

SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

☐ Inclusionary Housing (Sec. 315)

☐ Jobs Housing Linkage Program (Sec. 313)

☐ Downtown Park Fee (Sec. 139)

■ First Source Hiring (Admin. Code)

☐ Child Care Requirement (Sec. 314)

□ Other

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Planning Commission Motion No. 17594

HEARING DATE: MAY 15, 2008

415.558.6409

Planning Information: **415.558.6377**

Date: May 15, 2008
Case No.: **2007.0094CEKZ**

Project Address: 1401-1417 Divisadero Street (aka 2108 O'Farrell Street)

Zoning: NC-2 (Neighborhood Commercial, Small-Scale) and

NC-3 (Neighborhood Commercial, Moderate-Scale)

105-E Height and Bulk District

Block/Lot: 1098/9; -38

Project Sponsor: Alice Suet Yee Barkley

121 Spear Street, Suite 200 San Francisco, CA 94105

Staff Contact: Tina Tam – (415) 558-6325

tina.tam@sfgov.org

Recommendation: Approval with Conditions

ADOPTING FINDINGS RELATING TO THE APPROVAL OF A CONDITIONAL USE AUTHORIZATION UNDER PLANNING CODE SECTIONS 271, 712.21, 712.39, 712.80, 790.44, AND 303, TO DEMOLISH AN EXISTING THREE-STORY, MIXED-USE BUILDING (CONTAINING 21 DWELLING UNITS) AND CONSTRUCT A NEW SIX-STORY, OUTPATIENT CLINIC AND MEDICAL OFFICE BUILDING, APPROXIMATELY 75,000 GROSS SQUARE FEET FOR KAISER PERMANENTE; AND ADOPTING FINDINGS AND A MITIGATION MONITORING AND REPORTING PROGRAM UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT. THE PROJECT ALSO INCLUDES A SHADOW STUDY FOR THE PROPOSED BUILDING PURSUANT TO PLANNING CODE SECTION 295 AND A RECLASSIFICATION AND ZONING MAP AMENDMENT AT 1401-1417 DIVISADERO STREET, LOT 9 IN BLOCK 1098 FROM SMALL-SCALE NEIGHBORHOOD COMMERCIAL ("NC-2") TO MODERATE-SCALE NEIGHBORHOOD COMMERCIAL ("NC-3"). LOT 38 IS ALREADY IN A NC-3 DISTRICT. BOTH LOTS IN BLOCK 1098 ARE IN A 105-E HEIGHT AND BULK DISTRICT.

PREAMBLE

WHEREAS, on April 10, 1997 the San Francisco Planning Commission, by adopting Motion No. 14347 certified a Final Environmental Impact Report (FEIR) for the Project. The FEIR analyzed the overall development plan- a phased project to undertaken as part of a five-year and ten-year plan for all of

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Kaiser's facilities in the City. In certifying the FEIR, the Commission found that the original project and alternatives considered in the FEIR would have no project specific significant environmental effects; and

WHEREAS, on January 23, 2007, the Project Sponsor requested an Addendum to the 1997 Final Environmental Impact Report ("FEIR"), for the proposed zoning reclassification and outpatient clinic and medical office building on the subject and adjacent property (Lot 38 in Block 1098); and

WHEREAS, on May 1, 2008, the Planning Department ("Department") published an Addendum to the 1997 Final Environmental Impact Report which determined that the revised project would not cause new significant impacts not identified in the FEIR; and

WHEREAS, based on this Addendum, which evaluates the revised project in relation to the original project contained in the FEIR, the project as revised is consistent with and within the scope of the Project analyzed in the FEIR and would not result in any new significant impacts compared to those determined for the 1997 EIR project. The Addendum was prepared in accordance with the requirements of Section 15164 of the Guidelines; and

WHEREAS, under Section 15162 of the CEQA Guidelines, a subsequent EIR is not required. In light of the whole record before the Commission, the Commission finds on the basis of substantial evidence in the record that: (a) no substantial changes have occurred in the Project proposed for approval that will require revisions in the Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects, no substantial changes have occurred with respect to the circumstances under which the Project proposed for approval are undertaken which will require major revisions to the Final EIR due to the involvement of new environmental effects or a substantial increase in the severity of effects identified in the Final EIR and no new information of substantial importance to the Project as proposed has become available which indicates that (1) the Project will have significant effects not discussed in the Final EIR, (2) significant environmental effects will be substantially more severe, (3) mitigation measure or alternatives found not feasible which would reduce one or more significant effects have become feasible or (4) mitigation measures or alternatives which are considerably different from those in the Final EIR would substantially reduce one or more significant effects on the environment; (5) the Project as proposed is within the scope of the project analyzed in the FEIR; and (6) no new environmental documentation is required; and

WHEREAS, in the corresponding conditions of approval for the Project, the Project Sponsor has agreed to comply with the measures set forth in the Mitigation Monitoring and Reporting Program (MMRP) attached to Motion No. 17594 as Exhibit C; and

WHEREAS, according to Kaiser's Revised Institutional Master Plan ("IMP") submitted in 2007, there were portions of the development plan that were implemented, and others that weren't. For example, rather than demolish the existing parking structure at 2190 O'Farrell Street and outpatient services building at 2200 O'Farrell Street and construct a brand new 350,000 gross-square-foot ("gsf") outpatient facility with parking for 700 cars as indicated in the 1997 FEIR, Kaiser decided to keep their existing facilities at 350 St. Joseph Avenue and to reserve this site for development of a new Hospital by 2030 if necessary. Kaiser also revised their plan for the outpatient clinic and medical office building on the subject site. Rather than an 80-foot tall, 127,000 gsf building with 200 parking spaces in five underground

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parking levels, the revised project is an 81-foot tall, approximately 75,000 gsf building, with no parking; and

WHEREAS, on January 23, 2007, Hillary Blout of Luce, Forward, Hamilton, and Scripps, LLP (hereinafter "Project Sponsor,"), on behalf of Kaiser Foundation Hospital, (hereinafter "Property Owner") made an application (hereinafter "Application") for Conditional Use ("CU") authorization for the revised outpatient clinic and medical office building project at 2108 O'Farrell Street. The project as proposed consisted of a five-story (as measured from O'Farrell Street), 81-foot tall building, containing approximately 23,000 square feet of clinic space, 21,000 square feet of circulation, 10,500 square feet of medical office space, 17,000 square feet of mechanical / building services space, and 3,000 square feet of retail space; and

WHEREAS, on April 24, 2007, Supervisor Ross Mirkarimi introduced (for the second time) legislation to amend the Zoning Map (Map 2) of the City and County of San Francisco and reclassify the property at 1401-1417 Divisadero Street, Lot 9 in Block 1098 from NC-2 to NC-3. Since then, there have been several extensions granted to allow the Project Sponsor sufficient time to provide all the necessary information and material associated with the proposed outpatient clinic and medical office building; and

WHEREAS, on May 15, 2008, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on the Shadow Study (2007.0094K), Rezoning (2007.0094Z), and CU authorization (2007.0094C) request, for the above described project, at which time the Commission reviewed and discussed the findings prepared for its review by the staff of the Planning Department of the City and County of San Francisco; and

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

MOVED, the Commission hereby authorizes the Conditional Use requested in Application No. 2007.0094C, subject to the conditions contained in "EXHIBIT A" attached hereto and incorporated herein by reference thereto, 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 western side of Divisadero Street between Geary Boulevard and O'Farrell Street, Block 1098, Lots 9 and 38. Lot 9 is located within the NC-2 District while Lot 38 is located within the NC-3 District. Both lots are within a 105-E height and bulk district. Lot 9 is developed with a three-story, mixed-use building (with 21 dwelling units) and Lot 38, formerly a gas station, is vacant. The subject property has a total street frontage of 125 feet along Geary Boulevard, 219 feet along Divisadero Street, and 80 feet

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along O'Farrell Street. The subject property, consisting of both lots is approximately 22,800 square feet in size.

- 3. **Surrounding Properties and Neighborhood.** The project site is located at the intersections of Geary Boulevard, Divisadero Street, and O'Farrell Street. The general character of the surrounding area is a mixture of residential, commercial, and institutional use, ranging in height between two and eight stories. Directly across Geary Boulevard to the north are the two-story Sanai Mortuary building, a four-story residential building, and Kaiser's eight-story, outpatient clinic and medical office building. Immediately to the west of the proposed building on the same block is Kaiser's loading area and their six-story, 408-space parking garage. Across Divisadero Street to the east are the four-story-over-basement Midtown Park Garden Apartments. Across O'Farrell Street to the south is a two-story, mixed-use building.
- 4. **Project Description.** The applicant proposes to demolish the exising three-story, mixed-use building on Lot 9, merge Lot 9 with Lot 38, and construct a new five-story (as measured from O'Farrell Street), 75,000 gross square feet outpatient clinic and medical office building for Kaiser Permanente. The project will consist 23,000 square feet of clinic space, 21,000 square feet of circulation, 10,500 square feet of medical office space, 17,000 square feet of mechanical / building services space, and 3,000 square feet of retail space.
- 5. **Public Comment**. For over a period of 24 years (since 1984), the Project Sponsor has worked closely with the Kaiser's Community Task Force ("Task Force"), consisting of neighbors and neighborhood organization to advise Kaiser on its planned development. For the past two years, the Task Force has scrutinized the design and has provided their comments and recommendations to Kaiser, many of which already incorporated in the proposal (i.e. patient pick-up and drop-off area). To date, the Department is not aware of any opposition.
- 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) The project complies with the provisions set forth in Section 316 of the Planning Code with respect to the CU authorization application, filing fees, reviews, public noticing, and hearings process for this project as required by Section 303 of the Planning Code.
 - b) The project complies with the provisions set forth in Section 712.80 and 790.44 of the Planning Code in that a medical center which may include medical offices, clinics, and laboratories, operated by and affiliated with an institution in the NC-3 District is allowed with a CU authorization.
 - c) The project complies with the provisions set forth in Section 304.5 of the Planning Code in that each medical institution shall have on file with the Planning Department a current IMP describing the existing and anticipated future development of that institution. Based upon the 1994, 1998, and 2007 Kaiser Permanente IMP Revisions and Updates, a new outpatient clinic and medical office building has been anticipated at the Kaiser Permanente Geary Campus for over 10 years.

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- d) The project complies with the provisions set forth in Section 712.11 of the Planning Code in that lot size in excess of 10,000 square feet in the NC-3 District is allowed with a Conditional Use authorization. The proposed lot size (as a result of combining two existing lots, Lot 9 and Lot 38) is approximately 23,000 square feet.
- e) The project complies with the provisions set forth in Section 712.21 of the Planning Code in that use size in excess of 6,000 square feet in the NC-3 District is allowed with a CU authorization. The proposed use size is approximately 75,000 gross square feet.
- f) The project complies with the provisions set forth in Section 712.39 of the Planning Code in that demolition of residential units above the first and second floors in the NC-3 District is allowed with a CU authorization. The proposed project will include demolition of an existing three-story, mixed-use building (containing 21 dwelling units).
- g) The project complies with the provisions set forth in Section 271 (b) and (c) of the Planning Code in that exception to bulk limitations is allowed with a CU authorization. The E-Bulk District limits the maximum length to 110 feet and maximum length to 140 feet above the height of 65 feet. The proposed project has a maximum length of 151 feet and a maximum diagonal of 172 feet.
- h) The project complies with the provisions set forth in Section 270 of the Planning Code in that the proposed project will not exceed the height limit of 105 feet. Because of the cross slope of the site (downwards toward Geary Boulevard), the building has a two-story base along Geary Boulevard. The proposed building (five stories as seen from O'Farrell Street, and six-stories from Geary Boulevard) is approximately 81 feet in height on the façade nearest O'Farrell Street and 95 feet in height on the façade nearest Geary Boulevard.
- i) The project complies with the provisions set forth in Section 143 of the Planning Code in that one street tree is required for every 20-feet of street frontage for new construction. The proposed building would occupy 125 feet of frontage along Geary Boulevard, 219 feet along Divisadero Street, and 80 feet along O'Farrell Street. The Project Sponsor has agreed to install and maintain a minimum of 21 street trees for the 424 feet of street frontage as required by the Code, subject to the approval of the Department of Public Works.
- j) The project complies with the provisions set forth in Section 321 of the Planning Code in that no review and approval under the Office Development Limitation Program ("Annual Limit") is required because the proposed medical office use is no more than 25,000 gross square feet. The proposed medical office use is 10,437 gsf, or 21,588 with 30% of the net square feet of circulation and building service space allocated for the medical office use. This method of calculation by floor is consistent with the Zoning Administrator's Code interpretation of the definition of "office space" as defined in Section 320 of the Planning Code. The Zoning Administrator has long determined that examination rooms are part of outpatient clinic space and should not be counted towards medical office use.

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> k) The project complies with the provisions set forth in Section 151 of the Planning Code in that there are more than sufficient off-street parking spaces at the Kaiser Geary Campus. Currently, the Geary Campus has a total of 1,484 off-street parking spaces, 491 more than what is required by the Planning Code. At one space for every 300 gsf of outpatient clinic or medical office occupied area, the project requires 110 parking spaces, resulting in a continued surplus of 381 parking spaces on the campus.

- 7. **Planning Code Section 303** 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.

Kaiser Hospital has been operating in San Francisco since the 1940's (first on Market Street and then later in the former Harbor Hospital) and on Geary Boulevard since the 1950's. Prior to the 1950's, the area currently known as Kaiser's Geary Campus was the location of the Old Calvary Cemetery, the Boas Pontiac Showroom and a mixed of moderate-scaled residential and small-scale commercial businesses. So for more than fifty years, Kaiser has been in the neighborhood serving the community by providing health care and medical services to approximately 21% of the residents of San Francisco. The project will replace a currently vacant parcel (previously a gas station) at a prominent street corner with an outpatient clinic and medical office building that will create a visual cohesiveness for Kaiser's Geary Campus.

In 1997, the San Francisco Planning Commission certified a FEIR for the overall redevelopment of Kaiser's Geary Campus. While portions of this five-year and ten-year development plan were never implemented (i.e. demolition of the adjacent parking garage and construction of a new 350,000 gsf outpatient services building), an outpatient clinic and medical office building on the subject site has long been anticipated to better serve the medical needs of their patients and bring more doctors and programs to the Geary Campus.

Kaiser, as part of the Owner Participation Agreement ("OPA") with San Francisco Redevelopment Agency ("SFRA"), has entered into an agreement with the Tabernacle Community Development Corporation ("TCDC") to construct the replacement of 21 residential units at 2139 O'Farrell Street. 2139 O'Farrell Street is currently in the Western Addition A-2 Redevelopment Plan area. Whereas the existing 21 dwelling units, proposed for demolition, are small in size (studios and one-bedroom units), have no rear yard and no off-street parking, the replacement housing (3 two-bedrooms; 11 one-bedrooms and 7 studios) will be affordable, have one off-street parking space for every unit and a landscaped rear yard at the first residential level. Upon completion of the replacement housing, Kaiser will sell the units to TCDC for \$100.00 which is consistent with the OPA made between Kaiser and SFRA.

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

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> that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

 Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The project is a complimentary addition to the existing Kaiser's Geary Campus. The proposed building will anchor the corner of and reinforce the street wall along Geary Boulevard and Divisadero Street whereas there is a currently a vacant parcel. The project is compatible with the prevailing character of the neighborhood and will create a sense of visual cohesiveness with the other existing and newer Kaiser's buildings on the Geary Campus. There is already a five-story parking garage, which would abut the project and an eight-story outpatient services building across Geary Boulevard.

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;

As there are 381 more parking spaces on the campus than is required by the Planning Code, there are no significant environmental issues with parking and traffic circulation. The proposed project will also include a patient pick-up and drop-off area accessible from O'Farrell Street, which will help to discourage double-parking along either Divisadero or O'Farrell Streets, a design criteria fully supported by Task Force.

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

The proposed use is subject to the standard conditions of approval to mitigate odor, glare, and noise generated by the medical office use.

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

The proposed building is complementary and harmonious with the existing neighborhood character in terms of architecture, scale, and massing. The façade will feature a series of curtain walls and punched openings as well as materials compatible with the other Kaiser's most recently constructed buildings. The transparent feature dominating the Divisadero Street elevation will provide city and streetscape views from the interior and will add visual interest from the exterior. The patient waiting area is designated along this glass corridor.

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 general 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.

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D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed project is consistent with the stated purposed of the NC3 District in that the proposed use will provide a necessary and desirable service to the immediate and surrounding community.

8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

NEIGHBORHOOD COMMERCE

Objectives and Policies

RESIDENCE ELEMENT

OBJECTIVE 1:

TO PROVIDE NEW HOUSING, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING, IN APPROPRIATE LOCATIONS WHICH MEETS IDENTIFIED HOUSING NEEDS AND TAKES INTO ACCOUNT THE DEMAND FOR AFFORDABLE HOUSING CREATED BY EMPLOYMENT DEMAND.

POLICY 1.4:

Locate in-fill housing on appropriate sites in established residential neighborhoods.

POLICY 1.7:

Encourage and support the construction of quality, new family housing.

As previously mentioned, there is a permit pending with the City to construct 21 dwelling units at 2139 O'Farrell Street to replace the 21 dwelling units proposed for demolition. The proposed units will be designated as affordable units, larger in size than the ones proposed for demolition, and will have off-street parking and usable open space.

OBJECTIVE 12:

TO PROVIDE A QUALITY LIVING ENVIRONMENT.

POLICY 12.2:

Allow appropriate neighborhood-serving commercial (non-residential) activities in residential areas.

POLICY 12.3:

Minimize disruption caused by expansion of institutions into residential and neighborhood commercial areas.

Kaiser's Geary Campus has been present in the neighborhood since the 1950's. Over its long history, the Kaiser has worked to integrate its programs to meet the needs of the community. With building a new

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Women's and Children's outpatient clinic and medical office building at the Geary Campus, Kaiser has responded to need and service of their patients. The proposed design is consistent with the character of the neighborhood and compatible in scale and function with the surrounding uses. The proposed building is 53,000 square feet less than what was previously proposed and analyzed under the 1997 FEIR.

The proposed building will be approximately 81 feet in height on the façade nearest O'Farrell Street and will step up to approximately 95 feet in height along the secondary (Geary Boulevard) façade. A Prop K Shadow Study was done for the Addendum application. The project was found to cast shadow onto Beiderman/O'Farrell Mini Park. A technical shadow study was performed by Adam Noble of CADP, Inc. and reviewed by the Planning Department staff in consultation with Recreation and Park staff. Pursuant to the provisions of Section 295, the Recreation and Park Commission held a duly noticed public hearing and passed a resolution (Resolution No. 0804-014) on April 17, 2008 recommending to the Planning Commission that the shadow impact to the mini-park will not be adverse.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE 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.

OBJECTIVE 7:

ENHANCE SAN FRANCISCO'S POSITION AS A NATIONAL AND REGIONAL CENTER FOR GOVERNMENTAL, HEALTH AND EDUCATIONAL SERVICES.

POLICY 7.2:

Encourage the extension of needed health and religious and educational services, but manage expansion to avoid or minimize disruption of adjacent residential areas.

The project is a complimentary addition to the existing Kaiser's Geary Campus. The proposed building will anchor the corner of and reinforce the street wall along Geary Boulevard and Divisadero Street whereas there is a currently a vacant parcel. The project is compatible with the prevailing character of the neighborhood and will create a sense of visual cohesiveness with the other existing and newer Kaiser's buildings on the Geary Campus. There is already a five-story parking garage, which would abut the project and an eight-story outpatient services building across Geary Boulevard.

URBAN DESIGN ELEMENT

OBJECTIVE 1:

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

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POLICY 1.3:

Recognize that buildings, then seen together, produce a total effect that characterizes the city and its districts.

The proposed building is complementary and harmonious with the existing neighborhood character in terms of architecture, scale, and massing. The façade will feature a series of curtain walls and punched openings as well as materials compatible with the other Kaiser's most recently constructed buildings. The transparent feature dominating the Divisadero Street elevation will provide city and streetscape views from the interior and will add visual interest from the exterior. The patient waiting area is designated along this glass corridor.

Recognizing there is a need to provide a more gracious urban experience for pedestrians near the corner of Geary Boulevard and Divisadero Street, an already congested intersection, the Project Sponsor along with the Planning Department explored the possibility of integrating the existing two bus shelters into the proposed building design, in order to widen the effective width of the sidewalk. However, MTA has determined that the newly designed and approved bus shelters cannot be altered. The design of the Project nonetheless, sets the building back up to five feet from Geary Boulevard property line and three feet from Divisadero Street, a design approach supported by MTA, to allow for more breathing room for pedestrians on the sidewalks.

TRANSPORTATION ELEMENT

OBJECTIVE 1:

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

POLICY 1.3:

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters.

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 project site is located along a major east-west transit corridor. There are two bus stops directly in front of the project, for Muni Lines 24, 38 and 38L. The proposed building setback along Geary Boulevard (up to five feet) and along Divisadero Street (up to three feet) is an attempt to make the sidewalk more

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spacious for pedestrian especially using public transit. Planners at MTA are in support of making the public sidewalk wider and more generous at this busy intersection.

The proposed patient pick-up and drop-off area was extensively debated by the Planning Department. Initially, the Department felt the proposed auto-oriented design was seen as a suburb approach. However, after consultation with the Department of Parking and Traffic ("DPT") and the San Francisco Municipal Transportation Authority ("MTA") that included a redesign of the Geary Boulevard frontage to include a prominent pedestrian entrance the Planning Department agreed to allow the pick-up and drop-off area. Furthermore, as mentioned in the above, the Task Force was convinced there should be a pick-up and drop-off area given there are so many double-parking issues along Geary Boulevard as a result of not having one for the recently constructed Kaiser building to the north of the project site. To ensure the design of this plaza would be appropriate and complimentary to the neighborhood, the Project Sponsor, with the professional help of a licensed landscape architect, has agreed to continue to work collaboratively with the Department as part of a condition of approval. To date, there are three design proposals submitted. They are part of Exhibit 8 in the graphic attachment for this case report and attached to the Project Sponsor's letter dated May 1, 2008.

- 9. **Planning Code Section 121.1** establishes criteria governing lot size limit. On balance, the project does comply with said criteria in that:
 - A. The mass and façade of the proposed structure are compatible with the existing scale of the district; and
 - B. The façade of the proposed structure is compatible with design features of adjacent facades that contribute to the positive visual quality of the district.
- 10. **Planning Code Section 271** establishes criteria for exceeding the bulk limitation in that:
 - A. The appearance of bulk in the proposed building is reduced by means of the following factors, so as to produce the impression of an aggregate of parts rather than a single building.
 - I. Major variation in planes of wall surfaces, in either depth or direction that significantly alter the mass.
 - II. Significant differences in the heights of various portions of the building, structure or development that divide the mass into distinct element.
 - III. Differences in materials, colors or scales of the facades that produce separate major elements.
 - IV. Compensation for the portions of the proposed building that exceed the bulk limits by corresponding reduction of other portions below the maximum bulk permitted.

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B. The proposed building is compatible with the character and development of the surrounding area by means of all of the following factors:

- i. A silhouette harmonious with natural landforms and building patterns, including the patterns produced by height limits.
- ii. Maintenance of an overall height similar to that of surrounding development.
- iii. Use of materials, colors, and scales either similar to or harmonizing with those nearby developments.
 - v. Preservation or enhancement of the pedestrian environment by maintenance of pleasant scale and visual interest.
- 11. **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 pf such businesses be enhanced.

No neighborhood serving retail uses are being displaced or affected by the proposal. The existing mixed-use building, proposed for demolition is vacant. The proposed project will include a 2,900 square feet of new retail (pharmacy, and possible café near the intersection of Geary Boulevard and Divisadero Street).

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

Existing housing and neighborhood character would not be adversely affected by the proposed project, as discussed above. The proposed project is compatible and consistent with the character of the neighborhood in terms of use and design.

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

The project would have no adverse impact on the City's existing supply of affordable housing. No dwelling units or other type of housing would be displaced. The existing mixed-use building (with 21 dwelling units), proposed for demolition is currently vacant. Kaiser has obtained a site permit to construct 21 new dwelling units across the street at 2139 O'Farrell Street.

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

The project would not significantly effect automobile traffic congestion or parking problems in the neighborhood. There is currently a surplus of 491 parking spaces, 110 of which will be required by the

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proposed project. The project is well served by transit, including MUNI lines 24, 38, and 38L, which a significant number of employees and visitors use to arrive at the campus.

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 is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code. This proposal will not impact the property's ability to withstand an earthquake.

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 would not result in a significant impact to nearby Beideman/O'Farrell Mini-Park as shown in the resolution adopted by the Recreational and Park Commission.

- 12. 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.
- 13. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.
- 14. Findings under the California Environmental Quality Act (CEQA).
 - a. On April 10, 1997 the San Francisco Planning Commission, by adopting Motion No. 14347 certified a Final Environmental Impact Report (FEIR) for the Project. The FEIR analyzed the overall development plan- a phased project to undertaken as part of a five-year and ten-year plan for all of Kaiser's facilities in the City. In certifying the FEIR, the Commission found that the original project and alternatives considered in the FEIR would have no project specific significant environmental effects; and

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- b. On January 23, 2007, the Project Sponsor requested an Addendum to the 1997 Final Environmental Impact Report ("FEIR"), for the proposed zoning reclassification and outpatient clinic and medical office building on the subject and adjacent property (Lot 38 in Block 1098); and
- c. On May 1, 2008, the Planning Department ("Department") published an Addendum to the 1997 Final Environmental Impact Report which determined that the revised project would not cause new significant impacts not identified in the FEIR; and
- d. Based on this Addendum, which evaluates the revised project in relation to the original project contained in the FEIR, the project as revised is consistent with and within the scope of the Project analyzed in the FEIR and would not result in any new significant impacts compared to those determined for the 1997 EIR project. The Addendum was prepared in accordance with the requirements of Section 15164 of the Guidelines; and
- e. Under Section 15162 of the CEQA Guidelines, a subsequent EIR is not required. In light of the whole record before the Commission, the Commission finds on the basis of substantial evidence in the record that: (a) no substantial changes have occurred in the Project proposed for approval that will require revisions in the Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects, no substantial changes have occurred with respect to the circumstances under which the Project proposed for approval are undertaken which will require major revisions to the Final EIR due to the involvement of new environmental effects or a substantial increase in the severity of effects identified in the Final EIR and no new information of substantial importance to the Project as proposed has become available which indicates that (1) the Project will have significant effects not discussed in the Final EIR, (2) significant environmental effects will be substantially more severe, (3) mitigation measure or alternatives found not feasible which would reduce one or more significant effects have become feasible or (4) mitigation measures or alternatives which are considerably different from those in the Final EIR would substantially reduce one or more significant effects on the environment; (5) the Project as proposed is within the scope of the project analyzed in the FEIR; and (6) no new environmental documentation is required; and
- f. In the corresponding conditions of approval for the Project, the Project Sponsor has agreed to comply with the measures set forth in the Mitigation Monitoring and Reporting Program (MMRP) attached to Motion No. 17594 as Exhibit C.

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. 2007.0094C to demolish the existing mixed-use building at 1401-1417 Divisadero

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Street and to construct an outpatient clinic and medical office building at 2108 O'Farrell Street (Lot 9 and 38 of Block 1098), and make findings for environmental findings subject to the following conditions attached hereto as "EXHIBIT A" which is incorporated herein by reference as though fully set forth.

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 No. 17594 The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) 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 94012.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on May 15, 2008.

Linda Avery Commission Secretary

AYES: Commissioners Lee, Sugaya, Moore, and Antonini

NAYS: None

ABSENT: Commissioner Miguel

EXCUSED: Commissioner Olague

ADOPTED: May 15, 2008

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Exhibit A Conditions of Approval

- 1. This authorization is for a Conditional Use Authorization under Planning Code 271, 295, 712.21, 712.39, 712.80, 790.44, and 303, to demolish an existing three-story, mixed-use building (containing 21 dwelling units) and construct a new five-story (as measured from O'Farrell Street), approximately 81 feet tall, and approximately 75,000 gross square feet outpatient clinic and medical office building in the NC-3 (Neighborhood Commercial, Moderate-Scale) District and a 105-E Height and Bulk District, in general conformance with the plans dated February 19, 2008 and stamped "EXHIBIT B" included in the docket for Case No. 2007.0094C, reviewed and approved by the Commission on May 15, 2008.
- 2. The Project Sponsor shall comply with the measures set forth in the Mitigation Monitoring and Reporting Program ("MMRP") under case no. 2007.0094E and marked "EXHIBIT C", reviewed and approved by the Commission on **May 15, 2008**.
- 3. The Project Sponsor shall comply with the conditions set forth in the Memorandum of Agreement issued by the Recreation and Park Commission. As a condition of the resolution adopted on April 17, 2008, the Project Sponsor is to provide improvement measures (tree pruning and related care of the existing five redwoods in the park and provide and install plant material) to Beideman/O'Farrell Mini-Park or provide funds to the Recreation and Park Department equal to the agreed-upon value of the improvement measures (\$4,500.00).
- 4. The Project Sponsor has entered into a Memorandum of Understanding with the First Source Hiring Administration (FSHA) detailing the interviewing, recruitment, and hiring requirements of the First Source Hiring Ordinance (FSHO) and shall comply with the requirements of said Ordinance as part of the Conditions of Approval of the project.
- 5. Final architectural and decorative detailing, materials, glazing, color and texture of exterior finishes shall be submitted for review by the Planning Department, with special attention to the punched window details.
- 6. Mirrored glass or deeply tinted glass shall not be permitted on the building. Glass orientation and coatings to be designed to substantially avoid/reduce solar glare on neighboring properties.
- Clear glass shall be used on the east facing exterior curtain walls of the patient waiting area and all entry lobby areas. No blinds, curtains, shades or window coverings shall be used on this glass.
- 8. The Project Sponsor shall continue to work with a licensed landscape architect and the Department on finalizing a landscape plan for the patient pick-up and drop-off area, with the

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expressed intent of achieving the goals of 1) providing an attractive landscaped buffer between the sidewalk, the automobile drive-thru, and building entrance, 2) providing an attractive, publicly accessible, landscaped plaza, and 3) increasing both the occupiable and visual width of the sidewalk. Landscaping materials shall be specified on the landscape plan to ensure there are a variety of sizes, colors, blooming periods and shading. Street furniture, planting areas, raised planters, tree grates and paved surfaces shall also to be considered as part of this landscape plan.

- 9. The Project Sponsor shall continue to work with the Department on material selection and color scheme for the proposed project.
- 10. All mechanical equipment shall be screened. Nothing in this condition shall prohibit the Project Sponsor from seeking review and approval of solar panels, should such panels become necessary or desirable, provided that good faith efforts are made to minimize the apparent height and visibility of the installation.
- 11. Planning Code Section 202 provides that no use shall be permitted which, by reason if its nature or manner of operation creates conditions that are hazardous, noxious or offensive through emission of odor, fumes, smoke, cinders, dust, gas, vibration, glare, refuse, water-carried waste, or excessive noise. If any such offensive condition is reported to the Community Liaison, the Project Sponsor will exercise all commercially reasonable efforts to remedy the condition, with written documentation of its response provided to the complainant and Zoning Administrator.
- 12. The Project Sponsor shall provide adequate, clear signage to direct visitors from the auto plaza to the adjacent and nearby parking garages. The Project Sponsor shall submit at a later time a sign program for the entire Geary Campus, for review and approval by the Planning Department.
- 13. Lighting in landscape areas at ground floor (produced by direct outdoor lighting or direct/indirect indoor lighting) shall be sufficient to illuminate public sidewalk to minimum safety levels with the goal of reducing, or eliminating, to the maximum extent feasible, glare on neighboring properties. All lighting to be oriented downward to reduce upward light scatter. Interior lighting shall provide illumination consistent with the use of the building with the goal of reducing or eliminating, to the maximum extent feasible, glare on neighboring properties, through the use of lighting orientation, shielding, timers and dimmers.
- 14. The ground floor entry at Geary Boulevard and Divisadero Street shall remain open during standard hours of building operation.
- 15. Hospital administration shall employ security techniques, including direct surveillance, remote surveillance by video camera, security rounds, door operation indicators, fire and police enunciators and such other techniques as may be reasonably necessary.
- 16. As part of the project, the Project Sponsor shall locate and plant the largest practicable trees, as determined by the Department of Public Works in consultation with a certified Arborist. All new trees in the project area shall be of at least 36" box size or larger, unless unavailable on commercially reasonable terms or determined inappropriate by DPW/BUF. In any case in which

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DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, the requirements of this Condition may be modified or waived by the Zoning Administrator to the extent reasonably necessary.

- 17. Campus landscaping shall be maintained in a safe and attractive manner. Previously approved planting anywhere on Campus shall also be maintained as plant / tree health allows, or replaced.
- 18. Kaiser shall appoint a Community Liaison as a single point of neighborhood contact for issues surrounding the ongoing development on the campus and the proposed outpatient clinic and medical office building. The name and contact information for the Community Liaison shall be provided to the Zoning Administrator and neighborhood representatives.
- 19. The Project Sponsor 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.
- 20. Should the monitoring of Conditions of Approval contained in Exhibit A of this Motion be required, the Project Sponsor (or successor) shall pay fees established in Planning Code Section 351(f)(2). Failure to comply with any of the conditions of approval shall constitute a violation of the Planning Code, enforceable by the Zoning Administrator.
- 21. Violation of the conditions noted above or any other provisions of the Planning Code may be subject to abatement procedures and fines up to \$500 a day in accordance with Code Section 176.
- 22. Should implementation of this project result in complaints from neighborhood residents or business owners and tenants, which are not resolved by the Project Sponsor and are subsequently reported to the Zoning Administrator and found to be in violation of the City 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 report such complaints to the City Planning Commission which may thereafter 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.
- 23. The Planning Commission may, in a public hearing, consider the revocation of this conditional use authorization if a site or building permit has not been issued within three (3) years 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 thenceforth diligently to completion. The Commission may also consider revoking this conditional use authorization if a permit for the project has been issued but is allowed to expire and more than three (3) years have passed since the Motion was approved. This authorization may be extended at the discretion of the Zoning Administrator only if the failure to issue a permit by the Department of Building Inspection is delayed by a City, state or federal agency or by appeal of the issuance of such permit.