MEMORANDUM

TO: Commission of Community Investment and Infrastructure

FROM: Tiffany Bohee
Executive Director

SUBJECT: Adopting environmental review findings pursuant to the California Environmental Quality Act and conditionally approving a Combined Basic Concept and Schematic Design for a new residential project on Block 12 East in Mission Bay South, pursuant to the Owner Participation Agreement with FOCIL-MB, LLC; Mission Bay South Redevelopment Project Area

EXECUTIVE SUMMARY

In accordance with the Owner Participation Agreement ("OPA") for Mission Bay South, Bosa Development California II, Inc. ("Bosa") has submitted a combined Basic Concept and Schematic Design ("Schematic Design") application for a residential project on Block 12 East in Mission Bay South. Block 12 East is bounded by Channel Street, Long Bridge Street and El Dorado Street. It abuts a publically-accessible pedestrian walkway to the west. Consistent with the development approval protocols contained in the OPA, the project on Block 12 East was part of the "Major Phase" development program for Blocks 11 and 12 approved by the San Francisco Redevelopment Commission ("Former Commission") on September 18, 2007 (Resolution No. 101-2007) and as amended by the Former Commission on June 7, 2011 (Resolution No. 77-2011) and the Oversight Board on June 11, 2012 (Resolution 7-2012).

The proposed project will contain 267 condominium units as well as 267 residential parking spaces, 23 bike parking spaces, and private and shared open space. The project includes two towers that are 160-feet tall to add visual interest, and the overall design is modern in nature, with a glassy façade interrupted by strong frames to break up the massing. The Mission Bay Citizens Advisory Committee ("CAC") reviewed the project on June 14, 2012 and expressed support for the project, particularly its modern design sensibility and variation in the façade.

As part of its actions on September 17, 1998, establishing the Mission Bay Redevelopment Project Areas, the Former Commission certified the Final Subsequent Environmental Impact Report ("FSEIR") (Resolution No. 182-98) and adopted findings under the California Environmental Quality Act ("CEQA") (Resolution No. 183-98). This FSEIR includes by reference a number of addenda. OCIi staff has reviewed the Combined Basic Concept and Schematic Design submitted by Bosa and finds it to be within the scope of the Project analyzed in the FSEIR and addenda and no additional environmental review is needed. As required by CEQA, the Commission must adopt environmental findings when approving the Schematic Design.

Staff recommends adopting environmental findings pursuant to the California Environmental Quality Act and conditionally approving the Combined Basic Concept and Schematic Design for a residential project on Block 12 East in Mission Bay South.
BACKGROUND

Enforceable Obligation: Mission Bay South Owner Participation Agreement

The Mission Bay South OPA between the San Francisco Redevelopment Agency and now, the Successor Agency (known as OCII), and FOCIL establishes the protocols for development approvals in Mission Bay South, including the approvals of Basic Concept and Schematic Designs for vertical development. The OPA is an enforceable obligation consistent with Assembly Bills No. 1X 26 and 1484 (together, the "Dissolution Law").

Subsequent to the adoption of AB 1484, the Board of Supervisors, as the legislative body of the Successor Agency, adopted Ordinance No. 215-12 to create the Commission for Community Investment and Infrastructure (the "Commission") and delegated to it certain authority, including, without limitation, the authority to act as the former commission of the San Francisco Redevelopment Agency. Specifically, Ordinance No. 215-12 allows the Commission to exercise land use, development and design approval under enforceable obligations, which include the Mission Bay South Redevelopment Project.

Blocks 11 and 12 Approved Major Phase Application

Pursuant to the OPA, FOCIL-MB is required to submit its overall plans for development in “Major Phases” of one or more land use blocks, with each Major Phase consisting of the private development projects and related public infrastructure and park improvements on these blocks. Schematic designs for individual building projects can be submitted following the Major Phase approval and must be generally consistent with the Major Phase.

The proposed project for Block 12 East was included in a Major Phase application for Blocks 11 and 12, approved by the Former Commission on September 18, 2007 (Resolution No. 101-2007). The Major Phase was amended by the Former Commission as part of the Block 3 West Schematic Design approval on June 7, 2011 (Resolution No. 77-2011) and the Oversight Board as part of the Block 13 West Schematic Design approval on June 11, 2012 (Resolution 7-2012) to modify the number of residential units allowed on the market rate blocks. Blocks 11 and 12 are residential land use blocks bounded roughly by Channel Street, Mission Bay North Boulevard, and Merrimac Street. The Major Phase land use blocks are comprised of three development parcels: one parcel is designated as an Agency affordable housing site and two parcels are designated for private, market rate residential development. The approved Major Phase provides for the development of up to 592 residential units, including up to 135 affordable units, and for the development of Parks P2, P8, P10, P11, and P12.

DISCUSSION

As permitted under the OPA, Bosa purchased Block 12 East from FOCIL-MB, the master developer. Because the Major Phase application for Blocks 11 and 12 was previously approved in 2007, Bosa is able to submit a Schematic Design for Block 12 East to the Commission for consideration. Bosa is a real estate development company focusing on large condominium properties and commercial
property management. The project architect is Chris Dikeakos Architects Inc. Bosa anticipates starting construction in July 2013, and anticipates the project to be completed by third quarter 2015.

Block 12 East is approximately 1.4 acres in size and is bounded by Channel Street, Long Bridge Street and El Dorado Street. It abuts a publically-accessible pedestrian walkway – also referred to as a mews -- to the west. The project is directly across Channel Street from Mission Creek Park and diagonally across Long Bridge Street from the future children’s park (Park P6). There will also be a future dog park to the east of the project (Park P5), across El Dorado Street.

The project includes 267 condominiums, 267 parking spaces, 23 bicycle parking spaces and open space. The mix of residential units includes one, two, and three bedroom units, some with dens. It is being designed to achieve LEED Silver Equivalent. Exhibits A and B depict the location of the project and its site plan.

**Block 12 East Schematic Design**

The project consists of three distinct elements: a 40-foot four-story podium, two 160-foot towers, and a 90-foot mid-rise section connecting the towers. The building design is shown in Exhibit C through F. A materials palette is included as Exhibit G.

The inspiration of the building design is based in the maritime history of Mission Bay, specifically the visual image of stacked shipping containers found in an active shipping port. The modern transparent glass window system of the building is interrupted with white “frames” that invoke the shape of these shipping containers. Smaller frames are located at the podium level, to help break up the scale of the building at the pedestrian level. The frames grow in size higher on the building, to match the scale of the larger towers and to read better on the skyline from a distance. To add warmth to the building, the insides of the white frames are treated with a wood veneer composite panel. A random scattering of blue and red accent glass, also adds warmth and character to the building.

The two towers are oriented differently to add visual interest, as well as distribute the massing of the building away from Mission Creek Park and the western mews. The eastern tower is oriented along El Dorado and is set back from the street above 40-feet. This helps to minimize the impact of the tower to the adjacent dog park. The western tower is located along Long Bridge Street, which keeps it set back from Mission Creek, and also minimizes the amount of the tower that fronts the pedestrian mews.

The project includes a variety of entrances, to help activate the pedestrian realm. The two primary building entrances are located at the east and west corners of the building on Long Bridge. Individual unit entrances are located around the remainder of the building foot-print, except where utility room entrances are required.

**Open Space**

The building includes a shared open space on the podium level. The courtyard provides active gathering spaces for residents, including a pool and spa, barbeque and dining area, fire pits, lawn area and ample seating, and looks out over the Mission Creek Park towards downtown views. The ground-
floor units will include planters in front of the raised private condominium entrances to soften the building edge and create a subtle public/private transition space between the private units and the public realm. Roof top private gardens are provided for several units on Level 10, with green roofs included on top of both towers and on Level 7. Exhibits H through L depict the proposed landscaping and materials.

Parking and Transit

The Mission Bay South Design for Development allows a maximum of one parking space for each residential unit and requires a minimum of one bicycle parking space for every 20 vehicular parking spaces. Consistent with the Design for Development, the project provides 267 vehicular parking spaces for residents, accessed by a single entry on Long Bridge Street. The project also includes 23 bicycle parking spaces, almost twice more than is required. In addition, each unit is provided a separate storage unit that is sized to hold a bicycle. Finally, the project will be well-served by transit; it is located four blocks from the Muni Third Street Mission Rock Light Rail station and five blocks from the Mission Bay Caltrain Station.

Mission Bay South Affordable Housing Development

Under the terms of the Mission Bay South OPA, 38% (1,100) of the 3,000 housing units developed in the Mission Bay South Project Area will be affordable, developed exclusively on Agency-owned parcels through Agency-selected developers. The Agency will receive approximately 42 percent of the land designated for residential development in Mission Bay South to use for affordable housing development. These affordable housing parcels are being transferred to the Agency over time in conjunction with market-rate development in Mission Bay South and will be developed by not-for-profit housing developers selected through a request for qualifications process. Therefore, there is no requirement for affordable units within the Block 12 East project.

The Agency’s first affordable housing project in Mission Bay South, 1180 4th Street, is under construction. Developed by Mercy Housing, the project will contain 150 rental units for low- and very low-income families, including units for formerly homeless families. Three additional affordable projects on Blocks 3 East, 6 East, and 7 West, with a combined 395 affordable units, will be in the planning stages during Fiscal Year 2013-14. These 545 units equal about 49% of the total affordable units in Mission Bay South.

With the approval of Block 12 East, all remaining market rate projects in Mission Bay South, for a total of 1,982 units, will be approved and will soon be under construction. The remaining affordable blocks, for a total of 563 units, will be in planning and development in future fiscal years.
Citizens Advisory Committee

The Mission Bay Citizens Advisory Committee reviewed the proposed design for Block 12 East on June 14, 2012. The CAC responded positively to the design. In particular, the CAC commended the overall modern design of the project, especially the design of the white frames that break up the façade. The CAC did comment that the façade of the building could be broken up further, and that additional bicycle parking is encouraged. In response, in the Schematic Design in front of the Commission for approval, the developer has changed the design of pedestrian walkway connecting the two towers to make it more transparent to visually separate the two towers. The developer is also including individual storage units for each residential unit, which are large enough to fit a bicycle.

Mission Bay Program in Diversity

Pursuant to the OPA, Bosa must comply with the Mission Bay Program in Diversity (“Program”). Working closely with OCIII staff, the Bosa team includes 53% percent Minority/Women-Owned Business Enterprises (“M/WBEs”), 36.7% MBE and 16.4% WBE, which exceeds the Agency’s M/WBE professional services subcontracting goals of 38% (20% for MBEs and 18% for WBEs). During construction, Bosa will be bound by the Program’s goals and requirements for M/WBE and local resident participation in construction workforce and the payment of prevailing wages. Mission Bay continues to do well in its local hiring efforts for construction; as of 2012, the Mission Bay project as a whole achieved more than 40 percent local hires for construction hours.

CEQA Environmental Review

As part of its actions on September 17, 1998 establishing the Mission Bay Redevelopment Project Areas, the Former Commission certified the FSEIR, adopted CEQA findings, adopted a series of mitigation measures, and established a comprehensive system for mitigation monitoring. The Board of Supervisors, the Planning Commission, and various City departments adopted similar findings and mitigation monitoring plans. This FSEIR includes by reference a number of addenda.

Copies of the full four-volume FSEIR were distributed to the Former Commission prior to the 1998 certification and adoption of the environmental findings. Copies of the FSEIR were provided to the Commission as part of the March 5, 2013 Commission memo for Block 40, and are also available for review at OCII’s offices.

Staff has reviewed the Combined Basic Concept and Schematic Design submitted for the residential building on Block 12 East and has considered and reviewed the FSEIR and addenda. Staff finds the Combined Basic Concept and Schematic Design to be within the scope of the project analyzed in the FSEIR and subsequent addenda and no additional environmental review is required pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.
STAFF RECOMMENDATION

Staff spent over a year reviewing drafts of the proposed Basic Concept and Schematic Design for Block 12 East, providing feedback to ensure that the design is consistent with both the overall design goals for Mission Bay and the specific development standards contained in the Mission Bay South Design for Development.

Based on the review process described above, staff finds that the proposed Combined Basic Concept and Schematic Design for the residential building on Block 12 East in Mission Bay South is consistent with the Redevelopment Plan, the Design for Development and other Plan documents. The proposed design will be an attractive addition to Mission Bay South.

As is typical, there remain a number of detailed design issues that must be resolved in subsequent design stages. Therefore, staff recommends the following conditions of approval:

1. The building and landscaping materials, colors, finishes, architectural detailing (including balcony and window details) shall be subject to further review and approval by staff during the Design Development phase to ensure the richness, quality and diversity shown in the Schematic Design is achieved. Material and color samples shall be provided as part of the review. 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 OCII staff review and approval to ensure consistency with this Schematic Design.

2. The design of the roof of Suite 605 shall be subject to further review and approval by staff during the Design Development phase to explore an alternative design that maintains the square shape of the resulting frame when seen from the west and east.

3. Locations for additional dedicated bicycle parking spaces shall be explored during the Design for Development phase as part of the parking lot design detailing.

4. The developer will work with OCII staff during the Design Development phase to incorporate design features consistent with the approved Schematic Design, such as additional landscaping at the ground floor, to address wind conditions generated by the Block 12 East project at the pedestrian level within public spaces, including sidewalks and parks.

5. The design of the trash and recycling areas shall be subject to further review and approval by OCII staff during the Design Development phase to ensure that they allow for internal pick-up by the solid waste collector to avoid trash and recycling bins on-street.

6. The width of the generator room, transformer room and other utility space fronting the pedestrian mews to the west and El Dorado Street shall be minimized to ensure an active ground floor façade.

7. All building signage shall be subject to further OCII staff review and approval. A signage plan shall be prepared prior to or concurrent with Design Development for OCII staff approval, pursuant to the Mission Bay South Signage Master Plan.
Staff recommends the approval of the Combined Basic Concept and Schematic Design for the residential project on Block 12 East subject to the conditions above.

(Originated by Catherine Reilly, Acting Project Manager)

Tiffany Bohee
Executive Director

Exhibit A: Mission Bay Location Map
Exhibit B: Level 1 – Site Plan
Exhibit C: Long Bridge Street View
Exhibit D: Channel Street View
Exhibit E: Podium Outdoor Pool View
Exhibit F: Channel Street View (pedestrian)
Exhibit G: Building Materials
Exhibit H: Landscape - Podium
Exhibit I: Landscape – Level 7
Exhibit J: Landscape – Level 10
Exhibit K: Landscape – Mechanical Roof Level
Exhibit L: Landscape – Material Images