



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use and Office Allocation

HEARING DATE: AUGUST 6, 2015

Date: July 30, 2015
Case No.: **2014.0567 BC**
Project Address: **2101 MISSION STREET**
Zoning: Mission Street NCT (Neighborhood Commercial Transit)
65-X Height and Bulk District
Block/Lot: 3575/091
Project Sponsor: Steven L. Vettel
Farella, Braun & Martel, LLP
235 Montgomery Street
San Francisco, CA 94104
Staff Contact: Brittany Bendix – (415) 575-9114
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Recommendation: **Approval with Conditions**

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PROJECT DESCRIPTION

The new owners are seeking to legalize approximately 48,660 gross square feet of administrative service uses and 32,432 gross square feet (gsf) of trade shop uses within the building while maintaining 48,817 gross square feet of existing retail uses. The establishment of both administrative service and trade shop uses requires Conditional Use Authorization above the ground floor. Additionally, because administrative services are considered a type of office use, the establishment of more than 25,000 gross square feet of administrative service uses also requires an Office Allocation Authorization. Further, any use occupying more than 5,999 gross square feet requires a Conditional Use Authorization for use size. Accordingly, the Project is seeking to establish the following uses: (1) a 25,601 gsf administrative service use (d.b.a. PlanGrid); (2) an 8,311 gsf administrative service use (d.b.a. Crowdfunder); (3) a 14,748 gsf administrative service use (tenant to be determined); (4) a 6,266 gsf trade shop (repair) use (d.b.a. Orion); and, (5) the expansion of an existing trade shop (artisan craft use) from 10,000 gsf up to 24,859 gsf.

SITE DESCRIPTION AND PRESENT USE

The project is located on the southeast corner of the intersection of Mission and 17th Streets. The subject property is approximately 30,160 square feet and has 218.5 feet of frontage on 17th Street and 160 feet of frontage on Mission Street. A four-story with basement, 128,958 gross square-foot building, occupies the entire site. The subject building consists of three structures that were constructed between 1908 and the 1920s for a large furniture retail business (d.b.a. the Redlick Furniture Company) which occupied the building until 1967. Three retail uses (d.b.a. Thrift Town, Fabric Outlet and A & A the Bargain Store) and a trade shop (d.b.a. Headline) occupy portions of the basement, first and second stories. The 3rd and 4th

floors, previously used for warehousing furniture, have converted to a variety of uses over the past 20 years, with the exception of a trade shop use (d.b.a. Studio 17) which received a Conditional Use Authorization to operate on July 10, 2003, per case no. 2003.0606C.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located at the center of the Mission Street Neighborhood Commercial Transit District and the broader Mission neighborhood. The site is surrounded by one- to three-story mixed use buildings that have retail or PDR (Production Distribution and Repair) activities on the ground floor and residential units on upper levels. Beyond the Mission Street NCT District are the RTO-M (Residential Transit Oriented – Mission) and UMU (Urban Mixed Use) Zoning Districts which are characterized as allowing greater residential density or flexibility of uses that are supported by proximity to transit. The site is located at the intersection of two prominent routes of the city’s bicycle network – Mission and 17th Streets, is within a quarter-mile of five MUNI bus routes and is one block from the 16th Street BART station.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act (“CEQA”) as a Class 1 categorical exemption.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	July 17, 2015	July 15, 2015	22 days
Posted Notice	20 days	July 17, 2015	July 17, 2015	20 days
Mailed Notice	20 days	July 17, 2015	July 17, 2015	20 days

BACKGROUND

On December 3, 2013, the Project Sponsors filed Building Permit Application no. 2013.12.03.3192 for a voluntary seismic retrofit of the existing building. During Planning Department review it became evident that the office uses on the upper levels of the building had been established without benefit of a permit. As a result, an enforcement case was opened on February 20, 2014, and the building permit application was held pending legalization of the upper level uses. On April 17, 2014, the Project Sponsor filed applications for Conditional Use Authorization and Office Allocation Authorization under case no. 2014.0567BC, the same case moving forward presently.

The initial proposal requested approval of 48,375 gross square feet of office uses (a combination of Administrative Service and Business & Professional Services). This included legalizing the expansion of the trade shop use (d.b.a. Studio 17) which was subleasing its expanded studio space to both artist and office uses. Hence the initial proposal included a request to legalize both the expansion of the previously approved 10,000 gross square-foot trade shop use and an overlay of an administrative service use over the trade shop use to reflect the flexibility of existing activities. Upon review of the proposal, the project was scheduled to be heard by the Planning Commission on November 6, 2014. However, due to a notification error and concerns raised by tenants and community members, the project was continued indefinitely without a hearing.

On February 20, 2015, the Planning Department received a complaint that a new lease had been established with an administrative service firm, without having resolved the outstanding need to legalize all upper level tenant spaces. In response, the Department issued a Notice of Enforcement letter on April 17, 2015, indicating daily penalties if the Project Sponsor would start accruing if the applicant did not immediately pursue the active Conditional Use Authorization. Upon discussion with the Project Sponsor, a revised Conditional Use Application was required by the end of May and a hearing date for August 6, 2015, was confirmed. Ultimately, the proposal was revised to eliminate the administrative service use overlay on the trade shop use, such that both uses function independently, and to convert a ground floor commercial retail space to artist studios and a gallery.

PUBLIC COMMENT

As noted above, the Project was previously noticed for a Planning Commission hearing on November 6, 2014, but due to a notification error and concerns raised by tenants, was continued indefinitely without a hearing. As of July 9, 2015, the Master lease holder of the artist space has negotiated terms for a new lease and submitted a letter in support of the proposal. There is one additional letter of support. Of the nine letters submitted in opposition to the project, six were received after the agreement with the Master lease holder. While all the letters relay concerns of displacement from the existing studios, the more recent letters stress inadequacies of the new studio spaces.

ISSUES AND OTHER CONSIDERATIONS

- Trade Shop Uses. The subject property is entitled for 10,000 gross square feet of trade shop (artist) use per a 2003 Conditional Use Authorization. However, since that authorization the trade shop expanded without benefit of a permit and sublet to a combination of artists and offices within an area of approximately 24,486 gross square feet on the 3rd and 4th floors. The proposal will legalize the expansion of the trade shop use for artist space up to 24,859 gross square feet on the 1st, 2nd and 3rd floors. A requirement of trade shop uses is that there is a retail space dedicated to the activities. The Project includes a gallery space for use by the artists that will occupy an existing commercial storefront on Mission Street. In total, the project includes 32,432 gross square feet of trade shop uses, which are considered PDR (Production, Distribution and Repair) activities and require Conditional Use Authorization in the Mission Street NCT Zoning District.
- Administrative Service Uses. The Project seeks to legalize a total of 48,660 gross square feet of administrative service uses in the building. This requires a Conditional Use Authorization in the Mission Street NCT Zoning District. Additionally, because 'administrative service' is a type of office use, the Project also requires an Office Allocation Authorization from the reserve for smaller buildings. As of July 27, there is approximately 1.2 million square feet of "Small" Cap Office Development available under the Section 321 office allocation program.
- Warehouse Use. The Project does displace a former warehouse use; however, that use has gradually been replaced over the past 40 years. Furthermore, administrative service and trade shop uses are more compatible with the Mission Street NCT Zoning District because warehouse and other light-industrial use are not permitted under current zoning.
- Use Size. The project requires Conditional Use Authorization to establish any use over 5,999 gross square feet. The proposal includes five tenant spaces that are greater than 5,999 gross

square feet. However, the scale of those spaces is consistent with the uniquely large floor plates of the existing building which inherently demand a larger scale tenant.

- Development Impact Fees: The Project would be subject to the following development impact fees, which are estimated as follows:

FEE TYPE	PLANNING CODE SECTION/FEE	AMOUNT
Transit Impact Development Fee (48,660 sq ft - New Office Development, no prior use credit)	411 (@ \$13.87)	\$ 674,914.20
Transit Impact Development Fee (32,299 sq ft - New PDR Development, no prior use credit)	411 (@ \$7.45)	\$ 240,627.55
Jobs-Housing Linkage (48,660 sq ft - PDR to Office Development)	413 (@ \$7.37)	\$358,624.20
Eastern Neighborhoods Impact Fee (48,660 sq ft – Tier 1, PDR to Non-Residential)	423 (@ \$3.64)	\$177,122.40
	TOTAL	\$1,451,288.35

Please note that these fees are subject to change between Planning Commission approval and approval of the associated Building Permit Application, as based upon the annual updates managed by the Development Impact Fee Unit of the Department of Building Inspection.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant a Conditional Use Authorization pursuant to Planning Code Section 303 to allow the establishment of the following uses: (1) a 25,601 gsf administrative service use (d.b.a. PlanGrid); (2) an 8,311 gsf administrative service use (d.b.a. Crowdfunder); (3) a 14,748 gsf administrative service use (tenant to be determined); (4) a 6,266 gsf trade shop (repair) use (d.b.a. Orion); and, (5) the expansion of an existing trade shop (artisan craft use) from 10,000 gsf up to 24,859 gsf; within the Mission Street NCT (Mission Street Neighborhood Commercial Transit) Zoning District and a 65-X Height and Bulk Designation.

In addition, the Commission must authorize an Office Development Allocation of approximately 48,660 gross square feet of new office space pursuant to Planning Code Sections 321 and 736.70.

BASIS FOR RECOMMENDATION

- The project replaces a nonconforming use with uses that are more compatible with the prevailing character of the neighborhood.
- The project meets all applicable requirements of the Planning Code and proposes land uses that are overall in greater conformity with the Planning Code.
- The project retains an eligible historic resource and is an adaptive reuse of an existing building.
- The building is uniquely suited to accommodate the mix and scale of the proposed uses.
- The project is desirable for, and compatible with the surrounding neighborhood.
- The businesses are not Formula Retail uses and would serve the immediate neighborhood.

RECOMMENDATION: Approval with Conditions

Attachments:

- Block Book Map
- Sanborn Map
- Aerial Photographs
- Public Correspondence (see also Project Sponsor Submittal)
- Project Sponsor Submittal
- Reduced Plans

Attachment Checklist

- | | |
|---|--|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motion | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Environmental Determination | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Zoning District Map | Drawings: <u>Proposed Project</u> |
| <input checked="" type="checkbox"/> Height & Bulk Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Parcel Map | 3-D Renderings (new construction or significant addition) |
| <input checked="" type="checkbox"/> Sanborn Map | <input type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Aerial Photo | <input type="checkbox"/> Wireless Telecommunications Materials |
| <input checked="" type="checkbox"/> Context Photos | <input type="checkbox"/> Health Dept. review of RF levels |
| <input checked="" type="checkbox"/> Site Photos | <input type="checkbox"/> RF Report |
| | <input type="checkbox"/> Community Meeting Notice |
| | <input type="checkbox"/> Housing Documents |
| | <input type="checkbox"/> Inclusionary Affordable Housing Program: Affidavit for Compliance |

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

_____BB_____
Planner's Initials

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other (EN Fees and TIDF)

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Planning Commission Draft Motion

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ADOPTING FINDINGS RELATING TO THE APPROVAL OF CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 121.2, 303, 736.21, 736.65 AND 736.70 OF THE PLANNING CODE TO LEGALIZE A CHANGE IN USE ON THE UPPER STORIES OF THE EXISTING 128,958 GROSS SQUARE-FOOT (GSF) BUILDING FROM A STORAGE USE TO A COMBINATION OF ADMINISTRATIVE SERVICE AND TRADE SHOP USES, INCLUDING THE ESTABLISHMENT OF THE FOLLOWING TENANT SPACES: (1) A 25,601 GSF ADMINISTRATIVE SERVICE USE (D.B.A. PLANGRID); (2) A 8,311 GSF ADMINISTRATIVE SERVICE USE (D.B.A. CROWD FLOWER); (3) A 14,748 GSF ADMINISTRATIVE SERVICE USE (TENANT TO BE DETERMINED); (4) A 6,266 GSF TRADE SHOP (REPAIR) USE (D.B.A. ORION); AND (5) THE EXPANSION OF AN EXISTING TRADE SHOP (ARTISAN CRAFT) USE FROM 10,000 GSF UP TO 24,859 GSF, WITHIN THE MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT ZONING DISTRICT AND A 65-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On April 16, 2014, Steven L. Vettel, (hereinafter "Project Sponsor") filed Application No. 2014.0567BC (hereinafter "Application") with the Planning Department (hereinafter "Department") for Conditional Use Authorization under Planning Code Section(s) 121.2, 303, 736.21, 736.65 and 736.70 to legalize a change in use on the upper stories of the existing 128,958 gross square-foot (gsf) building from a storage

use to a combination of administrative service and trade shop uses, including the establishment of the following tenant spaces: (1) a 25,601gsf administrative service use (d.b.a. PlanGrid); (2) a 8,311 gsf administrative service use (d.b.a. Crowdflower); (3) a 14,748 gsf administrative service use (tenant to be determined); (4) a 6,266 gsf trade shop (repair) use (d.b.a. Orion); and, (5) the expansion of an existing trade shop (artisan craft use) from 10,000 gsf UP to 24,859 gsf, within the Mission Street NCT (Neighborhood Commercial Transit) Zoning District and a 65-X Height and Bulk District.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 Categorical Exemption.

On August 6, 2015, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2014.0567 BC.

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. 2014.0567BC, 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 southeast corner of the intersection of Mission and 17th Streets. The subject property is approximately 30,160 square feet and has 218.5 feet of frontage on 17th Street and 160 feet of frontage on Mission Street. A four-story with basement, 128,958 gross square-foot building, occupies the entire site. The subject building consists of three structures that were constructed between 1908 and the 1920s for a large furniture retail business (d.b.a. the Redlick Furniture Company) which occupied the building until 1967. Three retail uses (d.b.a. Thrift Town, Fabric Outlet and A & A the Bargain Store) and a trade shop (d.b.a. Headline) occupy portions of the basement, first and second stories. The 3rd and 4th floors, previously used for warehousing furniture, have converted to a variety of uses over the past 20 years, with the exception of a trade shop use (d.b.a. Studio 17) which received a Conditional Use Authorization to operate on July 10, 2003, per case no. 2003.0606C.
3. **Surrounding Properties and Neighborhood.** The project site is located at the center of the Mission Street Neighborhood Commercial Transit District and the broader Mission neighborhood. The site is surrounded by one- to three-story mixed use buildings that have retail or PDR (Production Distribution and Repair) activities on the ground floor and residential units

on upper levels. Beyond the Mission Street NCT District are the RTO-M (Residential Transit Oriented – Mission) and UMU (Urban Mixed Use) Zoning Districts which are characterized as allowing greater residential density or flexibility of uses that are supported by proximity to transit. The site is located at the intersection of two prominent routes of the city’s bicycle network – Mission and 17th Streets, is within a quarter-mile of five MUNI bus routes and is one block from the 16th Street BART station.

4. **Project Description.** The new owners are seeking to legalize approximately 48,660 gross square feet of administrative service uses and 32,432 gross square feet (gsf) of trade shop uses within the building while maintaining 48,817 gross square feet of existing retail uses. The establishment of both administrative service and trade shop uses requires Conditional Use Authorization above the ground floor. Additionally, because administrative services are considered a type of office use, the establishment of more than 25,000 gross square feet of administrative service uses also requires an Office Allocation Authorization. Further, any use occupying more than 5,999 gross square feet requires a Conditional Use Authorization for use size. Accordingly, the Project is seeking to establish the following uses: (1) a 25,601 gsf administrative service use (d.b.a. PlanGrid); (2) an 8,311 gsf administrative service use (d.b.a. CrowdfLOWER); (3) a 14,748 gsf administrative service use (tenant to be determined); (4) a 6,266 gsf trade shop (repair) use (d.b.a. Orion); and, (5) the expansion of an existing trade shop (artisan craft use) from 10,000 gsf up to 24,859 gsf.
5. **Public Comment.** The Project was previously noticed for a Planning Commission hearing on November 6, 2014, but due to a notification error and concerns raised by tenants, was continued indefinitely without a hearing. As of July 9, 2015, the Master lease holder of the artist space has negotiated terms for a new lease and submitted a letter in support of the proposal. There is one additional letter of support. Of the nine letters submitted in opposition to the project, six were received after the agreement with the Master lease holder. While all the letters relay concerns of displacement from the existing studios, the more recent letters stress inadequacies of the new studio spaces.
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. **Administrative Service.** Planning Code Section 736.70 requires Conditional Use Authorization to establish an administrative service use within the Mission Street Neighborhood Commercial Transit District. Per Planning Code Section 790.70 an administrative service use is a nonretail use which provides executive, management, administrative, clerical and other services exclusively to the business community and not to the general public.

The Project Sponsor is seeking to legalize and expand the existing tenant space dedicated to administrative service uses. This request includes establishing a 25,601 gross square-foot administrative service use (d.b.a. PlanGrid) on the fourth floor, a 8,311 gross square-foot administrative service use (d.b.a. CrowdFLOWer) on the third floor, and a 14,748 gross square-foot

administrative service use (tenant to be determined) on the third floor. Collectively, there will be 48,660 gross square feet of administrative service uses within the building. Because administrative service is a type of office use, this amount of floor area dedicated to office space requires an office allocation per Planning Code Section 320 and 321. Accordingly, the Project is seeking an Office Allocation Authorization from the reserve for smaller buildings.

- B. Office Development Authorization.** Planning Code Section 321 outlines the requirements for an Office Development Authorization from the Planning Commission for new office space in excess of 25,000 gross square feet. Planning Code Section 790.69 defines offices as a building, or portion thereof, containing a service as defined in Sections 790.106 through 790.116 of this Code. The following services are included in the definition of office: Administrative Service (790.106), Philanthropic Administrative Service (790.107), Business or Professional Service (790.108), Financial Service (790.110), Fringe Financial Service (790.111), Limited Financial Service (790.112), Medical Service (790.114), and Personal Service (790.116).

The Project Sponsor has submitted an application for an Office Development Authorization for 48,660 gross square feet of office space from the Reserve for Smaller Buildings. This request will serve to legalize and expand the amount of office space on the third and fourth floors. (See Case No. 2014.0567B).

- C. Trade Shop.** Planning Code Section 736.65 requires Conditional Use Authorization to establish a trade shop within the Mission Street NCT Zoning District when located on the second story or above. A trade shop, as defined in Planning Code Section 790.124, includes a retail use which provides custom crafted goods and/or services for sale directly to the consumer, reserving some storefront space for display and retail service for the goods being produced on site. A trade shop includes a subset of uses such as appliance or apparel repair, building contractors, tailors, printers, and artisan craft uses, including fine arts uses. A trade shop is also distinct from light manufacturing, as defined in Section 790.54(a) of this Code and requires compliance with specific operating conditions relative to odor, noise and garbage listed in Section 790.124.

In 2003 the Planning Commission granted a Conditional Use Authorization to establish an artist collective on approximately 10,000 gross square feet of the fourth floor and to include approximately 20 individual studios for individual artists, as well as a common retail gallery space that would be dedicated to providing goods for display and sale directly to the consumer. Since that approval the artist space expanded without benefit of a permit or modification to their Conditional Use Application. A trade shop use (d.b.a. Headline) currently occupies Suite 104 on the ground floor of the building but does not require a Conditional Use Authorization per Planning Code Section 736.65 because it is less than 6,000 gross square feet and is on the first floor. This space will remain unchanged as part of the proposal.

The Project proposes legalizing a 6,266 gross square-foot trade shop (repair) use (d.b.a. Orion) on the second floor. The Project also proposes legalizing and expanding the existing trade shop (artisan craft studio) use from 10,000 gross square-feet up to 24,859 gross square feet on the first, second and third floors. The proposed trade shop expansion dedicated to artisan craft studios will collectively share a

gallery area on the first floor with direct frontage onto Mission Street. In total, the project will include 32,432 gross square feet dedicated to trade shop uses.

- D. **Use Size.** Per Planning Code Sections 121.2 and 736.21 non-residential uses greater than 5,999 gross square feet and within the Mission Street NCT Zoning District require conditional use authorization. Criteria for the consideration of larger uses pertain to the intensity of the use, provision of neighborhood goods and services, and overall design.

The Project Sponsor is seeking to legalize five tenant spaces with floor areas greater than 5,999 gross square-feet; these spaces and their floor areas are as follows: (1) a 25,601 gross square-foot administrative service use (d.b.a. PlanGrid); (2) a 8,311 gross square-foot administrative service use (d.b.a. CrowdFlower); (3) a 14,748 gross square-foot administrative service use (tenant to be determined); (4) a 6,266 gross square-foot trade shop (repair) use (d.b.a. Orion); and, (5) a trade shop (artisan craft use) of up to 24,859 gross square-feet. The criteria for such authorizations are discussed below.

- E. **Parking.** Section 151.1 of the Planning Code does not require any off-street parking and provides maximum parking amounts based on land use type.

The existing project site does not include any off-street parking spaces. The proposal does not include any new off-street parking spaces.

- F. **Bicycle Parking.** Planning Code Section 155.2 requires Class 1 bicycle parking spaces as follows: one for every 7,500 square feet of occupied floor area of retail uses; one for every 12,000 square feet of occupied floor area of trade shop uses; and, one for every 5,000 square feet of occupied floor area of office uses. Additionally, the requirements for Class 2 (racks) bicycle parking spaces are as follows: one for every 2,500 square feet of occupied floor area of retail uses; a minimum of two spaces for any trade shop uses; and, a minimum of two spaces for any office use greater than 5,000 gross floor area, plus one for each additional 50,000 square feet of occupied floor area.

Because the project is proposing a change in the intensity of use within the building that would increase the number of total required bicycle parking space by 15 percent, the project must provide required bicycle parking for all of the building's uses. The project includes approximately 39,053.6 square feet of occupied floor area dedicated to retail uses, 25,184.8 square feet of occupied floor area dedicated to trade shop uses and 38,928 square feet of occupied floor area dedicated to office uses. As a result, the project will provide the required 15 Class 1 bicycle parking spaces and 20 Class 2 bicycle parking spaces.

- G. **Shower Facility and Clothes Locker Requirement.** Per Planning Code Section 155.4 any retail use where the occupied floor area exceeds 25,000 square feet but is no greater than 50,000 square feet, 1 shower and 6 clothes lockers are required. Additionally, for any trade shop and office uses where the occupied floor area exceeds 50,000 square feet a total of 4 showers and 24 clothes lockers are required.

The Project has approximately 39,053.6 square feet of occupied floor area dedicated to retail uses and 64,112.8 square feet of occupied floor area dedicated to a combination of office and trade shop uses. Therefore, the project will provide the required 5 showers and 30 clothes lockers. However, the Project Sponsor may seek an exemption from the Zoning Administrator to provide arrangements for shower and locker facilities at a health club or other facility within three blocks of the building, as outlined within Planning Code Section 155.4(d). This arrangement would be available to tenants at no cost to the building employees; therefore, the proposed project would also comply with Planning Code Section 155.3.

- H. **Development Fees.** The Project is subject to the Transit Impact Development Fee per Planning Code Sections 179.1(g) and 411, the Jobs-Housing Linkage Fee per Planning Code Sections 179.1(g) and 413, and the Eastern Neighborhoods Community Impact Fee per Planning Code Section 423.

The Project Sponsor shall pay the appropriate Transit Impact Development, Jobs-Housing Linkage and Eastern Neighborhoods Community Impact fees, pursuant to Planning Code Section 179.1(g), 411, 413 and 423, at the appropriate stage of the building permit application process.

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.

The proposal does not include any alterations to the size and scale of the building. The last legal use of the third and fourth stories of the building was a storage use of approximately 72,000 gross square feet. Per Planning Code Section 736.66 storage space is not a permitted use within the Mission Street NCT Zoning District. The Project legalizes the division of this non-conforming space into a combination of trade shop and administrative service uses which are more compatible with the prevailing neighborhood character and Planning Code.

- 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 and will not alter the existing appearance or character of the project vicinity. The proposed work will not affect the building envelope.

- 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 Planning Code does not require parking or loading for the proposed uses. Bicycle parking, however, will be added to the site. Furthermore, the subject property is within a block of the 16th Street BART station and therefore, easily accessible by public transit.

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

The proposed uses are subject to the standard Conditions of Approval which control for noxious or offensive emissions.

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

The project does not propose any changes to such aspects as landscaping, screening, open spaces, parking and loading areas.

- 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 proposed project is consistent with the stated purposes of the Mission Street NCT District in that the intended uses are located near public transit and will provide compatible services for the immediately surrounding neighborhoods during daytime hours.

- 8. **Use Size.** Planning Code Sections 121.2 and 736.21 require a Conditional Use Authorization for a non-residential use that is larger than 5,999 square feet within the Mission Street NCT (Neighborhood Commercial Transit) Zoning District. Planning Code Section 121.2 sets forth additional criteria which the Commission shall consider in addition to those of Section 303 when reviewing an application for a non-residential use size in excess of that which is permitted as-of-right.

- a. The intensity of activity in the district is not such that allowing the larger use will be likely to foreclose the location of other needed neighborhood-serving uses in the area.

The subject building's approximately 26,000 square-foot floor plates are uncharacteristically large for neighborhood scale commercial development in the Mission Street NCT. Further, as previously noted, the legal use on record for the third and fourth floors is storage and warehouse space for the

former furniture retailer (d.b.a. Redlick Furniture Company). Since the closure of the furniture retailer in 1967, the upper floors have been occupied by various tenants without benefit of a permit, with the exception of a trade shop (artisan craft) use that obtained a Conditional Use Authorization for 10,000 gross square feet on the fourth floor in 2003. The legalization of the five tenant spaces dedicated to a combination of trade shop and administrative service uses within the entire building, brings the building into greater conformity with the Planning Code and establishes spaces that are more appropriately sized for neighborhood-serving businesses than the legally non-conforming 72,000 gross square-feet of storage space.

- b. The proposed use will serve the neighborhood, in whole or in significant part, and the nature of the use requires a larger size in order to function.

The Project Sponsor is seeking to legalize five tenant spaces with floor areas greater than 5,999 gross square-feet; these spaces and their floor areas are as follows: (1) a 25,601 gross square-foot administrative service use (d.b.a. PlanGrid); (2) a 8,311 gross square-foot administrative service use (d.b.a. CrowdFlower); (3) a 14,748 gross square-foot administrative service use (tenant to be determined); (4) a 6,266 gross square-foot trade shop (repair) use (d.b.a. Orion); and, (5) a 24,859 gross square-foot trade shop (artisan craft) use. These uses are described below:

- (1) The administrative service use (d.b.a. PlanGrid) will occupy the entire fourth floor. PlanGrid is a software and cloud storage company, established in 2011, that assists design professionals, contractors and others involved with the development, preparation, revision and storage of plans for construction projects. Effective use of their product requires space for the training of construction professionals and accommodation of a growing customer service team.
- (2) The administrative service use (d.b.a. CrowdFlower) is a software company that collects and manages large quantities of data from other business and organizations and then facilitates the re-distribution of that data for micro-tasks including analysis or clean-up by independent contractors. The management of their operations requires space for their employees to coordinate these functions, respond to customer inquiries and maintain the on-line transfer and re-compilation of data.
- (3) A third administrative service use is proposed to occupy a portion of the third floor of approximately 14,748 gross square-feet. Upon identification of a tenant and as required per this Motion's Conditions of Approval, the Project Sponsor will be required to provide the Planning Department with information regarding the gross square footage of the tenant space and a description of the tenant's business activities.
- (4) The trade shop (repair) use (d.b.a. Orion) will occupy a portion of the second story. Orion produces wearable devices that facilitate communication between groups of people without their phone. The dedicated floor area is used to sell, test, manufacture, and repair devices.

(5) *The trade shop (artisan craft) use reflects artist studio spaces on the 1st, 2nd, and 3rd floors, as well as basement storage space and a gallery on the 1st floor Mission Street frontage. The project will legalize and expand the previous Conditional Use Authorization granted in 2003 for 10,000 gross square feet of artist uses.*

Collectively, these tenant spaces reflect the uniquely large floor plates of the existing building which inherently generate a demand for larger scale tenants. The proposed and existing uses as they are distributed throughout the building serve the neighborhood by offering services for local businesses and residents, by supporting the presence of two large scale retail operations on the lower levels, and by bringing more employment opportunities and consumers to the Mission neighborhood.

- c. The building in which the use is to be located is designed in discrete elements which respect the scale of development in the district.

The subject building is an eligible historic resource given its architectural vernacular as a commercial building indicative of the Mission's Miracle Mile history. The proposal does not include any alterations to the exterior of the building and will help sustain the continued maintenance of the property.

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

MISSION AREA PLAN

Objectives and Policies

OBJECTIVE 1.1:

STRENGTHEN THE MISSION'S EXISTING MIXED USE CHARACTER, WHILE MAINTAINING THE NEIGHBORHOOD AS A PLACE TO LIVE AND WORK.

Policy 1.1.3:

Maintain the successful Mission Street, 24th Street, and Valencia Street Neighborhood Commercial Districts; recognize the proximity to good transit service by eliminating residential density limits and minimum parking requirements.

The subject property is at the corner of two prominent bicycle routes (Mission Street and 17th Street), is within one block of the 16th Street BART station, and is within a quarter-mile of four MUNI bus lines. Although the Project does not propose on-site off-street parking, the location is well served by transit alternatives and the proposal will include additional bicycle parking spaces.

Policy 1.1.8:

While continuing to protect traditional PDR functions that need large, inexpensive spaces to operate, also recognize that the nature of PDR businesses is evolving gradually so that their

production and distribution activities are becoming more integrated physically with their research, design and administrative functions.

The last known legal use of the 3rd and 4th stories was warehouse space for a furniture retailer on the floors below. Warehouse and storage space is considered a PDR (Production, Distribution and Repair) use; however, it is not principally permitted within the Mission Street NCT Zoning District. In fact, the only PDR use allowed above the second floor in the Mission Street NCT Zoning District is a trade shop use, which requires a Conditional Use Authorization. In 2003, the Planning Commission approved establishment of a 10,000 gross square foot trade shop use on the 4th floor of the building. The current proposal is to legalize an expansion of the trade shop uses and to legalize the establishment of the administrative service office uses.

OBJECTIVE 1.7:

RETAIN THE MISSION'S ROLE AS AN IMPORTANT LOCATION FOR PRODUCTION, DISTRIBUTION AND REPAIR (PDR) ACTIVITIES.

Policy 1.7.1:

In areas designated for PDR, protect the stock of existing buildings used by, or appropriate for, PDR businesses by restricting conversions of industrial buildings to other building types and discouraging the demolition of sound PDR buildings.

Although the subject building is not an industrial building type, its large commercial floor plates have the capacity to facilitate varying types of trade shop uses. Accordingly, the proposal retains, 32,432 gross square feet of the approximately 72,000 gross square feet dedicated to the former warehouse activities. As previously noted, the storage use was abandoned and is no longer permitted under the Mission Street NCT Zoning Controls.

OBJECTIVE 1.8:

RETAIN THE MISSION'S ROLE AS AN IMPORTANT LOCATION FOR PRODUCTION, DISTRIBUTION AND REPAIR (PDR) ACTIVITIES.

Policy 1.8.2:

Ensure that the Mission's neighborhood commercial districts continue to serve the needs of residents, including immigrant and low-income households.

The proposal legalizes conversion of former warehouse and storage space to uses that are more compatible with the objectives of the Mission Street NCT Zoning District. Further, the Project retains and expands the existing trade shop use dedicated to artist studio space and provides a gallery on the ground floor that facilitates a street presence for the artists in the building.

OBJECTIVE 4.7:

IMPROVE AND EXPAND INFRASTRUCTURE FOR BICYCLING AS AN IMPORTANT MODE OF TRANSPORTATION.

Policy 4.7.2:

Provide secure, accessible and abundant bicycle parking, particularly at transit stations, within shopping areas and a concentrations of employment.

The project will provide 15 Class 1 bicycle parking spaces and 20 Class 2 bicycle parking spaces that accommodate all users of the building.

OBJECTIVE 8.2:

PROTECT, PRESERVE, AND REUSE HISTORIC RESOURCES WITHIN THE MISSION PLAN AREA.

Policy 8.2.1:

Protect individually significant historic and cultural resources and historic districts in the Mission plan area from demolition or adverse alteration.

The subject property was evaluated as part of the Inner Mission North Historic Resource survey is eligible for the California Register both individually and as a contributor to an eligible district. The proposal does not include any changes to the exterior of the building and beyond legalizing uses, seeks to complete a voluntary seismic retrofitting of the building.

NEIGHBORHOOD COMMERCE

Objectives and Policies

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 that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2:

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3:

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

The proposed development will provide desirable goods and services to the neighborhood and will provide resident employment opportunities to those in the community. The expanded scope of the existing businesses within the subject building will not result in undesirable consequences. Further, the Project

Site is located within a Neighborhood Commercial Transit 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 retain existing commercial activities within the subject building and 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.

One of the existing three commercial tenants will be displaced as part of the Project to accommodate artist studios and a ground floor gallery space. The gallery space will be available to all the artists in the building and will facilitate a diversification of the uses along Mission Street. There is no other gallery on this block of Mission Street and the site is directly opposite Clarion Alley which is emerging as an arts destination in the Mission.

Policy 6.2:

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to the economic and technological innovation in the marketplace and society.

The proposal provides tenant spaces for small business enterprises that have emerged locally. Further the combination of trade shop and administrative service uses diversifies the tenants of the building and facilitates innovation across a broader range of economic sector.

TRANSPORTATION

Objectives and Policies

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.2:

Provide secure bicycle parking at existing city buildings and facilities and encourage it in existing commercial and residential buildings.

Policy 28.3:

Provide parking facilities which are safe, secure, and convenient.

The project will provide 15 Class 1 bicycle parking spaces and 20 Class 2 bicycle parking spaces that accommodate both tenants and patrons of the building's uses.

ARTS

Objectives and Policies

OBJECTIVE I-2:

INCREASE THE CONTRIBUTION OF THE ARTS TO THE ECONOMY OF SAN FRANCISCO.

Policy I-2.1:

Encourage and promote opportunities for the arts and artists to contribute to the economic development of San Francisco.

Policy I-2.2:

Continue to support and increase the promotion of the arts and arts activities throughout the City for the benefit of visitors, tourists, and residents.

The proposal will include up to 24,859 gross square feet of floor area dedicated for artist studios, storage and gallery space. Additionally, the gallery space, provided on the ground floor of the Mission Street street-frontage, will promote the artists' engagement with the community and strengthen the Mission neighborhood's identity as a center of arts and culture for visitors, tourists and residents.

OBJECTIVE VI-1:

SUPPORT THE CONTINUED DEVELOPMENT AND PRESERVATION OF ARTISTS' AND ARTS ORGANIZATIONS' SPACES.

Policy VI-1.9:

Create opportunities for private developers to include arts spaces in private developments city-wide.

The Project is a private development that is seeking Conditional Use Authorization to legalize and expand the existing artist studio space.

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 proposal will replace a discount commercial retailer with a gallery intended to support the commercial efforts of artists within the building, thereby enhancing the diversity of retail options within the building. Further, the administrative service and trade shop uses will increase the demand for neighborhood-serving retail uses in the surrounding neighborhood.

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

The Project will not displace any existing housing and promotes a diversification of uses within the neighborhood.

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

No housing is removed for this Project. Further, because the Project proposes an office use, it must contribute to the City's Jobs-Housing Linkage Program.

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

The project is well served by a variety of transit options, including MUNI and BART. It is also located at the intersection of two prominent bicycle network routes. It is not anticipated that commuter traffic will impede MUNI transit or overburden streets or neighborhood parking as the project is not required to, and does not, provide off-street parking given its proximity to transit alternatives.

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

The Project does displace a former warehouse use; however, that use has been gradually displaced over the past 40 years. Further, warehouse uses are not permitted within the Mission Street NCT Zoning District. Furthermore, the legalization of administrative service and trade shop uses reflect land uses that are more compatible with the applicable zoning controls.

- 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.

The subject property is an eligible historic resource; however, the project does not propose any alterations to the building's character defining features.

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

The project will have no negative impact on existing parks and open spaces. The Project does not have an impact on open spaces.

11. 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.
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. 2014.0567C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated July 30, 2015, and stamped "EXHIBIT B", 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. XXXXX. 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 94102.

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 August 6, 2015.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: August 6, 2015

EXHIBIT A

AUTHORIZATION

This authorization is for a conditional use to establish (1) a 25,601 gross square-foot administrative service use (d.b.a. PlanGrid); (2) a 8,311 gross square-foot administrative service use (d.b.a. Crowd Flower); (3) a 14,748 gross square foot administrative service use (tenant to be determined); (4) a 6,266 gross square-foot trade shop (repair) use (d.b.a. Orion); and, (5) a trade shop (artist) use up to 24,859 gross square-feet; located at 2101 Mission Street, Block 3575, and Lot 091, pursuant to Planning Code Sections 121.2, 303, 736.21, 736.65 and 736.70 within the Mission Street NCT (Neighborhood Commercial Transit) Zoning District and a 65-X Height and Bulk District; in general conformance with plans, dated **July 30, 2015**, and stamped "EXHIBIT B" included in the docket for Case No. **2014.0567C** and subject to conditions of approval reviewed and approved by the Commission on **August 6, 2015**, under Motion No **XXXXXX**. 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 **August 6, 2015**, under Motion No **XXXXXX**.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. **XXXXXX** 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

6. **Additional Project Authorization.** The Project Sponsor must obtain a Project authorization under Sections 321 and 322 to allocate office square footage 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.

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

PARKING AND TRAFFIC

7. **Bicycle Parking.** Pursuant to Planning Code Sections 155.1 and 155.4., the Project shall provide no fewer than 15 Class 1 and 20 Class 2 bicycle parking spaces.

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

8. **Showers and Clothes Lockers.** Pursuant to Planning Code Section 155.3, the Project shall provide no fewer than two showers and twelve clothes lockers.

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

PROVISIONS

9. **Transit Impact Development Fee.** Pursuant to Planning Code Section 411, the Project Sponsor shall pay the Transit Impact Development Fee (TIDF) as required by and based on drawings submitted with the Building Permit Application. Prior to the issuance of a temporary certificate of occupancy, the Project Sponsor shall provide the Planning Director with certification that the fee has been paid.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

10. **Jobs Housing Linkage.** Pursuant to Planning Code Section 413, the Project Sponsor shall contribute to the Jobs-Housing Linkage Program (JHLP). The calculation shall be based on the net addition of gross square feet of each type of space to be constructed as set forth in the permit plans. The Project Sponsor shall provide evidence that this requirement has been satisfied to the Planning Department prior to the issuance of the first site or building permit by the Department of Building Inspection.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

11. **Eastern Neighborhoods Infrastructure Impact Fee.** Pursuant to Planning Code Section 423, the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING – AFTER ENTITLEMENT

- 12. 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
- 13. 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
- 14. Monitoring.** The Project requires monitoring of the conditions of approval in this Motion. The Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning Code Section 351(e) (1) and work with the Planning Department for information about compliance.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org
- 15. Annual Reporting.** The Project Sponsor shall provide an annual report to the Planning Department that lists the square-footage and land use classification of any tenant. The first report will be provided annually beginning one year from the date of this Conditional Use Authorization.
For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

- 16. 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>
- 17. Noise Control.** The premises shall be adequately soundproofed or insulated for noise and operated so that incidental noise shall not be audible beyond the premises or in other sections of

the building and fixed-source equipment noise shall not exceed the decibel levels specified in the San Francisco Noise Control Ordinance.

For information about compliance with the fixed mechanical objects such as rooftop air conditioning, restaurant ventilation systems, and motors and compressors with acceptable noise levels, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org

For information about compliance with the construction noise, contact the Department of Building Inspection, 415-558-6570, www.sfdbi.org

For information about compliance with the amplified sound including music and television contact the Police Department at 415-553-0123, www.sf-police.org

- 18. Odor Control.** While it is inevitable that some low level of odor may be detectable to nearby residents and passersby, appropriate odor control equipment shall be installed in conformance with the approved plans and maintained to prevent any significant noxious or offensive odors from escaping the premises.

For information about compliance with odor or other chemical air pollutants standards, contact the Bay Area Air Quality Management District, (BAAQMD), 1-800-334-ODOR (6367), www.baaqmd.gov and Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

- 19. 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>

- 20. 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

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other (TIDF, EN Impact Fees)

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Draft Motion

HEARING DATE: AUGUST 6, 2015

Date: July 30, 2015
Case No.: **2014.0567 BC**
Project Address: **2101 MISSION STREET**
Zoning: Mission Street NCT (Neighborhood Commercial Transit)
 65-X Height and Bulk District
Block/Lot: 3575/091
Project Sponsor: Steven L. Vettel
 Farella, Braun & Martel, LLP
 235 Montgomery Street
 San Francisco, CA 94104
Staff Contact: Brittany Bendix – (415) 575-9114
brittany.bendix@sfgov.org

ADOPTING FINDINGS RELATING TO AN ALLOCATION OF OFFICE SQUARE FOOTAGE UNDER THE 2015 – 2016 ANNUAL OFFICE DEVELOPMENT LIMITATION PROGRAM PURSUANT TO PLANNING CODE SECTION 321 THAT WOULD AUTHORIZE THE ESTABLISHMENT OF 48,660 GROSS SQUARE FEET OF OFFICE USE FOR A PROPOSED PROJECT LOCATED AT 2101 MISSION STREET, LOT 091 IN ASSESSOR’S BLOCK 3575, WITHIN THE MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT (NCT) ZONING DISTRICT, AND A 65-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On April 16, 2014, Steven L. Vettel, (hereinafter “Project Sponsor”) filed Application No. 2014.0567BC (hereinafter “Application”) with the Planning Department (hereinafter “Department”) for an Office Development Authorization to establish 48,660 gross square feet of office at 2101 Mission Street (Block 3575, Lot 091) in San Francisco, California.

The Project is exempt from the California Environmental Quality Act (“CEQA”) as a Class 1 Categorical Exemption.

On August 6, 2015, the Commission adopted Motion No. XXXXX, approving a Conditional Use Authorization for the Proposed Project (Conditional Use Authorization Application No. 2014.0567C) including Conditions of Approval for the Project attached as Exhibit A to Motion No. XXXXX, which are incorporated herein by this reference thereto as if fully set forth in this Motion.

On August 6, 2015, the Planning Commission ("Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Office Allocation Application No. 2014.0567B.

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

MOVED, that the Commission hereby authorizes the Office Development Authorization requested in Application No. 2014.0567B, 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 southeast corner of the intersection of Mission and 17th Streets. The subject property is approximately 30,160 square feet and has 218.5 feet of frontage on 17th Street and 160 feet of frontage on Mission Street. A four-story with basement, 128,958 gross square-foot building, occupies the entire site. The subject building consists of three structures that were constructed between 1908 and the 1920s for a large furniture retail business (d.b.a. the Redlick Furniture Company) which occupied the building until 1967. Three retail uses (d.b.a. Thrift Town, Fabric Outlet and A & A the Bargain Store) and a trade shop (d.b.a. Headline) occupy portions of the basement, first and second stories. The 3rd and 4th floors, previously used for warehousing furniture, have converted to a variety of uses over the past 20 years, with the exception of a trade shop use (d.b.a. Studio 17) which received a Conditional Use Authorization to operate on July 10, 2003, per case no. 2003.0606C.
3. **Surrounding Properties and Neighborhood.** The project site is located at the center of the Mission Street Neighborhood Commercial Transit District and the broader Mission neighborhood. The site is surrounded by one- to three-story mixed use buildings that have retail or PDR (Production Distribution and Repair) activities on the ground floor and residential units on upper levels. Beyond the Mission Street NCT District are the RTO-M (Residential Transit Oriented – Mission) and UMU (Urban Mixed Use) Zoning Districts which are characterized as allowing greater residential density or flexibility of uses that are supported by proximity to transit. The site is located at the intersection of two prominent routes of the city's bicycle network – Mission and 17th Streets, is within a quarter-mile of five MUNI bus routes and is one block from the 16th Street BART station.

4. **Project Description.** The new owners are seeking to legalize approximately 48,660 gross square feet of administrative service uses and 32,432 gross square feet (gsf) of trade shop uses within the building while maintaining 48,817 gross square feet of existing retail uses. The establishment of both administrative service and trade shop uses requires Conditional Use Authorization above the ground floor. Additionally, because administrative services are considered a type of office use, the establishment of more than 25,000 gross square feet of administrative service uses also requires an Office Allocation Authorization. Further, any use occupying more than 5,999 gross square feet requires a Conditional Use Authorization for use size. Accordingly, the Project is seeking to establish the following uses: (1) a 25,601 gsf administrative service use (d.b.a. PlanGrid); (2) an 8,311 gsf administrative service use (d.b.a. Crowdfunder); (3) a 14,748 gsf administrative service use (tenant to be determined); (4) a 6,266 gsf trade shop (repair) use (d.b.a. Orion); and, (5) the expansion of an existing trade shop (artisan craft use) from 10,000 gsf up to 24,859 gsf.
5. **Public Comment.** The Project was previously noticed for a Planning Commission hearing on November 6, 2014, but due to a notification error and concerns raised by tenants, was continued indefinitely without a hearing. As of July 9, 2015, the Master lease holder of the artist space has negotiated terms for a new lease and submitted a letter in support of the proposal. There is one additional letter of support. Of the nine letters submitted in opposition to the project, six were received after the agreement with the Master lease holder. While all the letters relay concerns of displacement from the existing studios, the more recent letters stress inadequacies of the new studio spaces.
6. **Office Development Authorization.** Planning Code Section 321 establishes standards for San Francisco's Office Development Annual Limit. In determining if the proposed Project would promote the public welfare, convenience and necessity, the Commission considered the seven criteria established by Code Section 321(b)(3), and finds as follows:

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

Currently, there is approximately 1.2 million gross square feet of available "Small Cap" office space in the City. Additionally, the proposed project is subject to various development fees that will benefit the surrounding community and the city. The Project is located in close proximity to many public transportation options, including stops for both Muni and BART. Therefore, the Project will help maintain the balance between economic growth, housing, transportation and public services.

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

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

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

The proposed project will contribute to the retention of an eligible historic resource and does not propose any changes to the exterior facades or building massing.

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

- a) Use. *The proposed project is located within the Mission Street NCT Zoning District, which permits various types of office use pursuant to Planning Code Sections 736.70 and 736.53. The subject lot is located in an area primarily characterized by commercial, residential, and light industrial development. There are no known administrative service uses within the Zoning District and so the proposal will contribute to the diversity of office uses within the neighborhood.*
- b) Transit Accessibility. *The area is served by a variety of transit options. The project site is within a block of the 16th Street BART station and a quarter-mile of various Muni routes, including the 8X-Bayshore Express, 10-Townsend, 30-Stockton, 45-Union/Stockton, 47-Van Ness, and 76X-Marin Headlands Express.*
- c) Open Space Accessibility. *The Project is within four blocks of four parks, including Dolores Park and Franklin Square.*
- d) Urban Design. *As previously noted, the proposal does not include any alterations to the subject building, an eligible historic resource, given its large scale commercial vernacular and prominence during the Mission's Miracle Mile historic period.*
- e) Seismic Safety. *The proposed project would be designed in conformance with current seismic and life safety codes as mandated by the Department of Building Inspection.*

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

- a) Anticipated Employment Opportunities. *The Project includes a total of 48,660 gross square feet of office space. The additional office square footage will create new opportunities for employment.*
- b) Needs of Existing Businesses. *The Project will supply a type of office space in the Mission Street NCT Zoning District that is not currently present in the district. Further, the existing building conditions will enable the Project to provide office space with high ceilings and large floor plates, which are characteristics desired by emerging technology businesses and will offer a range of sizes for potential tenants. This building type offers flexibility for new businesses to further grow in the future.*
- c) Availability of Space Suitable for Anticipated Uses. *The Project will provide large open floor plates, which will allow for quality office space that is suitable for a variety of office uses and sizes.*

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

The Project Sponsor will retain two existing administrative service tenants, and establish a space for a third. Additionally, existing trade shop tenants will also occupy the building.

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

The Project does not include any Transfer of Development Rights.

7. **General Plan Consistency.** The General Plan Consistency Findings set forth in Motion No. XXXXX, Case No. 2014.0567C (Conditional Use Authorization, pursuant to Planning Code Section 303) apply to this Motion, and are incorporated herein as though fully set forth.
8. **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 proposal will replace a discount commercial retailer with a gallery intended to support the commercial efforts of artists within the building, thereby enhancing the retail options within the building. Further, the administrative service and trade shop uses will increase the demand for neighborhood-serving retail uses in the surrounding neighborhood.

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

The Project will not displace any existing housing and promotes a diversification of uses within the neighborhood.

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

No housing is removed for this Project. Further, because the Project proposes an office use, it must contribute to the City's Jobs-Housing Linkage Program.

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

The project is well served by a variety of transit options, including MUNI and BART. It is also located at the intersection of two prominent bicycle network routes. It is not anticipated that commuter traffic will impede MUNI transit or overburden streets or neighborhood parking as the project is not required to, and does not, provide off-street parking given its proximity to transit alternatives.

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

The Project does displace a former warehouse use; however, that use was displaced nearly 20 years ago and warehouse uses are not permitted within the Mission NCT Zoning District. Furthermore, the legalization of administrative service and trade shop uses reflect land uses that are more compatible with the applicable zoning controls.

- 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.

The subject property is an eligible historic resource; however, the project does not propose any alterations to the building's character defining features.

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

The project will have no negative impact on existing parks and open spaces. The Project does not have an impact on open spaces.

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

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Office Development Application No. 2014.0567B** subject to the conditions attached hereto as Exhibit A, which is incorporated herein by reference as though fully set forth, in general conformance with the plans stamped Exhibit B and dated July 30, 2015, on file in Case Docket No. 2014.0567B.

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

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

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

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on August 6, 2015.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: August 6, 2015.

EXHIBIT A

AUTHORIZATION

This authorization is for an Office Development Authorization to authorize 48,660 gross square feet of office use located at 2101 Mission Street, Lot 091 in Assessor's Block 3575 pursuant to Planning Code Section 321 within the Mission Street Neighborhood Commercial Transit Zoning District and a 65-X Height and Bulk District; in general conformance with plans, dated July 30, 2015, and stamped "EXHIBIT B" included in the docket for Case No. 2014.0567B and subject to conditions of approval reviewed and approved by the Commission on **August 6, 2015**, under Motion No. **XXXXX**. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

COMPLIANCE WITH OTHER REQUIREMENTS

The Conditions of Approval set forth in Exhibit B of Motion No. **XXXXX**, Case No. 2014.0567C (Conditional Use Authorization Under Section 303) apply to this approval, and are incorporated herein as though fully set forth, except as modified herein.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on August 6, 2015, under Motion No. **XXXXX**.

CHANGES AND MODIFICATIONS

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

Conditions of Approval, Compliance, Monitoring, and Reporting

PERFORMANCE

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

For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org.

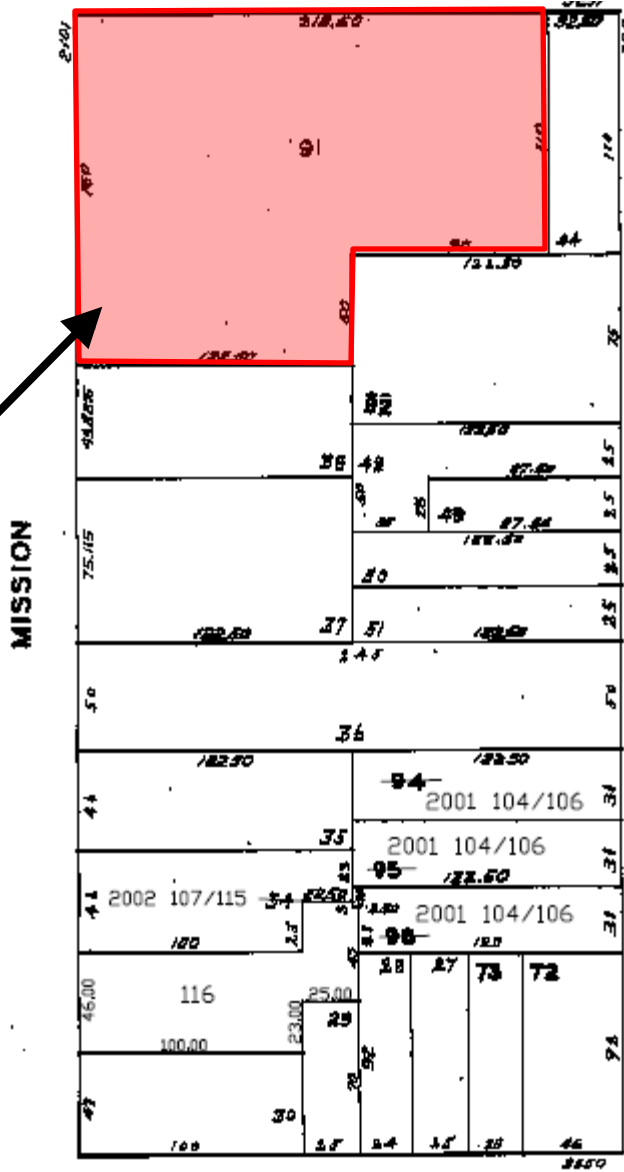
2. Extension. This authorization may be extended at the discretion of the Zoning Administrator only where failure to issue a permit by the Department of Building Inspection to perform said construction is caused by a delay by a local, State or Federal agency or by any appeal of the issuance of such permit(s).

For information about compliance, contact the Planning Department at 415-558-6378, www.sf-planning.org.

Parcel Map

17 TH

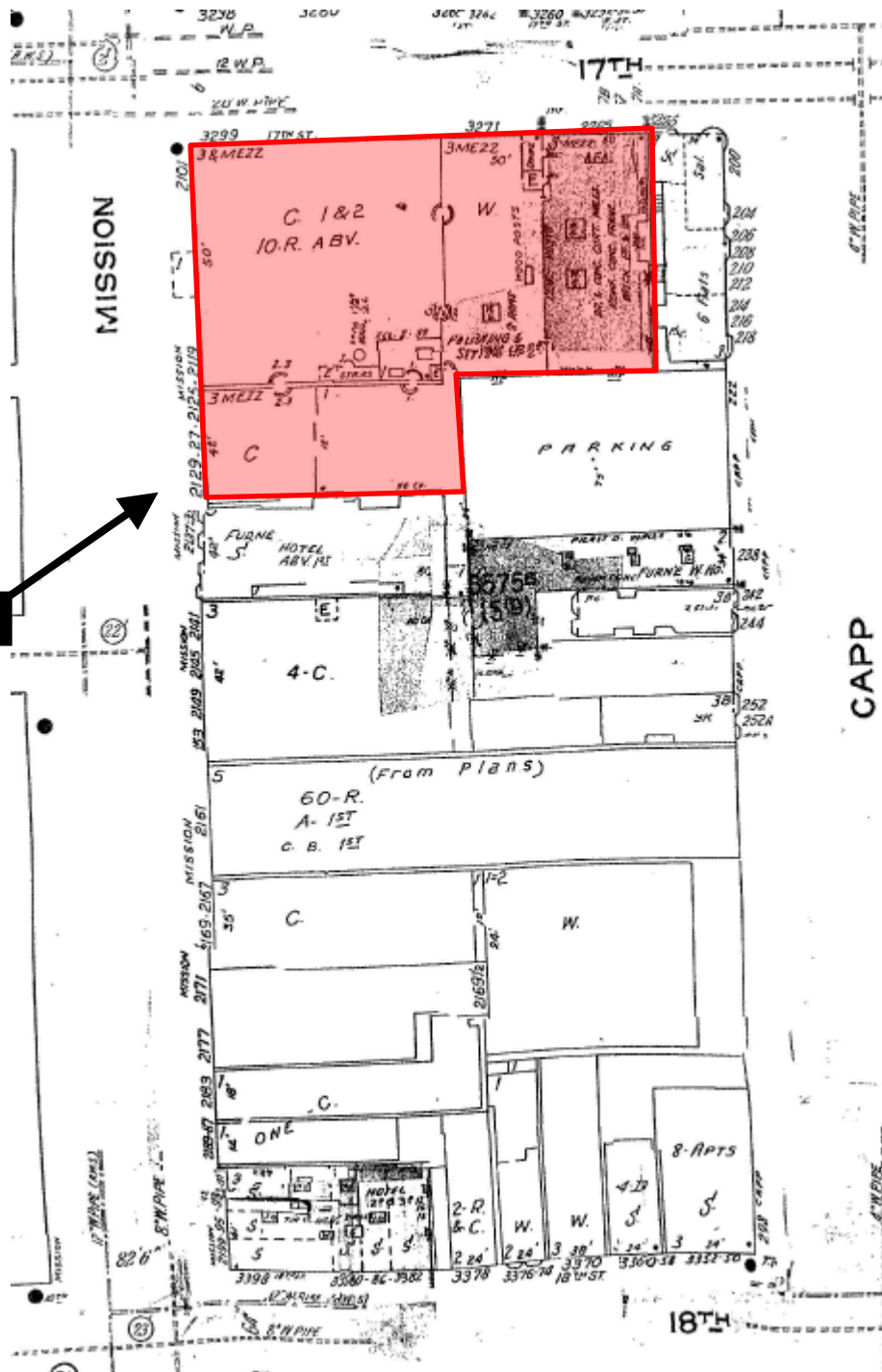
SUBJECT PROPERTY



18 TH



Sanborn Map*

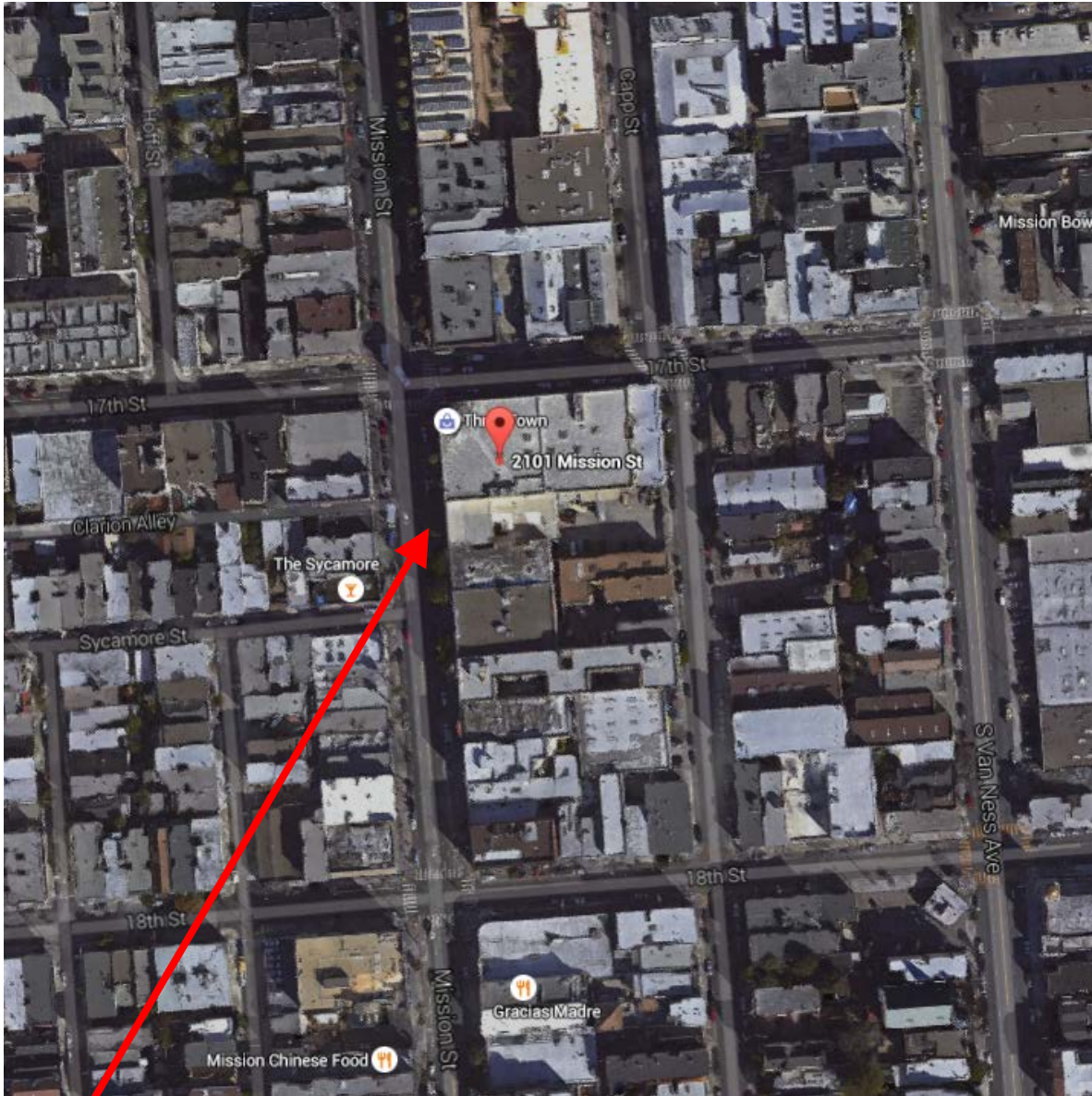


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Conditional Use Authorization
Office Allocation Authorization
Case Number 2014.0567 BC
2101 Mission Street

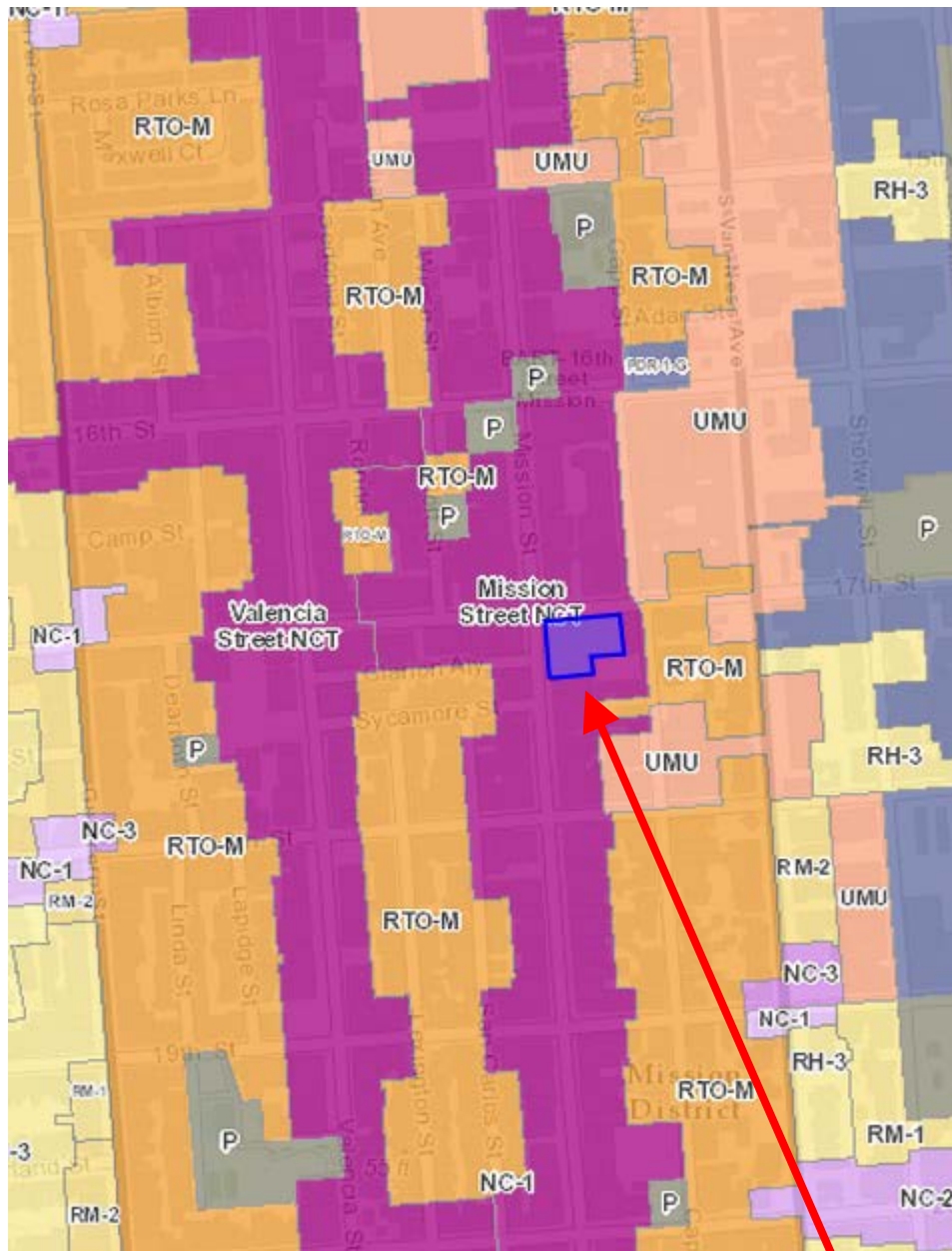
Aerial Photo



SUBJECT PROPERTY



Zoning Map



SUBJECT PROPERTY



Site Photo





SAN FRANCISCO PLANNING DEPARTMENT

CEQA Categorical Exemption Determination

PROPERTY INFORMATION/PROJECT DESCRIPTION

Project Address		Block/Lot(s)	
2101 Mission Street		3575/091	
Case No.	Permit No.	Plans Dated	
2014.0567E	201312033192		
<input checked="" type="checkbox"/> Addition/ Alteration	<input type="checkbox"/> Demolition (requires HRER if over 50 years old)	<input type="checkbox"/> New Construction	<input type="checkbox"/> Project Modification (GO TO STEP 7)
Project description for Planning Department approval. Legalize the change of use from Retail with warehouse to Administrative Services.			

STEP 1: EXEMPTION CLASS

TO BE COMPLETED BY PROJECT PLANNER

Note: If neither class applies, an <i>Environmental Evaluation Application</i> is required.*	
<input checked="" type="checkbox"/>	Class 1 – Existing Facilities. Interior and exterior alterations; additions under 10,000 sq. ft.; change of use under 10,000 sq. ft. if principally permitted or with a CU.
<input type="checkbox"/>	Class 3 – New Construction. Up to three (3) new single-family residences or six (6) dwelling units in one building; commercial/office structures; utility extensions.
<input type="checkbox"/>	Class__

STEP 2: CEQA IMPACTS

TO BE COMPLETED BY PROJECT PLANNER

If any box is checked below, an <i>Environmental Evaluation Application</i> is required.	
<input type="checkbox"/>	Transportation: Does the project create six (6) or more net new parking spaces or residential units? Does the project have the potential to adversely affect transit, pedestrian and/or bicycle safety (hazards) or the adequacy of nearby transit, pedestrian and/or bicycle facilities?
<input type="checkbox"/>	Air Quality: Would the project add new sensitive receptors (specifically, schools, day care facilities, hospitals, residential dwellings, and senior-care facilities) within an air pollution hot spot? (refer to EP_ArcMap > CEQA Catex Determination Layers > Air Pollution Hot Spots)
<input type="checkbox"/>	Hazardous Materials: If the project site is located on the Maher map or is suspected of containing hazardous materials (based on a previous use such as gas station, auto repair, dry cleaners, or heavy manufacturing, or a site with underground storage tanks): Would the project involve 50 cubic yards or more of soil disturbance - or a change of use from industrial to residential? If yes, this box must be checked and the project applicant must submit an Environmental Application with a Phase I Environmental Site Assessment. <i>Exceptions: do not check box if the applicant presents documentation of enrollment in the San Francisco Department of Public Health (DPH) Maher program, a DPH waiver from the Maher program, or other documentation from Environmental Planning staff that hazardous material effects would be less than significant (refer to EP_ArcMap > Maher layer).</i>

<input type="checkbox"/>	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)
<input type="checkbox"/>	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)
<input type="checkbox"/>	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)
<input type="checkbox"/>	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? <i>Exceptions: do not check box for work performed on a previously developed portion of site, stairs, patio, deck, or fence work.</i> (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
<input type="checkbox"/>	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? <i>Exceptions: do not check box for work performed on a previously developed portion of the site, stairs, patio, deck, or fence work.</i> (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
<input type="checkbox"/>	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? <i>Exceptions: do not check box for work performed on a previously developed portion of the site, stairs, patio, deck, or fence work.</i> (refer to EP_ArcMap > CEQA Catex Determination Layers > Seismic Hazard Zones) If box is checked, a geotechnical report will likely be required
<input type="checkbox"/>	Serpentine Rock: Does the project involve any excavation on a property containing serpentine rock? <i>Exceptions: do not check box for stairs, patio, deck, retaining walls, or fence work.</i> (refer to EP_ArcMap > CEQA Catex Determination Layers > Serpentine)
*If no boxes are checked above, GO TO STEP 3. If one or more boxes are checked above, an <i>Environmental Evaluation Application</i> is required, unless reviewed by an Environmental Planner.	
<input checked="" type="checkbox"/>	Project can proceed with categorical exemption review. The project does not trigger any of the CEQA impacts listed above.
Comments and Planner Signature (optional):	

**STEP 3: PROPERTY STATUS – HISTORIC RESOURCE
TO BE COMPLETED BY PROJECT PLANNER**

PROPERTY IS ONE OF THE FOLLOWING: (refer to Parcel Information Map)	
<input checked="" type="checkbox"/>	Category A: Known Historical Resource. GO TO STEP 5.
<input type="checkbox"/>	Category B: Potential Historical Resource (over 50 years of age). GO TO STEP 4.
<input type="checkbox"/>	Category C: Not a Historical Resource or Not Age Eligible (under 50 years of age). GO TO STEP 6.

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


Check all that apply to the project.	
<input type="checkbox"/>	1. Change of use and new construction. Tenant improvements not included.
<input type="checkbox"/>	3. Regular maintenance or repair to correct or repair deterioration, decay, or damage to building.
<input type="checkbox"/>	4. Window replacement that meets the Department's <i>Window Replacement Standards</i> . Does not include storefront window alterations.
<input type="checkbox"/>	5. Garage work. A new opening that meets the <i>Guidelines for Adding Garages and Curb Cuts</i> , and/or replacement of a garage door in an existing opening that meets the Residential Design Guidelines.
<input type="checkbox"/>	6. Deck, terrace construction, or fences not visible from any immediately adjacent public right-of-way.
<input type="checkbox"/>	7. Mechanical equipment installation that is not visible from any immediately adjacent public right-of-way.
<input type="checkbox"/>	8. Dormer installation that meets the requirements for exemption from public notification under <i>Zoning Administrator Bulletin No. 3: Dormer Windows</i> .
<input type="checkbox"/>	9. 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: Project Planner must check box below before proceeding.	
<input type="checkbox"/>	Project is not listed. GO TO STEP 5.
<input type="checkbox"/>	Project does not conform to the scopes of work. GO TO STEP 5.
<input type="checkbox"/>	Project involves four or more work descriptions. GO TO STEP 5.
<input type="checkbox"/>	Project involves less than four work descriptions. GO TO STEP 6.

**STEP 5: CEQA IMPACTS – ADVANCED HISTORICAL REVIEW
TO BE COMPLETED BY PRESERVATION PLANNER**

Check all that apply to the project.	
<input checked="" type="checkbox"/>	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.
<input type="checkbox"/>	2. Interior alterations to publicly accessible spaces.
<input type="checkbox"/>	3. Window replacement of original/historic windows that are not “in-kind” but are consistent with existing historic character.
<input type="checkbox"/>	4. Façade/storefront alterations that do not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	5. Raising the building in a manner that does not remove, alter, or obscure character-defining features.
<input type="checkbox"/>	6. Restoration based upon documented evidence of a building’s historic condition, such as historic photographs, plans, physical evidence, or similar buildings.
<input type="checkbox"/>	7. Addition(s) , including mechanical equipment that are minimally visible from a public right-of-way and meet the <i>Secretary of the Interior’s Standards for Rehabilitation</i> .

<input type="checkbox"/>	8. Other work consistent with the <i>Secretary of the Interior Standards for the Treatment of Historic Properties</i> (specify or add comments):
<input type="checkbox"/>	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.	
<input type="checkbox"/>	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.
<input checked="" type="checkbox"/>	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.
Comments (optional):	
Preservation Planner Signature:	

**STEP 6: CATEGORICAL EXEMPTION DETERMINATION
TO BE COMPLETED BY PROJECT PLANNER**

<input type="checkbox"/>	Further environmental review required. Proposed project does not meet scopes of work in either (check all that apply): <input type="checkbox"/> Step 2 – CEQA Impacts <input type="checkbox"/> Step 5 – Advanced Historical Review STOP! Must file an <i>Environmental Evaluation Application</i>.	
<input checked="" type="checkbox"/>	No further environmental review is required. The project is categorically exempt under CEQA.	
	Planner Name: Joy Navarrete	Signature or Stamp:  Joy Navarrete <small>Digitally signed by Joy Navarrete DN: cn=Joy Navarrete, o=Planning, ou=Environmental Planning, email=joy.navarrete@sfgov.org, c=US Date: 2014.06.10 15:17:59 -07'00'</small>
	Project Approval Action: Planning Commission Hearing <small>*If Discretionary Review before the Planning Commission is requested, the Discretionary Review hearing is the Approval Action for the project.</small>	
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 Address (If different than front page)		Block/Lot(s) (If different than front page)
Case No.	Previous Building Permit No.	New Building Permit No.
Plans Dated	Previous Approval Action	New Approval Action
Modified Project Description:		

DETERMINATION IF PROJECT CONSTITUTES SUBSTANTIAL MODIFICATION

Compared to the approved project, would the modified project:	
<input type="checkbox"/>	Result in expansion of the building envelope, as defined in the Planning Code;
<input type="checkbox"/>	Result in the change of use that would require public notice under Planning Code Sections 311 or 312;
<input type="checkbox"/>	Result in demolition as defined under Planning Code Section 317 or 19005(f)?
<input type="checkbox"/>	Is any information being 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 least one of the above boxes is checked, further environmental review is required CATEX FORM

DETERMINATION OF NO SUBSTANTIAL MODIFICATION

<input type="checkbox"/>	The proposed modification would not result in any of the above changes.
If this box is checked, the proposed modifications are categorically exempt under CEQA, in accordance with prior project approval and no additional environmental review is required. This determination shall be posted on the Planning Department website and office and mailed to the applicant, City approving entities, and anyone requesting written notice.	
Planner Name:	Signature or Stamp:

Dear Brittany,

I had a chance to meet with Rick Holman and discussed his plan and intentions in detail. I wanted to communicate my support for the Redlick Building's application going before the Planning Commission on August 6th.

Rick is making a commitment to providing permanent, subsidized art space -- with 22 plus replacement studios and a gallery in approximately 15,000 sq. ft. in suites 204, 108 and 300 at the Redlick Building. Some of these spaces are a slight step down from the conditions to which we have become accustomed, but having viewed the studios on the 2nd floor, it is apparent that the space will work effectively for certain art disciplines. The proposed space on the 1st and 3rd floors presents even more suitable studio space for other art disciplines. While 204 & 108 have limited natural light, I see now that the owner is going to great lengths to satisfy the needs of the artists' community and to preserve the existing uses within the building over the long haul. The art space is being provided at an equitable rate of around \$2 / sq.ft. This will be kept in check by a 3% cap on annual increases of the artists' rent for the 15,000 - 18,000 sq.ft. approximately.

I am in support of Mr. Holman's conditional use application, and I am working alongside him to accommodate the community of artists that can be preserved in the Mission for the foreseeable future. I am backing this CU conversion because I genuinely see now that the owner's intentions are fair and reasonable.

Constructive elements of this plan in support of this CU application include:

- Maintain the building according to its mixed use, a combination of retail, office, artists and other "trade shop" businesses.
- Subsidised street-level retail gallery space that can support / exhibit in-house artists and provide potential income for artists in the building.
- 22 + subsidized artist studio work spaces in approx 15,000 sq. ft., plus additional space for storage and ancillary uses.
- Provide the artists with suitable conditions to continue their work. Additional facilities proposed include - woodshop / fabrication area - spray booth and free storage in the basement of the building that can serve the artists as community work space.
- Making the building a safe place to work with the imminent seismic retrofit.

I see Rick Holman's plan as a positive precedent, not only for the Redlick Building at 2101 Mission Street, but for other buildings like it in San Francisco. Ultimately he is preserving the majority of existing uses within the building. Mixed uses in a building like this make sense; there have been office uses in the Redlick Building for as long as I've known, and over the years some of my sub lessees have been small office, creative and small tech users. Artist communities can be protected from high market rental rates and essentially receive subsidized rental rates by allowing the existing office uses to continue.

Please feel free communicate my support for this application to your colleagues and members of the Planning Commission.

Sincerely,

Robert Donald
Studio 17 Artists
2111 Mission Street, Suite# 402
San Francisco CA 94110
studio17artists@gmail.com

Guitar Lessons with Carrie Love
3265 17th Street, Ste. 303, San Francisco, CA 94110
www.carrielovesguitar.com * 415-317-2888

July 15, 2015

Dear Planning Commission,

I am writing to share my experience of being a tenant in the Redlick Building at 3265 17th Street. I have been in suite 303 of the building since June, 2009. At that time I was renting from the O'Connors and the rent was very inexpensive. I had two two-year leases with the O'Connors (they were unwilling to sign a longer lease) and my second lease was about to be up when Mr. Holman bought the building.

From our first interaction, Mr. Holman was respectful and very accessible. I knew my rent would increase significantly because it was so low, but I also feared that it would be too much for me to stay. To my relief, we negotiated a 5-year lease for my 819-sq ft space that was workable for us both, starting at \$850/month in the first year and increasing to \$1,200/month in year 5. I know that Mr. Holman is not charging me market rate and I appreciate his willingness to work with me in order to keep me as a tenant in the building.

Since Mr. Holman took ownership, the building has been vastly improved. Lights and security cameras on the outside of the building make the whole block safer. He has painted, fixed safety issues, and made the elevator much safer and up to date. He sends weekly updates about what's going on in the building and I appreciate being kept up to date. I have found him to be a responsive and respectful landlord, and I believe he has treated me fairly. He seems to genuinely care about his tenants.

Sincerely,

Carrie B. Love
Owner, Guitar Lessons with Carrie Love

Bendix, Brittany (CPC)

From: Denise Laws <rocoomyworld@gmail.com>
Sent: Friday, July 24, 2015 10:09 AM
To: Bendix, Brittany (CPC)
Subject: Redlick Building

My name is Denise Laws, 3rd generation San Franciscan, living in the Mission district for 26 years and I am a displaced former Artist from the Studio 17 group. I am writing to express my continued opposition to the change of zoning of the Redlick Building. I am not represented by Robert Donald Studio 17 LLC. I am now part of a severed community / group of Artists, I am an individual artist in that group. I believe that Holman's and Donald's desire to re-zone the building to accommodate office space will only bring irreversible harm, a loss of employment and the continued displacement of Artists, Crafts people, Seamstresses and Services, ie: IADET Institute for advanced driving education and training, Homeless Children's network, the 99Cent Store and bring priced out as I compose this letter, Headlines, a local silkscreen T-Shirt manufacturing workshop, all for the neighborhood and serving the community. We need spaces / work spaces that accommodate the livelihood of the existing and deserving working class. I want to submit my stance to state my opposition in support of preserving and to maintain the original zoning of the Redlick building.

I'm concerned about the conflict of interest, that being of Toby Levy who happen to represent / present the unfinished second floor studio options, 3rd floor space still in litigations and occupied by Crowd Flower and the 1st floor / 99 Cent store, which was not approved zoning for Artists studios. I was interested in the 3rd floor area offered at the time, yet not available, still occupied by Crowd Flower and legal issues unresolved. I asked Toby Levy during her presentation, would or could I be put on a priority wait list for the 3rd floor offer when and if it came available, She said no!

The reality is that at that time and at the end of the lease June 30th 2015 we were being offered 8 or 9 studio spaces, in a space/s that was designed for the storage of furniture. We had occupied the 4th floor, the production space and under the Redlick Furniture store this is where the furniture was built and designed. I am just pointing out that this was designed as production space and it meets the needs of the artists with natural light, ventilation, woodshop, spray booth and sufficient ceiling height.

Also, I'd like to add, I have heard that the "Plan Grid" tech company who now occupies the space on the 4th floor where "The Homeless Children's Network" used to be, have mentioned plans to expand the entire 4th floor come August of this year. Holman and Levy made it perfectly clear the importance of earthquake retro fitting the building and the need to have the 4th floor vacated for at least a year. I'm wondering how and why "Plan Grid" will or has the opportunity to stay in an area where the roof will be removed in order to do the retro fit of the building and we the artists are no longer invited nor able to renew our lease? When we / artists asked if we could move back into the 4th floor after the retro fitting is completed in a year, Levy said no, explaining they needed to recupe their investment and expenses due to (a voluntary) retro fitting the building.

Thank you for taking the time to read my letter and feel free to contact me.

Sincerely,

Denise Laws

457 Guerrero St. SF, CA. 94110

415-377-9457

Bendix, Brittany (CPC)

From: Adam Barry <valordesign@gmail.com>
Sent: Thursday, July 23, 2015 4:41 PM
To: Bendix, Brittany (CPC)
Subject: Regarding the Upcoming Zoning Meeting for the Redlick Building

Hello Brittany,

I wanted to write regarding the upcoming zoning meeting for the 4th floor at 3265 17th Street (Studio 17).

I saw some of the my studiomates had written, and I wanted to state my take is similar to theirs and not in line with the narrative that Rick Holman, and only recently Robert Donald, are pushing.

I had been at Studio 17 for roughly 5 years. When I initially found the space, I was thrilled I was able to obtain a studio in the middle of the Mission District. It was not until a few years ago, when the building was sold to Rick Holman, that the idea of being displaced began to settle in. The way in which Rick Holman and his team went about systematically and diligently displacing various fractions of the building (In The Works, The Homeless Children's Network, The Dollar Store, and most recently IADET - serving a predominately latino community with first time DUIs to get on track) I think most of the artists knew our time was limited.

In the past year, as the end of our lease began to approach, those fears were amplified as communication with Holman about a lease extension became increasingly difficult. Finally, earlier this year, we received word that as a group we would be displaced, with the reason being that the building needed an emergency retrofit. Through research we found out that there were no records of the city requiring the retrofit, but rather it was a volunteer retrofit. When asked if we could move back into the space when it was finished, the request was denied. We rightly felt like sitting ducks in this situation.

I also want to mention that throughout this time, the small amount of correspondence we were able to get through to Rick Holman, most of it came from our manager Robert Donald. The communication that trickled to the artists was mostly back and forth petty quarrels between the two of them with the artists sitting on the sideline, left confused about their predicament.

In our communication efforts, we were able to **secure** one chance as a group to meet with Holman to discuss his plans. That was on May 14th this year, with only a short time until our lease was set to expire. When we arrived at the meeting, Holman, unannounced, was nowhere to be found. Instead, we were left talking to members of his team whom we had never been introduced to before. The plans they introduced that day was to convert space on the third, second, and first floor for artist use. The plans felt very shaky and not very well thought out. The third floor depended on them winning a court case against its current tenants and the first floor still required rezoning. Unsurprisingly, both of those initiatives hit obstacles as they lost both the court case and rezoning effort. The only floor that was a sure thing is the second floor - the least desirable of the options with low ceilings, limited fluorescent lighting, and questionable ventilation. Most of the artists left that meeting feeling underwhelmed to say the least.

I would like to add on June 25th a private meeting between Rick Holman and Robert Donald was held. I think another artist mentioned this in a previous email but I will also reiterate: after the meeting a much different version of Robert emerged with a message that ran in complete contrast to what he had previously been stating. Suddenly, Rick Holman was seen as a steward of the arts and the same plans that were seen as very inadequate before by Robert, were suddenly an excellent and great opportunity for the artists given to us by Holman.

You can imagine that this whole situation has been exhausting for the artists involved with a conclusion that has been quite the let down.

I would like to thank you for listening to get both sides of this situation.

Best Regards,

Adam Barry

Bendix, Brittany (CPC)

From: Truong Tran <truong.celan@gmail.com>
Sent: Thursday, July 23, 2015 3:03 AM
To: Bendix, Brittany (CPC)
Subject: opposition to the rezoning of Redlick Building

Dear Ms. Bendix,

My name is Truong Tran and I am an artist and former tenant of the Studio 17 community. I have been displaced by the landlord of the building. Since Mr. Holman's purchase of the building in 2013, the working class culture of the building has been decimated systematically. I wrote to you once before regarding my opposition to the rezoning of the Redlick Building. I am writing today to reiterate my opposition to the rezoning. I feel this is necessary in light of Robert Donald's recent change of position. Mr Donald is now working with the Landlord. He does not speak or represent the artists. He does not represent me or the community of artists or the community of the Mission.

I want to state again that the rezoning of the Redlick Building can only be detrimental to the culture and community of the Mission. Replace PDR space with office space and the economy of the Mission will change. These changes will erase the very culture and community that is the Mission. There will be no arts, no culture, no diversity and communities of people of color to make and uphold the unique qualities that make the Mission.

Please submit my comments to the committee in the hopes that they will understand the dire importance of not rezoning the Redlick Building.

All The Best,

Truong Tran

--

www.gnourtnart.com
truongtran.tumblr.com

Bendix, Brittany (CPC)

From: Marisa Vela <marisa@monkeybrains.net>
Sent: Tuesday, July 21, 2015 7:41 PM
To: Bendix, Brittany (CPC)
Subject: Loss of PDR Space In The Redlick Building

Hello Ms. Bendix,

My name is Marisa Vela.

I have written to you before, when I had an art studio on the fourth floor of the Redlick building. Since my last letter, the majority of the artists have been forced out. The offer was: Move into one of 8 substandard spaces on the second floor, or move out of the building. A letter was sent to the artists by Rick Holman's representative, Andre Structure Properties, reminding us that our last day on the fourth floor was June 30. The landlord, Rick Holman offered 8 studios on the second floor, first come, first served, to a group of 70+ artists. That was not nearly enough room to accommodate us. The space offered was unsuitable — it has low ceilings, insufficient natural light, and lacks adequate ventilation. To my knowledge, only 3-4 of the second floor spaces have been rented out at this time. The rest of us have left, or are in the process of moving out.

We have been displaced, and we are not the only ones. The Redlick Building has seen many businesses evicted, only to be replaced by new tenants whose business model does not fit the zoning. This was taking place under the previous owners, with the garment workers being replaced by a tech firm, Crowdfunder, and continues with the new owner. This time, it is happening at a dizzying pace. The Homeless Children's Network is gone, the 99 Cent Store is gone, and others in the building are being pushed to leave. This is a larger issue for the entire Mission community, and the City of San Francisco as a whole. The loss of PDR space displaces an entire swath of people from our city.

We have lost our studios on the fourth floor, an area zoned for PDR, where we had a woodshop, light, ventilation, utility sinks, space to work. Contrast that with this woefully inadequate excuse for art studios-- a much smaller area on the second floor which was originally intended to be a furniture storage space, not a workspace at all. The hearing to discuss the proposed change of zoning is not scheduled until August 6th, but the landlord has forged ahead, pushing out tenants and arbitrarily "rezoning" to suit his fancy. The tech firm Plangrid occupies a space on the fourth floor which formerly housed the Homeless Children's Network. One of the employees at Plangrid mentioned to a Studio !7 artist that Plangrid is planning to move into the fourth floor space recently emptied of artists. They said that the move was scheduled to happen in August.

I understand that Robert Donald, the master leaseholder and owner of Studio 17 LLC, has worked out some sort of agreement with Rick Holman. Please understand that Robert Donald does not speak for me. I am opposed to the plan to rezone the building

I urge the Planning Department to keep the fourth floor of the Redlick Building zoned as Artists' Space/ PDR. Please reject the change of use petition. Preserve PDR space in the Mission.

Respectfully,
Marisa Vela

Bendix, Brittany (CPC)

From: Thorina Rose <thorina@thorinarose.com>
Sent: Thursday, June 25, 2015 12:43 PM
To: Bendix, Brittany (CPC)
Subject: Redlick Building

Dear Ms. Bendix,

My name is Thorina Rose. I have an art studio in the Redlick building. I work in a studio in the fourth floor Annex. My studio has large east facing windows, which provide ventilation and natural light. I have visited the spaces on the second floor that have been offered as a replacement, and only 2 of the 8 spaces have windows that actually open. Given that these studios are on the second floor, the ceilings are quite low, and the center spaces cannot be lit by sky-lights as the interior studio spaces are in 402 in the Redlick Building.

Studio17 is a community of 70+ artists, and there are only 8 studios allocated on the second floor, so clearly the majority of artists will be displaced. Not to mention, that while I commend the landlord for making these 8 spaces affordable, only 2 of the 8 spaces are likely going to be highly desirable to working artists. There's simply not enough LIGHT.

I urge the Planning Department to keep the forth floor of the Redlick Building zoned as Artists' Space. Please reject the change of use petition.

Sincerely,
Thorina Rose

Thorina Rose
415-425-2662
www.thorinarose.com

Bendix, Brittany (CPC)

From: Shannon May <shannonantelope@gmail.com>
Sent: Tuesday, June 16, 2015 5:27 PM
To: Bendix, Brittany (CPC)
Subject: Studio17 Studio Spaces

Hi Brittany,

I am a current artist in the Studio17 space. I recently viewed the new proposed spaces on the first and second floor and am a bit concerned that they're inadequate. There is almost no natural lighting (which for artists is very important as overhead/fluorescent/other artificial light can change the way colors look!) and very low ceilings. In fact, the first floor spaces would have zero natural lighting. I'm an illustrator and tend to work on a small scale so the ceiling height doesn't influence me personally, but many artists in our space work on huge paintings or sculptures and need ample space to create this kind of work. In addition, there are no mess sinks, no spray booth, no screenprinting darkroom, and no communal woodshop, all of which are resources currently provided in our space and which are an added benefit of having a studio here.

Also, because the available studio space on the first and second floors is limited, it has created a frenzy of doubt and worry and almost a competitiveness amongst us all. A rare few of us will be able to secure space there, and the rest of us will be left to figure out what to do on our own, in a city with increasingly shrinking availability of space.

I can't overstate how vital it has been for me to work in a community with other artists. Illustration (and other art-related professions, I am sure) is a very isolated job, and being able to be around other working artists in all mediums has been vital to my productivity and overall happiness. Losing this space would be a personal blow to me, but also a massive blow to the entire Mission district's cultural landscape.

Please let me know if you need any additional input on the proposed alternative space.

.....
shannon may
203.414.0184
shannon-may.com

[shannon may : blog](#)

Bendix, Brittany (CPC)

From: Owen Schuh <oschuh@gmail.com>
Sent: Tuesday, June 09, 2015 6:10 PM
To: studio17artists@gmail.com; Bendix, Brittany (CPC)
Subject: Studio17 artist facing displacement

Hi Britney,

My name is Owen Schuh. I am an artist in the STUDIO 17 collective (3265 17th St) that is facing displacement and possible eviction as of July 1st, 2015.

My current studio is on the 4th floor and has approximately 320 sq ft. The ceilings are so high that I actually don't know how tall they are exactly, and I enjoy natural lighting via skylight.

The building's owner has offered to relocate *some* of the 70+ artists in 40 or so existing studios to the second floor. I have toured the proposed space (which looks to have been renovated with office space in mind rather than artists studios). The proposed spaces are a significant reduction in square footage as well as a loss of shared space especially wood shop and spray booth.

I think I am not alone in thinking that the proposed 2nd floor space is not only a major downgrade, but not even an option to accommodate my work.

Here are some of my concerns about the space offered on the second floor, which make it essentially unworkable for me.

- 1) I often work quite large, on canvases up to 6 ft. with 8ft ceilings this would essentially involve laying on the floor in order to work on the bottom of the piece.
- 2) Another concern related to the low ceiling is ventilation. Especially for studios in the middle of the room where there would be no access to windows. I do not know the specs on the 2nd floor ventilation system, but I would need assurance that it meets recommended air exchange rates for artist studios working with oil paint - I think 10 times per hour.
- 3) It is critical to my work that I have access to a wood shop. I build the chassis on which I paint as well as doing framing. There is no space provided for such work on the 2nd floor. Moreover without ceiling high walls, and adequate dust removal, dust would pose a major concern both for health/safety and getting onto artwork.
- 4) I also occasionally need to use a spray booth, which we now have access to. The new space has, as yet, no accommodation for one. Not having one poses obvious health dangers.

I find the entire situation for artists, small producers, and others who make the mission such a vibrant community rather depressing in the current economic environment. I don't see a lot of new NC-3 or PDR zoned space being built in the mission, it would be a huge shame to lose what already exists.

Sincerely,
Owen Schuh

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Bendix, Brittany (CPC)

From: Molly DeCoudreaux <mollydecoudreaux@gmail.com>
Sent: Friday, June 05, 2015 8:14 PM
To: Bendix, Brittany (CPC)
Subject: Studio 17 Displacement

Follow Up Flag: Follow up
Flag Status: Completed

Hello Mz Bendix,

I am writing to explain why I will not be applying for artist space currently offered to the existing artist of Studio 17 in the Redlick Bldg.

I am a photographer and have rented my existing space in the Redlick Bldg for 10 years, first as "Blue Studio", now as "Studio 17". I have built my photography career and art practice here. I use my studio space as a digital workspace in addition to shooting look books for local fashion designers, flyer imagery for gay clubs and parties in SF, and other studio photography work for my clients here in SF which are all small local businesses.

I have approx 18' ceilings, a large window, a brick wall, and my space is about 12x15'. I currently pay \$720 monthly. My space is a fully enclosed unit, I have full walls and am not part of the main, partitioned space with partial walls.

The spaces made available on the 1st and 2nd floors in the Redlick Bldg through Structure Properties will not work for me and I am not applying for either of them. The 2nd floor space will not have full walls, to my understanding, and there is only one window which will be partitioned into one space. The first floor space will not have natural light away from the street and will also not have full walls, to my understanding.

Overall, I am really sad about being forced out of my space. I will never be able to find a place on par with it, this I know. But the space offered by Holman and Structure Properties is sub par, that's why he hasn't been able to rent it to a tech company the way he originally intended.

We are losing what makes this city so cool, why I love living here and have made it my home for the past 10 years. As a native, originally from Oakland, I understand that the Bay Area is changing and all the working class people will pay the price. Hopefully we can do something to save Studio 17.

Thanks for your time,
Molly DeCoudreaux

--

MOLLY DECOUDREAUX
PHOTOGRAPHY
mollydecoudreaux.com

Bendix, Brittany (CPC)

From: MARK M. GARRETT <markis23@me.com>
Sent: Friday, June 05, 2015 6:33 PM
To: Bendix, Brittany (CPC)
Cc: Robert Donald
Subject: Studio17 Artist facing displacement

Follow Up Flag: Follow up
Flag Status: Completed

Hi Britney,

My name is Mark Garrett

I am an artist in the STUDIO 17 Collective that is now facing displacement and possible eviction (as of July 1st, 2015).

My current 4th floor studio space has 300 sq ft. with 8' high north facing windows. I have worked in for this inspiring location for the last 5 years and it has been an invaluable incubator of ideas and immense creativity.

The studio spaces that building owner Rick Holman is offering me in exchange for my existing studio is low ceilinged, devoid of natural light and ventilation. It is clearly a substandard, uninspired claustrophobic and disingenuous offer on Mr Holman's part as a way of placating the city's requirements of working with the 70+ artists now facing displacement. In total I understand he is only offering 18-20 new substandard studio spaces as 'replacement' to our 40+ now existing studios.

How can this be considered commiserate compensated space when we are also losing a wood shop, spray booth, and a the collective unity severed by the creation of individual leases. A vibrant arts community is dying here and it feels as though Mr Holman, Toby Levy, & their investors are simply tightening the noose.

Kind regards, Mark Garrett

PS: Please say hello to your coworker and my good friend Aaron Starr! :0)



markmgarrett.com

Bendix, Brittany (CPC)

From: Garrett Mark <garrett940@gmail.com>
Sent: Wednesday, July 29, 2015 1:28 PM
To: Bendix, Brittany (CPC)
Subject: STUDIO17 & the Redlick Rezoning efforts

Greetings Brittany,

My name is Mark Garrett.

I am one of the 70 artists now displaced from Studio 17 in the Redlick Building @ 17th and Mission. My fourth floor studio and the collective artist community surrounding me for the last 5 years was a profoundly creative incubator for my artwork. The naturally light filled space with both west and north facing operable windows along with multiple skylights provided me and my fellow artists with a profoundly inspiring environment for our work.

Back in June 2015, and at master lease holder Robert Donald's urging, I sent you a letter expressing my adamant belief that building owner Rick Holman was aggressively emptying the 4th floor of artists in order to expand his already illegally zoned (& market rate) tenants called PLANGRID elsewhere in the building.

We as a collective believe this plan is still in motion and that re-zoning considerations should not allow this or any other tech office space to inhabit the fourth floor. I hope the planning department can appreciate the Mission's need for an ongoing NC3 trade shop space that is more conducive to art making than office space.

We believe that the 4th floor of the Redlick building should be preserved as artist studio space given its natural light qualities and cultural contribution to the Mission and San Francisco.

Additionally, Robert Donald no longer represents the voice of the artists at Studio 17 since his meeting with Rick Holman June 24th, 2015. He is now supporting Holman's apparent bid to re-zone us all out of the Mission & as a mean of recouping his deposit.

Thank you,

Bendix, Brittany (CPC)

From: Jessica Bender <jessicambender@gmail.com>
Sent: Tuesday, July 28, 2015 11:18 AM
To: Bendix, Brittany (CPC)
Cc: Ellen Cohan; Kelly o'Grady; nina kahn
Subject: Please Stop the Rezoning of the Redlick Building

Hello Ms. Bendix,

My name is Jessica Bender and I'm writing on behalf of my art collective, which includes Ellen Cohan, Kelly O'Grady, Nina Kahn, and myself.

We had an art studio on the fourth floor of the Redlick building, out of which we were pushed. The original offer we were given (which Robert Donald told us originally to reject) was move into one of 8 substandard spaces on the second floor, or move out of the building. The landlord, Rick Holman, offered 8 studios on the second floor, first come, first served, to a group of 70+ artists. That was not nearly enough room to accommodate us. The space offered was unsuitable - it has low ceilings, insufficient natural light, and lacks adequate ventilation. As far as we know, only 3-4 of the second floor spaces have been rented out at this time. The rest of us have left, or are in the process of moving out.

We, and the other artists of Studio !7 have been displaced plain and simple along with other important groups including The Homeless Children's Network is gone, the 99 Cent Store, and others in the building that are being pushed to leave. This is a larger issue for the entire Mission community, and the City of San Francisco as a whole. The loss of PDR space displaces an entire swath of people from our city. It is devastating to watch easy money from improperly zoned space be given precedence over mission artists, some of whom have been here for over a decade and all of whom add culture and life to our city.

We have lost our studios on the fourth floor, an area zoned for PDR, where we had a woodshop, light, ventilation, utility sinks, space to work. It is insulting to be offered the painfully cramped and substandard area on the second floor which was originally intended to be a furniture storage space, not a workspace at all in place of the fourth floor which was shaped for the purpose of being PDR space. We are not asking for any special treatment or to expand in any way- we simply ask that the zoning, which was in place to protect artists and their work, is allowed to stay in place.

The hearing to discuss the proposed change of zoning is not scheduled until August 6th, but the landlord has forged ahead, pushing out tenants and arbitrarily "rezoning" to suit his fancy. The tech firm Plangrid occupies a space on the fourth floor which formerly housed the Homeless Children's Network. One of the employees at Plangrid mentioned to a Studio !7 artist that Plangrid is planning to move into the fourth floor space recently emptied of artists. They said that the move was scheduled to happen in August.

I understand that Robert Donald, the master leaseholder and owner of Studio 17 LLC, has worked out some sort of agreement with Rick Holman. Please understand that Robert Donald does not speak for me. I am opposed to the plan to rezone the building.

I urge the Planning Department to keep the fourth floor of the Redlick Building zoned as Artists' Space/ PDR. Please reject the change of use petition and preserve PDR space in the Mission.

Respectfully,

Jessica Bender
Ellen Cohan
Kelly O'Grady
Nina Kahn



July 30, 2015

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

Re: 2101 Mission Street
Case No. 2014.0567BC
Conditional Use and Office Allocation
Hearing Date: August 6, 2015

Dear President Fong and Commissioners:

I am writing on behalf of Mission Street SF, LLC, the owner of the Redlick Building at 2101 Mission Street and the project sponsor for the conditional use and Section 321 small cap office allocation applications being heard by the Commission on August 6. The sponsor is a local group headed by Rick Holman and architect Toby Levy, who purchased the building in 2013.

The Redlick Building Today. The Redlick Building is large (approximately 129,000 square feet) and located at the southeast corner of Mission and 17th Streets. A photograph is attached as Exhibit A. It is zoned Mission Street NCT and is within a 65-X height and bulk district. The three attached buildings that comprise the Redlick Building were originally constructed between 1908 and the 1920's as a combined furniture retail/warehouse complex. The Redlick Furniture Company closed in 1967 and beginning then the upper floors of the buildings have been used for a wide variety of office and trade shop (including artist studio)¹ uses. For example, it is reported that OpenTable occupied the entire fourth floor for approximately five years. Currently the building's uses include basement, ground and second floor retail space occupied by Thrift Town and Fabric Outlet (together approximately 49,000 square feet and with leases extending to 2028 and 2024, respectively) and a broad range of business and professional services, trade shops and administrative office uses on the second through fourth floors. We estimate there are currently approximately 210 people employed on these upper floor uses.

¹ Planning Code Section 790.124 defines a "trade shop" as "A retail use which provides custom crafted goods and/or services for sale directly to the consumer, reserving some storefront space for display and retail service for the goods being produced on site. . . . A trade shop includes, but is not limited to: (1) Repair of personal apparel, accessories, household goods, appliances, furniture and similar items, but excluding repair of motor vehicles and structures; . . . and (7) Other artisan craft uses, including fine arts uses." It is the use category for arts studios in NC districts, and is defined in Section 102 as a type of PDR use.

Over the years, many building permits were issued showing the use of various upper floor spaces as “office.” Office space has always been a principal or conditional use at this location, and the site is not now nor has it ever been in a PDR zone.

When the sponsor acquired the property in 2013, they relied on the NC zoning and the official building permit history, and believed the building contained legal office uses on the upper floors. They have since spent considerable sums correcting the building’s significant deferred maintenance, including rebuilding the elevators, upgrading the security system, repairing the heating system and sprinklers, replacing broken windows, locks, doors, fire extinguishers, and performing innumerable other maintenance tasks. Attached as Exhibit B are many letters from several building tenants attesting to the sponsor’s stewardship of the Redlick Building since 2013, and their support for this application.

This Application. The Redlick buildings sit above Mission Creek, the largest of the three buildings is constructed of brick, and together the buildings are seismically unsafe and in need of a seismic upgrade. On December 3, 2013, the owners filed an application for the work. After receipt of an anonymous complaint in February, 2014, the Planning Department discovered that prior “office” permits had not undergone Planning Department review for a change of use and that the only “permitted uses” on the upper floors are furniture storage (a use that ceased in 1967 and is no longer principally or conditionally permitted in the Mission Street NCT district) and one 10,000 square foot artist studio trade shop use. For that reason, the seismic permit was not issued. To remedy this situation, this application was filed to legalize the existing mix of uses, to continue to house low rent artist studios, and to allow the seismic upgrade permit to be issued. It seeks to legalize 48,660 square feet of offices uses on the third and fourth floors and to authorize 32,432 square feet of trade shop use on the first, second and third floors, including 16,473 square feet dedicated to low-cost artist studio and gallery space. The 49,000 square feet of retail space occupied by Thrift Town and Fabric Outlet will remain.

The sponsor proposes to increase the space designated for artist studios and gallery use from the currently approved 10,000 square feet to 16,473 square feet by designating Suite 204 (approximately 5,774 gross square feet) and Suite 300 (approximately 2,542 gross square feet) as permanent artist studio trade shops. In addition, Suite 108 on the ground floor (approximately 5,228 gross square feet on the ground floor and 2,929 square feet of storage in the basement) will also be designated as trade shop artist studios and a gallery serving all three artists spaces, for a total of 16,473 gross square feet of artist space. These spaces will be subdivided into small individual studios of about 250 to 500 square feet each and be made available to current Redlick Building artists and other Mission District artists at below-market rents of approximately \$2.00/square foot per month.

Additional upper floor uses sought to be legalized by this application include 15,959 square feet of non-artist trade shop uses in Suites 205, 201/202, and 104. Orion, a manufacturing and repair use which produces small communications devices, will continue to occupy 6,266 square feet in Suite 201/202; Suites 205 and Suite 104 will soon be available for new trade shop

tenants. The third and fourth floors will consist predominantly of 48,660 gross square feet of office space. Current office tenants occupying portions of those floors include CrowdFlower and PlanGrid, two local technology firms, Buena Vista Contractors and Goldberg Studio. All of these upper floor tenants and their 210 employees would be displaced were this application not approved and the permitted use of the upper floors limited to 60,000 square feet of obsolete furniture storage and a single permitted 10,000 square foot trade shop.

The Project requires conditional use authorization in order to allow administrative service office uses, to allow trade shops above the ground floor, and to authorize non-residential uses exceeding 6,000 square feet in the Mission NCT. A small cap office allocation for 48,660 square feet of office use is also sought. Upon approval, the building will remain mixed use: 37.5% retail; 37.5% office and 25% trade shop. This mix of uses, with office space able to be leased at somewhat higher rents, is needed to support the high costs associated with making the buildings safe and maintaining these 100 plus year old structures. In addition, upon approval, the sponsors will pay close to \$1 million in Eastern Neighborhoods Infrastructure Impact Fees, Jobs-Housing Linkage Fees and Transit Impact Development Fees.

The Sponsors Have Met Several Challenges in Bringing This Application Forward.

This application was originally filed in April 2014, but is not coming before the Commission until August 2015 so that a number of challenges could be addressed.

A. Studio 17. Studio 17 is a for-profit business since 2010 under the management of Robert Donald that leased Suites 304, 400, 401, 402 and 405 and then subleased space to artists and small tech companies at a profit. According to Mr. Donald, he had increased the number of tech, office, and entrepreneur sub-tenants since 2010 when he assumed the master lease. Mr. Donald's leases expired at the end of June 2015. Rather than continue having Mr. Donald act as a for-profit middleman, the sponsor is instead making the proposed art studio and gallery spaces available directly to artists at very favorable below market rates in order to accommodate both existing artists who wish to remain in the Redlick Building and other local artists seeking low-cost studio space. Additionally, the sponsor extended Mr. Donald's lease of Suites 401 and 402 past the lease termination date (until July 31, 2015) and has agreed to work collaboratively with him to identify an off-site location where he may continue to operate Studio 17 as a for-profit business if he so chooses.

It is the sponsor's and Mr. Donald's shared belief that providing affordable options for artists -- both in the Redlick Building and elsewhere nearby -- is in the best interests of the arts community and the building. Mr. Donald's letter to the Planning Department supporting this application is included in Exhibit B.

B. Retaining Artists Studios and Gallery Spaces. As part of the seismic retrofit, the roof above Suites 401 and 402 (the largest of the fourth floor suites now occupied by Studio 17) will need to be removed and replaced, rendering those suites uninhabitable for many months. So that artists may remain in the building at affordable rents, the sponsor has designated three other suites, totaling 16,473 square feet, as permanent below-market rent artist studios, with shared bathrooms and kitchen facilities. In addition, the storefront along Mission Street in Suite 108

recently became vacant when its retail tenant chose not to renew its lease, and will be configured as additional artist studio space and a shared gallery to be made available to all artists in the building to display and sell their art. These studios can accommodate about 60 local artists. Suite 204 is built out and occupied (including by several artists who relocated from Studio 17) and Suites 300 and 108 will be completed as soon as this application is approved. This application was amended in June 2015 to include conditional use authorization for these trade shop uses, in addition to the office space application. Because this application is pending, the Zoning Administrator has determined that building permits for the artist spaces would be placed on hold until the Commission acts.

Current Redlick Building artists were and will be offered first choice of these studios; the studios will then be made available to other local artists if they are not fully occupied by Redlick Building artists. Some of the Studio 17 artists chose not to remain in the Redlick Building and relocate to the new suites. For those artists, the sponsor provided free moving expenses to any other location within the City.

C. Proposed Mission 2015 Interim Controls. The interim controls the Commission initiated on July 9, 2015, would apply to this application if they are approved on August 6 because the project seeks to legalize 20,000 or more square feet of office space and if this application's April 2014 filing date does not grandfather it in as a pipeline project. Assuming the interim controls are enacted on August 6 and will apply to this application, they would direct the Commission to consider whether: 1. sufficient available space for the use converted (Studio 17) exists in the surrounding neighborhood; 2. whether tenants have been provided relocation assistance; and 3. whether an economic impact analysis prepared by an independent professional shows whether the new use provides permanent job creation and/or job retention; the proposed use increases community-serving uses, such as arts, available at all income levels and whether the proposed use promotes a sense of community and provides space for community gatherings.

We believe this application addresses these considerations very favorably.

1. As noted above, the application proposes 16,473 square feet of permanent affordable artist studio and joint artist gallery space on-site, making sufficient space available for the former artist subtenants of Studio 17.

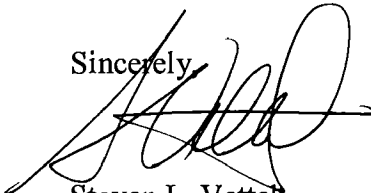
2. Replacement artist studios are being provided in the building. Robert Donald and any of his artist subtenants who chose not to stay in the building but instead to relocate were provided relocation assistance.

3. Economic & Planning Systems, Inc. has prepared an independent report that concludes the new and legalized existing uses will provide permanent job creation and job retention; that the proposed artists space increases community-serving arts uses available at all income levels, and that the proposed shared studios and gallery will promote a sense of community and provides space for community gatherings. EPS also concludes that denial of this application would result in the displacement of approximately 210 employees now working on-site. EPS's report, dated July 29, 2015, is attached as Exhibit C.

Conclusion. The Redlick Building has a complicated history and mix of uses. It is over 100 years old and has not been adequately maintained nor made seismically safe. Since the Redlick Furniture Company closed in 1967, few permits have been obtained to legalize the upper floor uses that replaced it. The sponsor is committed to retaining the character and mixed use of the building and to respecting its place in the heart of the Mission. The application before the Commission would legalize long-standing office uses, increase the amount of trade shop and artist space to provide permanent affordable space for local artists, and maintain 49,000 square feet of affordable retail space. Approval is required to allow the building to be fully retrofitted in order to ensure the safety of occupants, neighbors and patrons. We request that the Commission approve the conditional use and office allocation applications before you so that work may proceed promptly and the mixed nature of the building maintained.

Please contact me prior to August 6 if we can provide any further information.

Sincerely,



Steven L. Vettel

cc: Brittany Bendix, Planner
Rick Holman and Toby Levy, Mission Street SF, LLC

EXHIBIT A

COBERTURA
4G LTE
QUE TODAS LAS
OTRAS REDES JUNTAS

994720
33x33
193

Crowd Flower

Crowd Flower

Crowd Flower

LINENS

KITCHENWARE

DISHES

COLLECTIBLES

TOYS

BOOKS

DECOR

MORE!

One-of-a-Kind Items!
Over 4,000 Items Arriving Daily!

Clean, Bright & Affordable!

THRIFT TOWN

THRIFT TOWN

FABRIC
OUTLET

FABRIC
OUTLET

FABRIC O
UTLET

COMMERCIAL
ADVERTISING

SF
FREE
CASH



EXHIBIT B

Dear Brittany,

I had a chance to meet with Rick Holman and discussed his plan and intentions in detail. I wanted to communicate my support for the Redlick Building's application going before the Planning Commission on August 6th.

Rick is making a commitment to providing permanent, subsidized art space -- with 22 plus replacement studios and a gallery in approximately 15,000 sq. ft. in suites 204, 108 and 300 at the Redlick Building. Some of these spaces are a slight step down from the conditions to which we have become accustomed, but having viewed the studios on the 2nd floor, it is apparent that the space will work effectively for certain art disciplines. The proposed space on the 1st and 3rd floors presents even more suitable studio space for other art disciplines. While 204 & 108 have limited natural light, I see now that the owner is going to great lengths to satisfy the needs of the artists' community and to preserve the existing uses within the building over the long haul. The art space is being provided at an equitable rate of around \$2 / sq.ft. This will be kept in check by a 3% cap on annual increases of the artists' rent for the 15,000 - 18,000 sq.ft. approximately. I am in support of Mr. Holman's conditional use application, and I am working alongside him to accommodate the community of artists that can be preserved in the Mission for the foreseeable future. I am backing this CU conversion because I genuinely see now that the owner's intentions are fair and reasonable.

Constructive elements of this plan in support of this CU application include:

- Maintain the building according to its mixed use, a combination of retail, office, artists and other "trade shop" businesses.
- Subsidised street-level retail gallery space that can support / exhibit in-house artists and provide potential income for artists in the building.
- 22 + subsidized artist studio work spaces in approx 15,000 sq. ft., plus additional space for storage and ancillary uses.
- Provide the artists with suitable conditions to continue their work. Additional facilities proposed include - woodshop / fabrication area - spray booth and free storage in the basement of the building that can serve the artists as community work space.
- Making the building a safe place to work with the imminent seismic retrofit.

I see Rick Holman's plan as a positive precedent, not only for the Redlick Building at 2101 Mission Street, but for other buildings like it in San Francisco. Ultimately he is preserving the majority of existing uses within the building. Mixed uses in a building like this make sense; there have been office uses in the Redlick Building for as long as I've known, and over the years some of my sub lessees have been small office, creative and small tech users. Artist communities can be protected from high market rental rates and essentially receive subsidized rental rates by allowing the existing office uses to continue.

Please feel free communicate my support for this application to your colleagues and members of the Planning Commission.

Sincerely,

Robert Donald
Studio 17 Artists
2111 Mission Street. Suite# 402
San Francisco CA 94110
studio17artists@gmail.com



NORQUIST SALVAGE CORPORATION

EST. 1972

Committed to Making a Difference Every Day

Thrift Town
2101 Mission Street
San Francisco, California 94110

2151 Professional Drive, Suite 300
Roseville, California
95661-3761

August 26, 2014

Cindy Wu
President of San Francisco Planning Commission
San Francisco Planning Department
Suite 400
1650 Mission Street
San Francisco, California 94103
Cw.planning@gmail.com

Dear President Wu:

Thrift Town and Norquist Salvage have been proudly serving the Mission District since 1973, for 41 years at our location at Mission and 17th Streets. After the new owners took over last spring, we renewed our lease through November, 2018.

I am writing on behalf of Mission Street SF, the owners of the building. We support their request to reclassify the top two floors of the building from permitted furniture warehouse use to permitted office space. Since 1998, there have been office tenants on the third and fourth floor including Buena Vista, OpenTable and CrowdFlower. If the Planning Commission does not approve this request, it will be throwing these existing office tenants out of the building, many of whom have been there for years.

I also understand that the Planning Department has put on hold the request to do a voluntary seismic upgrade of the building because the office use. We have a crew of approximately 50 in the building, and we are pleased that the owners want to make our staff safer. We would appreciate the Planning Department approving this permit.

Our company has been very pleased with the actions by our new building owner to improve the safety and security of the property, as well as enhancing the look, feel and operations management of the facility (they are in the building almost every day and often come into Thrift Town to say hello to our crew, many of whom the owner knows by name). The landlord's actions show that they value not only the property that they now operate, but also that they value the tenants and are reinvesting in the building. The



NORQUIST SALVAGE CORPORATION

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Committed to Making a Difference Every Day

actions of the new owners have proven their caring and long term outlook for the property. We have chosen to partner with them until 2018, and probably later years, because of their commitment to the existing tenants and the building.

While I am located in Roseville, if I am able, I will try and attend the Planning Commission hearing in October, 2014 to support the request to permit the continuation of office use, and not to evict the existing tenants as well as request that the Planning Department no longer hold up the seismic upgrade permit.

It is not just Thrift Town and Norquist Salvage that supports this request, but also our crew in the Mission Store. Because a number of them have gotten to know the owner over the last 18 months, some of them have said that they want to show up at the hearing in support.

Again, we are pleased with the actions and commitment of our partner of 18 months, and support their effort to change the permitted use from furniture warehouse to office use so that they don't have to evict a number of their existing tenants.

Regards,
Norquist Salvage Corporation, Inc.

A handwritten signature in black ink, appearing to read "Lane Steinmetz", written in a cursive style.

Lane Steinmetz
President and CFO



Cindy Wu
President of San Francisco Planning Commission
San Francisco Planning Department
Suite 400
1650 Mission Street
San Francisco, California 94103
Cw.planning@gmail.com

Dear President Wu:

My father and I have owned Fabric Outlet, which has been located at 2109 Mission Street for 20 years. My father Ron started Fabric Outlet, and we provide fabrics and sewing supplies to many local fashion designers, costume designers, seamstresses, upholsterers, and other small businesses.

I have recently been told that the Planning Department has put the proposed seismic upgrade of 2101-2109 Mission Street and 3265 17th Street on hold because there are unpermitted tenant uses on the third and fourth floor of the buildings. While the permitted use is furniture warehouse and some art studios, most of the tenants on the third and fourth floors are office tenants. And most of them have been there for years. Fabric Outlet supports the requested change in the permitted use to office, as, for years, this is what most of this space has been used for.

We have been in the basement of the building for years, and, since the building was acquired in 2013, there has been a real effort to improve it. Exit lights and fire extinguishers have been installed. Broken windows, door locks, gates and toilets have been repaired. The freight elevator, which was cited by the State of California in 2010, was repaired last year. Graffiti was removed, lights were installed around the building, and the trees in front of our store, which had not been cared for in years, were trimmed. They clean the sidewalk every day. They have also been very good about immediately alerting us of any neighborhood safety concerns, and have often notified us of unwelcome intruders in the building.

They have been very attentive to our business' needs, as well as the building as a whole. They have been here just about every day, and we are given weekly updates on the building. There was no full-time building staff before, and now there is a full-time staff of two who take care of the building. If we need something, even on weekends, we can call them and they will do something about it. The owners are on-site and have been very responsive.

Fabric Outlet

San Francisco, California

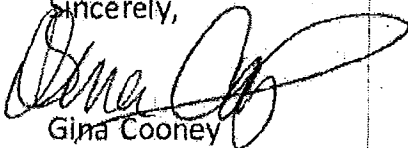
www.fabricoutletsf.com

Our lease was due to expire at the end of 2014. The owners came to us over a year early in 2013, and gave us the 5 year lease extension plus an option for another 5 years. This is what we asked for. They are going to improve the Fabric Outlet street entrance so it is easier to see. Since they bought the building, there has been very little tenant turnover and they seem to be renewing the leases of the existing tenants.

With the exception of the people who were living illegally in office space, the owners have not forced anyone to leave the building. Since those people left, the vandalism in the building has stopped, garbage and debris (which had included hypodermic needles in the past) are no longer to be found in the building, and the building is much safer. I often leave work past 7:00 pm, and now feel much safer in the building and the parking lot (which is now lit).

The owners of the building care about the well-being of both the building and the tenants. Fabric Outlet supports the request to permit office use on the third and fourth floors, so that the existing tenants are not evicted. We would also be in favor of the Planning Department approving the seismic upgrade so the building can be made safer.

Sincerely,



Gina Cooney



Cindy Wu
President of San Francisco Planning Commission
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, California 94103

Dear Ms. Wu:

My company, Headline Shirts, has had its design and sales operation on the first floor on 17th Street of the building at Mission and 17th Street since 2009. I have lived on 15th near Capp Street for over 6 years. I've lived and worked in the Mission since 2000. I care immensely about this neighborhood.

We have learned that the Planning Department will not issue the permit for a necessary seismic upgrade for tenant safety because the third and fourth floors of our office building are permitted for furniture warehouse, and not office use. Like us, there have been safe and job-creating office uses on the third and fourth floor since we moved into the building 5 years ago. We have been told the owners have asked the Planning Commission to permit office use in the building, and we support this request as well as not holding up the seismic upgrade permit.

Since the new owners arrived in the spring of 2013, there have been numerous improvements and updates to the building for safety and efficiency. Broken door locks, windows, lights, exit signs have been replaced. Whenever there is graffiti on windows or the walls, it is removed or buffed out. The broken gate to the parking lot where I keep our vehicles has been fixed, and lights and a camera have been added. The parking area, loading dock and our rear door is no longer under attack from vandals and thieves. Fire extinguishers have been added. While we don't use the elevators, I understand a lot of work has been done on them as well.

When we first brought our business here people were illegally living in the space above our office. There was a lot of noise, damage and graffiti, and doors to the building were propped open at all hours. This was a hassle for us at Headline Shirts and made it a less than ideal working environment. After a lot of work, the new owner was able to get the unit above us cleaned up and returned to appropriate business use.

I have seen a lot of change both good and bad in the Mission in the last 14 years. The one thing I think we can all agree on though is that everyone here wants a safe and reliable working environment. The new owner seem to want all of us existing tenants to remain in the building and have the chance to be part of a positive relationship with the city and community. They are working to make it a better place for us. If you don't approve leaving the spaces upstairs that have been used for offices for 30 years to continue to be used as office spaces, you will force the eviction a number of the existing tenants who are not disturbing but enhancing the community. Please approve this request. Also please let the new owners start on the seismic upgrade and improve safety for everyone in and around the building.

Regards,

Chris Gorog
Found/CEO, Headline Shirts
3265 17th Street, San Francisco, California 94110

July 9, 2014

Robert Donald
Dba Studio 17
Suite 304, 402, 400-405
2111 Mission Street and 3265 17th Street
San Francisco, California 94110

Too Whom It May Concern:

I have leased Suites 304, 402, 400-405 dba as Studio 17 since 2010. During this period, I have subleased the space to a mixture of artists and technology companies. The mixture varies; sometimes there have been more technology companies and sometimes more artists. The trend has been towards technology companies. The upper floors of the building are a broad mix of tenants and subtenants occupying various office suites.

Before I took this space over, it was operated by Blue Studio which had a similar business plan and operations.

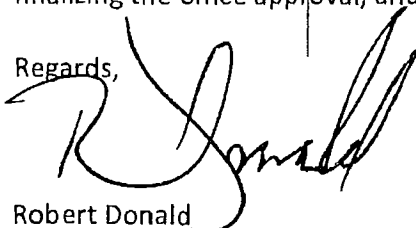
Mission Street SF LLC, and specifically Rick Holman, bought the buildings in the spring of 2013. Since Rick arrived, he has been a very helpful landlord. He renewed my leases without raising the rent (I did not accept Rick's proposal for a 5 year renewal with annual increases). He fixed the broken locks and gates to make the buildings safer. He tried to work with some anarchists who were living illegally in part of the building. They caused a lot of problems (drugs, theft, etc.). When they would not work with him, they settled an eviction action by agreeing to vacate. Since they left the buildings, it has become much safer and my sub-lessees feel much more secure.

Rick has worked had to fix the broken lights, put in fire extinguishers, install exit signs, repair the elevators (the State of California had a cease and desist notice going back to 2010). He is here every day. If something happens on a Friday night, a Sunday afternoon, I either call Rick or send him a text message or an email, and he will do something by Monday about the problem. Most of my sub-lessees know and trust Rick, and know that he will help them if he can.

While it might seem counter-intuitive that Studio 17 would support a request to approve office use of the space which Studio 17 occupies, it is not. The only way Studio 17 can support the artists is by subleasing to tech companies which use the space for office uses. I strongly support the request by Mission Street SF LLC, and specifically Rick Holman, to approve the office use of my space so that Studio 17 can continue to exist and sublease space to some artists.

In addition, I understand that a seismic retrofit that Rick proposes for the buildings is held up until the office approval is finalized. The safety of my sub-lessees is important to me, and I would appreciate the City finalizing the office approval, and allowing Rick to do the retrofit work for the safety of my sub-lessees.

Regards,



Robert Donald
Dba Studio 17

BUENA VISTA BUILDERS, INC. * NOE VISTA. LLC

3265 17th Street, Suite 403 * San Francisco, CA 94110 * 415-863-6550 * Fax: 415-863-6514

Cindy Wu

President, San Francisco Planning Commission

San Francisco Planning Department

1650 Mission Street, Suite 400

San Francisco, California 94103

Cw.planning@gmail.com

RE: 2101-2105 Mission Street: Application # 2014.0567CB

Dear President Wu:

I am writing concerning the Conditional Use Application for the Redlick-Newman Building located at the corner of 17th and Mission Streets. The building, the neighborhood, and the local economy have outgrown the building's original use as a retail furniture store with auxiliary furniture warehouse/storage on the upper floors. I support the conversion of the upper floors of the building to office use.

I am the president of **Buena Vista Builders, Inc.**, a San Francisco-based general contractor and general partner of **Noe Vista, LLC**, a local home builder/developer. We have maintained our office on the 4th floor of the Redlick-Newman Building since 1991. At the time we signed our lease there were other offices in the building including a large attorney's office specializing in immigrant services. Their office use dated back to the 1980's. In the 23 years I have occupied the building the upper floors have never been used as a furniture warehouse but have housed the offices of a number of firms including OpenTable.com and the Homeless Children's Network.

The Redlick-Newman building was constructed in the 1930's with unreinforced masonry bearing walls and traditional heavy timber post/beam construction. This type of construction will perform very poorly in an earthquake. In fact, the building has been evaluated with a Probable Maximum Loss of 59%; this is a very high, i.e. dangerous rating. To make matter worse, half the building foundation sits on land fill of the old Mission Creek. Several similar buildings in the immediate area suffered severe damage in the 1989 Loma Prieta quake.

To bring the building up to modern earthquake standards will require a substantial investment. The current landlords have made a commitment to do the work in conjunction with the requested change of use. The structural upgrade of the Redlick-Newman must be a high priority. Performing the upgrades and changing the legal use will be a win-win for all parties - the City, its residents, the economy. The project deserves your support.

In the 18 months the current landlords have owned the building they have already made numerous improvements to it. Please help them take the next step to improve the life-safety of this large and important structure by supporting this request for a change of use.

Thank you,


Gerry Agosta

Buena Vista Builders, Inc.

Noe Vista, LLC

July 28, 2015

Rodney Fong
President of San Francisco Planning Commission
San Francisco Planning Department
Suite 400
1650 Mission Street
San Francisco, California 94103
Cw.planning@gmail.com

Dear President Fong:

I am writing in support of the Conditional Use Permit request by Mission Street SF LLC (Case # 2014.0567BC) to be heard on August 6, 2015.

PlanGrid is located in suite 404 on the fourth floor of 2101 Mission Street/3265 17th Street, and provides architectural and construction support services. This includes a complete life cycle solution from design through construction including software application, providing onsite training seminars, meeting with architects and contractors. We help architects and contractors work with plans compliant with the San Francisco Building Code. We have helped inspectors working for the city of San Francisco identify if buildings are being built according to building codes and permits. We have been repeatedly told that various city and state inspectors appreciate our solution because it enables them to quickly and accurately identify if there are problems with construction.

We have been "resident" in the Mission on Shotwell Street for 2 years. We employ 131 people, and approximately 30 live in the Mission and walk or bike to work. We are active in the Mission community. We encourage our staff to participate in the community including events, walkathons and raising money for local organizations such as Homeless Children's Network, Habitat for Humanity, and volunteering at the Glide Church. We expected to grow substantially over the next 5 years, and are committed to maintaining our "roots" here in the Mission community.

We moved into 2101 Mission Street/3265 17th Street because we want to remain in the Mission and maintain the character of PlanGrid. The building helps us maintain our connection with our customers because they can take BART, MUNI, bike or walk to our space.

The prior user of suite 404 for the last 15 years, was an office/administrative user. When we moved in, we believe that because we were replacing an existing office/administrative user, that we were an acceptable use. We even checked the online Department of Building and Inspection listing which showed more than 10 permits for "office use" in the building. If the Conditional Use Permit is not approved, and PlanGrid has to leave the building, then we will have to reassess our direction. We want to remain in the Mission. We did our "homework", and how do we know that this will not happen again in the Mission? Should we remain in San Francisco, or move over 100 jobs to Oakland?

I have been writing about our situation. However, the building owner has been very helpful. Rick Holman is in the building almost every day. When we have a problem, either Rick or Julio Mungia show up to do something about it. They don't "shine" us "off", they work on sorting the problem out. They have done a lot of work on the building, and seem to genuinely care about it. One of the reasons we

moved into the building, is that unlike many other property owners in the Mission, they are working to make the building seismically safer.

So, we support the Conditional Use Permit request of Mission Street SF LLC. It is about maintaining the existing uses in the building, not changing them. And if it is not approved, then we will look at our options, including moving over 100 jobs out of the City of San Francisco.

Regards,

A handwritten signature in black ink that reads "Ryan Sutton-Gee". The signature is written in a cursive, slightly slanted style.

Ryan Sutton-Gee
Co-Founder and COO

Guitar Lessons with Carrie Love
3265 17th Street, Ste. 303, San Francisco, CA 94110
www.carriekovesguitar.com * 415-317-2888

July 15, 2015

Dear Planning Commission,

I am writing to share my experience of being a tenant in the Redlick Building at 3265 17th Street. I have been in suite 303 of the building since June, 2009. At that time I was renting from the O'Connors and the rent was very inexpensive. I had two two-year leases with the O'Connors (they were unwilling to sign a longer lease) and my second lease was about to be up when Mr. Holman bought the building.

From our first interaction, Mr. Holman was respectful and very accessible. I knew my rent would increase significantly because it was so low, but I also feared that it would be too much for me to stay. To my relief, we negotiated a 5-year lease for my 819-sq ft space that was workable for us both, starting at \$850/month in the first year and increasing to \$1,200/month in year 5. I know that Mr. Holman is not charging me market rate and I appreciate his willingness to work with me in order to keep me as a tenant in the building.

Since Mr. Holman took ownership, the building has been vastly improved. Lights and security cameras on the outside of the building make the whole block safer. He has painted, fixed safety issues, and made the elevator much safer and up to date. I have found him to be a responsive and respectful landlord, and I believe he has treated me fairly. He sends weekly updates about what's going on in the building and I appreciate being kept up to date. He seems to genuinely care about his tenants.

Sincerely,

Carrie B. Love
Owner, Guitar Lessons with Carrie Love

I.A.D.E.T.

3265 17TH Street, Ste. 205
San Francisco, CA 94110

Telephone: (415) 255-0371

Fax: (415) 864-3091

June 25, 2015

Rick Holman
c/o Mission Street SF LLC
3265 17th Street
San Francisco, California 94110

Dear Rick:

Over the last two years, it has been a pleasure to get to know you and have cups of coffee and talk. As you know, IADET has been at 3265 17th Street for about 10 years. We originally ran a traffic school and a Driving Under the Influence school. In recent years, we have helped and served those who have had the misfortune to be arrested for driving under the influence of alcohol, often minorities.

When you first arrived as the building landlord, there were lots of strange people hanging around the building. Almost all of the locks in the building were broken, the gate to the parking lot was always open and people were coming in at all times of the day and night to do weird things. The elevators were unsafe and used to regularly stop for no reason between floors. They seemed to not have been regularly inspected. When you repaired the broken locks, the broken windows, the gate and the roll-up loading dock doors, this made the building a lot safer. By adding lighting and cameras, this made our employees, Christina and Gladys, feel a lot safer at work. People used to do all types of things in the bathrooms, and Christina used to have to clean it up. After you repaired the locks and the doors to the bathrooms, this stopped. You have painted the interior of the building for what must have been the first time since we have been here. Since you rebuilt the elevators, they work more reliably. If something happens, you get the elevator repair crew in promptly to get the elevator working again and we understand you are having the elevators regularly inspected by the State.

Unlike the prior owners, you are here in the building almost every day of the week. When we need something, we know that we can contact you or Julio at almost all hours of the day and even weekends, and you will do something to help.

You have always been fair, friendly and responsive. You have kept everyone up to date on what is going on by your regular emails and visits. We appreciate that you take extreme care of the building.

Best Regards,



RAUL PALAZUELOS

EXHIBIT C

MEMORANDUM

To: San Francisco Planning Commission

From: Jason Moody, Managing Principal at Economic & Planning Systems (EPS)

Subject: Economic Analysis of a Conditional Use Authorization for 2101 Mission Street Project; EPS #151097

Date: July 29, 2015

The Economics of Land Use



This memorandum evaluates the likely economic and fiscal effects of a conditional use permit authorizing a range of trade shop and administrative services office uses on the second, third, and fourth floors of a building located southeast corner of 17th and Mission Streets (2101 Mission Street). The project applicant, Mission Street SF LLC, has retained Economic & Planning Systems, Inc. (EPS) to conduct this analysis for presentation to San Francisco Planning Commission. It is designed to address the requirements of the proposed San Francisco Mission District Interim Zoning Control Policy, should the 2101 Mission Street project to subject to the interim controls.

EPS has based the findings presented below on its review of the specific elements and circumstances associated with the 2101 Mission Street conditional use authorization. The findings are not intended to be generalized or applicable to other conditional use or development proposals in the Mission District or elsewhere. The analysis relies on project specific data and other pertinent information reported by the Project Applicant. In addition, the EPS conclusions draw on the firm's professional expertise in the field of urban economics and over 30 years of related work in San Francisco, the Bay Area, and other large metropolitan areas in the United States.

Key Findings

- 1. The conditional use authorization will legalize a range of "trade shop" and "administrative services" uses on the second through fourth floors of the 2101 Mission Street property, supporting the businesses and jobs associated with ten existing tenants currently occupying upper floor space in the building.**

There are currently 10 tenants, with an estimated 210 full and part-time jobs that currently occupy the upper floors of the subject property. At least seven (7) of these tenants have leases that extent through 2016

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and four (4) go to 2018 and beyond. The project applicant is not pursuing any evictions as part of the conditional use authorization and associated seismic improvements to the building.¹ However, all of these existing upper floor tenants will become illegal if a conditional use authorization is not granted, with the expectation that most will need to close and/or relocate their businesses (there is approximately 10,000 square feet of legal trade shop space that could potentially offset some dislocations). Conversely, conditionally approving these existing uses will allow these tenants (and associated jobs) to remain in the building under their current lease terms.

It is worth noting that the tenants that currently occupy the building are consistent with the range and type of businesses that have sought and occupied space in the Mission over the last 20 years. As summarized in **Table 1**, they range from artists, designers, tech start-ups, and contractors. They are for the most part relatively small (largest occupies about 8,000 square feet), locally owned and operated firms that predominantly employ San Francisco residents (including a large number of residents from the Mission District).

Table 1: Existing Upper Floor Tenants in Subject Property

Tenant Name	Business Type	Occupied Square Feet	Annual Lease Rate	Lease Maturity
Administrative				
CrowdFlower	tech firm	8,311	\$16.27	2018
Goldberg Studio	artist office	1,728	\$21.53	2016
Corey Krehel	tech firm	331	\$21.75	2017
Buena Vista Develop	contractor's office	676	\$29.73	2015
PlanGrid	architectural support services	7,751	\$38.70	2020
Carrie Love	music office	719	\$17.11	2018
IADET	training	3,538	\$8.45	2015
Trade Shop				
Red Brick Studio	artist studio	3,498	\$20.59	2017
Headline Shirts	clothing designer	3,286	\$13.04	2015
Orion	equipment repair	6,266	\$50.18	2018
Multi-tenant art studios	local artists	5,747	Varies	Monthly
Retail (Ground Floor)				
ThriftTown	thrift store	25,198	\$12.12	2028
Fabric Outlet	fabric store	15,862	\$9.85	2024

¹ The applicant is seeking to reduce about 2,800 square feet of space currently allocated to CrowdFlower, one of the tech firms, and convert it to "trade Shop" uses that would be available to artists.

It is also important to note that the lease rates currently being charged to existing tenants are generally well below market for administrative/office or comparable space elsewhere in the Mission District (or most other locations in San Francisco). Specifically, the weighted average annual lease rate for the existing upper floor tenants is about \$24.60 per square foot. This compares to an annual average of more than \$35 per square foot for occupied non-retail space in the Mission District (the average is even higher in the City as a whole).² Meanwhile, average asking prices for available space in the Mission, and elsewhere in the City, are generally much higher than existing occupied space due to tightening market conditions (as discussed further below).

Given the supply constrained Mission District real estate market, if conditional use authority is not granted, existing tenants in the building will find it very difficult to find suitable alternative space under comparable terms. Thus, they would likely be forced to (1) compete and bid up prices on the shrinking inventory of available space in the Mission District, (2) relocate to another neighborhood in the City or elsewhere, or (3) significantly reconstitute their business (including the possibility of closure). All of these outcomes represent negative impacts to the Mission District economy, including a loss of jobs and further real estate appreciation for existing space.

2. A conditional use authorization for “trade shop” and “administrative services” uses on the upper floors of the 2101 Mission Street property will create modest business and job growth opportunities in the Mission District for a range of smaller scale tenants that will likely reflect and support the existing economic character of the neighborhood.

The conditional use authorization will allow approximately 30,000 square feet of vacant, unused space to become available to smaller scale tenants that are likely to be similar to those that have sought and occupied space in the Mission District over the last 20 years. The currently vacant space represents approximately 23 percent of the building total or 42 percent of the non-retail space. The seismic improvements being proposed as part of conditional use authorization are not expected to change basic physical character, configuration, or footprint of the existing building. No exterior alterations or additions are proposed and most of the existing tenants are expected to remain. There will be no physical impact on the urban form or character of the existing neighborhood.

The subject property is primarily known for its ground floor retail tenants Thrift Town, located on the corner of 17th and Mission, and Fabric Outlet, located mid-block on Mission. These are the largest and most visible tenants, representing over 50 percent of the occupied space with leases that don't expire until 2028 and 2024, respectively. The original furniture warehouse functions of the upper floors ceased operation in the 1960s. Beginning in the 1980s and 1990s these upper floors have been used for a wide variety of office, business, professional and personal services, as well as trade shop uses (e.g., artist studios). For example, it is reported that OpenTable occupied the fourth floor for about five years.

The proposed conditional use authorization is not expected to fundamentally change the overall market orientation or position of the building. The upper floor suites will continue to be most

² Based on data from CoStar, lease rates in the Mission District average about \$50 per square foot for office, \$37 per square foot for R&D / flex and \$21 per square foot for industrial.

attractive and suitable to smaller scale, local serving, and start-up tenants that don't require (or can't afford) large floor plates, a marque location, on-site professional amenities, and other building features typically sought by larger, corporate and professional service tenants.

The building has a primarily discount retail rather than professional office orientation. For example, it does not include a lobby, adequate elevator service, expansive views, sophisticated telecom/IT, separate conference, fitness or similar office amenities. Moreover, the existing vacant suites are relatively small (ranging from 700 to a high of 10,000 square feet) and not easily combined to accommodate larger tenants. The building rents and long-term tenants reflect its physical limitations and market position. The proposed seismic improvements are unlikely to alter this profile.

With an overall vacancy rate of around 3 percent for non-retail commercial space in the Mission District,³ the current real estate market is highly constrained making it very difficult for smaller, local-owned businesses to find space. By allowing ~30,000 square feet of legal administrative and trade shop space to enter the market, the conditional use authorization will offer additional opportunities for a range of small scale tenants to occupy seismically safe space at lease rates that are well below average for the neighborhood. While this is a small increment of space relative to total unmet demand it will nonetheless represent a positive economic outcome over to baseline conditions.

Assuming employment densities consistent with those in the currently occupied space, the conditional use authorization will create space for about 150 additional jobs in the building. These direct jobs, expected in a variety of professions and sectors consistent with the current tenant composition, will in turn provide indirect economic benefits to the neighborhood as the new tenants and their employees purchase goods and services at nearby establishments. Conversely, if the conditional use authorization is not granted and existing as well as new tenants cannot occupy the upper floors of the building, the neighborhood stands to lose about 360 direct jobs and related indirect economic benefits.

If the conditional use approval is not granted and all but 10,000 square feet of the upper three floors were required to revert to a wholesale storage use (the last permitted use), it is unlikely a wholesale use would re-occupy the building given that the upper floors are poorly suited for this type of use. Specifically, wholesale storage tenants typically seek ground floor space with truck access, loading docks, surface parking and other features that facilitate easy shipping and receiving of goods (e.g., generous street access and maneuverability). The building has one small freight elevator that is already heavily used by Thrift Town, the primary retail tenant. Even if a wholesale storage use did lease the upper floors, such a use would generate few jobs.

3. The conditional use authorization will increase the tax and fee revenue generated by the building to the City, including on-going property, sales and business license revenues as well as on-time payments associated with the Eastern Neighborhood Infrastructure Fee, the Jobs-Housing Linkage Fee, and the Transit Impact Development Fee.

The building improvements and new tenants that will follow from the conditional use authorization will translate into increased property, sale, business license and other taxes and fees that accrue to the City and County General Fund. These revenues can be used at the City's

³ Based on data from CoStar for the area proposed for Mission 2015 Interim Controls.

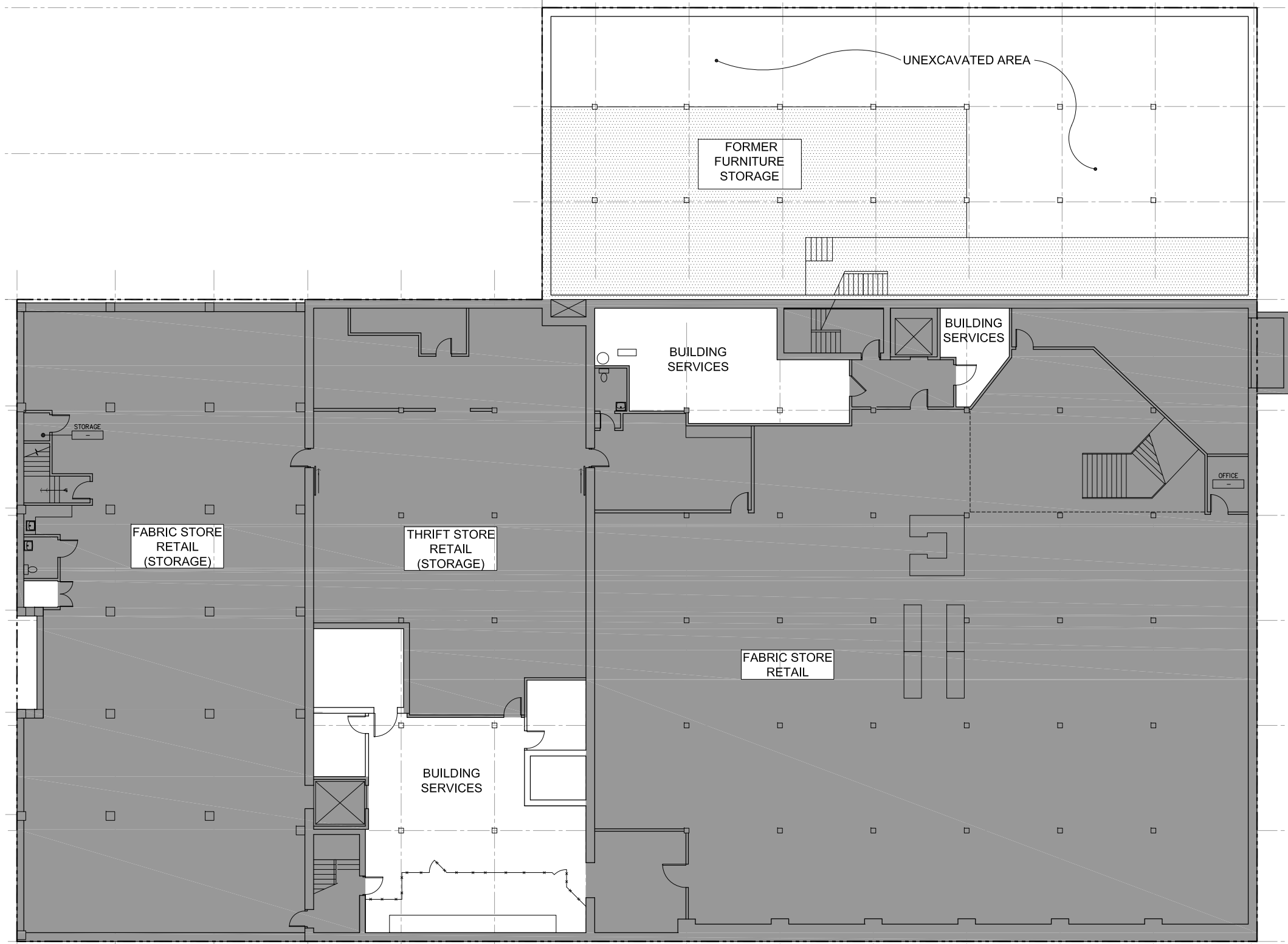
discretion to improve public services and facilities that serve the Mission District and other neighborhoods. In addition, the conditional use authorization will require the applicant to pay one-time impact fees that support affordable housing, infrastructure, and transit in the City. Without the conditional use authorization, not only will the one-time fee revenue not be realized, but the on-going property, sales, business license and other General Fund taxes and fees will likely decline relative to baseline conditions as existing tenants leave.

4. Upon receiving conditional use authority the project applicant has committed to increasing artist studio and gallery uses in the building that would be available to artists of all income levels.

Currently, the Redlick Building has 10,000 square feet of approved trade shop artist uses on the fourth floor. The conditional use application seeks to increase the amount of trade shop artist studio and gallery uses from 10,000 square feet to 18,859 square feet on the first, second, and third floors. The applicant has committed to providing this space to individual artists at rents of approximately \$24.00 per square foot per year. Most of the individual artists studio spaces are approximately 250 to 500 square feet, equating to a monthly rent of approximately \$500 to \$1,000 per artist studio (many studios are shared by more than one artists), which is a rent level that renders the studio spaces available to artist of all income levels. The conditional use application also proposes a small art gallery use in a storefront on the first floor on Mission Street to be available for artists in the building to display and sell their works to the public.

5. The proposed artist studio and gallery uses would promote a sense of community and provide space for community gatherings that would be available and accessible to all income levels.

The 18,859 square feet of artist studio and gallery space would be made available to Mission District artists at affordable rents and could accommodate approximately 60 artists at all income levels. The storefront gallery on Mission Street would also be available for community gatherings for area residents of all income levels.



BUILDING USE SUMMARY:		
Total Retail:	56,702	SF
Total Former Furniture Storage	72,256	SF

BASEMENT:		
Retail	20,881	SF
Former Furniture Storage	2,796	SF

LEGEND	
	RETAIL
	FORMER FURNITURE STORAGE

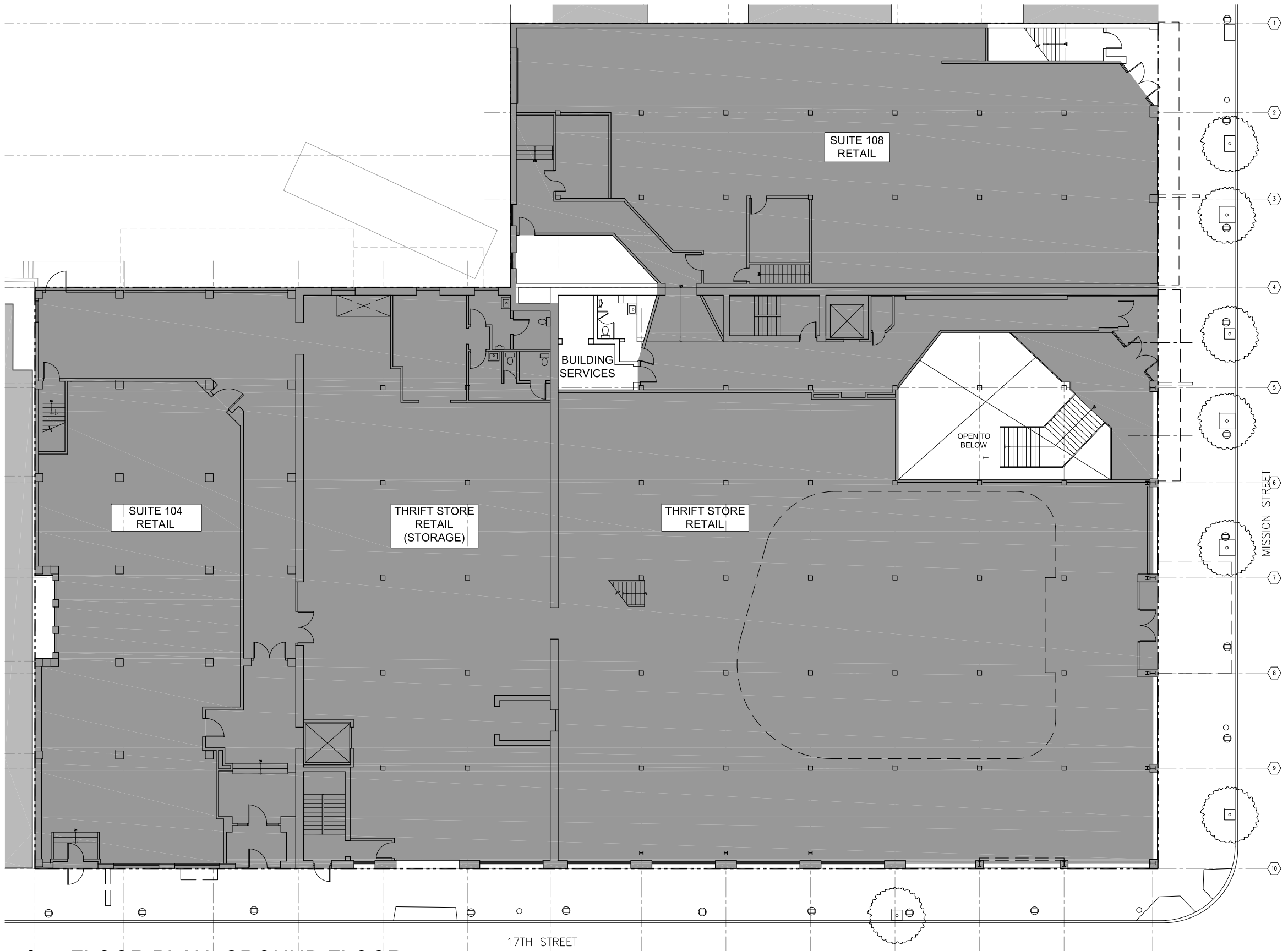
1 FLOOR PLAN: BASEMENT
1/32"=1'-0"



2101-2125 MISSION STREET SAN FRANCISCO, CA

LEVY DESIGN PARTNERS INC
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PERMITTED USES



BUILDING USE SUMMARY:		
Total Retail:	56,702	SF
Total Former Furniture Storage:	72,256	SF

FIRST FLOOR:		
Retail	27,641	SF

LEGEND	
	RETAIL
	FORMER FURNITURE STORAGE

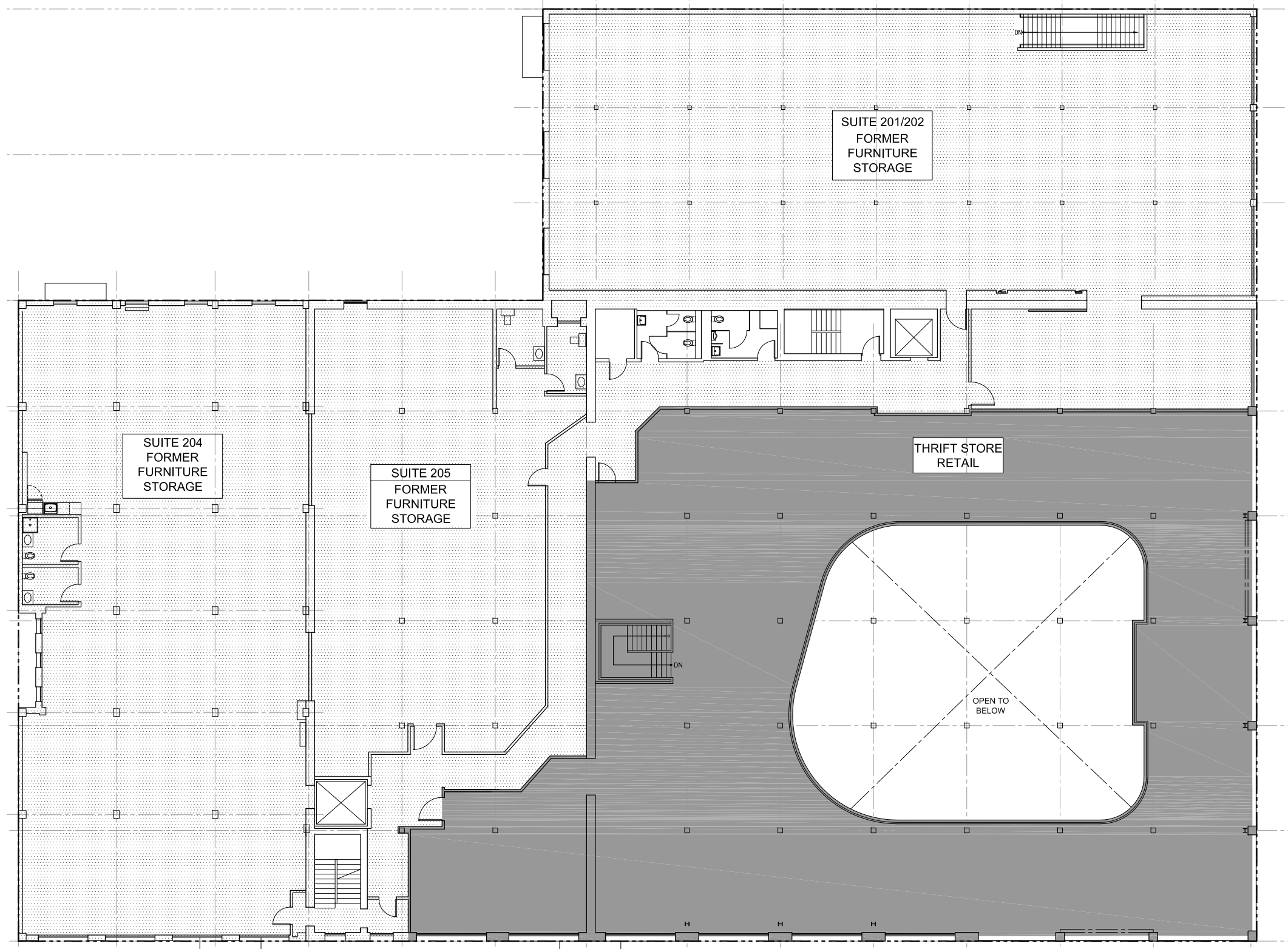
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1" = 20'-0"

2101-2125 MISSION STREET SAN FRANCISCO, CA




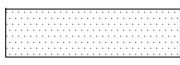
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PERMITTED USES



SECOND FLOOR:	
Retail	8,180 SF
Former Furniture Storage	18,258 SF

BUILDING USE SUMMARY:	
Total Retail:	56,702 SF
Total Former Furniture Storage	72,256 SF

LEGEND	
	RETAIL
	FORMER FURNITURE STORAGE

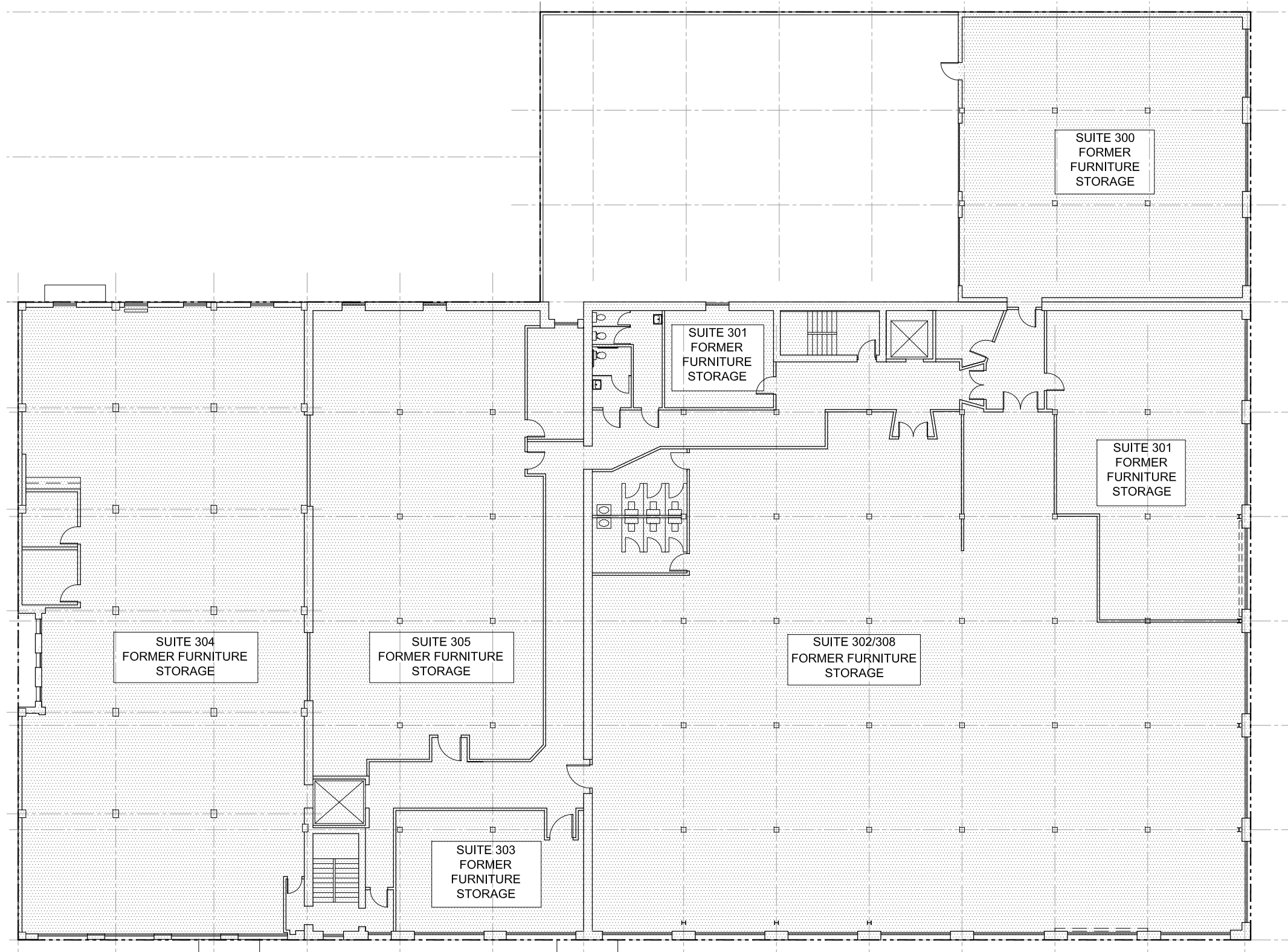
1 FLOOR PLAN: SECOND FLOOR
1" = 20'-0"



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PERMITTED USES



BUILDING USE SUMMARY:		
Total Retail:	56,702	SF
Total Former Furniture Storage	72,256	SF

THIRD FLOOR:		
Former Furniture Storage	25,601	SF

LEGEND	
	RETAIL
	FORMER FURNITURE STORAGE

1 FLOOR PLAN: THIRD FLOOR
1" = 20'-0"

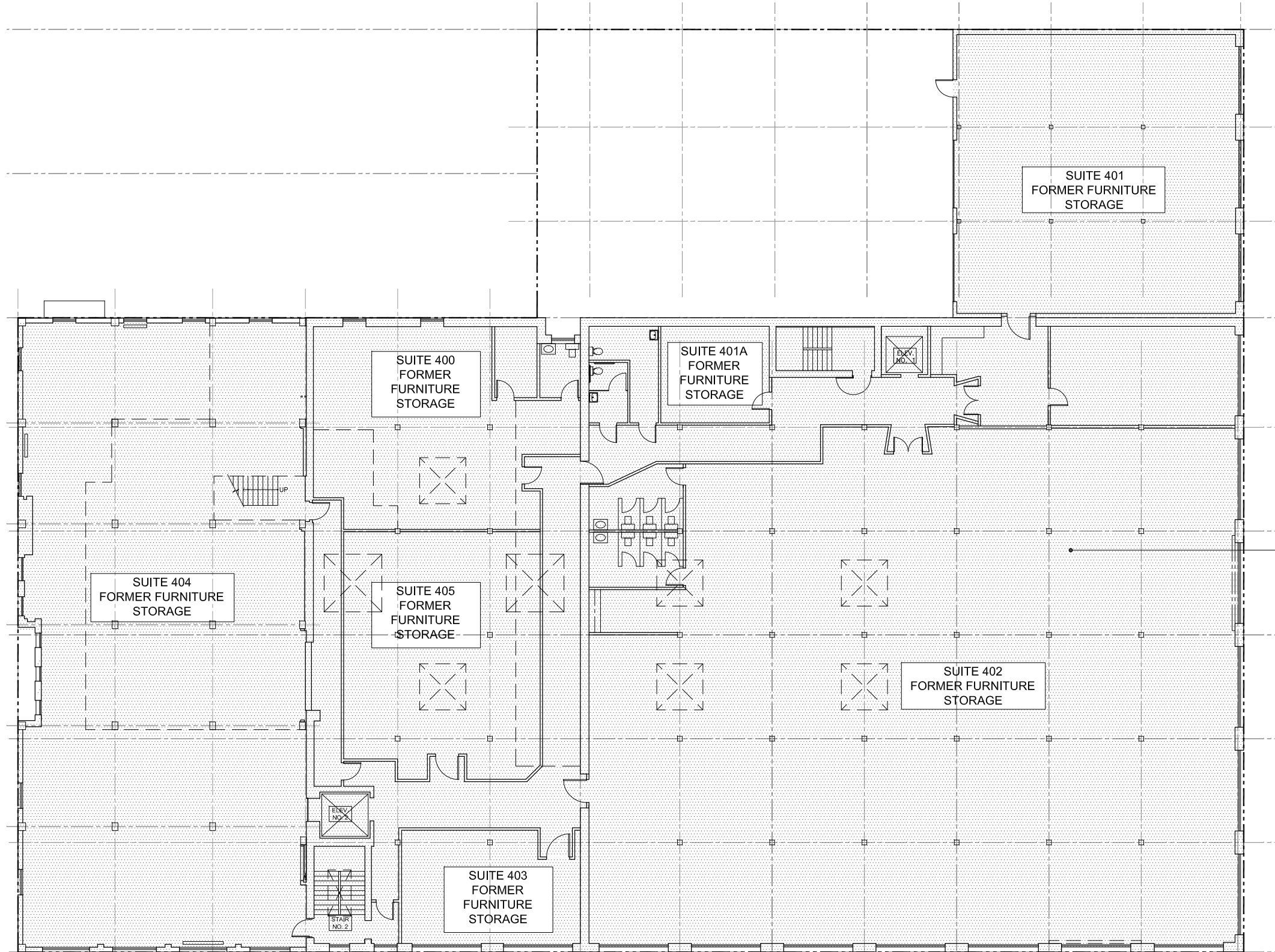


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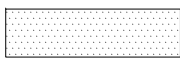
PERMITTED USES



BUILDING USE SUMMARY:		
Total Retail:	56,702	SF
Total Former Furniture Storage	72,256	SF

FOURTH FLOOR:		
Former Furniture Storage	25,601	SF

FORMERLY
"OPEN TABLE"
TO BECOME OFFICE

LEGEND	
	RETAIL
	FORMER FURNITURE STORAGE

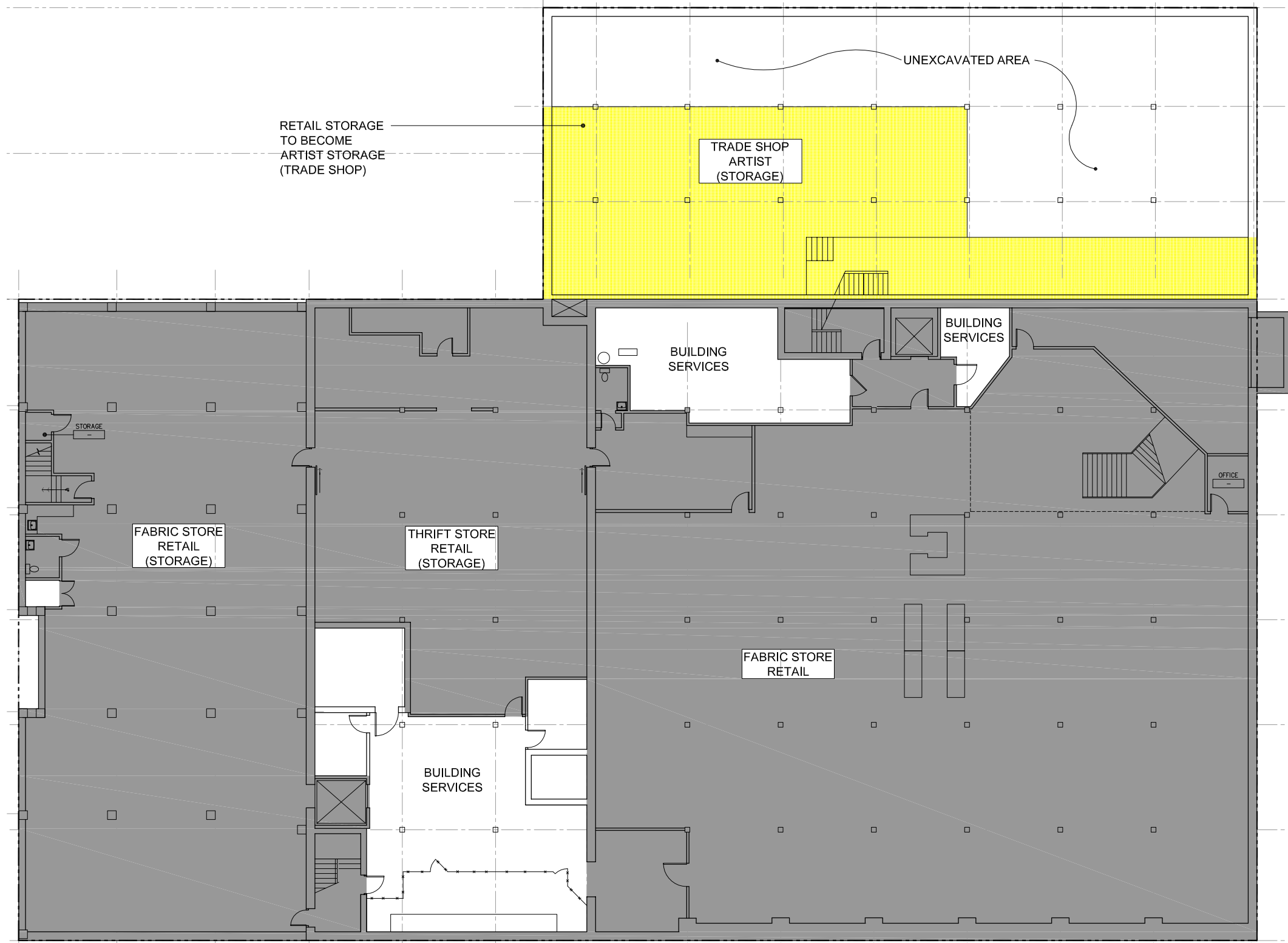
1 FLOOR PLAN: FOURTH FLOOR
1" = 20'-0"



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PERMITTED USES



RETAIL STORAGE
TO BECOME
ARTIST STORAGE
(TRADE SHOP)

TRADE SHOP
ARTIST
(STORAGE)

UNEXCAVATED AREA

FABRIC STORE
RETAIL
(STORAGE)

THRIFT STORE
RETAIL
(STORAGE)

BUILDING
SERVICES

BUILDING
SERVICES





FABRIC STORE
RETAIL

BUILDING
SERVICES

OFFICE

BUILDING USE SUMMARY:	
Total Retail:	48,817 SF
Total Trade Shop	15,959 SF
Total Trade Shop/Artist Space	16,473 SF
Total Administrative Service:	48,660 SF

BASEMENT:	
Retail	20,881 SF
Trade Shop/Artist (Storage)	2,929 SF

LEGEND	
	RETAIL
	TRADE SHOP
	TRADE SHOP (N) ARTIST SPACE
	ADMINISTRATIVE SERVICE

1 FLOOR PLAN: BASEMENT
1/32"=1'-0"

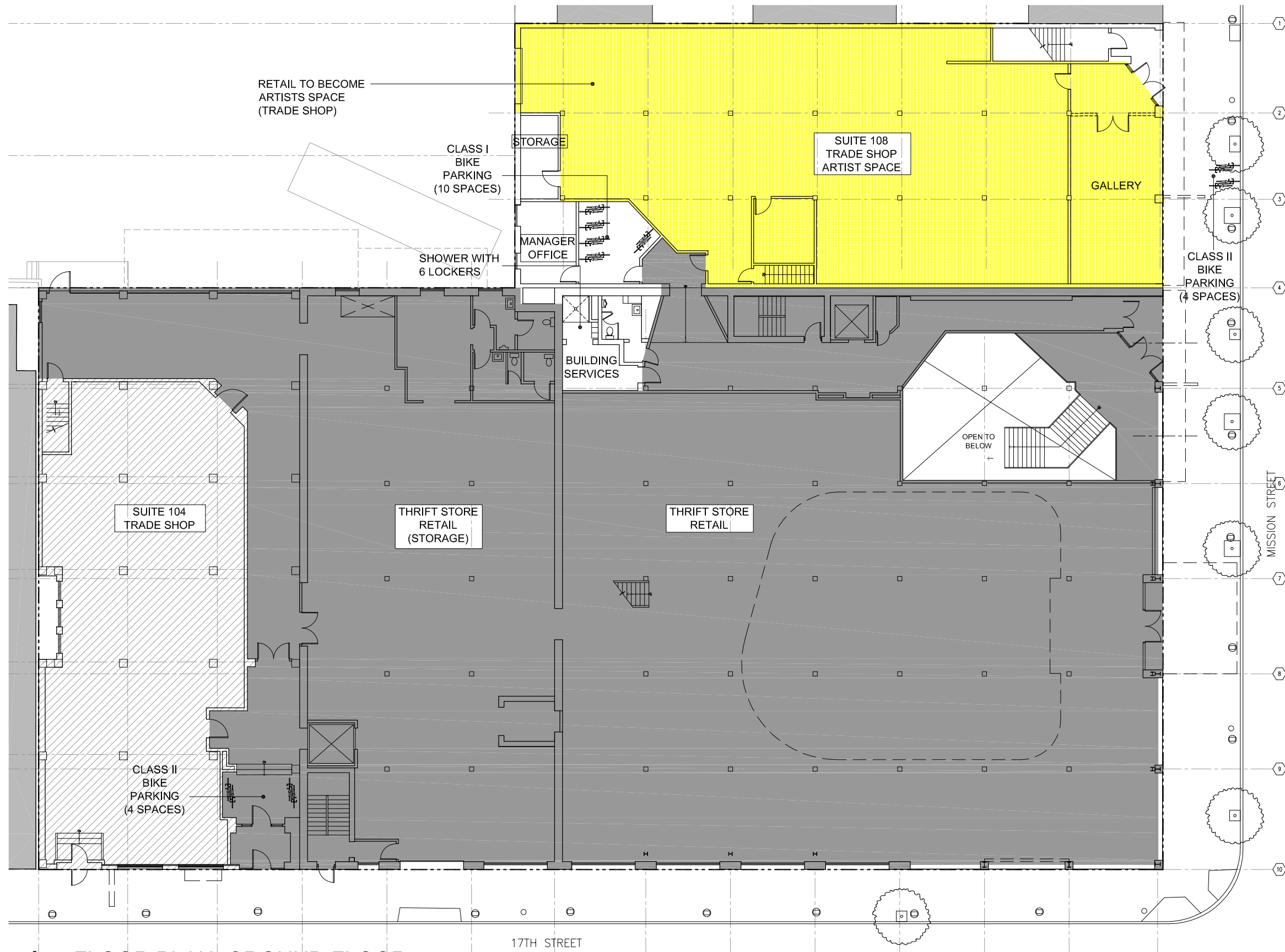


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PROPOSED USES



RETAIL TO BECOME ARTISTS SPACE (TRADE SHOP)

CLASS I BIKE PARKING (10 SPACES)

STORAGE

SUITE 108 TRADE SHOP ARTIST SPACE

GALLERY

SHOWER WITH 6 LOCKERS

MANAGER OFFICE

CLASS II BIKE PARKING (4 SPACES)

BUILDING SERVICES

OPEN TO BELOW

SUITE 104 TRADE SHOP

THRIFT STORE RETAIL (STORAGE)

THRIFT STORE RETAIL

CLASS II BIKE PARKING (4 SPACES)

17TH STREET





MISSION STREET

1 FLOOR PLAN: GROUND FLOOR
1" = 20'-0"

BUILDING USE SUMMARY:	
Total Retail:	48,817 SF
Total Trade Shop	15,959 SF
Total Trade Shop/Artist Space	16,473 SF
Total Administrative Service:	48,660 SF

FIRST FLOOR:	
Retail	19,756 SF
Trade Shop/Artist Space	5,228 SF
Trade Shop	3,444 SF

LEGEND

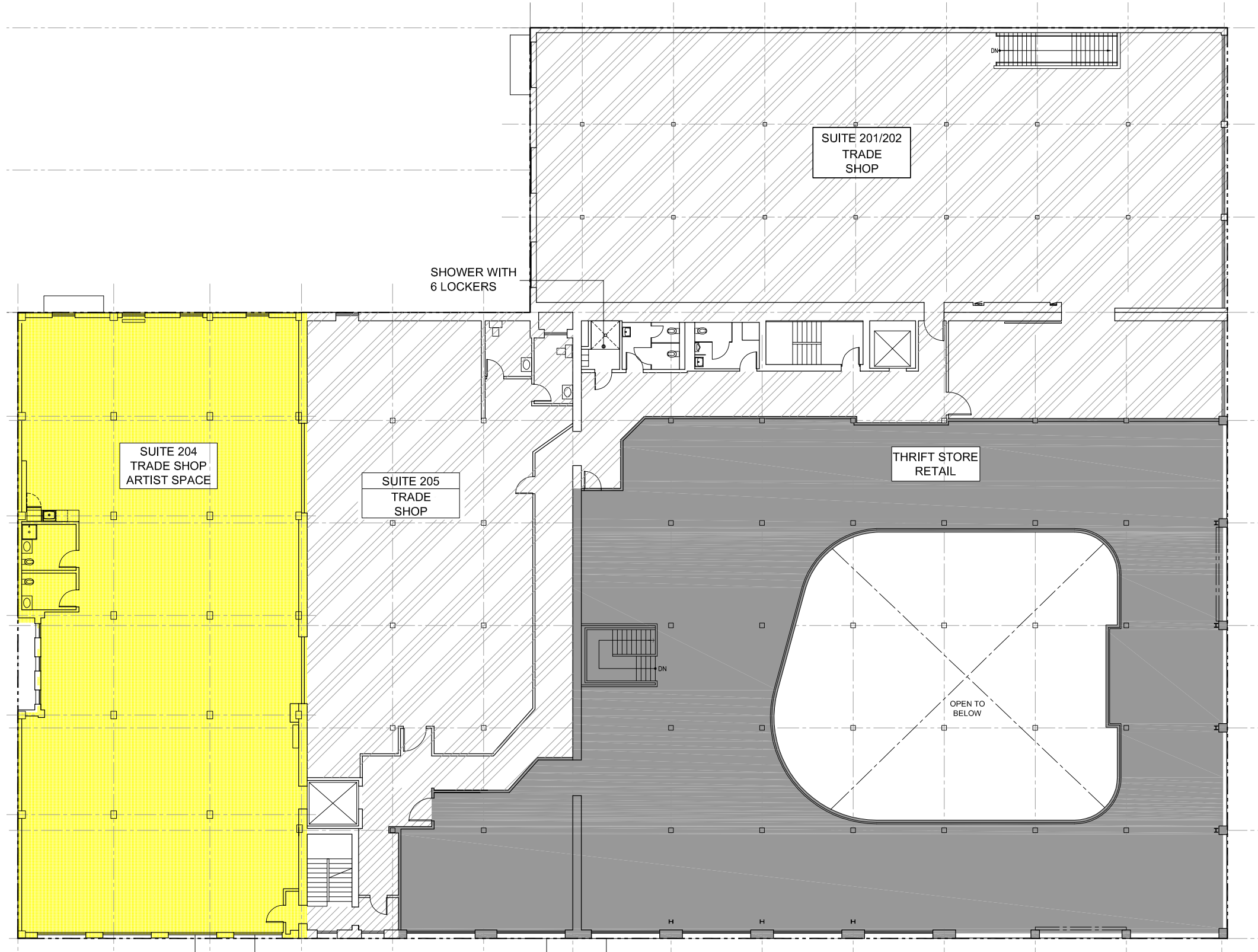
-  RETAIL
-  TRADE SHOP
-  TRADE SHOP (N) ARTIST SPACE
-  ADMINISTRATIVE SERVICE



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PROPOSED USES



BUILDING USE SUMMARY:

Total Retail:	48,817 SF
Total Trade Shop	15,959 SF
Total Trade Shop/Artist Space	16,473 SF
Total Administrative Service:	48,660 SF

SECOND FLOOR:

Retail	8,180 SF
Trade Shop/Artist Space	5,774 SF
Trade Shop	12,515 SF

LEGEND

	RETAIL
	TRADE SHOP
	TRADE SHOP (N) ARTIST SPACE
	ADMINISTRATIVE SERVICE

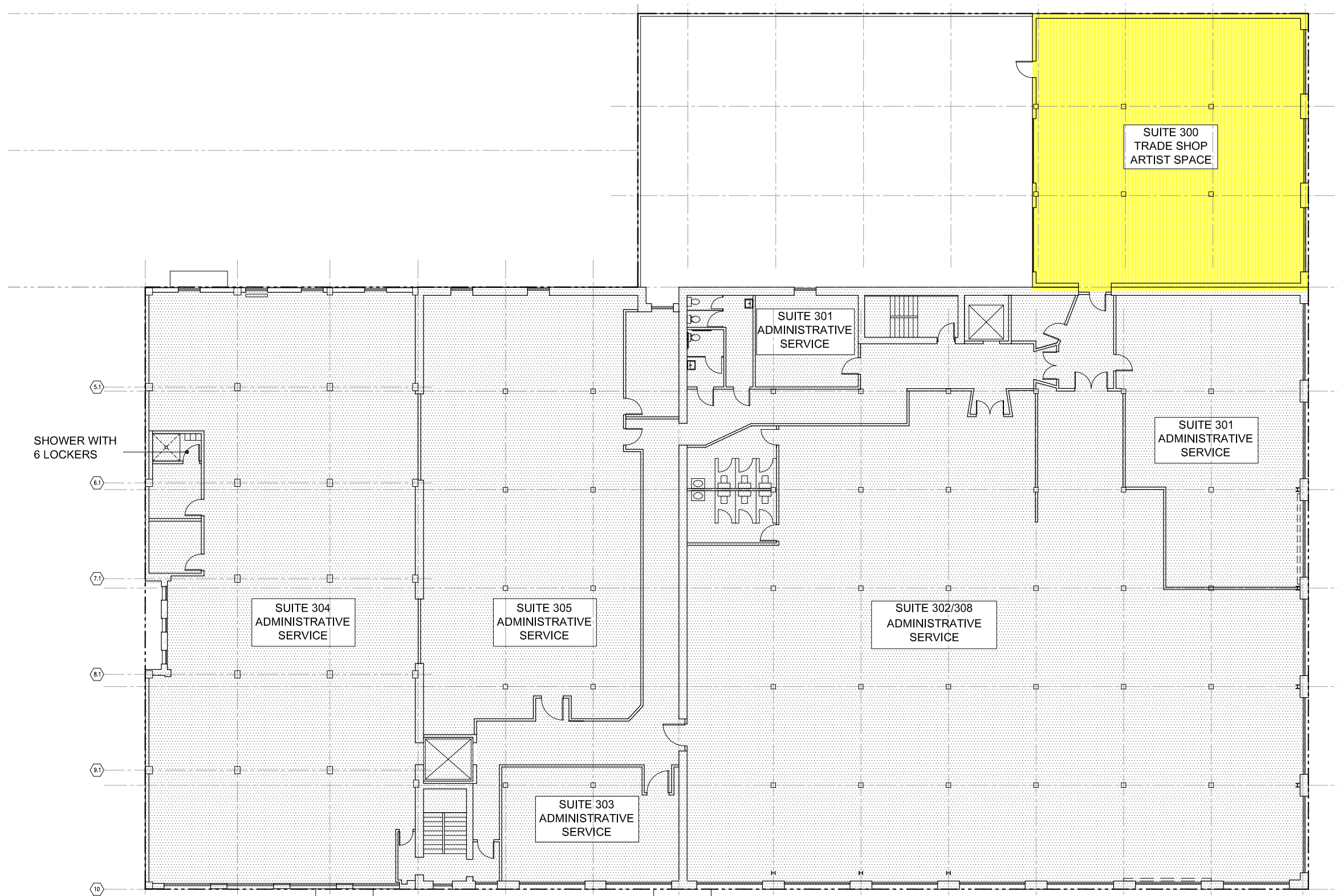
1 FLOOR PLAN: SECOND FLOOR
1" = 20'-0"



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PROPOSED USES



BUILDING USE SUMMARY:	
Total Retail:	48,817 SF
Total Trade Shop	15,959 SF
Total Trade Shop/Artist Space	16,473 SF
Total Administrative Service:	48,660 SF

THIRD FLOOR:	
Administrative Service	23,059 SF
Trade Shop/Artist Space	2,542 SF

LEGEND	
	RETAIL
	TRADE SHOP
	TRADE SHOP (N) ARTIST SPACE
	ADMINISTRATIVE SERVICE

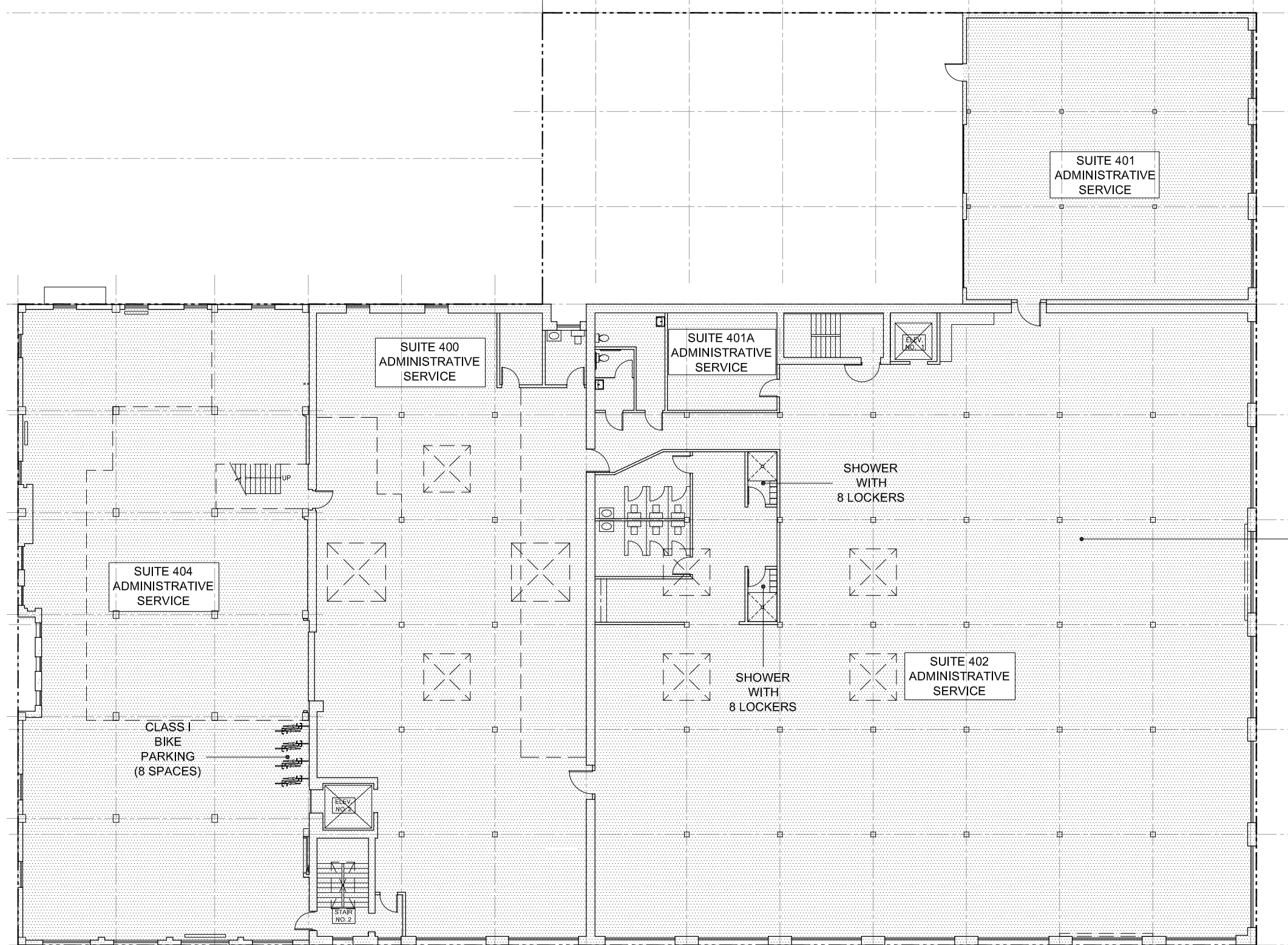
1 FLOOR PLAN: THIRD FLOOR
1" = 20'-0"



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PROPOSED USES



BUILDING USE SUMMARY:	
Total Retail:	48,817 SF
Total Trade Shop	15,959 SF
Total Trade Shop/Artist Space	16,473 SF
Total Administrative Service:	48,660 SF

FOURTH FLOOR:	
Administrative Service	25,601 SF

FORMERLY
"OPEN TABLE"
TO BECOME OFFICE

LEGEND	
	RETAIL
	TRADE SHOP
	TRADE SHOP (N) ARTIST SPACE
	ADMINISTRATIVE SERVICE

1 FLOOR PLAN: FOURTH FLOOR
1" = 20'-0"



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PROPOSED USES