curbside passenger and freight loading activities such that no vehicles would be allowed to park or stop at the loading zone unless they were actively involved in loading and unloading activities.

Double-parking in front of the project site may also result as other vehicles, such as limousines and taxis competing for the limited curb space in front of the project site. As a result, drivers making a right turn (exiting westbound) from the Ellis/O'Farrell Garage may have difficulty merging into through traffic. In some cases, they may have to cross over the center line to bypass double parked cars. In a conservative scenario, vehicles would be double parked in the eastbound direction at the same time, leaving only one lane in the eastbound direction by which cars in either direction could travel. Stretch limousines typically serve hotels based on need and have no fixed schedule or route. Consequently, it is difficult to estimate the frequency and duration that these types of vehicles would use the white zone. Stretch limousines were not observed during any field surveys of similar boutique hotels in the area and the frequency of stretch limousines using the white zone is likely to be low. A second type of limousine, typically a normal sized sedan, could also serve the proposed project. These limousines are the same size as typical passenger cars, therefore, would not occupy more than one parking space. Demand generated by these vehicles were accounted for above.

Taxis would also use the project loading zone, potentially contributing to double parking during peak times. Taxis typically make brief stops to pick up and drop off passengers, which would not substantially increase the demand for the white zone. However, the five-minute time limit for passenger loading in white zones is generally loosely managed and enforced and the level of compliance varies. Some hotel doormen allow taxis and limousines to park in a loading zone for an extended period of time. If this occurs there could be a temporary shortage of loading spaces and double-parking may result. As stated previously, the Project Sponsor has agreed to limit queuing at the project site to the extent possible by hiring a full-time valet to manage the curbside, allowing only those vehicles actively involved in loading and unloading operations to remain parked at the loading zone. Due to the relative infrequency of the use of these other types of vehicles, and through strict curbside management, traffic impacts associated with double-parking at the project site are not considered significant.

Finally, freight loading activities combined with passenger loading may also result in double-parking in front of the project site. As mentioned previously, most of the loading activities would take place in the morning, while passenger loading associated with check-in and check-out would occur somewhat later. While there is the potential for overlap of freight and passenger loading, double-parking associated with freight loading would not be considered significant.

To analyze the loading impacts of the proposed project on the operation of the Ellis/O-Farrell Parking Garage, a time lapse camera was used to record traffic activities along Ellis Street between Stockton and Powell Streets on Tuesday, June 26, 2001 between 9:00 AM and 6:00 PM. A total of 48 vehicles were observed double-parking on Ellis Street during the survey period. Most of these vehicles were double parked in the eastbound direction in front of the Flood Building, opposite the project site. About 43% of the 48 vehicles were large delivery trucks.

The time lapse camera also revealed that 465 vehicles entered and exited the Ellis/O'Farrell Parking Garage from Ellis Street between 9:00 am and 6:00 pm. The peak ingress and egress period was between 4:00-5:00 pm when a total of 73 vehicles were observed (49 outbound and 24 inbound). Sixty-eight percent of the peak-hour outbound vehicles exited westbound to Powell Street, past the project site. Some vehicles exiting the Ellis/O'Farrell Parking Garage west on Ellis Street make a narrow turn to transition into the westbound lane. This could create a potential conflict between vehicles exiting the parking garage and the proposed project's loading zone. The proposed 2.5 ft. of red curb, combined with an existing 2.5 ft. of red curb east of the project site would create a 5 ft. buffer for exiting cars to turn right from the Ellis/O'Farrell Garage. This red zone, combined with the pavement markers, would discourage drivers leaving the garage from entering the loading area, and

would reduce potential loading conflicts. The operation of the loading spaces at the Flood Building would not be affected by vehicle access to and from the proposed project, because the project's inbound and outbound traffic would be limited to the westbound lane on Ellis Street. Use of the eastbound lane to access the proposed hotel would require an illegal U-turn on Ellis Street. Valet parking operators would be required to use a specific route to and from the Hotel Metropolis that would avoid the Flood Building loading area. See discussion under Parking, above.

Because the project site is located directly across from the Flood Building's loading docks, where double-parked delivery trucks and autos are sometimes located on the eastbound side of Ellis Street, additional double-parked vehicles resulting from the project could restrict Ellis Street to one lane, if occurring simultaneously. Double-parking on both sides of Ellis Street could potentially affect vehicles accessing the Ellis/O'Farrell Garage. The traffic volumes and speeds on Ellis Street are relatively low. As a result, this potential scenario would not create a significant traffic impact.

Freight loading activities are proposed to be accommodated by a sidewalk elevator at the project site. The sidewalk elevator would replace the existing sidewalk elevator adjacent to the project site. The Project Sponsor proposes to remove and pave over the existing elevator and construct a replacement elevator approximately eight feet east. This would allow more direct access into the hotel basement. The Project Sponsor would be required to obtain a permit from the Department of Public Works (DPW) to relocate the sidewalk elevator. As part of the permit process, DPW would consult with DPT and the San Francisco Planning Department. Typically, the DPW does not allow construction of new sidewalk elevators and, thus, may not approve the relocation of the existing sidewalk elevator on Ellis Street. If the replacement elevator were not permitted, the existing sidewalk elevator would be used and a basement level connection would be made underneath the sidewalk. The Project Sponsor has proposed the relocation of the existing elevator because of construction difficulties under the sidewalk. There is a six-inch diameter sewer line underneath the sidewalk running perpendicular to the property line between the M-31 Hotel site and Hotel Union Square (immediately south of the existing sidewalk elevator). In order to reuse the existing sidewalk elevator, a grade change would be required at the basement level. In terms of traffic and loading impacts, there would be no difference between the two options.

If neither sidewalk elevator is permitted, freight loading activities would be accommodated through an entrance on the ground floor on the west side of the hotel frontage. To accomplish this, a lift would be included within the building to access the basement kitchen and storage areas. The proposed hotel design has an emergency exit and two sets of stairs in this location. Some internal spaces would need to be modified and some restaurant space would be lost to accommodate the lift. There would be no difference between the sidewalk elevators and the lift in terms of loading impacts. There would be some differences in the pedestrian circulation between these options. An internal lift would not cause a reduction in the sidewalk width; however, hand-carted deliveries could conflict with pedestrian circulation. Operation of the sidewalk elevator or an internal lift would not create a significant impact.

*Muni Operations/Tour Buses.* Muni currently stages buses at the Ellis Street red zone in the event that Cable Cars on Powell Street are inoperable. This red zone is 96 ft. long, from the crosswalk at Powell Street to the eastern edge of the project site. If the curb in front of the project site is redesignated as a white loading zone as proposed, the 96-ft. red curb currently used by Muni buses during Cable Car shutdowns would be reduced to approximately 62 ft., leaving enough room for only one Muni bus. Muni has stated that they require enough room to park two buses. Two options are available for Muni if the proposed white zone is permitted. As a first option, Muni would continue to use the Ellis Street curb space for passenger loading during Cable Car shutdowns. This alternative would reduce the proposed curb loading spaces in front of the proposed project to two. Project related vehicles would be

directed to use the two yellow loading zones around the corner on Powell Street. A field survey of Powell Street indicated that there are at least two available loading spaces at any time of the day. The Project Sponsor would reach an agreement with DPT to post temporary signs at these two loading spaces on Powell Street for passenger loading. Hotel valet operators would work at both locations to direct vehicles to and from the spaces on Powell Street.

As a second option, one Muni bus loading area would be moved to the two loading spaces on Powell Street, and the other one would remain on Ellis Street during Cable Car shutdowns. This option would not displace any loading space at the project site, but would change Muni's operation.

Both of these options would require an agreement among the Project Sponsor, DPT and Muni. Both would temporarily displace two loading spaces at the Hotel Union Square frontage on Powell Street. The first option would be preferable from a Muni operations standpoint as it would be easier to load and unload passengers from Ellis Street, where there is less pedestrian and vehicular traffic. These arrangements may also create, or exacerbate, potential double-parking during peak loading periods. Due to the temporary and infrequent nature of Muni operations during a cable car shutdown scenario, however, neither option would be considered a significant traffic impact.

With regard to tour bus loading, Section 162 of the *Planning Code* does not require tour bus loading areas for hotels with less than 200 rooms. As this project would have 156 rooms, there is no requirement for a tour bus loading area, nor would the project accommodate tour buses. In addition, customers of small, higher end hotels such as the M-31 Hotel would be less likely to use tour buses.

*Construction Traffic.* Construction of the project would last approximately 15 months. Excavation during the first month would result in between 4 and 15 daily truck trips to and from the site, and about 6 to 12 workers per day at the site. During the foundation, framing and interior finishing phases of the construction period, there would be between 2 and 20 trucks per day and 8 to 70 workers per day on the site. Construction truck traffic would temporarily decrease street capacity due to the slower movement and large turning-radii of trucks. This reduction in capacity would slow vehicle traffic. Given the relatively low volume of existing traffic on the project block, this would not be a substantial adverse effect. In addition, the Project Sponsor would limit the hours of construction truck movements to non-peak times (i.e. between 9:00 AM and 3:30 PM) to further reduce the impact of construction on local traffic.

During the construction period, contractors would occupy an eight-ft.-wide by 80-ft.-long section of the sidewalk on Ellis Street in front of the project site. The rest of the sidewalk width (four feet) would be used as a pedestrian walkway. Staging and truck unloading activities would occupy a section of the parking/right-turn lane for periods of time.

During the laying of the foundation, there would be up to 20 concrete trucks coming to the site. These trucks would have to come in one or two at a time, pull into the project site, discharge their concrete, then pull out for the next truck to come into the site. The 73-foot-long curb space in front of the proposed project should be sufficient for two trucks. The waiting trucks would need to park at off-site locations to be determined by the contractor. Any closure of the parking lane would need to be coordinated with the San Francisco Department of Parking and Traffic.

The presence of up to 70 construction workers on the project site per day would generate a peak parking demand of the same number. This is a conservative estimate as some construction workers would likely arrive at the project site via public transit or other modes. Worker vehicles would be accommodated in off-street parking spaces.

The nearest bus stop is at the corner of Stockton and Ellis Streets, about half a block from the project site, and would not be affected by construction activities. A bus stop located at the corner of Ellis and Powell Streets is used only if the cable car line along Powell Street is out of service. Construction activity at the project site would affect the bus stop used to substitute for Cable Car service.

As noted above, Muni would require two spaces along Ellis Street in the event of a cable car shutdown. The length of the Muni stop would be reduced to 62 feet during the construction period, which is insufficient for two buses. Temporary impacts on Muni operation would be created if Muni needs to use this stop during the construction period. Due to the uncertainty of cable car shutdowns, the likelihood of this condition cannot be predicted. In the event that the bus stop would need to be temporarily relocated, the Project Sponsor would be responsible for contacting the Muni Chief Inspector for approval prior to the start of construction. In addition, the option of temporarily relocating Muni operations to Powell Street, as discussed above, could also be implemented by the Project Sponsor. For these reasons, construction impacts on Muni operations are not considered significant.

*Cumulative Traffic.* Future year (2020) traffic conditions were obtained from the San Francisco Transportation Authority's (SFTA's) city wide transportation model, which incorporates population and employment projections from local governments in the region. The proposed project is a relatively small scale development that therefore would be assumed to be included in the SFTA's model of growth. Traffic forecasts show that the intersection of Ellis Street and Stockton Street would operate at LOS C, with delays of approximately 18.8 seconds per vehicle in the future. Traffic operations at the intersection of Powell and Ellis Streets would operate at similar conditions to the Existing-Plus-Project condition in year 2020 (LOS B). This intersection serves only local traffic. The southbound approach to this intersection, Powell Street, is essentially a stub-end intersection. Eastbound and westbound traffic on Ellis Street is not expected to change for the following reasons: Ellis Street between Market and Powell Streets serves only local uses along Ellis Street; access to Ellis Street westbound is limited to traffic from Stockton Street; access to Ellis Street eastbound is limited to traffic from Cyril Magnin Street; Ellis Street becomes a westbound-only street west of Cyril Magnin Street; and there are few sites along Ellis Street for potential development that would generate future new traffic. All study intersections would operate at acceptable levels of service with cumulative growth. The proposed project would not create a substantial contribution to cumulative traffic effects in the project vicinity.

5. <u>Noise</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Increase substantially the ambient noise levels for adjoining areas?	-	<u>X</u>	<u>X</u>
b. Violate Title 24 Noise Insulation Standards, if applicable?	-	<u>X</u>	<u>X</u>
c. Be substantially impacted by existing noise levels?	-	<u>X</u>	<u>X</u>

The existing noise environment of the downtown retail district is dominated by traffic noise. The 1984 EIR for the San Francisco Downtown Plan identifies the project vicinity as having a day-night average daily noise level (Ldn) of 71 - 75 dBA. Project operation would not result in noise levels perceptibly greater than those that presently exist in the vicinity of the site. Noise created by the project operation would be due to additional automobile traffic, truck deliveries, ventilators and other mechanical equipment, and the general coming and going of employees, hotel guests, patrons, and other visitors. An approximate doubling of traffic volumes in the area would be necessary to produce an increase in ambient noise levels noticeable to most people. As discussed above in Transportation/Circulation, the project would add 64 net new vehicles to surrounding streets during the PM peak hour and varying numbers of vehicles at other times of the day. Compared to the existing traffic range of 205 to 540 vehicles on Ellis Street during the PM peak hour, the project's addition of 64 vehicles during the PM peak hour on Ellis Street would not cause a doubling in traffic volumes, and therefore would not cause a noticeable increase in the ambient noise level in the project vicinity.

Demolition, excavation, and project construction would temporarily increase noise in the project vicinity. Construction phase operations would take about 15 months for completion. During the majority of construction activity, noise levels would be above existing levels in the project area. Construction noise would fluctuate depending on the construction phase, equipment type and duration of use, distance between noise source and listener, and presence or absence of barriers. No pile driving would occur with this project. The project's foundation would be constructed with pre-drilled concrete piers. There would be times when noise could interfere with indoor activities in nearby offices, hotels, and other businesses adjacent to the project site. Noise impacts would be temporary in nature and limited to the period of construction. Therefore, construction noise impacts would not be considered significant.

Construction noise is regulated by the San Francisco Noise Ordinance (Article 29 of the Police Code). The ordinance requires that noise levels from individual pieces of construction equipment, other than impact tools, not exceed 80 dBA at a distance of 100 ft. from the source. Impact tools, such as jackhammers and impact wrenches, must have both intake and exhaust muffled to the satisfaction of the Director of Public Works. Section 2908 of the Ordinance prohibits construction work between 8:00 PM and 7:00 AM, if noise would exceed the ambient noise level by 5 dBA at the project property line, unless a special permit is authorized by the Director of Public Works. The project demolition and construction operations would comply with the Noise Ordinance requirements. The project would be required to comply with the San Francisco Noise Ordinance, San Francisco Police Code Section 2909, Fixed Source Levels, which regulates mechanical equipment noise. Title 24 of the California Code of Regulations establishes uniform noise insulation standards for residential projects (including hotels and motels). The Department of Building Inspection would review the final building plans to ensure that the building wall and floor/ceiling assemblies meet state standards regarding sound transmission. As a result, the proposed project would not substantially impact existing noise levels.

6. <u>Air Quality/Climate</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Violate any ambient air quality standard or contribute substantially to an existing or projected air quality violation?	—	<u>X</u>	<u>X</u>
b. Expose sensitive receptors to substantial pollutant concentrations?	—	<u>X</u>	<u>X</u>
c. Permeate its vicinity with objectionable odors?	—	<u>X</u>	—

- d. Alter wind, moisture or temperature (including sun shading effects) so as to substantially affect public areas, or change the climate either in the community or region?

— X X

The Bay Area Air Quality Management District (BAAQMD) has established thresholds for projects requiring its review for potential air quality impacts. These thresholds are based on the minimum size projects which the District considers capable of producing air quality problems due to vehicular emissions. The project would not exceed this minimum standard. Therefore, no significant air quality impacts due to vehicular emissions are anticipated by the proposed project.

The foundation excavation and site grading would create the potential for wind-blown dust to add to the particulate matter in the local atmosphere while open soil is exposed. In order to reduce the quantity of dust generated during site preparation and construction, the Project Sponsor shall implement dust control measures, as described in Mitigation Measure No. 1, on p. 32.

*Shadows.* Section 295 of the *Planning Code* was adopted in response to Proposition K (passed November 1984) in order to protect certain public open spaces from shadowing by new structures during the period between one hour after sunrise and one hour before sunset, year round. Section 295 restricts new shadows upon public spaces under the jurisdiction of the Recreation and Park Department by any structure exceeding 40 ft. unless the City Planning Commission finds the impact to be insignificant. To determine whether this project would conform with Section 295, a shadow fan analysis was prepared by the San Francisco Planning Department on June 7, 2001.<sup>7</sup> This analysis determined that the project shadow would not shade public areas subject to Section 295. The shortest distance between the northern edge of the shadow fan and Union Square would be approximately 165 feet. The shortest distance between the southern edge of the shadow fan and Hallidie Plaza would be approximately 250 feet.<sup>8</sup> A copy of the shadow fan analysis is available for review at the Planning Department at 1660 Mission Street.

Because of the proposed building height and the configuration of existing buildings in the vicinity, the net new shading of street and sidewalks which would result from the project's construction would be limited in scope, and would not increase the total amount of shading above levels which are common and generally accepted in urban areas.

*Wind.* Large structures can affect street-level wind conditions. The proposed project would replace a street-level parking lot with an 11-story hotel building that would be built out to the sidewalk up to a height of 125 feet, with a trellis structure rising another 21 feet above that height. According to a wind review completed for the project, the exposure, massing, and orientation of the proposed design would not have the potential to cause significant changes to the wind environment in pedestrian areas adjacent or near the site.<sup>9</sup> Only the upper floors of the proposed project would intercept wind, and the shape and massing of these upper floors can be expected to generate only moderate wind accelerations. These wind accelerations would occur at the level of the rooftops of the adjacent Hotel Union Square and Ellis/O'Farrell Garage buildings, and thus would not affect street-level pedestrian comfort. In addition, the open trelliswork surrounding the rooftop terrace would have minimal wind impacts in terms of ground level wind, and would act as a wind baffle to shelter the public open space on the rooftop.

7. <u>Utilities/Public Services</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Breach published national, state or local standards relating to solid waste or litter control?	-	<u>X</u>	-
b. Extend a sewer trunk line with capacity to serve new development?	-	<u>X</u>	-
c. Substantially increase demand for recreation or other public facilities?	-	<u>X</u>	-
d. Require major expansion of power, water, or communications facilities?	-	<u>X</u>	<u>X</u>

The project site is well-served by existing utilities and public services. The proposed project would increase demand for and use of public services and utilities on the site and increase water and energy consumption, but not in excess of amounts expected. San Francisco consumers have recently experienced rising energy costs and uncertainties regarding the supply of electricity. The root causes of these conditions are under investigation and are the subject of much debate. Part of the problem is thought to be that the State does not generate sufficient energy to meet its demand and must import energy from outside sources. Another part of the problem may be the lack of cost controls as a result of deregulation. The California Energy Commission (CEC) is currently considering applications for the development of new power-generating facilities in San Francisco, the Bay Area, and elsewhere in the State. These facilities could supply additional energy to the power supply "grid" within the next few years. These efforts, together with conservation, will be part of the statewide effort to achieve energy sufficiency. The project would not be built and occupied until about 2003; therefore, additional generating facilities may have been completed by the time the project is in operation. The project-generated demand for electricity would be negligible in the context of the overall demand with San Francisco and the State, and would not in and of itself require a major expansion of power facilities. Therefore, the energy demand associated with the proposed project would not result in a significant physical environmental effect.

8. <u>Biology</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Substantially affect a rare or endangered species of animal or plant, or the habitat of the species?	-	<u>X</u>	<u>X</u>
b. Substantially diminish habitat for fish, wildlife or plants, or interfere substantially with the movement of any resident or migratory fish or wildlife species?	-	<u>X</u>	-
c. Require removal of substantial numbers of mature, scenic trees?	-	<u>X</u>	<u>X</u>

The project site is currently completely covered with an asphalt parking lot and does not support or provide habitat for any rare or endangered wildlife or plant species. No other important biological resources exist on the project site. No street trees would be removed as part of the project. Therefore, the project would not have significant vegetation and wildlife impacts.

9.	<u>Geology/Topography</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a.	Expose people or structures to major geologic hazards (slides, subsidence, erosion and liquefaction)?	-	<u>X</u>	<u>X</u>
b.	Change substantially the topography or any unique geologic or physical features of the site?	-	<u>X</u>	-

The Community Safety Element of the San Francisco General Plan contains maps that show areas subject to geologic hazards. The project site is located in an area subject to groundshaking from earthquakes along the San Andreas and Northern Hayward Faults and other faults in the San Francisco Bay Area (Maps 2 and 3 in the Community Safety Element). The project site is not within an area of liquefaction potential, a Seismic Hazards Study Zone designated by the California Division of Mines and Geology<sup>10</sup>, but is immediately adjacent to the boundary as designated on Map 4 of the Community Safety Element. Subsurface soil at the project site consists of about 38 ft. of dune sand over seven ft. of Bay mud over 141 ft. of mixed sand and clay.<sup>11</sup> Due to the composition of the subsurface soil, the Department of Building Inspection (DBI) would, in its review of the building permit application, require the Project Sponsor to prepare a geotechnical report pursuant to the State Seismic Hazards Mapping Act. The report would assess the nature and severity of the hazard(s) on the site and recommend project design and construction features that would reduce the hazards(s). To ensure compliance with all San Francisco Building Code provisions regarding structural safety, when DBI reviews the geotechnical report and building plans for a proposed project, it will determine necessary engineering and design features for the project to reduce potential damage to structures from groundshaking and liquefaction. Therefore, potential damage to structures from geologic hazards on a project site would be mitigated through the DBI requirement for a geotechnical report and review of the building permit application pursuant to its implementation of the Building Code.

10.	<u>Water</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a.	Substantially degrade water quality, or contaminate a public water supply?	-	<u>X</u>	<u>X</u>
b.	Substantially degrade or deplete ground water resources, or interfere substantially with ground water recharge?	-	<u>X</u>	<u>X</u>
c.	Cause substantial flooding, erosion or siltation?	-	<u>X</u>	<u>X</u>

Project-related wastewater and storm water would flow to the City's combined sewer system and would be treated to standards contained in the City's National Pollutant Discharge Elimination System (NPDES) Permit for the Southeast Water Pollution Control Plant prior to discharge. During operations, the project would comply with all local wastewater discharge requirements. Therefore, the project would not substantially degrade water quality.

The project site is a parking lot and is entirely paved. The proposed project would entirely cover the project site with the proposed hotel building and would not substantially affect the area of impervious surface at the site or alter site drainage. No use of groundwater currently exists on the site. Therefore, ground water resources would not be substantially degraded or depleted, and the project would not interfere substantially with groundwater recharge.

Any exposure of soil during site preparation would occur below street grade and would have low potential for substantial erosion or siltation. In addition, the project site is relatively level and would have low potential for substantial flooding, erosion, or siltation.

11.	<u>Energy/Natural Resources</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a.	Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	-	<u>X</u>	-
b.	Have a substantial effect on the potential use, extraction, or depletion of a natural resource?	-	<u>X</u>	-

The project would meet current state and local codes concerning energy consumption, including Title 24 of the California Code of Regulation enforced by the Department of Building Inspection. Other than natural gas and coal fuel used to generate the electricity for the project, the project would not have a substantial effect on the use, extraction, or depletion of a natural resource. See also the discussion of electricity use under Utilities/Public Services on page 24. For this reason, the project would not cause a wasteful use of energy, and would not have a substantial adverse effect on natural resources.

12.	<u>Hazards</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a.	Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the area affected?	-	<u>X</u>	<u>X</u>
b.	Interfere with emergency response plans or emergency evacuation plans?	-	<u>X</u>	<u>X</u>
c.	Create a potentially substantial fire hazard?	-	<u>X</u>	<u>X</u>

*Hazardous Materials Use.* The proposed project would involve the development of a hotel, which would require relatively small quantities of hazardous materials for routine business purposes. The development would likely handle common types of hazardous materials, such as cleaners and disinfectants. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling procedures. Most of these materials are consumed through use, resulting in relatively little waste. Businesses are required by law to ensure employee safety by identifying hazardous materials in the workplace, providing safety information to workers that handle hazardous materials, and adequately training workers. For these reasons, hazardous materials use in the proposed hotel would not pose any substantial public health or safety hazards related to hazardous materials.

The greatest volume of hazardous material expected at the project site would be fuel stored in storage tanks located in the basement to power emergency generators for the proposed hotel. The San Francisco Department of Public Health would oversee the design, installation, and operation of these

fuel storage tanks. Regulations require that provisions be made by operators to contain possible spills. The Bay Area Air Quality Management District would oversee potential air emissions from testing the emergency generators. As a result of this regulatory oversight and required leak prevention and control measures, the presence of fuel on site for emergency purposes would not pose any substantial public health or safety hazards.

*Soil and Groundwater.* Historically, the project site has been used for retail stores, restaurants, a billiard parlor, a bowling alley, a sports club, an investment company, and the present parking lot. According to a Phase I and II Environmental Site Assessment undertaken for the site, these activities do not appear to have resulted in the release of any contaminants into the underlying soil or groundwater.<sup>12</sup> The report lists current and past operations, reviews environmental agency databases and records, identifies site reconnaissance observations, and summarizes potential contamination issues. The report also includes laboratory test results for a limited number of soil and groundwater samples from the site. The site does not appear on the State of California Hazardous Waste and Substances Sites List, but the nearby site of the Ellis O'Farrell Garage at 123 O'Farrell Street does appear on the list due to a leaking underground storage tank.<sup>13</sup> Soil and groundwater tests indicate that this leak has not substantially affected conditions at the project site.<sup>14</sup> Approximately 3,500 cubic yards of material would be removed from the site. The proposed project would excavate an area approximately 10 ft. by 20 ft. in the basement of the existing parking lot by about two ft. to accommodate the elevator pits in the approximate center of the site. Because soil and groundwater at the site do not appear to be contaminated, the excavation would be unlikely to disturb potentially hazardous constituents. No soil would be excavated to accommodate the underground service passage from either the proposed or the optional sidewalk elevator to the site due to the existence of a sidewalk vault located along the proposed project street frontage.<sup>15</sup>

*Building Materials.* The existing parking facility at the project site was constructed in 1960; therefore, it may contain hazardous materials, such as asbestos, polychlorinated biphenyls (PCBs), lead, mercury, or other hazardous materials.<sup>16</sup> In the past, asbestos, PCBs, and lead were commonly installed in such materials as fire proofing, fluorescent light ballasts, and paint. Mercury is common in electrical switches and fluorescent light bulbs. If such hazardous materials exist in the basement structure when it is demolished, they could pose hazards to workers, neighbors, or the natural environment. In accordance with the legal requirements of the San Francisco Department of Public Health, a licensed hazardous building materials abatement contractor shall remove all identified hazardous materials prior to and/or during demolition activities. When all hazardous materials have been removed from the project site, the Project Sponsor would be required to submit to the San Francisco Planning Department and the Department of Public Health (and any other agency identified by the Department of Public Health) a report stating that all hazardous materials have been removed from the project site, and describing the steps taken to comply with this measure. Any verifying documentation would be attached to the report. The report would be certified by a Registered Environmental Assessor or similarly qualified individual.

Compliance with existing regulations applicable to the management of any potentially hazardous building components would reduce the potential health risks associated with asbestos, PCBs, lead, mercury, or other hazardous materials by securing the investigation, removal, and disposal of these materials prior to building demolition. For example, the Bay Area Air Quality Management District regulates airborne asbestos and is to be notified ten days in advance of any proposed demolition. It randomly inspects asbestos removal operations. The California Division of Occupational Safety and Health is also to be notified of asbestos abatement operations. It oversees requirements placed on asbestos abatement contractors whenever asbestos-related work involves 100 sq. ft. or more of asbestos-containing material. Because buildings constructed prior to 1979 are assumed to contain lead-

based paint, demolition activities involving lead-based paint are to comply with Chapter 36 of the San Francisco Building Code. The ordinance requires that containment barriers be at least as protective of human health and the environment as those in the most recent Guidelines for Evaluation and Control of Lead-Based Paint Hazards promulgated by the U.S. Department of Housing and Urban Development.<sup>17</sup> PCBs are regulated under the federal Toxic Substances Control Act of 1976, and mercury is regulated as a hazardous waste. These existing laws and regulations would help to ensure the health and safety of workers, neighbors, and the natural environment.

**Emergency Response Plans.** The Project Sponsor would develop an evacuation and emergency response plan in consultation with the Mayor's Office of Emergency Services to ensure coordination between San Francisco's emergency planning activities and the Project Sponsor's plan to provide for building occupants in the event of an emergency. The Project Sponsor's plan would be reviewed by the Office of Emergency Services and implemented before the Department of Public Works issued final building permits. Occupants of the proposed building would contribute to congestion if an emergency evacuation of the downtown area were required. Section 12.202(e)(1) of the San Francisco Fire Code requires that all owners of high-rise buildings (over 75 feet) "establish or cause to be established procedures to be followed in case of fire or other emergencies. All such procedures shall be reviewed and approved by the chief of division." Additionally, project construction would have to conform to the provisions of the Building and Fire Codes which require additional life-safety protections for high-rise buildings.

**Fire Hazards.** San Francisco ensures fire safety primarily through provisions of the Building Code and the Fire Code. New buildings are required to meet standards contained in these codes. The proposed project would conform to these standards, which (depending on building type) may also include development of an emergency procedure manual and an exit drill plan. In this way, potential fire hazards (including those associated with hydrant water pressure and emergency access) would be mitigated during the permit review process.

Potential health and safety issues related to potentially contaminated building components, soil and groundwater conditions, and future use of hazardous materials on site would not be considered significant with implementation of existing laws which regulate such substances.

13. <u>Cultural</u> - Could the project:	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
a. Disrupt or adversely affect a prehistoric or historic archaeological site or a property of historic or cultural significance to a community, ethnic or social group; or a paleontological site except as a part of a scientific study?	-	<u>X</u>	<u>X</u>
b. Conflict with established recreational, educational, religious or scientific uses of the area?	-	<u>X</u>	-
c. Conflict with the preservation of buildings subject to the provisions of Article 10 or Article 11 of the <i>City Planning Code</i> ?	-	<u>X</u>	<u>X</u>

Prior to the 1906 earthquake and fire, the Union Square area was a thriving retail shopping district, which included a number of department stores and household goods establishments. Powell Street was the location of many theaters and restaurants. After the 1906 fire, the area was rebuilt with more retail

establishments and several hotels. The proposed project would excavate the lower level of the existing parking lot by about 2 feet to accommodate the elevator pits in the approximate center of the site. Excavation for the elevator pits would take place on a site previously disturbed by construction of the existing parking structure and is located in a non-fill area. As a result, the likelihood of encountering subsurface cultural resources is low. Given the history of the area, however, there is a possibility of pre-1906 historical artifacts being discovered during project excavation activities. The proposed project would require excavation to a depth of about 2 feet below the current basement. If archaeological resources are unexpectedly encountered during project excavation or during other construction, the Project Sponsor would implement Mitigation Measure No. 2 – Archaeological Resources, p. 32 to reduce any potentially significant disturbance, damage, or loss of archaeological resources to a level of non-significance.

The project site is in the Kearny-Market-Mason-Sutter Conservation District, as defined by Article 11, Appendix E of the *Planning Code*. The District delineates the City's retail and tourist sector, established after the 1906 Earthquake and Fire, and contains a concentration of fine shops, department stores, theaters, hotels, and restaurants. As described in Appendix E, Section 5, the district is characterized by "small-scaled, light-colored buildings predominantly four to eight stories in height. The height and scale provide for a streetscape which is attractive to the pedestrian because of the comfortable scale and sunlit sidewalks." Because the entire area was built in less than 20 years, and the major portion in less than 10 years, buildings were designed in similar styles by architects schooled in the classical Beaux Arts tradition, and constructed in similar structural technology. In addition to their individual architectural features, the scale and design of buildings in the district relate very well with neighboring buildings, streets and open spaces. This effect is achieved in large part by the alignment of cornice and beltcourse lines. The buildings use compatible detailing, colors, materials, massing, and scale. Ornament is derived mostly from Classical, Renaissance, Gothic and Romanesque sources, and to a lesser extent, from early Spanish Colonial models.

The project site is currently a parking facility and does not contain any buildings. Therefore, the proposed project's potential to affect historic and architectural resources of significance would be limited to its potential effect on adjacent properties. As required by Section 7 of Appendix E to Article 11, which contains the Standards and Guidelines for Review of New Construction and Certain Alterations in the District, the project must be compatible with the District with respect to the proposed building's composition and massing, scale, materials and colors, and detailing and ornamentation. Section 7 emphasizes compatibility with buildings in the area in which the new or altered building is located. The project would be required to undergo a project review process as set forth in Section 309 of the *Planning Code* to determine conformance with the standards in Section 7. Compliance with these standards would be reviewed by Department staff and the City Planning Commission. The project was presented to the San Francisco Landmarks Preservation Advisory Board on August 15, 2001 to receive comments on the design and remarks on compliance with Article 11 of the *Planning Code*. The board members' comments indicated that the proposed building would be considered generally compatible with the Conservation District.

In general, the proposed project would not substantially affect the character of significance of the Kearny-Market-Mason-Sutter Conservation District because the overall district, centered on Union Square and extending across Market Street to the south, is relatively large and comprised of 324 buildings, with 144 architecturally significant and 140 contributory buildings. The building design would refer to the classical, three-part division of base, shaft, and capital found throughout the District. The proposed fenestration patterns would follow the two-story vertical divisions of the structural concrete frame, with glass walls recessed behind the frame. A concrete cornice would project approximately three feet from the façade at the 83-foot elevation, continuing the cornice line of the

adjacent buildings. To accentuate the cornice line, windows would be recessed approximately four feet further behind the frame above the 83-foot elevation (8th to 11th floors). In addition, the ground floor elevation would continue the horizontal beltcourse that is formed by the base of the adjacent buildings. While some of the proposed design features would introduce certain unique or contemporary elements in the Conservation District (i.e., two-story vertical structural and glass wall divisions), the project's composition and massing, scale, materials and colors, and detailing and ornamentation would be generally responsive to the Article 11 design criteria for replacement buildings in a conservation district. As a result, the project would not conflict with the preservation of a building or district subject to Article 10 or Article 11 of the *Planning Code*.

**Summary of Neighborhood Concerns**

Individuals expressed concern regarding possible effects of the project on parking conditions due to the lack of on-site parking proposed by the project; effects of additional automobile, bus, and taxi traffic on Ellis Street, potential conflicts with vehicles exiting the Ellis/O'Farrell Parking Garage (westbound), and effects on loading operations at the Flood Building. These issues have been addressed in the Transportation/Circulation section, above.

**Conclusions**

While local concerns or other planning considerations may be grounds for modification or denial of the proposal, in the independent judgment of the Planning Commission, there is no substantial evidence that the project could have a significant effect on the environment.

<b>OTHER - Could the project:</b>	<u>Yes</u>	<u>No</u>	<u>Discussed</u>
Require approval and/or permits from City departments other than the Planning Department or the Department of Building Inspection, or from regional, state, or federal agencies?	-	<u>X</u>	-

<b>MITIGATION MEASURES</b>	<u>Yes</u>	<u>No</u>	<u>N/A</u>	<u>Discussed</u>
1. Could the project have significant effects if mitigation measures are not included in the project?	<u>X</u>	-	-	<u>X</u>
2. Are all mitigation measures necessary to eliminate significant effects included in the project?	<u>X</u>	-	-	<u>X</u>

### **Mitigation Measure 1: Construction Air Quality**

The Project Sponsor shall require the contractor(s) to spray the site with water during demolition, excavation, and construction activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand, and other material; cover trucks hauling debris, soils, sand or other such material; and sweep surrounding streets during demolition, excavation, and construction at least once per day to reduce particulate emissions. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the Project Sponsor would require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. The Project Sponsors would require the project contractor(s) to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants, by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance programs to reduce emissions for equipment that would be in frequent use for much of the construction period.

### **Mitigation Measure 2: Archaeological Resources**

Should evidence of archaeological resources of potential significance be found during ground disturbance, the Project Sponsor shall immediately notify the Environmental Review Officer (ERO) and shall suspend any excavation which the ERO determined could damage such archaeological resources. Excavation or construction activities which might damage discovered cultural resources would be suspended for a total maximum of four weeks over the course of construction. After notifying the ERO, the Project Sponsor shall select an archaeologist to assist the Major Environmental Analysis group in determining the significance of the find. The archaeologist would prepare a draft report containing an assessment of the potential significance of the find and recommendations for what measures should be implemented to minimize potential effects on archaeological resources. Based on this report, the ERO would recommend specific additional mitigation measures to be implemented by the Project Sponsor.

Mitigation measures might include a site security program, additional on-site investigations by the archaeologist, and/or documentation, preservation, and recovery of cultural materials. Finally, the archaeologist would prepare a draft report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration and/or recovery program was conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the ERO for review. Following approval by the ERO, copies of the final report(s) would be sent by the archaeologist directly to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center. Three copies of the final archaeology report(s) shall be submitted to the Major Environmental Analysis group accompanied by copies of the transmittals documenting its distribution to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center.



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## REFERENCES/ENDNOTES

- <sup>1</sup> Patrick Sampson, Personality Hotels, on April 4, 2001, telephone conversation with Brad Brewster, EIP Associates.
- <sup>2</sup> Patrick Sampson, Personality Hotels, on April 2, 2001, telephone conversation with Brad Brewster, EIP Associates.
- <sup>3</sup> CHS Consulting Group, *72 Ellis Street Transportation Study, Case No. 2000.383*, prepared for City and County of San Francisco Planning Department, October 11, 2001. A copy of this report is available for public review at the Planning Department, 1660 Mission Street, 5th Floor.
- <sup>4</sup> San Francisco Planning Department, *Interim Transportation Impact Analysis Guidelines for Environmental Review*, Interim Edition, January 2000. A copy of this document is available for public review at the Planning Department, 1660 Mission Street, 5th Floor.
- <sup>5</sup> The effective sidewalk width accounts for the two-to three- foot distance pedestrians place between themselves and an obstruction such as a sidewalk or elevator.
- <sup>6</sup> Jorge Castillo, Personality Hotels, on October 11, 2001, telephone conversation with Brad Brewster, EIP Associates.
- <sup>7</sup> Michael Li, San Francisco Planning Department, Letter to Brad Brewster, EIP Associates re: Case No. 2000.383K, 72 Ellis Street (Shadow Study), June 7, 2001. This letter is on file and available for public review at the Planning Department, 1660 Mission Street, 5th Floor.
- <sup>8</sup> The shadow fan study assumes there are no existing buildings between the project site and Union Square and Hallidie Plaza. In reality, there are many buildings between the project site and these public open spaces. As a result, the shadow fan study is a very conservative estimate of potential shadow impacts.
- <sup>9</sup> Donald Ballanti, Certified Consulting Meteorologist, Letter to Brad Brewster, EIP Associates, re: Wind Impact Evaluation of the Proposed 72 Ellis Street Hotel Project, San Francisco, May 5, 2001. This letter is on file and available for public review at the Planning Department, 1660 Mission Street, 5th Floor.
- <sup>10</sup> City and County of San Francisco, Community Safety Element, San Francisco General Plan, April 1997.
- <sup>11</sup> Schlocker, J.C., *Geology of the San Francisco North Quadrangle*, California, United States Geological Survey, Professional Paper 782, Washington, D.C., 1974, Plate 1, map scale 1:24 000.
- <sup>12</sup> PSC Associates Inc., *Environmental Site Assessment Phases I and II, 72-80 Ellis Street*, San Francisco, California, prepared for Personality Hotels, Inc., June 6, 2000. This study is on file and available for public review at the Planning Department, 1660 Mission Street, 5th Floor.
- <sup>13</sup> California Department of Toxic Substances Control, *State of California Hazardous Waste and Substances Sites List*, April 1998, p. 243.
- <sup>14</sup> PSC Associates Inc., *Environmental Site Assessment Phases I and II, 72-80 Ellis Street, San Francisco, California*, prepared for Personality Hotels, Inc., June 6, 2000, p. 14.
- <sup>15</sup> Jorge Castillo, Personality Hotels, on April 4, 2001, telephone conversation with Brad Brewster, EIP Associates.

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<sup>16</sup> PSC Associates Inc., *Environmental Site Assessment Phases I and II, 72-80 Ellis Street, San Francisco, California*, prepared for Personality Hotels, Inc., June 6, 2000, p. 13.

<sup>17</sup> PSC Associates Inc., *Environmental Site Assessment Phases I and II, 72-80 Ellis Street, San Francisco, California*, prepared for Personality Hotels, Inc., June 6, 2000, p. 13.

# Parcel Map

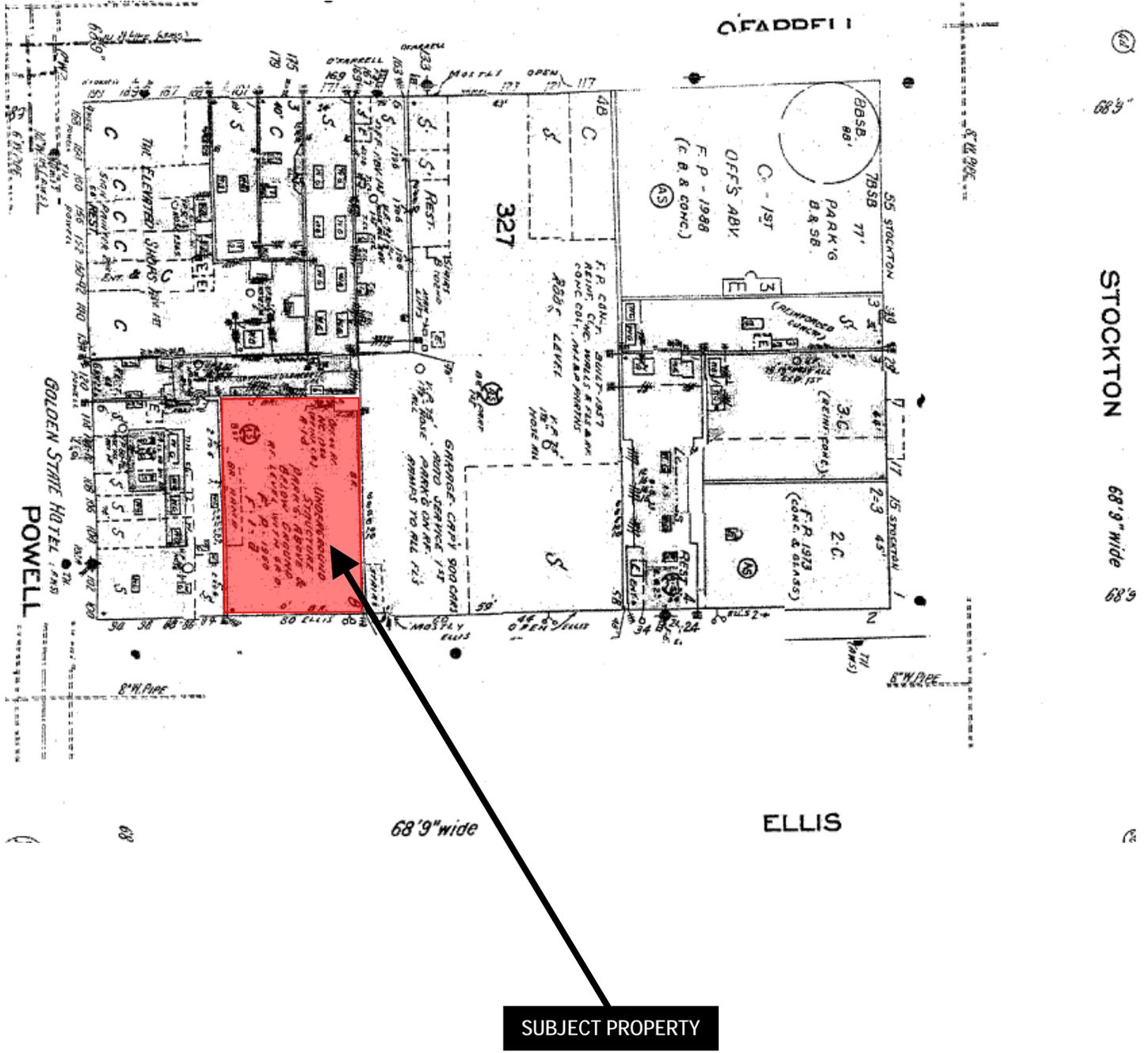


**SUBJECT PROPERTY**



Extension of Performance Period  
Case Number 2013.0180CX  
72 Ellis Street

# Sanborn Map\*



\*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Extension of Performance Period  
 Case Number 2013.0180CX  
 72 Ellis Street

# Aerial Photo

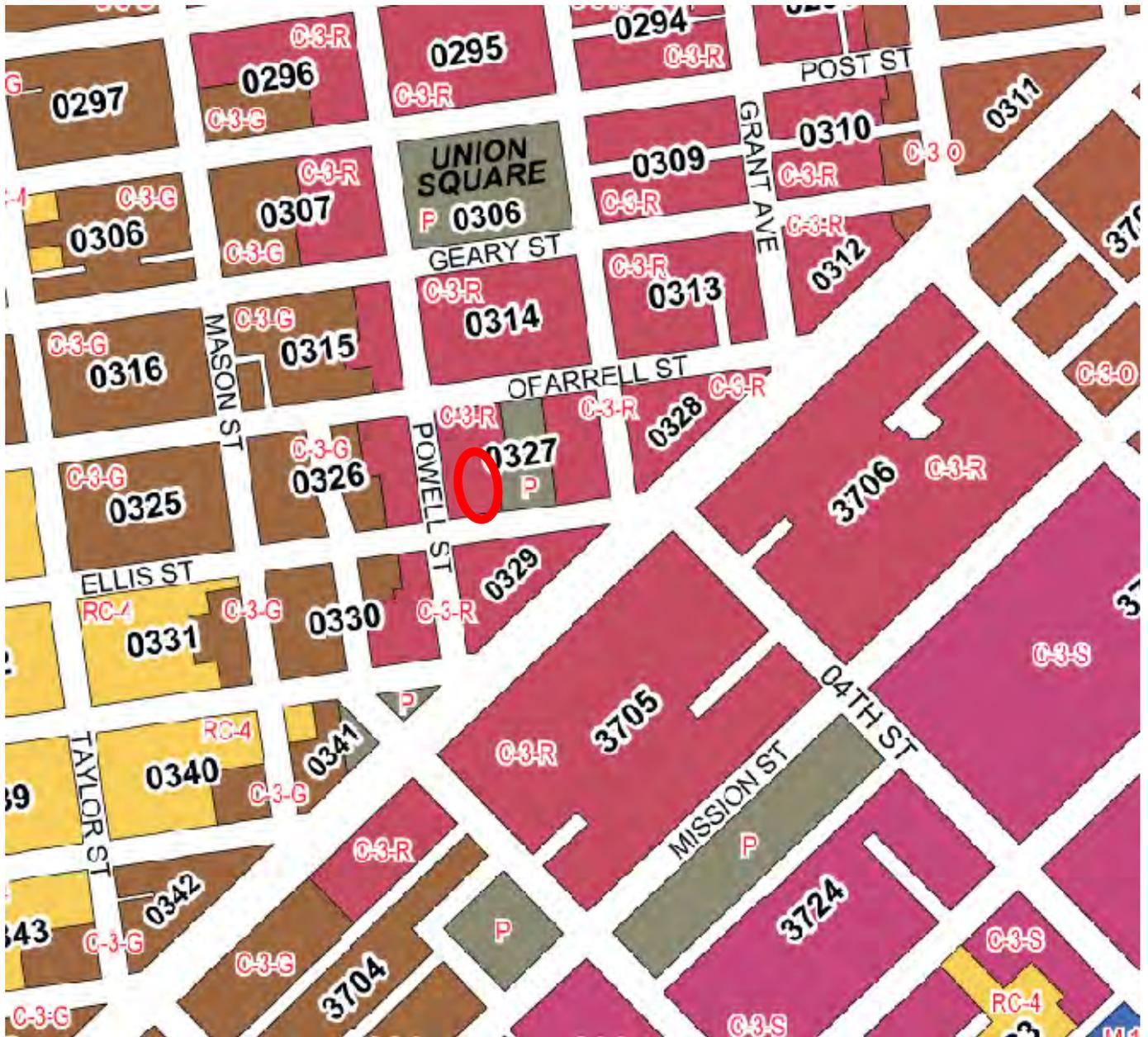


SUBJECT PROPERTY



Extension of Performance Period  
Case Number 2013.0180CX  
72 Ellis Street

# Zoning Map



Extension of Performance Period  
Case Number 2013.0180CX  
72 Ellis Street

# REUBEN, JUNIUS & ROSE, LLP

July 31, 2013

## **By Hand Delivery**

Mr. Rodney Fong, President  
San Francisco Planning Commission  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

**Re: Case No. 2013.0180C**  
**Application for Performance Condition Extension**  
**72 Ellis Street**  
**Our file: 7564.01**

Dear President Fong and Commissioners:

We represent Personality Hotels, Inc., the project sponsor of an approved boutique hotel at 72 Ellis Street in the Union Square district. Yvonne Detert and Personality Hotels are now teamed with AGPM, an investment and development partnership consisting of Angelo Gordon & Co., one of the leading real estate private equity funds in the United States, and its locally based development and operating partners, the Prado Group and Mile Rock Capital. This exciting new hotel “dream team” provides this project with its best opportunity to move forward with development of the hotel, and therefore requests the Planning Commission’s approval of a three-year extension of its entitlements.

The significant national economic crisis experienced over the last six years finally is showing signs of stabilizing. Nevertheless, access to credit remains difficult for hotels. Ms. Detert has worked tirelessly to make this hotel a reality, and has finally put together the ideal financing and development team at the perfect time. This is one of the very few hotels proposed and approved in San Francisco over the last decade, while the demand for hotel capacity has increased significantly and will only continue to increase.

The approved project is an 11-story, 125-foot tall hotel with approximately 156 rooms, lobby and lounge space, accessory meeting rooms, and a restaurant. This underutilized property currently is occupied by a surface parking lot. Designer Michael Gabellini, in association with the late architect Piero Patri, created a forward-looking, modern structure that incorporates and expresses the design guidelines of the Kearny-Market-Mason-Sutter Conservation District by combining classic architectural elements with new modern design. The hotel will dramatically improve the existing use of the property while making a refined and distinguished architectural statement.

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Daniel A. Frattin  
Sheryl Reuben<sup>1</sup> | David Silverman | Thomas Tunny | Jay F. Drake | John Kevlin  
Lindsay M. Petrone | Melinda A. Sarjapur | Kenda H. McIntosh | Jared Eigerman<sup>2,3</sup> | John McInerney III<sup>2</sup>

1. Also admitted in New York 2. Of Counsel 3. Also admitted in Massachusetts

One Bush Street, Suite 600  
San Francisco, CA 94104

tel: 415-567-9000  
fax: 415-399-9480

[www.reubenlaw.com](http://www.reubenlaw.com)

Hotel renderings and floor plans are attached hereto as **EXHIBIT A**.

The project has a great deal of support in the community, as exhibited by the letters of support attached hereto as **EXHIBIT B**.

**I. THE NEW DEVELOPMENT TEAM HAS THE RESOURCES  
AND EXPERTISE TO MAKE THE HOTEL A REALITY**

Yvonne Detert and Personality Hotels are recognized as an industry leader in hospitality and boutique hotel design for over 30 years, and established San Francisco's first boutique hotel company, starting with the opening of Hotel Union Square. The company currently owns and manages 10 hotels with a combined 760 hotel rooms, including 6 properties located in San Francisco totaling 472 rooms.

Ms. Detert has now added Angelo Gordon & Co, the Prado Group, and Mile Rock Capital to her development team. The background of all four entities and the team's enthusiasm and commitment to this project, and the San Francisco hospitality market generally, is further described in their letter to the Planning Commission attached hereto as **EXHIBIT C**.

**II. THE HOTEL IS IDEALLY LOCATED**

72 Ellis Street is located in the Union Square district, on the north side of Ellis Street on the block bounded by Powell and Stockton Streets. Union Square is one of the world's premier destination retail and entertainment districts. It draws visitors from across the world and serves as the retail core of San Francisco. Ground floor storefronts are typically occupied by retail stores or restaurants, while upper floors are generally occupied by tourist hotels, offices, or upper floors of multi-story retail establishments. Very few if any opportunity sites like this still exist in Union Square.

Prominent uses and attractions nearby include Union Square plaza (located two blocks to the north), the Yerba Buena Center (located two blocks to the south), Halladie Plaza and the Powell Street cable car turnaround (located one block to the south), and the Westfield Shopping Centre (located one block to the south). Also located nearby are the Moscone Convention Center and its planned expansion, as well as SFMOMA, which is expanding as well. The property is very well served by public transit.

A location map showing 72 Ellis Street and the many nearby visitor attractions is attached hereto as **EXHIBIT D**.

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**REUBEN & JUNIUS**

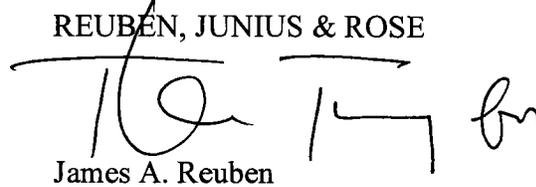
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President Fong and Commissioners  
San Francisco Planning Commission  
July 31, 2013  
Page 3

For all of the foregoing reasons, we respectfully request the Planning Commission's approval of a three-year extension of the hotel's entitlements, allowing this exciting new hotel to move forward.

Very truly yours,

REUBÉN, JUNIUS & ROSE

Handwritten signature of James A. Reuben, consisting of a stylized 'JR' followed by a flourish.

James A. Reuben

Enclosures

cc: Commission Vice-President, Cindy Wu  
Commissioner Michael Antonini  
Commissioner Gwyneth Borden  
Commissioner Rich Hillis  
Commissioner Kathrin Moore  
Commissioner Hisashi Sugaya  
Jonas P. Ionin, Commission Secretary  
John Rahaim, Planning Director  
Kevin Guy, Planner  
Personality Hotels, Inc.  
AGPM, LLC

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**REUBEN & JUNIUS**<sub>LLC</sub>

# RSBA & ASSOCIATES

400 Spear Street, Suite 106, San Francisco, CA 94105  
415-541-7722 / Fax 415-541-5333  
E-mail: rickswig@rsbaswig.com / www.rsbaswig.com

July 22, 2013

President Rodney Fong  
San Francisco Planning Commission  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

Re: 72 Ellis Hotel Project

Dear President Fong and Commissioners:

I am pleased to express my support for the proposed hotel project at 72 Ellis Street, which would create 156 new hotel rooms, a 2500 sq. ft. commercial restaurant space, a rooftop space open to public access, and all within walking distance to a range of popular San Francisco tourist destinations -- including the Moscone Convention Center. It is also anticipated that the project will create housing for visitors to San Francisco and more stimulus for the City's economy at the very least through the creation of 60 full time jobs.

As a participant in the San Francisco hospitality and tourism sector for over thirty years, I have recognized that hotels through their hospitality and employment activities serve a key role in keeping the City vibrant. Hotels both serve the needs of visitors and stimulate individual neighborhood economies. Building new hotels and keeping San Francisco's tourism products vibrant are the keys to sustaining this valuable economic engine.

There is currently a strong demand for new hotel rooms within the City, as hotel occupancy levels are at a historic peak. This very positive trend also can become problematic, if the City's hotel guest room supply is inadequate to satisfy demand. Insufficient hotel room availability will have a direct effect on all three segments of visitor demand: conventions and their delegates; local companies and their incoming business travelers; and tourists and tier visitation patterns. The San Francisco Travel Association is already reporting that the City's supply of hotel rooms is quickly becoming inadequate and the City has displaced business due to the limited hotel guest room supply.

After meeting with representatives of the developer of the proposed 72 Ellis Street hotel to discuss the project's design and amenities, it is clear that this project will help meet the growing demand for hotel rooms. This specific building will also complement the expansion of the Moscone Center and provide an improvement for the immediate general neighborhood.

President Rodney Fong  
July 22, 2013  
Page 2

Please support the 72 Ellis Street hotel project, when it is presented to you for approval. Thank you for the consideration.

Regards,

Rick Swig, ISHC  
President

cc: Mayor Ed Lee





July 25, 2013

President Rodney Fong  
San Francisco Planning Commission  
1650 Mission Street, Suite 400  
San Francisco, CA 94103

**Re: Hotel Council Support of 72 Ellis Street Hotel Project**

Dear President Fong and Commissioners,

On behalf of the Hotel Council of San Francisco, I am writing you in support of the proposed hotel project at 72 Ellis Street. The project would create 156 new hotel rooms, a 2500 sq. ft. commercial restaurant space, and a rooftop space open to public access. The project is within walking distance to a range of popular San Francisco visitor destinations —including the Moscone Convention Center. It is also anticipated that the project will create at least 60 full time jobs.

The Council believes the project will generate significant economic activity and contribute positively to the hospitality industry in San Francisco. The addition of this hotel will not only bring jobs into the neighborhood and tax revenue to support the city but also economic impact for surrounding businesses. Hotel guests spend as much money outside of hotels as inside which will benefit other businesses in the neighborhood.

Again, the Hotel Council of San Francisco supports this new hotel project at 72 Ellis Street and appreciates your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin M. Carroll".

Kévin M. Carroll  
Executive Director

CC:

Mayor Ed Lee  
Supervisor David Chiu

July 9, 2013

President Rodney Fong  
San Francisco Planning Commission  
1650 Mission Street, Suite 400  
San Francisco, CA 94103



**Re: 72 Ellis Hotel Project**

Dear President Fong and Commissioners:

On behalf of the San Francisco Travel Association, I am pleased to express our support for the proposed hotel project at 72 Ellis Street, which would create 156 new hotel rooms, a 2500 sq. ft. commercial restaurant space, a rooftop space open to public access, and all within walking distance to a range of popular San Francisco tourist destinations -- including the Moscone Convention Center. It is also anticipated that the project will create 60 fulltime positions.

Tourism is San Francisco's major industry, generating \$8.9 billion in economic activity, supporting more than 74,000 jobs, and contributing \$562 million to the General Fund to help support neighborhood services such as police protection, parks, roads maintenance and firefighters.

There is currently a strong demand for new hotel rooms within the City. In 2012, San Francisco attracted a record number of visitors, increasing room and occupancy rates to the highest levels they've ever been, and transforming the City into the leading hospitality market in the country. With this success, we are beginning to hear from our customers that the overall supply of hotel rooms is quickly becoming inadequate and we are beginning to learn that we have already lost business due to the limited supply.

We have recently met with representatives of the developer of the proposed 72 Ellis Street hotel to discuss the project's design and amenities, and we are encouraged that projects such as this one will help us meet the growing demand for hotel rooms that we anticipate will only grow stronger in the Moscone Convention Center area as the City embarks upon expanding the Moscone Center.

For these reasons, San Francisco Travel Association encourages the approval of the 72 Ellis Street hotel project, which will create needed new hotel accommodations and amenities in one of San Francisco's most active tourist destinations.

Sincerely,

Joe D'Alessandro  
President and CEO

CC:  
Mayor Ed Lee



COLLEGE OF BUSINESS  
HOSPITALITY AND TOURISM MANAGEMENT

1600 Holloway Avenue  
San Francisco, CA 94132

phone: 415/338-6087  
fax: 415/405-0364

July 25, 2013

President Rodney Fong  
SF Planning Commission  
1650 Mission Street  
Suite 400  
San Francisco, CA 94103

Dear Mr. Fong:

On behalf of the Hospitality and Tourism Management (HTM) Program at San Francisco State University, we are writing to support Personality Hotels on Union Square for the renewal of the building permit at 80 Ellis Street for the "M31 Hotel" 156 room project that was initially awarded in 2000.

We have full confidence that Personality Hotels will make a valid push to see this project completed in the approved extension request. Our faculty and students in the Hospitality and Tourism Management Program have worked closely with Personality Hotels in our internship program and departmental events. Personality Hotels also offers excellent full and part time employment positions to our students after graduation.

Personality Hotels have my total endorsement for the "M 31 Hotel" 156 room project, as I am positive that the project would be an asset to the city of San Francisco and our hospitality management program at San Francisco State University.

Sincerely yours,

A handwritten signature in cursive script that reads "Janet Sim".

Janet Sim, Ed.D.  
Professor and Chair,  
Hospitality and Tourism Management Program  
College of Business  
San Francisco State University  
1600 Holloway Avenue  
San Francisco, CA 94010



**72 Ellis Street Hotel - Front Facade**



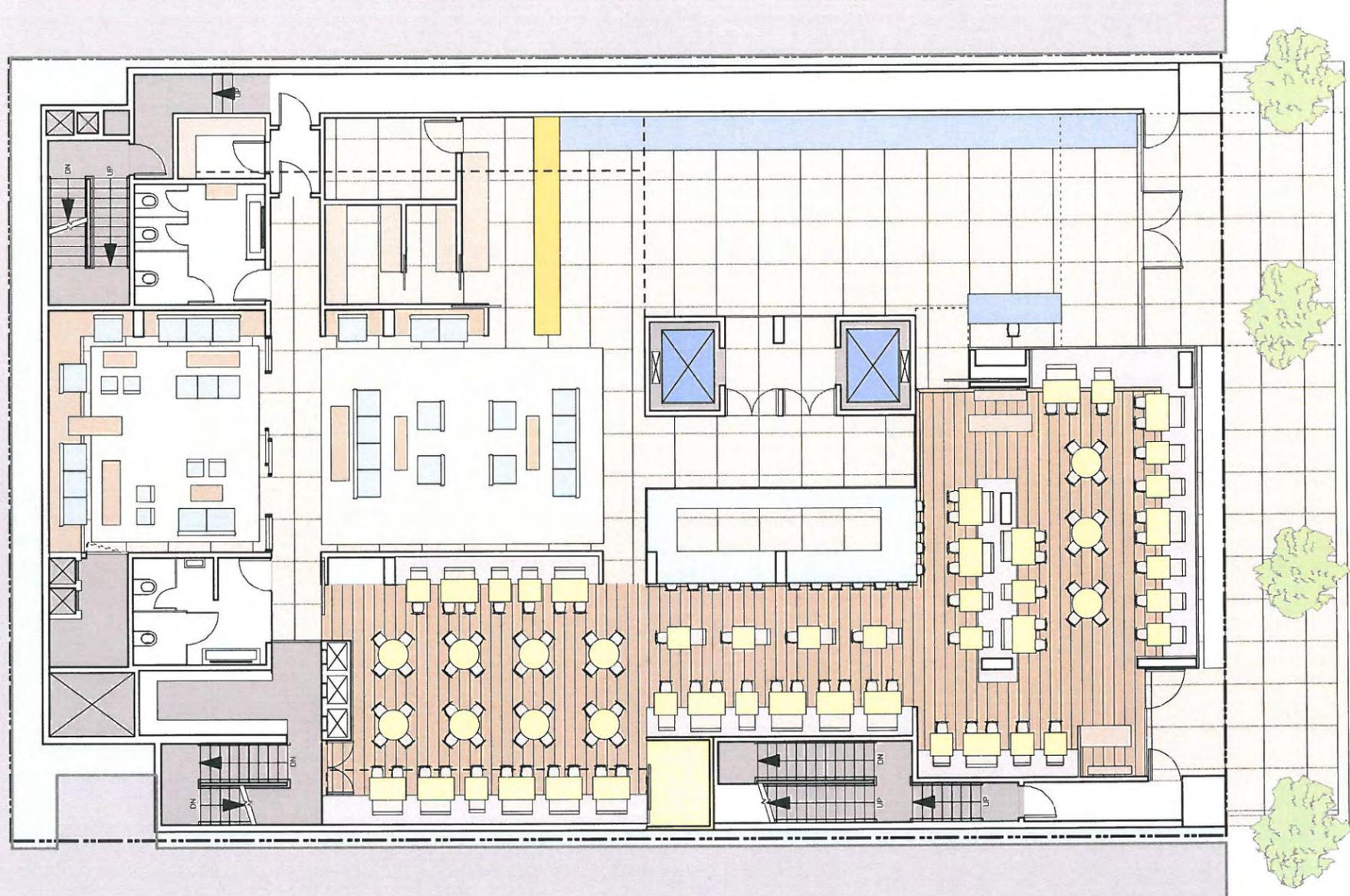
**72 Ellis Street Hotel - Street View**



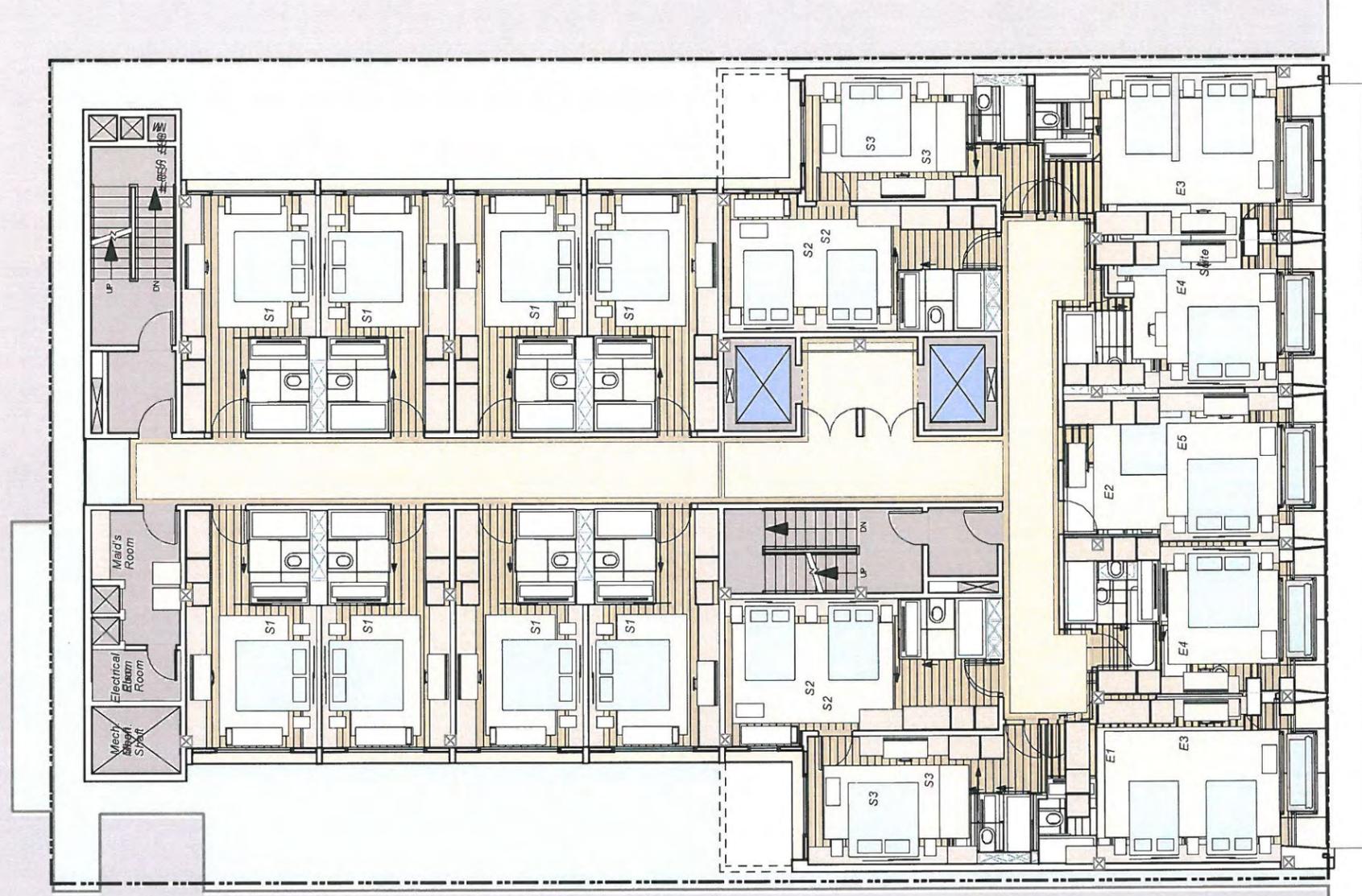
**72 Ellis Street Hotel - Street View**



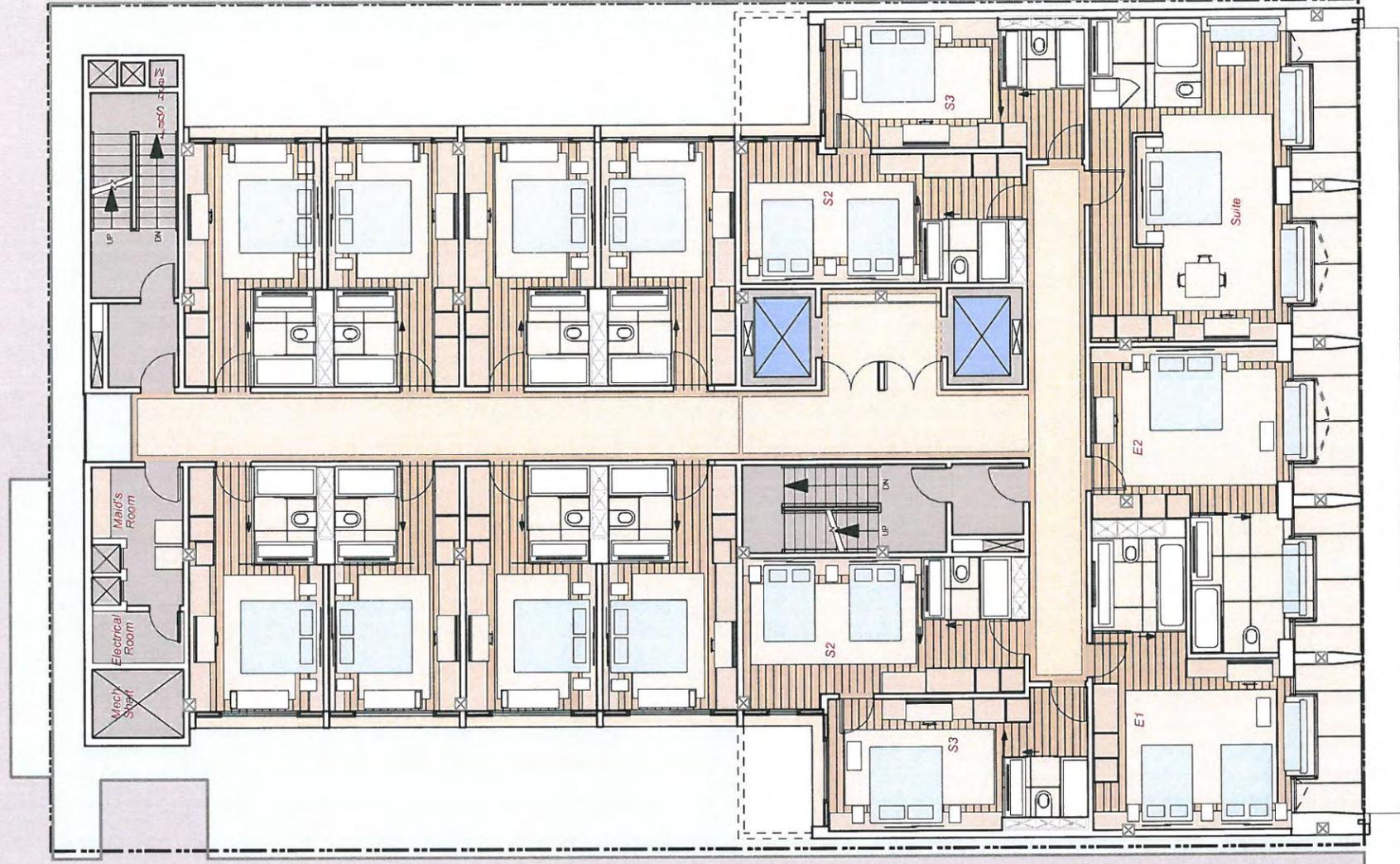
**72 Ellis Street Hotel - Street View**



72 Ellis Street Hotel - Ground Floor Plan



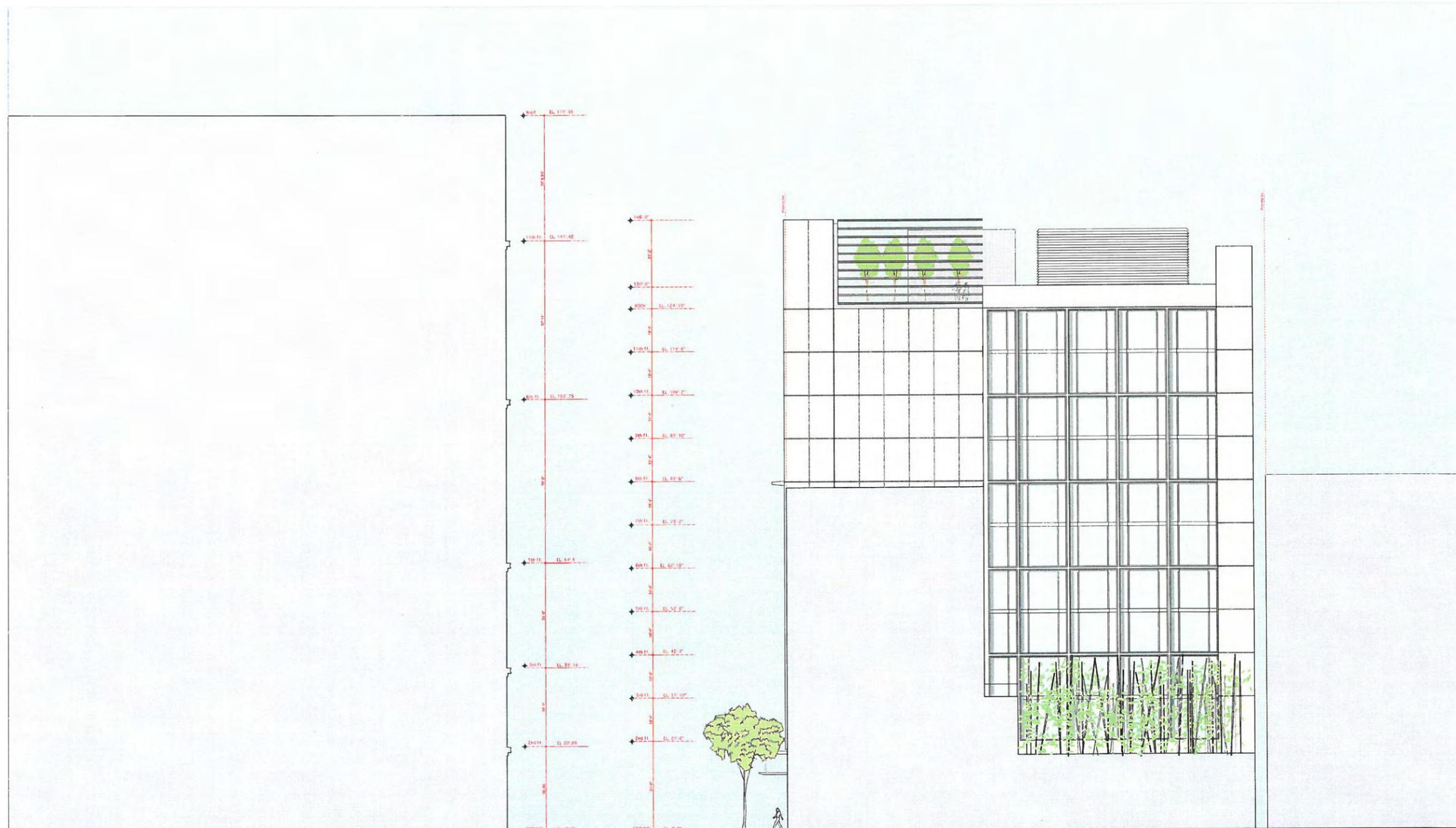
72 Ellis Street Hotel - Typical Floor Plan



72 Ellis Street Hotel - Typical Floor Plan



**72 Ellis Street Hotel - East Elevation**



FLOOD BUILDING

ELLIS STREET

M-31 HOTEL

HOTEL UNION SQUARE

**72 Ellis Street Hotel - East Elevation**