Approval of Proposed Changes to the Candlestick Point/Hunters Point Shipyard Phase II Project

Commission on Community Investment and Infrastructure

April 17, 2018
Agenda

1) Approval Actions Summary

2) Existing Project Requirements

3) Rationale for & Summary of Changes

4) Redevelopment Plan Amendments

5) HPS Design for Development

6) Environmental Review

7) Proposed Project Changes Details
   • Phasing Plan & Schedule of Performance
   • Parks & Open Space Plan
   • Transportation Plan
   • Sustainability Plan
   • Infrastructure Plan
   • Design Review & Document Approval (DRDAP)

7) DDA Amendments
   • 3rd Amendment to the CP/HPS2 DDA
     - BMR Housing Plan Amendments
     - Community Benefits Plan Amendments
     - Financing Plan Amendments
   • 7th Amendment to the HPS1 DDA

8) Community Outreach

9) Current Contracting and Workforce Status

10) Next Steps
## Approval Actions

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Action</th>
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<tbody>
<tr>
<td>11-2018</td>
<td>Adopting Environmental Findings</td>
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<tr>
<td>12-2018</td>
<td>Approving Reports to the Board of Supervisors for both HPS and BVHP Redevelopment Plan Amendments</td>
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<tr>
<td>13-2018</td>
<td>Approving Redevelopment Plan Amendments for HPS &amp; BVHP</td>
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<td>14-2018</td>
<td>Approving the HPS Design for Development</td>
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<td>15-2018</td>
<td>Approving the 7th Amendment to the HPS Phase 1 DDA</td>
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<tr>
<td>16-2018</td>
<td>Approving the 3rd Amendment to the CP/HPS Phase 2 DDA</td>
</tr>
</tbody>
</table>
1997
HPS Redevelopment Plan approved

2004
First land transfer to the City

2005
HPS Phase 1 approved

2008
Prop G passed

2010
CP/HPS2 approved

2013
HPS Phase 1 Ground-breaking

2015
AG Ground-breaking & CP Stadium demo

2016
Prop O passes; Northside Park design community outreach

2017
Updated HPS2 master plan community outreach commences

2018
Existing CP/HPS2 Requirements – Affordable Housing

• **BMR Housing** = 3345 units (32% of the 10,500 total units)

• **Housing Ladder**: AMI ranges from 0-60% AMI to 140-160%

• **OCII Funded Units** = 1,644 Units serving 0-60% AMI
  - 256 Alice Griffith public housing replacement units*
  - 248 new affordable units built with Alice Griffith replacement units
  - 1,140 new affordable units on stand-alone lots
  - Serves spectrum of needs: families, seniors, homeless, special needs

• **Developer Inclusionary Units** = 1,701 serving 80-160%
  - 809 moderate income inclusionary units serving 80-120% AMI
  - 892 “workforce” units serving 140-160% AMI

*Developer funded as well*
## Existing Requirements – Affordable Housing

<table>
<thead>
<tr>
<th>AMI Percentage</th>
<th>Type of Below Market Rate Unit</th>
<th>Percentage of Total Units</th>
<th>Number of Below-Market Rate Units</th>
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</thead>
<tbody>
<tr>
<td>0 – 60%</td>
<td>Alice Griffith Replacement Units</td>
<td>2.44%</td>
<td>256</td>
</tr>
<tr>
<td>0 – 60%</td>
<td>Agency Affordable Units</td>
<td>13.22%</td>
<td>1,388</td>
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<tr>
<td>80 – 100%</td>
<td>Inclusionary Units</td>
<td>3.45%</td>
<td>363</td>
</tr>
<tr>
<td>120%</td>
<td>Inclusionary Units</td>
<td>4.25%</td>
<td>446</td>
</tr>
<tr>
<td>140%</td>
<td>Workforce Units</td>
<td>4.25%</td>
<td>446</td>
</tr>
<tr>
<td>141-160%</td>
<td>Workforce Units</td>
<td>4.25%</td>
<td>446</td>
</tr>
<tr>
<td><strong>Total Below-Market Rate Units</strong></td>
<td></td>
<td><strong>31.86%</strong></td>
<td><strong>3,345</strong></td>
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<tr>
<td>160% and above</td>
<td>Market Rate Units</td>
<td>68.14%</td>
<td>7,155</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100%</strong></td>
<td><strong>10,500</strong></td>
</tr>
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</table>
Existing CP/HPS2 Requirements – Community Benefits

- Community benefits fund
- Community builder program
- Community health and wellness contributions
- Community real estate program, including:
  - Artists Complex
  - Community Facility Lots
  - Community Facilities Spaces
- Construction assistance program
- Education Improvement Fund
- Housing initiatives
- Scholarship fund
- Contracting and Workforce initiatives
Existing Requirements – Community Benefits

Highlights of current or ongoing efforts include:

• Provided infrastructure to serve first 4 phases of Alice Griffith
• Provided funding for construction of first 4 phases of Alice Griffith
• Completed new Commercial Kitchen building
• Started construction on new Artists building
• Provided $500,000 for Scholarship Fund
• Provided $350,000 for Wellness Contribution
• Ongoing commitments through the BVHP Employment and Contracting Program
Proposed Project Changes: Why

• **Land Uses** – increase diversity of uses:
  o Increase R&D/office uses
  o Increase Retail uses
  o Add Hotel and Maker Space uses
  o Maximize Housing entitlement

• **Land Uses** – potential shift in commercial sf from HPS2 to Candlestick
  o Approval path created to allow for changes in market conditions

• **Street Grid and Block Development Plan:**
  o Re-envisioned to align closer to existing historic layout of Shipyard
  o Designed by Adjaye Associates

• **Heritage Buildings:** Increase potential to retain certain structures

• **Parks and Open Spaces:** Re-imagine layout and increase acreage

• **Green Energy and Sustainable Infrastructure:** “eco-grid” potential
Proposed Project Changes: Summary

- **Housing:**
  - Add 172 unbuilt Phase 1 units (10,500 + 172 = 10,672 total units)
  - Shift allocation of units between CP and HPS2 (993+ in CP; 891- in HPS2)
  - Create category for stand-alone Senior BMR Inclusionary for CP-02

- **Parks & Open Space:**
  - Redesign & Increase acreage by 10.7 acres (337.7 acres)
  - Provide privately owned, publicly accessible “Green Room”

- **Commercial/Non-Residential in HPS2:** 2,071,000 sf increase

<table>
<thead>
<tr>
<th>Increase to existing HPS2 uses:</th>
<th>New HPS2 uses:</th>
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<tbody>
<tr>
<td><strong>Land Use Type</strong></td>
<td><strong>SF</strong></td>
</tr>
<tr>
<td>R&amp;D / Office</td>
<td>1,265,000 sf</td>
</tr>
<tr>
<td>Neighborhood Retail</td>
<td>100,000  sf</td>
</tr>
<tr>
<td>Institution</td>
<td></td>
</tr>
<tr>
<td>Maker Space</td>
<td></td>
</tr>
</tbody>
</table>
## Proposed Project Changes: Summary

|                          | TOTAL CP & HPS2 |
|--------------------------|-----------------
|                          | 2010 | Change | 2018 |
| **CP/HPS2 Housing Units** | 10,500 | **172** | 10,672 |
| **Parks & Open Space Acreage** | 327.0 | **10.7** | 337.7 |
| **Artist Studio**        | 255,000 | **0** | 255,000 |
| **Community Use**        | 100,000 | **0** | 100,000 |
| **FAC/Performance Venue**| 75,000 | **0** | 75,000 |
| **Hotel**                | 150,000 | **120,000** | 270,000 |
| **Institution**          | 0 | **410000** | 410,000 |
| **R&D/Office**           | 3,150,000 | **1,265,000** | 4,415,000 |
| **Regional Retail**      | 635,000 | **100,000** | 735,000 |
| **Neighborhood Retail**  | 250,000 | **101,000** | 351,000 |
| **Maker Space**          | 0 | **75000** | 75,000 |
| **Non-Residential Square Footage** | **4,615,000** | **2,071,000** | 6,686,000 |
Existing Requirements – Project Structure

- **CP & HPS2 DDA & Exhibits**
- **Design for Development**
- **Interagency Agreements**
- **State Lands Acquisition Agreements**
- **Project Entitlements**
- **CEQA**
- **Redevelopment Plans**
## DDA: Amendments Needed

<table>
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<tr>
<th>Document Title</th>
<th>Exhibit</th>
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<tr>
<td>CP/HPS2 Disposition and Development Agreement</td>
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<tr>
<td>Development Plan</td>
<td>A</td>
</tr>
<tr>
<td>Definitions</td>
<td>B</td>
</tr>
<tr>
<td>Phasing Plan</td>
<td>C</td>
</tr>
<tr>
<td>Schedule of Performance</td>
<td>D</td>
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<tr>
<td>DRDAP</td>
<td>E</td>
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<tr>
<td>BMR Housing Plan</td>
<td>F</td>
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<td>Community Benefits Plan</td>
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<td>Financing Plan</td>
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<td>Infrastructure Plan</td>
<td>I</td>
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<tr>
<td>Parks &amp; Open Space Plan</td>
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<td>Sustainability Plan</td>
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<td>Project MMRP</td>
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<td>Stadium Pad Infrastructure</td>
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<td><strong>Transportation Plan</strong></td>
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<td>“Form of” Documents</td>
<td>O-W</td>
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<tr>
<td>Employment and Contracting Policies</td>
<td>X-DD</td>
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<tr>
<td>Proforma Values for Commercial Lots</td>
<td>EE</td>
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</table>
HPS Redevelopment Plan Amendment Highlights

- **Land Use Districts**: names changed to match HPS2 vision
- **Land Use Definitions**: adjustments and additions to match new vision
- **Land Use Entitlement Sq. Ft.**: adjustments within caps to permit a more diverse land use mix
- **Transfer of Sq. Ft. to CP**: 118,500 sq. ft. of R&D/Office uses to be transferable from HPS2 to BVHP Zone 1 (Candlestick Point)
BVHP Redevelopment Plan Amendment Highlights

- **Land Use Entitlement Sq. Ft.**: conversion of square footage to be allowed between different land use categories

- **Transfer of Sq. Ft. to CP**: 118,500 sq. ft. of R&D/Office uses to be transferable from HPS2 to BVHP Zone 1 (Candlestick Point)

- **Jamestown Parcel**: shift of a parcel not owned by Developer to Zone 2 of BVHP Project Area (Planning Code jurisdiction)
BVHP Redevelopment Plan: Jamestown Parcel
Urban Design Vision:

D4D guided by a new vision for the Shipyard designed by architect Sir David Adjaye
The HPS2 Vision calls for 4 Districts and 4 Key Features
Design for Development (D4D)

Artist rendering, conceptual only; there is no assurance this project will be approved or developed as shown.
Design for Development (D4D)

Development Standards:
(examples)

- building setbacks,
- mid-block breaks,
- site coverage and bulk,
- private open space requirements,
- maximum building heights.
Design for Development (D4D)

Artist rendering, conceptual only; there is no assurance this project will be approved or developed as shown.
Design for Development (D4D)

Architectural Controls

**STEP 1**

**FACADE COMPOSITION (FC), PICK TWO**

FC1. *Façade Modulation Strategies*
FC2. Façade Articulation Strategies
**FC3. Fenestration Strategies**
FC4. Material / Color Strategies

**STEP 2**

**BULK AND MASSING (BM)**

BM1. *Significant Building Breaks*
BM2. Upper Floor Stepbacks
BM3. Façade Variation (pick two)
   - Façade Modulation
   - Façade Articulation
   - Fenestration/ Transparency
   - Material Color

**STEP 3**

**BUILDING ENHANCEMENT (BE)**

BE1. Apply One [1] Additional Bulk/Massing Control
BE2A. Orient Private Courtyards and/or Atria Onto a Public ROW or MBB (Per Street Fronting Elevations)
BE2B. Orient Private Courtyards and/or Atria Onto a Public ROW or MBB (Multiple Street Fronting Elevations)
BE3. Provide Visual Access to Interior Courtyard and/or Atrium
BE4. Permanently Open Public Access to Open Space
**BE5. Reduction in Floor Plate Area of Upper Floors**
BE6. Expressive Entrances
**BE7. Increased Transparency**
BE8. Distinct Corner Architectural Feature
**BE9. Roof Expression**
BE10. Additional Active Entries
BE11. Additional Ground Floor Activation
**PUBLIC REALM ENHANCEMENT (PE)**
PE1. Public Access Through the Building
PE2. Public Access though Open Space Connection
Design for Development (D4D)
Environmental Review

• **Project EIR**: SFRA Commission and Planning Commission certified the Final Environmental Impact Report for the CP/HPS2 Project in compliance with CEQA on June 3, 2010

• **Previous Addenda**: Four Addenda to the EIR since 2010

• **Addendum 5**: issued April 9, 2018
  - Studies environmental effects of the proposed Plan Amendments and amendments to the supporting documents
  - Recommends modifications to 16 mitigation measures adopted in the EIR’s Mitigation Monitoring and Reporting Program
  - Concludes that the proposed amendments are within the scope of the Project analyzed in the EIR and will not result in any new significant impacts or a substantial increase in the severity of previously identified significant effects, altering the conclusions reached in the EIR
Phasing Plan & Schedule of Performance

• Together these documents form the schedule for Project delivery:
  
  • Phasing Plan identifies location
  
  • Schedule of Performance establishes time range for commencement and completion of public infrastructure such as:
    
    ➢ Major Phase and Sub-Phase Applications
    
    ➢ Associated Public Benefits (e.g. parks, arterial improvements leading to the project)
Phasing Plan Amendments

• Hunters Point Shipyard Phase 2
  - Major Phases reduced from four to three
  - Sub-Phases reduced from 17 to six
  - Geographic sequence revised
    - Current: starting from northern edge, clockwise towards southeastern edge
    - Proposed: starting from inland, outward towards shoreline

• Candlestick Point
  - Major Phases reduced from four to three
  - Sub-Phases reduced from 18 to 17
  - Geographic sequence revised
    - Current: (1) Alice Griffith, retail center & adjacent housing, (2) outward towards shoreline
    - Proposed: (1) Alice Griffith, retail center & adjacent housing, (2) CP South, (3) CP North
Phasing Plan: Proposed
## Schedule of Performance

### Current:

<table>
<thead>
<tr>
<th>Candlestick Point</th>
<th>Hunters Point Shipyard Phase 2</th>
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<tr>
<td><strong>Major Phase</strong></td>
<td><strong>Completion Outside Date</strong></td>
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<tr>
<td>Major Phase 1</td>
<td>2021</td>
</tr>
<tr>
<td>Major Phase 2</td>
<td>2027</td>
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<tr>
<td>Major Phase 3</td>
<td>2032</td>
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<tr>
<td>Major Phase 4</td>
<td>2034</td>
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### Proposed:

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<th>Candlestick Point</th>
<th>Hunters Point Shipyard Phase 2</th>
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</thead>
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<tr>
<td><strong>Major Phase</strong></td>
<td><strong>Completion Outside Date</strong></td>
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<tr>
<td>Major Phase 1</td>
<td>2024</td>
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<tr>
<td>Major Phase 2</td>
<td>2027</td>
</tr>
<tr>
<td>Major Phase 3</td>
<td>2036</td>
</tr>
</tbody>
</table>
Parks & Open Space Plan

• Parks & open space acreage increased by 10.7 acres as compared with 2010 Non-Stadium Scenario

• More dog runs, tot lots and adult fitness areas added to the park program

• Parks reconfigured in Shipyard south to align with new grid

• New Water Room, rectangular plaza framing the end of Dry Dock 4

• New Green Room, an 8.1-acre open space privately owned but public open space

• Waterfront Promenade North enlarged by 6.2 acres

• Grasslands Ecology Park enlarged by 24.7 acres

• 3 Smaller parks removed in Shipyard South: These park amenities are distributed in the new park configuration.

• Centralized stormwater treatment areas added in Northside Park, Waterfront Promenade North, Community Sports Field Complex, Grasslands Ecology Park

• Sports facilities relocated from western edge to southern edge of development blocks at Community Sports Field Complex
2010 CONCEPT PLAN

Artist's rendering conceptual only. Proposed land use is conceptual only.
2018 CONCEPT PLAN

Artist's rendering conceptual only. Proposed land use is conceptual only.
Water Room

Artist’s rendering conceptual only. Proposed land use is conceptual only.
Water Room

Artist’s rendering conceptual only.
Artist’s rendering conceptual only. Proposed land use is conceptual only.
Green Room

Artist’s rendering conceptual only.
Transportation Plan

- The Transportation Plan includes extensive improvements at Shipyard and Candlestick and the surrounding neighborhood.
  - A new transit center at the Shipyard
  - New bus rapid transit (BRT) to MUNI, BART and Caltrain Station
  - New downtown express shuttles (CPX and HPX)
  - Improvements in bus frequency for existing bus routes in Bayview
  - Full-time transportation coordinator to manage real time transportation needs for residents, employees and visitors
Transportation Plan - Changes

- Street network in Shipyard Warehouse District revised to retain historic street pattern and increase opportunities for re-use of legacy buildings

- Pedestrian/bicycle bridge crossing

- Primary bicycle route in northern Shipyard enhanced from Class II (bike lane) to Class IV (separated bikeway/cycletrack)

- Primary bicycle route in southern Shipyard changed from Class IV (separated bikeway/cycletrack) to Class I (bicycle path)

- Class III bicycle facility (bike route) on Innes Avenue replaced with parallel Class I facility (bicycle path) on Hudson Street

- Potential water taxi service proposed at Dry Dock 4

- Transit service phasing revised to conform to changes in Schedule of Performance and updated SFMTA transit service plans
PUBLIC TRANSPORTATION

TRANSLIT
- HPX
- CPX
- BRT
- 44 O’Shaughnessy
- 48 Quintara
- 24 Divisadero
- 29 Sunset
- New transit Center
- Proposed Water Taxi

Timing of Water Taxi is to be determined.
Water Taxi Icon Design by Luis Prado from the Noun Project.

LAND USE
- Residential Density I (Townhomes)
- Residential Density II (Multi-Story Flats)
- Residential Density IV (High Rise)
- Artist
- Commercial
  Includes R&D, Office and Hotel
- Commercial/Parking
- Community Use
- Utilities
  Recycled Water Treatment Plant

Note: Transit maps are conceptual only.
BICYCLE/PEDESTRIAN

LEGEND
- Blue Greenway
- Class I Shared Path
- Class II Bike Lane
- Class IV Bike Lane
  Buffered From Traffic
- Parks Bike Connections
- Off-Site Bike Connections

Note: Bicycle facilities through Shoreline Open Space Area to be designed with corresponding park improvements.
Pedestrian and Bike Bridges

Artist's rendering conceptual only.
BRT lanes by the Green Room

Artist's renderings are conceptual only. There is no guarantee that the project will be approved, developed or built as shown.
Sustainability Plan - Changes

• Updated to include proposed water recycling, district-scale solar energy, and district-scale heating and cooling systems (the “Eco-Grid”)

• Shortened and simplified while retaining essential content
PROPOSED
RECYCLED WATER TREATMENT

Production
Collection
Treatment
Distribution
Re-Use

Proposed infrastructure is conceptual only.
Infrastructure Plan

• Establishes Developer’s obligations to construct Project Infrastructure

• Volume 1: Candlestick Point – no changes

• Volume 2: Hunters Point Shipyard Phase 2 – changes summarized below

  o Conforming changes to match new land plan

  o Design criteria for sea level rise (SLR) revised:

    ➢ Development perimeter to accommodate 66’ of SLR, increased from 36’

    ➢ Shoreline improvements and parks to accommodate 24’ of SLR, increased from 16’
Design Review and Document Approval Procedure (DRDAP)

• Establishes procedures for the submittal, review and approval by OCII and City Agencies of:
  o Major Phase Applications
  o Sub-Phase Applications
  o Vertical Improvements Designs
  o Parks and Open Spaces Designs
Design Review and Document Approval Procedure (DRDAP)

- Park Schematic Design submittal timing revised to align community outreach more closely with park construction
- Developer’s submittal processes and requirements clarified
Third Amendment to the CP/HPS2 DDA

- **Land Use Program**: updated to match new land plan

- **HPS Ph. 1 Unbuilt Housing Units**: shifts 172 units (including 18 BMR’s) remaining from the Phase 1 housing entitlements

- **HPS Ph. 1 Unbuilt Commercial Space**: shifts up to 71,000 sf remaining from the Phase 1 commercial sf entitlements

- **Private Construction & Maintenance Obligations**:
  - *Mid-Block Breaks*: Developer is obligated to construct and maintain mid-block breaks
  - “POPOS”: Developer is obligated to construct and maintain privately owned publicly accessible open space (e.g. the “Green Room”)

- **Building 813 Disposition to Developer**: include within general enforceable obligation to convey former Navy properties

- **“PILOT”**: provides for a payment in lieu of taxes for tax-exempt entities

- **Agency Costs**: Increases % of OCII staff overhead costs to be reimbursed by the Developer
BMR Housing Plan Amendments: CP-02 Senior BMR
BMR Housing Plan Amendments: CP-02 Senior BMR

- **Inclusionary Housing**: inclusionary requirement (for *Sub-Phase CP-02 only*) met with a 100% senior (62+ yrs) rental project with 104 BMR’s

- **AMI**: 104 units would serve 60% AMI and below (rather than currently required 104 units at 80%-120%); corresponding changes to BMR Table

<table>
<thead>
<tr>
<th>AMI %</th>
<th>Unit Type</th>
<th># of BMR’s if no CP-02 Senior</th>
<th># of BMR’s if CP-02 Senior</th>
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</thead>
<tbody>
<tr>
<td>0-60%</td>
<td>Alice Griffith Replacement</td>
<td>256</td>
<td>256</td>
</tr>
<tr>
<td>0-60%</td>
<td>OCII units</td>
<td>1388</td>
<td>1388</td>
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<tr>
<td>0-60%</td>
<td>Inclusionary CP-02 Senior</td>
<td>-</td>
<td>104</td>
</tr>
<tr>
<td>80-100%</td>
<td>Inclusionary</td>
<td>363</td>
<td>259</td>
</tr>
<tr>
<td>101-119%</td>
<td>Inclusionary</td>
<td>-</td>
<td>57</td>
</tr>
<tr>
<td>120%</td>
<td>Inclusionary</td>
<td>446</td>
<td>389</td>
</tr>
<tr>
<td>140%</td>
<td>Workforce</td>
<td>446</td>
<td>446</td>
</tr>
<tr>
<td>141%-160%</td>
<td>Workforce</td>
<td>446</td>
<td>446</td>
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<tr>
<td><strong>GRAND TOTAL BMR UNITS</strong></td>
<td></td>
<td>3345</td>
<td>3345</td>
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</table>
BMR Housing Plan Amendments: CP-02 Senior BMR

• **Units**: majority 1-Bedrooms and Jr 1-Bedrooms, with a few 2-Bedrooms
  
  o Provides greater # of inclusionary units in CP-02 than otherwise required (approx. 25% of total CP-02 units, rather than required 5-20%)
  
  o No change to overall total of BMR Inclusionary units (brings BMR’s online faster)

• **Timing**: must be delivered at same time/before CP-02 market rate units

• **Amenities**: fitness room, library, multi-purpose room, additional storage space, multiple open spaces

• **Parking**: provided at no charge at .5/1 ratio
BMR Housing Plan Amendments: Other Changes

• COP Parking Preference for Inclusionary and Workforce BMR’s:
  
  o *Currently:* if less than 1:1 parking ratio, space available in descending order of unit sizes
  
  o *Amendment:* gives Certificate of Preference Holders same priority as largest unit sizes, regardless of their household size

• HPS2 Housing Map: updated to match new land plan

• HPS1 Unbuilt Units Added to CP/HPS2: defines how 18 BMR units remaining from HPS Phase 1 housing entitlement can be added to CP/HPS2 Project entitlements
  
  o *Checkpoint:* 9 units must be completed before Developer completes 50% of Total Units
Community Benefits Plan Amendments

- **Community Benefits Reporting**: bi-annual reporting requirement
- **Building 813**: to be conveyed to Developer like other Navy properties
Community Benefits Plan Amendments: Maker Space

- **Definition of New Land Use:** small-scale manufacturing, repair, and post-manufacturing activities and typically includes retail component; may include:
  - Light Manufacturing: craft, industrial arts/design, jewelry or clothing manufacturing, food or beverage production
  - Digital Technologies: graphic design, 3D printing
  - Neighborhood retail sales and service: food/beverage tasting or sales, arts & crafts sales
  - May include business incubating space

- **Amount:** 75,000 sf provided in cold shell condition by Developer

- **Timing:** 1/2 by time 2M sf commercial development completed, remaining by 3M sf (if not provided by these dates, subsequent Sub-Phase Approvals may be withheld)

- **Location:** Identified in Sub-Phase Applications (TBD)

- **Rent:** No higher than then-current market rates for comparable spaces in the City
Community Benefits Plan Amendments: Maker Space

- **Tenant Selection**: Developer of Building with any Maker Space must:

  1. **Create marketing plan**: identifies specific actions to be taken, marketing location not restricted but must include BVHP residents and businesses

  2. **CAC review of marketing plan**: presentation to CAC with copy to OCII

  3. **Marketing Period**: must begin no less than 12 months and no more than 18 months before TCO; must continue for earlier of 12 months or successful tenanting

  4. **CAC review during Marketing Period**: CAC may request updates on status

  5. **Recorded Restrictions**: Vertical Developer must record restrictions against each Maker Space
Community Benefits Plan Amendments: Maker Space

• **Temporary Relief:** if above not successful:
  o Maker Space may be tenanted to non-Maker tenant for temporary period for no more than 5 years
  o Prevents unnecessary and lengthy vacancies during a phased development
  o Tenant Selection Requirements restart after Temporary Agreement, but must start 18 months prior to end of Temporary Agreement

• **Term:** lasts until earlier of:
  o Termination of 3rd successive Temporary Agreement (15 years)
  o Minimum 10 years of cumulative Maker tenancy; ongoing automatic 5 year extensions unless otherwise approved by OCII Commission
  o HPS Redevelopment Plan expiration
Community Benefits Plan Amendments: Community Facilities Space

• **Existing Requirement:**
  - 65,000 square feet of retail space with location determined at Major Phase & Sub-Phase
  - Cold Shell Condition
  - No Base Rent or Purchase Price required of tenant
  - Flexible uses (retail, community, cultural), but intended to enhance overall quality of life for Project Site and BVHP and support creation of a vibrant new neighborhood
  - Must include: International African Market Place, Library Reading Rooms, CP State Recreation Area welcome center
  - OCII determines Community Facilities tenant within 15 months of construction start of building

• **Proposed Amendments:**
  - Warm Shell Condition now to be provided by Developer
  - Developer now determines tenant but must comply with marketing & tenant selection requirements
Community Benefits Plan Amendments: Community Facilities Space

• **Tenant Selection:** Developer of Building with any Community Facilities Space must:

1. **Create marketing plan:** identifies specific actions to be taken that focus on BVHP residents and businesses and identifies tenanting standards

2. **CAC review of marketing plan:** presentation to CAC with copy to OCII

3. **Marketing Period:** must begin no less than 12 months and no more than 18 months before TCO; must continue for earlier of 12 months or until at least one potential tenant candidate identified

4. **CAC Recommendation:** tenant candidates present proposals to CAC for its recommendation

5. **Recorded Restrictions:** Vertical Developer must record restrictions against each Community Facilities Space
Community Benefits Plan Amendments: Community Facilities Space

• **Temporary Relief:** if above not successful (as confirmed by OCII E.D.):
  - Community Facilities Space may be tenanted to any tenant for temporary period for no more than 5 years
  - Prevents unnecessary and lengthy vacancies during a phased development
  - Tenant Selection Requirements restart after Temporary Agreement, but must start 18 months prior to end of Temporary Agreement

• **Term:** does not expire

Additional Community Benefits Amendment: Artist Parcel

• Developer has discretion to offer a 10k-15k square foot warm shell space for an Arts Center as an alternative to existing requirement to offer a 15k-30k square foot land parcel
Other Conforming Amendments:

• Financing Plan:
  
  o **Major Phase Adjustments:** reflects changes from Phasing Plan amendments etc
  
  o **Summary Proforma:** updated to match new Major Phase configurations and updated revenue and expenditure estimates

• 7th Amendment to the HPS Phase 1 DDA:

  o 172 units of unbuilt housing moving to CP/HPS2 Project
  
  o Up to 71,000 square feet of unbuilt commercial space moving to CP/HPS2
Community & Public Outreach

- **AUG 2017**: HPS CAC Planning, Development & Finance (PDF)
- **OCT 2017**: Community Open House #1
- **NOV 2017**: HPS CAC (PDF + Full) re: Parks & Open Space
- **JAN 2018**: Community Open House #2
- **FEB 2018**: HPS CAC – PDF
- **MAR 2018**:
  - HPS CAC: Business & Employment, Housing
  - Parks, Recreation & Open Space Advisory Committee
  - Recreation & Parks Commission
  - MTA Policy & Governance Subcommittee
  - OCII Commission
  - Historic Preservation Commission
  - Planning Commission
- **APR 2018**:
  - HPS CAC (Full; Action Item)
  - MTA CAC Operations & Customer Service Subcommittee
Current Contracting and Workforce Status

• BVHP Employment & Contracting Policy
  o Contracting: SBE
  o Workforce:
    ➢ Construction, Design Professional Trainees, Permanent
  o Nondiscrimination
  o Minimum Compensation
  o Health Care Accountability
  o Prevailing Wage
Current Contracting and Workforce Status

• **SBE:** $153M (62%) to SBE’s, incl. $48M (20%) to BVHP
  - **Professional Services:** $15M (66%)
  - **Construction Services:** $138M (62%)

• **Workforce:**
  - **Construction:** 35% by SF Residents; 19% by BVHP Residents
  - **Design Professional Trainees:** 16 hired in 2016/17; ~ 15 in 2018
    - Diversity in student pool: 96% minority, 54% women
    - SF City College, SF State, & Mayor’s Youth Job+ Summer Program

• **Permanent:**
  - No Retail/Commercial development completed yet
  - Hiring agreement to be drafted
### NEXT STEPS

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THANK YOU