

## RESOLUTION NO. 11-2012

*Adopted January 31, 2012*

### **CONDITIONALLY APPROVING THE COMBINED BASIC CONCEPT AND SCHEMATIC DESIGN FOR BLOCK 30 OF THE NEW SALESFORCE.COM CAMPUS IN MISSION BAY (BLOCK 29 – 32) IN THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA, PURSUANT TO THE OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, LLC, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA**

#### **BASIS FOR RESOLUTION**

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

4. The first addendum, dated March 21, 2000, analyzed temporary parking lots to serve the ballpark. The second addendum, dated June 20, 2001, analyzed revisions to 7th Street bike lanes and relocation of a storm drain outfall provided for in the Mission Bay South Infrastructure Plan, a component of the South OPA. The third addendum, dated February 10, 2004, analyzed revisions to the Mission Bay South Design for Development with respect to the maximum allowable number of towers, tower separation and require step-backs. The fourth addendum, dated March 9, 2004, analyzed the Mission Bay South Design for Development with respect to the permitted maximum number of parking spaces for bio-technical and similar research facilities and the North OPA with respect to changes to reflect a reduction in permitted commercial development and associated parking. The fifth addendum, dated October 4, 2005, analyzed the UCSF proposal to establish a Phase I 400-bed hospital in Mission Bay South on Blocks 36-39 and X-3. The sixth addendum, dated September 10, 2008, addressed revisions of the UCSF Medical Center at Mission Bay. The seventh addendum, dated January 7, 2010, addressed the construction of a Public Safety Building on Block 8 in Mission Bay South.
5. On or about June 28, 2011, a bill providing for the dissolution on February 1, 2012 of all redevelopment agencies was adopted by the California legislature and signed by the Governor (the “dissolution legislation” or “AB 26”). By its terms, the dissolution legislation became effective immediately. The dissolution legislation requires agencies and “successor agencies” to honor “enforceable obligations,” as defined in Section 34167 of the legislation. The definition of “enforceable obligation” includes “[a]ny legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” The South OPA and its attachments is such a contract.
6. Pursuant to AB 26, on February 1, 2012, the Agency will be dissolved. The City of San Francisco as the successor agency will automatically assume all of the Agency’s enforceable obligations. In Mission Bay, these include the Plan and the Plan Documents. On January 24, 2012, the Board of Supervisors adopted a resolution related to the Agency’s dissolution which affirmed the City’s commitment to Mission Bay and other major approved development projects going forward.
7. The Plan and the Plan Documents, including the Design Review and Document Approval Procedure, designated as Attachment G to the South OPA (“DRDAP”), provide that development proposals in Mission Bay South will be reviewed and processed by the Agency in “Major Phases,” as defined in and consistent with the Plan and the Plan Documents. Submission of design plans and documents for any specific building must be consistent with the requirements established for each Major Phase. The DRDAP sets forth the review and approval process for Major Phases and Projects. The obligation of the Agency to review and approve Major Phases and Projects, including Schematic Designs, if they are consistent with the requirements for each Major Phase is an “enforceable obligation” within the meaning of the dissolution legislation.
8. As permitted under the South OPA, Alexandria Real Estate Equities (“ARE”) purchased Blocks 26 - 34 from FOCIL-MB.

9. As permitted under the South OPA, salesforce.com, inc. (“Developer” or “Salesforce”) purchased Block 30, in Mission Bay South, from ARE. Developer will be bound by all relevant terms of the South OPA and related agreements, including the requirements of the equal opportunity program and design review process.
10. On September 20, 2011, by Resolution No. 97-2011, the Agency Commission approved the Developer’s Major Phase Application for Blocks 26-34 in the Mission Bay South Redevelopment Project Area (“Mission Bay South”).
11. Pursuant to the Plan and Plan Documents, including the DRDAP, the Developer has submitted a Combined Basic Concept and Schematic Design for a commercial building on Block 30, dated January 24, 2012 (“Schematic Design”). The commercial building consists of approximately 184,900 gross square feet and includes approximately 11,000 square feet of retail and restaurant space and a proposed fitness center.
12. Agency staff has reviewed the Schematic Design for purposes of compliance with CEQA and the State CEQA Guidelines.
13. The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Approval of the Schematic Design is an undertaking pursuant to and in furtherance of the Plan in conformance with CEQA Section 15180 (“Implementing Action”).
14. Agency staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FSEIR, and has made documents related to the Implementing Action and the FSEIR files available for review by the Agency Commission and the public, and these files are part of the record before the Agency Commission.
15. The FSEIR findings and statement of overriding considerations adopted in accordance with CEQA by the Agency Commission by Resolution No. 183-98, dated September 17, 1998, reflected the independent judgment and analysis of the Agency, were and remain adequate, accurate and objective and were prepared and adopted following the procedures required by CEQA, and the findings in said resolutions are incorporated herein by reference as applicable to the Implementing Action.
16. Agency staff has reviewed the Schematic Design submitted by Salesforce, finds it acceptable and recommends approval thereof, subject to the resolution of certain conditions.

## **FINDINGS**

The Agency finds and determines that the Schematic Design submission is an Implementing Action within the scope of the Project analyzed in the FSEIR and requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162 and 15163 for the following reasons:

1. The Implementing Action is within the scope of the Project analyzed in the FSEIR and no major revisions are required due to the involvement of new significant

environmental effects or a substantial increase in the severity of significant effects previously identified in the FSEIR.

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


## **RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that (1) it has reviewed and considered the FSEIR findings and statement of overriding considerations and hereby adopts the CEQA findings set forth in Resolution No. 183-98 incorporated herein and those set forth above; and (2) that the Combined Basic Concept and Schematic Design for the commercial building on Block 30 is hereby approved pursuant to the Mission Bay South Owner Participation Agreement with FOCIL-MB, subject to the following conditions:

1. The building materials, colors, finishes, architectural detailing, and landscape design may be refined, in consultation with Agency staff, during Design Development phase. A material and color mock-up of sufficient size to be built on the construction site during an early phase of construction shall be prepared for Agency staff review to ensure consistency with approved plans.
2. The designs for the three “pavilions” located in the Town Square shall be submitted to the Agency for review and approval as part of the Design Development phase for the Town Square and/or the Design Development phase for the building on Block 32. Two of the pavilions shall be designed by architects or artists other than the campus architect, Legorreta + Legorreta.
3. A plan detailing the final design, size and operational standards of the outdoor electronic screen shall be submitted for review and approval as part of the Design Development phase of the building on Block 31. The operational standards for the outdoor electronic screen shall also be reviewed by the Citizens Advisory Committee.
4. The design of the exterior play area serving the childcare center on Block 32 shall be submitted for review and approval as part of the Design Development phase for the building on Block 32. Of particular interest to the Agency will be how the exterior play area meets the publicly-accessible open space along the vara and the need to ensure a pedestrian-friendly treatment to any necessary enclosures for the play area.

5. The design of the water feature in the Town Square and the base of the pylons (including the details of the relationship between these water features and the pylons) shall be refined during the Design Development phase for the Town Square.
6. The design of all wind screens, sunshades, louvers, canopies and other architectural details require approval as part of the Design Development phase for all blocks.
7. Cooking exhaust shafts extending to the roof shall be included in retail spaces designated for restaurants as part of the Design Development submittals.
8. Proposals for public art (in addition to the pavilions described in condition #2 above) shall be submitted to the Agency for review.
9. The configuration of the photovoltaic panels, rooftop mechanical equipment and penthouses shall be further refined during the Design Development phase.
10. A signage master plan for all Salesforce signage must be submitted concurrent with the Design Development application for the first building on Blocks 29 – 32. No corporate, wayfinding, retail or other signage implied in the Basic Concept and Schematic Design applications is approved as part of this action. All signage shall be consistent with the Mission Bay South Signage Master Plan.
11. All improvements to the public right-of-way surrounding the Salesforce campus shall be consistent with the Mission Bay South Streetscape Master Plan, with the exception of the Arbutus Marina tree planting pattern and the paving material on Block 29, as shown in the Town Square and Site Landscape submittal.
12. The amount and/or width of curb cuts serving the parking garage and loading zones shall be refined during the Design Development phase and shall be consistent with any relevant City and County of San Francisco standards. Of particular interest to the Agency is avoiding excessive interruption to the pedestrian path of travel and to the public realm.
13. The Commission's approval of the Schematic Designs for the buildings on Blocks 29 - 32 is contingent on the Planning Commission's design review approval of the buildings consistent with Planning Code Section 321.

**APPROVED AS TO FORM:**

  
James B. Morales  
Agency General Counsel