



SAN FRANCISCO PLANNING DEPARTMENT

Letter of Determination

July 1, 2010

Andrew T. Gregg
(On behalf of Rich and Dee Muratore)
2595 Clay Street, #8
San Francisco, CA 94115

**RE: 2525 PHELPS STREET
BLOCK: 5423A LOTS: 014 AND 015
ZONING DISTRICT: PDR-2 (PRODUCTION, DISTRIBUTION, AND REPAIR)**

Dear Mr. Gregg:

This letter is in response to your request for a letter of determination regarding the recent zoning change for 2525 Phelps Street from M-1 to PDR-2, and what that represents regarding the use of this property in the future.

The office of a general contractor would be permitted in the PDR-2 District under the Home and Business Services definition of Planning Code Section 222(f) which permits an office of a building contractor. Furthermore, the cabinetry, millwork and other related activities specified in your request would generally be considered light manufacturing uses in the PDR-2 District. The intent of the PDR-2 designation is to encourage and protect light and contemporary industrial activities. As such, the Planning Code allows a wide range of associated and supportive uses at this location. Such uses are spelled out in Planning Code Sections 215 through 227 and include, but are not limited to, the following (subject to relevant Code restrictions) cited below.

- Light manufacturing (present use)
- Carpenter shop
- Blueprinting shop
- Storage facility for commercial vehicles
- Household repair shop
- Interior decorating shop
- Upholstering shop
- Sign painting shop
- Office of a building, plumbing, electrical, painting, roofing use
- Contractor's storage
- Wholesale establishment
- Wholesale warehouse
- Professional and business office (limited to 5,000 square feet per lot – see below)
- Professional and business office above the ground floor (limited to 5,000 square feet per lot – see below)

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In keeping with Planning Code Sections 215 through 227, there are many uses that are principally permitted (others are allowed conditionally) under the PDR-2 designation at the 2525 Phelps Street location. As new types of uses and businesses arise every day, this is not a definitive or absolute list, and other uses may be deemed to fall under the categories listed in the aforementioned Planning Code Sections. If there is a lack of clarity regarding a future desired use for the property, the Planning Department can make another determination specific to that use. In general however, the uses are listed in a chart/matrix format where permitted uses are listed as "P" and conditional uses are listed as "C". If a space is blank, the use is not permitted.

The Planning Department has no jurisdiction regarding leases and sub-leases. Current uses at 2525 Phelps are permitted to remain, assuming that they were properly established with benefit of building permit prior to the zoning change from M-1 to PDR-2. Future tenants must comply with uses allowed under the newly applicable PDR-2 zoning designation. To the extent that lessees occupying space at this location are contributory and/or supportive of a PDR use, the goal of the Planning Department is to help protect and preserve existing PDR businesses.

Planning Code Sections 226 (a) and (b) mandate that light manufacturing uses are limited to less than 5,000 square feet within the PDR-1-B zoning designation. Please know that there is no limitation of size of a light manufacturing (including general contracting) use in the PDR-2 zone.

Planning Code Sections 219 (a), (c) and (d) permit office uses of less than 5,000 square feet as defined in Code Section 890.70. Pursuant to Planning Code Section 121.8 (Use Size Limits, Non-Residential, PDR Districts), the cumulative amount of office space permitted is per lot, not per tenant. Therefore, you would be permitted one office tenant of no more than 5,000 square feet in size on the subject property. Office space that is accessory to an industrial or otherwise principally permitted or conditional use would not be counted as part of this 5,000 square feet maximum.

If you believe this determination represents an error in interpretation of the Planning Code or abuse in discretion by the Zoning Administrator, an appeal may be filed with the Board of Appeals within 15 days of the date of this letter. For information regarding the appeals process, please contact the Board of Appeals at 1650 Mission Street, Room 304, San Francisco, or call (415) 575-6880.

If you have further questions regarding this letter, please contact my colleague Julian J. Bañales at (415) 558-6339.

Sincerely,



Scott F. Sanchez
Acting Zoning Administrator

cc: Julian J. Bañales, Team Leader, Southeast Team

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ID # 2952; CL - J. PARADES
CR # 156 \$ 519.50

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MAY 17 2010

CITY & COUNTY OF S.F.
PLANNING DEPARTMENT

May 17, 2010

Mr. Larry Badiner
Zoning Administrator
San Francisco Planning Department
1660 Mission Street, 5th Floor
San Francisco, CA 94103

2525 PHELPS

**RE: Request for Letter of Determination -- Phelps Street parcels 5423A/014 and
5423A/015 - 1970 CARROLL AVE**

Dear Mr. Badiner:

On December 18, 2009 Mayor Gavin Newsom signed the ordinance regarding the "Bayview Hunters Point Area Plan, Technical Zoning Map Amendments" – File # 090678. As you may recall, I worked to amend this ordinance on behalf of my client, the Muratore Corporation. The initial recommended zoning changes for the properties in question at 2525 Phelps Street (parcels 5423A/014 and 5423A/015) were from M-1 to PDR-1-B. After meeting with Planning Department staff and the office of Supervisor Sophie Maxwell, it was agreed that PDR-2 zoning more accurately reflected the Muratore general contractor and construction/production operations that are actually occurring at the site. Some of the operations of the business would render it a legal non-conforming use had the PDR-1-B been approved. Planning staff acknowledged that this was not their intent.

The Muratore Corporation is a San Francisco based general contracting firm and a member of three collective bargaining agreements, specializing in high-end residential and commercial remodeling. They are a full service contracting firm with both an in-house custom cabinet shop and an in-house design department. Since their inception in 1985, Muratore has grown into a well-established and recognized leader in the industry, providing fine residential and commercial services to the most discerning clients in the San Francisco Bay Area.

The owners of Muratore Corporation are understandably keen to know of any potential practical effects of the recent change in the zoning of their property from M-1 to PDR-2. Over the years, up to 17,000 square feet of the total 22,000 square feet of the 2525 Phelps Street building has been utilized for cabinetry and millwork to service clients. The in-house shop has been home to both Muratore and subcontractor professionals. The Muratore Corporation, like other successful PDR businesses, has been able to expand and contract as necessitated by client demands and the local business climate. It is of paramount importance for the Muratore owners that they continue to have optimum business and land use flexibility at their 2525 Phelps Street headquarters.

2525 Phelps/Muratore LOD Request Letter

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On behalf of the Muratore Corporation, I respectfully request clarification on the issues and specific land uses found below.

- Please confirm our understanding that uses associated with general contracting businesses also are permitted under PDR-2. The code appears to be broad and flexible in this regard and I would like to verify that this would remain the case.
- I would like to verify that general contracting is a use specifically and principally permitted within the PDR-2 zoning designation.

- Light manufacturing (present use)
- Bioscience Manufacturing
- Bioscience R&D
- Experimental laboratory
- Industrial or chemical research or testing laboratory
- Wholesale establishment
- Wholesale warehouse
- Catering establishment
- Public transportation
- Commercial wireless facility
- Printing shop
- Auto repair garage
- Parcel delivery facility
- Ambulance service
- Storage facility for commercial vehicles
- Commercial kennel
- Cold storage plant
- Dairy products distribution
- Dry-cleaning and processing
- Steam Laundry facility
- Amusement enterprise
- Service yard
- Contractor's storage

- I ask that you provide assurance that the 22,000 SF Muratore Corporation facility at 2525 Phelps Street is permitted to sub-lease space to related businesses as they have in the past under the previous M-1 zoning designation.
- I would like to confirm that more than 5,000 SF of manufacturing, heavy machinery and trucks are permitted at the Muratore Corporation PDR-2 site.

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- Finally, I ask that you confirm that office use is permitted as an accessory use. Further, please verify that office use is principally permitted at this property and provide what restrictions may be imposed on office use.

Thank you for your review of this matter. I can be reached directly at (415) 577-4059.

Sincerely,

A handwritten signature in black ink, appearing to read 'ATG', with a long horizontal line extending to the right.

Andrew T. Gregg

CC: Julian Banales
Rich Muratore
Dee Muratore

ANDREW T. GREGG

Public Affairs Consultant

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