MEMORANDUM

TO: Oversight Board Members

FROM: Tiffany Bohee, Executive Director

SUBJECT: Adopting environmental review findings pursuant to the California Environmental Quality Act and Conditionally Approving the Combined Basic Concept and Schematic Design for a residential building on Block 13 West in the Mission Bay South Redevelopment Project Area pursuant to the Owner Participation Agreement with FOCIL-MB

EXECUTIVE SUMMARY

In accordance with the Owner Participation Agreement ("OPA") for Mission Bay South, Equity Residential has submitted a combined Basic Concept and Schematic Design ("Schematic Design") application for a residential project on Block 13 West in Mission Bay South. Consistent with Resolution No. 11-12 approved by the San Francisco Board of Supervisors, the Oversight Board has land use and design review approval authority for Major Approved Development Projects where enforceable obligations exist. The OPA for Mission Bay South is an enforceable obligation pursuant to the Recognized Obligation Payment Schedules ("ROPS"), approved by the Oversight Board and the State’s Department of Finance.

Block 13 West is bounded by Channel Street, Long Bridge Street and El Dorado Street. It abuts a publically-accessible pedestrian walkway to the east. Consistent the development approval protocols contained in the OPA, the project on Block 13 West was anticipated by the “Major Phase” development program for Blocks 2-7 and 13 approved by the San Francisco Redevelopment Commission on November 1, 2005 (Resolution No. 178-2005).

The proposed project will contain 273 rental units as well as 273 residential parking spaces, nearly 100 bike parking spaces and private and shared open space. The project includes a tower that is 160-feet tall. The key design goals of the project are to frame the view corridor into Mission Bay from the South of Market neighborhood and to respond sensitively to the public realm, particularly to the three public open spaces surrounding the proposed project. The Mission Bay Citizens Advisory Committee ("CAC") reviewed the project on March 8, 2012 and expressed support for the project, particularly its modern design sensibility and use of attractive materials.

As part of its actions on September 17, 1998, establishing the Mission Bay Redevelopment Project Areas, the Redevelopment Commission certified the Final Subsequent Environmental Impact Report ("FSEIR") for Mission Bay North and South (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. Staff has reviewed the Combined Basic Concept and Schematic Design for a residential building on Block 13 West and finds it to be within the scope of the project analyzed in the FSEIR and addenda and no additional environmental review is needed.

*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 building on Block 13 West in Mission Bay South.*

**DISCUSSION**

**Enforceable Obligation: Mission Bay South Owner Participation Agreement**

The Mission Bay South Owner Participation Agreement between the Redevelopment Agency and now, the Successor Agency ("Agency"), and FOCIL-MB, LLC, ("FOCIL-MB") the Mission Bay master developer, 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 ABx1 26 ("AB 26") and is included on the Recognized Obligation Payment Schedules ("ROPS"), approved by the Oversight Board on April 10, 2012 (Resolution No. 5-2012) and May 7, 2012 (Resolution No. 6-2012). The ROPS for January to June 2012 and July to December 2012 were approved by the State’s Department of Finance in a letter to the Successor Agency, dated May 25, 2012.

Furthermore, on January 24, 2012, the San Francisco Board of Supervisors adopted Resolution No. 11-12, which, among other things, authorized the Oversight Board to exercise land use, development and design approval under enforceable obligations for the City’s “Major Approved Development Projects,” which include the Mission Bay South Redevelopment Project.

**Blocks 2-7 and 13 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 13 West was anticipated by a Major Phase application for Blocks 2-7 and 13, approved by the San Francisco Redevelopment Commission on November 1, 2005 (Resolution No. 178-2005). Blocks 2-7 and 13 are all residential land use blocks bounded roughly by Channel Street, Third Street, Mission Bay North Boulevard, and Merrimac Street. Within the Major Phase area, six parcels are designated
as Agency affordable housing sites and five parcels are designated for private, market rate residential development. The approved Major Phase provides for the development of 2,476 residential units, including 965 affordable units, and 14 acres of new parks. It also calls for 85,500 square feet of ground floor retail concentrated along 4th Street, which will be a new neighborhood-serving retail corridor in the heart of Mission Bay.

**Block 13 West Schematic Design**

As permitted under the OPA, Equity Residential purchased Block 13 West from FOCIL-MB, the master developer. Because the Major Phase application for Blocks 2 – 7 and 13 was previously approved in 2005, Equity Residential is able to submit a Schematic Design for Blocks 13 West to the Oversight Board for consideration. Equity Residential is a real estate development company focusing on large apartment properties. The project architect is HKS.

Block 13 West is approximately 1.6 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 east. The project is directly across Channel Street from Mission Creek Park and across Long Bridge Street from a future children’s park. There will also be a future dog park to the west of the project, across El Dorado Street.

The project includes 273 rental housing units, 273 parking spaces, 100 bicycle parking spaces and open space. The mix of residential units includes one and two bedroom units. **Attachments 1 and 2** depict the location of the project and its site plan.

A key design goal for the project is to ensure each building facade respond appropriately and sensitively to its unique context. A second key design goal is to help frame a view corridor from Mission Bay to the South of Market neighborhood along Fifth Street. The project contacts two distinct elements: a 160-foot tower and a five-story podium. The building design is shown in **Attachments 3 through 6**. A materials palette is included as **Attachment 7**.

**The Tower**

The project includes a 160-foot tower on the west side of the building, running along El Dorado Street between Channel and Long Bridge Streets. This tower will be an important part of Mission Bay’s skyline, continuing the Fifth Street view corridor from South of Market, across Mission Creek, into Mission Bay South. The design adds a slender quality to the tower by offsetting the two halves of the tower along its longest axis. To make this separation more distinct, a separate color palette and design approach is used on each tower: green and grey metal panel as the tower faces west towards the freeway and blue metal panel, wrapped in silver metal, as it faces the Bay to the east. The slot between the slabs is highlighted by a glossy black metal panel. The rest of the tower is clad in vision glass. Portions of the tower’s façade are accented by custom designed, laser cut metal balconies.

The main entrance to the building is at the corner of Long Bridge and El Dorado Streets, where the tower meets the ground. At this point the tower gives way to a double height, completely
transparent cube, inviting residents and visitors into the lobby. The cube will be lit at night so it 
glows like a lantern.

The Podium
The project is wrapped with a five-story podium that abuts the tower to the east. The design of 
the podium is more fine-grained, with varied massing and a rich palette of materials to create a 
more pedestrian friendly expression. Ground floor residential units wrap most of the podium 
and have entry stoops to help activate the public realm. The ground floor units also include 
large windows, creating a sense of “eyes on the street,” which is particularly important on the 
facades fronting the new public parks. All four facades of the podium play with different 
combinations of bay windows and row-house expressions. Along the pedestrian walkway, or 
the mews, the building steps back at the third floor to bring light and air to the walkway. It also 
creates a third floor terrace for residents, providing a sense of human activity on this façade.

The materials palette for the podium is warmer and more varied than the tower. Dark brick is 
proposed at the base to help ground the building and wood veneer surroundings the unit entries 
add texture and warmth. Custom laser cut silver metal is used on guardrails, balconies and 
panels at the unit entries to add visual interest. Above the second floor, the design calls for 
bright white cement plaster that creates a sharp contrast with the darker brick, mullions and 
metal frames.

Open Space
The building includes a shared open space on the podium level. The courtyard provides active 
gathering spaces for residents, including a barbeque area, fire pit, lawn areas and ample seating. 
At the ground floor, planters will flank the main building entry at the corner of El Dorado and 
Long Bridge Streets. The ground-floor units will include planters at near the entrances to 
soften the building edge and create a subtle public/private transition space between the unit and 
the public realm.

Parking and Transit
The Mission Bay South Design for Development allows a maximum of one parking space for 
each residential unit and requires one bicycle parking space for every 20 vehicular parking 
spaces. Consistent with the Design for Development, the project provides 273 vehicular 
parking spaces for residents. The project also includes 98 bicycle parking spaces, significantly 
more than is required. Finally, the project will be well-served by transit; it is located one and 
half blocks from the Muni Third Street Mission Rock Light Rail station and three blocks from 
the Mission Bay Caltrain Station.

Mission Bay South Affordable Housing Development

Under the terms of the Mission Bay South OPA, 38 percent (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 the Mission Bay 
South Redevelopment Project Area 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 5 project.

The Agency’s first affordable housing project in Mission Bay South, 1180 4th Street, is expected to commence construction next month. Developed by Mercy Housing, the project will contain 150 rental units for low- and very low-income families, including units for formerly homeless families.

Citizens Advisory Committee

The Mission Bay Citizens Advisory Committee reviewed the proposed design for Block 13 West on March 8, 2012. The CAC responded positively to the design. In particular, the CAC commended the modern sensibility of the architecture and the use of attractive and warm materials, such as wood, at the ground floor. The CAC expressed eagerness to see the project built as it will create a residential population directly across the street from Mission Bay’s future children’s park – helping to ensure the park is safe and well used.

Mission Bay Program in Diversity

Pursuant to the OPA, Equity Residential must comply with the Mission Bay Program in Diversity (“Program”). Working closely with Successor Agency staff, the Equity Residential team includes 38 percent Minority/Women-Owned Business Enterprises (“M/WBEs”), matching the Agency’s M/WBE professional services subcontracting goals of 38% (20 percent for MBEs and 18 percent for WBEs). During construction, Equity Residential 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 the first quarter of 2012, the Mission Bay project as a whole achieved more than 40 percent local hires for construction hours.

Modifications to the Major Phase

The OPA allows for the modification of a Major Phase as part of a Schematic Design approval. The Block 13 West project will include 14 more units on the site than originally allowed in the Major Phase for Blocks 2-7 and 13. However, the number of units allowed on Block 12, a future residential development site, will be reduced by 14 units to keep the total number of residential units built in Mission Bay South consistent with the number of units allowed by the Mission Bay South Redevelopment Plan. Therefore, approval of the Schematic Design for this project will constitute an amendment to the Major Phases for Blocks 2-7 and 13 and for Blocks 11-12.
CEQA Environmental Review

As part of its actions on September 17, 1998 establishing the Mission Bay Redevelopment Project Areas, the Redevelopment 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 Redevelopment Commission prior to the 1998 certification and adoption of the environmental findings, and have subsequently been made available to members of the Commission. The addenda were also made available to the members of the Commission. Copies of the FSEIR have been delivered to the members of the Oversight Board (Attachment 9), and are also available for review at the Successor Agency’s offices.

Staff has reviewed the Combined Basic Concept and Schematic Design submitted for the residential building on Block 13 West 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 ANALYSIS AND RECOMMENDATION

Staff spent the last six months reviewing drafts of the proposed Schematic Design for Block 13 West, 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 Blocks 13 West 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 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 Agency staff review to ensure consistency with this Schematic Design.

2. The landscape design will be subject to further review by staff during the Design Development Phase. In particular, the ground floor and podium landscape plan requires more review and refinement, and must be made consistent with the architectural floor plans.

3. The main residential entry and lobby to the building shall be in the two-story "cube" element at the corner of Long Bridge and El Dorado Streets. The "cube" element shall be designed to ensure that the residential entrance is legible from the street and that the residential lobby is inviting at all hours. The "cube" may also contain the leasing office, but the size of the leasing office shall be designed to avoid distracting from the legibility of the building entrance from the street. Any other residential entries shall be designed to be secondary to the primary residential entrance and lobby at the corner of Long Bridge and El Dorado Streets.

4. The design of the trash and recycling areas shall be subject to further review and approval by Agency 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.

5. The width of the generator room, transformer room and other utility space fronting Long Bridge Street shall be minimized to ensure an active ground floor façade across from the children's park on P6.

6. All building signage shall be subject to further Agency staff review and approval. A signage plan shall be prepared prior to or concurrent with Design Development for Agency 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 building on Block 13 West subject to the conditions above.

(Originated by Kelley Kahn, Project Manager)

[Signature]

Tiffany Bohee
Executive Director
Attachments:
1. Mission Bay Location Map
2. First Floor Plan
3. View from El Dorado and Long Bridge Street
4. View Down Channel Street
5. View of Long Bridge and Mews
6. View of El Dorado and Channel Street
7. Material Board 1
8. Material Board 2
9. Mission Bay SFEIR – provided on a separate CD