

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 30 - 2016

Adopted June 21, 2016

CONDITIONALLY APPROVING THE SCHEMATIC DESIGN OF A 39-STORY TOWER AND TWO PODIUM BUILDINGS COMPRISED OF 391 FOR-SALE UNITS INCLUDING 156 UNITS AFFORDABLE TO LOW AND MODERATE INCOME HOUSEHOLDS, UNDERGROUND PARKING, AND GROUND-FLOOR RETAIL AT TRANSBAY BLOCK 1 (160 FOLSOM STREET), AND A VARIATION TO ALLOW PROJECTIONS ENCROACHING OVER SIDEWALKS GREATER THAN THOSE PERMITTED BY THE DEVELOPMENT CONTROLS AND DESIGN GUIDELINES FOR THE TRANSBAY REDEVELOPMENT PROJECT, FOR A PROJECT THAT IS WITHIN THE SCOPE OF THE TRANSBAY REDEVELOPMENT PROJECT APPROVED UNDER A PROGRAM ENVIRONMENTAL IMPACT REPORT AND THAT IS ADEQUATELY DESCRIBED IN THAT REPORT FOR PURPOSES OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; TRANSBAY REDEVELOPMENT PROJECT AREA

WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) approved the Redevelopment Plan for the Transbay Redevelopment Project Area (“Redevelopment Plan”) by Ordinance No. 124-05, adopted on June 21, 2005 and by Ordinance No. 99-06, adopted on May 9, 2006; and,

WHEREAS, The Redevelopment Plan establishes the land use controls for the Transbay Redevelopment Project Area (“Project Area”) and divides the Project Area into two subareas: Zone One, in which the Redevelopment Plan defines the land uses, and Zone Two, in which the Planning Code applies. Zone One is intended to be developed with predominantly residential uses; and,

WHEREAS 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, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), has land use and development permitting authority on properties located in Zone One, in compliance with the Development Controls and Design Guidelines for the Transbay Redevelopment Project (“Development Controls”); and,

WHEREAS, The Development Controls set forth development requirements and design recommendations that apply to development within the Project Area and implement the Redevelopment Plan’s authorization for the development of residential uses within Zone One including the development of Block 1 of Zone One, located on the north side of Folsom Street, between Main Street and Spear Street (“Block 1”); and,

- WHEREAS, On January 19, 2016, pursuant to Resolution No. 1-2016, the Commission approved an amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area (“Redevelopment Plan”), to increase the maximum height of the Block 1 tower from 300 feet to 400 feet (“Plan Amendment”). The Board of Supervisors approved, by Ordinance No. 62-16 (April 28, 2016), the Plan Amendment; and,
- WHEREAS, On June 21, 2016, by Resolution No. 28-2016, the Commission approved an amendment to the Development Controls and Design Guidelines for the Transbay Redevelopment Project (“Development Controls”), consistent with the Plan Amendment, to increase the maximum height of the Block 1 tower from 300 feet to 400 feet; and,
- WHEREAS, On June 21, 2016, by Resolution No. 29-2016, the Commission approved an Owner Participation/Disposition and Development Agreement (the “OP/DDA”) with Block 1 Property Holder L.P., a Delaware limited partnership, and an affiliate of Tishman Speyer (“Developer”) for the development of Block 1. The OP/DDA authorizes development of (a) 391 residential units (235 market-rate units and 80 inclusionary affordable units in a 400-foot tower, 29 affordable units in a six-story podium building located west of the tower, and 47 affordable units in an eight-story podium located adjacent to the east side of the six-story podium); (b) ground-floor retail space of 10,210 square feet; (c) streetscape improvements, including the extension of Clementina Street from Main to Spear Streets, and Spear, Folsom and Main Street improvements; (d) 6,898 square feet of shared open space; (e) three levels of underground parking with 340 stalls, (collectively, the “Project”); and,
- WHEREAS, The Commission, through its approval of the OP/DDA, adopted a Design Review and Document Approval Procedure (“DRDAP”) that sets forth the procedure for design submittals of the plans and specifications for the development of the Project on Block 1 in Zone One of the Transbay Redevelopment Project Area (“Project Area”); and,
- WHEREAS, Project approval shall consist of three components or stages, Schematic Design Documents, Design Development Documents and Final Construction Documents; and,
- WHEREAS, Schematic Design Documents shall relate to schematic design level of detail for the Project and the review of OCII shall include consideration of such items as the architectural design, site planning and landscape design; and,
- WHEREAS, OCII, in consultation with the San Francisco Planning Department and other City Agencies, has reviewed and recommends approval of the Project’s Schematic Design Documents, which are consistent the Redevelopment Plan, as amended, and accompanying Plan Documents, including the Development Controls, as amended by Resolution No. 28-2016, and the Transbay Redevelopment Project

Area Streetscape and Open Space Concept Plan (“Streetscape Plan”); and,

- WHEREAS, The Development Controls allow buildings to have overhead projections, such as bay windows, that encroach over sidewalks meeting the dimensional requirements of San Francisco Planning Code Section 136; that is, maximum three-foot encroachments over the sidewalk are allowed with widths no greater than 15 feet at the building façade and no greater than nine feet at the far edge of the projection. This control provides dimensional features that mirror the typical, vernacular architectural form of San Francisco’s bay windows; and,
- WHEREAS, The Schematic Design for the Project proposes the construction of 391 dwelling units, of which, 156, or 40% of the total, are below-market-rate (“BMR”) units, and of which, 257 have two or three bedrooms; and,
- WHEREAS, To provide adequate living area among the units, Developer has devised a “migrating bay” construction scheme that stacks unit types with ten different bay window module geometries; and,
- WHEREAS, The migrating bays feature results in a varied and non-uniform application of bay window dimensions that range from strict adherence to the Development Controls, which refer to dimensional requirements within Planning Code Section 136, requiring a maximum projection of 4’-6” located over the townhome walkways, where a 3-foot projection would be the maximum permitted, and a maximum bay window width of 26’-5” at the corner of Folsom and Main Streets, where a 15-foot maximum width would be permitted; and,
- WHEREAS, Adherence to Planning Code Section 136 dimensional requirements would disallow the Schematic Design’s chief design feature of migrating bays, and would prevent the construction scheme of stacked unit types, thereby reducing the size of unit living spaces; and,
- WHEREAS, The extension of bay window projections to a maximum of 4’-6” and the enlargement of bay window widths to a maximum of 26’-5”, require the Commission to grant a variation to the Development Controls projection-encroachment-over-sidewalks dimensional requirements; and,
- WHEREAS, Under the Development Controls, OCII, in its sole discretion, may grant a variation from the Development Controls where the enforcement would otherwise result in practical difficulties for development creating undue hardship for the property owner and constitute an unreasonable limitation beyond the intent of the Development Controls. Variations from the Development Controls shall only be granted because of unique physical constraints or other extraordinary circumstances applicable to the property, must be in harmony with the Redevelopment Plan, the Design for Development, and the Development Controls, and shall not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity; and,

- WHEREAS, The enforcement of said dimensional requirements would result in practical difficulties for the Project, including reduced living spaces chiefly for BMR units, and would constitute an unreasonable limitation beyond the intent of the Redevelopment Plan, the Planning Code, the Transbay Design for Development or the Development Controls; and,
- WHEREAS, Developer has devised an innovative architectural solution to provide a maximum number of one-bedroom, two-bedroom and three-bedroom units, meeting OCII minimum-room-size requirements, that is within building envelopes compliant with and prescribed by the Development Controls, with the sole exception of the projection-encroachment dimension restrictions. Requiring the formulaic bay window projection restrictions of Planning Code Section 136 would result in an undue hardship to Developer since it would not allow for Developer's and its architects' building typology solution that maximizes livability, increases light and air in dwelling units and expands living spaces to accommodate larger household sizes; and,
- WHEREAS, Granting the variation would occur under the context of the extraordinary circumstance that is the Project's high-quality architectural design, which is focused on a migrating bay and stacked-unit building typology, classifiable as a unique and unusual innovation of extraordinary design merit; and,
- WHEREAS, OCII has found that the projection encroachments as presented in the Schematic Design for Block 1 do not substantively impede upon pedestrian views or views from adjacent properties, and are in harmony with the Redevelopment Plan, the Transbay Design for Development and the Development Controls; and,
- WHEREAS, The Schematic Design for the Project, including the Project's need for a variation on development controls for projection encroachments over sidewalks, was reviewed and approved by the Transbay Citizens Advisory Committee ("CAC") at its May 19, 2016 meeting; and,
- WHEREAS, The Commission shall review and approve, conditionally approve, or disapprove the application for Schematic Designs. If the Commission disapproves a Schematic Design in whole or in part, the Commission shall set forth the reasons for such disapproval in the resolution adopted by the Commission. If the Commission conditionally approves a Schematic Design, such approval shall set forth the concerns and/or conditions on which the Commission is granting approval. If the Commission disapproves an application in part or approves the application subject to specified conditions, then, in the sole discretion of the Commission, the Commission may delegate approval of such resubmitted or corrected documents to OCII design review staff; and,
- WHEREAS, The Developer has created an attractive project and has responded to all OCII's and the CAC's comments and revisions to the design for the Project. However, as is typical with large development projects, a number of detailed items remain to be resolved in subsequent Project approval stages (i.e., Design Development Documents and Final Construction Documents); and,

- WHEREAS, A copy of the Schematic Design for the Project is on file with the Commission Secretary in the OCII office; and,
- WHEREAS, On April 22, 2004, the Commission of the Former Redevelopment Agency of the City and County of San Francisco (“Former Agency Commission”) adopted Resolution No. 45-2004, certifying the Final Environmental Impact Statement/Environmental Impact Report (the “FEIS/EIR”) for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project, which included the Redevelopment Plan (the “Redevelopment Project”). On January 25, 2005 the Former Agency Commission adopted Resolution No. 11-2005, adopting findings under the California Environmental Quality Act (“CEQA”), a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program in connection with the adoption of the Redevelopment Plan. The Board of Supervisors and the City Planning Commission adopted similar findings; and,
- WHEREAS, The FEIS/EIR includes by reference a number of addenda. A total of eight addenda to the FEIS/EIR were adopted between June 2, 2006 and January 19, 2016; and,
- WHEREAS, OCII, as the lead agency, prepared, in consultation with the San Francisco Planning Department, an eighth addendum to the FEIS/EIR dated January 14, 2016 (“Eighth Addendum”), to evaluate the Project and the increase in the maximum height limit for Block 1 allowed by the Plan Amendment. The Eighth Addendum assessed whether the Project is within the scope of the FEIS/EIR and whether additional environmental review would be required; and,
- WHEREAS, The FEIS/EIR is a program environmental impact report (“EIR”) under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. The FEIS/EIR is also a project EIR under CEQA Guidelines Section 15161 for certain structures and facilities. The FEIS/EIR expressly contemplated the development of residential and retail uses within the Project Area, including up to 581 residential units and 34,900 square feet of retail uses on Block 1 of Zone One; and,
- WHEREAS, The only substantive modification to the Block 1 site resulting from the Project that was not previously studied in the FEIS/EIR was the proposed tower height limit change from 300 feet to 400 feet. Therefore, the only CEQA topics requiring additional evaluation were those for which impacts could worsen due to additional building height. These topics included wind and shadow. All other features of the Project, including demolition, land use types, building square footage, retail square footage, and number of dwelling units, were found to be consistent with the Redevelopment Plan and the FEIS/EIR; and,
- WHEREAS, Based on the Eighth Addendum’s analyses, the Commission, at its January 19, 2016 hearing, made environmental findings that determined that the Plan Amendment, which increased the maximum height of the tower parcel on Block

1 from 300 feet to 400 feet, would not cause new significant impacts not identified in the FEIS/EIR and would not cause significant impacts previously identified and analyzed in the FEIS/EIR to become substantially more severe. No new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed Project that would cause significant environmental impacts to which the Project would contribute considerably, and no new information has become available that shows that the Project would cause significant environmental impacts. Therefore, the Schematic Design for the Project will not trigger the need for subsequent environmental review pursuant to California Public Resources Code Section 21166 and Sections 15162, 15163, 15168, and 15180 of the CEQA Guidelines, and the analyses conducted and the conclusions reached in the FEIS/EIR certified on April 22, 2004 remain valid and no supplemental environmental review is required; and,

WHEREAS, The Schematic Design for the Project authorizes the development of 391 residential units and 10,210 square feet of retail uses on Transbay Block 1 and is an undertaking pursuant to and in furtherance of the Redevelopment Project in conformance with California Public Resources Code Section 21166 and Sections 15162, 15163, 15168, and 15180 of the CEQA Guidelines; and,

WHEREAS, OCII staff has reviewed the Schematic Design and variation for the Project and finds the proposed actions to be Implementing Actions and within the scope of the Project analyzed in the FEIS/EIR and subsequent addenda and no additional environmental review is required pursuant to California Public Resources Code Section 21166 and Sections 15162, 15163, 15168, and 15180 of the CEQA Guidelines; and,

WHEREAS, OCII staff, in making the necessary findings for the Implementing Actions contemplated herein, considered and reviewed the FEIS/EIR and addenda, has made documents related to the Implementing Actions, the Final FEIS/EIR, and addenda available for review by the Commission and the public, and these files are part of the record before the Commission; and,

WHEREAS, The FEIS/EIR findings and statement of overriding considerations adopted in accordance with CEQA by the Former Agency Commission by Resolution No. 11-2005 dated January 25, 2005 were and remain adequate, accurate and objective and are incorporated herein by reference as applicable to the Implementing Actions; now therefore, be it

RESOLVED, The Commission finds and determines that the conditional approval of the Schematic Design and variation for Block 1 are Implementing Actions within the scope of the Redevelopment Project analyzed in the FEIS/EIR and addenda and requires no additional environmental review pursuant to California Public Resources Code Section 21166 and State CEQA Guidelines Sections 15180, 15168, 15162 and 15163 for the following reasons:

1. The Implementing Actions are within the scope of the Redevelopment Project analyzed in the FEIS/EIR and addenda 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 FEIS/EIR; and,
2. No substantial changes have occurred with respect to the circumstances under which the Redevelopment Project analyzed in the FEIS/EIR and addenda was undertaken that would require major revisions to the FEIS/EIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FEIS/EIR; and,
3. No new information of substantial importance to the Redevelopment Project analyzed in the FEIS/EIR and addenda has become available which would indicate that (a) the Implementing Actions will have significant effects not discussed in the FEIS/EIR; (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 FEIS/EIR will substantially reduce one or more significant effects on the environment; and, be it further

RESOLVED, The Commission hereby approves the Schematic Design for the Project, conditioned upon the effectiveness of the Plan Amendment and the OP/DDA and subject to the following conditions, which require further review and approval by the Executive Director, or her designee:

CONDITIONS OF APPROVAL:

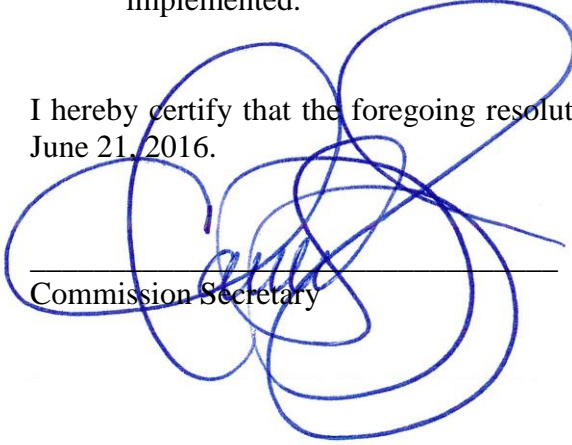
1. During the Design Development (“DD”) phase, the Developer shall further refine the materials, colors, finishes, and architectural detailing of the podium and townhome façades and submit to OCII for its review and approval. The analysis of façade materiality in DD shall include, but not be limited to, the goal of minimizing the appearance of inelegant seams, joints and bolt attachments. The refinements in design shall serve to distinguish each of the Project’s four buildings from one another through a variety of materials, textures, modularity and reflectivity. Podium materials and color shall complement the massing and minimize the appearance of a monolithic built form. Townhome materials shall complement each other, provide a cohesive expression and utilize human-scale modules. Tower panel materiality shall be studied to determine whether added texture is necessary.
2. A material and color mock-up of sufficient size to be built on the construction site during the DD phase for OCII review and approval to ensure high quality design and consistency with the proposed Schematic Design. Mock-ups should display the proposed materials, colors, and textures of exterior walls, visible structural elements, joints, window systems (including mullions and glazing materials, louvers, doors, soffits and all visible elements) of the buildings

comprising the proposed development for review and approval by OCII staff, prior to installation.

3. All building signage shall be subject to further OCII review and approval. The Developer shall submit a signage plan prior to or concurrent with the DD submittal for OCII approval.
4. The tower and podium mechanical screening and sustainable roof design for all roof areas shall be subject to further OCII review and approval. The Developer shall consider how tower screening can serve to give the appearance of tapering the building mass.
5. The width and detailed landscaping design of the sidewalks and roadway on Clementina Street shall be subject to further review and approval by OCII during DD phase to assure that it provides sufficient pedestrian access and visual linkage between adjacent blocks and is compatible with the Transbay Streetscape and Public Open Space Plan and the San Francisco Better Streets Plan, and complies with the San Francisco Public Works Code with respect to stairway or stoop encroachments into the right of way.
6. In accordance with the Proposed Schematic Design, Developer shall provide no less than 10,210 square feet of ground floor, active, neighborhood-serving retail uses on site, both easily accessible and readily identifiable to pedestrians within the project's vicinity. Non-compliance with this condition would disallow the construction of a building over the Block 1 open space parcel.
7. The retail façade and connection to the above residential units shall be subject to further OCII review and approval. The Developer will study how the projections at the retail corners will be mitigated, especially at the corner of Folsom and Main Streets where ground-floor-to-floor heights are lower due to the change in grade along Folsom. Additionally, the developer will consider bringing the retail bay at the corner out to the setback line to reduce overhang at the corner and/or treat the underside of the projection with high-quality, lighter color materials such as wood.
8. In DD phase, Developer shall produce a loading dock management plan, with potential restriction to hours of operations.
9. In DD phase, Developer shall coordinate with City departments to determine placement of on-street yellow and white loading spaces along both Main Street and Spear Street.
10. Developer shall provide in DD submittal specifications on the installation of both visual and audible warning devices for trucks exiting the loading dock.
11. OCII, in consultation with MOHCD, must review and approve any changes to the design, including materials, of the Affordable Housing Units, and must be presented to OCII no later than 30 days before construction start. Substantial deviations from the Schematic Designs that are a result of value engineering, or that substantively alter the proposed design, must be approved by Commission.

12. OCII, in consultation with MOHCD, must review and approve the specifications for the Affordable Housing Units to ensure a consistent level of quality of materials and unit amenities with other OCII and MOHCD-funded affordable housing developments.
13. OCII, in consultation with MOHCD, must review and approve the final interior finishes of the Below Market Rate (“BMR”) units in the Developer Inclusionary Project (as defined in the OP/DDA) in the Market Rate tower, and any subsequent value engineering or other modifications. Any such modification must be presented to OCII no later than 30 days before construction start.
14. OCII, in consultation with MOHCD, must review and approve the appliances and finishes for the Affordable Housing Units, which shall be consistent with current standards for new housing. While the appliances and finishes need not match or be equivalent to those in the Market Rate units, they should be new and of good quality in terms of performance, durability and appearance.
15. The Project shall include the required mitigations from the “Transbay Terminal/ Caltrain Downtown Extension/Redevelopment Project FEIS/FEIR Mitigation Monitoring and Reporting Program”
16. The Project shall be subject to the recommendations provided in the “Transbay Redevelopment Plan Block One Project, Eighth Addendum to the Final Archaeological Research Design and Treatment Plan for the Existing Transbay Transit Terminal and Ramp Demolition, Utility Relocation, and New Transit Center Foundation Excavation of the Transbay Redevelopment Project Area” dated March 2016.
17. The Project shall be subject to all applicable fees as required by the Transbay Redevelopment Plan, including, but not limited to, the Residential Child Care Fee and the Transportation Sustainability Fee.
18. OCII must review and approve all Project private open space to insure proper balance between BMR units and Market Rate units.
19. OCII shall approve the protocol by which the parking spaces for the OCII Affordable Project are assigned to homeowners in order to ensure an equitable process is implemented.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of June 21, 2016.



Commission Secretary