Subject to: (Select only if applicable)	
☐ TIDF (Admin. Code)	$\hfill\Box$ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 313)	□Child Care Requirement (Sec. 314)
□ Downtown Park Fee (Sec. 139)	☐ Other

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Planning Commission Motion No. 17565

REVISED adding the Planning Commission's conditions of approval (as Conditions No.'s 8. through 12.)

Hearing Date: March 13, 2008 Case No.: **2007.1382C**

Project Address: 560 GEARY STREET (and 620 Jones Street)

Zoning: RC-4 (Residential-Commercial Combined, High Density) District

North of Market Residential Special Use District, Subarea 1

80-130-T Height and Bulk District

Block/Lot: 0305 / 011 and 036
Project Sponsor: Tim Murphy, Architect

465 California Street, Suite 310

San Francisco, CA 94104

Staff Contact: Jim Miller – (415) 558-6344

ADOPTING FINDINGS RELATED TO THE AUTHORIZATION OF A CONDITIONAL USE FOR A COMMERCIAL USE (restaurant / entertainment – "Om") ON THE SECOND FLOOR IN AN "RC" DISTRICT AND IN THE NORTH-OF-MARKET RESIDENTIAL SPECIAL USE DISTRICT, Subarea NO. 1, PURSUANT TO SECTION 249.5(c)(2) OF THE PLANNING CODE, LOCATED AT 560 GEARY STREET, ASSESSOR'S BLOCK 0305, LOT 011 AND 036, IN AN RC-4 (RESIDENTIAL-COMMERCIAL COMBINED, HIGH DENSITY) DISTRICT AND WITHIN AN 80-130-T HEIGHT AND BULK DISTRICT.

RECITALS

On December 5, 2007, Tim Murphy, Architect, of Architecture TM, authorized agent of Citisuites c/o Taylor Lembi, owner (hereinafter "Applicant"), filed Application No. 2007.1382C (hereinafter "Application") with the San Francisco Planning Department (hereinafter "Department") for review pursuant to Planning Code (hereinafter "Code") Section 249.5(c)(2) for second-floor commercial use, consisting of restaurant / entertainment use ("Om"), in an "RC" District and in the North-of-Market Residential Special Use District, Subarea No. 1 (hereinafter "Project"), at 560 Geary Street (and 620 Jones Street), north side between Jones and Shannon Streets, in an RC-4 (residential-

Commercial Combined, High Density) District and within an 80-130-T Height and Bulk District (hereinafter "Subject Property").

- 2. It was determined by the Department, in accordance with the provisions of the California Environmental Quality Act (hereinafter "CEQA"), the State Guidelines for the Implementation of CEQA and Chapter 31 of the San Francisco Administrative Code, that the proposed project could have no significant impact on the environment and was categorically exempt from CEQA.
- 3. On March 13, 2008, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Application No. 2007.1382C, at which time the Commission reviewed and discussed the findings prepared for its review by the Department staff.
- 4. The Commission has reviewed and considered reports, studies, plans and other documents pertaining to this proposed Project.
- 5. The Commission has heard and considered the testimony presented at the public hearing and has further considered the written materials and oral testimony presented on behalf of the applicant, the Department staff, and other interested parties.
- 6. **MOVED**, that the Commission hereby grants the approval requested in Application No. 2007.1382C subject to the conditions contained in <u>Exhibit A</u>, attached hereto and incorporated herein by reference thereto, 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.** The Project is at 560 Geary Street (and 620 Jones Street), north side between Jones and Shannon Streets, Lots 011 and 036 in Assessor's Block 0305, in an RC-4 (Residential-Commercial Combined, High Density) District, the North-of-Market Residential Special Use District, Subarea No. 1, and an 80-130-T Height and Bulk District. The project site is on the north side of Geary Street between Jones and Shannon Streets (subject Lot 011). It is approximately 5,813 square feet in area with 75 feet of frontage on Geary Street. It is developed with a one-story parking garage, 14 feet in height, that covers 100 percent of the lot. This parking-garage building serves the adjoining building to the north at 620 Jones Street, subject Lot 036, developed with a 13-story, 181-room hotel "The Gaylord" which is City Landmark No. 159. In that Jones Street is upsloping, the basement level of "The Gaylord Hotel" is at the same level as the roof of the parking garage building on subject Lot 011. This roof is developed as an open-air garden

that is accessible only to the basement level of "The Gaylord Hotel. The landmark nomination for "The Gaylord Hotel" mentions the interior of the lobby of the building and calls out certain finish materials used therein. It is, however, silent as to the basement level. This level is the site of a former restaurant and bar use. It is completely separate from the hotel operation and is accessible to the historic hotel lobby only through a fire exit. At present, the subject basement level is completely gutted awaiting re-use. It is accessed through a side "alley" between the 620 Jones Street building and the adjacent hotel building at the northeast corner of Jones and Geary Streets. The entrance to this alley is closed off by a locked grill gate.

- 3. **Surrounding Neighborhood.** The RC-4 District which contains the Subject Property is developed with high-density apartment buildings with little or no off-street parking and a high degree of lot coverage, hotel and institutional uses over nearly continuous ground-floor retail use. This area lies immediately to the west of the C-3-G (Downtown General Commercial) District which contains a similar mix of uses but with a higher concentration of commercial establishments. The subject lot lies two blocks west of Union Square. In addition to "The Gaylord Hotel", the other two buildings that abut the subject Lot 011 are a 16-story hotel building to the east ("The Adagio") and a seven-story hotel building to the west ("The Hotel California"). These two hotels have ground-floor restaurant / bar uses. Across Geary Street to the south are three five- and six-story multiunit apartment houses and several one-story commercial buildings.
- 4. **Project Description.** The Project is to develop a restaurant / entertainment facility ("Om Lounge"), in the basement of the Gaylord Hotel and partially on the roof area of the garage building on Lot 011 of the subject property. This rooftop portion of the proposed restaurant / bar would have 20 six-person booths in indoor / outdoor "cabanas" arranged on the garden level atop the existing garage. These seating areas would be around a new central water feature and a fire pit with seating. A new wall-mounted projection screen is proposed. The largest existing trees would be retained. Additionally, new potted trees would be installed around the garden area.
- 5. **Environmental Review.** The Project is Categorically Exempt from Environmental Review under Class 1(a) of the CEQA guidelines.
- 6. **Planning Code Compliance.** The Planning Commission finds and determines that the proposed Project meets all applicable Planning Code (hereinafter "Code") requirements and makes the following additional findings.
 - **A. Section 209.8(d)** of the Code allows, as a Conditional Use of property, a commercial use above the ground floor in an RC-4 District. Commercial use, including bar / restaurant use, is a Principal Permitted Use at or below the ground level in this District. Accordingly, the proposed basement-level use of "The Gaylord Hotel" would be permitted and its extension onto the roof of the one-story building at 560 Geary Street would require a Conditional Use authorization.

- **B.** Section 249.5 of the Code establishes the North of Market Residential Special Use District. Therein, commercial use at or below the ground floor is a Principal Permitted Use. Commercial use may be permitted one floor above the ground floor by the Planning Commission as a Conditional Use.
- **C. Section 151** of the Code establishes off-street parking requirements. In that the space in question in the Gaylord Hotel building was originally a bar and restaurant, its re-use as such would not trigger additional off-street parking. The use of the adjacent garden area would continue, essentially, to be an outdoor use and would, therefore, require no new off-street parking either.
- 7. Section 101.1(b)(1-8) establishes Eight Priority Planning Policies and requires review of permits for consistency with said policies. The Planning Commission finds and determines that the Project is consistent with the eight policies in the following ways.
 - A. <u>That Existing Neighborhood-Serving Retail Uses be Preserved and Enhanced and Future Opportunities for Resident Employment in and Ownership of Such Businesses Enhanced.</u>

The Project would not displace any existing retail uses. The Project proposes an addition of "indoor / outdoor" space associated with a new restaurant and bar ("Om Lounge"). Such a new use could potentially bring new employees and patrons to the site thereby strengthening the existing neighborhood retail operations.

B. <u>That Existing Housing and Neighborhood Character be Conserved and Protected in Order to Preserve the Cultural and Economic Diversity of Our Neighborhood.</u>

The Project site does not contain any housing, and thus the Project would have no impact on existing housing. The Project is located in an RC-4 District characterized by tall hotel buildings and continuous ground-floor retail uses. The proposed Project would be consistent with the existing neighborhood.

C. The City's Supply of Affordable Housing be Preserved and Enhanced.

The Project would have no effect on the City's supply of affordable housing.

D. <u>That Commuter Traffic not Impede Muni Transit Service or Overburden our Streets or Neighborhood Parking.</u>

The amount of commuter traffic generated by the Project would not impede Muni transit service or overburden streets or neighborhood parking. The Project is located within the North of Market Residential Special Use District and is adjacent to Union Square. It is in close proximity to a variety of local and regional public transit options.

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 would not displace any tenants, and would have no material effect on industrial or service sector space.

F. That the City Achieve the Greatest Possible Preparedness to Protect Against Injury and Loss of Life in an Earthquake.

The Project would conform to the structural and seismic requirements of the San Francisco Building Code.

G. That Landmarks and Historic Buildings be Preserved.

The Project would occupy, in part, the basement space of a Landmark structure. It would have no negative effect on the interior or exterior aspects of this Landmark. The subject basement space was formerly used as a restaurant and bar as is the Project. The basement area of the building is accessible only from the side of the building through an outside alleyway. The rooftop garden use is on an adjoining lot and is not part of or accessible to the Landmark structure. The only change to the exterior of the Landmark structure would be the replacement (in the same openings) of non-original doors leading from the basement level to the adjoining rooftop garden area. Thus, the Project would have no negative effect on any historically significant buildings, and, therefore, would have no impact on this priority policy.

H. <u>That our Parks and Open Space and their Access to Sunlight and Vistas be Protected from Development.</u>

The Project would not have a negative impact on parks and open spaces or their access to sunlight or vistas.

8. <u>Consistency with the General Plan:</u> The Project would be, on balance, consistent with and will not adversely affect the General Plan:

Commerce and Industry Element:

OBJECTIVE 1: MANAGE ECONOMIC GROWTH TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1: Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

The Project would add a desirable restaurant and entertainment use to the area of the Subject Property, in close proximity to existing services, including existing public transit services. It would provide net benefits in the form of job creation and efficient use of existing commercial space. The Project is anticipated to result in an increase in tax revenue for the City and an increase in retail activity in the immediate neighborhood.

Policy 1.3: Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The Project would locate commercial activity according to the generalized land use plan by adding new restaurant and entertainment use in the North of market Residential Special Use District area near Union Square.

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 would create new restaurant and entertainment uses in the area near to Union Square in support of this objective. The Project is centrally located close to many jobs and services. It would add to the existing business climate by offering modern space in a Landmark structure and would be a creative re-use of an existing raised outdoor area.

Urban Design Element

OBJECTIVE 3: MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 3.1: Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3.6: Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project proposes no net-new construction but, rather, a re-use of existing space. The proposed addition would be compatible with the existing building and the scale of development in the nearby area

Downtown Plan Element

OBJECTIVE 5: RETAIN A DIVERSE BASE OF SUPPORT COMMERCIAL ACTIVITY IN AND NEAR DOWNTOWN.

Policy 5.1: Provide space for support commercial activities within the downtown and in adjacent areas.

The Project proposes to add a desirable restaurant and entertainment use near the Downtown area, and thus supports this policy.

Transportation Element

OBJECTIVE 2: USE THE TRANSPORTATION SYSTEM AS A MEANS FOR GUIDING DEVELOPMENT AND IMPROVING THE ENVIRONMENT.

Policy 2.1: Use rapid transit and other transportation improvements in the city and region as the catalyst for desirable development, and coordinate new facilities with public and private development.

The Subject Property is located within an existing high-density downtown neighborhood in close proximity to a variety of transportation options. No additional parking is proposed as part of the Project. Because the neighborhood is dense and well-established, the Project would make good use of the existing transit services available in the area and would assist in maintaining the desirable urban characteristics and services in the area.

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

in this case would promote the public welfare, convenience and necessity of the City for the reasons set forth above.

DECISION

The Commission, after carefully balancing the competing public and private interests, based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented the public hearing, and all other written materials submitted by all parties, hereby **APPROVES** Application No. 2007.1382C subject to the conditions attached hereto as <u>Exhibit A</u>, which is incorporated herein by reference as though fully set forth, in general conformance with the plans stamped <u>Exhibit B</u> and dated March 13, 2008, on file in Case Docket No. 2007.1382C.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting on March 13, 2008.

Linda Avery Commission Secretary

AYES: Christina Olague, Michael J. Antonini, Sue Lee, William L. Lee, Kathrin Moore, Hisashi Sugaya

NAYS: None

ABSENT: None

ADOPTED: March 13, 2008

Exhibit A

Conditions of Approval

Wherever "Applicant" or "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. The authorization contained herein is contingent on the authorization of a Certificate of Appropriateness for the proposed exterior work on Landmark structure No. 159, "The Gaylord Hotel", as described herein. The Project Sponsor must obtain a Building Permit from the Department of Building Inspection and satisfy all the conditions thereof. The conditions set forth below are additional conditions required in connection with the Project. 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.

- 1. The authorization contained herein is for a Conditional Use of property for a second-floor commercial use pursuant to Code **Section 249.5**, generally as described in the text of Motion No. 17565 in Application No. 2007.1382C, and as shown on plans dated March 13, 2008, labeled "Exhibit B" and on file with said Application, Assessor's Block 0305, Lots 011 and 0367 in an RC-4 (Residential-Commercial Combined, High Density) District, the North-of-Market Residential Special Use District, Subarea No. 1, and within an 80-130-T Height and Bulk District.
- 2. The authorization granted herein shall be valid for a period of three (3) years from the date of the adoption of Motion No. 17565 and may become null and void after that time if the required building permits have not been obtained. Construction, once commenced, shall be pursued diligently to completion.
- An enclosed waste storage area shall be provided within the establishment. All trash and recycling containers shall be kept within the building until pick-up by the disposal company.
- 4. The Applicant shall appoint a community liaison officer to deal with issues of concern to owners and occupants of nearby properties at all times during construction of the Project and during its future operation. The Applicant shall provide the Zoning Administrator and the owners of the properties within 300 feet of the project site written notice of the name, business address, and telephone number of the community liaison.
- 5 Should monitoring of the Conditions of Approval of this Motion be required, the Project Sponsor shall pay fees as established in Planning Code Section 351(e)(1).
- 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 are subsequently reported to the Zoning Administrator 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 in accordance

- with the hearing notification and conduct procedures as set forth in Sections 174, 306.3, and 306.4 of the code to consider revocation of this conditional use authorization.
- 7. The Applicant shall assure the execution and recordation of the specified conditions as a Notice of Special Restrictions at the Office of the County Recorder / County Clerk.
- 8. The outdoor area closing time is at 12:00 A.M.
- 9. There shall be no general amplified music to the outdoor area although the cabanas may have their own individual sound systems.
- 10. There shall be no outdoor entertainment except for twice a month prior to 7:00 P.M.
- 11. Lighting shall not create glare outside the property line.
- 12. The Entertainment Commission should review and consider noise impacts.

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