

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 16-2019

CONDITIONALLY APPROVING THE REVISED SCHEMATIC DESIGN SUBMITTAL FOR BLOCK 52 (LENNAR) IN HUNTERS POINT SHIPYARD PHASE 1, WHICH CONSISTS OF 77 RESIDENTIAL UNITS (68 MARKET-RATE UNITS AND NINE INCLUSIONARY UNITS); AND PROVIDING NOTICE THAT THIS APPROVAL IS WITHIN THE SCOPE OF THE HUNTERS POINT SHIPYARD PHASE 1 REUSE FINAL ENVIRONMENTAL IMPACT REPORT, A PROGRAM EIR; AND, ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 *et seq.* the “CRL”), the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) undertook programs for the redevelopment of blighted areas in the City and County of San Francisco (“City”), including within the Hunters Point Shipyard (“HPS”) Redevelopment Project Area; and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco adopted a Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project Area as most recently amended by Ordinance No. 166-18, dated July 10 2018 (“HPS Redevelopment Plan”); and,

WHEREAS, Pursuant to California Health and Safety Code §§ 34170 *et seq.* (the “Redevelopment Dissolution Law”) and San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to it state authority under the Redevelopment Dissolution Law), the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly referred to as the Office of Community Investment and Infrastructure, or “OCII”) is responsible for implementing the HPS Redevelopment Project and fulfilling the enforceable obligations under the Hunters Point Shipyard Phase 1 Disposition and Development Agreement between the Former Agency and HPS Development Co, LP (the “Master Developer”) (dated Dec 2, 2003, and as currently amended by the First through Seventh Amendments thereto, the “Phase 1 DDA”); and,

WHEREAS, Together with the HPS Phase 1 Design for Development as most recently amended by the Commission by Resolution 33-2013 on July 2, 2013 (“Design for Development”), the Phase 1 DDA and its attachments, including the Design Review and Document Approval Procedure (“DRDAP”), Affordable Housing Program, Transportation Management Plan, Infrastructure Plan, Community Ownership, Financing and Benefits Policies and Procedures, Design for Development Documents, and other documents (together, “Project Documents”), establishes a comprehensive set of enforceable obligations and procedures that collectively govern implementation of development of HPS Phase 1 under the Phase 1 DDA; and,

- WHEREAS On December 14, 2012, the California State Department of Finance issued a Final and Conclusive Determination under California Health and Safety Code § 34177.5, that the Phase 1 DDA is an enforceable obligation that survived the dissolution of the Former Agency; and,
- WHEREAS, The Phase 1 DDA requires the Developer to undertake development of infrastructure in HPS Phase 1 to support 1,428 residential units and 26 acres of open space and parks, and to deliver “finished lots” (i.e., subdivided land improved with streets, sidewalks, parks, open space and utilities) to be sold to various vertical developers for residential or commercial use, or retained by OCII for the development of affordable housing. At least 10.5 percent of the residential units constructed by vertical developers must be affordable at 80 percent of Area Median Income (“AMI”); and,
- WHEREAS, The Phase 1 DDA establishes the Master Developer’s rights to develop vertical projects either for itself, with affiliates, or to convey finished lots to other developers for construction within the parameters of the HPS Redevelopment Plan, Design for Development and Phase 1 DDA (including the Project Documents); and,
- WHEREAS The Phase 1 DDA requires the inclusion of below market rate residential units within each vertical residential development in order to meet the Phase 1 DDA’s requirement for affordable housing within Phase 1 of the HPS Redevelopment Project; and,
- WHEREAS, On July 1, 2014 the Commission approved a Schematic Design and a Vertical Disposition and Development Agreement (“VDDA”) for Block 52 (Lennar) by Resolution No. 48-2014, and thereafter amended the Schematic Design approval on October 21, 2014 by Resolution No. 87-2014; and,
- WHEREAS, In accordance with the DRDAP, Master Developer has submitted an updated Schematic Design Application for Block 52 (Lennar) (herein the “Schematic Design”), which Master Developer intends to replace, in its entirety, the previous schematic design approval. The project described in the updated Schematic Design Application (“Project”) includes a total of 77 residential units, comprised of 68 Market Rate Units and nine Inclusionary Units, and associated improvements as shown on the Schematic Design submission; and,
- WHEREAS, The Inclusionary Units in the Project account for 11.6% of the total Residential Units in the Project (nine of 77 total units), and are affordable to households earning 80% AMI; and,
- WHEREAS, The DRDAP outlines the necessary documents, schedule, and procedures for the review and approval of design submittals. Under the DRDAP, a series of increasingly detailed design documents are required in the design process, which are: 1) Schematic Design, 2) Design Development, and 3) Construction Documents. The DRDAP requires the Schematic Design submittal to be presented to the Commission for review and approval; and,
- WHEREAS, The current Schematic Design submission proposes a realignment of Block 52 (Lennar) such that Avocet Way will be slightly realigned to the northwestern boundary of the Project site, and the northwestern-most portion of the parcel, constituting approximately 5,000 square feet (“Merger Parcel”), will be merged with the adjacent Agency Affordable Parcel, allowing additional affordable housing to be built on that parcel; and,

- WHEREAS, OCII and Master Developer have entered into an agreement for the transfer of the Merger Parcel, upon compliance with the City's Subdivision Regulations, as a requirement of the Commission's consideration of this Schematic Design submission; and,
- WHEREAS, OCII and Master Developer propose to enter into an amendment to the VDDA for Block 52 (Lennar) that reflects the realignment of Avocet Way, the updated Project reflected in the Schematic Designs, and related conforming changes; and,
- WHEREAS, In accordance with the DRDAP, OCII staff has determined that the Schematic Design submission, subject to the satisfaction of the conditions of approval set out in this Resolution (and incorporated herein by reference) (the "Conditions of Approval"), is consistent with the HPS Redevelopment Plan, Design for Development, Phase 1 DDA (including the Project Documents); and,
- WHEREAS, Master Developer presented the Schematic Design to the Mayor's Hunters Point Shipyard Citizens Advisory Committee ("CAC") Housing Sub-Committee on April 18, 2019, and to the Full CAC at its meeting on June 10, 2019. At their June 10, 2019 meeting, the CAC recommended approval of the Schematic Design; and,
- WHEREAS, The Former Agency Commission and the San Francisco Planning Commission ("Planning Commission") certified the Hunters Point Shipyard Reuse Final Environmental Impact Report ("FEIR"), and adopted California Environmental Quality Act ("CEQA") findings, a mitigation monitoring and reporting program and statement of overriding considerations (collectively "CEQA Findings") in 2000, and subsequently issued a First and Second Addendum to the Final EIR in 2003 and 2006, respectively, to address project changes (collectively, the FEIR and the CEQA Findings as updated by the First and Second Addenda are referred to as the "Phase 1 EIR"). The Commission has received the Phase 1 EIR and the Phase 1 EIR was made available to the public during prior Commission meetings. Additionally, the Former Agency Commission and the Planning Commission certified the Candlestick Point/Hunters Point Shipyard Phase 2 Final Environmental Impact Report in 2010 and adopted CEQA findings, a mitigation monitoring and reporting program and statement of overriding considerations (collectively, "Phase 2 CEQA Findings"), and subsequently issued three addenda, in 2014, 2016 and 2018, respectively, to address project changes (collectively, the Phase 2 FEIR and Phase 2 CEQA Findings as updated by the three addenda are referred to as the "Phase 2 EIR"). The Phase 2 EIR updated the transportation analysis and transportation plan (including the transportation system management plan) for Phase 1, but the Phase 2 EIR did not identify any new significant environmental effects or an increase in the severity of significant impacts of the Phase 1 Project previously identified in the Phase 1 EIR; and,
- WHEREAS, OCII staff has reviewed the HPS Block 52 Project Schematic Design and has found them to be within the scope of the project analyzed in the Phase 1 EIR and its subsequent addenda and the Phase 2 EIR and its subsequent addenda; and,
- WHEREAS, Copies of the Phase 1 EIR, the Phase 2 EIR, and supporting documentation, are on file with the Commission Secretary and are incorporated in this Resolution by this reference; now, therefore be it

RESOLVED, That since the Phase 1 EIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Phase 1 EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Phase 1 EIR, as confirmed by the analysis provided in the Phase 2 EIR; and, be it further

RESOLVED, That the Commission has reviewed the Schematic Design submission and the OCII staff recommendation and related materials (incorporated herein by this reference) and finds that the Schematic Design submission is complete pursuant to the DRDAP, and subject to satisfaction of the conditions below, is consistent with the HPS Redevelopment Plan, the Design for Development and the Phase 1 DDA; and, be it further

RESOLVED, That the Commission authorizes the Executive Director to accept the conveyance of the Merger Parcel, conditionally made by the Master Developer as part of this Schematic Design approval, as consistent with the goals and objectives of the HPS Redevelopment Plan; and, be it further

RESOLVED, That the Commission conditionally approves the Project's Schematic Design submission, a copy of which is on file with the Secretary of the Commission, subject to the remaining design issues being resolved to the satisfaction of the Executive Director and any changes included in subsequent design stages, beginning with the Design Development phase as follows:

1. **Materials and Colors.** Continue to develop and refine the building materials palette, including the wall systems, glazing, screening and other materials, in coordination with OCII staff. Materials palette must demonstrate durability, quality, color, variety, and visual interest, especially at the ground floor. Explore opportunities to incorporate locally sourced materials to establish a palette that works with climate, light, neighborhood context, history, and culture. Sustainable and recycled materials are highly encouraged.
2. **Architectural Mock-Up Scope.** Prior to Construction Document submittal and in advance of building materials purchasing, provide scope and plans for design mock-up, including primary building materials, color palette, wall systems, glazing and detail installation. OCII staff shall approve a) mock-up plans prior to mock-up construction, and of b) mock-up materials, as per Construction Documents, and their application, after OCII's staff mock-up observations and prior to materials purchases and shipping.
3. **Landscape Plans.** Provide detailed landscape plans, including plans for Avocet Way, all setback zones, and common open spaces. The setback zone shall be used to create a transition zone between private use and the public realm. The setback zone shall be landscaped with high quality materials from the building edge to the public sidewalk. Landscaping shall mitigate all ground-floor blank wall areas along Avocet Way and Jerrold Avenue, subject to further review and approval by OCII.
4. **Street Trees.** Retain the equivalent number of existing street trees within all public right-of-ways in the Project Area. If any proposed tree wells must be relocated to accommodate new utility infrastructure, submit revised infrastructure plans.

5. **Rooftop Solar Photovoltaic System.** Project shall retain a rooftop photovoltaic system as indicated in the Schematic Design proposal.
6. **Roof Drainage.** Consider internal roof drainage to eliminate unattractive external gutters, pipes and downspouts. External gutters, pipes and downspouts shall be subject to further review by OCII.
7. **Utility Room and Parking Screening.** Refine screening, materiality and architectural treatment of all ground-floor utility rooms and parking garage doors. Doors should screen mechanical uses while providing visual interest to the public realm through incorporation of design features such as high-quality materials, texture, artistic expression and transparency.
8. **Mechanical Equipment.** All mechanical equipment, aside from the indicated gas meters in the setback area on Avocet Way, shall be located within the building footprint or on the roof, per the approved Schematic Designs. No additional meters or mechanical equipment shall be located within setback zones or along Avocet Way, unless required by a utility provider. In such case, utility provider requirements must be documented and proposed mechanical locations and screening will be subject to further OCII review and approval.
9. **Ground-Floor Glazing:** Aside from potential opaque glazing necessary to screen mechanical and parking uses, clear, untinted low-reflectivity glass shall be used at and near the street level to allow maximum visual interaction between sidewalk areas and the interior of the building. Window glass for residential units at the ground level on Avocet Way may be selected that simultaneously help protect privacy and provide “eyes on the street,” as called for in the HPS1 D4D.
10. **Façade Transparency:** Retain the approved percentage of glazed surface façade area on all building elevations, as shown in the Schematic Design submittal.
11. **Lighting Plan.** Provide a detailed building lighting plan. Lighting should be subtle and reinforce the overall façade design.
12. **Graffiti Treatment.** Submit materials specifications identifying how each material type will be protected from or replaced in the case of graffiti—especially those materials located on ground-floor facades.
13. **Roofscape**
 - a. Roof design should utilize non-reflective, low intensity colors.
 - b. Further develop any rooftop mechanical equipment screening. Rooftop mechanical equipment, with the exception of solar PV infrastructure, shall be screened from view from the public realm. Mechanical screens shall form part of the building top composition and consist of materials consistent with the overall building color and material palette.
14. **Signage.** All building signage shall be subject to further OCII staff review and approval. The Sponsors shall submit a signage plan prior to or concurrent with the Design Development submittal.

In advance of the start of construction, Building Permit and before procurement and Tenant Improvements (“TI”), the Sponsor shall:

1. **Noise.** Prior to the start of construction, the Developer and its general contractor shall meet with OCII staff to discuss noise regulations and hours of construction operation to ensure that they understand the existing regulations and do not work outside the allowed hours of operations. During construction, the Developer shall designate a single point of contact to address all construction-related concerns from OCII, the City, residents of Hunters Point Shipyard and other stakeholders.
2. **Architectural Mock-Up.** Prior to procuring façade materials, construct a physical material mock-up to allow for OCII, design team, and contractor review of material durability, texture, color and detail installation.

RESOLVED, That the Commission authorizes the Executive Director (or her designee) to approve subsequent design documents for the Project (beginning with the Design Development phase) that the Executive Director reasonably determines are in OCII's best interest or are necessary or convenient to implement the development of the Project under the DDA, the Design for Development and the Major Phase as applicable, and further the goals of the HPS Redevelopment Plan and the DDA; and, be it further

RESOLVED, That the Commission authorizes the Executive Director enter into an amendment to the VDDA for Block 52 (Lennar) reflecting the realignment of Avocet Way, the updated Project reflected in the Schematic Design submission, and related conforming changes, and to take such other actions as may be necessary or appropriate, in consultation with OCII counsel, to effectuate the purpose of the intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of July 16, 2019.

Commission Secretary