

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 17-2019

CONDITIONALLY APPROVING SCHEMATIC DESIGNS FOR DEVELOPMENT OF AGENCY HOUSING PARCELS ON BLOCKS 52 AND 54 OF HUNTERS POINT SHIPYARD PHASE 1, WHICH CONSISTS OF 112 AFFORDABLE RENTAL HOUSING UNITS (INCLUDING ONE MANAGER'S UNIT); APPROVING A DENSITY BONUS ALLOWING ADDITIONAL HEIGHT AND DENSITY FOR PROPOSED DEVELOPMENT ON BLOCK 52; 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; 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") (Dec 2, 2003, 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 ("Design for Development") as most recently amended by the Commission by Resolution 33-2013 on July 2, 2013, the Phase 1 DDA establishes a comprehensive set of enforceable obligations and procedures for implementing development within HPS Phase 1, including the Design Review and Document Approval Procedure ("DRDAP") and the Affordable Housing Program (together, "Project Documents"); 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, In accordance with the DDA, OCII intends to facilitate the construction of at least 218 affordable housing units within Phase 1 (“Agency Affordable Housing Units”); and,
- WHEREAS, At the Commission’s public hearing on September 19, 2017 the OCII Executive Director and Staff presented a Housing Development Request for Proposals (the “RFP”) to develop and operate affordable rental housing units for families on Agency Housing Parcels within Blocks 52 and 54 of HPS Phase 1 (“Blocks 52/54 Affordable Project” or “Project”). After review and discussion of the RFP, the Commission did not object to its issuance and subsequently, on September 21, 2017, OCII issued the RFP; and,
- WHEREAS, On March 20, 2018, the Commission selected, by Resolution No. 07-2018, McCormack Baron Salazar and Bayview Hunters Point Multipurpose Senior Services to develop the Project. The selected respondents submitted an application that was responsive to the RFP. In selecting the respondents, OCII relied on, among other things, their agreement to comply with all of OCII’s policies, including but not limited to insurance and indemnification requirements found in the RFP; and,
- WHEREAS, On January 22, 2018 under Resolution No. 1-2018, the Oversight Board of the City and County of San Francisco approved an expenditure for funding including the Project through Item No. 395 of the Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (“ROPS 18-19”). The California Department of Finance provided final approval of the expenditure for Item No. 395 through its letter dated May 17, 2018; and,
- WHEREAS, On August 7, 2018, the Commission, by Resolution No. 33-2018, authorized the Executive Director to enter into an Exclusive Negotiations Agreement and a Predevelopment Loan Agreement in an amount not to exceed \$4,000,000 with Shipyard 5254, L.P., a California limited partnership (the development entity formed by McCormack Baron Salazar and Bayview Hunters Point Multipurpose Senior Services for the Site, and herein the “Developer”); and,
- WHEREAS, For purposes of implementation and to ensure consistency with the City’s overall affordable housing goals and priorities, OCII has engaged the Mayor’s Office of Housing and Community Development (MOHCD) to provide additional services, construction monitoring and design review, and loan disbursement review and processing. Upon completion of the Project, OCII intends, and is obligated under the Dissolution Law, to transfer the affordable housing loan obligation, asset, and ground lease to MOHCD as the designated Successor Housing Agency of the City and County of San Francisco under Board Resolution No. 11-12, as required by Redevelopment Dissolution Law; and,

WHEREAS, The Developer has submitted the Schematic Designs for the Project (“Schematic Designs”), including a request for density bonus under the HPS Redevelopment Plan and Phase 1 Design for Development allowing additional height and density for the proposed affordable residential building on Block 52; and,

WHEREAS, OCII staff has reviewed the Developer’s request and has determined that the Project is eligible for the requested density bonus, and including said bonus, staff has determined that, in accordance with the DRDAP, the Schematic Designs submission is consistent with the HPS Redevelopment Plan, the Design for Development and the DDA and Project Documents; 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 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 Schematic Designs and has found them to be within the scope of the project analyzed in the Phase 1 EIR and its subsequent addenda; and,

WHEREAS, Copies of the Phase 1 EIR and Phase 2 EIR and supporting documentation for each are on file with the Commission Secretary and are incorporated into 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 finds that the Schematic Designs submission is complete pursuant to the DRDAP; and, be it further

RESOLVED, That the Commission has reviewed the Schematic Designs submission and the OCII staff recommendation (incorporated herein by this reference), and finds that the Developer has demonstrated sufficient grounds for its requested density bonus; and subject to satisfaction of the conditions below, the Schematic Designs submission is consistent with the HPS Redevelopment Plan, the Design for Development and the DDA and Project Documents; and, be it further

RESOLVED, That the Commission conditionally approves the Schematic Designs 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.** 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. **Façade Color Alternative.** Provide a design study demonstrating at least one differentiating façade color between the affordable buildings constructed on Blocks 52 and 54, such as different accent tile color. Final façade color scheme subject to further review and approval by OCII.
3. **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.
4. **Landscape Plans.** Provide detailed landscape plans, including plans for 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 through screening ground-floor blank wall areas along Avocet Way on Block 52, subject to further review and approval by OCII.
5. **Street Trees.** Maintain the equivalent number of existing street trees within all public right-of-ways in the Project Area. If any existing tree wells must be relocated to accommodate new utility infrastructure, submit revised infrastructure plans.
6. **Construction Cost Estimates and Value-Engineering.** In the event that design elements have to be reconsidered post-Schematic Design approval due to changes in construction cost estimates, the Developer shall engage OCII staff early on in the value-engineering process and all value-engineering decisions shall be subject to review and approval 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 shall be located within the building footprint or on the roof, per the approved Schematic Designs. No meters or mechanical equipment shall be located within the 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 is subject to further OCII review and approval by OCII.
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.
10. **Façade Transparency:** Maintain the approximate 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. **Trash and Recycling.** The design of the trash and recycling areas shall be subject to further review and approval by OCII staff to ensure that such areas allow for internal pick-up by the solid waste collector to avoid on-street location of trash and recycling receptacles.
15. **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, and before procurement and tenant improvements, 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 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