

RESOLUTION NO. 96-2006

Adopted July 18, 2006

CONDITIONALLY APPROVING A SCHEMATIC DESIGN FOR THE DEVELOPMENT OF A 74-UNIT RESIDENTIAL PROJECT LOCATED AT 64-72 TOWNSEND STREET, ASSESSOR'S BLOCK 3789, LOT 3, AT THE NORTHWEST CORNER OF TOWNSEND AND COLIN P. KELLY JR. STREETS; RINCON POINT – SOUTH BEACH REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The 64-72 Townsend Street property ("Site"), located at the corner of Townsend and Colin P. Kelly Streets, is the last remaining development site in the Rincon Point-South Beach Redevelopment Project Area ("Project Area"). The property is currently improved with a single-story, reinforced commercial building known as the Hooper's South End Grain Warehouse, which is considered a "contributory" building to the City of San Francisco's South End Historic District and is considered an historical resource for California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, "CEQA") purposes.
2. The Rincon Point-South Beach Redevelopment Plan (the "Plan") designates the Site as commercial, with residential use as an alternate use. On April 18, 2000, by Resolution No. 53-2000, the Agency authorized an owner participation agreement with Northshore Resources IV Limited Partnership, a California limited partnership ("Northshore"), to rehabilitate the existing warehouse on the Site for approximately 29,000 square feet of office, commercial, and retail uses. Northshore completed its rehabilitation of the warehouse in December 2002; however, Northshore has been unable to lease the warehouse since construction was completed, and it has remained vacant.
3. Lambert Development LLC, a Delaware limited liability company ("Developer"), is purchasing the Site from Northshore, the current owner. Pursuant to a separate Commission Resolution No. 95-2006, the Agency is concurrently entering into an Owner Participation Agreement ("OPA") with the Developer.
4. The Developer has proposed an adaptive reuse of the existing warehouse in which the existing building will be retained and seven residential stories will be built on top of the existing warehouse, creating a nine-story building. The proposed

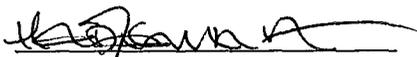
development program includes 74 for-sale residential units, including seven affordable housing units, 74 above-grade residential parking spaces on two levels, approximately 10,294 square feet of open space for the residential units, and approximately 5,000 square feet of small-scale, neighborhood-serving retail (collectively, the "Project").

5. Under the proposed schematic design, the new structure will be significantly setback, approximately 60 feet from Townsend Street, in an effort to maintain some of the visual identity and integrity of the existing historic warehouse. This setback also preserves most of the first structural bay of the historic warehouse, which responds to the recommendations of the Landmarks Preservation Advisory Board and San Francisco Architectural Heritage to preserve a substantial portion of the original building.
6. The proposed schematic design also includes a number of other setbacks on the upper residential floors to further modulate the mass of the new building. In addition, the proposed residential structure will include a metal-panel-and-glass system fabricated to appear lighter and more transparent than the warehouse's minimally fenestrated, cement plaster material.
7. The proposed schematic design was developed in consultation with the Landmarks Preservation Advisory Board, the City of San Francisco's Planning Commission, San Francisco Architectural Heritage, as well as the Rincon Point-South Beach Citizens Advisory Committee, neighboring property owners, and other interested parties.
8. The proposed schematic design complies with the requirements of the Plan and Project Area Design for Development standards and guidelines. Agency staff recommends the approval of the schematic design, subject to the satisfactory resolution of the following design concerns which staff believes can be resolved in subsequent design phases:
 - a. Provide the materials and detailing of the exterior building wall at the next design phase for staff's review and approval.
 - b. At the appropriate time during the construction phase, a mockup of the proposed materials is required for Agency staff review and approval.
 - c. Provide detailed streetscape design plans following the Rincon Point-South Beach master streetscape plan and detailed landscape plans for the residential open space for Agency staff review and approval.
9. Pursuant to the requirements of CEQA and State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*), the Agency, by a separate Commission Resolution No. 95-2006, approved a Final Environmental Impact Report and adopted environmental findings and a statement of overriding considerations for the proposed Project.

RESOLUTION

ACCORDINGLY, IT IS HEREBY RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the schematic design proposed by Lambert Development LLC, a Delaware limited liability company, is approved conditionally in the form submitted, subject to resolution of conditions of approval set forth above, together with such refinements as the Executive Director may approve which do not materially alter the schematic design.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel