

Exhibit U-1 Market & Octavia Historic Resource Procedures

CASE REPORT
Hearing on 2/8/2007
Action Proposed for 2/15/2007

Case No: 2003.0347EEMTUZ

Case Planners: AnMarie Rodgers, Plan Manager 558-6395,
Kearstin Dischinger, Stephen Shotland, and Aksel
Olsen

Date: February 1, 2007

Reviewed By: John Billovits, 558-6390

Applicant: San Francisco Planning Department

The San Francisco Planning Department is proposing to amend the San Francisco General Plan, Planning Code and Zoning Map as the culmination of the Market & Octavia Better Neighborhoods planning effort, as initiated on September 28th, 2006. The U Case consists of a Planning Commission resolution establishing specific procedures to integrate the Market and Octavia Historic Resources Survey (Survey) into the Market & Octavia Area Plan (Plan) as well as to establish interim elevated scrutiny of permit review and a housing monitoring overlay.

Background Information

The Market & Octavia Plan (Plan) envisions new housing that is compatible with and respectful of the fabric of the rich and diverse neighborhoods in this central part of town.

The Plan introduces a number of policies elevating historic preservation as well as a strong program for the restoration of the historic urban pattern previously scarred by large infrastructure projects of the middle of the last century. The Area Plan calls for the identification and preservation of historic resources through surveys in the Plan Area. The Department has received funding and retained a consultant who is currently performing an area-wide historic resource survey. The Survey will enrich the available information on historic resources in the area. The Survey is expected to be completed by early summer after which its findings will be incorporated into planning policy and controls as necessary. This resolution addresses historic preservation concerns during

the interim period between plan adoption and integration of the completed survey findings. It is intended to formalize agreements the Department has discussed with interested community members and is pursuant to the spirit of the Plan.

Attached to this case report (Exhibit U-1) is the implementing resolution, Resolution U (Exhibit U-2), and two additional exhibits: "Exhibit U-3" and "Exhibit U-4". Exhibit U-3 describes "Interim Procedures for Permit Review Within the Market & Octavia Area Plan" and was included with the Market & Octavia Initiation Materials submitted for the September 28th, 2006 hearing. Since the initiation hearing, changes have been made as is indicated by underlined text. The most significant change to Exhibit U-3 is the addition of a new "Housing Monitoring & Reporting Overlay for the Upper Market Sub Area". This addition will require specific consideration by the Planning Commission at public hearings for projects in this sub area that would exceed existing housing density. Exhibit U-4 is a new proposal that seeks to establish concrete procedures for incorporating historic resource survey results into the Market & Octavia Area Plan.

Requested Commission Action

The Planning Commission may pass the attached resolutions directing the Department to address historic preservation concerns in two key ways during this interim period between approval of this resolution and until the survey is endorsed and the associated amendments to the Plan and its implementing controls, if any, are adopted. The resolutions calls for the Department to:

- Adhere to stringent permit review procedures comparable to those currently in place for already identified historic structures, effectively reviewing a wide set of permits for external changes based on standards set by the Secretary of the Interior for treatment of historic properties regardless of the absence of a demonstrated historic rating; and
- Require additional review in a public hearing before the Planning Commission for projects in the Upper Market Sub Area that would add more than 1 unit and exceed existing housing density in the sub-area;
- Commit to a procedure and timeline for the integration of the Survey findings into the Plan and related planning instruments.
- In addition to the above procedures, the Department proposes to retain the existing height in one plan subarea. Based on concerns raised by the historic preservation community about preservation of potential historic resources, staff has revised the height district map to retain the heights on Market Street west of Church Street. The height district will remain at 50' on Market Street west of Church Street (with a possible extension to 55' to encourage a more appropriate height for retail space or other active use at the street level) instead of the Plan's proposed 65' height district. Although the Department believes that a 65' height district is both reasonable and appropriate, the increase to 65' is withdrawn at this time and will be reevaluated with information gleaned from the Survey once it's endorsed.
- The Department has proposed a 50' height district on Market Street west of

Church Street instead of the Plan's proposed 65' height district. Although the Department believes that a 65' height district is both reasonable and appropriate, the increase to 65' is withdrawn at this time and will be reevaluated as part of the Post-Survey Report described in Exhibit U-4. This change in height is implemented through proposed amendments to the Zoning Map, Exhibits Z-1a to Z-3a.

Public Comment

At Planning Commission Hearings held on the Plan, the community has expressed concern that:

- (1) adoption of the Plan not be unduly delayed;
- (2) a clear mechanism be established and put in place to consider revisions to the Plan, if necessary, following endorsement of the Survey;
- (3) procedures be put in place until such time as the Survey is complete and its results integrated into the Plan; and
- (4) if any eligible historic districts are identified through the Survey, that they be recognized and such historic districts be officially established.

Environmental Review Status: 2003.0347E

The Planning Commission will consider certification of the Market and Octavia Neighborhood Plan Environmental Impact Report and consider adopting CEQA Findings prior to taking action to adopt the proposed amendments.

Basis for Recommendation

The Plan, through its many components, takes historic preservation seriously. It contains a multitude of policies and provisions addressing this topic including General Plan and Planning Code language protecting existing housing stock, and encouraging the establishment of historic districts. Its design guidelines call for context-dependent development, and the new addition of garage doors to historic structures is discouraged. Overall, the Plan adds a strong program for the identification and preservation of historic resources in the Plan Area, and the Survey findings are but one expression of this strong historic preservation value.

The resolution calls for actions that are given policy status in the Area Plan: until the Survey results are endorsed and associated amendments to the Plan are adopted, the Area Plan calls for extra scrutiny with respect to permit review. The resolution and the Plan further call for the incorporation of results into the Plan policies and controls as needed. The Department supports integration of the Survey into the Plan and intends to demonstrate an abundance of caution during this interim period.

Accordingly, while staff is confident that the Plan will enhance the historic nature of the area, staff supports extra scrutiny for the estimated few permits expected to be filed in the coming months even with the passage of the plan. With these components, the Plan represents a strong framework in the long term, but also in the interim until the

Planning Department

Case Report
Case No. 2003.0347EMTUZ
Adoption of General Plan, Planning Code,
and Zoning Map Amendments Pursuant to
the Market & Octavia Neighborhood Plan
February 15, 2007

Survey results are endorsed and integrated into Planning Controls.

Recommendation

Staff recommends adoption of the attached resolution following adoption of the Proposed General Plan and Planning Code Amendments.

SAN FRANCISCO
PLANNING COMMISSION
MOTION NO. 17411

WHEREAS, The Planning Commission (Commission) may consider adopting the Market and Octavia Plan (Plan) on or after February 15th, which will include amending the General Plan, adding a new Area Plan Element, amending the Planning Code, and amending the Zoning Map; and

The Plan contains policies promoting the identification of historic districts, their subsequent preservation, and requires proposed new development to be designed to be contextually consistent with building within them. The Plan also calls for the application of *The Secretary of the Interior's Standards for the Treatment of Historic Properties* for proposed projects that could affect individual or groupings of historic properties in the Plan area to assure compatibility with the character of the districts. To further support the identification of historic resources, the Plan calls for the preparation of a comprehensive historic survey of the area.

The Planning Department (Department) has engaged the services of a consultant to assist in performing a comprehensive historic resource survey in the Plan area to increase the knowledge of historic resources in the area, known as the Market and Octavia Historic Resource Survey (Survey). The Survey is expected to be completed during (or shortly after) the summer of 2007, after the expected adoption of the Plan. Prior to its conclusion, the Department expects the Survey effort to yield some preliminary information, including the possible identification of particularly sensitive areas to be investigated as potential historic districts.

In addition, information on historic resources in the Plan Area may be contained within the upcoming Mission Dolores Historic Context Statement. When made available to the Department and the Landmarks Board, the Context Statement should be considered by the Landmarks Board and the Planning Commission for endorsement. The Plan calls for the integration of Survey results and revisions to the Plan as needed once the survey is completed. The Plan also encourages the establishment of new historic districts in the area, should any eligible new district areas be identified in the Survey or subsequent to completion of the Survey.

The Plan states that until the Survey is completed, the Department should apply a high degree of scrutiny in its review of any project proposals in the Plan area, and that particularly sensitive areas identified in this Plan should be treated as potential historic districts while the comprehensive Survey is underway.

At Planning Commission Hearings held on the Plan, the community has expressed concern that:

- (1) adoption of the Plan not be unduly delayed;
- (2) a clear mechanism be established and put in place to consider revisions to the Plan, if necessary, following completion of the Survey;
- (3) interim procedures be put in place until such time as the Survey is complete and its results integrated into the Plan; and
- (4) if any eligible historic districts are identified through the Survey, that they be recognized and such historic districts be officially established.

It is the expressed desire of this Commission and the Department to provide heightened protection for historic resources in the Plan area and reasonable clarity and certainty of process during the transition period when the Survey is being completed and results incorporated into the Plan permanently.

NOW, THEREFORE BE IT RESOLVED, That upon adoption by this Commission of both the Plan and this Resolution, the Department shall enact interim procedures as described in **Exhibit U-3-B** in order to provide an abundance of precaution in the review of any project applications that might affect potential historic resources in the Plan area prior to conclusion of the Survey;

AND BE IT FURTHER RESOLVED, That the “increased scrutiny areas” identified in **Exhibit U-3-B** are interim placeholders and shall be revised to correspond to areas identified through the Survey process as those, if any, to be further investigated by the Survey for their potential as historic districts;

AND BE IT FURTHER RESOLVED, That the Planning Department shall integrate the results of the Survey and other historic resource assessments such as the upcoming Mission Dolores Context Statement, when endorsed, into the Market and Octavia Plan, the General Plan and related Planning Code provisions, according to the process described in **Exhibit U-4-B** and further described below;

AND BE IT FURTHER RESOLVED, That within 60 days of receipt of the consultant’s final work products from the Survey, the Department shall present all, should there be any, proposed, identified, eligible districts DPR 523D, District Records, and 523A, individual building inventory forms, to the Landmarks Preservation Advisory Board (Landmarks Board) for their consideration to: (1) initiate formal listing as outlined in Planning Code Section 1004 et seq.; and (2) nominate all California or National Register-eligible districts with the California Office of Historic Preservation (OHP), as outlined in: Office of Historic Preservation Technical Assistance Series #7;

AND BE IT FURTHER RESOLVED, that during the period after the Department receives the consultants results from the Survey but no later than 90 days after the receipt of the consultant submissions, the Department shall host a community meeting to discuss and share the Survey results with the public;

AND BE IT FURTHER RESOLVED, that once the results of the Survey or other historic resource assessments in the Plan Area such as the Mission Dolores Context Statement have been endorsed by this Commission, the Department shall within 60 days make recommendation as to appropriate changes to the Plan and its implementing controls, if any, and 90 days from endorsement of the Survey results to hold a public hearing on Plan changes or lack thereof before the Commission. These recommendations may include amendments to General Plan policies, design principles and/or design guidelines as well as related Planning Code provisions such as land use controls and height districts;

AND BE IT FURTHER RESOLVED, the Department shall within one year from adoption of the survey or other historic resource assessments in the plan area recommend initiation of survey identified landmarks and historic districts to the Landmarks Preservation Advisory Board and to the Planning Commission for adoption;

AND BE IT FURTHER RESOLVED, that the Planning Commission must act by January 1, 2010 or the authority confirmed by this resolution and the associated exhibits will expire.

I hereby certify that the foregoing Resolution was ADOPTED by the City Planning Commission on April 5, 2007.

Linda Avery
Commission Secretary

AYES: Alexander, Antonini, Sue Lee, William Lee and Sugaya

NOES: Moore and Olague

ABSENT: none

ACTION: Adoption of Interim Policies

EXHIBIT U-3-B

**INTERIM PROCEDURES FOR PERMIT REVIEW
WITHIN THE MARKET AND OCTAVIA AREA PLAN**

Below is a set of proposed interim building permit review policies developed to provide additional protection for potential historic resources in the Market and Octavia Area Plan while the historic resources survey is being completed. Once the historic resources survey is endorsed and the Market & Octavia Plan is amended to incorporate the results as necessary and as described in **Exhibit U-4-B** these policies described below will expire and the Preservation Policies in the Area Plan will take effect.

The policies below are intended to outline how the Neighborhood Planning Unit of the Planning Department will review building permit applications and other permit applications reviewed by the Planning Department and/or Commission for projects within the Plan Area during this interim period. In addition to this set of interim policies, the Planning Department has sent a letter to property owners in the increased scrutiny areas (see Map U-3-B "Increased Scrutiny Review Areas" below). The areas of increased scrutiny were determined based on several factors including existing historic survey information, and a windshield survey of Market Street. Some of the policies below may apply only to the historically sensitive areas, while others will be applied throughout the entire Plan Area.

A. Mandatory Discretionary Review (DR) required for all proposed new construction over 50 feet within the entire Plan Area.

A Mandatory Discretionary Review (DR) hearing will be required for all construction and /or additions over 50 feet in height for all zoning districts and use sizes that do not already require a Conditional Use Authorization. This applies to all construction that will result in an increased building envelope with a height that is equal to or exceeds 50 feet as measured by the Planning Code. The Planning Commission may review proposals in accordance with the criteria based on findings found in Planning Code §303(c). Buildings that are within the Plan Area's high scrutiny areas (see Map U-2 Increased Scrutiny Areas below) will be reviewed by the Landmarks Board at a public hearing in advance of the final hearing before the Planning Commission.

B. All proposed demolition or major alteration cases for properties within the Plan Area for buildings constructed prior to 1961 will be forwarded to the Landmarks Board.

When a proposed building permit application may effect a potential or known historic resource, the Department requires the applicant to file an Environmental Evaluation Application or an Environmental Exemption Evaluation. The purpose of said evaluation is to comply with the California Environmental Quality Act (CEQA). For the purpose of implementing this provision, a "major alteration" is defined as one for which the Department requires the applicant to file either an Environmental Exemption Evaluation or an Environmental Evaluation Application . A summary of the process is found in the Planning Department's Preservation Bulletin 16. When an application is filed with the Major Environmental Analysis Unit of the Planning Department

(MEA), the supporting Historic Resource Evaluation (HRE) prepared by a qualified professional consultant is forwarded to a Preservation Technical Specialist within the Neighborhood Planning Unit for review. At that time copies of the application and HRE will be forwarded to the members of the Landmarks Board for comment. The Board's comments will be forwarded to Planning Department for incorporation into the project's final environmental evaluation document.

- c. **All exterior modification building permit applications for the street facade(s) of historic resources (as defined in Preservation Bulletin #16) within the Plan Area will be presented to the Landmarks Preservation Advisory Board.**

With special consideration to the increased scrutiny areas (see attached Map U-3-1, "Increased Scrutiny Areas;" including all subsequent amendments or modifications to such scrutiny areas as outlined in this Commission Motion) all building permit applications for exterior modifications (exclusive of maintenance or repair permits as defined in Planning Code Section 1005(e)(3), meaning: "any work, the sole purpose and effect of which is to correct deterioration, decay or damage, including repair of damage caused by fire or other disaster"), such as re-roofing, or replacement front stairs) will be reviewed by a Preservation Technical Specialist, or will be reviewed and approved under their supervision. Depending on the amount of the proposed change some permits might be able to be approved at the Planning Information Center (PIC) by a Preservation Technical Specialist. Commercial storefront alterations are included in this requirement.

- D. **All proposed new curb cuts and garage applications for buildings constructed before 1961 within the Plan Area will be reviewed by a Preservation Technical Specialist.**

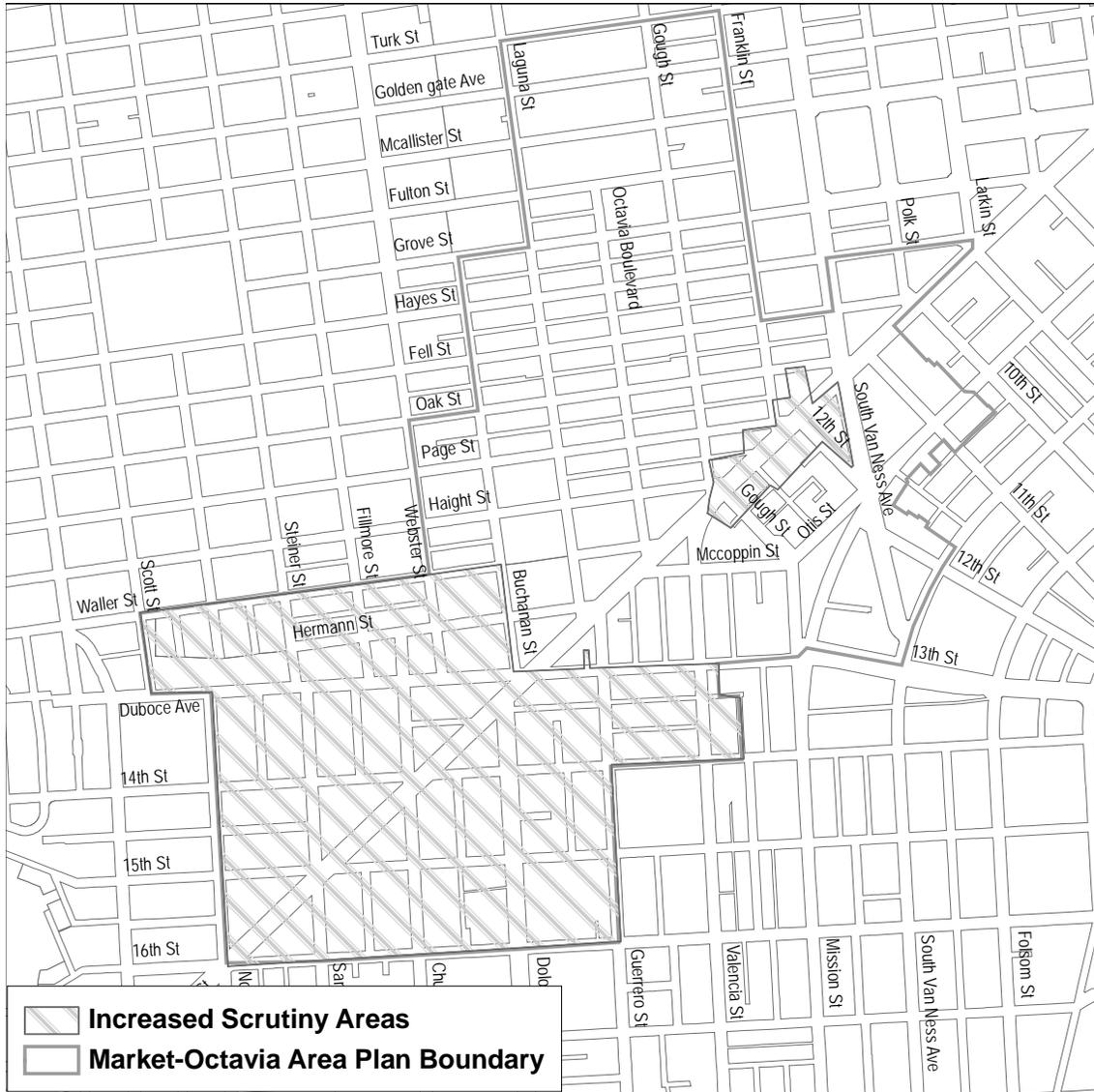
In cases where a new garage is proposed on the main elevation of a building, review by a Preservation Technical Specialist will be required. Review will take into consideration policies of the Market and Octavia Area Plan, as well as preservation of significant architectural features, significant trees, as well as other code-mandated regulations.

- E. **Neighborhood Association Block Book Notations (BBN) for all building permit activities reviewed by Planning Department.**

The Planning Department will register all of the neighborhood associations affected by the Area Plan for Block Book Notations (BBN). Each association will be asked to select the block(s) of their interest within the plan area, and the Department will notify them by mail or phone when a permit application is submitted to the Department for review. The Department will hold the building permit application for a period of 10 days for review by all interested parties.

- F. All proposed projects within the increased scrutiny areas requiring Planning Code Sections 311 and 312 notifications for new construction or alteration will be sent to the members of the Landmarks Board.

This would add members of the Landmarks Board to the list of parties receiving notification. Individual members of the Landmarks Board may provide comment to the Department.



Map U-3-1: Increased Scrutiny Areas

EXHIBIT U-4-B**INTERIM PROCEDURES FOR INCORPORATING HISTORIC RESOURCES SURVEY RESULTS
INTO THE MARKET AND OCTAVIA AREA PLAN**

A set of proposed interim procedures has been developed to provide assurance that information gained from the ongoing historic resource survey will be incorporated in the Market and Octavia Area Plan in a meaningful way and in a timely manner. Once the Market and Octavia Historic Resources Survey (Survey) is completed and final consultant work products have been received by the Planning Department (Department), the Department will have 60 days to present recommendations to the Landmarks Preservation Advisory Board (Landmarks Board) for consideration. Once the Landmarks Board recommends Survey endorsement, the Department will have 30 days to present the information to the Planning Commission (Commission) for a public hearing to consider endorsement the Survey. Once the Survey has been endorsed by the Commission, the Department shall have 90 days to prepare a report, called the Post-Survey Report for the Commission recommending updates to the Market & Octavia Area Plan, the Planning Code and other relevant planning controls. Further, the Department will have 90 days from the Commission's endorsement of the Survey results to initiate the proposed amendments at a duly noticed public hearing. The policies below are intended to outline how the Department will conclude the Market & Octavia Historic Resource Survey and use the Survey results to refine planning policy in the Market & Octavia plan area. Once the Commission has taken action on the associated amendments, and amendments have been approved by the Board of Supervisors as necessary the interim policies described here and in **Exhibit U-3-B** will expire and the Preservation Policies in the Area Plan and Planning Code will take effect. During the interim period, the following will be in effect: procedures for permit review for historic resources as described in **Exhibit U-3-B**; procedures for survey integration described here in **Exhibit U-4-B**; and existing preservation policies in the Area Plan, the General Plan, and Planning Code.

A. Conclude the Market & Octavia Historic Resources Survey in a timely and public manner.

The Planning Department (Department) has engaged the services of a consultant to assist in performing a comprehensive historic resource survey, known as the Market and Octavia Historic Resources Survey (Survey) of the Plan area to increase the knowledge of historic resources in the area. The Department and the consultants have committed to providing over 1500 DPR 523A forms that provide a primary physical form description of buildings but provide no evaluation. More detailed forms are to be produced for over 200 properties that most warrant analysis. Historic District forms shall be completed for up to six eligible districts if the survey demonstrates evidence of such districts. Neighborhood context statements shall be developed for the following subareas in the Plan Area: Western Addition, Civic Center, Market Street Corridor, South of Market, Hayes Valley, Mission, Lower Haight, Duboce Triangle and the Castro subareas. The final component of the Survey will be recommendations for further study. Drafts of the Survey findings are expected to be published in spring of 2007 for public review. A public workshop and/or hearing will be held in conjunction with this publication. The Survey is expected to be finalized during or shortly after the summer of 2007, through public hearings before both the Landmarks Board and the Planning Commission. If the Survey is not ready for public hearings by September 1st, 2007, the Department shall schedule at least one informational hearing to update the Commission on the status of the Survey. Within 90 days of receipt of the final consultant work products of the Survey, the Department shall present to the Landmarks

Board all, should there be any, fully documented districts (DPR 523D, District Records, and 523A, individual building inventory forms, as proscribed by Landmarks Preservation Advisory Board Resolution 527.) to the Landmarks Board for their consideration to: (1) initiate formal listing as outlined in Planning Code Section 1004 et seq.; and (2) nominate all California or National Register-eligible districts with the California Office of Historic Preservation (OHP), as outlined in: Office of Historic Preservation Technical Assistance Series #7. Once the Landmarks Board recommends Survey endorsement, the Department will have 30 days to present the information to the Commission for a public hearing to consider endorsement the Survey. Once the Survey has been endorsed by the Commission, the Department shall have 90 days to prepare a report, called the Post-Survey Report for the Commission recommending updates to the Market & Octavia Area Plan, the Planning Code and other relevant planning controls. Further, the Department will have 120 days from the Commissions endorsement of the Survey results to initiate the proposed amendments at a duly noticed public hearing.

B. Post-Survey Report: Incorporating new data from the Market & Octavia Historic Resource Survey into the Plan and into the Department's database

Post-Survey Report: Ensuring Accessible Historic Resources Data

The Survey results will provide additional information on both individual buildings and potential groupings of buildings comprising historically significant areas. As part of the Post-Survey Report, The Department will produce a new draft Map Four of the Market & Octavia Area Plan reflecting the Commission's endorsed Survey results on a parcel-by-parcel basis. As part of the Post-Survey Report, the Department shall update its "Parcel Information" database with the new information for each lot in the Plan Area. Parcel Information is used by planners when reviewing all Department permit applications. This database can be accessed by the Public on the first floor of 1660 Mission Street and will be accessible via the Internet in the future. The Post-Survey Report shall also advise the Commission on the potential for posting Survey results on the Department's website.

Post-Survey Report: Groupings of Historic Resources

As part of the Post-Survey Report, a new draft Map Four of the Market & Octavia Area Plan will be produced to reflect new information on potential groupings of historic resources as adopted by the Commission. Map U-2 currently designates "Parcel groupings" as "increased Scrutiny Areas." This category will be eliminated and replaced with areas under study for "potential as Historic Districts" map to be included in the Market & Octavia Area Plan. As part of the Post-Survey Report, the Department shall update its "Parcel Information" database with this new information and will designate each said lot as being within a "Potential Historic District." Parcel Information is used by planners when reviewing all Department permit applications. This database can be accessed by the Public on the first floor of 1660 Mission Street and will be accessible via the Internet in the future. It should be noted that areas under study for potential as Historic Districts are evaluated on equal footing with "Historic Districts".

Post-Survey Report: Prioritizing the Advancement of Historic Districts

As part of the Post-Survey Report, language will be drafted to update the text of Policy 3.2.10 of the Market & Octavia Area Plan. This policy currently states, "Support future preservation efforts, including the designation of historic landmarks and districts, should they exist, throughout the plan area". Text will be added to reflect the new designations, if any, of "potential districts." These "potential districts" will be acknowledged and prioritized for advancement as new historic districts. As part of the Post-Survey Report staff shall advise the Commission on the process and propose a timeframe for establishing new historic districts.

Post-Survey Report: Other Policy Amendments

As part of the Post-Survey Report, the Department will make recommendations as to additional appropriate changes to the Plan and its implementing controls, if any, at a public hearing of this Commission. These recommendations will include amendments to Market & Octavia Area Plan policies referring to the Survey as well as an update to Map Four, a reassessment of the Plan's original proposal for a 65' height district on upper Market Street south of Church Street, and may include other amendments to General Plan policies, design principles and/or design guidelines as well as related Planning Code provisions such as land use controls and height districts. The Commission as appropriate will recommend proposed amendments to the Board.