**COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE**

**RESOLUTION NO. 10-2019**
***Adopted May 7, 2019***

**CONDITIONALLY APPROVING THE SCHEMATIC DESIGN OF A MIXED-USE PROJECT AT CANDLESTICK POINT NORTH BLOCK 11A, WHICH CONSISTS OF 422 RESIDENTIAL UNITS, INCLUDING TWENTY-ONE (21) BELOW-MARKET-RATE UNITS, AND APPROXIMATELY 14,191 SQUARE FEET OF NEIGHBORHOOD RETAIL AND SERVICES SPACE; APPROVING VARIANCE FINDINGS FOR DEVELOPMENT STANDARDS IN THE CANDLESTICK POINT DESIGN FOR DEVELOPMENT CONCERNING (1) EXCEPTIONS TO MAXIMUM BUILDING HEIGHT, (2) TOTAL BLANK WALL LIMITS AND (3) NON-HABITABLE PROJECTION DIMENSIONS; 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"); 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 "Project Area") by Ordinance No.113-06, adopted on May 16, 2006 (as amended, the "Redevelopment Plan"). In cooperation with the City, the Former Agency was responsible for implementing the Redevelopment Plan; and,

WHEREAS, On June 3, 2010, the Former Agency authorized the Executive Director to enter into a Disposition and Development Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard with CP Development Co., LP (the "Master Developer") (as currently amended, the "DDA") and approved the Candlestick Point Design for Development (as currently amended, the "Design for Development"); and,

WHEREAS, As of February 1, 2012, the Former Agency was dissolved pursuant to California Health and Safety Code §§ 34170 et seq. (the "Dissolution Law"); 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 in the Project Area, under the authority of the CRL as amended by the 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 issued a final and conclusive determination under the Dissolution Law that the DDA is an enforceable obligation of the Former Agency that survived dissolution and that OCII is authorized to continue to implement; and,

WHEREAS, The DDA establishes the Master Developer's rights to develop vertical projects within the applicable portion of the Project Area, either itself, with affiliates, or to convey finished lots to other developers for construction, within the parameters of the Redevelopment Plan and Design for Development; and incorporates through exhibits and attachments various documents including the Design Review and Document Approval Procedure ("DRDAP"), Below Market-Rate ("BMR") Housing Plan, Transportation Plan, Infrastructure Plan, Community Benefits Plan, Design for Development Documents, Open Space Plan and Sustainability Plan and other documents; and,

WHEREAS, The DRDAP stipulates that approval of vertical projects shall follow a Major Phase and Sub-Phase approval, and the Major Phase 01-CP Application was approved by the Commission on January 7, 2014, as amended and approved by the Commission on March 15, 2016, and the Application for Sub-Phase CP-02-03-04 of Major Phase 01-CP was approved by OCII's Executive Director 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, The BMR Housing Plan stipulates that 10.16% of the combined total of Market Rate Units and Inclusionary Units in the Project Area will be developed by vertical developers (including the Master Developer and affiliates of the Master Developer), that each Market Rate Residential Project contain Inclusionary Units amounting to no less than 5% of the total Units within the Residential Project, 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 constructed pursuant to the DDA are to have an average of two and one half (2.5) bedrooms; and,

WHEREAS, the Community Benefits Plan stipulates that the Master Developer provide Community Facilities Space ("CFS") equal to 7.5% of the aggregate retail space entitled under the DDA; 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, Consistent with the DRDAP and the approved Sub-Phase 02-03-04 Application, the Master Developer (acting as a vertical developer under the DDA and referred to herein as the "CPN 11A Developer") has submitted Schematic Designs for Candlestick Point North Block 11A within Sub-Phase CP-03 (the "Block 11A Designs") to OCII for review and approval; and,

WHEREAS, The Block 11A Designs present a 350-foot, 32-story mixed-use tower, with 422 residential units and approximately 14,191 square feet of ground floor neighborhood retail and services space (the "CPN 11A Project"); and,

WHEREAS, The Block 11A Designs identify 21 Inclusionary Units within the CPN 11A Project, which account for 5% of the total units in the development (21 of 422 total units), and will be subject to deed restrictions requiring the Inclusionary Units to be affordable to households earning between 80-120% AMI; and,

WHEREAS, The size of the BMR Units included in the Block 11A Designs are on average two and one half (2.5) bedrooms; and,

WHEREAS, The Block 11A Designs state that 4,000 square feet of neighborhood retail space within the CPN 11A Project will be set aside for CFS, which specific location will be identified prior to the approval of Design Development documents; and,

WHEREAS, The CPN 11A Developer has requested variances from development controls of the Design for Development that govern (1) allowable exceptions from building height limits, (2) limits for total amount of blank walls on building ground floors; and (3) maximum dimensions of non-habitable building projections. For the reasons more particularly set forth in Attachment 1 to this Resolution, OCII staff recommend that the Commission (a) find the necessary conditions exist for the granting of a variance from these three development controls, and accordingly, (b) grant the variances requested by CPN 11A Developer; and,

WHEREAS, In accordance with the DRDAP, OCII staff has determined that, with the proposed variances and as conditioned herein, the Block 11A Designs submission is consistent with the DRDAP, DDA, Design for Development and the Redevelopment Plan and recommends approval of the Block 11A Designs; and,

WHEREAS, The CPN 11A Developer presented the Block 11A Designs to the Mayor's Hunters Point Shipyard Citizens Advisory Committee ("CAC") joint Housing and Planning & Development Sub-Committee meeting on April 19, 2018, the Housing Sub-Committee meeting on February 14, 2019 and the Full CAC meeting on April 8, 2019. At their April 8, 2019 meeting, the CAC lacked the seven-member quorum to vote on the matter, but all six members of the CAC present recommended approval of the CPN 11A Schematic Design. One CAC member reviewed and expressed approval for the CPN 11A Schematic Design prior to exiting the meeting before a formal vote; and,

WHEREAS, On June 3, 2010, the SFRA Commission by Resolution No. 58-2010 and the San Francisco Planning Commission by Motion No. 18096, certified the Final Environmental Impact Report ("2010 FEIR") for the Candlestick Point-Hunters Point Shipyard Phase II Project, a Redevelopment Plan environmental impact report and project environmental impact report that analyzed the DDA and the development project proposed thereunder, the Redevelopment Documents (as that term is defined in the DDA), and the Redevelopment Plans, and made findings determining the 2010 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 Board of Supervisors affirmed the Planning Commission's certification of the 2010 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 2010 FEIR, the Former Agency Commission, by Resolution No. 59-2010 adopted findings pursuant to CEQA (the "2010 CEQA Findings"), regarding the alternatives, mitigation measures, and significant environmental effects analyzed in the 2010 FEIR, including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations, which findings are incorporated into this Resolution by this reference; and,

WHEREAS, Subsequent to the certification of the 2010 FEIR, the Planning Department, at the request of OCII, issued Addendum No. 1 to the 2010 FEIR ("Addendum No. 1") (dated December 11, 2013) as part of the 2014 Major Phase 1 CP and Streetscape Plan. Addendum No. 1 addressed changes to the phasing schedule for the project contemplated by the DDA 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 2010 FEIR as then updated ("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 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, OCII as the lead agency, prepared, in consultation with the San Francisco Planning Department, Addendum No. 5 to the 2010 FEIR as then updated ("Addendum No. 5"), which OCII staff issued on April 9, 2018. Addendum No. 5 evaluated proposed revisions to phasing established in the DDA together with a revised development proposal for the Hunters Point Shipyard portion and minor land use changes to the Candlestick Point portion, respectively, of the development contemplated under the DDA, and accompanying changes to the Hunters Point Shipyard Redevelopment Plan and the Redevelopment Plan, the Hunters Point Shipyard Design for Development, and the DDA. Addendum No. 5 analyzed the amendment of several adopted mitigation measures, that were, Mitigation Measure TR 16 to adjust the phasing for improvements to Harney Way, Mitigation Measure TR-17 to adjust the phasing of the actions under the Transit Operating Plan, Mitigation Measure TR-VAR1 requiring fair-share contributions to improvements on Crisp and Palou Avenue and Griffith Street, Mitigation Measure NO-2a added measures to minimize noise impacts of soil compaction, Mitigation Measure CP-2a to accommodate a project-wide passive heating and cooling system, Mitigation Measure GE-5a to add an additional ground improvement measure, Mitigation Measure HY-6a.1 to update references to applicable stormwater compliance documents, Mitigation Measures HY-12a.1, HY-12a.2 and HY-14 to update construction standards related to sea-level rise, Mitigation Measure BI-19b.1 to correct references to appropriate work windows, Mitigation Measure BI-20a.1 to update language for compliance with current expectations for building design, Mitigation Measure RE-2 to update references to current project phasing, Mitigation Measure UT-2 to correct references to location of connections to City water system, Mitigation Measure GC-2 to update standards for energy efficiency; and,

WHEREAS, Collectively the analysis in the 2010 FEIR, findings made in the 2010 CEQA Findings, and mitigation measures established in the Mitigation Monitoring and Response Program, each as updated by Addendum No. 1, Addendum No. 4 and Addendum No.5, are referred to herein as the "FEIR", the "CEQA Findings" and the "MMRP", respectively, and remain adequate, accurate and objective, and prepared and adopted following the procedures required by CEQA; and,

WHEREAS, the CPN 11A Developer has submitted, and OCII staff have reviewed, a technical study of potential wind impacts of the CPN 11A Project. In accordance with the project condition concerning wind impacts, the CPN 11A Developer has agreed to install and thereafter ensure maintenance of wind mitigation measures identified in the technical study that are located within or in the immediate vicinity of the CPN 11A Project site, and the Master Developer has assumed responsibility to install and thereafter ensure maintenance of wind mitigation measures located outside of the CPN 11A Project site. Thus, pursuant to the information provided in those technical studies and the foregoing understanding, OCII staff have determined that the CPN 11A Project would not result in new significant environmental effects not analyzed under the FEIR or a substantial increase in the severity of significant impacts previously identified in the FEIR; and,

WHEREAS, the CPN 11A Developer has submitted, and OCII staff have reviewed, a technical study and additional information regarding potential shadow impacts of the CPN 11A Project. Pursuant to the information provided, OCII staff have determined that the CPN 11A Project would not result in new significant environmental effects not analyzed under the FEIR or a substantial increase in the severity of significant impacts previously identified in the FEIR; and,

WHEREAS, Copies of the FEIR, addenda, CEQA Findings, the Block 11A Designs, and supporting documentation are on file with the Commission Secretary and are incorporated in this Resolution by this reference; now, therefore, be it

RESOLVED, The Commission has considered the Block 11A Designs, the FEIR, the CEQA Findings and MMRP, and supporting documentation on file with the Commission Secretary, and have determined that the foregoing remain adequate, accurate and objective, and were prepared and adopted following the procedures required by CEQA; and, be it further

RESOLVED, The Commission finds and determines that the Block 11A Designs and the CPN 11A Project, as recommended for approval (including recommended variances and conditions), are consistent with the project analyzed in the FEIR and require no additional environmental review beyond the FEIR pursuant to CEQA Section 21166 and the CEQA Guidelines Sections 15180, 15162, 15163, and 15164; for the following reasons:

(1) Implementation of the CPN 11A Project pursuant to the Block 11A Designs 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 CPN 11a Project constructed consisted with the Block 11A 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, The Commission finds, for the reasons more particularly set forth in Attachment 1 to this Resolution, the necessary conditions exist for granting the requested variances from development controls of the Design for Development governing (1) allowable exceptions from building height limits, (2) limits for total amount of blank walls on building ground floors; and (3) maximum dimensions of non-habitable building projections;, and accordingly, the Commission hereby grants the variances requested by CPN 11A Developer as detailed in Attachment 1; and, be it further

RESOLVED, The Commission finds, subject to satisfaction of the conditions below, that the Block 11A Designs submission is complete pursuant to the DRDAP, is consistent with the DDA including the Schedule of Performance, the Design for Development and the Redevelopment Plan; and, be it further

RESOLVED, The Commission conditionally approves the Block 11A Designs, subject to the following conditions which will be further reviewed, and approved, by the Executive Director or her designee:

**Schematic Design Conditions of Approval**

1. **Wind**. a. To comply with Mitigation Measure MM-W1a of the MMRP, the Project is required to install wind mitigation measures identified in Figure 3 of the *Candlestick Point North Block 11A Pedestrian Wind Study* by Rowan Williams Davies & Irwin Inc., dated February March 29, 2019 ("Wind Study") on file with the Commission Secretary as part of this file (or substitute measures approved by the Executive Director), at the locations identified in the Wind Study Figure 3, prior to issuance of temporary certificate of occupancy for the Project. The owner of the Project shall be responsible for ensuring the maintenance of these mitigation measures for the life of the Project, which obligation shall be established either in the assignment and assumption agreement to a future vertical developer or other legally enforceable document, in a form reasonably acceptable to the OCII General Counsel and the Executive Director, prior to temporary certificate of occupancy for the Project.

*A. During Design Development ("DD"), the Developer shall:*

*1.* **Blank Walls**. Further study the design of the exterior treatment of the utility rooms along M Street to ensure a design of visual interest to provide pedestrian scale. Submit studies to OCII for review of the design of that exterior treatment. Consider constructing permanent planters and adequate landscaping high enough to screen blank walls, where possible, and ensure that both planters and landscaping are continuously maintained and designing areas for portable tables and chairs, as depicted in the renderings included in the Schematic Design packet, or similar, to ensure continuous activation of said areas.

2. **Materials and Colors**. Materials Palette. Develop and refine the building façade materials palette, including wall systems, glazing, screening and other materials, in coordination with OCII staff. Materials palette must demonstrate durability, quality, color, variety, and visual interest, especially at the ground floor. Explore opportunities to incorporate locally sourced

materials to establish a palette that works with climate, light, neighborhood context, history, and culture. Sustainable and recycled materials are highly encouraged. Demonstrate how building materials will turn the corner. Where materials change from one façade to the next, such a change should be thoughtfully developed as an integral part of the design theme for the building. Provide samples of materials for OCII approval to ensure compliance with conditions of approval in subsequent phases.

3. **Community Facilities Space**. In accordance with the ground-floor retail location indicated in the Proposed Schematic Design, Developer shall provide no less than 4,000 square feet of Community Facilities Space.

4. **Art**. OCII shall review art plans for the two art façade elements designated in the Schematic Design submittal (1) at the primary tower lobby entrance at the corner of Ingerson Avenue and Harney Way, and (2) at the secondary residential lobby entrance at the corner of M-Street and the Mid-Block Break.

5. **M-Street Visual Screening**: Continue to develop the mechanical room screening along M-Street to comply with the Visual Screening requirement of the D4D, subject to further review and approval by OCII. Refine the screening, glazing, materiality and architectural treatment of all ground-floor utility rooms and parking garage doors. Screen mechanical uses while providing visual interest to the public realm through utilizing design features such as high-quality materials, texture, artistic expression and transparency or opaque glazing where necessary. Provide detailed building and landscape plans, sections and elevations for all M-Street screening and façade elements.

**6.** **M-Street Horizontal Façade Articulation at the Base**. Demonstrate compliance with the Horizontal Façade Articulation standard along M-Street at the first 20-feet of building base. The first 20-feet height of the building face shall have a rhythm of modules that serves to break down the scale of the building face. The maximum dimension of any module shall be 30 feet. A module shall be defined as a portion of the façade that is differentiated from the adjacent façade by a change in the line of the face of building, and/or a substantial change in material color or fenestration. Characteristics between modules should relate to one another to achieve a unified composition.

7. **Tower Balcony Location and Distribution**: Continue to study the tower residential balcony locations and distribution. Balcony placement must be consistent with the overall tower form, colors and materials.

8. **Mechanical Equipment**. All utility and mechanical equipment shall be located within the building footprint, below-grade, or on the roof, per the approved Schematic Designs. No utility meters or mechanical equipment shall be located above-grade along the Mid-Block Break or within the setback zones without screening.

*Prior to or at submittal of Architecture Addendum, the Sponsor shall:*

1. **Tower Design**. Continue to develop the window-wall detail, including seams, joints and bolt attachments, for further review. Tower glazing shall not be dark in appearance and shall demonstrate compliance with the San Francisco Planning Department Standards for Bird-Safe Buildings.

2. **Roofscape**. Roofscape Color. Roof design should utilize non-reflective, low intensity colors. Rooftop Mechanical Screening. Further develop any rooftop mechanical equipment screening. Rooftop mechanical equipment, with the exception of solar PV infrastructure, shall be screened from view from the public realm. Mechanical screens shall form part of the building top composition and consist of materials consistent with the overall building color and material palette. Provide enlarged Roof Screen elevations, sections and details for the entire extent of the tower roof screen.

3. **Lighting Plan**. Provide a detailed building lighting plan. Lighting should be subtle, follow San Francisco Bird-Safe lighting guidelines and reinforce the overall façade design.

4. **Signage**. All building signage shall be subject to further OCII staff review and approval. The Developer shall submit a master signage plan prior to CDs submittal, pursuant to the Candlestick Point Design for Development signage standards.

5. **Landscape Plans**. Provide detailed landscape plans, including plans for all setback zones, patios, balconies, common open spaces and all areas that interface with the Mid-Block Break. The setback zone shall be used to create a transition zone between private use and the public realm. The setback zone shall be landscaped with high quality materials from the building edge to the public sidewalk. Demonstrate consistency with proposed landscape designs along and within the Mid-Block break.

6. **Architectural Mock-Up Scope**. Provide scope and plans for design mock-up, including mock-up extents, primary building materials, color palette, wall systems, glazing, corner treatment and detail installation. OCII staff shall approve a) mock-up plans prior to mock-up construction, and of b) mock-up materials and their application, after OCII's staff mock-up observations.

*In advance of OCII approval of the Architecture Addendum, the Sponsor shall:*

1. **Architectural Mock-Up.** Construct a physical material and color mock-up of sufficient size 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 elements, joints, window systems (including mullions and glazing materials, and doors ) of the buildings comprising the proposed development for review and approval by OCII staff, prior to installation.

2. **Graffiti treatment**. Submit materials specifications identifying how each material type will be protected from or replaced in the case of graffiti—especially those materials located on ground-floor facades.

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

1. **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 no less than thirty (30) days after construction commencement. To comply with this requirement, the Developer shall initiate contact with OCII marketing staff thirty (30) days prior to construction start.

    b. Marketing Plan. Pursuant to the timeline established in the Early Outreach Plan, the Developer shall work cooperatively with OCII and Mayor's Office of Housing and Community Development staff to finalized and approve Marketing and Tenant Selection Plan for the BMR Units.

RESOLVED, The Commission authorizes the Executive Director (or her designee) to approve subsequent design documents related to the Block 11A 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 CPN 11A Project under the DDA, and the Major Phase as applicable, and further the goals of the Redevelopment Plan and the DDA.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of May 7, 2019.

Commission Secretary

Attachment 1: Variance Findings

**Attachment 1 to Resolution No. 10-2019**

Findings for Variances from Development Controls of
Candlestick Point Design for Development

Section 4.3.13 of the Redevelopment Plan allows the Commission to grant variances from the development controls in the Design for Development when, in its discretion, it determines the following circumstances exist:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of the Redevelopment Plan; and
- The granting of a variance would be in harmony with the goals of the Redevelopment Plan and the CP Design for Development, and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity; and
- The variance may not "substantially change the allowable land uses" of the Redevelopment Plan.

The CPN 11A Developer has requested variances from development controls of the Design for Development that govern (1) allowable exceptions from building height limits, (2) limits for total amount of blank walls on building ground floors; and (3) maximum dimensions of non-habitable building projections, each of which are discussed in further detail below.

***Building Height Variance***

Background. The Design for Development establishes heights limits for development within the Candlestick Point portion of the DDA, which fix the maximum height allowed for occupiable portions of buildings. The Design for Development also provides certain exceptions to those height limits. First, it allows rooftop mechanical equipment and elevator overruns to extend up to 18 feet above an established height limit, provided that such equipment does not exceed 30% of the building roof area. Also, it allows rooftop screening elements to extend up to 10 feet above an established height limit.

Further review of industry construction standards for tower buildings and review of height limit exceptions applicable elsewhere in San Francisco indicate that the height exception for mechanical equipment provided in the Design for Development are overly restrictive for tower buildings. This

is primarily due to the much smaller floorplate size of tower buildings (relative to low- and midrise buildings).

Typical building bulk limits, including those of the Design for Development, require tower buildings to taper as they increase in height, reaching their smallest floorplates at the rooftop.[1] Therefore, the tallest occupiable floors in a tower have little room for efficient placement of mechanical equipment. Current industry-standard design approaches for towers seek to place as much non-occupiable mechanical equipment on the roof as possible, which allows the last occupiable floors to be used for the building's intended land uses (e.g., residential units or commercial uses), rather than for mechanical equipment.

Other tall-height zoning districts in San Francisco accommodate this approach. For example:

- In the Transbay Redevelopment Project Area, tower buildings are allowed additional height, up to 10% of total occupiable building height, for placement of mechanical equipment and placement of architectural features to screen the mechanical equipment.[2]
- Planning Code development controls for the Central SoMa Special Use District allow additional height for buildings above 200 feet, up to 10% of the total occupiable building height, for placement of mechanical equipment and placement of architectural features to screen the mechanical equipment.[3]
- Planning Code development controls for buildings in the S-2 Bulk District over 550 feet in height are permitted up to 7.5% of total occupiable building height (41 feet or more), for placement of mechanical equipment and placement of architectural features to screen the mechanical equipment.[4]
- Planning Code development controls for the Mission Rock Project (adjacent to the Mission Bay South Redevelopment Project Area) allow, at the tallest height limits, an average of 12.5% additional height for placement of mechanical equipment and placement of architectural features to screen the mechanical equipment.[5]
- Planning Code development controls for the C-3 (downtown commercial) district allows up to 16 feet additional height for mechanical equipment and 20 feet additional height for screening for buildings taller than 45 feet. For buildings less than 45 feet, the exception is

[1] Typical bulk limits for tower buildings require buildings to reduce their floorplate sizes as the tower height increases (commonly referred to as "step backs"). This ensures that towers are not monolithic in design, but instead become slimmer as they grown in height. A result of this bulk requirement is that towers reach their smallest floorplates at the rooftop.
[2] Transbay Design Controls and Development Guidelines, p. 18. Office of Community Investment and Infrastructures, June 2016.
[3] Planning Code Section 260(a)(1)(L).
[4] Planning Code Section 260(a)(1)(M).
[5] Planning Code Section 291(e). For the two tallest proposed buildings within Mission Rock, both 240 feet, the Planning Code allows additional height for mechanical equipment and screening of up to 20 feet for one tower and up to 40 feet for the other, an average of 30 feet or 12.5% of the total maximum building heights in this district.

10 additional feet (which is equal to the CP Design for Development's current exception for all buildings, including towers).[6]

The current height exceptions for mechanical equipment and screening in the Design for Development are inconsistent with the forgoing, and can be viewed as inadequate to allow for efficient design of tower buildings. Under the current formulation, tower buildings would likely be required to sacrifice occupiable building area to accommodate mechanical equipment, which results in the practical reduction of occupiable building height and limitation of the amount of area available for residential or commercial uses.

Variance Findings.

*Finding 1: Due to unique circumstances applicable to the CPN 11A Project site, the enforcement of the existing height exception for mechanical and roof-mounted elevator equipment and architectural screening would create undue hardship and constitutes an unreasonable limitation beyond the intent of the Redevelopment Plan.*

As discussed above, the current height exceptions in the Design for Development for mechanical equipment and screening likely would lead to inefficient results, with tower buildings likely being required to sacrifice occupiable building area to accommodate mechanical equipment.

Because of this, OCII and Planning Department staff are preparing an amendment to the Design for Development that updates the height exceptions to bring them into general consistency with the approaches applied elsewhere in San Francisco. This amendment will be provided to the Commission and the Planning Commission for consideration later this year.

While all other tower locations would benefit from the forthcoming Design for Development amendment, the proposed CPN 11A Project would not benefit due to the timing of its application. In addition, other tower building projects in San Francisco generally benefit from building height exception rules that are more consistent with industry construction standards for mechanical equipment in tower buildings. Thus, application of the current Design for Development height exception creates a unique circumstance applicable to the CPN 11A Project which constitutes an undue hardship. The Redevelopment Plan's goals promote flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions, which

[6] Planning Code Section 260(a)(1)(F).

reasonably includes to current industry standards in building construction. Thus, the requested height variance meets the Redevelopment Plan's first standard for granting a variance.

*Finding 2: The requested variance would be in harmony with the goals of the Redevelopment Plan and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.*

As stated above, the Redevelopment Plan's goals promote flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions, which reasonably includes to current industry standards in building construction. In addition, the Redevelopment Plan calls for increasing the supply of housing, including affordable housing in the Project Area. This variance is consistent with these goals of the Redevelopment Plan.

The increase in height permitted by this variance would not be detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity. The increase in total height of the proposed Project resulting from this variance, from 338 feet to 350 feet, less than a 4% increase in height beyond what would otherwise be permissible for this location. Such a change is not likely to affect neighboring property or the overall character of Project vicinity (which is predominately vacant land).[7] In addition, the CPN 11A Developer has studied the wind and shadow effects of the proposed CPN 11A Project at the proposed height. The shadow study found no increase in severity of shadow impacts as a result of the increase in height. The wind study concluded that, with the wind reduction measures included as part of the project conditions of approval, the CPN 11A Project would not result in hazardous wind conditions. Thus the increase in height resulting from the requested variance is not likely to be detrimental to the public welfare.

*Finding 3: The requested variance will not substantially change the allowable land uses.*

The requested variance relates to a design standard for building height. It would not change allowable land uses of the proposed Project site.

[7] The CP/HPS2 FEIR determined that the current tower location is an appropriate location for increased height in the Project Area and would not result in an impact on scenic vistas or resources, or degrade existing visual character or quality of the site or its surroundings. DEIR, p. IV-147; FEIR p. C&R 2427-2441. The proposed increase in currently permitted height is minimal, and not likely to alter the conclusions of the FEIR.

Grant of Variance. The Commission finds that the required circumstances exist to grant the requested variance from the development controls in the Design for Development governing exceptions to height limits, allowing mechanical equipment and architectural screening at the CPN 11A Project to extend above the established height limit for a distance of up to 10% of the occupiable building height.

***Blank Wall Variance***

Background. The Design for Development contains several standards addressing building base activation, which are meant to promote a successful pedestrian environment by activating a building's interface with the public realm. One such standard limits the presence of blank walls, which the Design for Development defines as façades with no active uses (i.e., retail and entertainment uses, residential and commercial lobbies) including no glazing or doorways. On Residential building façades the Design for Development limits single blank walls to no more than 16 feet in length, and cumulatively to no more than 20% of a total façade length or 40 feet, whichever is greater.

Regarding utility equipment, the CPN 11A Project site is unique relative to other blocks in Candlestick Point. First, the Project site is the most dense residential development block in Candlestick Point, meaning that it is required to accommodate the most utility infrastructure, on a per square foot basis.

Second, although some utility infrastructure can be located within the parking garage or otherwise internal to the building, certain infrastructure must be located in areas that are accessible from the street. According to Pacific Gas & Electric Company regulations, Fire and Health Code requirements for the installation of utility equipment, certain facilities must be accessible from a public area, and allow PG&E truck access.[8]

Finally, three of the four ground floor frontages of the CPN 11A Project are restricted as to allowable use conditions. Harney Way (along the east building frontage) is a BRT (bus-rapid transit) street, which, to maintain bus headways, will prohibit on-street parking (including utility company trucks) along the building frontage. Ingerson Avenue (along the south frontage) is a pedestrian retail street, which requires dedication of street frontage for retail and other active uses. The mid-block break along the north frontage is required to have active uses conducive to the pedestrian nature of the mid-block breaks in Candlestick Point. As a result, the CPN 11A Project

[8] See, e.g., PG&E Green Book § 2.4.2 (Gas Meter Set Locations); § 5.3.2.D (Prohibited Meter Service Locations); §5.3.4 (Electrical Meter Rooms). Fire Code 4.20 2016 (Design for Fire Pump Suction and Fire Pump Location). San Francisco Health Code § 12A.5 (Backflow Preventer Installation).

site is severely limited in its ability to locate utility infrastructure at or near street frontage on the ground floor.

Variance Findings.

*Finding 1: Due to unique circumstances applicable to the CPN 11A site, the enforcement of the blank wall standard would create undue hardship for the CPN 11A Project that constitutes an unreasonable limitation beyond the intent of the Redevelopment Plan.*

As discussed above, ground floor uses on three sides of the CPN 11A Project site are restricted by the Design for Development and/or the DDA Transportation Plan. Furthermore, utility regulations require that certain utility equipment be placed at or immediately adjacent to the ground floor, so that they are available from an area that is accessible by the public. These conditions limit the CPN 11A Developer's ability to distribute requisite utility equipment throughout the street frontage of the CPN 11A Project. Also, as encouraged by the Design for Development, the CPN 11A Project is a high residential density, which in turn necessitates a relatively large volume of utility equipment to serve the building.

These conditions are unique to the CPN 11A Project site. Other tower sites in Candlestick Point are either not located on the BRT pathway or not on primary retail streets or pedestrian midblock breaks. But given the high density of this Project, it is appropriate and beneficial to locate it near planned public transit and the Ingerson retail corridor. Thus, the application of the Design for Development and Transportation Plan limitations creates a unique circumstance applicable to the Project as it concerns its ability to locate utility equipment. Application of the blank wall limitations would be an undue hardship on this Project, because it is unable to distribute this equipment to all four street frontages without violating other requirements. This hardship is contrary to the intent of the Redevelopment Plan to promote flexibility in the development of real property within the Project Area. Therefore, the requested blank wall variance meets the Redevelopment Plan's first standard for granting a variance.

*Finding 2: The requested variance would be in harmony with the goals of the Redevelopment Plan and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.*

The requested variance is necessary, in part, to accommodate utility equipment serving the high residential density of the proposed CPN 11A Project. This is consistent with the intent of the Redevelopment Plan to, among other things, promote flexibility in the

development of real property within the Project Area to respond readily and appropriately to market conditions, and to increase the supply of housing, including affordable housing in the Project Area.

Also, the additional blank wall area permitted by this variance would not be detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity. First, while the variance will allow for greater cumulative blank wall area on the western frontage of the proposed Project, no individual blank wall would be larger than the 16-foot maximum prescribed in the Design for Development. Also, the variance will permit the retail and pedestrian-friendly frontages on the south and north side of the building, respectively, to be uninterrupted by larger blanks walls associated with utility equipment, and will prevent interference with the Harney BRT route on the eastern side of the building. Both actions promote overall public welfare within the Project Area.

Second, the additional area of blank wall on the western frontage will permit all utility equipment to be located in an area that is accessible to the public, allowing PG&E other utility providers and first responders to easily reach the equipment in the event of an emergency or other necessity. This will protect the public welfare and neighboring properties.

Third, the CPN 11A Developer has proposed architectural treatments for the western frontage that are intended to enliven the street frontage despite the larger blank wall area. In other instances (i.e., for hotel uses), the Design for Development does allow for extended blank walls, so long as such walls provide a combination of eye-level displays, contrast in wall treatment, offset wall line, outdoor seating, and/or engaging landscaping. Design for Development, Section 4.3.1B. Although that provision is not dispositive for residential buildings, the architectural treatments proposed by the project applicant are in keeping with the spirit of the Design for Development, which is intended to avoid unsightly conditions that would be potentially injurious to neighboring properties.

Thus the increase in blank wall frontage on the west side of the building is not likely to be detrimental to the public welfare or injurious to adjacent properties or properties in the vicinity of the CPN 11A Project.

*Finding 3: The requested variance will not substantially change the allowable land uses.*

The requested variance relates to a design standard for blank walls on the proposed Project. It would not change allowable land uses for the Project site.

Grant of Variance. The Commission finds that the required circumstances exist to grant the requested variance from the development controls in the Design for Development governing blank walls, allowing cumulative blank wall of approximately 77 feet, or 34% of the M Street frontage of the CPN 11A Project.

***Non-Habitable Projections Variance***

Background. Under the Design for Development, portions of a building that project beyond the main building face, such as balconies and canopies, may be installed subject to specified parameters. For balconies, the projection is limited to 15 feet in horizontal length, and may protrude three feet over the property line. For canopies, the projection is not limited in horizontal length, but may project only to the property line.

The Project proposes two balconies serving as open space framed by canopies above – one at floors 4-7 ("Lower") and one at floors 24-27 ("Upper") – that wrap around the southern and eastern façades of the tower portion of the proposed Project. While included in the original design of the proposed Project,[9] the size of the two balcony-and-canopy features have been increased to mitigate the potential for hazardous wind conditions in the Project area, and now exceed the Design for Development limitation on projections.[10]

The Project area experiences strong winds (i.e., those of a mean speed greater than 20 mph) approximately 9.6% of the time throughout the year.[11] OCII requested that the CPN 11A Developer submit a technical review of the exposure, massing, and orientation of the proposed Project, in accordance with the FEIR Mitigation Measure W-1a, to ensure that the building would not create hazardous wind conditions in areas of pedestrian use.[12] As a result, the balcony-and-canopy features were increased in size to mitigate for potential hazardous wind conditions at the pedestrian level, as required by the FEIR.

Variance Findings.

> Finding 1: *Due to unique circumstances applicable to the property, the enforcement of the building projection standards would create undue hardship for the Project and constitutes an unreasonable limitation beyond the intent of the Redevelopment Plan.*

[9] See Project Sponsor Schematic Design submittal dated _____ (original submittal).
[10] Project Sponsor Schematic Design submittal dated ____ (current submittal).
[11] Candlestick Point North Block 11A Pedestrian Wind Study by Rowan Williams Davies & Irwin Inc., dated February March 29, 2019.
[12] Hazardous conditions are defined in the FEIR as those exceeding 26-mph-equivalent wind speed for a single hour during the year.

As discussed above, the CPN 11A Project site experiences relative strong winds. As a result, any tower building constructed on the Project site would potentially cause hazardous wind conditions in the pedestrian realm during periods of strong winds. These conditions are unique to the CPN 11A Project site because no up-wind development is proposed that would diminish or disperse winds reaching the Project site. However, the location of the CPN 11A Project site, at the intersection of a rapid transit line and ground floor retail corridor is an appropriate and beneficial location for high-density residential tower development. Thus, the potential to create wind hazards is a circumstance unique to this location. Application of the building projection standard in a manner that would prevent the proposed CPN 11A Project from mitigating potentially hazardous wind impacts would be an undue hardship, because it would require large scale redesign or reduction in height of the tower. This result is contrary to the intent of the Redevelopment Plan, to promote flexibility in the development of real property within the Project Area. Therefore, the requested building projection variance meets the Redevelopment Plan's first standard for granting a variance.

Finding 2: *The requested variance would be in harmony with the goals of the Redevelopment Plan and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.*

The requested variance is necessary, in part, to accommodate the Design for Development requirement for high density at the Project site, and in part to be consistent with the FEIR requirements for mitigating hazardous wind conditions. Allowing the variance is consistent with the intent of the Redevelopment Plan to, among other things, promote flexibility in the development of real property within the Project Area, and to increase the supply of housing, including affordable housing in the Project Area. This variance is consistent with these goals of the Redevelopment Plan.

The additional building projections permitted by this variance would not be detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity. The larger building projections allowed by this variance protect the public welfare by eliminating potential wind hazards at the pedestrian ground level. They would not block views from or create shadows on proposed neighboring development, and are otherwise in harmony with the larger scale of the proposed Project, as called for in the Design for Development.

Thus the requested variance is not likely to be detrimental to the public welfare or injurious to adjacent properties or properties in the vicinity of the Project.

Finding 3: *The requested variance will not substantially change the allowable land uses.*

The requested variance relates to a design standard for building projections on the proposed Project. It would not change allowable land uses for the Project site.

Grant of Variance. The Commission finds that the required circumstances exist to grant the requested variance from the development controls in the Design for Development governing dimensions of non-habitable projections, allowing the Lower balcony and canopy to be approximately 35 feet in length on the southern façade and approximately 71 feet on the eastern façade, and protrude approximately ten feet from the main building face; and the Upper balcony and canopy are to be approximately sixty-five feet in length.