

## RESOLUTION NO. 97-2011

*Adopted September 20, 2011*

**CONDITIONALLY APPROVING A MAJOR PHASE APPLICATION FOR THE NEW SALESFORCE.COM CORPORATE HEADQUARTERS IN MISSION BAY (BLOCKS 26-34) PURSUANT TO THE OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, GRANTING A VARIANCE TO THE VIEW CORRIDOR STANDARDS CONTAINED IN THE MISSION BAY SOUTH DESIGN FOR DEVELOPMENT TO ACCOMMODATE ONE PEDESTRIAN BRIDGE FOR BLOCKS 29 – 32, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA**

### BASIS FOR RESOLUTION

1. On September 17, 1998, by Resolution No. 190-98, the Commission of the Redevelopment Agency of the City and County of San Francisco (“Agency Commission”) approved the Redevelopment Plan for the Mission Bay South Redevelopment Project Area (“Plan”). On the same date, the Agency Commission adopted related documents, including Resolution No. 193-98 authorizing execution of an Owner Participation Agreement (“South OPA”) and related documents between Catellus Development Corporation, a Delaware corporation (“Catellus”), and the Agency. On November 2, 1998, the San Francisco Board of Supervisors (“Board of Supervisors”), by Ordinance No. 335-98, adopted the Plan. The Plan and its implementing documents, as defined in the Plan, constitute the “Plan Documents.”
2. On September 17, 1998, the Agency Commission adopted Resolution No. 182-98 which certified the Final Subsequent Environmental Impact Report (“FSEIR”) as a program EIR for Mission Bay North and South pursuant to the California Environmental Quality Act (“CEQA”) and State CEQA Guidelines Sections 15168 (Program EIR) and 15180 (Redevelopment Plan EIR). On the same date, the Agency Commission also adopted Resolution No. 183-98, which adopted environmental findings (and a statement of overriding considerations), in connection with the approval of the Plan and other Mission Bay project approvals (the “Mission Bay Project”). The San Francisco Planning Commission (“Planning Commission”) certified the FSEIR by Resolution No. 14696 on the same date. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132 affirming certification of the FSEIR by the Planning Commission and the Agency, and Resolution No. 854-98 adopting environmental findings and a statement of overriding considerations for the Mission Bay Project.
3. Subsequent to certification of the FSEIR, the Agency has issued several addenda to the FSEIR, as described in Recital 4 below. The addenda do not identify any

substantial new information or new significant impacts or a substantial increase in the severity of previously identified significant effects that alter the conclusions reached in the FSEIR. Hereinafter, the Final Subsequent Environmental Impact Report, including any addenda thereto, shall be collectively referred to as the "FSEIR."

4. The first addendum, dated March 21, 2000, analyzed temporary parking lots to serve the AT&T Ballpark. The second addendum, dated June 20, 2001, analyzed revisions to 7th Street bike lanes and relocation of a storm drain outfall provided for in the Mission Bay South Infrastructure Plan, a component of the South OPA. The third addendum, dated February 10, 2004, analyzed revisions to the Mission Bay South Design for Development with respect to the maximum allowable number of towers, tower separation and requires step-backs. The fourth addendum, dated March 9, 2004, analyzed the Mission Bay South Design for Development with respect to the permitted maximum number of parking spaces for bio-technical and similar research facilities and the North OPA with respect to changes to reflect a reduction in permitted commercial development and associated parking. The fifth addendum, dated October 4, 2005, analyzed the UCSF proposal to establish a Phase I 400-bed hospital in Mission Bay South on Blocks 36-39 and X-3. The sixth addendum, dated September 10, 2008, addressed revisions of the UCSF Medical Center at Mission Bay. The seventh addendum, dated January 7, 2010, addressed the construction of a Public Safety Building on Block 8 in Mission Bay South.
5. Catellus, the original master developer of the Mission Bay North and South Redevelopment Project Areas, has sold most of its remaining undeveloped land in Mission Bay to FOCIL-MB, LLC, ("FOCIL-MB"), a subsidiary of Farallon Capital Management, LLC, a large investment management firm. The sale encompassed approximately 71 acres of land in Mission Bay, and the remaining undeveloped residential parcels in Mission Bay South. FOCIL-MB assumed all of Catellus's obligations under the South OPA and the Agency's Owner Participation Agreement for Mission Bay North (collectively, the "OPAs"), as well as all responsibilities under the related public improvement agreements and land transfer agreements with the City and County of San Francisco. FOCIL-MB is bound by all terms of the OPAs and related agreements, including the requirements of the affordable housing program, equal opportunity program, and design review process.
6. The Plan and the Plan Documents, including the Design Review and Document Approval Procedure, designated as Attachment G to the South OPA ("DRDAP"), provide that development proposals in Mission Bay South will be reviewed and processed in "Major Phases," as defined in and consistent with the Plan and the Plan Documents. Submission of design plans and documents for any specific building ("Project") must be consistent with the requirements established for each Major Phase. The DRDAP sets forth the review and approval process for Major Phases and Projects.

7. As permitted under the South OPA, Alexandria Real Estate Equities (“ARE”) purchased Blocks 26 - 34 from FOCIL-MB.
8. As permitted under the South OPA, Salesforce.com (“Developer”) purchased Block 26 (parcel 1), Block 27 (parcel 2) and Blocks 29 – 34 from ARE. Salesforce.com will be bound by all relevant terms of the South OPA and related agreements, including the requirements of the equal opportunity program and design review process.
9. Pursuant to the Plan and Plan Documents, including the DRDAP, Developer submitted a major phase application for Blocks 26 (parcel 1), Block 27 (parcel 1) and Blocks 29 - 34 dated September 13, 2011 (“Blocks 26 - 34 Major Phase”).
10. The Blocks 26 - 34 Major Phase includes a proposal for a pedestrian bridge linking future buildings on Blocks 31 and 32, crossing a privately-maintained public right-of-way between South Street and 16th Street.
11. The Plan, through the Mission Bay South Design for Development (“Design for Development”), identifies all street alignments, including the privately maintained public right-of-way between Blocks 31 and 32 as view corridors.
12. The Design for Development includes a design standard that prohibits new buildings or portions of buildings from blocking view corridors.
13. The Plan allows the Agency, at its discretion, to grant a variance to the design standards contained in the Design for Development when (1) “the enforcement would otherwise constitute an unreasonable limitation beyond the intent and purpose of the Design for Development and the Redevelopment Plan” and (2) if “the variance is consistent with the public health, safety and welfare.”
14. Agency staff believes a variance should be granted. The proposed pedestrian bridge is located just north of the southern terminus of a view corridor that terminates at 16<sup>th</sup> Street, at an existing building. Views to the north through the corridor would remain open and unobstructed. The bridge would not block any existing significant vistas and therefore would not be inconsistent with the intent and purpose of the Design for Development. Furthermore, allowing a pedestrian bridge at this location supports key economic goals contained in the Plan, such as creating a new economic development cluster in Mission Bay centered on high-technology and biotechnology industries. These industries require large and flexible floorplates. By connecting two buildings, the proposed pedestrian bridge creates the floorplate size Salesforce needs to conduct its work and maximize operational efficiencies. Lastly, allowing a pedestrian bridge at this location will not injure or be detrimental to the health or safety of members of the public.
15. Agency staff has reviewed the Blocks 26 - 34 Major Phase submitted by Developer, for purposes of compliance with CEQA and the State CEQA Guidelines.

16. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Approval of the Blocks 26-34 Major Phase including the proposed pedestrian bridge is an undertaking pursuant to and in furtherance of the Plan in conformance with CEQA Section 15180 (“Implementing Action”).
17. Agency staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FSEIR and has made documents related to the Implementing Action and the FSEIR files available for review by the Agency Commission and the public, and these files are part of the record before the Agency Commission.
18. The FSEIR findings and statement of overriding considerations adopted in accordance with CEQA by the Agency Commission by Resolution No. 183-98 dated September 17, 1998, were and remain adequate, accurate and objective and are incorporated herein by reference as applicable to the Implementing Action.
19. Agency staff has reviewed the Blocks 26 – 34 Major Phase submitted by the Developer, finds it acceptable and recommends approval thereof, subject to the resolution of certain conditions.

## **FINDINGS**

The Agency finds and determines that the Blocks 26-34 Major Phase submission, including the proposed pedestrian bridge, is an Implementing Action within the scope of the Project analyzed in the FSEIR and requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162 and 15163 for the following reasons:

1. The Implementing Action does not incorporate substantial changes into the Project analyzed in the FSEIR and will not require major revisions to the FSEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
2. No substantial changes have occurred with respect to the circumstances under which the Project analyzed in the FSEIR was undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR.
3. No new information of substantial importance to the Project analyzed in the FSEIR has become available which would indicate that (a) the Implementing Action will have significant effects not discussed in the FSEIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant

effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FSEIR will substantially reduce one or more significant effects on the environment.

## RESOLUTION


**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco (1) that it has reviewed and considered the FSEIR findings and statement of overriding considerations and hereby adopts the CEQA Findings set forth in Resolution No. 183-98 incorporated herein and those set forth above; (2) a variance is granted to the view corridor standards contained in the Mission Bay South Design for Development to accommodate one pedestrian bridge for Blocks 29-32; and (3) that the Blocks 26 - 34 Major Phase is hereby approved pursuant to the Mission Bay South Owner Participation Agreement with FOCIL-MB, subject to the following program, operational and design requirements being addressed in design phases proposals for individual buildings on Blocks 26 – 34:

1. Consistent with the variance findings described above, the Salesforce campus shall be permitted one pedestrian bridge connecting Blocks 31 and 32. No other below or above ground connections between blocks or buildings (such as tunnels or bridges) shall be allowed anywhere on the campus, with the exception of underground garages, loading docks, service areas and corridors, as proposed in the Major Phase. The schematic design of the bridge requires review and approval by the Agency. The schematic design for the bridge shall be submitted as part of the schematic design for the building on either Block 31 or 32. The bridge shall be a minimum of 40 feet above grade and be of an appropriate width and transparency as to create a sense of spaciousness and orientation on the campus and along 16th Street.
2. A schematic design application for the Town Center must be submitted to the Agency for review and approval concurrent with the first schematic design application for a building on Blocks 29 – 32.
3. The schematic designs for the three “pavilions” located in the Town Center require approval by the Agency. The schematic designs shall be submitted to the Agency for review and approval prior to Design Development approval of the last building on Blocks 29 – 32. Two of pavilions shall be designed by architects or artists other than the campus architect, Legorreta + Legorreta.
4. A plan detailing the final design, size and operational limitations of the outdoor electronic screen shall be submitted to the Agency for approval prior to Design Development approval of the building on Block 31. The operational standards for the outdoor electronic screen shall also be reviewed by the Citizens Advisory Committee.
5. A signage master plan for all Salesforce signage must be submitted concurrent with the Design Development application for the first building on Blocks 29 –

32. No corporate, wayfinding, retail or other signage implied in the Major Phase application is approved as part of this Major Phase. All signage shall be consistent with the Mission Bay South Signage Master Plan.

6. All improvements to the public right-of-way surrounding the Salesforce campus shall be consistent with the Mission Bay South Streetscape Master Plan, unless otherwise noted in this Major Phase application.
7. All future schematic design submittals shall identify specific mitigations to address wind discomfort.
8. The design of the walking/jogging path on 16th Street along Blocks 31 and 32 shall be generally consistent with the path already installed on 16th Street along the UCSF campus to create a strong pedestrian connection to the waterfront.

**APPROVED AS TO FORM:**

  
James B. Morales  
Agency General Counsel