Commission on Community Investment and Infrastructure

RESOLUTION NO.11 -2015
Adopted March 3, 2015

ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, CONDITIONALLY APPROVING A MAJOR PHASE APPLICATION WITH HPS DEVELOPMENT CO. LP, WHICH INCLUDES A 1) BASIC CONCEPT DESIGN FOR ALL RESIDENTIAL PROJECTS ON BLOCK 48, GRANTING A DENSITY BONUS AND REQUIREING EIGHT ADDITIONAL BELOW MARKET RATE HOUSING UNITS ON-SITE FOR A TOTAL OF 404 HOUSING UNITS, AND 2) A SCHEMATIC DESIGN AND ANCILLARY DOCUMENTS FOR PHASE 1A OF BLOCK 48, GENERALLY BOUNDED BY NAVY ROAD ON THE NORTH BOUNDARY, EARL ON THE EAST BOUNDARY, OAKDALE AVENUE ON THE WEST BOUNDARY, AND POCKET PARKS 4 AND 5 ON THE SOUTH BOUNDARY, FOR A TOTAL OF 47 HOUSING UNITS; HUNTERS POINT SHIPYARD PROJECT AREA

WHEREAS, Under Chapter 5, Statutes of 2011, ABx1 26, and Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session), the San Francisco Redevelopment Agency (“SFRA”) was dissolved and certain obligations of SFRA were transferred to the successor agency, now known as the Office of Community Investment and Infrastructure or “OCII,” the successor to the San Francisco Redevelopment Agency by operation of law. ABx1 26 and Assembly Bill No. 1484 amended Sections 33500 et seq. of the California Health and Safety Code, which sections, as amended from time to time, shall be referred to herein as the “Dissolution Law;” and,

WHEREAS, The Dissolution Law requires an oversight board for each successor agency to oversee certain fiscal and other actions of the successor agency. As required by AB 26, the oversight board for OCII (the “Oversight Board”) was timely established, and has been meeting since March 2012 to perform its duties under the Dissolution Law; and,

WHEREAS, On October 2, 2012, the Board of Supervisors in its capacity as the legislative body of the Successor Agency adopted Ordinance No. 215-12, acknowledging that OCII is a separate legal entity as a result of AB 1484 and creating the Community Investment and Infrastructure Commission (the “Commission”) as the policy body of OCII to implement three Major Approved Development Projects (1. Hunters Point Shipyard/Candlestick Point, 2. Mission Bay and 3. Transbay), the Retained Housing Obligations, and other enforceable obligations under the Dissolution Law; and,

WHEREAS, The Hunters Point Shipyard/Candlestick Point Project (the “Project”) is divided into two phases, called Phase 1 and Phase 2, each with a separate disposition and development agreement (“DDA”). The DDAs, together with a number of related binding agreements attached to or referenced in the text of the DDAs, establish a comprehensive set of enforceable obligations that collectively govern the completion of the Project. The DDAs are binding contractual agreements that provide for the
transfer of land from OCII to developers, the developers' and OCII’s rights and obligations relating to the construction of specified improvements, and the financing mechanisms for completing the Project. The Project will deliver over 12,000 new homes, approximately 32 percent of which will be below market rate and will include the rebuilding of the Alice Griffith public housing development consistent with the City’s HOPE SF program, up to 3 million square feet of research and development space, and more than 350 acres of new parks in the southeast portion of San Francisco. In total, the Project will generate over $6 billion of new economic activity to the City, more than 12,000 permanent jobs, hundreds of new construction jobs each year, new community facilities, new transit infrastructure, and provide approximately $90 million in community benefits. The Project’s full build out will occur over 20-30 years, but over 1,000 units of housing and 26 acres of parks will be completed over the next five years in the first phase of the Project; and,

WHEREAS, On December 2, 2003, the SFRA Commission approved the Phase 1 DDA with HPS Development Co, LP (“Lennar”). The Phase 1 DDA has been amended since its approval in 2003. The SFRA Commission authorized 1) on April 5, 2005, a First Amendment to the Phase 1 DDA; 2) on October 17, 2006, a Second Amendment to the Phase 1 DDA; 3) on August 5, 2008, a Third Amendment to the Phase 1 DDA; 4) on August 19, 2008, a Fourth Amendment to the Phase 1 DDA; 5) on November 30, 2009 a Fifth Amendment to the Phase 1 DDA; and 6) on December 19, 2012 the Commission approved a Sixth Amendment to the Phase 1 DDA; and,

WHEREAS, The Phase 1 DDA obligates Lennar to construct the infrastructure necessary to support the vertical development of 1,498 residential units in the Phase 1 development, and 26 acres of open space and parks. At least 10.5 percent of the 1,280 units constructed by Vertical Developers will be affordable at 80 percent of Area Median Income (“AMI”), approximately 60 units will be affordable at 50 percent of AMI on Block 49 under a Block 49 Vertical DDA with the affordable housing developer AMCAL. The Phase 1 DDA also obligates Lennar through a community benefits agreement, to provide training, assistance, and contracting opportunities to community residents and organizations, as well as offer opportunities for development of certain Lots to Bayview Hunters Point-based developers and contractors (“Community Builders”); and,

WHEREAS, The Phase 1 DDA requires the Developer to undertake development of infrastructure in Phase 1 and permits the Developer to sell improved land to vertical developers for development of individual projects for residential and other uses; and the Phase 1 DDA includes a process for vertical developers to receive development approvals in Phase 1 of the Shipyard called a “Major Phase.” Under a Major Phase Application, vertical developers are required to submit overall plans for one or more development blocks. In the Major Phase Application, vertical developers propose a development program (including a form Vertical Disposition and Development Agreement or “Vertical DDA” or “VDDA”) and specific architectural designs for buildings. The Vertical DDA grants development rights and responsibilities to vertical developers.

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A revised form of the Vertical DDA was approved by the Commission on May 21, 2013 by Resolution No. 21-2013; and,

WHEREAS, The Developer has submitted a Major Phase Application for Block 48 consisting of a Basic Conceptual Design for 404 housing units ("Conceptual Design") and Schematic Designs for Blocks 48 Phase 1A consisting of 47 housing units ("Schematic Designs"). OCII staff has determined that the Major Phase Application is consistent with the Phase 1 DDA and the horizontal schedule of performance, the Shipyard Redevelopment Plan (the "Plan") and the Hunters Point Shipyard Phase 1 Design for Development ("D for D"). A copy of the Major Phase Application is attached to the Commission memorandum accompanying this resolution; and,

WHEREAS, Pursuant to the Plan and the D for D, a developer may request a density bonus if it provides an increased number of affordable housing units beyond the existing requirements. The D for D states: "Density bonuses for housing development may be awarded by the Agency to developers in order to encourage the provision of low and/or moderate income housing. Such bonuses are deemed to be a local housing assistance program. Bonuses may be granted in an amount up to 25 percent above what the density would otherwise be permitted under the terms set forth in this document;” and,

WHEREAS, The Plan and the D for D do not provide a precise formula to calculate density bonus requirements. Thus, the State Density Bonus Law, Government Code Section 65915 et. seq., has been used to calculate the density bonus for the proposed Major Phase; and,

WHEREAS, In accordance with the Sixth Amendment to the Phase 1 DDA, the Developer has the right to determine the number of Inclusionary Units to be located in each Residential Project as long as the number of Inclusionary Units is no less than five percent and no more than 20 percent of the total number of Residential Units in each Residential Project, and the final number of Inclusionary Units in Phase 1 is not less than 10.5 percent of the total number of market rate units in Phase 1; and,

WHEREAS, The Sixth Amendment to the Phase 1 DDA also states that at 300th, 600th, 900th and the 1200th Residential Unit to be transferred by the Developer to a Vertical Developer, at least 10.5 percent of the aggregate number of all of Residential Units in Phase 1 must be Inclusionary Units; and,

WHEREAS, The development program for Block 48 includes approximately 404 units of for-sale housing to be constructed in six phases and in a variety of unit types (a mixture of lofts/studios, one, two and three bedroom condominiums) and includes approval of Density Bonus in accordance with the State Density Bonus Law; and,

WHEREAS, Of the 404 housing units on Block 48, 42 units (or 10.5 percent) shall be Below Market Rate ("BMR") housing units at 80 percent of AMI, additional six units shall be BMR housing units at 80 percent of AMI as required by the Phase 1 DDA for 600th milestone, and additional eight units shall be categorized as Density Bonus.
Units provided pursuant to the State Density Bonus law and these eight Density Bonus Units shall not count as Inclusionary Units for purposes of meeting the Developer's total obligation for Inclusionary Units in Phase 1. This characterization will have the effect of increasing the number of BMR units for which the Developer is responsible and thus satisfy the density bonus provisions of the Plan, the D for D and State Density Bonus law; and,

WHEREAS, The Major Phase Application for Block 48 consisting of a Conceptual Design for 404 housing units and includes: 1) a report on the Schedule of Performance, 2) a Major Phase and Project Housing Data Table, 3) a Conceptual Plan, 4) Schematic Designs, and 5) a form Vertical DDA that includes a date for commencement of construction which is relative to the date on which the lot(s) applicable to the Vertical DDA will be transferred; and,

WHEREAS, Developer also submitted Schematic Designs for Blocks 48 Phase 1A consisting of 47 housing units, and a Vertical DDA for this Block 48 Phase 1A project; and,

WHEREAS, OCII staff has determined that the above items submitted with the Major Phase Application are consistent with the Plan, the D for D, and the Phase 1 DDA, as applicable; and,

WHEREAS, The Phase 1 DDA is an enforceable obligation under the Dissolution Law. The Block 48 Phase 1A Vertical DDA is an implementing document of that Phase 1 DDA and is shown on line HPSY 21 of the approved Recognized Obligation Payment Schedule for July to December 2014, which was approved by the Oversight Board and the Department of Finance. On December 14, 2012, the California State Department of Finance issued a Final and Conclusive Determination under California Health and Safety Code § 34177.5 (i), that the Phase 1 DDA and the Phase 2 DDA are enforceable obligations that survived the dissolution of the Redevelopment Agency; and,

WHEREAS, OCII staff informed the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (“CAC”) of the details of the Major Phase Application during its meetings in November and December 2014, and also January and February 2015 and the CAC supports approval of the Major Phase Application; and,

WHEREAS, The SFRA Commission and the San Francisco Planning Commission (“Planning Commission”) adopted California Environmental Quality Act (“CEQA”) findings, a statement of overriding considerations, and certified the Final Environmental Impact Report (“EIR”) for Phase 1 in 2000, and subsequently issued a First and Second Addendum to the EIR in 2003 and 2006, respectively, to address project changes. The Commission received the Phase 1 EIR and the Phase 1 EIR was made available to the public during prior Commission meetings. Additionally, the SFRA Commission and the Planning Commission certified the Final EIR for Phase 2 (“Phase 2 EIR”) in 2010 and adopted findings and a statement of overriding considerations. The Phase 2 EIR updated the transportation analysis and transportation plan, including the transportation system management plan, for Phase
and Phase 2 of the Shipyard. The Phase 1 DDA requires Lennar to submit Major Phase Applications for the Shipyard’s development in accordance with the Phase 1 DDA, the D for D, and pursuant to and in furtherance of the Plan. OCII staff has reviewed the Major Phase Application submitted by Lennar and finds it to be within the scope of the development analyzed in the Phase 1 EIR and subsequent Addenda as well as the Phase 2 EIR; now, therefore, be it

RESOLVED, The Commission has reviewed the Major Phase Application and the Schematic Designs for Block 48, Phase 1A and the environmental documents referenced above and finds that no additional environmental review is required pursuant to State CEQA Guidelines Sections 15180, 15162, 15163, and 15164; and, be it further

RESOLVED, That the Commission finds that the Major Phase Application and the submitted Schematic Designs are complete subject to satisfaction of the conditions below, are consistent with the Phase 1 DDA and the horizontal schedule of performance, the Plan, and the D for D; and, be it further

RESOLVED, That the Commission authorizes the Executive Director to approve subsequent design documents related to the Schematic Designs, 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 completion of the Block 48 development consistent with the Major Phase Application and the Vertical DDA, the Plan, the D for D, and the Phase 1 DDA; and, be it further

RESOLVED, That the Commission conditionally approves the Major Phase Application, including 1) a report on the Schedule of Performance, 2) a Major Phase and Project Housing Data Table, 3) a Basic Concept Plan, 4) Schematic Designs for Phase 1A, and 5) a form the Vertical DDA that includes a date for commencement of construction, subject to the following design issues being resolved to the satisfaction of the Executive Director and any changes included in subsequent design stages approved by the Executive Director, beginning with the Design Development phase:

**Basic Concept Design Conditions**

1. All subsequent Schematic Designs within Block 48 shall be subject to the Vertical Design Review and Document Approval Procedures including but not be limited, the Hunters Point Shipyard Citizens Advisory Committee, OCII staff and Commission review and approval, and other procedures as applicable.

2. Distribution of Developer sponsored market rate housing units and buildings within the subject block may be rearranged in future phases provided that the total housing units for the block shall not exceed 404 units.

3. The maximum height for all structures shall be limited to 45 feet, except that this limitation shall not apply to elevator enclosures not exceeding ten feet in height used solely for elevator purposes, nor to open pergolas or similar open
ornamental treatment of roof-gardens, rooftop playgrounds, or similar structures.

4. A minimum of 80 square feet of usable private or common open space per unit shall be provided and shall be easily and independently accessible. This usable private or common open space shall be composed of an outdoor area or areas designed for outdoor living, recreation or landscaping, including ground level yards, decks, balconies, and patios.

5. The planned community facility within Block 48, including all its programmed elements, features and components, shall be accessible to all residents, including residents of Agency sponsored development.

6. Bicycle parking spaces shall be distributed throughout the proposed Phase 1A buildings.

7. Wherever possible, garage doors shall consist of translucent material in order to engage with the sidewalk.

8. The Developer shall further study the addition of more street trees or other plantings that would complement the buildings where practicable.

**Phase 1A Schematic Design Conditions:**

1. The Developer shall further study color and material scheme/palette. As planned, the buildings feature monotonous coloring and material scheme that contribute to the industrial appearance of the proposed structures.

2. Where possible, the applicant shall study the use of differentiated material for the front portion of the driveway that aligns with the furnishing and street tree zone. Permeable pavers or similar treatment across the base of the driveways would be preferred.

3. All roof-mounted equipment shall be screened from ground-level view. Screening material for roof-mounted equipment shall be architecturally compatible with the design, color, and materials of the proposed buildings. Screening incorporated into the building design such as mechanical wells and parapet walls are preferred.

4. In the event the Developer effectuates a condominium map on the project, is required to prepare and record a Covenants, Conditions and Restrictions (“CC&Rs”) and Home Owners Association, such documents shall be reviewed and approved by OCII prior to recordation.

and, be it further
RESOLVED, That the Commission approves the Conceptual Design for Block 48, the Schematic Designs for Block 48 Phase 1A and the VDDA for Block 48 Phase 1A, and authorizes the Executive Director to execute, delivery and perform the VDDA, together with such changes as the Executive Director reasonably determines, are (i) in OCI’s best interest or are necessary or convenient to implement the development of Block 48 consistent with the VDDA, the Plan, the D for D, and the Phase 1 DDA, and (ii) do not materially increase OCI’s obligations or liabilities in connection with the VDDA; and, be it further

RESOLVED, That the Commission authorizes the Executive Director to take such other actions as may be necessary or appropriate, in consultation with the City Attorney’s Office, 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 March 3, 2015.

Commission Secretary
MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Tiffany Bohee
Executive Director

SUBJECT: Adopting environmental review findings pursuant to the California Environmental Quality Act, conditionally approving a Major Phase Application with HPS Development Co. LP, which includes a 1) Basic Concept Design for all residential projects on Block 48, granting a density bonus and requiring eight additional below market rate housing units on-site for a total of 404 housing units, and 2) a Schematic Design and ancillary documents for Phase 1A of Block 48, generally bounded by Navy Road on the north boundary, Earl on the east boundary, Oakdale Avenue on the west boundary, and Pocket Parks 4 and 5 on the south boundary, for a total of 47 housing units; Hunters Point Shipyard Project Area

EXECUTIVE SUMMARY

The agreement implementing the first phase of redevelopment of the Hunters Point Shipyard (“Shipyard”) is the Phase 1 Disposition and Development Agreement (“Phase 1 DDA”), between the Office of Community Investment and Infrastructure or “OCII” as successor to the San Francisco Redevelopment Agency (“SFRA”) and HPS Development Co, LP (“Lennar” or the “Developer”). The Phase 1 development program includes the construction of infrastructure, parks, and housing. Under the Phase 1 DDA Lennar is required to build the infrastructure and parks, and then sell land to various vertical developers, either Lennar affiliates or third-parties including Bayview Hunters Point-based developers and contractors (“Community Builders”), to build housing and/or retail.

The Phase 1 DDA includes a process for vertical developers to receive development approvals called a “Major Phase Application.” Under a Major Phase Application, vertical developers are required to propose a development program for one or more development blocks and include 1) a report on the Schedule of Performance, 2) a Major Phase and Project Housing Data Table, 3) a Basic Concept Design, and 4) a form Vertical Disposition and Development Agreement or “VDDA,” and related documents. In addition to all the required documents, the Major Phase Application for Block 48 includes a Basic Concept Design (“Concept Design”) for all of Block 48 (Attachment 1), Schematic Designs (“Schematic Designs”) for specific buildings within Block 48’s Phase 1A (Attachment 2), and a form VDDA for Block 48 Phase 1A that is on file with the Secretary of the Commission.

Block 48 is situated on a sloping hillside, stretching east to west and facing south to views of Candlestick Point, the Bay, Yosemite Cove and the South Bay Hills. It contains 17 Lennar development parcels and two OCII parcels, for a total of 19 development parcels. It is bordered by Crisp Road to the South, Griffith Avenue to the west, Phase 1 Hillside development to the east, and open space to the north. At approximately seven acres, Blocks 48 represents the largest remaining development site in the Shipyard Phase 1 Project Area.
The Developer has submitted a Major Phase Application which includes a Basic Concept, which defines certain development concepts (i.e. massing and form, height, allowed density, and other contextual information) for the entire block, and a Schematic Design and VDDA for the first sub-phase, Phase 1A, for an overall total of 404 residential units. Note that this does not include any OCII funded affordable housing units on two OCII owned parcels.

The Developer proposes to build Block 48 in six sub-phases:
1. Phase 1A (47 units)
2. Phase 2A (164 units)
3. Phase 1B (50 units)
4. Phase 2B (52 units)
5. Phase 3A (40 units)
6. Phase 3B (51 units)

Block 48 Total 404 units

Because the development proposed on Block 48 has densities that exceed the maximum D for D density standards, the Developer is seeking Commission approval for a 12% density bonus in exchange for providing eight additional onsite BMR units, otherwise known as Density Bonus Units. The Hunters Point Shipyard Redevelopment Plan ("Plan") and the D for D allow for height and bulk to be modified through a density bonus if the density bonus result in additional affordable housing beyond the amount already required. The Developer is proposing that six of the Density Bonus Units would be affordable at 120% of Area Median Income ("AMI") and the remaining two Density Bonus Units would be affordable at 80% of AMI.

These Density Bonus Units would be in addition to the Below Market Rate ("BMR") Inclusionary Units that the Developer is required to provide per the Phase I DDA. Under the Phase I DDA, 10.5% of the 404 unit total, or 42 units, would be Inclusionary Units affordable at 80% of AMI. Because the Developer provided fewer than 10.5% in Inclusionary Units on previous development blocks of Phase 1, six Inclusionary "Catch-Up" Units are required in Block 48, which will be available at 80% AMI. In total, Block 48 will have 58 BMR units.

In addition to seeking approval of Concept Design for all of Block 48, the Developer is also seeking approval of the Schematic Designs and related vertical development approvals for Phase 1A, which is comprised of Parcels N, O & P. Phase 1A consists of four groups of buildings at the northeast corner of Block 48 and a total of 47 units, including five Inclusionary Units affordable to 80% of AMI.

OCII staff has determined that the Major Phase Application, which includes a Basic Concept Design for Block 48 and a Schematic Design for Phase 1A, is complete and consistent with the Phase I DDA, the horizontal schedule of performance, the Plan, and the D for D. Additionally, staff finds the proposed Major Phase Application to be within the scope of the development analyzed in the Shipyard’s Phases 1 and 2 Final Environmental Impact Reports ("FEIR") and its addenda, and that no additional environmental review is required.

**Staff recommends approving the Major Phase Application which includes a 1) Basic Concept Design for all residential projects on Block 48, granting a density bonus and requiring eight additional below market rate housing units on-site for a total of 404 housing units, and 2) a Schematic Design and ancillary documents for Phase 1A of Block 48, for residential projects at the**
Hunters Point Shipyard Phase 1; Hunters Point Shipyard Project Area, subject to the conditions contained in this memorandum.

BACKGROUND

Hunters Point Shipyard and Candlestick Point Overview and Summary

The Hunters Point Shipyard and Candlestick Point areas (together the “Project”) are comprised of approximately 780 acres along the long-neglected waterfront lands of southeastern San Francisco (See Attachment 1, Basic Concept, Page 5). These lands will be developed and transformed into productive areas for jobs, parks, and housing, including affordable housing through public-private partnerships as required by the Shipyard Disposition and Development Agreements with OCII. The development will be implemented in two phases by affiliated, but separate, developers managed by Lennar under separate DDAs.

During the development 12,100 new homes will be delivered, approximately 32% of which will be BMR housing units, including the rebuilding of the Alice Griffith public housing development consistent with the City’s HOPE SF program, up to 3 million square feet of research and development space, and approximately 352 acres of new and renovated parks in the southeast portion of San Francisco. In total, the project will generate over $6 billion of new economic activity to the City, more than 12,000 permanent jobs, hundreds of new construction jobs each year, new community facilities, new transit infrastructure, and provide approximately $90 million in community benefits. The Project’s full build out will occur over 20 to 30 years, but just over 1,000 units of housing and 26 acres of parks will be completed over the next five years in Phase 1 of the Shipyard.

Community Benefits and Community Builders

The Phase 1 DDA obligates Lennar to provide training, assistance, and contracting opportunities to community residents and organizations, as well as offer opportunities for development of certain lots to Community Builders. Community Builders may participate on projects through one of the below programs:

1. **Fee Developer:** This program choice requires that, in exchange for a negotiated fee based on a scope of services, a Community Builder would provide a variety of value added development services for the project.

2. **Joint Venture:** This program choice requires a material equity investment from the Community Builder, and under this scenario the Community Builder would enter into a partnership agreement with the Developer and would share, pro rata, in any profits from the project.

3. **Independent:** This program choice requires the Community Builder to purchase the block from Lennar in accordance with the Phase 1 DDA, and then to enter into a Vertical DDA with OCII.

Throughout this Major Phase Application’s predevelopment, design, and permitting process, Lennar has been engaged with the Community Builder, Eagle Environmental Construction, Inc. ("EEC"). EEC was founded over 12 years ago by Ronald Batiste. Licensed as a General Engineering Contractor A, General Building Contractor B, and Hazardous Substance Removal service provider,
EEC provides construction services for projects across the country and abroad. EEC is the largest African American contractor in San Francisco which continues to operate out of the Bayview Hunters Point area ("BVHP") and works on many projects citywide including the Shipyard. EEC has been included in the development process for this Major Phase Application and they will continue to be involved throughout the development and construction process. EEC will be a Fee Developer on Parcel O of Block 48, Phase 1A (See Overall Hillside Site Plan, Attachment 1, Page 10 and Building O, Attachment 2, Pages 29-41). Parcel O contains 11 townhome units with two- or three-bedrooms.

**Phase 1 Development Program**

In December 2003, the SFRA Commission approved the Phase 1 DDA with Lennar. The Phase 1 DDA has been amended six times since its approval in 2003. The SFRA Commission authorized; 1) on April 5, 2005, a First Amendment to the Phase 1 DDA; 2) on October 17, 2006, a Second Amendment to the Phase 1 DDA; 3) on August 5, 2008, a Third Amendment to the DDA; 4) on August 19, 2008, a Fourth Amendment to the Phase 1 DDA; 5) on November 30, 2009 a Fifth Amendment to the Phase 1 DDA; and 6) and on December 19, 2012 the Commission approved a Sixth Amendment to the Phase 1 DDA.

The Phase 1 DDA obligates Lennar to construct the infrastructure necessary to support the total vertical development of up to 1,600 units with 1,498 housing units planned in the Phase 1 development and 27 acres of open space and parks. The Phase 1 development is well underway, with approximately 250 housing units under construction and approximately 70% of the Phase 1 horizontal infrastructure construction complete (see Attachment 3 for Block 48's horizontal infrastructure construction schedule).

Phase 1 consists of two project areas, known as the "Hilltop" and the "Hillside". The Hilltop consists of Block 1 and Blocks 49 to 57 (See Adjacent Uses and Structures, Attachment 1, Page 8). To date, the Developer has received Major Phase Approvals for all Blocks on the Hilltop, with the exception of Block 1. The Hillside consists of a single, large Block numbered 48, which will include 404 units of housing. To divide Block 48 into developable projects, the Developer has proposed to split Block 48 into six sub-phases numbered 1A, 1B, 2A, 2B, 3A, and 3B (See Block 48 Phasing and Home Counts, Attachment 1, Page 12). The Developer anticipates starting construction on the first sub-phase, Phase 1A, in August of this year. The last sub-phase, Phase 3B, is anticipated to be completed by January 2018. The development will be implemented in six phases by affiliated but separate developers managed by Lennar under separate DDAs.

**Phase 1 Affordable Housing**

Under the Phase 1 DDA, a minimum of 27% and a maximum of 40% of all the 1,498 Phase 1 units will be BMR (the maximum 40% will be achieved if OCII exercises its right to purchase additional units for BMR housing). Within this total, at least 10.5% of the 1,280 private vertical developer units (approximately 134 units) constructed by vertical developers will be affordable to households earning no more than 80% of AMI, which in 2014 (2015 AMI levels have not been released) was $77,700 per year for a family of four. Of the 1,498 Phase 1 units, 218 will be OCII subsidized BMR units at 50% of AMI. For reference, the current 50% AMI limit, published in 2014, is $53,400 per year for a family of four.
In accordance with the Sixth Amendment to the Phase 1 DDA, the Developer has the right to determine the number of BMR units to be located in each Residential Project as long as the number of BMR units is no less than 5% and no more than 20% of the total number of Residential Units in each Residential Project, and the total number of BMR Units for Phase 1 as a whole is not less than 10.5% of the private vertical developer units. For purposes of calculating the number of BMR units, any fraction equal to or greater than one-half of a unit is rounded up to the nearest whole number and any fraction less than one-half is rounded down to the nearest whole number. The Sixth Amendment to the Phase 1 DDA also states that at 300th, 600th, 900th and the 1,200th Residential Unit to be transferred by the Developer to a Vertical Developer, at least 10.5% of the aggregate number of all of private developer Residential Units in Phase 1 must be BMR units. The Developer triggered the 300th unit milestone with the Major Phase Approval for specifically Block 52, and staff anticipates that the 600th and 900th unit milestones will be reached with the execution of VDDAs on Block 48.

Phase 1 Density Bonus Provisions
A Density Bonus permits OCII to waive certain design criteria contained in the D for D in exchange for the Developer providing additional units of housing, including BMR units. OCII has previously granted the developer a density bonus on Phase 1 Blocks 50/51 and on Blocks 56/57.

Density Bonus under the Plan and the D for D: The Plan and D for D permit OCII to grant the Developer a density bonus. The Plan contains a project-area wide ceiling on the amount of additional housing that may be created by the application of density bonus procedures and establishes the number of dwelling units that may be built across the entirety of Phase 1. The D for D governs the density allowed in a specific project or building. If the Developer seeks to exceed the permitted density, the D for D allows OCII to grant a density bonus of up to 25% in exchange for additional BMR housing units or “Density Bonus Units.” To qualify for a density bonus, both the Plan and the D for D require an increase in affordable housing beyond the existing BMR requirements. Existing requirements are detailed in the Sixth Amendment to the Phase 1 DDA, which allows the Developer to determine the number of BMR housing units to be located in each Residential Project as long as the number of BMR housing units is no less than 5% and no more than 20% of the total number of Residential Units in each Residential Project, and the total number of BMR housing units for Phase 1 as a whole is not less than 10.5% of the private vertical developer units. Neither the Plan nor the D for D provide a precise formula for the number of Density Bonus Units that a developer must provide to be eligible for a density bonus, but rather require that a density bonus result in additional affordable housing beyond the amount already contractually required.

Density Bonus under State Density Bonus Law: The State Density Bonus Law provides a precise formula for the amount of affordable housing that a developer seeking a density bonus must provide. Under State Density Bonus Law, density may be increased up to 35% and parking, open space, setback, and other development controls may be modified in return for creation of affordable housing. The number of development controls that can be modified is based on the percentage of affordable units in the project. For example:

1. For projects with at least 5% very low income, or 10% low or moderate income, one incentive or concession is permitted;
2. For projects with at least 10% very low income, or 20% low or moderate income units, two incentives or concessions are permitted; and
3. For projects with at least 15% very low income, or 30% low or moderate income units, three incentives or concessions are permitted.

DISCUSSION

Summary of the Conceptual Design and the Schematic Design.

Under a Major Phase Application, vertical developers are required to submit overall plans for one or more development blocks. The Major Phase Application for Block 48 includes:

1) A Schedule of Performance Report regarding compliance with the horizontal Schedule of Performance that identifies any deferred infrastructure (the deferred infrastructure is the asphalt concrete wearing surface, plantings, irrigation heads, street furniture, driveways, and sidewalks) that will be completed as part of the Major Phase Amendment. All of the non-deferred infrastructure has been installed and completed and the deferred infrastructure will be coordinated with the vertical construction schedule to prevent damage to items like trees and sidewalks from machinery (see Schedule of Performance Report, Attachment 3).

2) Major Phase and Housing Data Tables that detail the overall development program including, for example, the number of units proposed, the number, location and size of BMR units, whether the project is residential or includes other land uses, and parcel acreage. Across six sub-phases, the Developer proposes to construct 404 residential units, 56 of which will be BMR. The market rate and BMR units will be comprised of one-, two-, and three-bedroom units. See Attachment 4 for the Major Phase and Housing Data Table.

3) Conceptual Designs for the entirety of Block 48 and Schematic Designs for Phase 1A, which OCII staff has determined are consistent with the D for D and the Plan. Staff’s analysis of the Conceptual Designs and Schematic Designs are described below.

4) A form of the VDDA for Phase 1A of Block 48 describes the vertical developers’ rights and responsibilities and includes a construction schedule. The proposed form VDDA included in the Major Phase is consistent with previously approved VDDAs.

OCII staff has determined that the Major Phase is complete, is consistent with the Phase 1 DDA, the horizontal schedule of performance, the Plan, and the D for D.

Basic Concept Design for Block 48

The Vertical Design Review and Document Approval Procedure (“VDRDAP”) sets forth the process for design submittal and review of the plans and specifications for the Project. The VDRDAP allows the Developer to submit a Concept Design that demonstrates a concept level of detail consistent with the Plan and the D for D. The Developer has submitted a Concept Design for the developments of the entire block.

As shown on Table 3 below, Block 48 will include 404 housing units (excluding OCII sponsored affordable units) as well as a community center that will all be built in six phases. The Concept Design envisions an array of different building and unit types, each distinctive, but unified by common approaches to material, scale, color and detail. The Concept Design programs buildings
of varied scale - from small townhouses stepping with the slopes, to larger elevator served stacked flats. Just as the building types vary, the units themselves vary and include: small one bedroom flats, one bedroom lofts, a wide variety of two bedroom unit types, and three bedroom townhouses suitable for families. Phase 3B includes a mixed-use community center with common facilities for use of Hillside residents. The Developer has proposed to accelerate the construction of Phase 2A, which will now occur prior Phase 1B, and noted below.

Table 1: Block 48 Development Program

<table>
<thead>
<tr>
<th>Phase Name</th>
<th>Sequence</th>
<th>Lot Acreage</th>
<th># of Units</th>
<th>Units Per Acre</th>
<th>Building Footprint (SF)</th>
<th>Units Type</th>
<th>Lot Coverage</th>
<th>Parking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A 1st</td>
<td>N1 0.31</td>
<td>18 58</td>
<td>10,042</td>
<td>Th</td>
<td>74%</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>N2 0.26</td>
<td>8 31</td>
<td>4,945</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>O 0.38</td>
<td>11 29</td>
<td>6,978</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>P 0.38</td>
<td>10 26</td>
<td>6,964</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2A 2nd</td>
<td>B 0.52</td>
<td>44 85</td>
<td>15,856</td>
<td>FLATS</td>
<td>70%</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>F 0.33</td>
<td>40 121</td>
<td>10,062</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1 space/ DU MIN</td>
</tr>
<tr>
<td></td>
<td>J 0.32</td>
<td>40 125</td>
<td>9,757</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>M 0.32</td>
<td>40 126</td>
<td>9,696</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>70%</td>
</tr>
<tr>
<td>1B 3rd</td>
<td>A 0.28</td>
<td>16 57</td>
<td>8,538</td>
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<tr>
<td></td>
<td>G 0.83</td>
<td>34 41</td>
<td>25,308</td>
<td>FLATS/TH</td>
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<td>1</td>
<td></td>
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<tr>
<td>2B 4th</td>
<td>E 0.34</td>
<td>22 64</td>
<td>10,489</td>
<td>FLATS/TH</td>
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<td>1</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>I 0.33</td>
<td>15 45</td>
<td>10,062</td>
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<td></td>
<td></td>
<td></td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>L 0.32</td>
<td>15 47</td>
<td>9,696</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>70%</td>
</tr>
<tr>
<td>3A 5th</td>
<td>H 0.27</td>
<td>14 52</td>
<td>8,233</td>
<td>FLATS/TH</td>
<td>70%</td>
<td>1</td>
<td></td>
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<tr>
<td></td>
<td>K 0.58</td>
<td>26 45</td>
<td>17,777</td>
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<td></td>
<td></td>
<td></td>
<td>70%</td>
</tr>
<tr>
<td>3B 6th</td>
<td>D 0.27</td>
<td>12 44</td>
<td>8,263</td>
<td>FLATS/TH</td>
<td>70%</td>
<td>1</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Q 0.58</td>
<td>39 67</td>
<td>17,685</td>
<td>FLATS</td>
<td>70%</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>Lennar Total</td>
<td>6.62</td>
<td>404</td>
<td>61</td>
<td>190,354</td>
<td>n/a</td>
<td>65%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Block 48 will also include pocket parks, open space, private open space, parking spaces, bicycle storage facilities, installation and completion of the necessary infrastructure to support the development, and other amenities that will help to successfully activate the site. As provided under the Phase 1 Parcel A’ Open Space & Streetscape Master Plan requirements, development of Block 48 triggers the construction of the eight pocket parks while preserving over seven acres of open space accessible to the general public.

**Proposed Development Control Modifications:**
As proposed, the Developer seeks the following development control modifications for Block 48:

1. A density increase from 55 units per acre to 61 units per acre to allow for a total increase from 364 units to 404 units (a 40 unit, or 6% increase)
2. A reduction of private open space from 125 sq. ft. to 80 sq. ft. per unit
3. A height increase from 32-ft. to 45-ft. (from 2-3 to 3-4 stories)

**Density Increase on Block 48**
For Block 48, the Plan and D for D density provisions cap the amount of housing on the site to 364 units. The D for D allows a maximum of 55 units per acre. Densities on individual lots are
permitted to exceed the maximum allowed, provided that the balance for the whole block does not exceed the maximum density. Further, the D for D authorizes OCII to issue a density bonus of up to 25% in exchange for Density Bonus Units, which increase the affordable housing on the Block beyond the existing BMR requirements. Existing requirements are detailed in the Sixth Amendment to the Phase 1 DDA, which allow the Developer to determine the number of BMR housing units to be located in each Residential Project as long as the number of BMR housing units is no less than 5% and no more than 20% of the total number of Residential Units in each Residential Project, and the total number of BMR housing units for Phase 1 as a whole is not less than 10.5% of the private vertical developer units. The Developer is seeking to provide 404 units on Block 48, for an increase of 40 units, or 6%.

**Height**
Per the D for D, the maximum allowable height on Block 48, excluding rooftop recreational structures or equipment, is 32-ft. The proposed maximum height for Block 48 is 45-ft, which is consistent with the Phase 1 EIR and Addendums. The D for D allows a height increase if a density bonus is granted. In this case, the Developer has requested a density bonus approval in return for providing Density Bonus Units that do not count toward the Developer's satisfaction of the Phase 1 DDA's 10.5% Inclusionary Housing requirement. If the density bonus is approved, the proposed height increase for Block 48 would be consistent with the Plan and the D for D and would be within the project environmental documents.

**Public and Private Open Spaces**
The neighborhood structure is built upon the strategic placement of public parks that are the main open space amenity, serve as view corridors from Navy Road and Oakdale Avenue to the landscape beyond, and provide the neighborhood its sense of place and location. Additionally, private open spaces will be provided that range in scale, use and type.

The Developer proposes private open spaces that range from 80 sq. ft. to 125 sq. ft. per unit. Where private open space reductions occur, the Developer is also requesting a waiver as part of the density bonus request. Staff notes that the Developer's private open space proposal on Block 48 is consistent with approved projects on the Hilltop, which provide private open spaces ranging from 80 sq. ft. to 125 sq. ft. The Developer's request to reduce open space would be in keeping with the development pattern on the Hilltop as well as within the environmental documents scope of review. Some units have private decks; some homes have private roof decks; some buildings have common roof decks; some townhouses are clustered around courtyards as places of shared use.

**Density Bonus Unit Calculation:**
The Plan and D for D are the controlling documents that allow OCII to provide a Density Bonus, however, they do not provide specific requirements on how to determine how many BMR Density Bonus Units should be provided when a vertical developer is seeking concessions. Staff has reviewed the State Density Bonus Law as a guide in its discussion with the Developer. Under the State Density Bonus law, 30% of the additional units, or 12 units, would be required to be BMR Density Bonus Units because they are seeking three concessions, however the Developer requested a lower amount be required. After taking into consideration the other affordable housing obligations the Developer is required to meet (the 10.5% BMR Inclusionary Units required by the Phase I DDA) and the two OCII stand-alone affordable housing parcels
that will be on Block 48, staff recommends that the Developer provide 20% of the additional units, or eight units, as Density Bonus Units in exchange for increasing the density, reducing private open space and increasing height across the entirety of Block 48.

The Developer is seeking to serve a wider range of BMR homebuyers through these units and is proposing that six of the Density Bonus Units be affordable to households earning up to 120% of AMI and the remaining two units will serve households at 80% of AMI. These units would begin to be included starting with the second sub-phase on Block 48 (see Table 3 below).

**Catch-Up Units**
As discussed above, the Developer is obligated to provide 10.5% of the units as BMR Inclusionary Units at certain milestones: the 300th, 600th, 900th and 1200th units. The Developer has approvals for units that are in compliance with the 300th unit milestone, achieved at the Block 52 approval. The Developer elected to provide less than 10.5% on Blocks 55 and 56/57, creating a deficit of six units from Hilltop that therefore must be provided by the second sub-phase of Block 48, when the 600th unit milestone will be triggered. Details on the type and size of the units that were deferred by the Developer on Blocks 55 and 56/57 are below:

<table>
<thead>
<tr>
<th>Table 2: Source of Catch Up Units from Hilltop</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Deferred &quot;10.5%&quot; BMR Units</strong></td>
</tr>
<tr>
<td>Block 55</td>
</tr>
<tr>
<td>Block 56/57</td>
</tr>
<tr>
<td><strong>Total &quot;Catch Up Units&quot;</strong></td>
</tr>
</tbody>
</table>

Phase 1A includes a mixture of one, two and three bedroom unit types, however the Developer is proposing to not include any Catch Up Units in Phase 1A. Therefore all six of these units must be provided in Phase 2A, the second sub-phase. The Developer has not provided detailed plans or information for Phase 2A, however they have stated their proposed development will be primarily comprised of open floor plan studio-type units and one-bedroom units. Staff has used the data the Developer provided in their Basic Concept Design submittal to estimate the average square footage of the Phase 2A units, which will range from 420 square feet to 610 square feet. These Catch Up Units therefore would be significantly smaller in square footage and in bedroom types than the residential projects from which they originated.

**Overall Unit Size Estimates**
The Developer has submitted detailed plans for Phase 1A and conceptual information on the remaining phases. As a result, information on proposed unit and bedroom sizes for the entirety of Block 48 has not been confirmed. However, in Table 3 below, staff has provided an estimate of average unit square footage using the available data.
Table 3: Block 48 Unit Mix

<table>
<thead>
<tr>
<th>Phases</th>
<th>Block Designation</th>
<th>Units Proposed (Per Parcel)</th>
<th>Units Proposed (Per Phase)</th>
<th>Units Type</th>
<th>Total Gross Bldg. Area (SF)</th>
<th>Total Net Bldg. Area Estimate (SF)</th>
<th>Average Unit Size (SF)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1A</td>
<td>N1</td>
<td>18</td>
<td>47</td>
<td>Flats and Townhomes</td>
<td>34,703</td>
<td>18,601</td>
<td>1,033</td>
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<tr>
<td></td>
<td>N2</td>
<td>8</td>
<td></td>
<td>Townhomes</td>
<td>13,970</td>
<td>8,980</td>
<td>1,123</td>
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<tr>
<td></td>
<td>O</td>
<td>11</td>
<td></td>
<td>Townhomes</td>
<td>19,494</td>
<td>12,308</td>
<td>1,119</td>
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<td></td>
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<td></td>
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<td>21,295</td>
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<td>1,235</td>
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<td>Flats</td>
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<td>40</td>
<td></td>
<td></td>
<td>21,530</td>
<td>16,793</td>
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<td>40</td>
<td></td>
<td></td>
<td>31,260</td>
<td>24,383</td>
<td>610</td>
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<td></td>
<td></td>
<td>21,980</td>
<td>18,024</td>
<td>451</td>
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<tr>
<td>1B</td>
<td>A</td>
<td>16</td>
<td>50</td>
<td>FLATS</td>
<td>19,500</td>
<td>14,040</td>
<td>878</td>
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<tr>
<td></td>
<td>G</td>
<td>34</td>
<td></td>
<td>Flats and Townhomes</td>
<td>49,050</td>
<td>35,316</td>
<td>1,039</td>
</tr>
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<td>2B</td>
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<td>22</td>
<td>52</td>
<td>Flats and Townhomes</td>
<td>29,550</td>
<td>21,276</td>
<td>967</td>
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<td>15</td>
<td></td>
<td></td>
<td>29,550</td>
<td>21,276</td>
<td>1,418</td>
</tr>
<tr>
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<td>L</td>
<td>15</td>
<td></td>
<td></td>
<td>29,550</td>
<td>21,276</td>
<td>1,418</td>
</tr>
<tr>
<td>3A</td>
<td>H</td>
<td>14</td>
<td>40</td>
<td>Flats and Townhomes</td>
<td>13,200</td>
<td>9,504</td>
<td>679</td>
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<td>K</td>
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<td></td>
<td>26,400</td>
<td>19,008</td>
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<td>D</td>
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<td>39</td>
<td>Flats</td>
<td>59,193</td>
<td>42,619</td>
<td>1,093</td>
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</table>

* The Average Unit Size is derived by dividing the Total Net Building Area by the number of housing units within a parcel. Staff has estimated the Net Building Area by taking the Total Gross Building Area provided by the Developer and reducing it by 22% to account non-residential uses such as garages, open spaces, circulation, utility rooms and other common areas.

Proposed Distribution of All BMR Units

Block 48 therefore will have three categories of BMR Units: (1) the 10.5% BMR Inclusionary Units at 80% AMI per the Phase 1 DDA; (2) the Density Bonus Units ranging from 80% to 120% AMI; and (3) the Hilltop Catch Up Units at 80% of AMI. The proposed distribution of these BMR Units is shown below on Table 4:
### Table 4: Distribution of All BMR Units

<table>
<thead>
<tr>
<th>Phase Name</th>
<th>Block</th>
<th># of Units</th>
<th>DDA 80% BMR</th>
<th>10.5% BMR</th>
<th>Catch-up</th>
<th>80% Density Bonus</th>
<th>120% Density Bonus</th>
<th>Total BMR UNITS</th>
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</thead>
<tbody>
<tr>
<td>1A</td>
<td>N</td>
<td>26</td>
<td>3</td>
<td></td>
<td></td>
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<td></td>
<td>O</td>
<td>11</td>
<td>1</td>
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<td>P</td>
<td>10</td>
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</tr>
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<td>B</td>
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<td>4</td>
<td></td>
<td>6</td>
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<td>1</td>
<td>24</td>
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<tr>
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<td>1B</td>
<td>A</td>
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<td></td>
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</tr>
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<td>2B</td>
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<td>2</td>
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<td>1</td>
<td>7</td>
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<td>I</td>
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<td>5</td>
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<td>K</td>
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<td>900th Milestone</td>
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<tr>
<td>3B</td>
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<td></td>
<td>1</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q</td>
<td>39</td>
<td>4</td>
<td></td>
<td>1</td>
<td></td>
<td>1</td>
<td>6</td>
</tr>
</tbody>
</table>

**Block 48 Total**

| Block 48 Total | 404 | 42 | 6 | 2 | 6 | 56 |

**Other Basic Concept Design Standards**

**Lot Coverage**

Per the D for D, the maximum lot coverage is 70 percent. However, the D for D also recognizes block massing and site plan arrangements may result in area coverage on individual lots exceeding the 70 percent of the site, provided that the balance for the whole block does not exceed the maximum area coverage ratio for said block. The development program for Block 48 proposes an average 65 percent lot coverage for the entire block, which complies with the D for D requirements.

**Parking**

The D for D allows a maximum of two parking spaces per unit. Consistent with the D for D, Lennar will have a minimum of one parking space per unit on Block 48. Parking allocations for specific projects within Block 48 will be determined as the Developer submits schematic designs for the Commission's approval.
Schematic Design for Block 48 Phase 1A

As previously discussed, the development program for Block 48 will occur over six sub-phases for a total of 404 housing units produced by the Developer. The first sub-phase is called “Phase 1A,” which consists of four buildings at the northeast corner of Block 48. Phase 1A is located on the northeast corner of Block 48 and forms the entrance to Block 48 from the Hilltop via La Salle Avenue (See Overall Hillside Site Plan, Attachment 2, Page 7).

Form and Orientation

Each of the buildings on Phase 1A has been individually developed to provide modulation required by the D for D. The layout of the buildings are oriented to maximize views and access to natural light while taking advantage of the naturally sloped site. The interior spaces of the residential units are efficient in design with living spaces oriented to the light and views. The courts at podium level created by the “C-shaped” buildings allow common open space opportunities that can be a nice private gathering area for the residents within the buildings. The residential units are placed in a configuration to provide view opportunities for maximum number of units.

Phase 1A proposes four separate buildings of varying typology with a total of 47 units including one-, two- and three-bedroom units. Buildings range from two- to three-stories tall. The traditional townhomes are designed to accommodate a variety of family types. The one-bedroom units range in size from 740 sq. ft. to 887 sq. ft. livable (excluding garages) gross sq. ft. area. The two-bedroom units range in size from approximately 1,000 sq. ft. to 1,160 sq. ft., and three-bedroom units range in size from 1,162 sq. ft. to 1,524 sq. ft. units (excluding garages). Each unit is provided with a one-car parking garage. OCII staff has determined that the Schematic Design for Block 48 1A is complete and consistent with the Phase 1 DDA and the horizontal schedule of performance, the Plan and the Phase 1 D for D.

Parcel N1

Parcel N1 building consists of 12 units over a parking garage with six three-story lofts at the ends of the building, for a total of 18 units (See Building N1, Attachment 2, Pages 65-77). The building is comprised of wood frame construction over a concrete podium containing a shared garage. Loft units on the ends are four story wood construction on grade. This design arrangement provides stacked two-story units with all living rooms on the south on the second and fourth floors. There is a single corridor on the third floor which serves as a primary entrance for the upper units and a secure secondary entrance for the lower units. The primary entrance for the lower units is a front porch over the parking podium served by entry stoops, continuing the Navy Road streetscape elements of parcels N1 and O. Along the front porch, an arcade of two-story columns support private decks of the upper units. The building’s circulation is served by two glassy lobbies facing Navy Road. The east and west sides of the building face shared mini-parks and have porch fronts that serve as entrances to the ground floor lofts.

Parcels O and N2

At the entry to Block 48 on the north side Navy Road are 19 units of courtyard townhouses flanking a small neighborhood park (Pocket Park 7) (See Building O, Attachment 2, Pages 29-41 and Building N2, Attachment 2, Pages 42-53). The Parcel O units and the N2 townhomes are comprised of three stories of wood frame construction with integrated shared garages under the
street fronting units and stoops. The townhouses consist of two- and three-bedroom family units. The street frontage of these townhouse clusters is porous with intermittent courtyards providing transparency and access to cottage units at grade behind. The courtyards serve parking garages under the front units, arranged so that no garage doors face the street. The front two-bedroom townhouses over garages have stoop entrances along the street. These south facing stoops are landscaped. This row of stoop/hedgerows and those on the adjacent Parcel N1 are a major feature of the Navy Road streetscape design.

Parcel P
Parcel P contains ten two- and three-bedroom townhomes on an irregular, sloping lot at the intersection Navy Road and Oakdale Avenue (See Building P, Attachment 2, Pages 54-64). The building is a three-story wood-frame construction with integrated shared garages under the street fronting units and stoops. The homes step with the slope and are vertically proportioned in the manner of traditional San Francisco row houses. Each house has a stoop and entry stair along the street. Garage entrances are behind in the mid-block accessed from paved courtyard. Each unit has a deck off the kitchen over the mid-block court, and the seven houses on Oakdale each have a private roof deck served by a spiral stair on the courtyard side. The houses on either end of the Oakdale row are anchored by bay windows, the materials and details of which are similar to Building C across the street. This sharing of design elements from building to building helps bring unity and sense of place to the new district.

Open Space
Pocket Park 7 is the spine of the Phase 1A and it will be accessible to the public (See Parks and Streetscape Plan, Attachment 2, Page 23). All buildings within Phase 1A have private open spaces that are provided through private porches at grade level and rooftop open spaces, which range in size from 80 sq. ft. to 125 sq. ft. per unit.

Parking
The overall parking ratio is 1:1 (spaces per unit) and parking is contained on the ground floor of each building. It provides a total of 47 parking stalls in compliance with the D for D requirements. No car share space is required in Phase 1A because each building contains less than 50 units each.

Materiality and Color
The townhomes that line the street will greet the pedestrian with stoops and vine wires upon which red vines will grow. The facade will be an alternating pattern of grey cement-plaster plank board and white cement-plaster paneling. The rear townhomes will be stucco painted with a brunt orange that gives visual punch and interest through the courtyards. Metal railings will line the decks of the rear courtyard homes. The stacked flat building will continue the white-grey alternating pattern, with grey cement-plaster plank board and white cement-plaster paneling. Color accents take place on the north, south, and west facades - cement-plaster paneling, painted a deep red, will add a unique corner to the Hillside neighborhood. Parcel P continues the pattern of grey cement-plaster plank board and white cement-plaster paneling. The stoops on P are also with vine wires and planters with star jasmine bushes. The entrances will have painted metal awnings. Finally, the N1 parcel building uses stoops with vine wires. The columns of the decks will be white metal trim, behind which a dark grey cement-plaster plank board will be the
primary vertical modulations. The recessed modulations will be painted a deep racing green and composed of cement-plaster paneling. (See Potential Sample Materials, Attachment 2, Page 78).

Phase 1A Affordable Housing Program
The Phase 1 DDA requires that the BMR Inclusionary Units be substantially equivalent in size, location, amenities and quality to reflect the mix of unit sizes and room configurations of the market rate residential units in the Project, with a goal of comparability in square footage and interior features. The BMR Units are also required to be dispersed throughout each building within each block in a unit type mix that is representative of the market rate dwelling units. As stated above, Phase 1A would include only the five units affordable at 80% AMI per the 10.5% Phase 1 DDA requirement, but no Density Bonus Units nor Catch Up Units. (See Attachment 4).

Table 5: Phase 1A Affordable Housing Program

<table>
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<tr>
<th>Phase</th>
<th>Sub-block</th>
<th>BMR Unit Number</th>
<th>Bedroom Size</th>
<th>Size (SQ. FT)</th>
<th>Unit Type Description</th>
<th>Building Height (FT)</th>
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<tr>
<td>O</td>
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<td>1212</td>
<td>Townhomes</td>
<td>45-ft</td>
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</tbody>
</table>

Staff Recommendation for Conditional Approval
As is typical, there are a few remaining design issues to be resolved in subsequent design stages. Staff recommends approval of Block 48’s Basic Concept Design and the Phase 1A Schematic Design, subject to the following conditions. The Phase 1A Schematic Design shall also comply with the Basic Concept Design Conditions.

Basic Concept Design Conditions

1. All subsequent Schematic Designs within Block 48 shall be subject to the Vertical Design Review and Document Approval Procedures including but not be limited, the Hunters Point Shipyard Citizens Advisory Committee, OCII staff and Commission review and approval, and other procedures as applicable.

2. Distribution of Developer sponsored market rate housing units within the subject block may be rearranged in future phases provided that the total housing units for the block shall not exceed 404 units.

3. The maximum height for all structures shall be limited to 45 feet, except that this limitation shall not apply to elevator enclosures not exceeding ten feet in height used solely for elevator purposes, nor to open pergolas or similar open ornamental treatment of roof-gardens, rooftop playgrounds, or similar structures.
4. A minimum of 80 square feet of usable private or common open space per unit shall be provided and shall be easily and independently accessible. This usable private or common open space shall be composed of an outdoor area or areas designed for outdoor living, recreation or landscaping, including ground level yards, decks, balconies, and patios.

5. The planned community facility within Block 48, including all its programmed elements, features and components, shall be accessible to all residents, including residents of OCII sponsored development.

6. Bicycle parking spaces shall be distributed throughout the proposed Block 48 buildings.

7. Wherever possible, garage doors shall consist of translucent material in order to engage with the sidewalk.

8. The Developer shall further study the addition of more street trees or other plantings that would complement the buildings where practicable.

Phase 1A Schematic Design Conditions:

1. The Developer shall further study color and material scheme/palette. As planned, the buildings feature monotonous coloring and material scheme that contribute to the industrial appearance of the proposed structures.

2. Where possible, the applicant shall study the use of differentiated material for the front portion of the driveway that aligns with the furnishing and street tree zone. Permeable pavers or similar treatment across the base of the driveways would be preferred.

3. All roof-mounted equipment shall be screened from ground-level view. Screening material for roof-mounted equipment shall be architecturally compatible with the design, color, and materials of the proposed buildings. Screening incorporated into the building design such as mechanical wells and parapet walls are preferred.

4. In the event the Developer effectuates a condominium map on the project, the Developer is required to prepare and record a Covenants, Conditions and Restrictions ("CC&Rs") and Home Owners Association, such documents shall be reviewed and approved by OCII prior to recordation.

Next Steps and Schedule
After this Major Phase Approval, Lennar will have to submit Design Development documents for Phase 1A for staff review and approval. Once the Design Development documents are approved, Lennar will work to finalize the design and construction documents. Construction of
Phase 1A on Block 48 is anticipated to begin in August of 2015 with construction finishing in May 2017. The construction of the entirety of Block 48 is anticipated to be completed in six phases by 2018 as outlined in Attachment 1, page 7.

**Small Businesses and Local Workforce**

The VDDA and the Phase 1 DDA both require Lennar and vertical developers to follow an equal opportunity program, which substantially consists of, 1) the Bayview Hunters Point Employment and Contracting Policy ("BVHP ECP"), 2) the Small Business Enterprise Policy ("SBE"), 3) the Nondiscrimination in Contracts and Equal Benefits Policy, 4) the Minimum Compensation Policy, 5) the Health Care Accountability Policy, 6) the Prevailing Wage Policy, and 7) the Card Check Neutrality Policy.

Under the BVHP ECP, developers must make good faith efforts to award 50 percent of the contracting opportunities to SBE consultants and contractors with first consideration for businesses with addresses in the BVHP Area (defined as zip codes 94124, 94134, and 94107). The BVHP ECP also requires developers to make good faith efforts to achieve 50 percent local workforce participation, with First Consideration to BVHP Area residents, in construction workforce hiring, permanent/temporary workforce hiring, and trainee program.

**Small Businesses**

Under the BVHP ECP, developers must make good faith efforts to award 50 percent of the contracting opportunities to SBE consultants and contractors with first consideration for businesses with addresses in the BVHP Area (defined as zip codes 94124, 94134, and 94107). On Shipyard Phase 1 to date Lennar has achieved 71 percent SBE participation on its vertical projects in the area of professional service contracts, of that 27 percent were from minority-owned firms and 25 percent were from women-owned firms. For Block 48, Lennar has achieved 63 percent SBE participation in the area of professional service contracts, of that 17 percent are from minority-owned firms and 7 percent is from women-owned firms. For Block 48’s Phase 1A Schematic Design, Lennar has achieved 31 percent SBE participation in the area of professional service contracts, of that 21 percent are from minority-owned firms and .5 percent from women-owned firms.

**Local Workforce**

The BVHP ECP also requires developers to make good faith efforts to achieve 50 percent local workforce participation, with First Consideration to BVHP Area residents, in construction workforce hiring, permanent/temporary workforce hiring, and trainee program. On the Shipyard Lennar has achieved 44 percent San Francisco resident workforce participation on its vertical projects to date (Blocks 50, 51, 53, and 54), of that 27 percent are from BVHP and 73 percent are minorities. Attached are Lennar’s workforce projections for construction hiring for Block 48 (see Jobs Projection and Phase 1 Vertical Professional Consultants Summary, Attachment 5

**Community Outreach**

OCII staff briefed the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (“CAC’) on the details of the Major Phase for Block 48 and discussed the designs with them during their meetings in November and December 2014, and also January and February 2015. At the meeting, OCII staff conducted a review of the proposed development and facilitated discussion
on the designs. While the CAC recommended that the Major Phase Application move forward to the Commission for consideration, the CAC expressed a concern that the Catch-Up Units provided in Block 48 will be smaller in size than the units in Blocks 55 and 56/57, will be concentrated on a single phase, and will have difficulty accommodating families.

**Enforceable Obligation**

On December 14, 2012, the California State Department of Finance issued a Final and Conclusive Determination under California Health and Safety Code § 34177.5 (i), that the Phase 1 DDA and the Phase 2 DDA are enforceable obligations that survived the dissolution of the Redevelopment Agency. The Major Phase Application is implementing the Phase 1 DDA and the Phase 1 DDA is shown on line HPSY 21 of the approved Recognized Obligation Payment Schedule.

**California Environmental Quality Act**

The SFRA Commission and the San Francisco Planning Commission ("Planning Commission") adopted California Environmental Quality Act ("CEQA") findings, a statement of overriding considerations, and certified the Final Environmental Impact Report for Phase 1 in 2000 ("Phase 1 EIR"). Subsequently a First and Second Addendum to the Phase 1 EIR were issued in 2003 and 2006, respectively, to address project changes. 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 SFRA Commission and the Planning Commission certified the Final EIR for Phase 2 ("Phase 2 EIR") in 2010 and adopted findings and a statement of overriding considerations. The Phase 2 EIR updated the transportation analysis and transportation plan, including the transportation system management plan, for Phase 1 and Phase 2 of the Shipyard. Subsequently a First, Second, and Third Addendum to the Phase 2 EIR were issued in December 2013, May 2014 and September 2014 respectively, to address project changes.

The Phase 1 DDA requires Lennar to submit Major Phase Applications for the Shipyard’s development in accordance with the Phase 1 DDA, the D for D, and is pursuant to and in furtherance of the Plan. OCII staff has reviewed the Major Phase Application submitted by Lennar and finds it to be within the scope of the project analyzed in the Phase 1 EIR and subsequent addenda as well as the Phase 2 EIR and no additional environmental review is required pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.

(Originated by Immanuel Bereket, Associate Planner, and Thor Kaslofsky, Project Manager, Hunters Point Shipyard)

[Tiffany Bohee]
Executive Director
Attachments:
1. Conceptual Designs
2. Schematic Designs
3. Major Phase Schedule of Performance Report
4. Major Phase Housing and Project Data Table
5. Phase 1 Vertical Professional Services Consultants Summary
BLOCK 48
Hunters Point Shipyard Phase 1
Basic Concept Submittal
February 17, 2015
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<tr>
<th>Phases</th>
<th>Block Designation</th>
<th>Lot Acreage</th>
<th>Allowable Units Per Acre</th>
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<th>Units Proposed (Per Phase)</th>
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Table 3: Block 48 Development Program Summary

Project information for illustrative purposes only. Lot coverage and density will be averaged for all of Block 48, per the approved Design for Development (see below). Any overages from individual stages would need to be accounted for by decreasing allowable counts on later stages to not exceed the maximum. Information to be finalized at the Schematic Design Approval.

Pg 14 (D for D) = Distribution of units within a block may result in densities on individual lots exceeding numbers indicated above, provided that the balance for the whole block does not exceed the maximum density for said block. Block massing and site plan arrangements may result in area coverage on individual lots exceeding the percentages indicated in table above, provided that the balance for the whole block does not exceed the maximum area coverage ratio for said block.
Lennar is submitting a Basic Concept Design Documents and Major Phase Application for Block 48 of the Hunters Point Shipyard Phase 1 Project Area. At approximately 7 acres, Blocks 48 represents one of the largest remaining development sites in the Hunters Point Shipyard Phase 1 Project Area. The site is a sloping hillside, stretching east to west and facing south to views of Candlestick Point, the Bay, Yosemite Cove and the South Bay Hills. This hillside is sparsely vegetated and is separated by topography and pockets of housing from the rest of the Shipyard and Candlestick development. Its principle assets are its command views, but there are significant design challenges to convert this vacant land into a livable and desirable neighborhood.

The proposed development program for Block 48 includes approximately 404 for-sale homes, including 56 below market homes when consolidated with a density bonus and Phase 1 HPS BMR true-up. The site will also include pocket parks, open space, private open space, parking spaces, bicycle storage facilities, community center, installation and completion of the necessary infrastructure to support the development, and other amenities that will help to successfully activate the site. As provided under the Phase 1 Parcel A Open Space & Streetscape Master Plan requirements, development of Block 48 triggers the construction of the 8 pocket parks while pre-serving over 7 acres of open space. The development will be implemented in six phases by affiliated but separate developers managed by Lennar under separate DDAs.

HOUSING TYPE

The Hillside neighborhood will include 404 total homes (exclusive of the OCII parcels). The homes will be contained in a variety of building and unit types, each distinctive, but unified by common approaches to material, scale, color and detail. The unit variations appeals to a range of home buyers with different needs, tastes and life-styles. Just as the building types vary, the units themselves vary to target rapid absorption from a housing market that includes varied ages, incomes and household size - from small one bedroom flats, to generous one bedroom lofts, to a wide variety of two bedroom unit types at varied price points, to three bedroom townhouses suitable for families. A mixed-use building in the third phase includes a community center with common facilities for use of Hillside residents.

DESIGN APPROACH

Lennar’s strategy to launch the Hillside Neighborhood is to create a distinctive district that takes advantage of the site’s natural assets. The design takes particular care to animate streetscapes including the frontages of parks and public spaces to create a sense of community and encourage walking and use of the out-of-doors. Within these unifying themes, the neighborhood will benefit from varied design hand of several distinguished architectural firms. A key to the successful launch of the Hillside Neighborhood is a first phase that embodies the demographic goals and design principles of the overall plan, and builds momentum for its full and rapid realization. Like many treasured San Francisco neighborhoods (Russian Hill, the Marina, North Beach), Hillside will have buildings of varied scale - from small townhouses stepping with the slopes, to larger elevator served stacked flats. Some sites that have panoramic views to the south, but steep hillsides to the north, will house innovative building types specially tailored to this condition.

As with many typical San Francisco streets, a continuous and articulated street-wall makes for a visually interesting and navigationally legible right of way. Each building in the Hillside development expands on this building type by providing gaps between the building types. The streetwall is maintained along the length of buildings, with architectural depth expressed as gaps between buildings. These interstitial spaces allow for more light, open space, and aesthetic variation.

Landscape, streetscape and amenities will be key to the success of Hillside. The neighborhood structure is built upon the strategic placement of public parks that are the main open space amenity, serving as view corridors from Navy Road and Oakdale Avenue to the landscape beyond, and provide the neighborhood its sense of place and location. Additional open spaces range in scale, use and type. Some units have private decks; some homes have private roof decks; some buildings have common roof decks; some townhouses are clustered around courtyards as places of shared use.

The streetscape design is created to encourage walking and frequent use of the neighborhood parks, both by residents of Hillside and neighbors to the east and west. The various building designs all minimize the number of curb-cuts and street parking garage doors. Many units are accessed from front stoops, and plantings are an integral part of the design of street facades. Continuous active street front-ages define the streets, broken occasionally by glimpses into mid-block courtyards of townhouse clusters. As the neighborhood begins to mature, a major pedestrian destination in the form of a community building will be created at the heart of the neighborhood on the central park.

Structural Approach

The structure of the buildings of the Hillside Neighborhood will be a mix of 2-4 story Type V wood frame townhomes over integrated shared and private garages and 2-4 story stack flat units. Type V wood frame over a Type I concrete podium shared garage.

Material Approach

Materials should be of a high quality and durable nature. They should exude an air of urban character and contribute to the feeling of permanence and solidity of the neighborhood. Where possible, when materials meet the ground they should be of a higher durability and detailed in ways that will enhance the pedestrian realm.

Community Center

The community center will be centrally located in the Hillside Neighborhood and will house a variety of functions that will enhance social, cultural and recreational activities. Programmed areas within the space could be a fitness area and/or flex-ible meeting and gathering space.

Massing and Architectural Character:

The strategy to launch the Hillside Neighborhood is to create a distinctive district that takes advantage of the site’s natural assets and appeals to a range of home buyers with different needs, tastes and life-styles. These goals are served by creating an array of different building types and unit types, each distinctive, but unified by common approaches to material, scale, color and detail. The design takes particular care to animate streetscapes and the frontages of parks and public spaces to create a sense of community, encourage walking and use of the outdoors. The approved Design for Development asks for this variety of building and unit types, and for porous, animated streetscapes that connect to mid-block open spaces.

DESIGN STANDARDS AND GUIDELINES

Development on Block 48 is subject to the Hunters Point Shipyard Phase 1 Design for Development (“D4D”) design standards and guidelines. The D4D Standards include requirements for land use, height, bulk, setbacks, block coverage, streetwalls, view corridors, open areas, parking/loading and access, neighborhood and primary streets, and other relevant design guidelines. The D4D Guidelines establish the basic principles for urban design of Block 48 and other developments in Hunters Point Shipyard Phase 1. The following provides an overview of the key D4D Design Standards and Guidelines that apply to Block 48, as well as site specific design guidelines for the site that have been developed through collaboration with OCII staff and the Hunters Point Shipyard Citizens Advisory Committee (CAC).

SETBACKS

In recognition of enhance pedestrian experience, Block 48 will adhere D4D requirements and maintain the 3’ setback where applicable. The result is a gracious space where landscape will further enrich the architecture of the buildings and activate the adjacent sidewalk.

STREET WALL

The development program for Block 48’s form will be varied, artistic, and visually compelling, and located carefully on the block to interact with adjacent sidewalk and public space.
SUNLIGHT ACCESS TO OPEN SPACE
The Project will not generate shading that exceeds the D4D allowance on the adjacent public parks.

VIEW CORRIDORS
The placement of the structures on Block 48 and other buildings on-site will ensure that the Project can maintain view corridors. This will result in views that include multi-layered, visually appealing and dynamic architecture, with the activity and art of the site made clearly visible from the street.

PARKING and LOADING
The overall parking ratio for market-rate housing is 1:1 (spaces per unit) and parking is contained on the ground floor of each building. It provides a total of at least 404 parking stalls in compliance with the Design for Development ("D for D") requirements.

BICYCLE STORAGE.
Bicycle parking will be provided at a minimum 0.5 per unit as per unit as per Design for Development guidelines.

SIGNAGE
No signage is proposed at this time.

VARIATIONS FROM THE D4D – DENSITY BONUS
To address the unique physical features of the block, and to meet the project goals, the Lennar is requesting a Density Bonus in order to increase height, density, and reduce open space. Achieving the highest densities possible, commensurate with the equally important goals of livable, richly diverse neighborhoods is now an urgent priority and is in line with the Mayor’s goal of 30,000 new homes by 2020. This conceptual plan for Block 48 takes this into consideration with a Density Bonus request to increase maximum density for Block 48 from 55 DU/Acre to 61 DU/Acre or 404 total homes with the following concessions to the Design for Development (D4D):

• Height: Increase maximum height from 32-ft. to 45-ft. (from 2-3 s to 2-4 stories).
• Onsite/Private Open Space: Reduce minimum from 125-sf to 80-sf per unit.

It’s important to note that Block 48 was originally conceived with lower densities, lower buildings and considerably more open space than the rest of the Hunters Point Shipyard or historic neighborhoods throughout the City. This approach no longer addresses current circumstances. The requested Density Bonus makes the design of Block 48 consistent with the Hilltop portion of the Shipyard, and with many of the most cherished neighborhoods in the City. The changes are significant for Block 48 due to the enhanced urban vision of the site with varying building typologies and articulated elevations, which has replaced the sprawling low-rise townhome plan that preceded it. This previous plan would have a much more suburban feel, with many more curb cuts and street facing garage doors. The new plan adjusts for that problem, while still providing some low-density homes that are hard to produce in the San Francisco new home market.

It’s also important to note that Block 48 has approximately 7.75 acres of dedicated park/open space that will remain intact, so the only way to add additional homes while preserving this space is through a height and density increase. This also provides ample opportunity for the residents to activate Block 48’s eight on-site ‘pocket parks’, which ultimately decreases the need for the 125sf/unit minimum that would be in addition to the park/open space and bring it in line with the Hilltop requirements of 80sf/unit. Additionally, the site is within walking distance to Phase II Candlestick Point, which will open up to over 200 acres of public open space and connect to Block 48 via a trail.

Another benefit for the requested ratio and height changes are to ease the distinctive topography of Block 48, which includes over 175’ +/- in elevation changes from top to bottom. The current height restrictions limit unique opportunities to capture incredible views of the Bay in certain areas, while forcing many homes to view sizable and imposing retaining walls in other areas. By increasing some of these ratios, it allows for a flexibility to plan the site based on the unique advantages and disadvantages inherently created by such a distinctive topography spread over a 14 acre +/- site.

DENSITY
Our intent is to increase the density standard from 55du/ac to 61 du/ac for Block 48. This density is equal to or less than Hilltop, and provides an opportunity to add an additional 40 homes to the site, including 12 additional Below Market Rate homes. There is a strong demand for reasonably priced market-rate housing in the City for those who fall above the income limits of BMR requirements. This is a segment of the population that is currently underserved, and adding more market-rate homes that can be purchased is important. A density of 61 DU/Acre is consistent with the Hilltop Neighborhood, with City housing goals, and with neighborhoods throughout the City.

HEIGHT
One of the principles articulated in the D4D is the desire to have a variety of building types and unit types. The proposed increase in height limits from a uniform 32’ to a maximum of 45’ provides the necessary flexibility to have a variety of building types: 2 and 4 story townhouses, three story stacked flats over parking, and four story "skip-stop" buildings that address Block 48’s unique issues of topography and view. This variety of building types will lend itself to creating homes that vary in style and square footage, from smaller one bedroom flats that appeal to the first time home-buyer, up to 3-bedroom townhomes that appeal to families, with many options in-between. It also creates more homes that can enjoy one of the most unique aspects of this community – the incredible Bay views. From an architectural standpoint, it’s important to note that areas of the City that conform to a uniform height of 32’ can be the City’s most repetitive, which is not the intent of the D4D.

ONSITE (PRIVATE) OPEN SPACE
The request for 80 sf/DU will make Block 48 consistent with most of Hilltop and with moderate density (RM-2) in the San Francisco Planning Code. In a neighborhood generously endowed with public open space and designed to encourage the short walks to neighborhood parks, 125 sf/DU is not consistent with city-wide density goals. It’s important to note in a time when housing affordability is at crises levels that the decrease in open space requirements will reduce long-term maintenance expenses and a decrease in HOA fees.

PUBLIC BENEFIT
In addition to contributing substantially to the overall vitality and urban fabric of the Shipyard, the Project provides the following public benefits:

• The Project will create a new affordable housing. The Project will deliver additional affordable housing via the Density Bonus in addition to the required inclusionary housing.
• The Project will generate important economic benefits for the city and Bayview Hunters Neighborhood. The Project will generate significant new property tax increment for the construction of public infrastructure (including parks) and affordable housing. It will also create many new construction jobs and add significant new revenues to the City.
• The Project will trigger construction of eight pocket parks and central park.
• The Project will add to the Open Space System.
• The Project will support sustainability goals. The Project will be designed to Green Point standards. Its proposed location conforms to city- and state-wide goals by concentrating new construction proximate to transit, thus enabling sustainable and environmentally-responsible growth.
Transportation and Accessibility

Referenced from the Master Open Space and Streetscape Plan for the Hillside/Hilltop developments.
Planned Transit Improvements
From previous approval.

REGIONAL TRANSPORTATION IMPROVEMENTS

» Estimated $300 million in improvements

» Bus Rapid Transit, intermodal facilities, freeway interchange improvements, and multi-modal arterials/corridors

» Emphasis on transportation equity and sustainability

» Integrated land use-transportation project implemented through public-private partnership

» Seeking federally-subsidized loan from US Department of Transportation’s Transportation Infrastructure Finance and Innovation Act credit program ("TIFIA")

» Seeking grant support for further ped/bike enhancements
Overall Hillside Site Plan

- PROPOSED SKIP-STOP LOFTS
- PROPOSED TOWNHOMES
- PROPOSED MIXED UNIT TYPES
- PROPOSED STACKED FLATS
- PROPOSED COMMUNITY CENTER

Setback Line: 3' as per D for D

Public Open Space: Pocket Parks

These plan diagrams are for illustrative purposes only. Actual setback lines are 3' back from property line per Design for Development guidelines.
Vehicular Access Plan

This drawing is shown in black and white to more clearly explain the locations of bike parking, car parking, and vehicular entry. For a drawing indicating meaning of each shade, please see the Overall Hillside Site Plan on page 10.

These plan diagrams are for illustrative purposes only. Actual site parking counts and locations will be approved during the schematic design stage approval. Design will maintain 1 parking space minimum per DU.
Block 48 Phasing and Home Counts

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<thead>
<tr>
<th>Phase</th>
<th># of Homes</th>
<th>Construction Start*</th>
<th>Construction End*</th>
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<tbody>
<tr>
<td>Phase 1A</td>
<td>47 HOMES</td>
<td>AUGUST 2015</td>
<td>MAY 2017</td>
</tr>
<tr>
<td>Phase 2A</td>
<td>164 HOMES</td>
<td>JANUARY 2016</td>
<td>NOVEMBER 2017</td>
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<tr>
<td>Phase 1B</td>
<td>50 HOMES</td>
<td>MARCH 2016</td>
<td>DECEMBER 2017</td>
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<tr>
<td>Phase 2B</td>
<td>52 HOMES</td>
<td>JUNE 2016</td>
<td>JANUARY 2018</td>
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<tr>
<td>Phase 3A</td>
<td>40 HOMES</td>
<td>MAY 2016</td>
<td>SEPTEMBER 2017</td>
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<tr>
<td>Phase 3B</td>
<td>51 HOMES</td>
<td>OCTOBER 2016</td>
<td>JANUARY 2018</td>
</tr>
</tbody>
</table>

* Anticipated. Subject to change.

Unit counts and buildings within phases may be shifted but total unit count will not change without necessary approvals.