

## RESOLUTION NO. 68-2010

*Adopted June 3, 2010*

### **AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PARK RECONFIGURATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO AND THE CALIFORNIA DEPARTMENT OF PARKS AND RECREATION FOR THE RECONFIGURATION OF THE CANDLESTICK POINT STATE PARK RECREATION AREA IN FURTHERANCE OF THE CANDLESTICK POINT – HUNTERS POINT SHIPYARD PHASE II DEVELOPMENT PLAN PROJECT; HUNTERS POINT SHIPYARD AND BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREAS**

#### **BASIS FOR RESOLUTION**

1. The Redevelopment Agency of the City and County of San Francisco (“Agency”) has approved, by Resolution Nos. 64-2010 and 61-2010, the Bayview Hunters Point Redevelopment Plan Amendment and the Hunters Point Shipyard Redevelopment Plan Amendment, respectively. The approval of these redevelopment plan amendments culminates years of public discussion, negotiations, and various actions of the Agency and the City and County of San Francisco (“City”) to bring about the revitalization of the Hunters Point Shipyard and Candlestick Point Activity Node (together, Candlestick Point and Phase 2 of the Hunters Point Shipyard are the “Project Site”).
2. Official actions of the City and Agency have included, among others, approvals of: the Conceptual Framework for the integrated development of the Project Site (Board of Supervisors Resolution No. 264-07; Agency Resolution No. 40-2007); the Second Amended and Restated Exclusive Negotiations and Planning Agreement, covering the Project Site (“Phase 2 ENA”); the Bayview Jobs, Parks and Housing Initiative (Proposition G, June 3, 2008); and, concurrently with this Resolution, a Disposition and Development Agreement (“DDA”) with CP Development Co., LP, a Delaware limited partnership (“Developer”), for the redevelopment of the Project Site (the “Project”).
3. On June 3, 2008, the City’s voters passed Proposition G, which: (i) adopted overarching policies for the revitalization of the Project Site; (ii) authorized the conveyance of the real property owned by the City at Candlestick Point under the jurisdiction of the City’s Recreation and Park Department (“RecPark”) provided that there is a binding commitment to replace the transferred property with other property of at least the same acreage that will be improved and dedicated as public parks or open space in the Project Site; and (iii) urged the City, the Agency and all other governmental agencies with jurisdiction to proceed expeditiously with revitalization of the Project Site.

4. Over the past several years, more than 230 public meetings, workshops and presentations have been held on every aspect of the Project. These public presentations have included meetings before the City Board of Supervisors (“Board of Supervisors”), the Agency Commission, the City’s Planning Commission, other City commissions, the Mayor’s Citizens Advisory Committee for the Hunters Point Shipyard Redevelopment Project Area, the Bayview Hunters Point Project Area Committee, and community groups.
5. In 2009, the State legislature approved and the Governor signed and filed with the Secretary of State Senate Bill Number 792 (“SB 792”), providing for the reconfiguration of the Candlestick Point State Park Recreation Area ("CP State Park Recreation Area") and improvement of the State's park lands, in connection with the development of the Project Site. SB 792 permits the exchange of certain public trust lands and the reconfiguration and improvement of CP State Park Recreation Area, in furtherance of State public trust, park and redevelopment purposes.
6. The City's Planning Department and the Agency have undertaken a planning and environmental review process for the Project and provided for appropriate public hearings. On June 3, 2010, the Planning Commission certified, by Motion No. 18096, and the Agency certified, by Resolution No. 58-2010, the Final Environmental Impact Report for the Candlestick Point-Hunters Point Shipyard Phase II Development Plan Project as adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.)(“CEQA”) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.). The City’s Planning Commission has determined, by Resolution No. 18101, that the Project, and the various actions being taken by the City and the Agency to approve and implement the Project, are consistent with the General Plan and with the Eight Priority Policies of City Planning Code Section 101.1.
7. The DDA that the Agency is considering concurrently with this Resolution authorizes, among other things, up to 10,500 residential units, of which 32% will be offered at below-market-rate rates, approximately 336 acres of new and improved public parks and open spaces, up to 885,000 square feet of regional and neighborhood-serving retail space, up to 255,000 square feet of new and renovated replacement space for the Hunters Point Shipyard artists and a new arts center, up to 2.65 million square feet of commercial light industrial, research and development and office space, and land and supporting infrastructure for a new football stadium for the San Francisco 49ers (“49ers”). Section 1.2.1 of DDA. If the 49ers do not choose to build a new stadium in the Project Site, the Project includes a preferred non-stadium alternative, which would shift 1,625 housing units from Candlestick Point to the stadium site, provide for an additional 500,000 square feet of research and development space on the stadium site, and provide for approximately 326 acres of new and improved parks and open space. Section 1.2.2 of DDA. The Project is consistent with the Conceptual Framework, Proposition G, and the Phase 2 ENA.

8. To implement the Project, the Agency has negotiated, among other agreements, a Candlestick Point State Recreation Area reconfiguration, improvement and transfer agreement (“State Park Reconfiguration Agreement”) by and among the Agency, the California State Lands Commission (“State Lands”), and the California Department of Parks and Recreation (“State Parks”), a copy of which is on file with the Agency.
9. The purpose of the State Park Reconfiguration Agreement is to provide for the reconfiguration and improvement of the CP State Park Recreation Area, and to facilitate the redevelopment of surrounding areas, in accordance with SB 792. The CP State Park Recreation Area consists of lands owned by State Parks and lands owned by State Lands and leased to State Parks. The State Park Reconfiguration Agreement contemplates the transfer of certain lands to the Agency in return for the transfer of other lands from the Agency to State Parks and State Lands and the payment of \$50 million in aggregate consideration in the form of funding for operation and maintenance of the CP State Park Recreation Area, funding for the planning and construction of improvements to the CP State Park Recreation Area, and other consideration. Prior to or concurrently with the conveyances of real property under the State Park Reconfiguration Agreement, the trust exchange under the Public Trust Exchange Agreement shall have occurred for the affected real property.
10. The State Park Reconfiguration Agreement provides a mechanism for implementing the park reconfiguration permitted under SB 792, and provides for a configuration of the CP State Park Recreation Area that will substantially conform to the diagram included in SB 792 and more particularly illustrated on a map on file with the City's Planning Department entitled "Proposed State Park Land Exchange" and dated September 3, 2009. The conveyance will occur in a series of phased closings, and the amount of consideration provided to the State at each closing will be prorated based on the area of land conveyed to the Agency and removed from the CP State Park Recreation Area in proportion to the total area contemplated for conveyance under the State Park Reconfiguration Agreement.
11. The Environmental Impact Report for the Project (“EIR”), including Table III.P-2, states that 29.2 acres will be conveyed to the Agency pursuant to the State Park Reconfiguration Agreement. Staff from State Parks subsequently informed the Agency that a parcel of approximately 2.5 acres previously thought to be within the CP State Recreation Area is owned by State Lands and not leased to State Parks. After the publication of the Comments and Responses document on May 13, 2010, Agency staff confirmed State Parks’ determination that this land is not part of the CP State Recreation Area. Accordingly, in total, the State Park Reconfiguration Agreement provides for the conveyance to the Agency of approximately 26.8 acres of land currently within the CP State Park Recreation Area. Agency staff has determined that this slight reduction in acreage has no effect on the EIR’s conclusions regarding the environmental effects of the Project. The approximately 2.5 acres previously thought to be within the CP State Recreation Area that is in fact owned by State Lands is expected to be conveyed

to the Agency through the title settlement, public trust exchange and boundary line agreement between the Agency, State Lands and State Parks, so that between the two agreements, the existing acreage identified for conveyance in the EIR at Figure III.P-3 will remain the same. (Rounding of decimal points accounts for the remaining difference, which will be corrected when final surveys are prepared.)

12. Improvements within the CP State Park Recreation Area are governed by the CP State Recreation Area General Plan, which was last amended in 1987 ("1987 CPSRA General Plan"). State Parks is currently undertaking an amendment of the 1987 CPSRA General Plan. Designation of those improvements to be constructed in accordance with the State Park Reconfiguration Agreement will occur after the amendment of the CPSRA General Plan. The State Park Reconfiguration Agreement authorizes the Agency to provide State Parks with a cash deposit or other security to be used for the construction of improvements in the event a closing occurs prior to the completion of the CPSRA General Plan amendment process and the designation of specific improvements to be constructed or funded by the Agency.
13. All consideration to be paid by the Agency to State Parks under the State Park Reconfiguration Agreement must be paid by the Developer under the DDA, and the Agency has no obligation to close on any phase under the State Park Reconfiguration Agreement unless and until the Developer is prepared to and does in fact perform all of its obligations under the DDA to cause such phased closing to occur.
14. The Agency Commission hereby finds that the State Park Reconfiguration Agreement is part of the Candlestick Point-Hunters Point Shipyard Phase II Development Plan Project for purposes of compliance with CEQA.
15. In Resolution No. 59-2010, adopted on June 3, 2010, the Agency Commission adopted findings that various actions related to the Candlestick Point-Hunters Point Shipyard Phase II Development Plan Project are in compliance with CEQA. These findings are on file with the Secretary of the Agency and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein.

## **RESOLUTION**


**ACCORDINGLY, IT IS RESOLVED** that Resolution No. 59-2010, adopted by the Agency Commission on June 3, 2010, sets forth the Agency's CEQA Findings for this action; and

**IT IS FURTHER RESOLVED** that the Redevelopment Agency of the City and County of San Francisco approves of the State Park Reconfiguration Agreement, substantially in the form lodged with the Agency General Counsel; and

**IT IS FURTHER RESOLVED** that the Redevelopment Agency of the City and County of San Francisco authorizes and urges its Executive Director, prior to execution, to make changes and take any and all steps, including but not limited to the attachment of exhibits and the making of corrections, as necessary or appropriate to consummate the State Park Reconfiguration Agreement; provided, however, that such changes and steps do not materially increase the burdens and responsibilities of the Agency or materially decrease the benefits to the Agency; and

**IT IS FURTHER RESOLVED** that the Redevelopment Agency of the City and County of San Francisco authorizes its Executive Director to take all actions as needed, to the extent permitted under applicable law and the State Park Reconfiguration Agreement, to effectuate the Agency's performance under the State Park Reconfiguration Agreement.

**APPROVED AS TO FORM:**



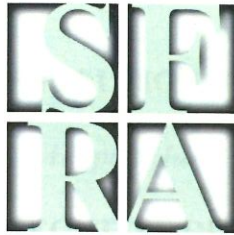
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EDWIN M. LEE, Mayor

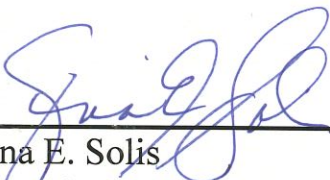
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Leroy King  
Agnes Briones Ubalde

Fred Blackwell, Executive Director

PASSED AND ADOPTED THIS 3<sup>rd</sup> DAY OF JUNE, 2010 by the following vote:

AYES: 7 NAYS: 0

The undersigned, Gina E. Solis, Commission Secretary of the San Francisco Redevelopment Agency does hereby attest and certify that the foregoing is a true and full copy of a resolution (No. 68-2010, as attached) of the governing board adopted at a duly convened meeting on the date above-mentioned, which has not been altered, amended, or repealed.

  
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Gina E. Solis  
Commission Secretary

Date: April 13, 2011