

## **RESOLUTION NO. 41-2007**

*Adopted May 1, 2007*

### **APPROVING A MEMORANDUM OF UNDERSTANDING WITH VARIOUS DEPARTMENTS OF THE CITY AND COUNTY OF SAN FRANCISCO TO FACILITATE THE PLANNING FOR AN INTEGRATED, MIXED-USED PROJECT AT THE CANDLESTICK POINT AREA OF THE BAYVIEW HUNTERS POINT AND THE HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA**

#### **BASIS FOR RESOLUTION**

1. The Bayview Hunters Point ("BVHP") community has one of the lowest median income and highest unemployment rates in San Francisco; improvement of the quality of life for the residents of the BVHP community is one of the City and County of San Francisco's (the "City") highest priorities.
2. In July 1997, the Board of Supervisors, by Ordinance No. 285-97, adopted a Redevelopment Plan for the revitalization of the Hunters Point Shipyard Redevelopment Project Area (the "Shipyard Redevelopment Plan"), and in June 2006 the Board of Supervisors, by Ordinance No. 113-06, adopted a Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area, including land in Candlestick Point (the "BVHP Redevelopment Plan").
3. The Candlestick Point Node of the BVHP Redevelopment Project Area ("Candlestick Point") and the Hunters Point Shipyard Redevelopment Project Area (the "Shipyard") are in close proximity to one another and make up the largest area of under-utilized land in the City. Over the past decade, the City has planned for the redevelopment of Candlestick Point and the Shipyard on parallel, but separate, paths.
4. Combining and integrating the planning and redevelopment of these two project areas presents the opportunity to create a more coherent overall plan, including, for example, a comprehensive public recreation and open space plan and an integrated transportation and transit plan. An integrated planning effort may also create efficiencies in the financing of infrastructure and development and expedite the revitalization of both areas.
5. The City had been working with the 49ers and their development team on a potential new NFL football stadium and a related mixed-use development on Candlestick Point, which includes approximately 77 acres of City property under the administrative jurisdiction of the Recreation and Park Department (the "RecPark Property") and currently leased to the 49ers, but in November 2006, the 49ers announced that they no longer believed that a mixed-use stadium project on Candlestick Point was feasible and that they would shift their efforts to developing a new stadium in Santa Clara.

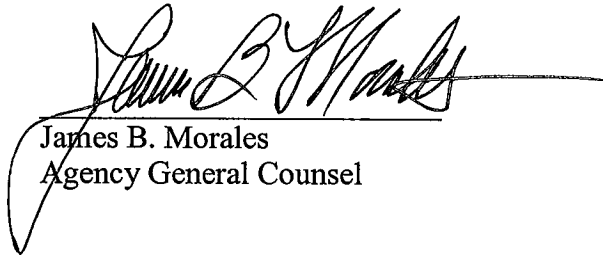
6. Following the 49ers' announcement, the Mayor and City and Redevelopment Agency of the City and County of San Francisco (the "Agency") staff, working in cooperation with Lennar Communities ("Lennar"), began work on developing a new preliminary plan that includes both Candlestick Point and the Shipyard to address the 49ers stated concerns while honoring the City's core requirements and goals for the potential revitalization of both of these sites. The Mayor outlined a new preliminary development plan with the potential for a new stadium site at the Shipyard in correspondence to the 49ers in December 2006 and January 2007.
7. In February 2007, the Board of Supervisors adopted a resolution, Resolution No. 59-07 (the "Board Resolution"), endorsing the efforts of Lennar, working in cooperation with the City and Agency staff, to generate a new integrated plan for a mixed-use development on Candlestick Point and the Shipyard. Both the Mayor's correspondence to the 49ers and the Board Resolution provide for the possibility of a new 49ers stadium at the Shipyard, but contemplate the creation of an integrated mixed-use project, with public benefits like parks and open space, jobs, and affordable housing that may proceed whether or not the 49ers decide to build a stadium at the Shipyard.
8. The Board Resolution also urges the Agency to work with the City, including the Recreation and Park Department, to amend the Agency's existing exclusive negotiations agreement (the "ENA") with Lennar for Phase 2 of the Shipyard to add Candlestick Point, which includes the RecPark Property, and thereby create a single, combined redevelopment project for planning purpose.
9. Any final development agreements relating to the integrated project will be subject to separate approval by many City and state agencies, including the Recreation and Park Commission, each in their sole discretion, after environmental review under the California Environmental Quality Act and significant community review and participation, which is estimated to take approximately two years.
10. To implement the Board Resolution, Agency and City staff, including the Recreation and Park Department, the Planning Department, and the Mayor's Office of Economic and Workforce Development, prepared a Memorandum of Understanding (the "MOU"). The MOU provides for the City and the Agency to cooperate with one another to facilitate the planning of Candlestick Point and Phase 2 of the Shipyard as one integrated mixed-use development project. The MOU also provides for the Agency to serve as the City's fiscal agent to seek reimbursement of the City's costs from Lennar.
11. On April 19, 2007, by Resolution No. 07014-019, the Recreation and Park Commission approved the MOU and requested and authorized the Agency to amend the Agency's Phase 2 ENA with Lennar to include the RecPark Property as part of the integrated project for planning purposes; provided, any future use or disposition of the RecPark Property will be subject to the review and approval of the Recreation and Park Commission, and other applicable City and state agencies, after environmental review under the California Environmental Quality Act.

12. The Agency Commission's approval of the MOU and authorization to include the RecPark Property for planning purposes is a necessary first step to allow the City and Agency to begin the planning process for these two areas in order to deliver the City's long promised public benefits of affordable housing, jobs, and open space areas to the BVHP community.

## **RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a Memorandum of Understanding, in substantially the form attached to the Commission Memorandum accompanying this Resolution, with various departments of the City and County of San Francisco.

**APPROVED AS TO FORM:**



James B. Morales  
Agency General Counsel