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Addendum to Mitigated Negative Declaration

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MND Case No.:	**2003.0584E**
Addendum Case No.:	**2013.1601E**
Project Title:	**690 Market Street**
Block/Lot:	0311/006
Project Sponsor:	Deborah Holley, Holley Consulting – Project Sponsor's Representative (415) 389-9329
Lead Agency:	San Francisco Planning Department
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REMARKS

Background

A final mitigated negative declaration (FMND), case file number 2003.0584E, for the project site was adopted and issued on February 11, 2004.[1] The project site is located at 690 Market Street, at the southeast corner of Kearny Street (see **Figure 1: Site Location**).

Project Analyzed in the 2004 FMND

The project analyzed in the 2004 FMND consisted of an eight-story vertical addition (125,160 gross square feet – gsf) to an existing 16-story office building, a change of use from office to residential and hotel uses and rehabilitation of the original building's historic exterior consistent with the Secretary of the Interior's *Standards for Rehabilitation* and *Standards for Restoration*. The addition was to have resulted in a 312 feet (ft) tall building (24 stories tall), 113 dwelling units (197,600 gsf – a mix of hotel and residential units); 6,875 gsf of retail use; 30,360 gsf of garage space with 29 independently accessible parking spaces and 100 vehicles accommodated by valet service and vehicle lifts on a two-level basement garage, eight bicycle parking spaces, one full-sized loading space and two service vehicle parking spaces; and 30,965 gsf of circulation, lobby, storage and mechanical service spaces. The total gross square footage assessed in the FMND with the addition was 265,800.

[1] San Francisco Planning Department, *690 Market Street, Final Mitigated Negative Declaration*, February 11, 2004. This document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No. 2003.0584E.

FIGURE 1: SITE LOCATION

The unit mix included 41 one-bedroom, 67 two-bedroom, and five three-bedroom units. As shown in **Table – 1 Unit Mix by Scenario**, the mix of unit sizes analyzed was different under two ownership scenarios. The "maximum residential scenario" included 26 one-bedroom and 38 two-bedroom single-ownership condominium units, and 15 one-bedroom, 29 two-bedroom and five three-bedroom "fractional interest ownership"[2] (hotel use) units. The "maximum hotel scenario" included 14 one-bedroom and 26 two-bedroom units in single ownership, and 27 one-bedroom, 41 two-bedroom, and five three-bedroom units in fractional ownership.

Table 1 - Unit Mix by Scenario

	Maximum Residential Scenario (FMND)		**Maximum Hotel Scenario (FMND)**		**Project as Built Post FMND**	
	Residential	Hotel	Residential	Hotel	Residential	Hotel
One Bedroom	26	15	14	27	7	16
Two Bedroom	38	29	26	41	39	24
Three Bedroom		5		5	11	4
Sub Total	**64**	**49**	**40**	**73**	**57**	**44**
Total	**113**		**113**		**101**	

The 2004 FMND project also included the adoption of a Downtown Housing Demonstration Special Use District (SUD) for the project site to eliminate certain zoning requirements related to new residential uses on site.

Approved Project

The SUD was approved on March 18, 2004 by the Planning Commission (*Motion No. 16747).* The remaining project analyzed in the FMND was approved on March 18, 2004 by the Planning Commission (*Motion No. 16748)*. The approved project differs from what was analyzed in the 2004 FMND in that it included the construction of 106 dwelling units on site instead of 113 dwelling units and 6,200 gsf of retail space on the ground floor instead of 6,875 gsf.[3]

[2] Fractional interest ownership refers to programs that divide ownership among a relatively small number of owners/users per dwelling unit. The project sponsor sold 1/12 interests in each of the fractional interest ownership units.

[3] The project analyzed in the 2004 FMND included 6,875 gsf of retail space. In 2008 6,200 gsf was constructed and it was sold in 2009. There is currently a Sprint store that fronts on Geary and Kearny and a 7 Eleven store on Kearny, just north of Sprint.

Project Constructed in 2008

The SUD for 690 Market Street, analyzed in the 2004 FMND, was adopted on March 18, 2004, by the Planning Commission (*Motion No. 16747)*. The SUD adoption was repealed three years later, on April 7, 2011, when *Ordinance 63-11* was signed by Mayor Edwin Lee and went into effect 30 days later; thus, the zoning district of 690 Market Street remains C-3-O.[4] As previously stated, the structural work for the project was completed in 2008, when the SUD was still in effect.

The constructed project differs from what was analyzed in the 2004 FMND in that: (1) twelve fewer units were actually constructed (101 units vs. 113); (2) the building is 314 ft tall instead of 312 ft tall (however, it is still 24 stories tall as described in the 2004 FMND and approved by Planning Commission *Motion No. 16748*); and (3) the parking garage is one level instead of two;[5] (4) the garage spans the basement levels of 690 and 660 Market Street, instead of being located in the basement level of 690 Market Street only;[6] and (5) the parking garage has 36 parking spaces and can accommodate 85 cars through valet and stackers instead of 29 parking spaces and the accommodation of 100 cars through valet parking and stackers (**Figures 2 through 5**).

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[4] The SUD does not need to be in place for the implementation of the revised proposed project (change of use for 24 units from hotel to residential). The underlying C-3-O zoning allows for this project modification.

[5] The two-level basement garage analyzed in the 2004 FMND was not feasible because the lower basement level would have interfered with BART's underground facilities. Email correspondence from Deborah Holley, Holley Consulting and Monica Pereira, San Francisco Planning Department, October 09, 2014. This document is on file in Case File No. 2013.1601E and available for public review at the San Francisco Planning Department, 1650 Mission Street, Suite 400.

[6] In 2008, the developer acquired the rights to the basement of 660 Market Street to construct a garage. After acquisition, the basements of 660 and 690 Market Street were connected through a wall removal. Together, these basements form the garage space currently known as the "690 Market Street garage". Garage access, to 660 & 690 Market Street is through 88 Kearny Street and it was analyzed in the 2004 FMND.

Proposed Revisions to Project

The revised project herein consists of the conversion of 24 hotel units to residential use. Of the 24 units to be converted, five are in shell condition (plumbing, wiring and ductwork need to be installed to connect to the existing base building systems), 14 are approximately 75 to 80 percent complete, and five are fully built out, but are unoccupied. As shown in **Table 2 - Revised Proposed Project Unit Mix**, there are ten one-bedroom units, 12 two-bedroom units and two three-bedroom units proposed. These units are located on floors 2, 5, 6, 7, and 9. The proposed project would also include the installation of 73 additional bicycle parking spaces (a mix of Class 1 and Class 2) in the parking garage that spans the basement levels of 690 Market Street and 660 Market Street. The proposed project does not include additional off-street parking, and all work associated with the currently proposed project would take place in the interior of the units in order to finish them and make them habitable (**Figures 6 through 11**).

Table 2 - Revised Proposed Project Unit Mix

	Floor 2	Floor 5	Floor 6	Floor 7	Floor 9	Total
One Bedroom	3	3	3	1	0	**10**
Two Bedroom	2	2	2	2	4	**12**
Three Bedroom	0	0	0	1	1	**2**
Total	5	5	5	4	5	**24**

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FIGURE 2: EXISTING SITE PLAN

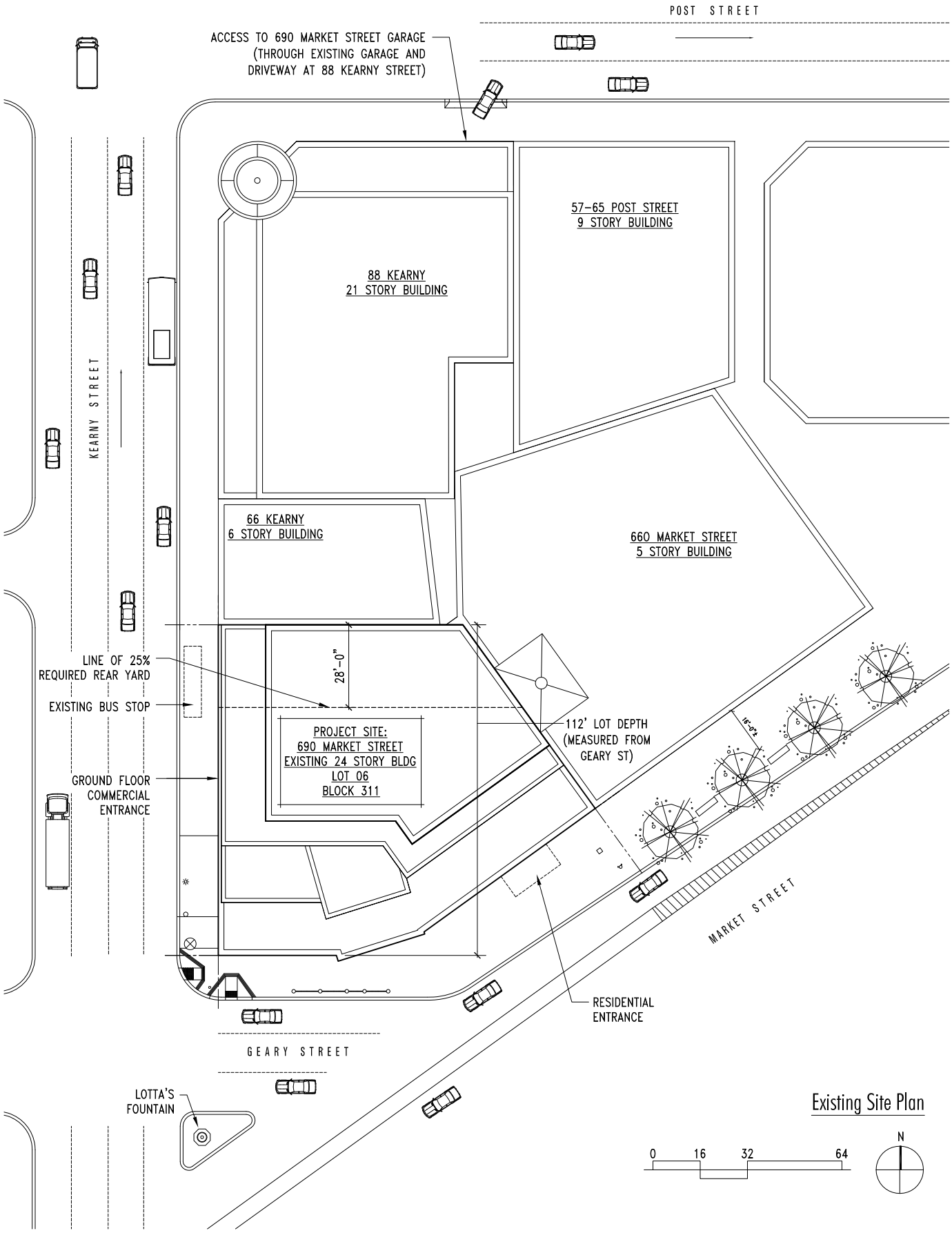


FIGURE 3: EXISTING GROUND FLOOR PLAN
(No work proposed on this floor)

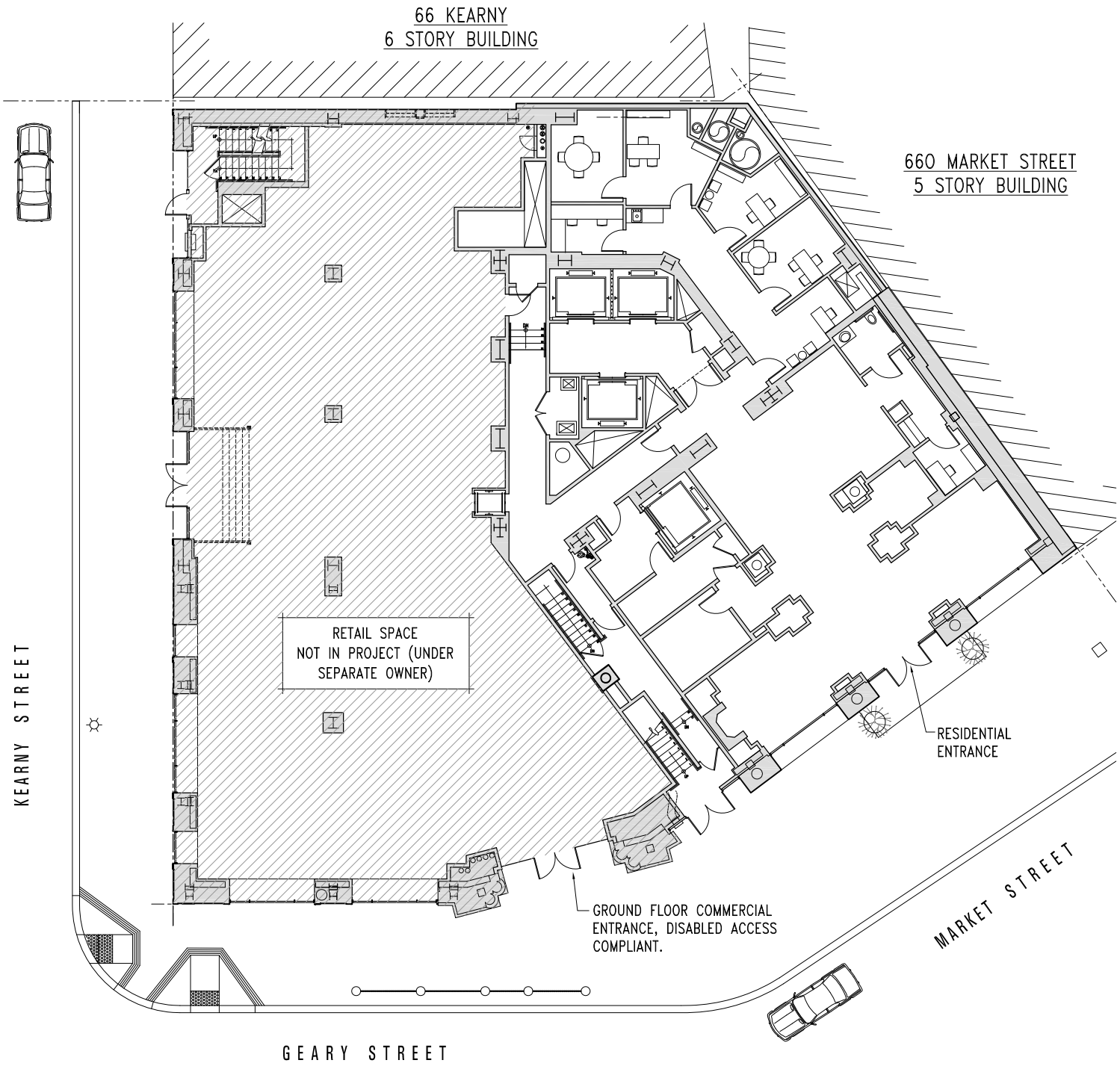


FIGURE 4: BASEMENT PARKING PLAN
(2004 MND PROPOSAL)

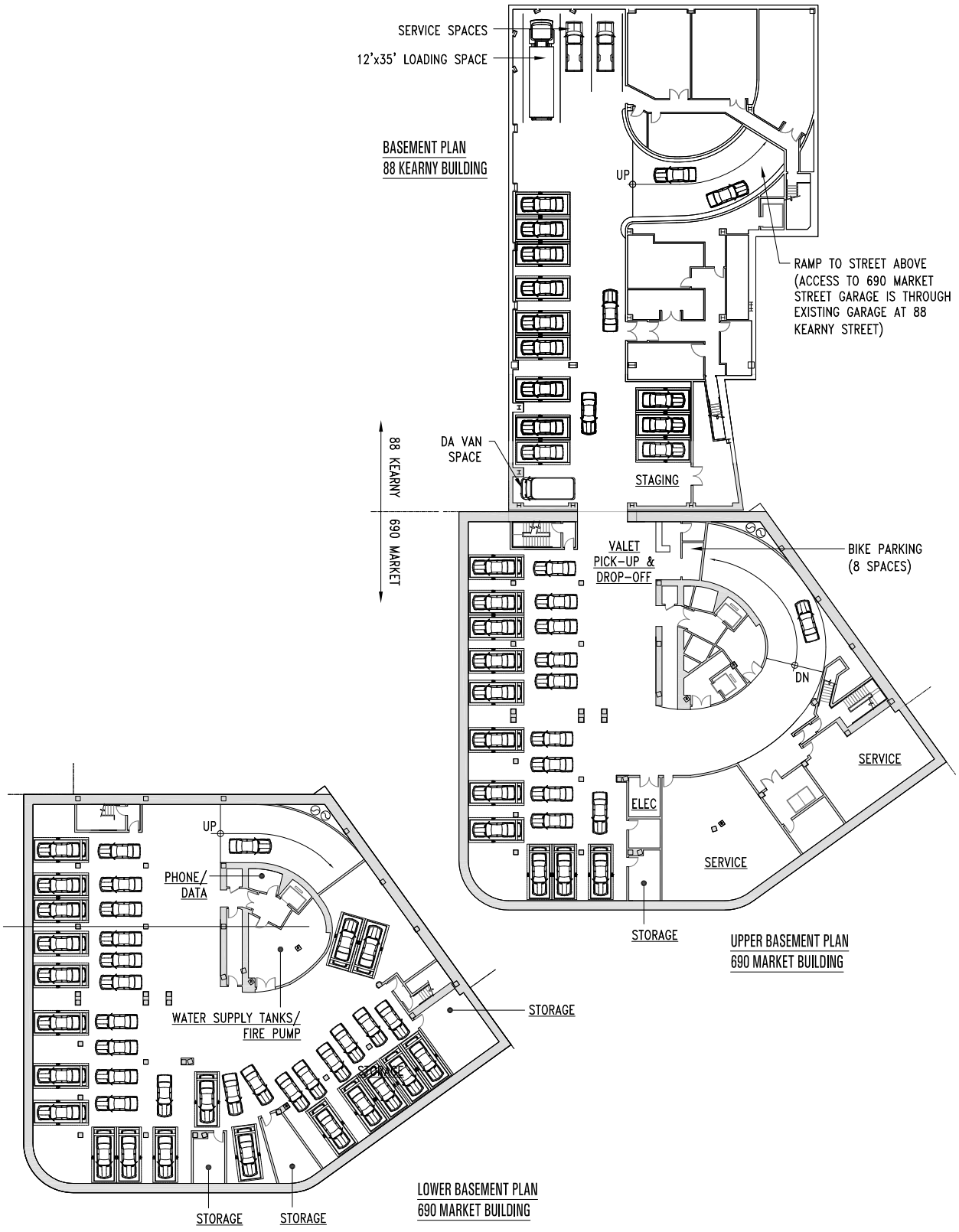
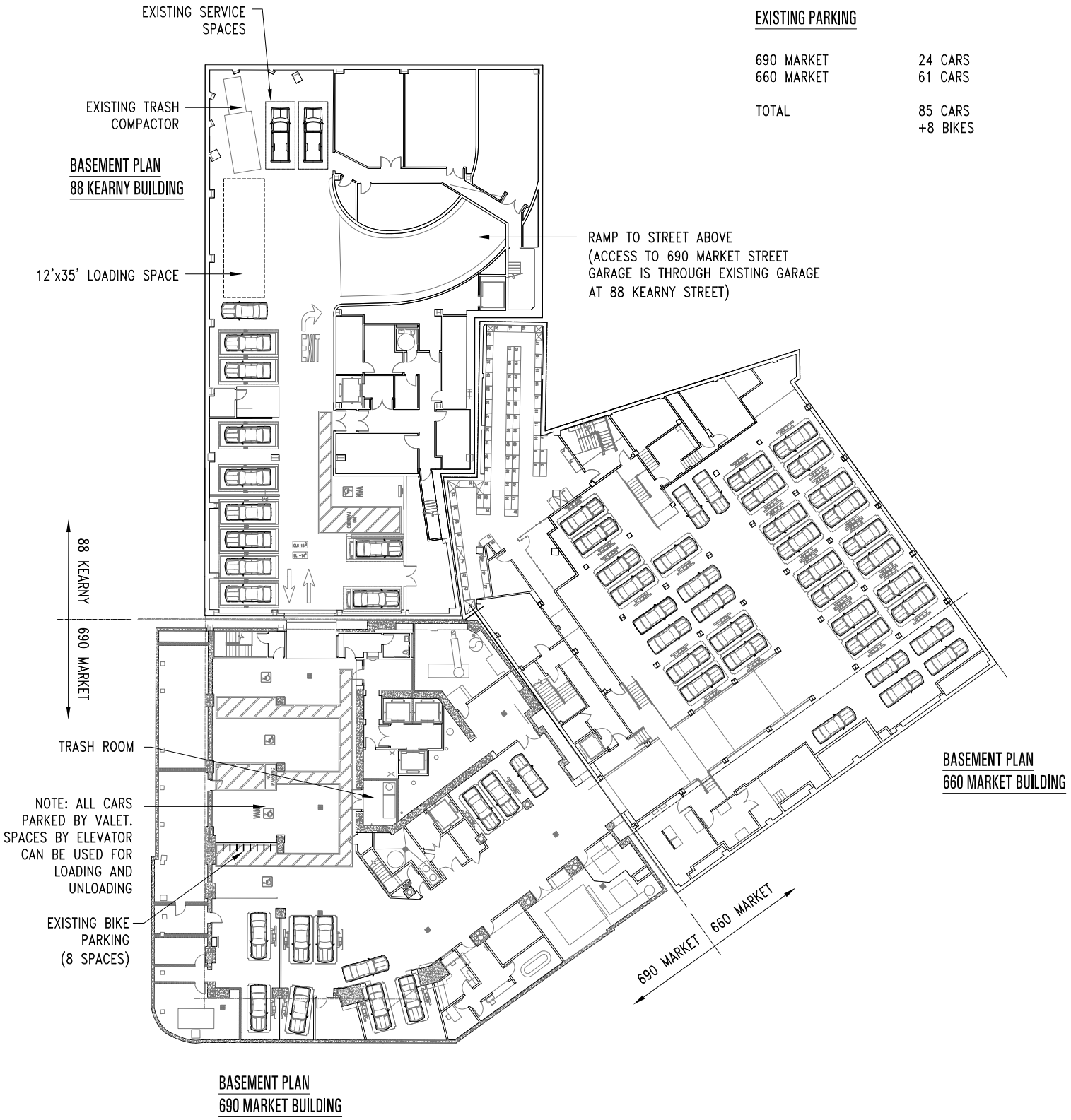


FIGURE 5: EXISTING PARKING PLAN
(2008 CONSTRUCTION)



EXISTING PARKING

690 MARKET	24 CARS
660 MARKET	61 CARS
TOTAL	85 CARS +8 BIKES

FIGURE 6: PROPOSED SECOND FLOOR PLAN
(Floor in shell condition)

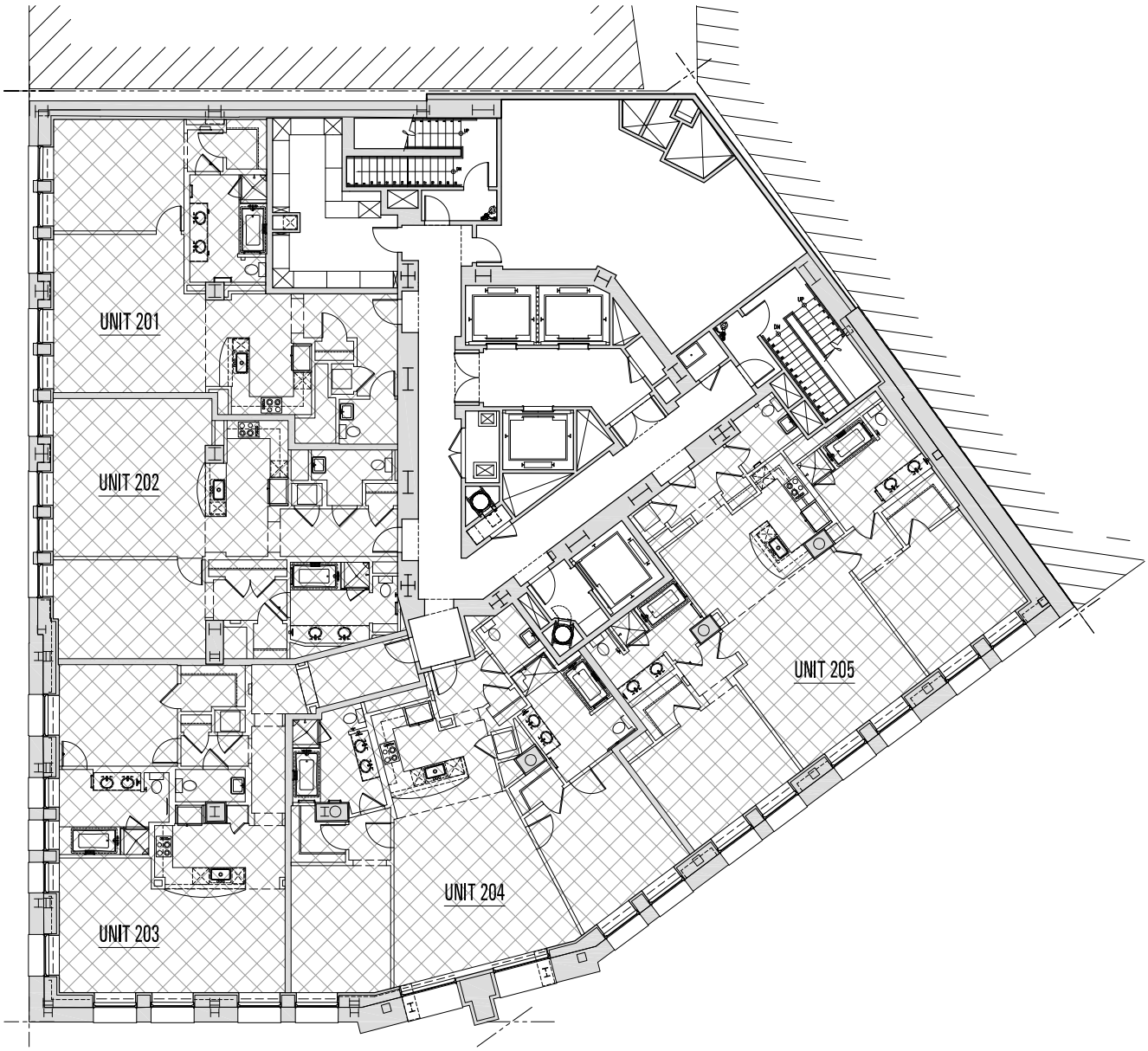


FIGURE 7: PROPOSED FIFTH FLOOR PLAN
(Units are constructed as shown)

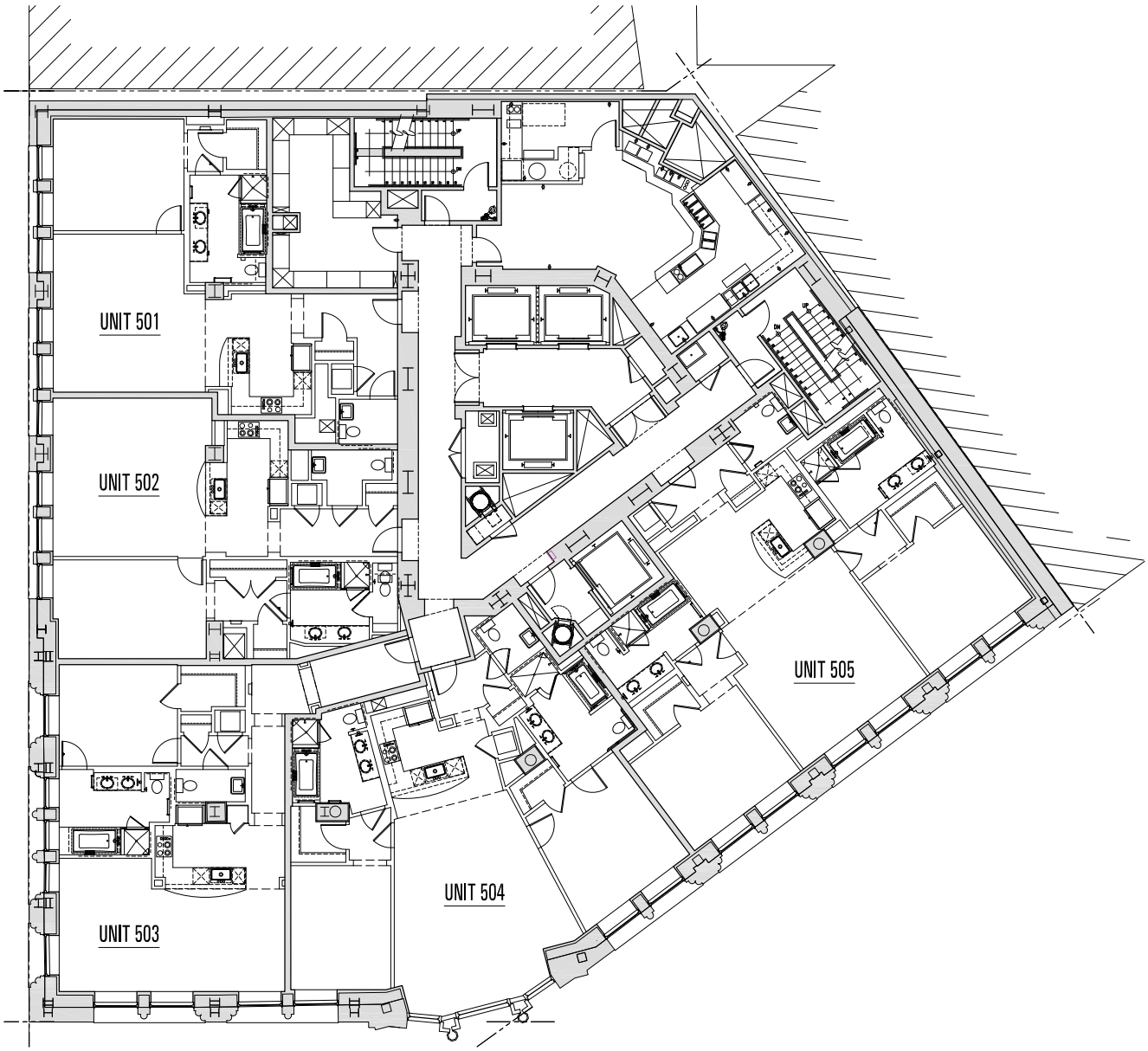


FIGURE 8: PROPOSED SIXTH FLOOR PLAN
(Units are constructed as shown)

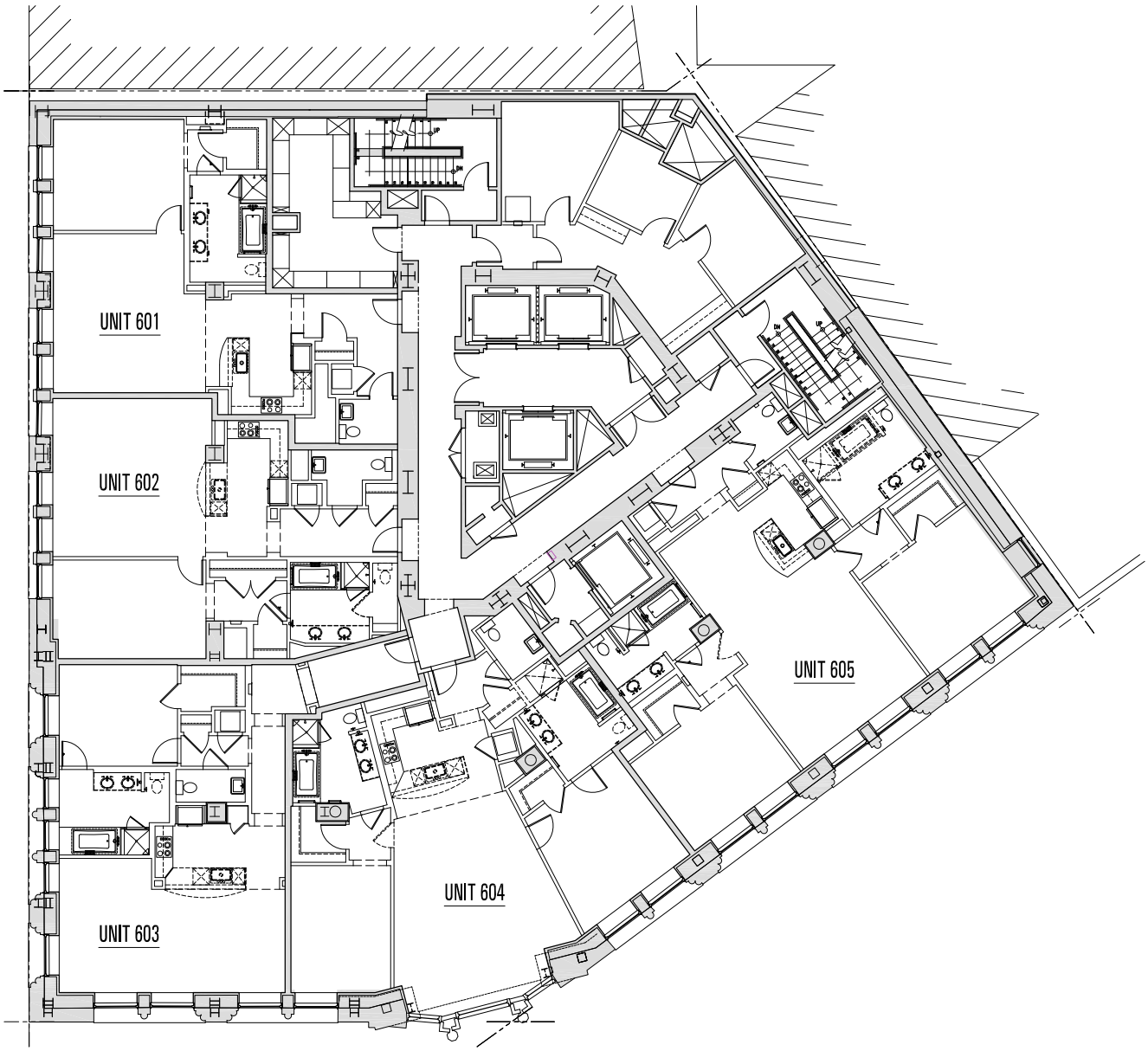


FIGURE 9: PROPOSED SEVENTH FLOOR PLAN
(Units are constructed as shown)

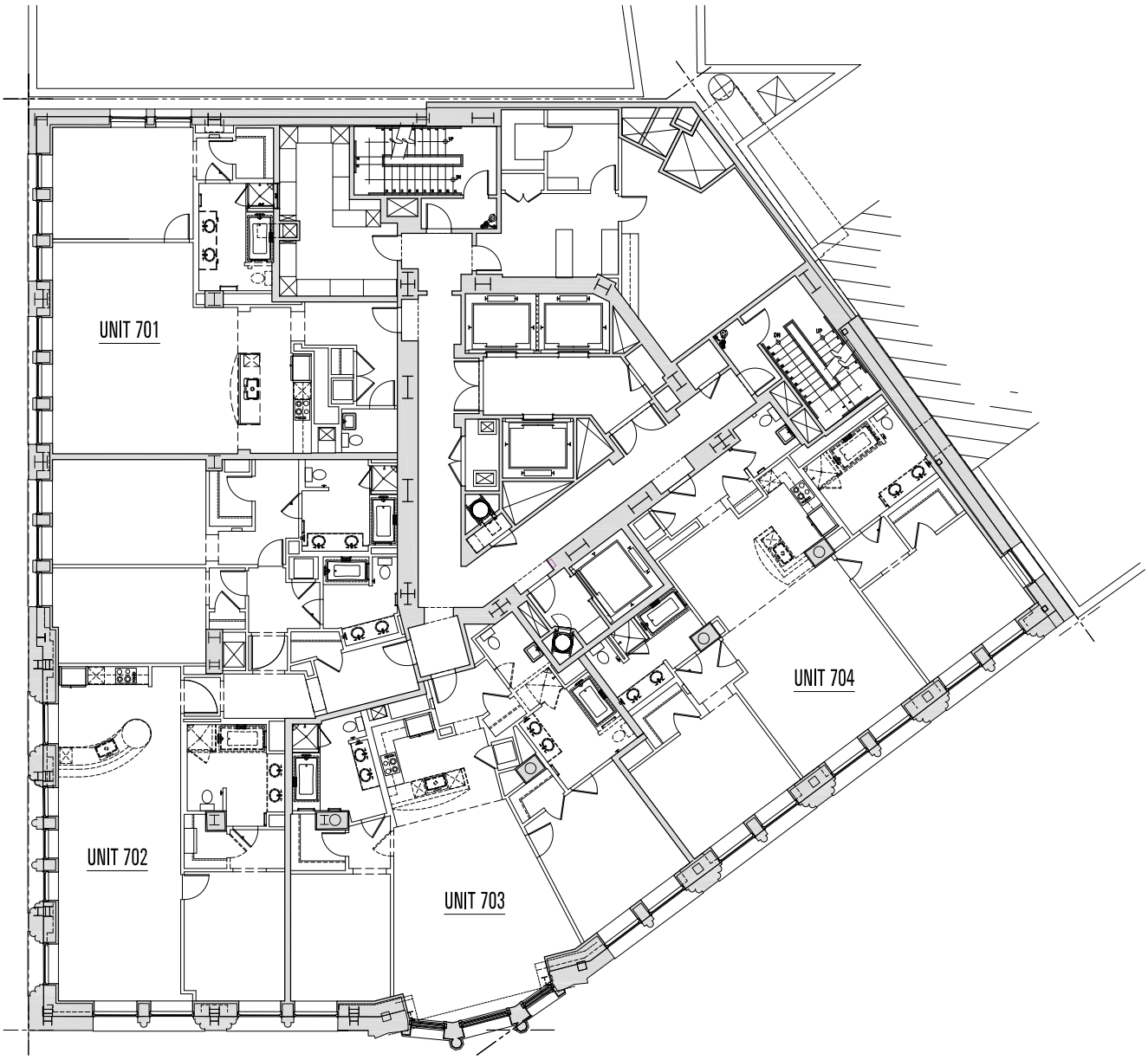


FIGURE 10: PROPOSED NINTH FLOOR PLAN

(Units are constructed as shown)

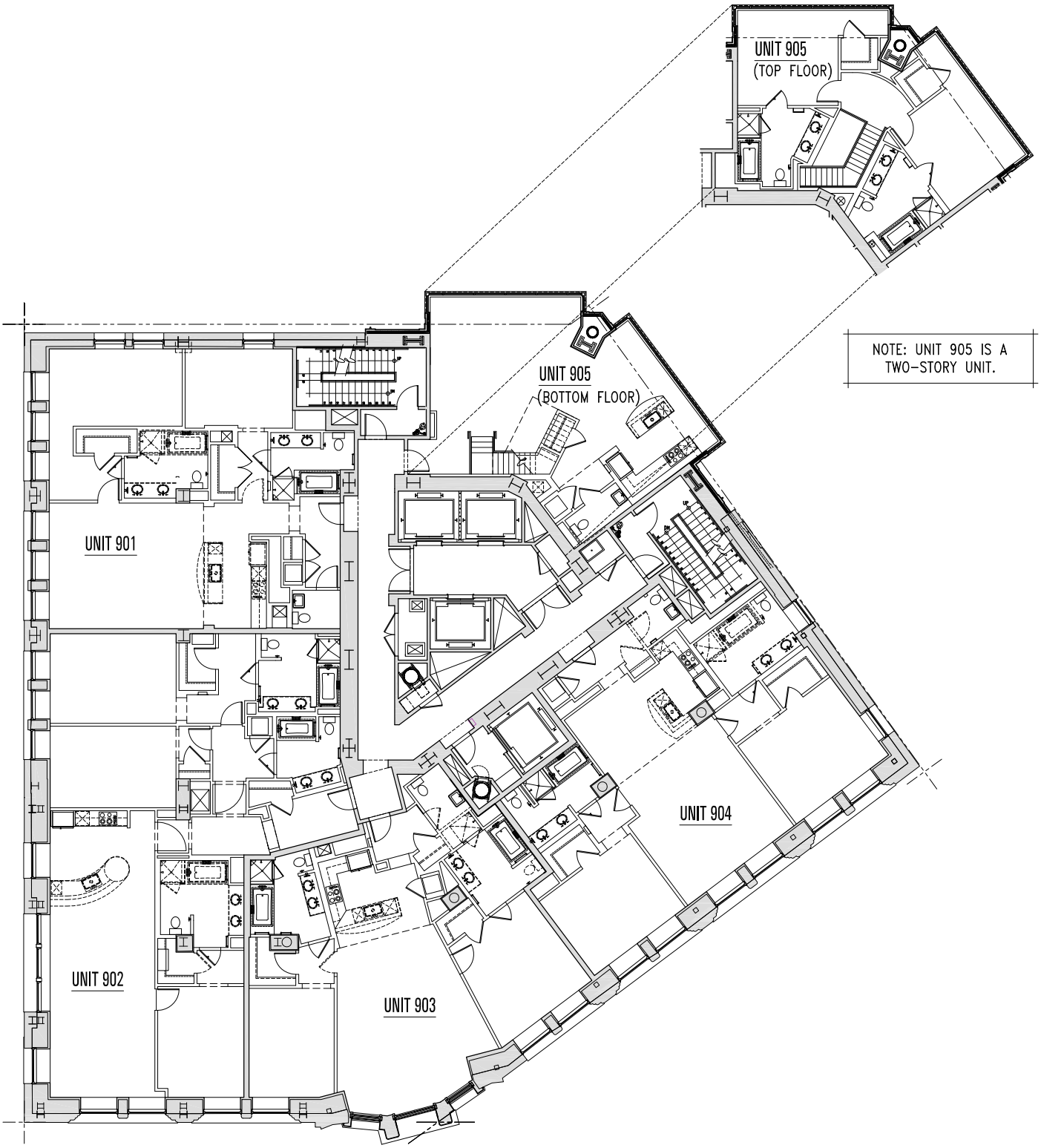


FIGURE 11: 2014 PROPOSED PARKING PLAN

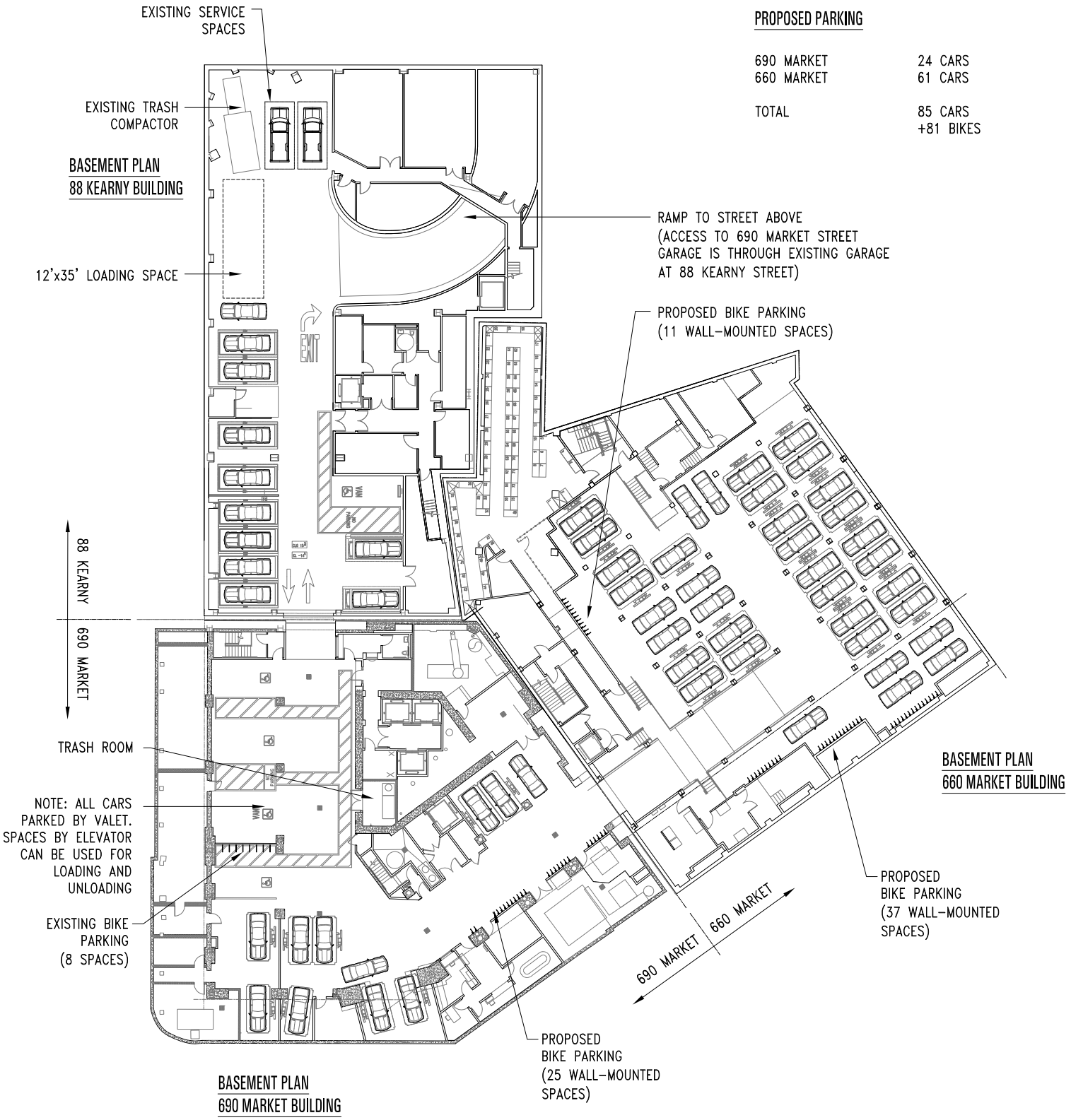


Table 3 - Project Comparison and **Table 4 - Maximum Residential Unit Mix Scenario Comparison**, compare the original 113-unit analyzed in the 2004 FMND project and the revised project. The revised project differs from that analyzed in the FMND in that the 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; the unit count would include 12 fewer units than what was analyzed in the FMND (101 instead of 113 units). Overall the proposed modifications would result in the conversion of 24 hotel units to residential units, which would reduce the size of the hotel use analyzed in the FMND from 115,425 gsf to 31,570 gsf, and the installation of 73 additional bicycle parking spaces (a mix of Class 1 and Class 2) in the parking garage that spans the basement levels of 690 Market Street and 660 Market Street. There would be 81 bicycle parking spaces instead of the eight analyzed in the FMND.

The proposed project does not include the construction of new vehicle parking spaces; however, the existing parking garage would be available to residents and hotel guests.

Table 3: Project Comparison

	Original 2004 Project	**Existing (Built)**	**Revised Proposed Project**	**Total (Existing + Revised Project)**
Residential	40 to 64 units (number of units dependent on unit scenario mix)	57 units	24 units (38,535 conversion from hotel to residential w/ interior construction work only)	81 units (exceeds max analyzed in FMND by 17 units)
Hotel/Timeshare	49 to 73 units (number of units dependent on unit scenario mix)	44 units	-24 units (existing hotel to be converted to residential)	20 units (below min analyzed in MND by 29 units)
Total Unit Count	**113**	**101**	**0 (change of use)**	**101**
Retail	6,875 gsf	6,200 gsf	0	6,200 gsf
Vehicle Parking	29 parking spaces that would accommodate 100 vehicles with valet & lifts (30,360 gsf)	36 spaces that accommodate 85 vehicles with valet & lifts	No change	36 spaces that accommodate 85 vehicles with valet & lifts
Bicycle Parking	8	8	73	81[7]

[7] The bike parking requirement is triggered by the addition of dwelling units to an existing building where off-street vehicle parking exists (155.2(a)(2); therefore, rule 155.2(b)(3) applies.

Restoration	Completed in 2008			
Height	24 stories (312 ft tall)	24 stories (314 ft tall)	No change	314 ft
Zoning District	Downtown Housing SUD (DH-SUD)	C-3-O	No change	NA

As shown in **Table 4 - Maximum Residential Unit Mix Scenario Comparison**, there would be 17 one-bedroom, 51 two-bedroom and 13 three-bedroom total residential units. There would be six one-bedroom, 12 two-bedroom, and four three-bedroom hotel units. There would be 29 fewer hotel units 17 more residential units; fewer one-bedroom and two-bedroom units and more three-bedroom units than assessed in the FMND**.**

Table 4 - Maximum Residential Unit Mix Scenario Comparison

	FMND		**Revised Proposed Project**	
	Condominium	Hotel	Condominium	Hotel
One Bedroom	26	15	17	6
Two Bedroom	38	29	51	12
Three Bedroom		5	13	4
Sub Total	**64**	**49**	**81**	**20**
Total	**113**		**101**	

Approvals Required

- San Francisco Planning Commission approval for a Downtown Project Authorization (DPA) pursuant to Planning Code Section 309 to modify a previously approved Downtown Project Authorization under Case Number 2004.0584EKXCMTZLY. The DPA is the approval action for the project.
- Variances for the following Planning Code Sections:
    - Required rear yard - Section 134(d) for all new residential units.
    - Usable open space – Section 135 for all new residential units.
    - Open space exposure – Section 140 for one new residential unit.
- San Francisco Department of Building Inspection (DBI) building permits for interior alterations.

Analysis of Potential Environmental Effects

Section 31.19(c)(1) of the San Francisco *Administrative Code* states that a modified project must be reevaluated and that, "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons therefor shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter."

California Environmental Quality Act (CEQA) Guidelines Section 15164 provides for the use of an addendum to document the basis for a lead agency's decision not to require a subsequent MND for a project that is already adequately covered in an adopted MND. The lead agency's decision to use an addendum must be supported by substantial evidence that the conditions that would trigger the preparation of a Subsequent MND, as provided in CEQA Guidelines Section 15162, are not present.

The previously approved project was subject to an FMND adopted by the Planning Department on February 11, 2004. The FMND analyzed the potential impacts of the original proposed project and found that the project would have three impacts that could be reduced to a less-than-significant level with the incorporation of mitigation measures (Air Quality, Hazardous Materials, and Archaeological Resources) and the project as mitigated would not have a significant effect on the environment. One improvement measure was included in the FMND to require the project sponsor to meet with the San Francisco Municipal Transportation Agency to determine ways to reduce impacts on traffic and pedestrian circulation for the conversion of an existing truck loading bay on Market Street to a shared truck and passenger loading bay.

The FMND also analyzed the project's potential impacts in the areas of Land Use, Visual Quality, Population, Transportation/Circulation, Noise, Air Quality/Climate, Shadows and Wind, Utilities/Public Services, Biology, Geology/Topography, Water, Energy/Natural Resources, Hazards and Cultural Resources.

Except for Greenhouse Gas Emissions, analyzed in this Addendum, all the effects of the original proposed project and the revised proposed project would be substantially the same. The following discussion substantiates this determination.

Since adoption of the FMND, no changes have occurred in the circumstances under which the original project or the project as is currently proposed would change the severity of the project's physical impacts, and no new information has emerged that would materially change the analyses or conclusions set forth in the FMND. Further, proposed changes to the project analyzed in the 2004 FMND, as demonstrated

below, would not result in any new significant environmental impacts or a substantial increase in the significance of previously identified environmental effects. The effects of the project would be substantially the same, or for many environmental topic areas of lesser severity than reported in the FMND for 690 Market Street. The following discussion provides the basis for this conclusion.

Land Use

The 2004 FMND found that the original project would introduce more intense residential and retail mixed uses in the area which includes existing and future residential commercial mixed uses. The changes in land use from office to residential, hotel and retail uses on the project site would not disrupt or divide the physical arrangement of this area of downtown San Francisco. Residential and retail uses are principally permitted uses in C-3 Districts; hotel use is conditionally allowed. Introduction of these uses at the project site would, therefore, be in conformance with the Planning Code. The nature and intensity of the proposed land use for the project were also consistent with the character of the area. Therefore, the 2004 change of use from office to residential, hotel and retail uses on the project site was determined to have a less-than-significant impact to land use.

The revised project differs from that analyzed in the mitigated negative declaration in that 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; which would result in an increase in the total number of residential units at the site from 64 to 81 and a decrease in hotel units from 49 to 20. As previously stated, these units were constructed in 2008, but the construction work has not been completed to a level of occupancy. Thus, these units would require interior construction work in order to be finished.

The revised project would contain similar land uses as the project analyzed in 2004 and a similar arrangement of open space, public accessibility, and roadways. The project would require a Downtown Project Authorization application for open space exception and variances for Planning Code sections: 134 (Rear Yard), 135 (Open Space), and 140 (Dwelling Unit Exposure). Although the unit mix (hotel vs. dwelling units) proposed by the revised project is different than what it was analyzed in the 2004 FMND, the total unit count proposed by the revised project is still within the 113 analyzed in that document. Thus, neither the increase of residential units, a Downtown Project Authorization, nor a variance would change the FMND conclusions. Furthermore, all proposed physical changes at the site for the revised proposed project are associated with construction work to finish the 24 existing hotel units that are under various stages of completion. All construction work would occur within the existing building shell and would not affect the building exterior or its height. Thus, changes proposed under the revised project would not result in adverse land use impacts either individually or cumulatively.

Historic Architectural Resources

As noted in the 2004 FMND, 690 Market Street was rated as a category "3S" building, which indicated that the building appeared to be eligible for listing in the National Register. It is noted in the FMND that the removal of a metal and glass curtain wall, installed in the 1960's, and the restoration of the building's original exterior fabric, would qualify the building as a potential historic resource. It was further stated that 690 Market Street was one of the few downtown buildings to survive the 1906 Earthquake and Fire. Thus, the building was evaluated, in the 2004 FMND, as a "presumed historic resource" which is considered a historic resource for CEQA purposes.

The original project included restoration of the original façade that was beneath a façade installed in the 1960's as well as vertical expansion to the existing building. Since the proposed restoration and the new addition was to be completed in accordance with the *Secretary of Interior's Standards*, the 2004 FMND found that the project analyzed in 2004 would not cause a substantial adverse change or materially impair the significance of the historic resource, as defined by CEQA.

The restoration work and building expansion was completed in accordance with the *Secretary of Interior's Standards* in 2008. On November 14, 2008, the Board of Supervisors signed an ordinance designating 690 Market Street as a historical resource under CEQA under Planning Code Article 11.[6]

The revised project differs from the project analyzed in 2004 in that it would only result in physical changes to the building interior in order to finish the construction of the 24 dwelling units proposed for the change of use from hotel to residential. The revised project, as proposed, would not change the existing building's character-defining features from the original project evaluated in the FMND or the restoration work performed in 2008. Accordingly, the revised project, as with the original project analyzed in the FMND, would not result in a significant adverse impact on historic resources.[7]

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[6]City of San Francisco Board of Supervisor's File No.080954, November 17, 2008. A copy of this document is available for public review at the Planning Department, 1650 Mission Street, 4th Floor.

[7] Lily Yegazu, San Francisco Planning Department, email correspondence to Monica Pereira, September 23, 2014. The document is available for public review as part of Case File No. 2013.1601E at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA.

Transportation

A transportation study was prepared for the 2004 FMND to analyze the transportation impacts of the original 2004 project.[9] The FMND found that the 2004 original project would have a less-than-significant impact to traffic, transit, pedestrians, bicycles, parking, construction, and loading.

Traffic

As set forth in the Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review, October 2002 (Guidelines),* [10] the Planning Department evaluates traffic conditions for the weekday PM peak period to determine the significance of an adverse environmental impact. Weekday PM peak-hour conditions (between the hours of 4 PM to 6 PM) typically represent the worst-case conditions for the local transportation network.

For purposes of conservative analysis, potential traffic effects of the revised project (a change of use of 24 existing units from hotel to residential) were examined using the trip generation rates for residential uses in the Planning Department's *Guidelines*[11] and it was assumed that trips generated by the revised project would have similar distribution patterns on the local and regional roadway network and street directions as for the previously proposed project in the FMND.

Under these conditions, the revised project would generate 215 daily person-trips (Person-trips include trips made by vehicle, transit, and walking or bicycling). The *Guidelines* indicate that 17.3% percent of the weekday person-trips for residential uses would occur during the PM peak-hour. Therefore, in this worst-case scenario, the revised project would generate about 37 new daily weekday PM peak-hour person trips. Overall, the daily weekday PM peak-hour person trips would be less than the 179 weekday PM peak-hour person trips generated for the maximum residential scenario analyzed for the original project. Vehicle-trips in the PM peak hour would be approximately 5 PM peak-hour vehicle trips, which would be less than the 82 PM peak-hour vehicle trips for maximum residential scenario analyzed in the 2004 FMND. This relatively low number of new trips would not have the potential to substantially affect levels of service at local intersections. Similar to the conclusions reached in the FMND, the revised project would not be expected to result in significant traffic impacts related to vehicular levels of service at either the project or cumulative levels.

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[9]LCW Consulting, *690 Market Street Transportation Study*, San Francisco Planning Department Case #2003.0584E, November 20, 2003. A copy of this report is available for public review at the Planning Department, 1650 Mission Street, Suite 400, San Francisco CA.

[10]This document can be located at http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=6753.

[11]Tania Sheyner, San Francisco Planning Department, *Transportation Calculations,* November 22, 2013. These calculations are available for public review as part of Case File No. 2013.1601E at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA.

Transit

Similar to the conclusions reached in the FMND, the revised project would not cause a substantial increase in transit demand which cannot be accommodated by existing transit capacity. The revised project would generate about 8 transit trips during the weekday PM peak hour as opposed to about 43 PM peak-hour transit trips for the maximum residential scenario and 45 PM peak-hour transit trips for the maximum hotel scenario analyzed in the FMND. Transit trips to and from the project site would utilize the nearby Muni bus lines and transfer to other Muni bus and light rail lines, or to regional transit providers including Caltrain, SamTrans, AC Transit, Golden Gate Transit and BART. Near the project site, transit lines have available capacity to accommodate additional transit trips generated by the revised project without substantially affecting transit operations. Similar to the findings in the FMND, the revised project would not substantially affect or result in a significant project or cumulative impact on transit operations.

Pedestrians

As with the original project, new pedestrian trips associated with the revised project would be accommodated on the existing sidewalks and crosswalks adjacent to the project site and would not substantially affect current pedestrian conditions. Therefore the revised project's impacts to the pedestrian network would be less than significant.

Bicycle

Some of the "walk/other" trips generated by the proposed project would be bicycle trips. The revised project would generate about 1 "other" trip during the PM peak hour, which could include bicycle trips. The revised project would provide 73 bicycle parking spaces on site and as proposed, it would not affect bicycle travel in the area or result in conflicts between bicycles and vehicles. Similar to the conclusions reached in the FMND, the revised project would not result in significant project or cumulative impacts to bicyclists.

Parking

The findings in this Addendum are consistent with the findings reported in the 2004 FMND and are presented here for informational purposes. The FMND notes that parking supply is not considered to be part of the permanent physical environment and lack of such parking would not be considered an environmental impact as defined by CEQA.

As discussed in the FMND, at midday, the original project would generate an estimated parking demand of 89 to 106 spaces depending on which residential/hotel use unit mix chosen to be implemented. The original project proposed 29 off-street parking spaces that would accommodate 100 vehicles through a combination of mechanical lifts and valet parking services. These parking spaces were to be provided in

the two-level subsurface garage with access from the 88 Kearny Street building driveway on Post Street. The original project would have resulted in a parking shortfall of 23 parking spaces.

The parking demand for the new uses associated with the proposed project was determined based on the methodology presented in the *Guidelines*. At midday, the demand for parking would be for 32 spaces. There are no new parking spaces proposed to meet this additional demand; thus, as proposed, the project would have an unmet parking demand of 32 parking spaces.

Public Resources Code Section 21099(d), effective January 1, 2014, provides that, "aesthetics and parking impacts of a residential, mixed-use residential, or employment center project on an infill site located within a transit priority area shall not be considered significant impacts on the environment." Accordingly, aesthetics and parking are no longer to be considered in determining if a project has the potential to result in significant environmental effects for projects that meet all of the following three criteria:

a) The project is in a transit priority area;
b) The project is on an infill site; and
c) The project is residential, mixed-use residential, or an employment center.

The proposed project meets each of the above three criteria and thus, this determination does not consider the adequacy of parking in determining the significance of project impacts under CEQA.[11] The Planning Department acknowledges that parking conditions may be of interest to the public and the decision makers.

Parking conditions are not static, as parking supply and demand varies from day to day, from day to night, from month to month, etc. Hence, the availability of parking spaces (or lack thereof) is not a permanent physical condition, but changes over time as people change their modes and patterns of travel. While parking conditions change over time, a substantial shortfall in parking caused by a project that creates hazardous conditions or significant delays to traffic, transit, bicycles or pedestrians could adversely affect the physical environment. Whether a shortfall in parking creates such conditions will depend on the magnitude of the shortfall and the ability of drivers to change travel patterns or switch to other travel modes. If a substantial shortfall in parking caused by a project creates hazardous conditions

[11] San Francisco Planning Department, Transit-Oriented Infill Project Eligibility Checklist for 690 Market Street, April 17, 2014. This document is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, as part of Case File No. 2013.1601E.

other travel modes. If a substantial shortfall in parking caused by a project creates hazardous conditions or significant delays in travel, such a condition could also result in secondary physical environmental impacts (e.g., air quality or noise impacts caused by congestion), depending on the project and its setting.

The absence of a ready supply of parking spaces, combined with available alternatives to auto travel (e.g., transit service, taxis, bicycles or travel by foot) and a relatively dense pattern of urban development, induces many drivers to seek and find alternative parking facilities, shift to other modes of travel, or change their overall travel habits. Any such resulting shifts to transit service or other modes (walking and biking), would be in keeping with the City's "Transit First" policy and numerous San Francisco General Plan Polices, including those in the Transportation Element. The City's Transit First Policy, established in the City's Charter Article 8A, Section 8A.115, provides that "parking policies for areas well served by public transit shall be designed to encourage travel by public transportation and alternative transportation."

The transportation analysis accounts for potential secondary effects, such as cars circling and looking for a parking space in areas of limited parking supply, by assuming that all drivers would attempt to find parking at or near the project site and then seek parking farther away if convenient parking is unavailable. The secondary effects of drivers searching for parking is typically offset by a reduction in vehicle trips due to others who are aware of constrained parking conditions in a given area, and thus choose to reach their destination by other modes (i.e. walking, biking, transit, taxi). If this occurs, any secondary environmental impacts that may result from a shortfall in parking in the vicinity of the proposed project would be minor, and the traffic assignments used in the transportation analysis, as well as in the associated air quality, noise and pedestrian safety analyses, would reasonably address potential secondary effects. As previously stated on an average weekday, the demand for parking would be for 32 spaces. The proposed project would not provide off-street parking spaces. Thus, as proposed, the project would have an un-met parking demand on site.

Loading

Planning Code Table 152.1 requires residential and hotel uses between 200,001 and 500,000 square feet to provide 2 off-street loading spaces. The revised project would result in 31,570 gsf of hotel space; thus, an off-street loading space is not required. Currently, there is one dedicated off-street loading space in the 88 Kearny Street parking garage that meets the Planning Code requirements. Access to the loading area is from the entrance/exit ramp from Post Street. This loading area would service the proposed new residential dwelling units. Therefore, consistent with the findings in the FMND for the original project, the revised project would have a less-than-significant impact on loading.

Construction

Construction to finish the 24 dwelling units would be phased over and take approximately 8 months, shorter than the 23 months estimated in the FMND. Construction is estimated to begin starting early spring of 2015. Construction staging would take place onsite, and there would be sufficient space to accommodate temporary off-loading and stacking materials. Construction worker parking is also expected to be accommodated on site. It is anticipated that no regular travel lanes or bus stops would need to be closed or relocated during the construction period. As with the original project, construction-related impacts to transportation, circulation, and parking would be temporary and would be less than significant.

Air Quality

The 2004 FMND found that the project would not violate ambient air quality standards, expose sensitive receptors to substantial pollutant concentrations, create objectionable odors, or alter wind, moisture, or temperature so as to substantially affect public areas.

The FMND determined that construction emissions associated with the original project would be less than significant because the original project would be required to implement construction-related ***Mitigation Measure 1: Construction Air Quality***, which would require the implementation of best management practices recommended by the Bay Area Air Quality District's (BAAQMD). For operational emissions, the original project would not exceed the BAAQMD thresholds (in place in 2003) for particulate matter (PM10), nitrogen oxide (NOx), or reactive organic gases (ROG).

San Francisco has adopted a Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008). The Construction Dust Control Ordinance was adopted with the intent of reducing the quantity of dust generated during site preparation, demolition and construction work in order to protect the health of the general public and on-site workers, minimize public nuisance complaints, and avoid orders to stop work by the Department of Building Inspection (DBI). Thus, the air quality mitigation measure (***Mitigation Measure 1: Construction Air Quality***) set forth in the 2004 FMND would no longer apply to the proposed project.

Below are the following regulations and procedures set forth in Section 106A.3.2.6.3 of the San Francisco Building Code's General Dust Control Requirements:

- Water all active construction areas sufficiently to prevent dust from becoming airborne. Increased watering frequency may be necessary whenever wind speeds exceed 15 mile per hour. Reclaimed water must be used if required by Article 21, Section 1100 et seq. of the San Francisco Public Works Code. If not required, reclaimed water should be used whenever possible;

- Provide as much water as necessary to control dust (without creating run-off) in an area of land clearing, earth movement, excavation, drillings, and other dust-generating activity;

- During excavation and dirt-moving activities, wet sweep or vacuum the streets, sidewalks, paths, and intersections where work is in progress at the end of the workday;

- Cover any inactive (no disturbance for more than seven days) stockpiles greater than ten cubic yards or 500 square feet of excavated materials, backfill material, import material, gravel, sand, road base, and soil with a 10 mil (0.01 inch) polyethylene plastic or equivalent tarp and brace it down or use other equivalent soil stabilization techniques; and

- Use dust enclosures, curtains, and dust collectors as necessary to control dust in the excavation area.

Compliance with the San Francisco Building Code's General Dust Control Requirements would ensure that the project's fugitive dust impacts would be less than significant.

Subsequent to publication of the 690 Market Street FMND, the Bay Area Air Quality Management District (BAAQMD), the regional agency with jurisdiction over the nine-county San Francisco Bay Area Air Basin (Air Basin), updated the 2011 BAAQMD CEQA Air Quality Guidelines (Air Quality Guidelines),[12] and provided new methodologies for analyzing air quality impacts for construction and operations. The Air Quality Guidelines provide screening criteria for determining whether a project's criteria air pollutant emissions may violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. If a project meets the screening criteria, then the lead agency or applicant would not need to perform a detailed air quality assessment of their proposed project's criteria air pollutant emissions, and construction or operation of the proposed project would result in a less-than-significant regional air quality impact.

As proposed, the revised project meets the BAAQMD's thresholds for criteria air pollutant emissions for construction and operations, and therefore project impacts would be less than significant.

For determining potential health risk impacts, San Francisco has partnered with the BAAQMD to inventory and assess air pollution and exposures from mobile, stationary, and area sources in San Francisco, and identify portions of the City that result in additional health risks for affected populations (Air Pollutant Exposure Zone). The Air Pollutant Exposure Zone was identified based on two health based criteria:

[12]BAAQMD, CEQA Air Quality Guidelines, updated May 2011.

1. Excess cancer risk from all sources > 100; and
2. Particulate matter 2.5 microns in diameter or less ($PM_{2.5}$) concentrations from all sources, including ambient particulates less than 10 micrograms per cubic meter.

Sensitive receptors[13] in the Air Pollutant Exposure Zone are more at risk for adverse health effects from exposure to substantial air pollutant concentrations than sensitive receptors outside the Air Pollutant Exposure Zone. These locations (i.e., in the Air Pollutant Exposure Zone) require additional consideration when projects or activities have the potential to emit toxic air contaminants (TACs), including diesel particulate matter (DPM) emissions from temporary and variable construction activities.

The project site is located in an Air Pollutant Exposure Zone. As such, the project is required to comply with Article 38 requirements which requires the project sponsor to demonstrate, to the Department of Public Health (DPH), that the building ventilation system removes at least 80 percent of the outdoor $PM_{2.5}$ concentrations from habitable areas and be designed by an engineer certified by ASHRAE, who should provide a written report documenting that the system meets the 80 percent performance standard and offers the best available technology to minimize outdoor to indoor transmission of air pollution.

In 2008, an HVAC system was installed at the project site as part on the overall project construction. On June 9, 2014, the project sponsor submitted a copy of an *Enhanced Ventilation Proposal* for 690 Market Street to DPH for review and approval.[14] On June 11, 2014, DPH issued an approval letter deeming the current ventilation system in compliance. In its approval letter, DPH recommended that the DBI consider the ventilation system, as described in the June 9th letter, compliant with Article 38.[15]

As previously discussed, the proposed project has been revised, compared to the original project that was analyzed in 2004. The revised project differs from that analyzed in the mitigated negative declaration in that 24 units located on floors 2, 5, 6, 7 and 9 would change from hotel to residential use; which would

[13] The BAAQMD considers the following as sensitive receptors: children, adults or seniors occupying or residing in: 1) residential dwellings, including apartments, houses, condominiums; 2) schools, colleges, and universities; 3) daycares; 4) hospitals; and 5) senior care facilities. BAAQMD, Recommended Methods for Screening and Modeling Local Risks and Hazards, May 2011, page 12.

[14] Charles F. Bloszies, *Residential Conversion – 690 Market Street SFDPH Article 38 Ventilation Documentation,* June 9, 2014. A copy of this document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No.2013.1601.

[15] San Francisco Department of Public Health. *Article 38 Enhanced Ventilation System Approval for 690 Market Street Project,* June 11, 2014. This document is available for review at the Planning Department, 1650 Mission Street, Suite 400, in Case File No.2013.1601.

result in an increase on the total number of residential units at the site from 64 to 81 and a decrease in hotel units from 49 to 20. As previously stated, these units were constructed in 2008, but the construction work has not been completed to allow occupancy. Thus, these units would require interior construction work in order to be finished. The proposed project would generate 5 PM peak-hour vehicle trips, which would be less than the 51 PM peak-hour vehicle trips for maximum residential scenario and 44 PM peak-hour vehicle trips for the maximum hotel scenario previously analyzed in the 2004 FMND. Thus, operational emissions would remain less than significant as the change of project-related traffic would not be substantial compared to the revised project.

Based on the above, the proposed project would have less-than-significant impacts related to air quality, as was identified in the 2004 FMND.

Greenhouse Gases

The State CEQA Guidelines were amended in 2010 to require an analysis of a project's greenhouse gas (GHG) emissions on the environment. The FMND for the 690 Market Street was adopted in 2004, and therefore did not analyze the effects of GHG emissions. In addition, the BAAQMD has prepared guidelines that provide methodologies for analyzing air quality impacts under CEQA, including the impact of GHG emissions. The following analysis is based on BAAQMD's guidelines for analyzing GHG emissions, and incorporates amendments to the CEQA guidelines relating to GHGs.

The proposed project would increase the activity onsite by replacing the existing 24 timeshare units (hotel use) with 24 residential dwelling units. Therefore, the proposed project would contribute to annual long-term increases in GHGs as a result of increased vehicle trips (mobile sources) and residential operations that result in an increase in energy use, water use and wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions.

The BAAQMD has prepared guidelines and methodologies for analyzing GHGs. These guidelines allow for projects that are consistent with a Qualified GHG Reduction Strategy to conclude that the project's GHG impact is less than significant. San Francisco's Strategies to Address Greenhouse Gas Emissions (GHG Reduction Strategy)[16] presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's Qualified GHG Reduction Strategy in compliance with the

[16] Greenhouse Gas Analyis: Compliance Checklist for 690 Market Street. May 28, 2014. This document is on file in Case File No. 2013.1601E and available for public review at the Planning Department, 1650 Mission Street, Suite 400.

BAAQMD's guidelines. These actions have resulted in a 14.5 percent reduction in GHG emissions in 2010 compared to 1990 levels, exceeding the year 2020 reduction goals outlined in the BAAQMD's 2010 Clean Air Plan, Executive Order S-3- 05, and Assembly Bill 32 (also known as the Global Warming Solutions Act). Therefore, projects that are consistent with San Francisco's GHG Reduction Strategy would not result in GHG emissions that would have a significant effect on the environment, and would not conflict with state, regional, and local GHG reduction plans and regulations.

The proposed project would be subject to and required to comply with several regulations adopted to reduce GHG emissions as identified in the GHG Reduction Strategy. The regulations that are applicable to the proposed project include the Bicycle Parking in Residential Buildings requirements, Car Sharing and Parking requirements, Street Tree Planting Requirements for New Construction, Mandatory Recycling and Composting Ordinance, Indoor Water Efficiency, Stormwater Management, Building Code Low-emitting Materials Requirements and San Francisco Green Building Requirements for Energy Efficiency, Water Use Reduction, and Construction and Demolition Debris Recycling.

These regulations, as outlined in San Francisco's Strategies to Address Greenhouse Gas Emissions, have proven effective, as San Francisco's GHG emissions have been measurably reduced when compared to 1990 emissions levels, demonstrating that the City has met and exceeded Executive Order S-3-05, Assembly Bill 32, and the Bay Area 2010 Clean Air Plan GHG reduction goals for the year 2020. The proposed project was determined to be consistent with San Francisco's GHG Reduction Strategy. Other existing regulations, such as those implemented through Assembly Bill 32, will continue to reduce a proposed project's contribution to climate change. Therefore, the proposed project's GHG emissions would not conflict with state, regional, and local GHG reduction plans and regulations. Thus, the proposed project would result in a less-than-significant impact with respect to GHG emissions. No mitigation measures are necessary.

Noise

The 2004 FMND states that the original project would have involved construction of an eight-story addition to an existing building to accommodate 113 dwelling units, retail and parking spaces. The project also included rehabilitation of the original building's historic exterior. Per the 2004 FMND, the construction work would have required pile driving within the existing enclosed basement of the building.

The FMND identified an increase in the ambient sound levels during construction as a result of construction equipment that included pile driving. The FMND determined that compliance with the San Francisco Noise Ordinance would reduce construction impacts to less-than-significant levels.

As previously stated, the building expansion and infrastructure work was completed in 2008, which included the construction of the existing 24 dwelling units that are currently proposed for a change of use from hotel to residential. These 24 dwelling units were not constructed to completion and require additional work to be deemed habitable by Planning and Building standards. The proposed construction work necessary to finish these units would take place in the interior of the building. Also, as proposed there would be no pile driving associated with the current project. Thus, construction noise and vibration impacts would be similar or less than the originally proposed 2004.

In addition to construction noise, the 2004 FMND states that the original project would have included stationary noise sources associated with the mixed-use development. The project would include mechanical equipment, such as air-conditioning units and chillers. These stationary noise sources would not have caused a noise impact given the background noise in the area. The currently proposed project would utilize the existing HVAC system in the building, which was installed in 2008 and will not require upgrades or expansion. Thus, stationary noise sources for the proposed project would be similar to those described in the 2004 FMND; no new impacts would occur and no mitigation measures are required.

The 2004 FMND noted that the background noise level in San Francisco is elevated primarily due to traffic noise, and that traffic volumes would have to double before an increase in noise level would be noticeable to most people. Traffic noise increases with implementation of the currently propose project would be similar to those described for the project analyzed in the 2004 FMND, and no new impacts would occur.

The 2004 FMND states that the original project would have been exposed to ambient noise in the project area due primarily to traffic. The original analysis called for the 2004 project to comply with Title 24 standards. Title 24 required interior noise levels at noise sensitive uses to achieve 45 dBA or less. The 2004 FMND concluded that compliance with Title 24 would reduce exposure to ambient noise to a less-than-significant impact. As of January 2014, Title 24 no longer regulates interior noise insulation for residential use; however, the building upgrades and expansion were constructed in 2008 in accordance to formal Title 24 requirements of that time.

than-significant impact. As of January 2014, Title 24 no longer regulates interior noise insulation for residential use; however, the building upgrades and expansion were constructed in 2008 in accordance to formal Title 24 requirements of that time.

To evaluate sensitive user's exposure to ambient noise levels, noise measurements were conducted at the project site between May 22, 2014, and May 23, 2014 and presented in an Environmental Noise Study prepared by Salter Associates.[18] The noise monitoring survey included two long-term noise measurements and one short-term measurement. In the vicinity of the project site, the measured outdoor ambient day-night sound level (DNL or L_{dn}) was 78 decibels (dBA) along Market Street, and the DNL along Kearny Street was 77 dBA. Consistent with the findings in the 2004 FMND, the noise environment at the site still is dominated by vehicular traffic along Market Street and Kearny Street. There are bus routes along both streets and light rail lines along Market Street. Truck and motorcycle passbys and emergency vehicles also contribute to the noise environment.

Like the original project analyzed 2004 FMND, the revised proposed project would also be exposed to ambient noise in the project area due primarily to traffic. However, since the building was constructed to the more restrictive Title 24 guidelines in place in 2008, interior noise levels would achieve 45 dBA or less, and therefore, the currently proposed project would be compatible with the ambient noise environment. In addition, both construction and operation of the revised proposed project would be required to comply with the San Francisco Noise Ordinance (Article 29 of the *Police Code)*, amended in November 2008, which includes restrictions on noise levels of construction equipment and hours of construction activity. Compliance with Article 29 would ensure that this project has a less-than-significant impact on noise levels, similar to the less-than-significant impact identified for the 2004 FMND.

Other Issues

The 2004 FMND for the 690 Market Street project determined that, for the following topics, any environmental effects associated with the project would either be insignificant or would be reduced to a level of less-than-significant by implementation of the mitigation measures adopted as conditions of project approval: Visual Quality, Population, Wind, Shadow, Utilities/Public Services, Biology, Geology/Topography, Water, Energy/Natural Resources, Hazardous Materials, and Archaeological Resources. The FMND's mitigation measures to address Air Quality, Hazardous Materials, and

[18]Charles M. Salter Associates, Inc., *Environmental Noise Study for 690 Market Street, San Francisco, CA, CSA Project Number: 14-0298*. June 18, 2014. Prepared for Holley Consulting. This document is available for public review at the Planning Department, 1650 Mission Street, Suite 400, as part of Case No. 2013.1601E.

be applied to the revised project, except the Construction Air Quality Mitigation Measure as discussed above.

Conclusion

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the final mitigated negative declaration adopted and issued on February 11, 2004 remain valid and that no supplemental environmental review is required. The proposed revisions to the project would not cause new significant impacts not identified in the final mitigated negative declaration, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the project would cause significant environmental impacts. Therefore, no supplemental environmental review is required beyond this addendum.

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

October 29, 2019
Date of Determination

Sarah Jones, Environmental Review Officer
for John Rahaim, Director of Planning

cc: Scott Emblidge, Moscone Emblidge Sater & Otis
Kanishka Burns, Current Planning Division
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