Executive Summary Conditional Use

HEARING DATE: MAY 1, 2014

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

Date:

April 24, 2014

Case No.:

2014.0233C

Project Address:

2675 GEARY BOULEVARD

Zoning:

NC-3 (Moderate-Scale Neighborhood Commercial) District

40-X/80-D Height and Bulk Districts

Block/Lot:

1094/001

Project Sponsor:

Chipotle Mexican Grill, Inc.

c/o Daniel Frattin

Reuben, Junius & Rose, LLP One Bush Street, Suite 600 San Francisco, CA 94104

Staff Contact:

Mary Woods – (415) 558-6315

mary.woods@sfgov.org

Recommendation: Approve with Conditions

PROJECT DESCRIPTION

The project sponsor proposes to occupy an existing vacant retail space for a Chipotle restaurant. The proposal includes a modest approximately 240 square-foot expansion of the storefront, which would be built into the surface parking lot and would not be visible from the street. Upon completion, the project would contain approximately 2,100 square feet. The restaurant will be accessible via parking lot "E" located on O'Farrell Street.

SITE DESCRIPTION AND PRESENT USE

The project site is located on the southern side of Geary Boulevard between Masonic Avenue and Lyon Street, in Assessor's Block 1094, Lot 001. The property is located within an NC-3 (Moderate-Scale Neighborhood Commercial) District and 40-X/80-D Height and Bulk Districts. The property is developed as a three-story shopping center (the City Center) that occupies an entire city block, bounded by Geary Boulevard to the north, Masonic Avenue to the west, O'Farrell Street to the south, and Lyon Street to the east. The main shopping center structure fronts on the northern half of the lot facing Geary Boulevard while terraced surface parking lots cover the southern half of the lot facing O'Farrell Street.

The approximately 203,000 square-foot shopping center was built in 1961 and was used as a Sears Roebuck Company Department Store until the early 1990s. After Sears vacated, the retail space was subdivided and reoccupied by several large retailers, including Mervyns, Toys R Us, the Good Guys, and Office Depot. The Good Guys vacated its space on the second level of the shopping center in 2005, and

Mervyns vacated its first and second levels in December of 2008. Toys R Us also vacated its space which is currently occupied by Best Buy. Office Depot vacated its space in 2013. Retail spaces previously occupied by Mervyns, the Good Guys and a 13,000 square-foot portion of Office Depot have been occupied by the City Target store since October 2013. On the O'Farrell Street frontage, smaller retail, office and restaurant establishments are accessible via the terraced surface parking lots, designated as A through F.

In connection with the City Target tenancy, a comprehensive upgrade of the property was completed in 2013. It included façade renovations, an integrated signage program, resurfacing and restriping parking lots, and new landscaping. In addition, the property owner contributed funding for traffic signal and pedestrian crossing improvements at the intersection of Masonic Avenue, O'Farrell Street and Ewing Terrace.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The site is situated towards the eastern end of the NC-3 District along the three-mile Geary Boulevard commercial corridor that stretches from the Western Addition to the Outer Richmond, through four neighborhoods. This corridor is bounded by Divisadero Street to the east and 28th Avenue to the west. The MUNI line "38-Geary" runs in front of the Project Site linking the Richmond area to Downtown and the Financial District. Other transit lines are also nearby and are within walking distance of the Site. Except for the commercial and institutional uses (i.e., Laurel Heights Shopping Center, Kaiser Permanente Medical Center, and University of San Francisco) located on the main streets, the project site is surrounded predominantly by low and medium density residential neighborhoods and residentially zoned districts. The Divisadero Street commercial corridor is two blocks east of the project site. Buildings facing the subject block range from two to four stories tall with several taller buildings interspersed. Commercial uses on the subject and facing blocks include electronic devices, restaurants, bars, dental offices, hair salons, and other professional offices.

ENVIRONMENTAL REVIEW

The project was determined to be exempt from the California Environmental Quality Act as a Class 1 Categorical Exemption.

HEARING NOTIFICATION

| ТҮРЕ | REQUIRED PERIOD | REQUIRED NOTICE DATE | ACTUAL NOTICE DATE | ACTUAL PERIOD |
|--------------------|-----------------|-------------------------|-----------------------|------------------|
| Classified News Ad | 20 days | April 11, 2014 | April 11, 2014 | 20 days |
| Posted Notice | 20 days | April 11, 2014 | April 11, 2014 | 20 days |
| Mailed Notice | 20 days | April 11, 2014 | April 11, 2014 | 20 days |

PUBLIC COMMENT

 The Department has not received any correspondence in support of or in opposition to the project.

ISSUES AND OTHER CONSIDERATIONS

- With respect to an application for a Formula Retail use as defined in Section 703.3 of the Planning Code, the Planning Commission shall consider the following additional findings:
 - The existing concentrations of formula retail uses within the NC District;
 - o The availability of other similar retail uses within the NC District;
 - The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the NC District;
 - o The existing retail vacancy rates within the NC District;
 - The existing mix of citywide-servicing retail uses and neighborhood-serving retail uses within the NC District.
- The project is to allow a Chipotle restaurant at the subject property.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use authorization to allow a Formula Retail use (d.b.a. Chipotle), pursuant to Planning Code Sections 303(c), 303(i) and 703.4.

BASIS FOR RECOMMENDATION

- The project site has had continuous commercial/retail activities, and the proposed project would not be expected to affect existing traffic patterns.
- The project site is well-served by public transit lines. Metered and non-metered parking spaces are provided on the streets. The existing shopping center also has approximately 637 parking spaces and 57 bicycle parking spaces.
- The project will preserve and enhance the cultural and economic viability of the neighborhood commercial district.

RECOMMENDATION:

Approve with Conditions

Attachments:

Draft Motion
Environmental Determination
Zoning/Parcel Map
Sanborn Map
Zoning Map
Aerial and Site Photos

Project Sponsor Submittal, including:

- Reduced Plans
- Aerial and Site Photos
- Formula Retail Survey Map
- Similar Formula/Local Retail Survey Map

Attachment Checklist

| \boxtimes | Executive Summary | Project sponsor submittal |
|-------------|-----------------------------|-----------------------------------|
| \boxtimes | Draft Motion | Drawings: Existing Conditions |
| | Environmental Determination | Check for legibility |
| \boxtimes | Zoning/Parcel Map | Drawings: Proposed Project |
| \boxtimes | Sanborn Map | Check for legibility |
| \boxtimes | Zoning Map | Site Photos |
| \boxtimes | Aerial Photo | Formula Retail Survey Map |
| \boxtimes | Site Photos | Similar Formula Retail Survey Map |
| | | |

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

Planner's Initials



SAN FRANCISCO PLANNING DEPARTMENT

| Subject to: (Select only if applicable) | |
|---|-------------------------------------|
| ☐ Affordable Housing (Sec. 415) | ☐ First Source Hiring (Admin. Code) |
| ☐ Jobs Housing Linkage Program (Sec. 413) | ☐ Child Care Requirement (Sec. 414) |

☐ Other (Transit Impact Development Fee)

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Planning Commission Draft Motion

HEARING DATE: MAY 1, 2014

Date:

April 24, 2014

☐ Downtown Park Fee (Sec. 412)

Case No.:

2014.0233C

Project Address:

2675 GEARY BOULEVARD

Zoning:

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ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 303 AND 703.4 OF THE PLANNING CODE TO ALLOW A FORMULA RETAIL USE AT THE CITY CENTER SHOPPING PLAZA FOR A CHIPOTLE RESTAURANT WITHIN THE NC-3 (MODERATE-SCALE NEIGHBORHOOD COMMERCIAL) ZONING DISTRICT AND 40-X/80-D HEIGHT AND BULK DISTRICTS.

PREAMBLE

On February 13, 2014, Chipotle Mexican Grill, Inc. (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Sections 303 and 703.4 to allow a formula retail use for a Chipotle restaurant in an existing retail space in the City Center shopping plaza within the NC-3 (Moderate-Scale Neighborhood Commercial) Zoning District and 40-X/80-D Height and Bulk Districts.

On May 1, 2014, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014.0233C.

On April 22, 2014, the project was determined to be exempt from the California Environmental Quality Act ("CEQA") as a Class 1 Categorical Exemption under CEQA as described in the determination contained in the Planning Department files for this project.

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

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2014.0233C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

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

- 1. The above recitals are accurate and constitute findings of this Commission.
- 2. **Site Description and Present Use.** The project is located on the southern side of Geary Boulevard between Masonic Avenue and Lyon Street, in Assessor's Block 1094, Lot 001. The property is located within an NC-3 (Moderate-Scale Neighborhood Commercial) District and 40-X/80-D Height and Bulk Districts. The property is developed as a three-story shopping center (the City Center) that occupies an entire city block, bounded by Geary Boulevard to the north, Masonic Avenue to the west, O'Farrell Street to the south, and Lyon Street to the east. The main shopping center structure fronts on the northern half of the lot facing Geary Boulevard while terraced surface parking lots cover the southern half of the lot facing O'Farrell Street.

The approximately 203,000 square-foot shopping center was built in 1961 and was used as a Sears Roebuck Company Department Store until the early 1990s. (Under separate permits, the project sponsor is seeking authorization for a minor expansion of several other small-tenant spaces that would increase the total size of the shopping center to approximately 204,000 square feet, as well as authorization for a Starbucks-branded Target Café in the existing City Target store.) After Sears vacated, the retail space was subdivided and reoccupied by several large retailers, including Mervyns, Toys R Us, the Good Guys, and Office Depot. The Good Guys vacated its space on the second level of the shopping center in 2005, and Mervyns vacated its first and second levels in December of 2008. Toys R Us also vacated its space which is currently occupied by Best Buy. Office Depot vacated its space in 2013. Retail spaces previously occupied by Mervyns, the Good Guys and a 13,000-square-foot portion of Office Depot have been occupied by the City Target store since October 2013. On the O'Farrell Street frontage, smaller retail, office and restaurant establishments are accessible via the terraced surface parking lots, designated as A through F.

In connection with the City Target tenancy, a comprehensive upgrade of the property was completed in 2013. It included façade renovations, an integrated signage program, resurfacing

and restriping parking lots, and new landscaping. In addition, the property owner contributed funding for traffic signals and pedestrian crossings improvements at the intersections of Masonic Avenue, O'Farrell Street and Ewing Terrace.

- 3. Surrounding Properties and Neighborhood. The project site is situated towards the eastern end of the NC-3 District along the three-mile Geary Boulevard commercial corridor that stretches from the Western Addition to the Outer Richmond, through four neighborhoods. This corridor is bounded by Divisadero Street to the east and 28th Avenue to the west. The MUNI line "38-Geary" runs in front of the project site linking the Richmond area to Downtown and the Financial District. Other transit lines are also nearby and are within walking distance of the Site. Except for the commercial and institutional uses (i.e., Laurel Heights Shopping Center, Kaiser Permanente Medical Center, and University of San Francisco) located on the main streets, the project site is surrounded predominantly by low and medium density residential neighborhoods and residentially zoned districts. The Divisadero Street commercial corridor is two blocks east of the project site. Buildings facing the subject block range from two to four stories tall with several taller buildings interspersed. Commercial uses on the subject and facing blocks include electronic devices, restaurants, bars, dental offices, hair salons, and other professional offices.
- 4. **Project Description.** The applicant proposes a Chipotle restaurant in an existing vacant, at-grade, below-street level retail space adjacent to O'Farrell Street, in parking lot "E" on the property. The space was formerly occupied by Safety Training.

The proposed Chipotle restaurant is a Formula Retail Use. The proposal requires Section 312-neighborhood notification, which was conducted in conjunction with the Conditional Use Authorization process.

Project Sponsor proposes to occupy approximately 1,859 square feet of existing vacant space on the property and expand the storefront by 241 square feet, which would be built into the parking lot and would not be visible from any street. Upon completion, the project will contain a total of approximately 2,100 square feet.

- 5. **Public Comment.** The Department has not received any correspondence in support of or in opposition to the proposal.
- 6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. Formula Retail Use. Planning Code Section 703.4 states that a Conditional Use authorization is required for a formula retail use, as defined by Planning Code Section 703.3, in any of the City's Neighborhood Commercial Districts.

The proposed Chipotle restaurant is a Formula Retail Use.

B. **Restaurant Use.** Planning Code Section 712.44 allows restaurants as a permitted use up to the second floor level, as defined by Planning Code Section 790.91.

The Chipotle restaurant would be located in an at-grade, below street level retail space adjacent to O'Farrell Street, in parking lot E.

C. **Parking**. Planning Code Section 151 requires one off-street parking space for every 200 square feet of occupied floor area, where the occupied floor area exceeds 5,000 square-feet.

With the proposed Chipotle and other existing and proposed tenancies in the shopping center, 592 parking spaces are required. A total of 637 shared parking spaces are provided in the various parking lots. These spaces are non-exclusive and available to all tenants and customers.

D. Street Frontage in Neighborhood Commercial Districts. Planning Code Section 145.1 requires that within NC Districts space for active uses shall be provided within the first 25 feet of building depth on the ground floor and 15 feet on floors above from any facade facing a street at least 30 feet in width. In addition, the floors of street-fronting interior spaces housing non-residential active uses and lobbies shall be as close as possible to the level of the adjacent sidewalk at the principal entrance to these spaces. Frontages with active uses that must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building. The use of dark or mirrored glass shall not count towards the required transparent area. Any decorative railings or grillwork, other than wire mesh, which is placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular view. Rolling or sliding security gates shall consist of open grillwork rather than solid material, so as to provide visual interest to pedestrians when the gates are closed, and to permit light to pass through mostly unobstructed. Gates, when both open and folded or rolled as well as the gate mechanism, shall be recessed within, or laid flush with, the building facade.

The Chipotle restaurant would not face any public streets; thus Planning Code Section 145.1 does not apply. Nevertheless, the restaurant would provide clear and unobstructed windows facing onto parking lot E.

- E. **Signage**. Any proposed signage will be subject to the review and conformance with the "City Center Special Sign District" signage program.
- 7. **Planning Code Section 303(c)** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
 - A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Chipotle restaurant replaces a vacant storefront with a casual Mexican dining experience that focuses on local, organic, and natural products, providing an affordable food option for families of all income levels in a popular shopping destination. Chipotle will add to the wide array of goods and services offered in the shopping center. By filling a vacant retail space, Chipotle will contribute to the long-term stability and viability of the shopping center. Chipotle's staffing needs also create over 25 to 30 permanent retail and managerial positions.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:
 - i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The height and bulk of the existing building will remain the same. The Chipotle restaurant proposes a modest approximately 241 square-foot expansion of the storefront, which would be built into the parking lot and would not affect the building envelope. Upon completion, the project will contain approximately 2,100 square feet.

ii. 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 project site is well-served by public transit, and existing on-site parking and loading spaces. Several MUNI transit lines run directly in front or near the site. Transit lines serving the site area include the 38-Geary, 33-Masonic, 1-California, 2-Clement, 4-Sutter and 31-Balboa. In addition, the shopping center maintains a terraced surface parking lot with 637 parking spaces, five freight loading spaces, and 57 bicycle parking spaces.

iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

No noxious or offensive emissions will be associated with the project.

 Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The project would improve the exterior appearance of the shopping center by creating a more open and attractive storefront, improving signage, and providing outdoor seating. Comprehensive exterior upgrades to the shopping center were previously approved on July 28, 2011 as part of City Target store's Conditional Use authorization under Commission Motion No. 18414 for Case No. 2010.0623C. These improvements were completed in October 2013.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.
 - The project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.
- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.
 - The project is consistent with the stated purposed of NC-3 Districts in that the intended use is located on the ground floor, will provide a compatible convenience service for the immediately surrounding neighborhoods during daytime hours.
- 8. **Planning Code Section 303(i)** establishes criteria for the Planning Commission to consider when reviewing applications for a Formula Retail Use. On balance, the project does comply with said criteria in that:
 - (1) The existing concentrations of formula retail uses within the Neighborhood Commercial District.
 - There are many formula retail uses within the NC-3 District along the Geary Boulevard commercial corridor. Within a half-mile radius of the project site, there are more than three dozen formula retail uses, including Trader Joe's, Big O Tires, Super Cuts, Sleep World, Radio Shack, Mel's Diner and H&R Block (see attached Formula Retail Survey Map). Two large formula retail uses currently located in the existing shopping center include Best Buy and City Target.
 - (2) The availability of other similar retail uses within the Neighborhood Commercial District.
 - There are approximately six formula retail restaurants in the area, including Subway, KFC/Taco Bell, Mel's Diner, and Burger King (see attached Similar Formula/Local Retail Survey Map). KFC/Taco Bell does not offer the same quality of fresh made, organic, and natural food available at Chipotle. Both the KFC/Taco Bell and Panchos restaurants are located more than half a mile from the shopping center. Because the Chipotle restaurant is located within the shopping center as an amenity for shoppers and residents within close walking distance, it is not likely to draw customers away from the existing restaurants.
 - (3) The compatibility of the proposed formula retail use with the existing architectural and aesthetic character of the Neighborhood Commercial District.
 - The Chipotle restaurant is not street-facing and is visible only from the shopping center parking lot; therefore, will not affect the architectural or aesthetic character of the District.
 - (4) The existing retail vacancy rates within the Neighborhood Commercial District.

There are 18 vacant storefronts in the nearby commercial area, as well as vacant spaces in the shopping center itself. Of these 18 vacancies, two are within a half-mile of the project site, at 2934 - 37 Geary Boulevard and 2939 Geary Boulevard.

(5) The existing mix of Citywide-serving retail uses and neighborhood-serving retail uses within the Neighborhood Commercial District.

The project site is located on Geary Boulevard, along a three-mile long commercial corridor that stretches from the Western Addition to the Outer Richmond neighborhood. The corridor is comprised of a mix of neighborhood-serving and Citywide-serving retail uses. Commercial uses include beauty shops, print shops, pet stores, coffee shops, restaurants, bars, dry cleaners, liquor stores, post offices, dental offices, and other professional offices. It is surrounded by residential dwellings and residentially-zoned districts in adjacent blocks.

9. **General Plan Compliance.** The project is, on balance, consistent with the following objectives and policies of the General Plan:

NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKINIG ENVIRONMENT.

Policy 1.1:

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

Policy 1.3:

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The project will provide desirable goods and services to the neighborhood and will provide resident employment opportunities to those in the community. Further, the project site is located within a Neighborhood Commercial District and is thus consistent with activities in the commercial land use plan.

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1:

Seek to retain existing commercial and industrial activity and to attract new such activity to the City.

The project will add a new commercial activity into a previously-vacant retail space and will enhance the diverse economic base of the City.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1:

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

No commercial tenant would be displaced and the project would not prevent the district from achieving optimal diversity in the types of goods and services available in the neighborhood.

- 10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The shopping center has historically been occupied by an array of formula retail stores that served a clientele from the immediate neighborhood and citywide. No neighborhood-serving retail uses will be displaced by the project. The project will provide desirable goods to the neighborhood and will provide resident employment opportunities to those in the community

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

The existing housing units in the surrounding neighborhood would not be adversely affected.

C. That the City's supply of affordable housing be preserved and enhanced,

No housing is removed for this project.

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

The site is well-served by public transit, and existing on-site parking and bicycle spaces. Several MUNI transit lines run directly in front or near the site. Transit lines serving the site area include the 38-Geary, 33-Masonic, 1-California, 2-Clement, 4-Sutter and 31-Balboa. In addition, the shopping center maintains a terraced surface parking lot with 637 parking spaces, five freight loading spaces, and 57 bicycle parking spaces.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.
 - The project will not displace any service or industry establishment. The project will not affect industrial or service sector uses or related employment opportunities. Ownership of industrial or service sector businesses will not be affected by this project.
- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The project conforms to the structural and seismic safety requirements of the City Building Code.

G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the project site.

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

The project will have no negative effect on existing parks and open spaces.

- 11. The project is consistent with and would promote the general and specific purposes of the Planning 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.
- 12. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2014.0233C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated April 18, 2014, and labeled "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on May 1, 2014.

Jonas P. Ionin Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

May 1, 2014

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to allow a formula retail use (d.b.a. Chipotle) located at 2675 Geary Boulevard, Assessor's Block 1094, Lot 001 pursuant to Planning Code Sections 303 and 703.4 within the NC-3 (Moderate-Scale Neighborhood Commercial) District and 40-X/80-D Height and Bulk Districts; in general conformance with plans, dated April 18, 2014, and labeled "EXHIBIT B" included in the docket for Case No. 2014.0233C and subject to conditions of approval reviewed and approved by the Commission on May 1, 2014 under Motion No. _______. This authorization and the conditions contained herein run with the property and not with a particular project sponsor, business, or operator.

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 May 1, 2014 under Motion No. ________.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No.
_______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.** The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

2. Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

3. Diligent pursuit. 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. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

4. **Extension.** All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

5. **Conformity with Current Law.** No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

MONITORING - AFTER ENTITLEMENT

- 6. **Enforcement.** Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction. For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 7. Revocation due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

- 8. Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works. For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-.5810, http://sfdpw.org
- 9. Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.
 For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, http://sfdpw.org
- 10. Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org



SAN FRANCISCO PLANNING DEPARTMENT

CEQA Categorical Exemption Determination

PROPERTY INFORMATION/PROJECT DESCRIPTION

| Project Address | | Block/Lot(s) |
|-----------------|---|---|
| | 2675 Geary Blvd. | 1094/001 |
| Case No. | Permit No. | Plans Dated |
| 2014.005 | 6E | 12/13/14 and additional project info 4/21/14 |
| Addition/ | | New Project Modification GO TO STEP 7) |
| Project descrip | otion for Planning Department approval. | |
| | of seven stores; minor expansion of se to formula retail at six stores requi | five recessed storefronts (totaling 848 sf); iring CU authorization. |
| то ве сомн | MPTION CLASS PLETED BY PROJECT PLANNER er class applies, an Environmental Evaluat | ion Amilication is required |
| | | erior alterations; additions under 10,000 sq. ft.; change |
| ir | one building; commercial/office structures | new single-family residences or six (6) dwelling units; utility extensions. |
| | class | |
| STEP 2: CEQ | A IMPACTS PLETED BY PROJECT PLANNER | all box |
| | checked below, an <i>Environmental Evaluati</i> | on Application is required. |
| | | 6) or more net new parking spaces or residential unit sely affect transit, pedestrian and/or bicycle safety pedestrian and/or bicycle facilities? |
| | * 1 | sitive receptors (specifically, schools, day care d senior-care facilities) within an air pollution hot nation Layers > Air Pollution Hot Spots) |
| | nazardous materials (based on a previous us neavy manufacturing, or a site with undergo cubic yards or more of soil disturbance - or a this box must be checked and the project app with a Phase I Environmental Site Assessme documentation of enrollment in the San Francisc | cated on the Maher map or is suspected of containing se such as gas station, auto repair, dry cleaners, or cound storage tanks): Would the project involve 50 a change of use from industrial to residential? If yes, plicant must submit an Environmental Application int. Exceptions: do not check box if the applicant presents to Department of Public Health (DPH) Maher program, a documentation from Environmental Planning staff that inificent (refer to EP. ArcMan > Maher Inventor |

| | Soil Disturbance/Modification: Would the project result in soil disturbance/modification greater than two (2) feet below grade in an archeological sensitive area or eight (8) feet in a non-archeological sensitive area? (refer to EP_ArcMap > CEQA Catex Determination Layers > Archeological Sensitive Area) |
|---------------------------|---|
| | Noise: Does the project include new noise-sensitive receptors (schools, day care facilities, hospitals, residential dwellings, and senior-care facilities) fronting roadways located in the noise mitigation area? (refer to EP_ArcMap > CEQA Catex Determination Layers > Noise Mitigation Area) |
| | Subdivision/Lot Line Adjustment: Does the project site involve a subdivision or lot line adjustment on a lot with a slope average of 20% or more? (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) |
| | Slope = or > 20%: : Does the project involve excavation of 50 cubic yards of soil or more, square footage expansion greater than 1,000 sq. ft., shoring, underpinning, retaining wall work, or grading on a lot with a slope average of 20% or more? Exceptions: do not check box for work performed on a previously developed portion of site, stairs, patio, deck, or fence work. (refer to EP_ArcMap > CEQA Catex Determination Layers > Topography) If box is checked, a geotechnical report is required and a Certificate or higher level CEQA document required |
| | Seismic: Landslide Zone: Does the project involve excavation of 50 cubic yards of soil or more, square footage expansion greater than 1,000 sq. ft., shoring, underpinning, retaining wall work, grading –including excavation and fill on a landslide zone – as identified in the San Francisco General Plan? Exceptions: do not check box for work performed on a previously developed portion of the site, stairs, patio, deck, or fence work. (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report is required and a Certificate or higher level CEQA document required |
| | Seismic: Liquefaction Zone: Does the project involve excavation of 50 cubic yards of soil or more, square footage expansion greater than 1000 sq ft, shoring, underpinning, retaining wall work, or grading on a lot in a liquefaction zone? Exceptions: do not check box for work performed on a previously developed portion of the site, stairs, patio, deck, or fence work. (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required |
| | Serpentine Rock: Does the project involve any excavation on a property containing serpentine rock? Exceptions: do not check box for stairs, patio, deck, retaining walls, or fence work. (refer to EP_ArcMap > CEQA Catex Determination Layers > Serpentine) |
| | are checked above, GO TO STEP 3. If one or more boxes are checked above, an Environmental Application is required. |
| ✓ | Project can proceed with categorical exemption review. The project does not trigger any of the CEQA impacts listed above. |
| Comments No excava | and Planner Signature (optional): |
| year- <u>despelaeer</u> , | potango) ampliant de la companya de |
| | ROPERTY STATUS – HISTORIC RESOURCE MPLETED BY PROJECT PLANNER |
| | Y IS ONE OF THE FOLLOWING: (refer to Parcel Information Map) |
| 200 | ategory A: Known Historical Resource. GO TO STEP 5. |
| | ategory B: Potential Historical Resource (over 50 years of age). GO TO STEP 4. ategory C: Not a Historical Resource or Not Age Eligible (under 50 years of age). GO TO STEP 6. |
| A C | regory C. 1401 a Historical Resource of 1401 life English (affect 50 years of age). 30 10 01th 0. |

STEP 4: PROPOSED WORK CHECKLIST TO BE COMPLETED BY PROJECT PLANNER

| Check a | ıll that apply to the project. |
|---------|--|
| 1. | Change of use and new construction. Tenant improvements not included. |
| 3. | Regular maintenance or repair to correct or repair deterioration, decay, or damage to building. |
| 1 1 1 | Window replacement that meets the Department's Window Replacement Standards. Does not include storefront window alterations. |
| 1 1 1 | Garage work. A new opening that meets the Guidelines for Adding Garages and Curb Cuts, and/or eplacement of a garage door in an existing opening that meets the Residential Design Guidelines. |
| 6. | Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way. |
| | Mechanical equipment installation that is not visible from any immediately adjacent public right-ofway. |
| | Dormer installation that meets the requirements for exemption from public notification under <i>Zoning</i> Administrator Bulletin No. 3: Dormer Windows. |
| | Addition(s) that are not visible from any immediately adjacent public right-of-way for 150 feet in each direction; does not extend vertically beyond the floor level of the top story of the structure or is only a single story in height; does not have a footprint that is more than 50% larger than that of the original building; and does not cause the removal of architectural significant roofing features. |
| Note: P | roject Planner must check box below before proceeding. |
| Pr | oject is not listed. GO TO STEP 5. |
| Pr | oject does not conform to the scopes of work. GO TO STEP 5. |
| Pr | oject involves four or more work descriptions. GO TO STEP 5. |
| Pr | oject involves less than four work descriptions. GO TO STEP 6. |
| TO BE | COMPLETED BY PRESERVATION PLANNER |
| Спеска | all that apply to the project. |
| | 1. Project involves a known historical resource (CEQA Category A) as determined by Step 3 and conforms entirely to proposed work checklist in Step 4. |
| | 2. Interior alterations to publicly accessible spaces. |
| | 3. Window replacement of original/historic windows that are not "in-kind" but are consistent with existing historic character. |
| | 4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features. |
| | 5. Raising the building in a manner that does not remove, alter, or obscure character-defining features. |
| | 6. Restoration based upon documented evidence of a building's historic condition, such as historic photographs, plans, physical evidence, or similar buildings. |
| | 7. Addition(s), including mechanical equipment that are minimally visible from a public right-of-way and meet the Secretary of the Interior's Standards for Rehabilitation. |

| | 8. Other work consistent with the Secretary of the Interior Standards for the Treatment of Historic Properties (specify or add comments): |
|-------|--|
| | (specify of and comments). |
| | |
| | |
| | 9. Reclassification of property status to Category C. (Requires approval by Senior Preservation |
| | Planner/Preservation Coordinator) a. Per HRER dated: (attach HRER) |
| | b. Other (specify): |
| | |
| | |
| Note | : If ANY box in STEP 5 above is checked, a Preservation Planner MUST check one box below. |
| | Further environmental review required. Based on the information provided, the project requires an <i>Environmental Evaluation Application</i> to be submitted. GO TO STEP 6. |
| | Project can proceed with categorical exemption review. The project has been reviewed by the Preservation Planner and can proceed with categorical exemption review. GO TO STEP 6. |
| Comi | nents (optional): |
| | |
| | |
| Prese | rvation Planner Signature: |
| | 6: CATEGORICAL EXEMPTION DETERMINATION |
| | E COMPLETED BY PROJECT PLANNER Further environmental review required. Proposed project does not meet scopes of work in either (check |
| | all that apply): |
| | Step 2 – CEQA Impacts |
| | Step 5 – Advanced Historical Review |
| | STOP! Must file an Environmental Evaluation Application. |
| | No further environmental review is required. The project is categorically exempt under CEQA. |
| | Planner Name: Jeanie Poling Signature or Stamp: Digitally signed by Jean Poling Digitally signed by Jean Poling |
| | Project Approval Action: Other: CU Authorizaiton *If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project. Jean Poling DN: dc=org, dc=sfgov, dc=cityplanning, ou=CityPlanning, |
| | Once signed or stamped and dated, this document constitutes a categorical exemption pursuant to CEQA Guidelines and Chapter 31 of the Administrative Code. In accordance with Chapter 31 of the San Francisco Administrative Code, an appeal of an exemption determination can only be filed within 30 days of the project receiving the first approval action. |

STEP 7: MODIFICATION OF A CEQA EXEMPT PROJECT TO BE COMPLETED BY PROJECT PLANNER

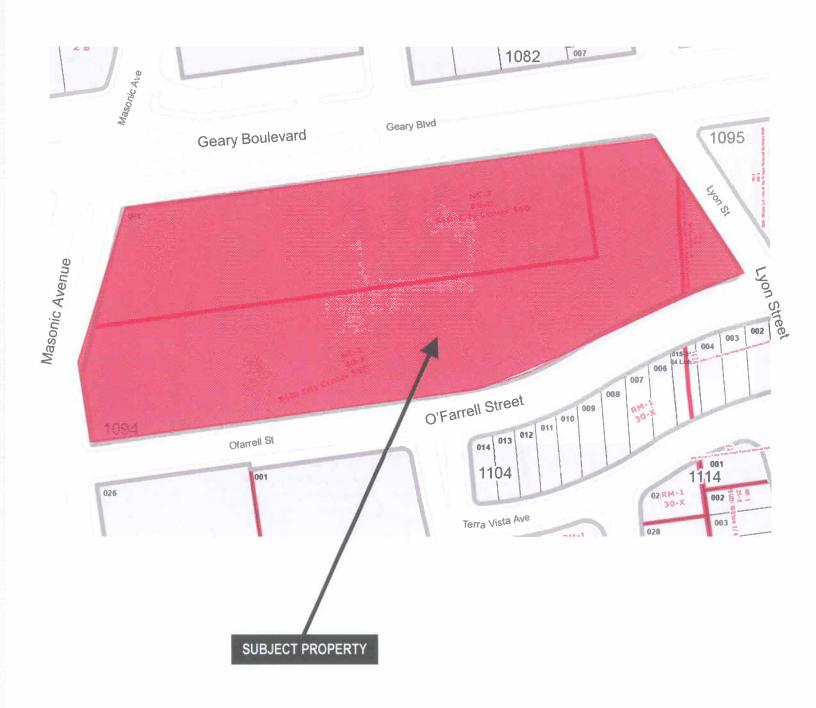
In accordance with Chapter 31 of the San Francisco Administrative Code, when a California Environmental Quality Act (CEQA) exempt project changes after the Approval Action and requires a subsequent approval, the Environmental Review Officer (or his or her designee) must determine whether the proposed change constitutes a substantial modification of that project. This checklist shall be used to determine whether the proposed changes to the approved project would constitute a "substantial modification" and, therefore, be subject to additional environmental review pursuant to CEQA.

PROPERTY INFORMATION/PROJECT DESCRIPTION

| Project A | roject Address (If different than front page) | | Block/Lot(s) (If different than front page) |
|------------|---|---|--|
| | | | |
| Case No. | 16 | Previous Building Permit No. | New Building Permit No. |
| | 1 | | |
| Plans Da | ted | Previous Approval Action | New Approval Action |
| | | | |
| Modified | Project Description: | | |
| | | | |
| | | | |
| | | | |
| DETERMIN | ATION IF PROJECT CO | NSTITUTES SUBSTANTIAL MODIFI | CATION |
| | | ect, would the modified project: | # E |
| | Result in expansion of the building envelope, as defined in the Planning Code; | | |
| | Result in the change of | of use that would require public n | otice under Planning Code |
| | Sections 311 or 312; | | |
| | Result in demolition as defined under Planning Code Section 317 or 19005(f)? | | |
| | Is any information be | ing presented that was not known | and could not have been known |
| | at the time of the original determination, that shows the originally approved project may | | |
| | no longer qualify for the exemption? | | |
| If at leas | t one of the above box | es is checked, further environme | ntal review is required CATEX FORM |
| DETERMINA | ATION OF NO SUBSTANT | IAL MODIFICATION | |
| | The proposed modifi | cation would not result in any of t | he above changes. |
| | | | er CEQA, in accordance with prior project |
| | | ental review is required. This determinational to the applicant. City approving enti- | on shall be posted on the Planning ties, and anyone requesting written notice. |
| Planner | | Signature or Stamp: | aco, and anyone requesting withen Hollee. |
| | | | |
| | | | |
| | | | |

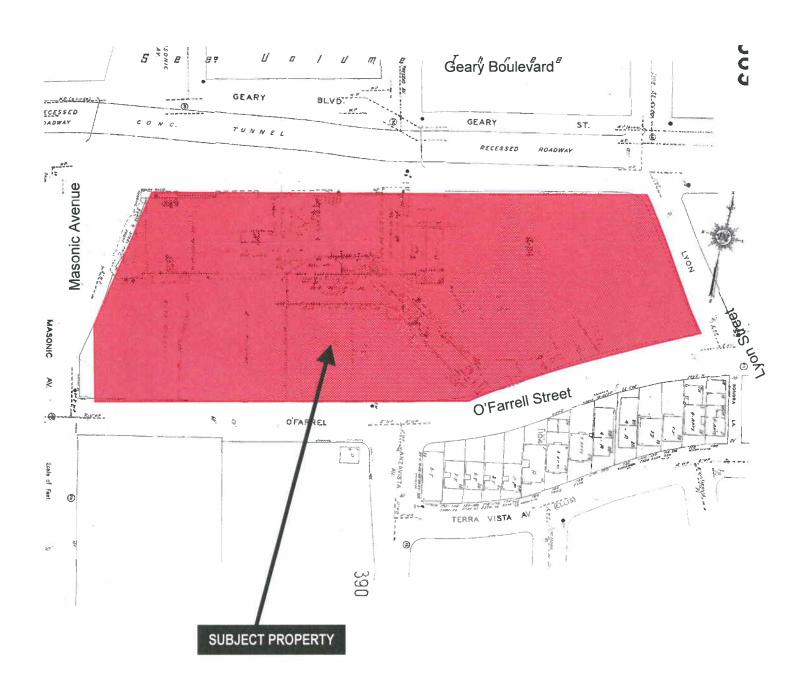
Zoning/Parcel Map

Block 1094; Lot 001





Sanborn Map*



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



Aerial Photo





SUBJECT PROPERTY



Zoning Map

NC-3
(MODERATE-SCALE NEIGHBORHOOD COMMERCIAL DISTRICT)





Site Photo



View looking west from corner of Lyon Street and Geary Boulevard

Site Photo



View looking northwest toward building at parking lot E

REUBEN, JUNIUS & ROSE, LLP

April 22, 2014

By Messenger

President Cindy Wu San Francisco Planning Commission 1650 Mission Street, 4th Floor San Francisco, CA 94103

Re: 2675 Geary Boulevard (Block 1094; Lot 001)

Case Nos.: 2014.0192 (GNC); 2014.0196 (Sleep Number); 2014.0233 (Chipotle); 2014.0234 (Ulta Beauty); 2014.0187C (Target Café); 2014.0236

(Panera Bread)

Hearing Date: May 1, 2014

Dear President Wu and Commissioners:

Our office represents KLA Geary LLC ("Owner"), owner of the City Center Shopping Plaza ("Plaza") located at 2675 Geary Boulevard at Masonic Avenue ("Property"). The Owner recently completed extensive upgrades to the Plaza in conjunction with the opening of a new City Target store. These upgrades included façade renovations, new street-facing windows, landscaping, bicycle parking, and a comprehensive sign program. In addition, the Owner funded signal improvements at Masonic Avenue and O'Farrell Street, as well as a new signalized crosswalk at Masonic Avenue and Ewing Terrace.

At your May 1st hearing, we will be seeking your approval of six conditional use authorizations to fill several smaller tenant spaces. These new tenants will employ more than 150 workers and bring the Plaza to full occupancy:

- Ulta Beauty Ulta Beauty is a beauty salon that offers a variety of mass and prestige beauty and hair care products at price points affordable to people of all income levels. This will be Ulta's first San Francisco store. Its 10,194 square foot store along Geary Boulevard was last occupied by another formula retailer, Office Depot, which vacated the Property in 2013.
- Sleep Number Sleep Number is a specialty mattress and bedding store which sells custom, made-to-order beds that allow users to adjust firmness through hand-held

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 President Cindy Wu San Francisco Planning Commission April 22, 2014 Page 2

electronic controls. This will be Sleep Number's first store in San Francisco. It will occupy 3,390 square feet near one of City Target's entrances. The store will have no street frontage; its storefront will face onto parking lot "B", the second parking entrance to the west of Masonic Avenue. This space was most recently occupied by another formula retailer, Payless Shoes.

- GNC GNC is a specialty health and nutrition store that offers a variety of supplements, vitamins, minerals, herbs, sports nutrition, diet, and energy products. This will be GNC's thirteenth San Francisco store. It will be located below the grade of O'Farrell St. with frontage on parking lot "E." GNC proposes to occupy a total of 1,264 square feet, including an approximately 206 square foot addition that will bring the currently recessed storefront is flush with the existing roofline. GNC's space was most recently occupied by Edible Arrangements, a formula retailer. This space, along with others on parking lot "E" are minimally visible from the street.
- Panera Bread Panera Bread is a bakery and restaurant that provides specialty bread and a variety of other fresh baked goods, sandwiches, soups, and salads, as well as coffee, tea, and an assortment of breakfast items. This will be Panera Bread's second San Francisco store. It will occupy approximately 4,000 square feet in parking lot "E" that was previously occupied by formula retailer Sally Beauty.
- Chipotle Chipotle is a casual Mexican dining restaurant that focuses on local, organic, and natural products, and provides an affordable food option for people of all income levels. Chipotle will occupy approximately 2,100 square feet in parking lot "E", including a 241 square foot expansion to bring the currently recessed storefront flush with the existing roofline, and will be minimally visible from the street.

Lastly, the Planning Department has directed Target to request conditional use authorization for a Starbucks-branded café ("Café") within its store. The Planning Commission approved a café in the conditional use for City Target, but the format of the café had not been decided at that time. The Café is accessible only through the City Target store, is wholly owned by Target, and operated by City Target employees as an integral part of the store. However, it serves Starbucks products and displays the Starbucks trademark under a license agreement with Starbucks. Because of this, the Planning Department believes the Café requires a separate formula retail authorization.

One Bush Street, Suite 600 San Francisco, CA 94104

tel: 415-567-9000 fax: 415-399-9480 President Cindy Wu San Francisco Planning Commission April 22, 2014 Page 3

We respectfully request that you approve these six conditional use authorizations, which will create over 150 new jobs and return the Plaza to full occupancy. We look forward to presenting the Project to you on May 1, 2014.

Thank you.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP

Janis / Frattin / eal

Daniel Frattin

One Bush Street, Suite 600 San Francisco, CA 94104

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



CITY CENTER

KLA Geary, LLC

2675 Geary Blvd. San Francisco, CA 94118

> Project Sponsor: Chipotle Mexican Grill, Inc.

> > **EXHIBIT B**

April 18, 2014



Project Team

Project Sponsor

Chipotle Mexican Grill, Inc. ("Chipotle")

Attn: Mr. Paul Groh 8033 Sunset Boulevard, Suite 237 Los Angeles, CA 90046 Tel: (323) 445-4718 Email: pgroh@chipotle.com

Property Owner

KLA Geary, LLC

Attn: Adam L. Miller c/o Balboa Retail Advisors, LLC 11111 Santa Monica Boulevard, Suite 340 Los Angeles, CA 90025 Tel: (310) 496-4135 Fax: (310) 496-4131

Email: adam@balboaretail.com

Project Contact

Reuben & Junius, LLP

Attn: Mr. Daniel Frattin
One Bush Street, Suite 600
San Francisco, CA 94104
Phone: (415) 567-9000
Fax: (415) 399-9480

Email: dfrattin@reubenlaw.com

Architect

Studio One Eleven

Attn: Brad Williams
111 West Ocean Blvd., 21st Floor
Long Beach, CA 90802
Phone: (562) 901-1500
Email: bwilliams@studio-111.com

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|--|-----|
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Aerial Panorama Looking South Toward O'Farrell Street



Aerial Panorama Looking North Toward Geary Blvd.



View of Existing Conditions Looking Northwest Toward Building at Parking Lot E. Proposed location for the following CUP tenancy: Panera Bread, Chipotle Mexican Grill, GNC



View of Existing Conditions Looking West Toward Building at Parking Lot F. Proposed location for the following CUP tenancy: Ulta Beauty.



View of Existing Conditions Looking West from Corner of Lyon St. & Geary Blvd.



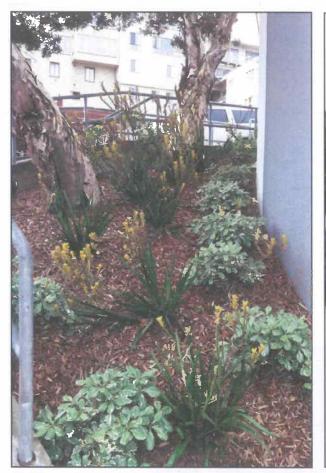
View of Existing Conditions Looking East Along Geary Blvd.



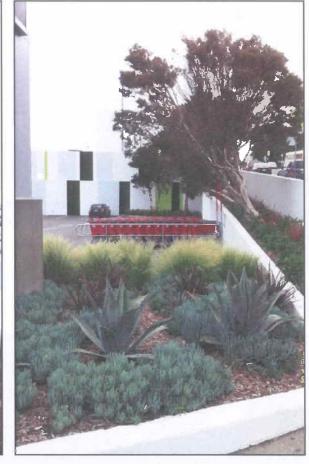
View of Existing Conditions Looking Southeast from Corner of Masonic Ave. & Geary Blvd. Proposed location for the following CUP tenancy: Starbucks branded Target Cafe.

Initial Exterior Property Renovations Completed in 2013











View south along Lyon Street.

View west on O'Farrell Street.

Corner of Masonic Avenue and O'Farrell Street.

View east on Geary Boulevard.



Corner of Masonic Avenue and O'Farrell Street.



Corner of Lyon Street and Geary Boulevard.



View east on O'Farrell Street.



Raised planters on Geary Boulevard.



Parking E Outdoor Seating Area.

Landscape Improvements Completed 2013





Existing Conditions on West Side of Masonic Ave. (Opposite City Center)



Existing Conditions on East Side of Lyon Street (Opposite City Center)



Existing Conditions on North Side of Geary Blvd. (Opposite City Center)











Existing Conditions on South Side of O'Farrell St. (Opposite City Center)

TENANT/SHOPPING CENTER GROSS SQUARE FOOTAGE

| | Suite Number | Approx. Existing GSF | Approx. Proposed GSF | Approx. Expansion GSF |
|------------------------------|--------------|----------------------|----------------------|-----------------------|
| City Target | 200 | 119,000 | 119,000 | 0 |
| Best Buy | 300 | 55,311 | 55,311 | 0 |
| Proposed ULTA Beauty | 100 | 10,194 | 10,194 | 0 |
| Proposed Sleep Number | B100 | 3,390 | 3,390 | 0 |
| Proposed Panera Bread | E106 | 4,000 | 4,000 | 0 |
| Proposed Chipotle | E105 | 1,859 | 2,100 | 241 |
| Vacant | E104 | 1,274 | 1,374 | 100 |
| Subway | E103 | 910 | 1,060 | 150 |
| Proposed European Wax Center | E102 | 1,126 | 1,277 | 151 |
| Proposed GNC | E101 | 1,058 | 1,264 | 206 |
| Best Buy Auto Install | E100 | 1,987 | 1,987 | 0 |
| City Dental | 400 | 3,000 | 3,000 | 0 |
| TOTAL | | 203,109 | 203,957 | 848 |
| FAR | | 0.67 to 1 | 0.69 to 1 | |

AVAILABLE PARKING

| Lot | Primary Accessible Tenants (1) | Car Parking Spaces (2) | Class 1 Bike Parking Spaces (2) | Class 2 Bike Parking Spaces (2) |
|---------------|--------------------------------|------------------------|---------------------------------|---------------------------------|
| Parking Lot A | City Target | 77 | 0 | 6 |
| Parking Lot B | City Target | 81 | 4 | 12 |
| | Proposed Sleep Number | | | |
| Parking Lot C | Best Buy | 117 | 5 | 10 |
| Parking Lot D | City Target Overflow | 123 | 0 | 0 |
| | City Dental | | | |
| Parking Lot E | City Target | 96 | 0 | 8 |
| | Proposed Panera Bread | | | |
| | Proposed Chipotle | | | |
| | Vacant | | | |
| | Subway | | | |
| | Proposed European Wax Center | | | |
| | Proposed GNC | | | |
| Parking Lot F | Proposed ULTA Beauty | 143 | 0 | 12 |
| TOTAL | | 637 | 9 | 48 |
| PARKING RATIO | | 3.12 per 1,000 SF | | |

ESTIMATED OCCUPIED SQUARE FOOTAGE AND PARKING ANALYSIS

| ESTIMATED OCCUPIED SQUARE FOOTAGE AND FARRING ANALISIS | | | | | | | | |
|--|----------------------------|-------------------------------|-----------------------------|--------------------------------|-----------------------------|--|--|--|
| Use | Parking Requirement | Approx.Occupied SF (Existing) | Parking Required (Existing) | Approx. Occupied SF (Proposed) | Parking Required (Proposed) | | | |
| Retail | 1:500 (First 20,000 SF) | 147,425 | 550 | 148,630 | 555 | | | |
| | 1: 250 (SF over 20,000 SF) | | | | | | | |
| Service/Repair | 1:1,000 | 2,413 | 2 | 2,874 | _ 3 | | | |
| Restaurant | 1:200 | 4,065 | 20 | 5,240 | 26 | | | |
| Dental Office | 1:300 | 2,325 | 8 | 2,550 | 9 | | | |
| TOTAL | | 156,228 | 580 | 159,293 | 592 | | | |

LOADING ANALYSIS

| Use | Loading Requirement | | Loading - Existing GSF | Required Loading - Existing GSF | Loading - Proposed GSF | Required Loading - Proposed GSF | |
|-------------------------------------|---------------------|---------------------------|------------------------|---------------------------------|------------------------|---------------------------------|--|
| Retail stores, wholesaling, | <u>SF</u> | Loading | 5 | 4 | 5 | 4 | |
| manufacturing, live/work units in | 0-10,000 SF | 0 | | | | | |
| newly constructed structures, and | 10,001-60,000 SF | 1 | | | | | |
| all other uses primarily engaged in | 60,001-100,000 SF | 2 | | | | | |
| the handling of goods. | Over 100,000 SF | 3 + 1 for every 80,000 SF | | | | | |
| | | | | | | | |

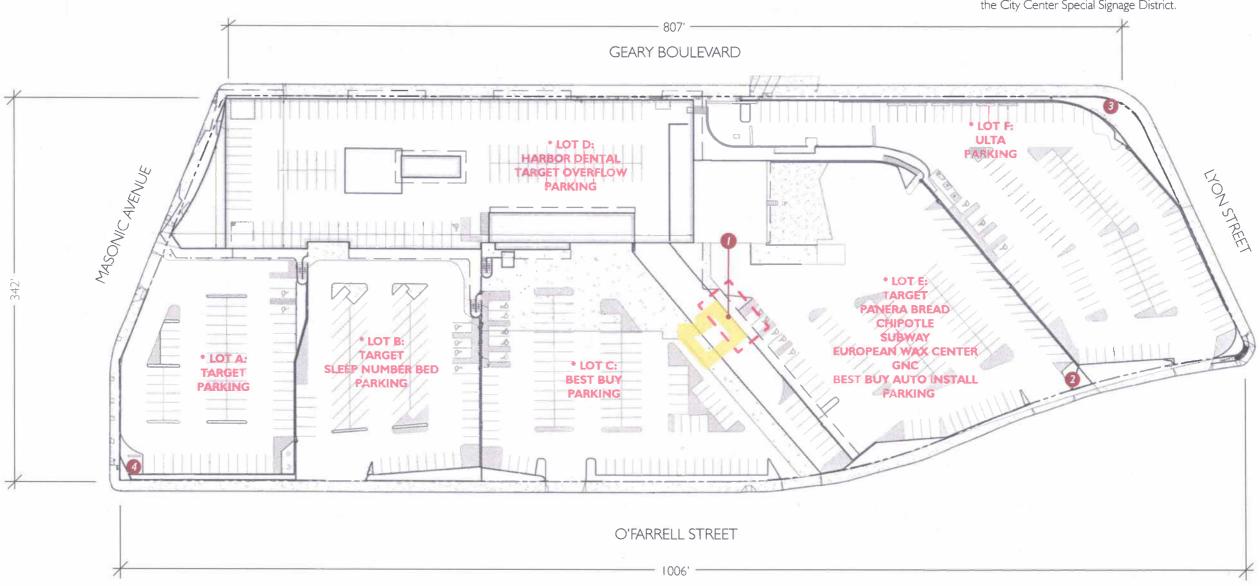
NOTES

- (1) All parking is non-exclusive and available to all tenants.
- (2) There is no change in car and bike parking spaces as a result of the proposed tenancy.



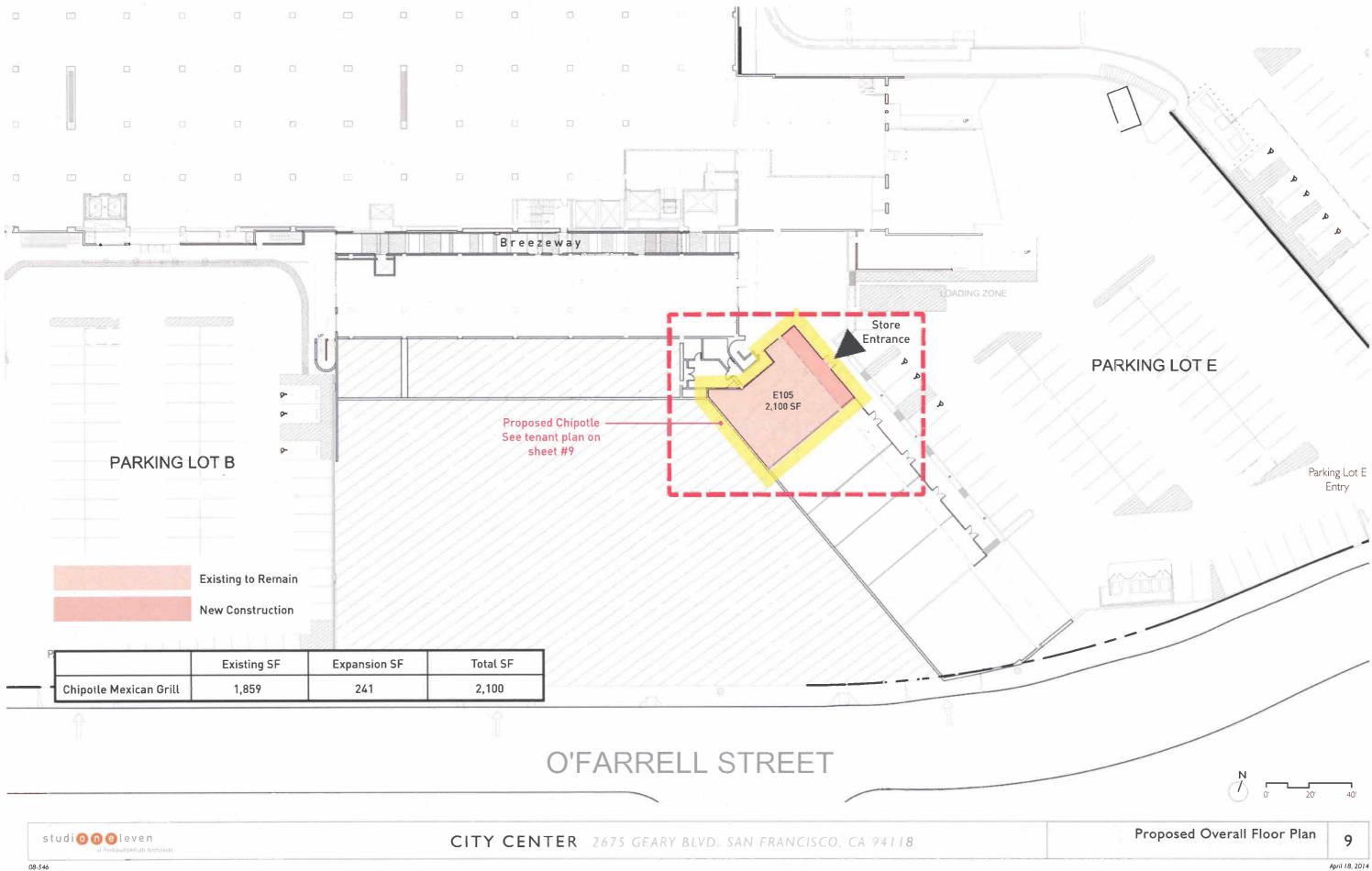
KEYNOTES

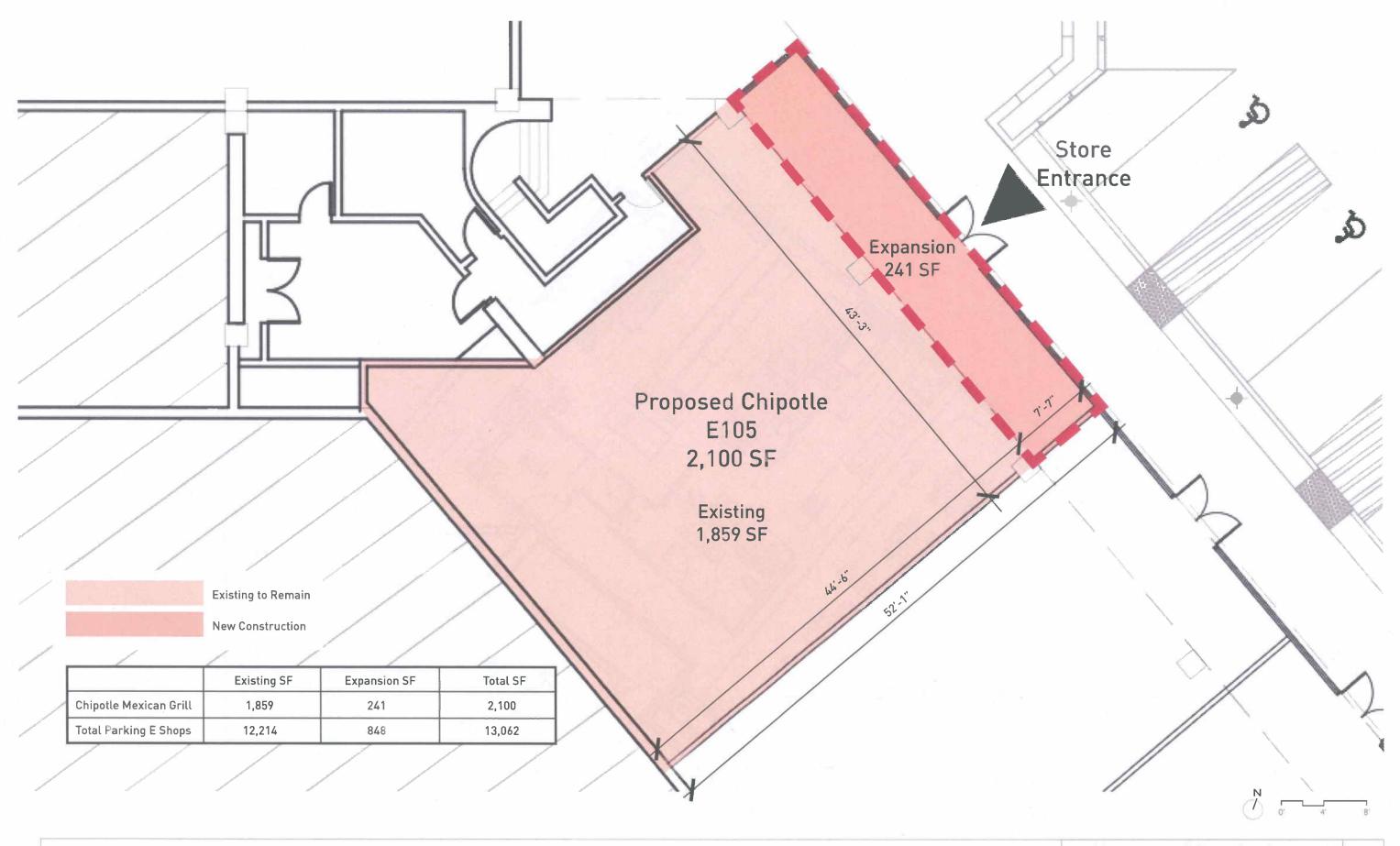
- Primary facade facing Lot E with access from O'Farrell Street. Storefront location to be modified in conjunction with the expansion of the premises. Proposed tenant wall sign above the pedestrian entry consistent with the City Center Special Signage District.
- Proposed tenant signage on existing freestanding directional sign consistent with the City Center Special Signage District.
- Proposed tenant signage on existing wall sign consistent with the City Center Special Signage District.
- 4 Proposed tenant signage on existing freestanding pylon sign consistent with the City Center Special Signage District.

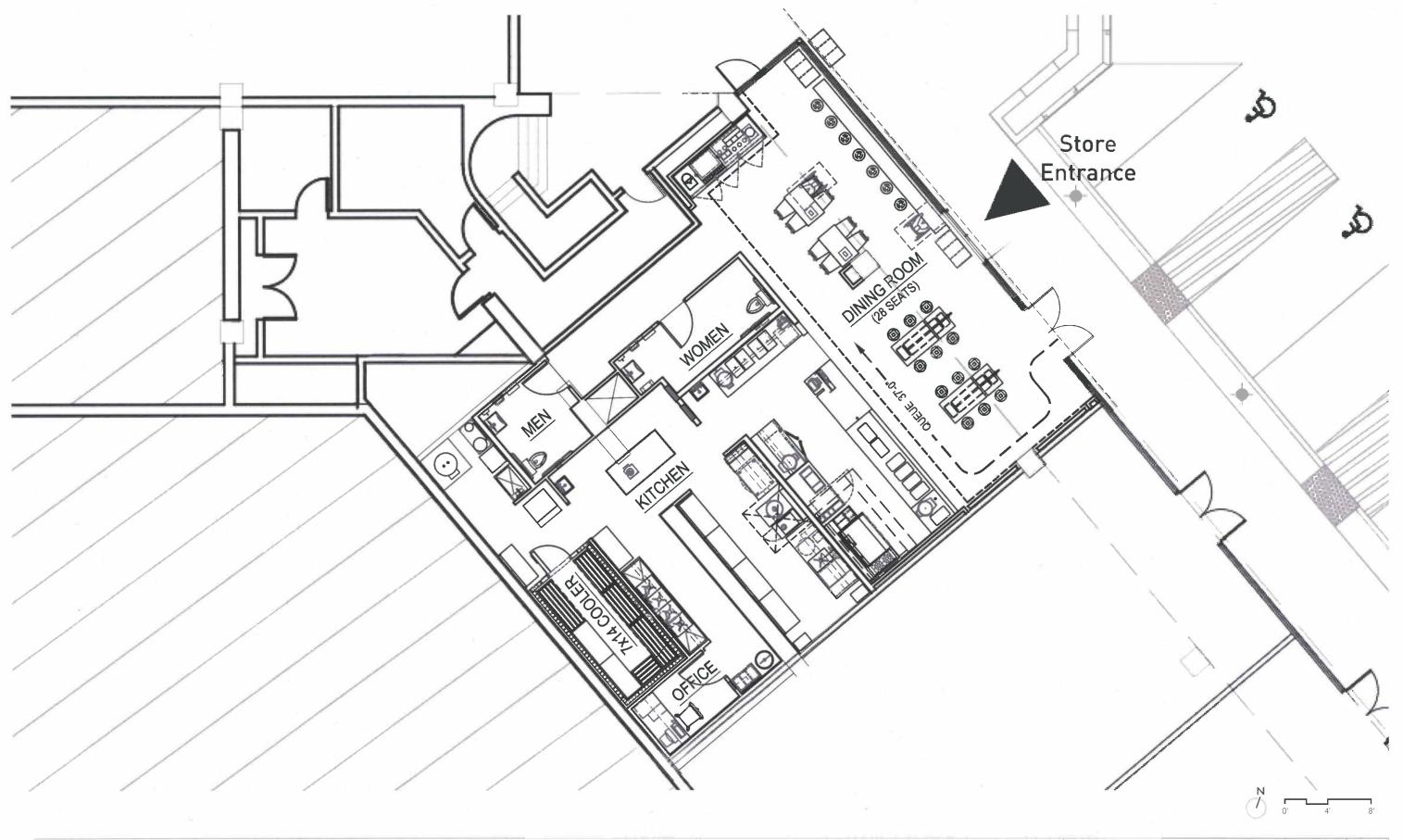


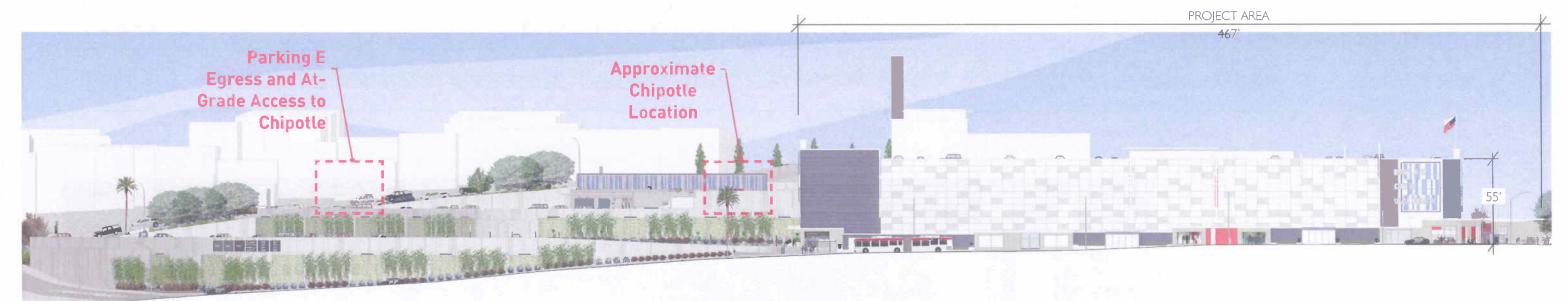
*NOTE: All parking is non-exclusive and available for use by all tenants.





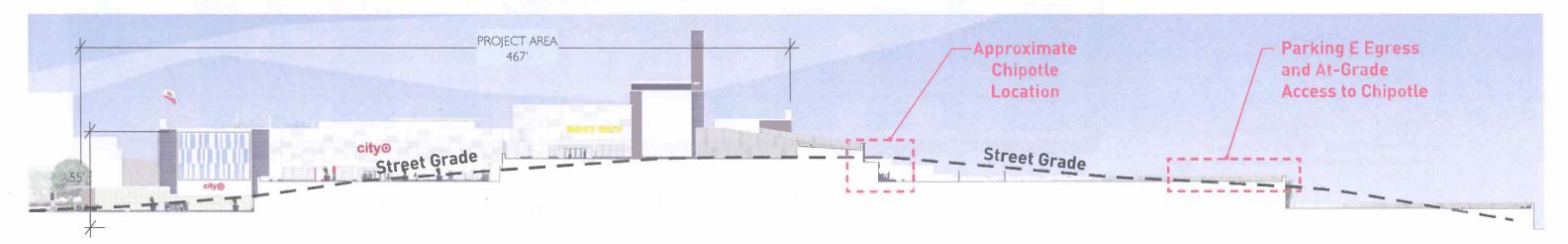






GEARY BLVD. ELEVATION (NORTH)



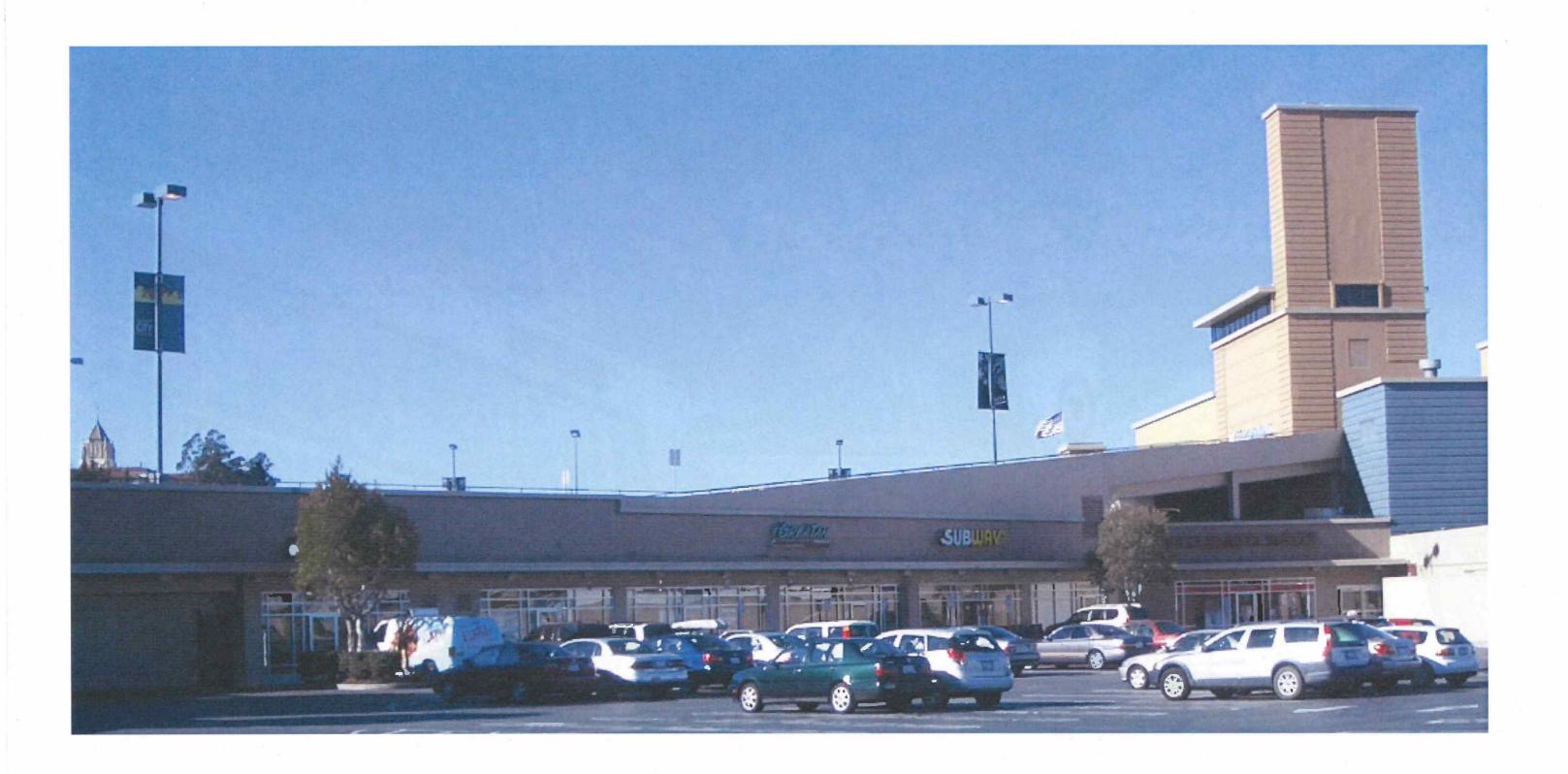




KEYNOTES

- Storefront location to be modified in conjunction with the expansion of the premises.
- Proposed tenant wall sign above the pedestrian entry consistent with the City Center Special Signage District.
- Outdoor seating area to be used in common by all Parking Lot E tenants. Seating area completed in September 2013





CITY CENTER 2675 GEARY BLVD. SAN FRANCISCO, CA 94118

15



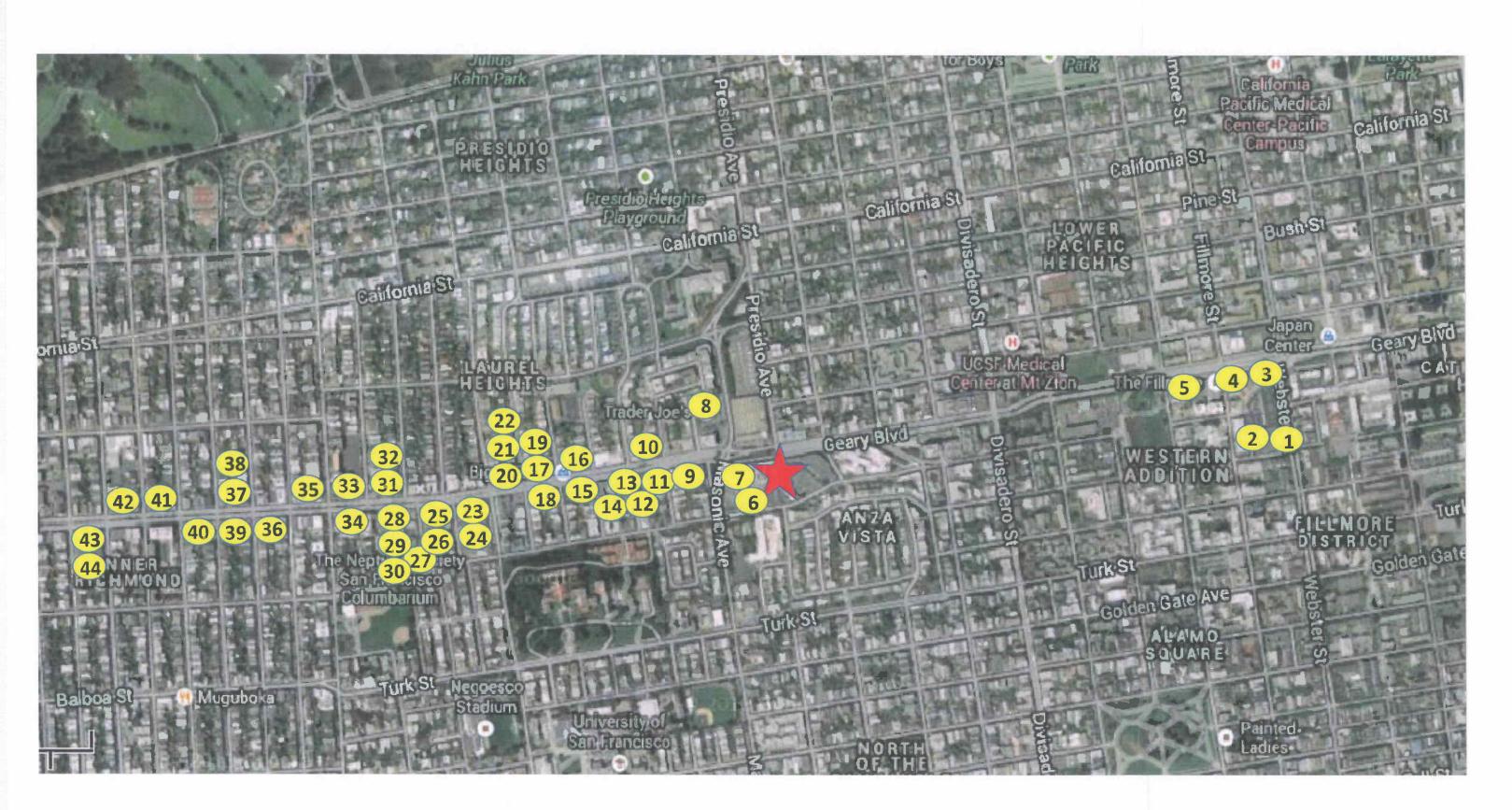
16



LOOKING DOWN SIDEWALK IN FRONT OF E-SHOPS

14.0233

Formula Retail Map



City Center – 2675 Geary Boulevard, San Francisco, CA

Formula Retail Map

| Key# | Retailer | Address | Key# | Retailer | Address | Key# | Retailer | Address | Key# | Retailer | Address |
|------|-----------------|----------------------|------|--------------------|----------------------|------|----------------------|----------------------|------|----------------------|----------------------|
| 1 | Safeway | 1335 Webster Street | 12 | Liberty Income Tax | 2890 Geary Boulevard | 23 | Chase Bank | 3301 Geary Boulevard | 34 | Chevron Gas | 3675 Geary Boulevard |
| 2 | Popeye's | 1335 Webster Street | 13 | Super Cuts | 2947 Geary Boulevard | 24 | Mel's Diner | 3355 Geary Boulevard | 35 | Office Maz | 3700 Geary Boulevard |
| 3 | Panda Express | 1480 Fillmore Street | 14 | Sleep World | 2950 Geary Boulevard | 25 | Sprint | 3435 Geary Boulevard | 36 | O'Reilly Auto | 3855 Geary Boulevard |
| 4 | Subway | 1500 Fillmore Street | 15 | Shell Gas | 3035 Geary Boulevard | 26 | Bevmo | 3455 Geary Boulevard | 37 | Burger King | 3900 Geary Boulevard |
| 5 | Taco Bell/KFC | 1881 Geary Boulevard | 16 | Big O Tires | 3040 Geary Boulevard | 27 | Fed Ex Office | 25 Stanyan Street | 38 | Hertz | 3928 Geary Boulevard |
| 6 | Best Buy | 2675 Geary Boulevard | 17 | Sleep Train | 3100 Geary Boulevard | 28 | 76 Gas | 3501 Geary Boulevard | 39 | Salvation Army | 3921 Geary Boulevard |
| 7 | City Target | 2675 Geary Boulevard | 18 | UPS | 3145 Geary Boulevard | 29 | AT&T | 3555 Geary Boulevard | 40 | SF Toyota | 4099 Geary Boulevard |
| 8 | Trader Joe's | 3 Masonic Street | 19 | Lumber Liquidators | 3150 Geary Boulevard | 30 | Round Table Pizza | 3567 Geary Boulevard | 41 | Taco Bell/KFC | 4150 Geary Boulevard |
| 9 | Great Clips | 2733 Geary Boulevard | 20 | Radio Shack | 3200 Geary Boulevard | 31 | State Farm Insurance | 3524 Geary Boulevard | 42 | Enterprise | 4205 Geary Boulevard |
| 10 | Firestone | 2800 Geary Boulevard | 21 | Verizon Wireless | 3222 Geary Boulevard | 32 | US Bank | 3550 Geary Boulevard | 43 | East West Bank | 4355 Geary Boulevard |
| 11 | Bank of America | 2835 Geary Boulevard | 22 | H&R Block | 3250 Geary Boulevard | 33 | Wells Fargo Bank | 3624 Geary Boulevard | 44 | Federal Credit Union | 4375 Geary Boulevard |

<u>City Center – 2675 Geary Boulevard, San Francisco, CA</u>

<u>Chipotle Mexican Grill</u> Similar Formula/Local Retail Map

