

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 42-2015

*Approved July 7, 2015*

**CONDITIONALLY AUTHORIZING A PERMIT TO ENTER WITH THE CITY AND COUNTY OF SAN FRANCISCO, ACTING BY AND THROUGH ITS DEPARTMENT OF PUBLIC WORKS, THE SAN FRANCISCO TOURISM IMPROVEMENT DISTRICT MANAGEMENT CORPORATION, A CALIFORNIA CORPORATION NONPROFIT MUTUAL BENEFIT CORPORATION, AND WEBCOR CONSTRUCTION, LP, A CALIFORNIA LIMITED PARTNERSHIP, TO ALLOW CONSTRUCTION RELATED TO THE EXPANSION OF THE MOSCONE CONVENTION CENTER ON THE OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE'S YERBA BUENA GARDENS PROPERTY, AND ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; FORMER YERBA BUENA CENTER REDEVELOPMENT PROJECT AREA**

WHEREAS, The Redevelopment Agency of the City and County of San Francisco, a public body, (the "Former Agency") was dissolved on February 1, 2012, pursuant to California Assembly Bill 26 ("AB 26") and the California Supreme Court's decision and order in the case entitled California Redevelopment Association et al. v. Ana Matosantos (2011) 53 Cal. 4<sup>th</sup> 231. In June 2012, the California State Legislature passed Assembly Bill 1484 ("AB 1484") further amending the Community Redevelopment Law (together with AB 26, and as amended from time to time, the "Redevelopment Dissolution Law"); and,

WHEREAS, Under Redevelopment Dissolution Law, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California (the "Successor Agency"), assumed all of the Former Agency's enforceable obligations, including ownership of the Former Agency's real property assets. As a result of these legislative acts the Successor Agency (1) became a separate legal entity, separate from the City and County of San Francisco (the "City"), and (2) owns and operates certain real property commonly known as Yerba Buena Gardens (the "Gardens"), which is located within the former Yerba Buena Center Redevelopment Project Area D-1, which was duly adopted on April 24, 1966 in accordance with Community Redevelopment Law, and which expired by its own terms on January 1, 2011(the "Former YBC Project Area"); and,

WHEREAS, The George R. Moscone Convention Center ("Moscone Center") spans large portions of a two-block area of the Gardens known as Central Block Two and Central Block Three in the Former YBC Redevelopment Project Area. Pursuant to enforceable obligations, the Successor Agency has transferred the south section of the Moscone Center to the City, and expects to transfer the north section of the Moscone Center to the City in May 2015; and,

WHEREAS, The City, acting by and through its Department of Public Works (“DPW”), as owner of the Moscone Center, and the San Francisco Tourism Improvement District Management Corporation, a California non-profit, mutual benefit corporation, in its capacity as Owners Association for the Moscone Expansion District (“SFTIDMC”) are undertaking a major expansion of the Moscone Center, which will add approximately 358,000 square feet to the existing Moscone Center above and below ground. Some of the space will be created below ground by excavating and expanding the existing below-grade exhibition halls that connect the north and south convention center buildings under Howard Street, and some of the space will be created above ground by constructing new square footage, including expanded lobbies, multipurpose space, new meeting and circulation space, and a new ballroom (the “Moscone Expansion Project”). SFTIDMC and DPW are jointly managing the Moscone Expansion Project; and,

WHEREAS, The City’s Board of Supervisors, on February 5, 2013, adopted Resolution No. 23-13, finding the Moscone Expansion Project is fiscally feasible and responsive under San Francisco Administrative Code, Chapter 29. Resolution No. 23-13 further resolved that development of the Moscone Expansion Project be conditioned upon the receipt of all required regulatory approvals. On April 22, 2015, the City’s Department of Building Inspection issued the Moscone Expansion Project site permit (Application 201406239136), which allowed SFTIDMC and DPW to proceed with the project; and,

WHEREAS, As part of the City’s Moscone Expansion Project on its property, the City wishes to make additional modifications and improvements, at its own expense, to Successor Agency-owned real property in the Gardens described the “Children’s Garden.” The Children’s Garden includes about 100,000 square feet of outdoor space with grassy areas, gardens – including a learning garden, a child-size labyrinth, an outdoor amphitheater, play circles, a sand circle, a play stream, and assorted playground equipment. The Children’s Garden is more fully described as the “Permit Area” or the “Agency Property” in the proposed Permit to Enter and Consent to Improvements between the Successor Agency and the Permittees (the “Children’s Garden Permit”); and,

WHEREAS, SFTIDMC has contracted with Webcor Construction, LP, a California limited partnership, dba Webcor Builders (“Webcor”) to provide construction services for the Moscone Expansion Project and DPW has project oversight and fiduciary responsibilities. Webcor will indemnify the Successor Agency and provide full insurance coverage for the term of the Children’s Garden Permit. DPW, SFTIDMC, and Webcor are individually referred to as a “Permittee” and collectively as the “Permittees” under the Children’s Garden Permit; and,

WHEREAS, The Agency Property was constructed and has been used for a governmental purpose (i.e., parks, recreational facilities, children’s facilities, and cultural facilities). In November 2013, the Successor Agency submitted its Long-Range Property Management Plan (“PMP”) to the State Department of Finance (“DOF”) for approval, as required by Redevelopment Dissolution Law. The PMP, which was approved by the Successor Agency’s Oversight Board and is still under

review by DOF, includes a plan to transfer the Agency Property to the City for a governmental purpose. The Successor Agency will effectuate a transfer of the Agency Property to the City after DOF approves the PMP (the "Transfer"), on a date that has not yet been determined ("Transfer Date"); and,

WHEREAS, The Permittees wish to enter into the proposed Children's Garden Permit with the Successor Agency to begin making the contemplated modifications and improvements to the Agency Property, more fully described in Attachment B to the proposed Children's Garden Permit, prior to the Transfer Date (the "Permanent Improvements"). By executing the proposed Children's Garden Permit, the Successor Agency is (1) agreeing to allow the City, as future property owner, to go onto the Agency Property prior to the Transfer Date and construct the Permanent Improvements, at the City's sole cost and expense, under the terms and conditions of the Children's Garden Permit, and (2) consenting to the Permanent Improvements as being consistent with the governmental purpose of the Agency Property outlined in the PMP; and,

WHEREAS, The Successor Agency's Permit to Enter Policy was adopted on April 1, 2008 by Resolution No. 13-2008 ("Permit to Enter Policy"). The Permit to Enter Policy requires Successor Agency Commission approval for a permit (or series of permits) that would cause the aggregate permit duration to exceed 12 months. The term of the Children's Garden Permit will exceed 12 months, and, therefore, requires Successor Agency Commission approval; and,

WHEREAS, The Children's Garden Permit will terminate on December 31, 2018, or on the Transfer Date. After the transfer, the Children's Garden will be under the jurisdiction of the City's Real Estate Division, and the Moscone Expansion Project will continue to be managed by DPW; and,

WHEREAS, The proposed Children's Garden Permit also requires the approval of the Successor Agency's Oversight Board and DOF, because the Successor Agency still owns the Agency Property and has proposed transferring it to the City under its PMP. The Children's Garden Permit is consistent with Redevelopment Dissolution Law because (1) the Permanent Improvements are being done by the City as the future property owner and are consistent with the governmental purpose of the Agency Property outlined in the PMP, and (2) the Children's Garden Permit will have no financial implication for the City's taxing entities, and will in fact protect them from liability; and,

WHEREAS, Based on the analysis contained in the Final Environmental Impact Report for the Moscone Expansion Project (the "FEIR"), and the findings pursuant to the California Environmental Quality Act ("CEQA") adopted by the San Francisco Planning Commission (the "Planning Commission") on August 14, 2014, by Motion No. 19219 certifying the FEIR, Successor Agency staff requests that the Commission adopt findings in accordance with CEQA that the Children's Garden Permit is an implementing action for the construction of the Moscone Expansion Center, including the Permanent Improvements. Staff, in making the necessary findings for the implementing action contemplated herein, considered and

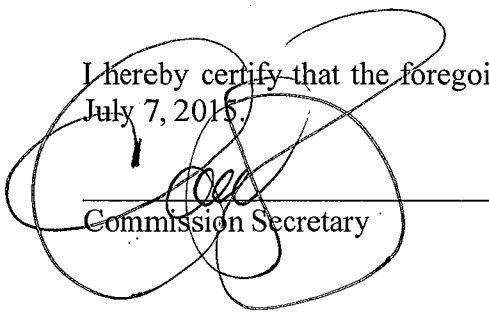
reviewed the FEIR. The San Francisco Planning Department is the custodian of record for the Moscone Expansion Project's environmental review, located in the File for Case No. 2013.0154E, at 1650 Mission Street, Fourth Floor, San Francisco, California. The Final EIR, entitled "Moscone Center Expansion Project," can be found on the San Francisco Planning Department's webpage at <http://www.sf-planning.org/index.aspx?page=1828>; and,

WHEREAS, The Commission on Community Investment and Infrastructure hereby finds that the Children's Garden Permit is an action in furtherance of the implementation of the Moscone Center Expansion for purposes of compliance with CEQA and by this Resolution, the Commission on Community Investment and Infrastructure adopts the environmental findings, attached as Exhibit A hereto, related to the FEIR, pursuant to CEQA and the CEQA Guidelines (the "Findings"). These Findings are made by the Successor Agency in its capacity as a responsible agency under CEQA. The Findings are hereby incorporated herein by this reference as if fully set forth; now, therefore, be it

RESOLVED, That the Office of Community Investment and Infrastructure has reviewed and considered the Final Environmental Impact Report and hereby adopts the CEQA findings as attached and incorporated herein, and that Commission on Community Investment and Infrastructure conditionally authorizes, subject to review and approval by the Oversight Board and DOF, the Executive Director to execute the Children's Garden Permit between the Successor Agency and the Permittees in substantially the form of the Children's Garden Permit on file with the Secretary of the Commission, approved as to form by the General Counsel to the Successor Agency.

Exhibit A: CEQA Findings

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of July 7, 2015.

  
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Commission Secretary

**Exhibit A**  
**CEQA Findings**



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Motion No. 19219 Environmental Impact Report Certification

HEARING DATE: August 14, 2014

*Hearing Date:* August 14, 2014  
*Case No.:* 2013.0154E  
*Project Name:* MOSCONE CENTER EXPANSION PROJECT  
*Project Address:* 747 Howard Street  
*Zoning:* Downtown Commercial Support C-3-S  
340-I Height and Bulk District  
*Block/Lot:* 3723/115 and 3734/91  
*Project Sponsor:* John Noguchi  
Director of Convention Facilities Department  
City and County of San Francisco  
747 Howard Street, 5th Floor  
San Francisco, CA 94103  
*Staff Contact:* Elizabeth Purl – (415) 575-9028  
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**ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED MOSCONE CENTER EXPANSION PROJECT, AT 747 HOWARD STREET WITHIN THE C-3-S (DOWNTOWN SUPPORT) DISTRICT AND THE 340-I HEIGHT AND BULK DISTRICT.**

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the Final Environmental Impact Report identified as Case No. 2103.0154E, 747 Howard Street (the Moscone Center Expansion Project) (hereinafter "Project"), based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*, hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
  - A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on January 22, 2014.
  - B. On April 30, 2014, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Planning Commission

public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.

- C. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site and posting was confirmed by Department staff on April 30, 2014.
  - D. On April 30, 2014, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse.
  - E. A Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on May 1, 2014.
2. The Commission held a duly advertised public hearing on said DEIR on June 5, 2014 at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on June 16, 2014.
  3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 45-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Draft Comments and Responses document, published on July 30, 2014, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.
  4. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Comments and Responses document all as required by law.
  5. Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.
  6. On August 14, 2014, the Commission reviewed and considered the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.
  7. The Planning Commission hereby does find that the FEIR concerning File No. 2013.0154E, 747 Howard Street (Moscone Center) reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA and the CEQA Guidelines.

8. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the FEIR will have no significant project-specific or cumulative effects on the environment that cannot be mitigated to a level of insignificance.
9. The Planning Commission reviewed and considered the information contained in the FEIR prior to approving the Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of August 14, 2014.

Jonas P. Ionin  
Commission Secretary

AYES: Commissioners Antonini, Fong, Hillis, Johnson, Sugaya, Wu

NOES:

ABSENT: Commissioner Moore (recused)

ADOPTED: August 14, 2014