

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 10-2018

Adopted March 20, 2018

CONDITIONALLY APPROVING THE SCHEMATIC DESIGN OF A MIXED-USE PROJECT AT CANDLESTICK POINT NORTH BLOCK 2A, WHICH CONSISTS OF 130 RESIDENTIAL UNITS, INCLUDING SEVEN BELOW-MARKET-RATE UNITS, AND APPROXIMATELY 17,000 SQUARE FEET OF NEIGHBORHOOD RETAIL AND SERVICES SPACE; AND, ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA

- WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 et seq. the “CRL”), the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“City”), including the Bayview Hunters Point (“BVHP”) Redevelopment Project; and,
- WHEREAS, In accordance with the CRL, the City, acting through its Board of Supervisors, approved a Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area (the “BVHP Redevelopment Plan”) by Ordinance No.113-06, adopted on May 16, 2006. The BVHP Redevelopment Plan creates two sub-areas within its boundaries: Zone 1, also known as the Candlestick Point Sub-Area (“Candlestick Point”), and Zone 2 covering the remainder of the area within the Plan boundaries. In cooperation with the City, the Former Agency was responsible for implementing the Bayview Hunters Point Redevelopment Plan; and,
- WHEREAS, On June 3, 2010, the Former Agency Commission approved the Candlestick Point and Hunters Point Shipyard Phase 2 Disposition and Development Agreement (the “Original DDA”) between CP Development Co., LP and the Former Agency, which provides for the development of approximately 700 acres that includes Candlestick Point (“Project”); and,
- WHEREAS, Pursuant to California Health and Safety Code §§ 34170 et seq. (the “Dissolution Law”), the Former Agency was dissolved as of February 1, 2012; and,
- WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure herein, “OCII”) is completing the enforceable obligations of the Former Agency with regard to the Project, under the authority of the CRL as amended by the Redevelopment Dissolution Law, and under San Francisco Ordinance No. 215- 12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“Commission”) and delegating to it state authority under the Dissolution Law); and,
- WHEREAS, On December 14, 2012, the California Department of Finance determined “finally and conclusively” that the Original DDA and tax allocation pledge agreements,

including the affordable housing programs, are enforceable obligations under the Dissolution Law; and,

WHEREAS, OCII is completing the enforceable obligations of the Former Agency in the Redevelopment Plan area, including administration of the Project; and,

WHEREAS, In connection with the Project, the Former Agency approved the Candlestick Point Design for Development by Resolution 62-2010, as amended on March 15, 2016 by OCII Resolution 13-2016 (the "CP Design for Development"); and,

WHEREAS, In connection with the Project, on December 18, 2012, OCII approved a First Amendment to the Original DDA, by Resolution No. 3-2012, and on December 1, 2014 OCII approved a Second Amendment to the DDA by Resolution No. 82-2014 (the Original DDA, as amended thereby, is referred to hereafter as the "DDA"); and

WHEREAS, The DDA calls for up to 6,225 new housing units within Candlestick Point, including up to 480 Below Market-Rate ("BMR") Inclusionary Units. The DDA establishes the Master Developer's rights to develop vertical projects either for itself, with affiliates, or to convey finished lots to other developers for construction within the parameters of the Redevelopment Plan, CP Design for Development and various Project documents including the Design Review and Document Approval Procedure ("DRDAP"), Below Market-Rate ("BMR") Housing Plan, Transportation Plan, Infrastructure Plan, Community Benefits Plan, Open Space Plan and Sustainability Plan and other documents (together, "Project Documents"); and,

WHEREAS, Requires the inclusion of within each vertical residential development in order to meet the DDA's requirement for affordable housing within the Project; and,

WHEREAS, The Master Developer now wishes to develop, as vertical developer (herein "Vertical Developer"), Candlestick Point North Block 2A as identified in Candlestick Point Sub-Phases CP-02-03-04 Application approved by the OCII Executive Director on January 5, 2017 (OCII Correspondence No. 450-0532016-014) (herein "CPN Block 2A"); and,

WHEREAS, In accordance with the DRDAP, Vertical Developer has submitted a Schematic Design Application for CPN Block 2A ("CPN 2A Schematic Design"). The CPN Block 2A Schematic Design includes a total of 130 residential units, including 7 Inclusionary Units, as well as approximately 17,000 square feet of retail space; and,

WHEREAS, The DRDAP stipulates that approval of vertical projects shall follow a Major Phase and Sub-Phase Approval, and accordingly, (i) the Commission approved Major Phase CP-01 Application on January 7, 2014, as amended and approved by the Commission on March 15, 2016, and (ii) OCII's Executive Director approved the Sub-Phase CP-02-03-04 Application of Major Phase CP-01 on January 5, 2017; and,

WHEREAS, The DRDAP also outlines the necessary documents, schedule, and procedures for the review and approval of design submittals. Under the DRDAP, a series of increasingly detailed design documents are required in the design process, which

are: 1) Schematic Design, 2) Design Development, and 3) Construction Documents. The DRDAP requires the Schematic Design submittal to be presented to the Commission for review and approval; and,

WHEREAS, Vertical Developer has submitted CPN Block 2A Schematic Designs (“CPN Block 2A Design”) to OCII for review and approval; and,

WHEREAS, In accordance with the DRDAP, OCII staff has determined that the Block 2A Designs submission is consistent with the DRDAP, DDA, and the Bayview Hunters Point Redevelopment Plan (the “Plan”); and,

WHEREAS, The BMR Housing Plan stipulates that 10.16% of the combined total of Market Rate Units and Inclusionary Units in the Project will be developed by vertical developers, including the Master Developer and affiliates of the Master Developer, and such Inclusionary Units will be affordable to households earning between eighty to one hundred twenty percent (80-120%) of Area Median Income (“AMI”); and,

WHEREAS, The BMR Housing plan further provides that all BMR Units are to have an average of two and one half (2.5) bedrooms; and,

WHEREAS, The Inclusionary Units in CPN Block 2A account for 5.4% of the total units in the development (7 of 130 total units), and are affordable to households earning between 80-120% AMI; and,

WHEREAS, The size of the BMR units included in the CPN Block 2A Design are on average two and a half (2.5) bedrooms; and,

WHEREAS, Per the DDA’s Community Benefits Plan, the Master Developer is required to provide Community Facilities Space (“CFS”) equal to 7.5% of the aggregate retail space in the overall Project; and,

WHEREAS, CFS is intended to provide, preserve, and leverage such critical local resources as social services, education, the arts and other community services by providing space rent free for facilities; and,

WHEREAS, The CPN Block 2A Design states that 4,000 square feet of neighborhood retail space will be set aside for CFS, which specific location will be identified prior to the approval of Design Development documents; and,

WHEREAS, In accordance with the DRDAP, OCII staff has determined that the CPN Block 2A Design submission, subject to the satisfaction of the conditions of approval set out in this Resolution (and incorporated herein by reference) (the “Conditions of Approval”), is consistent with the DDA, the BVHP Redevelopment Plan and the CP Design for Development; and,

WHEREAS, Vertical Developer presented the CPN Block 2A Design to the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (“CAC”) Housing Sub-Committee on July 20, 2017, and to the Full CAC at its meeting on February 12, 2018. At their

February 12, 2018 meeting, the CAC recommended approval of the CPN Block 2A Schematic Designs; and,

WHEREAS, On June 3, 2010, the Former Agency Commission by Resolution No. 58-2010 and the San Francisco Planning Commission by Motion No. 18096, certified the Final Environmental Impact Report (“FEIR”) for the Candlestick Point-Hunters Point Shipyard Phase 2 Project, a Redevelopment Plan environmental impact report and project environmental impact report that analyzed the Project, the DDA, the Project Documents, and the BVHP Redevelopment Plan, and made findings determining the FEIR to be adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (“CEQA”) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.) (the “CEQA Findings”); the Board of Supervisors affirmed the Planning Commission’s certification of the FEIR by Motion No. 10-110 on July 14, 2010; and,

WHEREAS, As part of its approval of the Project on June 3, 2010, in addition to certifying the FEIR, the SFRA Commission, by Resolution No. 59-2010 adopted findings pursuant to CEQA, regarding the alternatives, mitigation measures, and significant environmental effects analyzed in the FEIR, including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations for the Project, which findings are incorporated into this Resolution by this reference; and,

WHEREAS, Subsequent to the certification of the FEIR, the Planning Department, at the request of OCII, issued Addendum No. 1 to the FEIR (“Addendum No. 1”) (dated December 11, 2013) to the FEIR as part of the 2014 Major Phase 1 CP and Streetscape Plan; and,

WHEREAS, Addendum No. 1 addressed changes to the phasing schedule for the Project and corresponding changes to the schedules for implementation of related transportation system improvements in the Transportation Plan, including the Transit Operating Plan, the Infrastructure Plan and other public benefits; and minor proposed revisions in two adopted mitigations measures, Mitigation Measure TR-16 Widen Harney Way, and Mitigation Measure UT-2 Auxiliary Water Supply System; and,

WHEREAS, OCII as the lead agency, prepared, in consultation with the San Francisco Planning Department, Addendum No. 4 to the FEIR, (“Addendum No. 4”) which OCII staff issued on February 22, 2016. (Addenda Nos. 2 and 3 analyzed proposed changes to the Project that are no longer being pursued.) Addendum No. 4 evaluated amendments to the CP Design for Development, Streetscape Plan and Major Phase 1 Application for Candlestick Point and the amendment of two adopted mitigation measures, that were, Mitigation Measure TR-16 to divide the Harney Way improvements into two phases and Mitigation Measure TR-23 to modify the cross-section design of Gilman Avenue; and,

WHEREAS, Copies of the FEIR, addenda, the CPN Block 2A Design, and supporting documentation are on file with the Commission Secretary and are incorporated in this Resolution by this reference; and,

WHEREAS, The approval of the CPN Block 2A Design is an undertaking pursuant to and in furtherance of the Project in conformance with CEQA Section 21166 and CEQA Guidelines Section 15180, 15162, 15163 and 15164; and,

WHEREAS, The FEIR and the CEQA Findings adopted by the Former Agency Commission by Resolution No. 59-2010 on June 3, 2010, reflected the independent judgment and analysis of the SFRA Commission, remain adequate, accurate and objective, and were prepared and adopted following the procedures required by CEQA, and the findings in such resolution are incorporated by this reference as applicable to the approval of the Block 2A Designs; and,

WHEREAS, OCII staff has reviewed the CPN Block 2A Design, and finds it acceptable and recommends approval of the Block 2A Designs as conditioned by the Conditions of Approval; now therefore, be it

RESOLVED, The Commission has considered the CPN Block 2A Design, the FEIR, the CEQA Findings and addenda that were previously adopted by the Former Agency Commission and/or the Commission, and the Commission adopts as its own the CEQA Findings, including the statement of overriding considerations and Mitigation Monitoring and Reporting Program as updated by the addenda, which are hereby incorporated into this Resolution by this reference; and, be it further

RESOLVED, The Commission finds and determines that the CPN Block 2A Design, as recommended for conditional approval, are consistent with the Project as analyzed in the FEIR (including its addenda) and requires no additional environmental review beyond the FEIR and its addenda pursuant to CEQA Section 21166 and the CEQA Guidelines Sections 15180, 15162, 15163, and 15164; for the following reasons:

(1) Implementation of the CPN Block 2A Design does not require major revisions to the FEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts; and,

(2) No substantial changes have occurred with respect to the circumstances under which the project analyzed in the FEIR and its addenda will be undertaken that would require major revisions to the FEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FEIR; and,

(3) No new information of substantial importance to the project analysis in the FEIR and addenda has become available, which would indicate that (i) the Block 2A Designs will have significant effects not discussed in the FEIR; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible, which would reduce one or more significant effects, have become feasible; or (iv) mitigation measures or alternatives, which are considerably different from those in the FEIR and addenda, will substantially reduce one or more significant effects on the environment that would change the conclusions set forth in the FEIR; and, be it further

RESOLVED, That the Commission finds that the CPN Block 2A Design submission is Complete pursuant to the DRDAP, and subject to satisfaction of the Conditions of Approval is consistent with the DDA including the Schedule of Performance, and the BVHP Redevelopment Plan and CP Design for Development, be it further

RESOLVED, That the Commission conditionally approves the CPN Block 2A Design (a copy of which is on file with the Secretary of the Commission), subject to (a) the following Conditions of Approval being resolved to the satisfaction of the Executive Director and (b) any changes included in subsequent design stages, beginning with the Design Development phase:

A. During Design Development (“DD”), the Vertical Developer shall:

1. Further study the opportunity of locating at least certain portion of bicycle parking at the street level.
2. Revise the material label for the retail storefront glazing in elevations to ensure that it shall also be non-reflective.
3. Identify the location of the 4,000 square feet of Community Facilities Space within the neighborhood retail square footage on the building plans for review and approval.
4. Continue to develop and refine the building materials palette, including wall systems, glazing, awnings, screening and other materials, in coordination with OCII Staff. Materials palette must demonstrate durability, especially at the ground floor; stability; quality; color; variety; and visual interest. Explore opportunities to incorporate locally sourced materials to establish a palette that works with climate, light, neighborhood context, history, and culture. Inclusion of sustainable and recycled materials are highly encouraged.
 - a. Further study the exterior application of Fiber Cement Panel at the retail ground floor at the corner of Ingerson Avenue and O Street to ensure that the finish does look like a more refined authentic material to maintain the steel-like look. Study other material options to address the concerns of material stability and durability.
 - b. Further study the detail of joint between the coplanar metal panel cladding and smooth cement plaster at ground level in the North Elevation.
 - c. Further study via details the material applications of aluminum trim around windows; parapet railing; entrance storefront canopy system; storefront canopy with fabric system; visibility and detail of joints in ribbed metal panels.
5. Further develop the screening, materiality and architectural treatment of the below, in coordination with OCII Staff.
 - a. Roof design and paving material selection shall consider how to provide an attractive view when roofs are viewed from residential units above in the adjacent towers.

- b. All rooftop mechanical equipment and photovoltaic panel assemblies shall be architecturally screened from the street and side views, respectively. Indicate screening materiality.
 - c. All utility facilities including, connections and meters approved by OCII in the setback areas on ground level shall be architecturally screened. Indicate screening materiality.
- 6. Ensure planter and stoop walls in setback areas shall not be higher than 3 feet above ground level.
 - 7. Develop a detailed lighting plan. Lighting for stoops and courtyards should be subtle and reinforce the overall façade design.

B. During Construction Documents (“CD”) and Tenant Improvements (“TI”), the Vertical Developer shall:

- 8. Ensure modifications of retail storefront design, signage, awnings and materiality continue to be compliant with the CP D4D. Storefronts shall promote pedestrian interest at the ground level, provide visual connection to the store interior, and meet all glazing and transparency requirements.
- 9. The Developer shall notify OCII whether the units shall be for rent or for sale no later than 30 days prior to construction commencement.

C. In addition to the requirements of the BMR Housing Plan, Vertical Developer shall comply with following as they relate to the BMR Inclusionary units:

- 10. Number and Location of BMR Units. The CPN Block 2A development shall include seven (7) BMR Units with the affordability levels as identified in Block 2A Designs.
- 11. Marketing of BMR Units. The Developer shall comply with OCII’s most current marketing protocol and timeline for BMR units, including but not limited to:
 - a. Early Outreach Plan. The Developer shall submit an Early Outreach Plan in the form provided by OCII Staff no less than thirty (30) days after construction commencement. To comply with this requirement, the Vertical Developer shall initiate contact with OCII Staff thirty (30) days prior to construction start.
 - b. Marketing Plan. Pursuant to the timeline established in the Early Outreach Plan, the Vertical Developer shall work cooperatively with OCII Staff and Mayor’s Office of Housing and Community Development staff to finalized and approve Marketing and Tenant Selection Plan for the BMR Units.

RESOLVED, That the Commission authorizes the Executive Director (or her designee) to approve subsequent design documents related to this CPN Block 2A Designs submission (beginning with the Design Development phase) that the Executive

Director reasonably determines are in OCII's best interest or are necessary or convenient to implement the development of the Project under the DDA, and the Major Phase as applicable, and further the goals of the BVHP Redevelopment Plan and the DDA.

RESOLVED, That the Commission authorizes the Executive Director to take such other actions as may be necessary or appropriate, in consultation with OCII counsel, to effectuate the purpose of the intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of March 20, 2018.



Commission Secretary