

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 19-2026

APPROVING A VARIATION FOR THE TRANSBAY BLOCK 2 WEST PROJECT OF THE ROOFTOP MECHANICAL SCREENING DEVELOPMENT CONTROL REQUIRED BY THE TRANSBAY DEVELOPMENT CONTROLS AND DESIGN GUIDELINES; TRANSBAY REDEVELOPMENT PROJECT AREA

- WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 et seq. the “Community Redevelopment Law”), the Redevelopment Agency of the City and County of San Francisco (“Former Agency”) undertook programs for the redevelopment of blighted areas in the City and County of San Francisco (“City”), including the Transbay Redevelopment Project Area (“Project Area”); and,
- WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) approved the Redevelopment Plan for the Transbay Redevelopment Project Area by Ordinance No. 124-05 (June 21, 2005) and by Ordinance No. 99-06 (May 9, 2006), as amended by Ordinance No. 84-15 (June 18, 2015), Ordinance No. 62-16 (April 28, 2016), and Ordinance No. 09-23 (February 3, 2023) (“Redevelopment Plan”); and,
- WHEREAS, The Redevelopment Plan establishes the land use controls for the Transbay Redevelopment Project Area (“Project Area”) and divides the Project Area into two subareas: Zone One, in which the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (“DCDG”) define and regulate land uses and development controls and guidelines, and Zone Two, in which the Planning Code applies. Zone One is intended to be developed with predominantly residential uses. The Office of Community Investment and Infrastructure (“OCII”) solely administers and enforces land use and development controls for property and projects in Zone One and has delegated its authority over projects that do not require Successor Agency action in Zone Two to the San Francisco Planning Department pursuant to that certain Delegation Agreement between the Former Agency and the Planning Department for the Transbay Redevelopment Project Area (May 3, 2005); and,
- WHEREAS, The DCDG set forth development requirements and design guidelines that apply to development within the Project Area and implement the Redevelopment Plan’s authorization for the development of land uses within Zone One and provide additional guidance for the development of Zone One, including Transbay Block 2 (“Block 2”), Assessor’s Block 3739 Lot 014. Block 2 comprises an approximately 42,627 square-foot parcel generally located at 200 Folsom Street, bounded by Folsom, Main and Beale Streets and extending approximately 155 feet northwest from Folsom Street (the “Site”); and,
- WHEREAS, Furthermore, Block 2 has been subdivided into two equal parcels comprised of two mixed-use residential developments. The westerly half is a 151-unit rental housing development (150 affordable units and one unrestricted manager’s unit) that serves

low-income senior households and formerly homeless seniors, resident-serving amenities, and 2,945 square feet of retail space (the “Block 2 West”), and is bound by Folsom Street, Beale Street, and a new extension of East Clementina Street. The easterly half is a 184-unit rental housing (183 affordable units and one unrestricted manager’s unit) development that will serve low-income households and formerly homeless households, resident-serving amenities, approximately 1,959 square feet of retail space, and an approximately 6,447 square foot childcare facility, and bound by Folsom Street, Main Street and the new extension of East Clementina Street (the “Block 2 East”); and,

WHEREAS, Chinatown Community Development Center (“CCDC” or the “Developer”) is the lead developer and long-term owner and operator of the Block 2 West development and managed the project’s design with a team of Architects led by MITHUN Architects (the “Design Team”). Mercy Housing California (“Mercy”) is the lead developer and long-term owner and operator of the Block 2 East development; and,

WHEREAS, By Resolution No. 44-2022, adopted concurrently with Resolution No. 42-2022, the Commission conditionally approved the Schematic Designs for Block 2 West; and,

WHEREAS, By Resolution No. 42-2022, adopted concurrently with Resolution No. 44-2022, the Commission approved an amendment to the DCDG, consistent with the Plan Amendment, to revise certain provisions of the DCDG applicable to Block 2, as more particularly identified in Resolution No 42-2022, the "Development Control Amendment"; and,

WHEREAS, The DCDG Development Control No. 5 for Podium and Mid-rise Buildings, on page 44, requires “Mechanical equipment located on top of buildings must be screened from public view and from neighboring buildings with enclosures, parapets, setbacks, landscaping, or other means. Any enclosure or screening used must be designed as a logical extension of the building, using similar materials and detailing as the rest of the building’s surfaces and, further, comply with Section 141 of the Planning Code”; and,

WHEREAS, The Schematic Design Condition of Approval No. 14b states for Rooftop, that the Developer and Design Team are required to, “Further develop any rooftop mechanical equipment screening. Rooftop mechanical equipment, with the exception of solar PV infrastructure, shall be screened from view from the public realm. Mechanical screens shall form part of the building top composition and consist of material consistent with the overall building color and material palette.”; and,

WHEREAS, On January 25, 2024, the Design Team shared with OCII staff a revised rooftop screening design that demonstrated proper screening of the anticipated mechanical rooftop equipment from the view of the closest neighboring existing building and from the public realm and staff approved it; and,

WHEREAS, The Block 2 West project has been constructed in general accordance with the Schematic Design and the Conditions of Approval per Resolution No. 44-2022; and,

- WHEREAS, After completion of construction, OCII staff identified that two tall hot water tanks and associated overhead pipes and a mechanical unit located on the Level 10 rooftop mechanical area are visible from the public realm. The tanks were not included in the plans approved by OCII staff; and,
- WHEREAS, In response to OCII staff's observance and notification of the visible hot water tanks, pipes and the mechanical unit, the Developer has painted all roof-top equipment, including the hot water tanks, pipes and the mechanical unit, with a color matching the 10th floor elevator penthouse; and,
- WHEREAS, On May 22, 2026, the Developer of Block 2 West provided a written Application for Variation, included as an attachment to the accompanying Memo, from complying with the DCDG Development Control no. 5 applicable to Podium and Mid-Rise Buildings (the "Variation") requiring screening for hot water tanks and their overhead pipes and the mechanical unit on the 10th roof floor, and for Block 2 West; and,
- WHEREAS, The Developer has provided a narrative in the application of how the deviation from the DCDG Development Control occurred; and,
- WHEREAS, The Developer has provided response with overall assessment of impacts to the project costs at over \$300,000 and schedule impacts due to substantial redesign, demolition of existing roof slab, waterproofing and structural rework and multiple subcontractor re-mobilizations, if enforcement of the Control were to be enforced, and,
- WHEREAS, The DCDG states on page 6 that "Development controls are mandatory design specifications that are measurable. All new development must meet the criteria set by the development controls. Design guidelines on the other hand, require subjective analysis of plans in order to determine compliance..."; and,
- WHEREAS, The DCDG prescribes on page 14, the required process for granting a variation "The Agency, in its sole discretion, may grant a variation from the design standards, development controls or the Planning Code where the enforcement would otherwise result in practical difficulties for development creating undue hardship for the property owner and constitute an unreasonable limitation beyond the intent of the Redevelopment Plan, the Planning Code, the Design for Development or the development controls. Upon written request for a variation by the owner of the property, which states fully the grounds of the application and the facts pertaining thereto, and upon the Agency's own further investigation, the Agency in its sole discretion may grant a variation from the development controls." (the "Variation"); and,
- WHEREAS, Furthermore, on page 14, the DCDG requires that "Variations from the Plan or the development controls shall only be granted because of unique physical constraints or other extraordinary circumstances applicable to the property. Granting a variation must be in harmony with the Redevelopment Plan, the Design for Development, and the Development Controls and Design Guidelines and shall not be materially detrimental to the public welfare or materially injurious to

neighboring property or improvements in the vicinity. No variations shall be given for the maximum height and bulk regulations, or the maximum parking allowances. In granting any variation, the Agency shall specify the character and extent thereof, and may also prescribe such conditions as are necessary to secure the goals of the Plan, the Design for Development, and the Development Controls and Design Guidelines.”; and,

WHEREAS, Enforcing the Screening Requirement now would necessitate substantial redesign, construction rework, and the re-mobilization of multiple subcontractors, and would present practical difficulties and undue hardship to the Developer beyond the intent of the Redevelopment Plan, the San Francisco Planning Code and the Transbay Redevelopment Project Area Design for Development (“Design for Development”) or development controls; and,

WHEREAS, Requiring screening devices on the 10th level rooftop of Block 2 West would present unique physical constraints or other extraordinary circumstances due to the fixed minimum clearances for plumbing, Occupational Safety and Health Administration (“OSHA”) access, exterior maintenance pathways and green roof coverages; and,

WHEREAS, The absence of screening of certain mechanical equipment does not pose any material detriment to the public welfare or are materially injurious to the neighboring property or improvements in the vicinity because the water tanks and pipes are set further 20 feet behind from the roof railing to draw minimal attention, while the focus remains on the architectural design of the low-rise massing facing the public realm. The regular box-shape of the mechanical unit also does not detract from the focus on the low-rise massing. Both mechanical equipment are shielded from the view of same level residential units of the adjacent Lumina Development; and,

WHEREAS, OCII staff has reviewed the Application for Variation to the rooftop mechanical screening and, in accordance with its Commission Memorandum and supporting information provided to the Commission and incorporated herein by reference, finds the Variation to be acceptable and consistent with the goals, objectives and requirements of the Redevelopment Plan and the DCDG, and recommends approval thereof; and,

WHEREAS, Furthermore, approval of the Application for Variation would exempt the Developer of Block 2 West from the requirement to comply with the Schematic Design Condition of Approval No. 14b, which requires screening of rooftop mechanical equipment from the public realm; and,

WHEREAS, The approval of the Application for Variation on rooftop mechanical structures is categorically exempt from the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guidelines Section 15303 (d) and (e) “New Construction or Conversion of Small Structures,” since it uniquely relates to the construction of the small accessory and appurtenant utility structures and equipment at the building’s rooftop; now, therefore, be it,

RESOLVED, The Commission finds that the facts presented by the Developer in its application for a Variance and investigated by OCII staff meet the standards for a variation from the applicable design controls and hereby approves the Variation to the rooftop mechanical screening development control required by the Development Control and Design Guidelines for the Transbay Redevelopment Project on Block 2 West.

I hereby certify that the foregoing resolution was adopted by the Successor Agency Commission at its meeting of July 21, 2026.

Commission Secretary