

126-0112016-002

Agenda Item No. 5(b)
Meeting of April 5, 2016

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Tiffany Bohee, Executive Director

SUBJECT: Conditionally approving the Major Phase, Combined Basic Concept and Schematic Design, and Design for Development variances for a commercial project on Block 26 (Parcel 1) and Block 27 (Parcel 1) at 1455 and 1555 Third Street that is within the scope of the Mission Bay Redevelopment Project, approved under the Mission Bay final subsequent environmental impact report ("FSEIR"), a program EIR, and is adequately described in the FSEIR for purposes of the California Environmental Quality Act; Mission Bay South Redevelopment Project Area

EXECUTIVE SUMMARY

Blocks 26, Parcel 1 and Block 27, Parcel 1 ("Blocks 26/P1-27/P1"), located at 1455 and 1515 Third Street in Mission Bay South, are owned by Alexandria Real Estate ("ARE"), and are being jointly developed by ARE and Uber Technologies Inc. ("Uber") (together, "ARE-Uber" or "Project Sponsor") for commercial development. Specifically, Uber will occupy approximately 410,250 gross square feet of office space in two buildings. The proposed project contains approximately 410,250 gross square feet of office uses, with 3,000 gross square feet of retail space, with a space identified for a 5,995 gross square foot childcare center serving up to 59 children (the "Project"). The Project is comprised of one tower that is 160 feet tall, and a second mid-rise building that is 90 feet in height. The Project concept design architect is SHoP Architects.

In accordance with the Owner Participation Agreement ("OPA") for the Mission Bay South Redevelopment Project Area ("Project Area"), ARE-Uber have submitted a Major Phase ("2016 Major Phase") and Combined Basic Concept and Schematic Design ("2016 BC/SD") for approval by the Office of Community Investment and Infrastructure ("OCII") to replace a previous Major Phase approved in 2011. The full 2016 Major Phase and 2016 BC/SD submittals can be found at Exhibits A and B, respectively, to the proposed resolution for this item.

Blocks 26/P1-27/P1 are bounded by an existing office building to the north, Bridgeview Way to the east, South Street to the south, and Third Street to the east. The two sites are bisected by Pierpoint Lane, a private pedestrian and emergency vehicle access that will be accessible to the public. Blocks 26/P1-27/P1 are the last undeveloped sites within Blocks 26-28, which includes over 1 million square feet of completed commercial development, a 1,424-space parking garage and all infrastructure improvements. (See Attachment A: Site Map for reference). Blocks 26/P1-27/P1 combined are approximately 1.7 acres in size and have a land use designation of Commercial/Industrial in the Mission Bay South Redevelopment Plan ("South Plan"). The Commercial/Industrial land use district allows for a mix of office and industrial uses, as well as neighborhood-serving retail, and including childcare as a secondary use.

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The Mission Bay Citizens Advisory Committee reviewed the proposed project at its September 2015 meeting. The CAC was generally supportive of the design and uses, especially of the inclusion of on-site childcare. The primary concern expressed was the impact of the childcare pick-up and drop on vehicular circulation along Bridgeview Way. In response to this concern, the design was revised to move the pick-up and drop off from Bridgeview Way to within the adjacent existing parking structure located at 450 South Street.

The 2016 Major Phase and the 2016 BC/SD generally conform to the South Plan Mission Bay South Design for Development ("D for D") design standards and guidelines. ARE-Uber has requested two variances from the D for D related to streetwall continuity and view corridors. No aspect of the Project will be inconsistent with the standards set forth in the South Plan. As is typical with all OCII approvals of schematic designs, the action before the Commission is a conditional approval that requires the Project Sponsor either to continue to refine certain project elements in consultation with OCII staff or provide OCII staff additional information for review and approval during subsequent design phases.

The Planning Commission is scheduled to consider the proposed project for design review only related to the office development allocation process under Planning Code Section 321 at their April 14th meeting. Pursuant to the South Plan and Planning Commission Motion 14702 and 17709, the Planning Commission reviews and approves the design of specific office development in the South Plan area using the Mission Bay South Design for Development guidelines and standards.

As part of its actions on September 17, 1998, establishing the Mission Bay Redevelopment Project Areas, the former San Francisco Redevelopment Agency certified the Final Subsequent Environmental Impact Report ("FSEIR") (Resolution No. 182-98) and adopted findings under the California Environmental Quality Act ("CEQA") (Resolution No. 183-98). This FSEIR includes by reference a number of addenda.

Based on the prior actions and limited remaining discretion, OCII staff has reviewed the 2016 Major Phase and the 2016 BC/SD and finds it to be within the scope of the Project analyzed in the FSEIR and addenda and no additional environmental review is needed. As required by CEQA, the Commission must adopt environmental findings when approving the 2016 Major Phase and 2016 BC/SD.

Staff recommends conditionally adopting environmental findings pursuant to the California Environmental Quality Act and conditionally approving the Major Phase and Combined Basic Concept and Schematic Design for a commercial development on Blocks 26/P1-27/P1 in Mission Bay South and requested variances to the Design for Development.

BACKGROUND

Most of the parcels on Blocks 26-28 were previously developed pursuant to former Redevelopment Agency approvals in 2000 and 2007. Blocks 26/P1-27/P1 are the last undeveloped sites and will complete Blocks 26-28. Four buildings were built on Blocks 26 to 28, pursuant to a 2000 ARE Major Phase and associated BC/SD applications, consisting of the following:

- 305,000 square-foot office building at 500 Terry Francois Boulevard (Block 26a)
- 285,000 square-foot Old Navy Headquarters at 550 Terry Francois Boulevard (Block 28)
- 455,000 square-foot office/biotechnology lab building with 4,600 square feet of retail at 455 Mission Bay Boulevard South (Block 26, Parcels 2 and 3 together)
- 1,424 space parking garage at 450 South Street (Block 27, Parcels 2 and 3 together).

Infrastructure to support the prior approval actions and development on Blocks 26-28, including the location of the current 2016 Major Phase and BC/SD Proposal, has been approved, constructed, and either accepted by the City or is pending acceptance.

Two previous Major Phase applications for proposed developments on Blocks 26/P1-27/P1 were approved by the former Redevelopment Agency. As described above, the first in 2000 resulted in the development of four buildings and the infrastructure necessary to serve all development on Blocks 26-28.

In 2010, salesforce.com purchased the last two undeveloped parcels on Blocks 26-28 included in the 2000 ARE Major Phase, Block 26, Parcel 1 and Block 27, Parcel 1, and also purchased Blocks 29 – 34. On September 20, 2011 the Redevelopment Agency approved a Major Phase submitted by salesforce.com for Blocks 26 (parcel 1), Block 27 (parcel 1) and Blocks 29 – 34. This approval supplanted all prior Major Phase approvals on Block 26 Parcel 1 and Block 27 Parcel 1, but no projects were built as a result of the 2011 Major Phase. Salesforce.com subsequently sold these parcels as follows:

- Blocks 26/P1 and 27/P1 were sold to ARE and is the subject of this design review;
- Blocks 29-32 to the Golden State Warriors for an event center and mixed-use project that was approved by OCII in November 2015; and
- Blocks 33-34 were sold to the University of California, San Francisco ("UCSF").

DISCUSSION

Site

Block 26/P1 is approximately 0.7 acres and Block 27/P1 is approximately 1 acre, for a total development site of approximately 1.7 acres in the eastern portion of Mission Bay South. The entire site has a land use designation of Commercial/Industrial in the South Plan. The Commercial/ Industrial land use district allows for a mix of office and industrial uses, as well as neighborhood-serving retail as a primary use and childcare as a secondary use.

Blocks 26/P1-27/P1 generally form a regular rectangular-shaped development site. The two blocks are bisected by Pierpoint Lane, a privately-owned publicly accessible pedestrian and emergency access path. The site is bounded by Third Street to the west, 455 Mission Bay Boulevard occupied by Bayer and Nektar Therapeutics to the north, private open space and a parking garage at 450 South Street to the east, and by South Street to the south. Immediately across South Street, to the south, is the site of northeast office tower component of the approved Golden State Warriors Event Center and Mixed Use project.

Block 26, Parcel 1 and Block 27, Parcel 1 are owned by ARE, who purchased the property from salesforce.com in 2014. The Project itself is partnership between ARE and Uber and is primarily for office use. The building design concept architect is SHoP Architects.

2016 Major Phase

Pursuant to the OPA, the Master Developer, or the subsequent developer, is required to submit its overall plans for development in "Major Phases" of one or more land use blocks, with each Major Phase consisting of the private development projects, related public infrastructure and park improvements on these blocks. Schematic designs for individual building projects can be submitted following the Major Phase approval and must be generally consistent with the Major Phase.

ARE, in partnership with Uber, has submitted a Major Phase (2016 Major Phase) and combined Basic Concept/Schematic Design application (2016 BC/SD) for Blocks 26 Parcel 1 and 27 Parcel 1. If approved by OCII Commission, this submittal will supplant any prior Major Phase and SD approvals on the site. The 2016 Major Phase and 2016 BC/SD can be found as Exhibits 1 and 2, respectively to the resolution.

The 2016 Major Phase application review is consistent with the South Plan documents. As the infrastructure required to serve Blocks 26/P1-27/P1 was approved and substantially completed in conjunction with prior development approvals, there is no new component of infrastructure required to support the 2016 Major Phase application and the review is principally focused on design and modest program changes.

The 2016 Major Phase is within the limitations on size, height and type of buildings, described in the South Plan (2016 Major Phase, page 3). Further, the 2016 Major Phase Proposal for leasable square footage of commercial development, when considered in combination with development already completed or authorized on all other parcels in Mission Bay South on which mixed office, research and development and light manufacturing uses may be developed, is within the 5,953,600 leasable square feet for such uses allowed under the South Plan (2016 Major Phase, page 3).

Basic Concept and Schematic Design

Description

In conformance with the 2016 Major Phase submittal, the proposed 2016 Basic Concept and Schematic Design consists of two buildings, one tower that is 160 feet tall, and a second mid-rise building that is 90 feet in height. The primary use is 410,255 gross square feet (per the South Plan) of office space. This amount of office space, coupled with already built or entitled office space, is within the maximum development cap for mixed office, research and development, and light manufacturing use in Mission Bay South as set forth in Section 304.5 of the South Plan. The buildings are intended to house Uber, an online transportation network company. The company is currently headquartered in San Francisco, and has offices worldwide.

The other uses included in the project are building service areas of 26,362 square feet, ground floor retail totaling 3,000 square feet and 5,995 square feet of childcare. The retail will be located in three retail spaces, two along Third Street, and another at the corner of Third and South Street. The last is intended to activate the ground floor corner of the building that faces the Golden State Warriors Event Center with a neighborhood serving retail use. The day care facility will provide childcare services for up to 59 children aged six weeks to five years from the Uber and general community.

The square footages of the retail and childcare uses are excluded from the calculation of gross floor area as applicable to the development caps for Mission Bay South pursuant to the definition of Gross Floor Area found in Attachment 5 to the South Plan. There are limitations on the square footage exclusions for the retail and childcare uses of 5,000 square feet per use and 6,000 square feet, respectively. These uses must also be memorialized through the recordation of a Notice of Special Restrictions, that will limit the use of these spaces to the neighborhood retail and childcare uses originally approved under the gross floor area exclusion for the lifetime of the project. There are additional requirements in order to apply the childcare exclusion that will be described in detail in the childcare section of this report.

Concept

Building 1 is a high-rise on Block 26 Parcel 1, located at 1455 Third Street. It is 160 feet tall in building height. The Mission Bay South Design for Development ("D for D"), which provides design standards and guidelines for the Project Area, allows for an additional 20 feet in height for a mechanical penthouse which houses mechanical equipment and appurtenances necessary to the operation or maintenance of the building or structure itself. Including the mechanical penthouse, the height of the building proposed for 1455 Third Street is a total of 176 feet in height. The primary entry is on Pierpoint Lane, with a secondary entry at corner of Third Street and Pierpoint Lane. Loading is to be located off of the shared service area between the proposed building and the existing 455 Mission Bay Boulevard to the north, accessed via Bridgeview Way. (See 2016 BC/SD, pages 44-47).

Building 2 is a mid-rise on Block 27 Parcel 1, located at 1515 Third Street. It consists of 88 feet of building height and a total height of 105 feet including the mechanical penthouse allowable under the D for D as described previously. The primary pedestrian entry will be on the corner of Third Street, near South Street. The loading area will be located on South Street at the south-east corner of the building. (See 2016 BC/SD, pages 61-64).

The façades of both buildings will be primarily composed of transparent, low-iron glass. Immediately behind the glass will be a vertically organized interior "commons" space, to be used for circulation and casual breakout spaces, allowing for a visual connection between outside observers and the materials and activities behind the

transparent building façade (See 2016 BC/SD, pages 84-85). The design and materials within the commons areas are composed to introduce, direct, and modulate both light and shadow, and further visually animate the space from the street. The building façade will be further enhanced by rich materials such as teak, white oak, reclaimed oak, patinated zinc, weathered steel, brushed stainless steel metal, and travertine. The glass panels of the façades will be operable, controlled by the building's automated management system to open and close in response to climatic needs within commons areas.

The primary connection for the two buildings will occur through the ground floor lobbies. At the ground floor, the two buildings will be connected by Pierpoint Lane, a privately-owned pedestrian and emergency vehicle access path. This connection will be enhanced by landscaping, planters and street furniture that will provide opportunities for both gathering and respite (See 2016 BC/SD, page 87).

In order to facilitate the functioning of Uber's offices, the two buildings are proposed to be connected by two pedestrian bridges which will cross over Pierpoint Lane. Each bridge provides two levels of access (one enclosed, and a second exterior level above). These pedestrian bridges require the approval of a variance in the D for D, as they will partially obstruct a view corridor. This will be presented in greater detail later in this memorandum.

The design is dependent on the successful execution of the glass, window details, and the various volumes and screens behind the glass that provide visual interest and modulation of scaled elements. As indicated in the D for D for the Commercial/Industrial zones to create visual interest buildings should include, " a selection of architectural details and devices such as vertical and horizontal recesses and projections, changes in height, floor levels, roof forms, parapets, cornice treatments, window forms, and location of garage entries as appropriate to each site...". OCII staff review and the recommended conditions of approval are, in part, intended to ensure that the vision shown in the renderings successfully meets and implements the Design for Development guidelines, and that the project, as constructed, is as represented in the Schematic Design submittal.

Open Space

There are three areas of open space integrated into the design (See 2016 BC/SD, page 20):

- The privately owned, publicly accessible Pierpoint Lane. Except for emergency vehicles, this pathway will be primarily for use of pedestrians and non-motorized traffic. Stormwater treatment gardens line the south edge of Pierpoint Lane which will be interspersed with benches and planters.
- Pierpoint Park, which will serve as the primary open space in the design. The design proposes to redevelop this existing open space immediately to the east of 1455 Third Street. It will include a terraced amphitheater at Pierpoint Park provides opportunities for the public to have lunch or gather. Pierpoint Land and Pierpoint Park will be connected through clear pathways that will allow the public to meander through between the two areas.
- A small, unfinished courtyard between 1455 Third Street and the existing 455 Mission Bay Boulevard building will be completed with additional landscaping and hardscape elements, such as glass screens, and can be used to serve the ground-floor retail that will be in that building. It will include racks for 36 bikes.

Bird-Safe Design

The design team met with the SF Audubon Society on Oct. 20, 2015 and subsequently incorporated their input regarding bird-safe design. In addition, the design is compliant with the City's standards for bird-safe buildings per Planning Code Sec. 139. The project incorporates glazing treatment in the potential bird strike areas (60' feet and below) and the pedestrian bridges on the building either through the use of wood pattern frit, or a frit pattern integrated into the glazing directly.

Parking and Transit

The D for D has parking requirements which apply to this project as follows:

- One vehicle space per 500 square feet gross floor area of retail, up to 20,000 square feet of retail.
- One vehicle space per 1,000 square feet of gross floor area in the Commercial/Industrial area, except for retail (as noted above) or life science or similar research and development uses.
- One secured bicycle parking space for every 20 vehicular parking spaces.

Vehicle parking for the project will be accommodated in existing adjacent garage at 450 South Street, which is immediately east of 1515 Third Street, with 411 spaces set aside for the office use and 6 spaces for the retail. A minimum of 45 bicycle spaces will be provided in both within 1455 Third Street and the parking structure at 450 South Street. This amount of parking is consistent with the D for D, as shown in the following table:

Type of Parking	D for D Requirements	Proposed Parking
Office	410,255 sf/1,000 sf = 411	411
Retail	3,000 sf/500 sf = 6	6
Bicycle	$(411+6=417)/20=21$	45
Childcare Pick-Up and Drop-Off	Not specified	18

The childcare spaces will also be located in the 450 South Street garage and reserved during pick-up and drop-off hours, and are in addition to the 417 parking spaces set aside for the office and retail uses. The owner will record a notice of special restrictions in the land records of 450 South Street (Block 27, Parcels 2 and 3) which will indicate the number of parking spaces and hours of operation for pick-up/drop-off related to the childcare facility in 1455 Third Street for the lifetime of the facility.

The project will be well-served by local transit. The site sits adjacent to loading platforms for the Third Street Light Rail line (T-Third Street), which will see increased service with completion of the Central Subway. The 55-16th Street Muni motor coach provides service to Mission Bay from the 16th Street BART station, with the extension of the 22 Fillmore trolley coach planned to follow. Both lines will travel north along Third Street in front of the site. The Caltrain station is located less than a half-mile north from the site at 4th and King, with another Caltrain station located to the south at 22nd Street. The Mission Bay Transportation Management Association ("TMA") also operates the Mission Bay Shuttle which provides free shuttle service between the Powell Street Station (BART and Muni Metro transit hub), the Caltrain Depot at Fourth & King, and local destinations within the Mission Bay neighborhood.

Development Impact Fees

The project will be required to pay relevant development impact fees to the extent required under Plan Section 304.9.C These fees include a School Facilities Impact Fee, the Transportation Development Impact Fee ("TIDF"), the Art Requirement, and the Childcare Requirements.

The Transportation Sustainability Fee (TSF) superseded the TIDF as of December 25, 2015. Pursuant to Section 411.A.3(d)(2)(B) of the Planning Code, projects in the Approval Process at the Effective Date of the TSF that had submitted a "development application" on or before July 21, 2015 but had not yet received approval pay the applicable TIDF rather than the TSF. The BC/SD proposal submitted to OCII is the equivalent of a "development application" as defined in the Planning Code. The 2016 ARE-Uber BC/SD proposal was first submitted to OCII for consideration on June 30, 2015. As a result, TIDF applies to this project rather than the TSF because the development application equivalent for this project was received prior to the July 21, 2015 cut-off date for payment of the TSF.

The TIDF is considered an "increased fee" under the South Plan because a transit impact fee was in effect in parts of the City, including in Mission Bay North Plan area at the time the Mission Bay North and South Plans were approved in 1998. The TIDF for office that applies in Mission Bay is the current fee less the amount of the

TIDF for office in 1998. As to other uses, the TIDF is entirely new and the current fee amounts apply. The exact amount of the TIDF and the School Facilities Impact Fee will be the then-current fee at the time of the issuance of the first construction document. The fees will be calculated based on the square footage measurements from detailed drawings provided in the Design Development phase of the project, and will be collected by the Department of Building Inspection (DBI). The Art Requirement and Childcare Requirements will met with on-site, as described in more detail below.

Art Requirement

The Project will be required to comply with the Mission Bay South Redevelopment Plan Art Requirement as defined in Plan Section 304.9.A that requires any development with 25,000 gross square feet or more of retail and commercial uses to install publicly accessible art on-site or pay a fee to OCII for use for art in a public park, in an amount equal to 1 percent of the hard costs of initial construction of projects. A project can include a combination of on-site art and off-site fees to meet the 1 percent requirement.

The Project Sponsor will hire an arts consultant as part of its professional services team to help develop permanent on-site publicly accessible art and will conduct outreach to local artists to encourage their participation in the Project.

Childcare Requirements

The Project Sponsor proposes to meet the Childcare Requirements through the provision of an on-site childcare facility. The ARE-Uber Project is within the Commercial/Industrial land use district of the South Plan Area. In this land use category, a "local-serving childcare facility" is permitted as a secondary use, as listed under Plan Section 302.3(B). Based on the description of the proposed use, the project's childcare facility is consistent with "local-serving childcare facility".

Under the Section 302 of the South Plan, OCII may authorize secondary uses if the use "generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan and is determined by the Executive Director to make a positive contribution to the character of the South Plan Area, based on a finding of consistency with the following criterion: the secondary use, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community".

Staff has analyzed the secondary use and has concluded that the secondary use included in the project generally conform with the redevelopment objectives and planning and design controls established under the South Plan and are uses that, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary and desirable for, and compatible with, the neighborhood and the community.

Staff has prepared a Secondary Use Findings document through which the Executive Director can adopt findings confirming (1) the project is located in the Commercial/Industrial land use district, (2) the project uses that are not principally permitted uses constitute secondary uses authorized in the Commercial/Industrial land use district, (3) the secondary uses generally conform with redevelopment objectives and planning and design controls established pursuant to this Plan, and (4) the project, including its secondary uses, makes a positive contribution to the character of the South Plan Area because, at the size and intensity contemplated and at the proposed location, it will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community. The Executive Director will approve the secondary use findings, contingent upon the Commission's approval of the 2016 BC/SD. The proposed findings can be found in Attachment C.

The inclusion of an on-site childcare facility can satisfy the Childcare Requirements as a Development Impact Fee and fulfil the standards to qualify for a Gross Floor Area exclusion, as defined in the South Plan. In order for the on-site facility to both comply with the Childcare Requirements and qualify for an exclusion of that same square footage from the Gross Floor Area under the South Plan, there are several obligations that must be met, both prior to receiving the first certificate of occupancy and for ongoing operations.

In complying with Section 304.9 of the South Plan, ARE-Uber is proposing to meet the childcare requirement described in Section 414 of the San Francisco Planning Code through provision of an on-site childcare facility per Sec. 414.5, which are:

- Prior to the issuance of the first certificate of occupancy by DBI for the project, the sponsor will provide proof to the Planning Department that:
 - A space on the premises of the development project has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease and an operating agreement between the sponsor and the provider with minimum terms of three years.
 - The child-care facility is a licensed child-care facility.
 - The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater: $\text{Net additional gross sq. ft. office or hotel space} \times .01 = \text{sq. ft. of child-care facility}$.
 - A notice of special restriction has been recorded stating that the development project is subject to Section 414.1 et seq. and is in compliance by providing a child-care facility on the premises.
- **Affordability:** Sponsors must reserve at least 10 percent of the maximum capacity of the child care facility as determined by the license for the facility issued by the California Department of Social Services to be affordable to children of low income households. The Planning Department, or its designee, will determine the rates to be charged to such households.
- **Annual Reporting:** Sponsors must submit a report to the Planning Department in January of each year for the life of the childcare facility. The report will include a copy of the license issued by the California Department of Social Services permitting operation of the child-care facility, and provide information on the provider, the capacity and size of the facility, the number and ages of children served and the fees charged for services.

The ARE-Uber project is the first to provide an on-site childcare facility in satisfaction of the childcare requirement described in Section 414 of the San Francisco Planning Code, which applies to office and hotel development projects.

In order to qualify for the gross floor area exclusion under the South Plan, the onsite childcare must meet the following criteria:

- Indoor space allowable for the exclusion is no less than 3,000 square feet and no more than 6,000 square feet.
- The facilities are made available rent free to the childcare provider.
- Adequate outdoor space must be provided adjacent or accessible from the facility, and must meet licensing requirements for childcare facilities.
- The space must be used as childcare for the life of the building. No change in use may occur without a finding by OCII that there is no further need for a child care, and that the space will be used for cultural, educational, recreational, religious, or social service uses.

The ARE-Uber childcare facility will add to the existing childcare resources in Mission Bay. There are 80 spaces at the UCSF facilities in Mission Bay, which are prioritized for UCSF employees and students. Other childcare consists of 48 spaces in the Rich Sorro Commons affordable family housing project, which are mostly filled by children participating in Head Start program and receiving free childcare; and two units designed to accommodate in-home childcare in 1180 Fourth Street, an OCII-sponsored affordable housing project, which are currently providing care to a total of 12 children.

Variances to the Mission Bay South Design for Development

The Redevelopment Plan and the Design for Development allow the Commission to approve variances where it is found that unusual and special conditions exist. Approved variances must meet the intent and purpose of the Redevelopment Plan and Design for Development. The applicant has asked for two variances to the Design for Development standards, one for the continuity of the streetwall along Third Street and another for view corridors on Pierpoint Lane.

Variance #1: Streetwall

The proposal includes a setback for the length of the first floor of both buildings along the Third Street frontage. This space will be divided by permanently affixed, retractable wooden screens which can act as wind breaks. This wider sidewalk is intended to provide outdoor seating and additional space for pedestrian circulation during high volume events at the nearby Golden State Warriors Event Center. (See 2016 BC/SD, pages 102-104).

The D for D states that buildings in the Commercial Industrial land use area should be continuous at the property line on streets, except for the occasional breaks in the streetwall. The intent and purpose of the provision for streetwall continuity in the D for D is to create a rich urban fabric in Mission Bay and to “maintain the consistent building to street relationship that is common throughout San Francisco”.

The proximity to the proposed Golden State Warriors Event Center, UCSF Mission Bay, and the proposed ferry landing at Bayfront Park create an unusual circumstance in that during specific events, such as Warriors home games which occur 41 times during a season, approximately 18,000 people will be in the area as a result of the Event Center. The design accommodates the additional pedestrian load along Third Street by setting back the streetwall and increasing the clear walkable area in front of the two buildings from 12'-0" to 21'-6" to accommodate additional foot traffic. The requested variance for a recessed street wall will help enhance the pedestrian environment during periods of large volumes of street activity and help improve connections along Pierpoint Lane and Third Street.

The request for a variance from a continuous streetwall will allow for the project to provide an enhanced urban experience with the opportunity for a wider sidewalk with outdoor café seating opportunities, and street furniture that will benefit the overall Mission Bay community. Ground level retail on many of the blocks in Mission Bay features outdoor connection to open space through seating and transitional space connecting to the street. The project as conceived seeks to create this condition for 1455 and 1515 Third Street, contributing to street life for one of the city's major North-South corridors, connecting to the SOMA district as well as to Downtown San Francisco.

The wider sidewalk will enhance the safety and welfare of the public during high pedestrian traffic events in this neighborhood. The design as conceived accommodates these events through the provision of wider, unobstructed sidewalks, enhancing the safe use of the street by pedestrians.

As demonstrated by the wind study contained the 2016 BC/SD (Exhibit 2, pages 109-116, the recessed walkway along Third Street is anticipated to help to reduce wind velocity on Third Street, near the childcare facility and adjacent private publically accessible open space, contributing to higher pedestrian safety and comfort.

Based on these engineering studies, the recessed sidewalk condition, coupled with wind protection from constructed screens and planted elements, creates an improved pedestrian experience along Third Street. In the case of high pedestrian volume--even when the retractable screens are closed tightly against the building edge--the recessed sidewalk and street trees define an ample pedestrian thoroughfare protected from adjacent vehicular traffic and reducing wind currents.

Variance #2: View Corridors

The proposal includes two pedestrian bridges that will connect the two buildings, crossing over Pierpoint Lane. The bottom of the lowest bridge will be just over 44 feet above Pierpoint Lane, and set back approximately 20 feet from the street façade of 1515 Third Street. The higher bridge will be located to the east and above the lower bridge, with the top sitting approximately 91 feet above the surface of Pierpoint Lane. (See 2016 BC/SD, pages 106-107).

The D for D intended to create an urban pattern of blocks that use the historic pattern of Vara blocks in order to link Mission Bay to the City's historic urban fabric. The D for D uses this pattern of right of ways to establish view corridors that "preserve the orientation and visual linkages to the Bay and Channel; as well as vistas to hills, the Bay Bridge and the downtown skyline; to preserve orientation and visual linkages that provide a sense of place within Mission Bay." Under the D for D, no building or portion thereof shall block a view corridor established by that grid of streets or dedicated right-of-ways. Pierpoint Lane preserves the historic pattern of the Spanish measure Vara block.

The pattern of blocks within Mission Bay will remain unaltered by the Project. The view corridor on Pierpoint Lane is partially blocked by the provision of the two proposed bridges connecting the buildings. However, the existing views along this corridor are compromised because:

1. The Pierpoint Lane walkway and view corridor to the East terminates in a view of a parking lot and of a one-story metal-clad industrial building on Pier 54. These structures obscure a beneficial view of the bay at the easternmost terminus of the view corridor.
2. The Pierpoint Lane walkway view corridor to the West is, at present, partially blocked by the elevated rising profile of Highway 280. The view that remains of the San Francisco hills above the highway will not be impacted by the granting of the bridge variance.

Due to these pre-existing conditions the bridges provide no substantial additional detriment to the view corridor, surrounding properties, or public welfare in the vicinity of the building sites. The proposed bridges will be located approximately 44 feet above pedestrian level, reducing the potential impact on pedestrian views unless the viewer is significantly away from the location of the bridges.

OCII staff has reviewed the requested variances and found that they are appropriate for the site, and the proposed variances will result in substantial compliance with the South Plan and Design for Development, are consistent with the public health, safety and welfare.

Planning Commission Review

Pursuant to the provisions of Section 304.11 of the Mission Bay South Redevelopment Plan, commercial development within the South Plan Area is subject to the office development limitations of Planning Code Section 321. The Planning Commission authorized up to a total of 5,953,600 leasable square feet of office use from the Office Development Annual Limit, as defined in Planning Code Sections 320, 321 and 322 for the South Plan Area, as noted in Planning Commission Resolution No. 14702.

Subsequently, on July 16, 2008, the Planning Commission, by Motion No. 17709, authorized, pursuant to Resolution No. 14702 and Planning Code Section 321, the creation of the Alexandria Mission Bay Life Sciences and Technology District ("District") for which previously allocated office space and future allocations would be limited to 1,350,000 leasable square feet of office space, until entirely allocated. Block 26, Parcel 1, and Block 27, Parcel 1, are included in the District and have been allocated a total of 422,980 square feet pursuant to Motion No. 17709 and Motions Nos. 17401 (applicable to 1455 Third Street) and 17400 (applicable to the 1515 Third Street).

The Planning Commission's role with respect to any individual project within Mission Bay South is to review and approve the design of a specific office development, using the design standards and guidelines set forth in the Design for Development to confirm that the specific office development continues to be consistent with the findings set forth in Resolution No. 14702. It is anticipated that the Schematic Designs for the 1455 and 1515 Third Street will be presented to the Planning Commission for design approvals on April 14, 2016.

CITIZENS ADVISORY COMMITTEE REVIEW PROCESS

The Mission Bay Citizens Advisory Committee (CAC) reviewed the proposed design in September 2015 which was supportive of the overall massing and design of the building. The proposed design was generally well received, including the proposed variances. The inclusion of on-site childcare was specifically noted as a desirable program element, due to the high demand for these services in Mission Bay.

There was a concern raised regarding the initial proposal for childcare drop-off on Bridgeview Way. As a result of this feedback, the applicant relocated to the childcare drop-off area to the Garage at 450 South Street (Block 27). In order to memorialize this solution and as noted earlier in this report the developer will record a notice of special restrictions to set aside 18 parking spaces and indicate hours of operation of a drop-off and pick-up area for the childcare facility for the lifetime of the facility.

MISSION BAY PROGRAM IN DIVERSITY

Pursuant to the OPA, the developer of Blocks 26-27 must comply with the Mission Bay Program in Diversity ("Program"). The Developer shall comply with OCII's Equal Opportunity Program and has worked closely with contract compliance staff to comply with the Small Business Enterprise ("SBE") Program on this development. To date, the Developer has achieved 67% SBE participation for professional services consultants. Of the total contracted fees for the project, 28.9% represents San Francisco-based SBEs, 23.8% have been awarded to minority-owned businesses and 2.4% have been awarded to women-owned businesses. A full list of consultants is included as Attachment D.

During the construction phase of this project, the Developer is committed to meeting OCII's requirements and goals which includes the 50% SBE construction subcontracting participation goal, payment of prevailing wages and the 50% local construction workforce hiring goal. Additionally, permanent hiring will be subject to the OPA in accordance with the City's First Source Hiring Program, which will ensure that San Francisco residents are given first consideration for the project's permanent entry-level employment, with a 50% goal of the entry-level positions being filled by San Francisco residents.

The OPA also requires the Master Developer to contribute \$1.5 million to the First Source Hiring Fund ("Fund") administered by the City of San Francisco for the purposes of job training, referral, and other activities of the citywide First Source Hiring Program. Funds are to be remitted in three equal installments of \$500,000 and each installment is triggered upon completion of commercial space at milestones of one million, two million, and three million leasable square feet in aggregate. To date the Master Developer has made two installments totaling \$1 million to the Fund. It is anticipated that Blocks 26-27 will be in the wave of commercial development that will trigger the last payment.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

As part of its actions on September 17, 1998 establishing the Mission Bay Redevelopment Project Areas, the former San Francisco Redevelopment Commission certified the FSEIR, adopted CEQA findings, adopted a series of mitigation measures, and established a comprehensive system for mitigation monitoring. The Board of Supervisors, the Planning Commission, and various City departments adopted similar findings and mitigation monitoring plans. This FSEIR includes by reference a number of addenda.

OCII staff has reviewed the 2016 Major Phase and 2016 BC/SD Proposal, including the request for the two variances from the design standards in the Design for Development, the request for a secondary use determination for the childcare use, and the office design review request pending at the Planning Commission (together, the "Implementing Action"), for purposes of compliance with CEQA and the State CEQA Guidelines.

The FSEIR is a program EIR under CEQA Guidelines Section 15168 and a redevelopment plan EIR under CEQA Guidelines Section 15180. Approval of the Implementing Action is an undertaking pursuant to and in furtherance of the South Plan in conformance with CEQA Section 15180 and within the scope of the project analyzed in the Mission Bay FSEIR.

Due to the development approvals that have proceeded the current proposed Implementing Action, including without limitation the development authorizations in the South OPA and the approval and construction of infrastructure to serve the site, the remaining discretion available to the Commission, the Executive Director, and the City related to the Implementing Action is limited to design review and approval of the childcare use at this particular location. The FSEIR adequately describes the Implementing Action for the following reasons:

1. The FSEIR analyzed the environmental impacts of the design of the entire Mission Bay Project under Visual Quality and Urban Design in FSEIR Section V.D and considered whether the project would alter scenic views from public areas or would result in increases in light and glare in the surrounding area. The proposed design, with the exceptions of the two variations, is consistent with the Design for Development that was assumed in the FSEIR analysis and would not result in significant aesthetic impacts not considered in the FSEIR. As to the variations, the design will have either no effect, in the case of the streetwall setbacks, or will have no significant effect, in the case of the pedestrian bridges, on view corridors for the reasons elsewhere explained in this Resolution. The streetwall setbacks will not affect light and glare, the pedestrian bridges, as well as the design of both buildings will not contain any features that would be a source of excess light and glare, and both buildings will use materials and design features that conform with the Planning Department's 2011 Standards for Bird-Safe Buildings, incorporated in Planning Code Section 139, which guide the use and types of glass and façade treatment and lighting treatment of buildings to avoid impacts to birds from tall buildings in certain areas of the City.
2. The FSEIR (Appendix A, Initial Study) also considered the effects of wind from tall buildings on pedestrian comfort on sidewalks and other public areas and required compliance with Mitigation Measure I.10, which requires a microclimate analysis of high-rise structures above 100 feet to determine design-specific impacts and provide design modifications to mitigate those impacts. The project sponsor has conducted such an analysis, which found that the project would not cause significant wind impacts and further, that the proposed streetwall setback and pedestrian bridges would deflect and disperse east-west winds away from the childcare outdoor space.
3. The FSEIR also considered the environmental impacts of locating childcare facilities at any area zoned for commercial uses in Mission Bay South, and specifically considered the impacts of the Mission Bay Project on these uses under "Toxic Air Contaminants" in Section V.F, Air Quality: Impacts; "Land Use and Planning Issues" under "Other Issues" in Section V.I, Health and Safety: Impacts; and "Process for Selecting and Approving a Child Care Center and/or School Location" under "Post-Development Impacts" in Section V.J. Contaminated Soils and Groundwater: Impacts. The FSEIR identified possible air quality impacts and impacts from contaminated soil and groundwater and two mitigation measures to address these impacts, Measure F.6 (notice to the Bay Area Air Quality Management District ("BAAQMD") and the San Francisco Department of Public Health ("SFDPH") when locating a childcare facility in Mission Bay) and Measure J.2 (analysis to be submitted to the Regional Water Quality Control Board ("RWQCB") under the approved and recorded Risk Management Plan, that the conditions of soil and groundwater at the location do not pose a soil vapor hazard to a childcare facility). Staff has notified BAAQMD and SFDPH of the planned location of the childcare facility and confirmed that it is not located in a sensitive air pollution control area. Further, as a precautionary measure, enhanced ventilation in the building design is a condition of approval. The project sponsor has submitted the required soil vapor analysis to

the RWQCB and received confirmation that the RWQCB concurs with the project sponsor's conclusion that the site would not present a hazard to a childcare facility from soil vapors. Compliance with all applicable mitigation measures in the MMRP will be a condition of approval.

Staff, in making the necessary findings for the Implementing Action, considered and reviewed the FSEIR, and has made documents related to the Implementing Action and the FSEIR files available for review by the OCII Commission and the public, and these files are part of the record before the OCII Commission.

The FSEIR findings, including statement of overriding considerations, adopted in accordance with CEQA by the Redevelopment Commission by Resolution No. 183-98 dated September 17, 1998, reflected the independent judgment and analysis of the Redevelopment Agency, were and remain adequate, accurate and objective and were prepared and adopted following the procedures required by CEQA, and the findings in those resolutions are incorporated by reference as applicable to the Implementing Action.

OCII staff has reviewed the Implementing Action submitted by the Project Sponsor and finds it acceptable, and recommends that the Commission find and determine, based on the information contained in this Resolution, the FSEIR, the documents on file with the Secretary of the Commission and OCII staff in connection with Implementing Action and all evidence and testimony submitted to the Commission in connection with the Implementing Action, that the Implementing Action before the Commission is within the scope of the Project analyzed in the FSEIR, the FSEIR adequately describes the activities proposed by the Implementing Action and its approval requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162 and 15163 for the following reasons:

1. The Implementing Action is consistent with the Project analyzed in the FSEIR for the reasons explained in this Resolution, which information is incorporated in these findings by this reference, 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 FSEIR related to the Implementing Action.
2. No substantial changes have occurred with respect to the circumstances under which the Project analyzed in the FSEIR was to be undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR related to the Implementing Action.
3. No new information of substantial importance to the Project analyzed in the FSEIR has become available which would indicate that (a) the Implementing Action will have significant effects not discussed in the FSEIR; (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 FSEIR will substantially reduce one or more significant effects on the environment related to the Implementing Action.

CONDITIONS OF APPROVAL

Based on the review process described above, staff finds that the proposed Major Phase and Combined Basic Concept and Schematic Design for the commercial buildings on Blocks 26/P1-27/P1 in Mission Bay South, as described in above, is consistent with the South Plan, the Design for Development and other South Plan documents. The proposed design will be an attractive addition to Mission Bay South.

As is typical, there remain a number of detailed issues that must be resolved in subsequent design stages. Therefore, staff recommends the following conditions of approval:

1. The Blocks 26/P1-27/P1 2016 BC/SD approval is contingent on the Executive Director of OCII's determination that the childcare use is a permitted secondary use for Blocks 26/P1-27/P1 under, and in accordance with, the South Plan.
2. The childcare use shall be constructed using enhanced ventilation that meets the requirements of the San Francisco Health Code Article 38.
3. The Planning Commission's determination that the 2016 BCD/SD Proposal is consistent with the Planning Commission findings contained in Planning Commission Resolution No. 14702 related to the prior Proposition M office use authorization for the property of 422,980 square feet.
4. Future phases of design shall provide specifications for the materials and features to satisfy the requirements of Planning Code Section 139, Standards for Bird Safe Buildings selected for the exterior design of the building.
5. The elements identified in 2016 BC/SD as "screen walls" in the 2016 BCD/SD Proposal at the street level of buildings 1455 and 1515 Third Street shall be permanent features of both buildings and that any proposed relocation of the screen walls shall be subject review and approval by OCII staff.
6. During the Design Development phase, the Developer shall submit the design of the courtyard to the north of 1455 Third Street and the private publicly accessible park at the northwest intersection of Pierpoint and Bridgeview Way to OCII staff for its review and approval. At the courtyard north of 1455 Third Street the Developer shall consider the inclusion of casual seating for the potential extension of the adjacent retail area; and to avoid visual obstructions as seen from the adjacent sidewalk, the Developer shall consider potential solutions such as reorienting or relocating the backflow preventers.
7. The Developer shall record a Notice of Special Restrictions in the land records of Block 26, Parcel 1 stating that the childcare facility is a Local Serving Child Care Facility as defined in the South Plan, is subject the childcare requirements of Planning Code Section 414.1 et seq. and is in compliance herewith by providing on the premises, a childcare facility that primarily serves residents and workers of the immediately surrounding area. The Notice of Special Restrictions shall restriction the childcare facility use not to exceed 6,000 gross square feet pursuant to the definition of Gross Floor Area under the South Plan and Design for Development for a childcare facility.
8. The Developer shall record a Notice of Special Restrictions in the land records of the parking garage located at 450 South Street (Block 27, Parcels 2 and 3) that indicate the number of spaces and hours of operation for a pick-up and drop-off parking area for users of the childcare facility located at 1455 Third Street for the lifetime of such facility.
9. A material and color mock-up of sufficient size to be built on the construction site during an early phase of construction shall be prepared for OCII staff review and approval to ensure consistency with the Proposed Schematic Design. Mock-ups should display the proposed materials, colors, and textures of exterior walls, visible structural elements, window systems (including mullions and glazing materials, louvers, doors, soffits and all visible elements) of the of the buildings comprising the proposed development for review and approval by the Executive Director, or her designee, prior to installation. Materials should include, but are not limited to, patinated zinc panels, glass with ceramic frit pattern, transparent glass (at both outer façade and operable windows), semi-reflective low-iron glass at boxes, painted steel mullions (at both outer façade and operable windows), and all materials on the materials palette.
10. The Developer shall pay, at the time required under the applicable City Regulation, Development Fees and Exactions and new or increased Development Fees and Exactions, including but not limited to the Transportation Impact Development Fee, to the extent required under Section 304.9 of the South Plan.

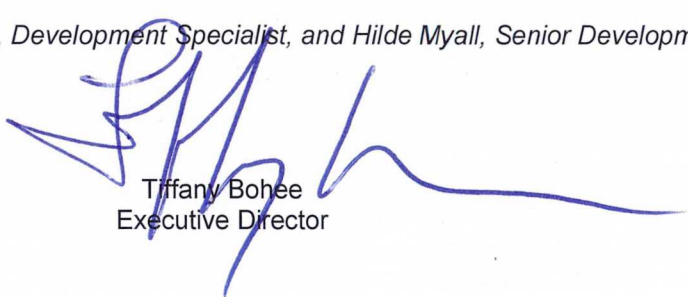
11. Prior to issuance of a Certificate of Occupancy for 1455 Third Street and 1515 Third Street, the Developer shall record a Notice of Special Restrictions in such form approved by the Executive Director and OCII General Counsel, restricting the use of certain personal services, retail and restaurant spaces that do not exceed 5,000 square feet and that are excluded from the definition of Gross Floor Area under the South Plan and Design for Development within each such building to personal services, restaurant or retail use intended to meet the convenience shopping and service needs of workers and residents for the life of the building and further providing that this excluded space in total shall not exceed 75% of the ground floor of the building plus the ground level, on-site open space where such spaces are located.
12. All building signage shall be subject to further OCII staff review and approval. The Developer shall submit a signage plan prior to or concurrent with the Design Development submittal for OCII staff approval, pursuant to the Mission Bay South Signage Master Plan.
13. Prior to the start of any construction, the Developer and their general contractor shall meet with OCII staff to discuss noise regulations and hours of construction operation to ensure that they understand the existing regulations and do not work outside the allowed hours of operations. During construction, the Developer shall designate a single point of contact to address all construction related concerns from OCII, the City, residents of Mission Bay, and other stakeholders.
14. Developer shall comply with all applicable mitigation measures in the adopted MMRP as provided by the schedule in the MMRP.

Staff recommends the approval of the Major Phase and Combined Basic Concept and Schematic Design, with the requested variances, for the commercial buildings on Blocks 26/P1-27/P1 subject to the conditions above.

NEXT STEPS

The Executive Director will approve the secondary use findings, contingent upon the Commission's approval of the 2016 BC/SD. It is anticipated that the Schematic Designs for the 1455 and 1515 Third Street will be presented to the Planning Commission for design approvals on April 14, 2016. Pending Planning Commission approval of the design, the Project Sponsor will work with OCII staff to prepare the Design Development submittal and fulfill the conditions of approval precedent to issuance of the building site permit. Depending on the completion of design submittals for OCII staff review, construction could commence later in 2016.

(Originated by Michelle De Guzman, Development Specialist, and Hilde Myall, Senior Development Specialist)



Tiffany Bohee
Executive Director

Attachment A:	Site Map
Attachment B:	Vicinity Map
Attachment C:	Secondary Use Findings
Attachment D:	Professional Services Subconsultants

ATTACHMENT: A



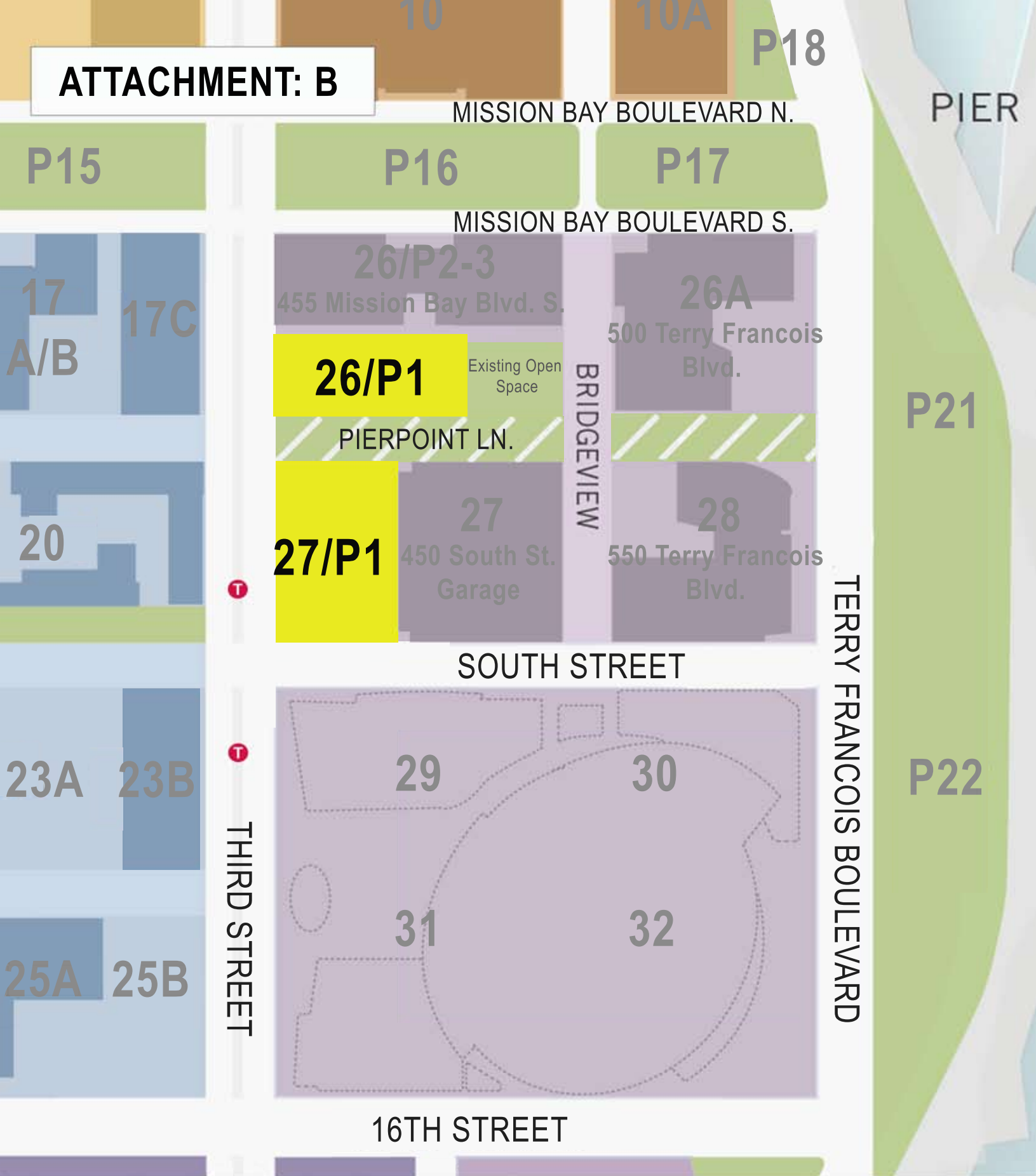
MISSION BAY LOCATION MAP

MARCH 2016



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100 400

ATTACHMENT: B



LEGEND:

- Public Facility
- Parks
- Residential / Market Rate
- Residential / Affordable
- Muni T- Third Street Stop
- UCSF Campus
- Commercial
- UCSF Medical Center
- Site Location
- Open Space & Emergency Vehicle Access

MISSION BAY LOCATION MAP

MARCH 2016



ATTACHMENT C
PROPOSED SECONDARY USE FINDINGS

126-0032016-014

April 6, 2016

Terezia Nemeth
Vice President Development & Community Relations
Alexandria Real Estate Equities, Inc.
1700 Owens Street, Suite 590
San Francisco CA, 12345

Re: Secondary Use Determination to allow a Local-Serving Child Care Facility on Block 26 Parcel 1 (1455 Third Street) in the Mission Bay South Redevelopment Area

Alexandria Real Estate Equities, Inc. and Uber Corporation (“ARE-Uber”) propose to develop two buildings, one 160-foot tower on Block 26, Parcel 1 (1455 Third Street), and a second 90-foot mid-rise building on Block 27, Parcel 1 (1515 Third Street) totaling approximately 410,250 gross square feet of office uses, with 3,000 gross square feet of ground floor retail space, and a space identified for a 5,995 square foot childcare center serving up to 59 children (“ARE-Uber Project”).

The ARE-Uber Project is subject to the requirements of the Mission Bay South Redevelopment Plan (“Plan”), including the Developer Fees and Exactions under Section 304.9 of the Plan. In particular, the Plan requires compliance with the childcare requirements of Planning Code Section 414 et seq. ARE-Uber proposes to meet the childcare requirements through the provision of on-site childcare at their 5,995 square foot childcare center, to be located within the tower on Block 26 Parcel 1.

Edwin M. Lee
MAYOR

Tiffany Bohee
EXECUTIVE DIRECTOR

Mara Rosales
CHAIR

Miguel Bustos
Marilyn Mondejar
Leah Pimentel
Darshan Singh
COMMISSIONERS

The ARE-Uber Project is within the Commercial/Industrial land use district of the Plan. The office and retail uses contemplated in this project are permitted principal uses in the Commercial/Industrial district. This land use district permits a “Local-Serving Child Care facility” as a secondary use, per Section 302.3(B) of the Plan. The Plan defines Local-Serving Child Care Facility as:

A local-serving institutional use, which provides less than 24-hour care for children by licensed personnel and which meets the requirements of the State of California and other authorities. Such use is local-serving in that it serves primarily residents and workers of the immediately surrounding neighborhood on a frequent and recurring basis, and which if not available would require trips outside of the neighborhood. (Plan, Attachment 5 – Definitions)

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San Francisco, CA
94103

415 749 2400

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Under the Plan, the Office of Community Investment and Infrastructure, as successor to the San Francisco Redevelopment Agency, (“OCII”) may authorize secondary uses if the use “generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan and is determined by the Executive Director to make a positive contribution to the character of the Plan Area, based on a finding of consistency with the following criterion: the secondary use, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community”. Plan, § 302.

Proposed Childcare Facility

The childcare facility will be located on the ground floor of the building on Block 26 Parcel 1. It is proposed to consist of 5,995 SF of indoor area, and 4,730 SF of outdoor area for up to 59 children aged 6 weeks to 5 years. The child center curriculum will be based on a wide range of developmentally appropriate childcare philosophies with a program capable of earning an accreditation from the National Association for the Education of Young Children (NAEYC). The focus is on low teacher/child ratios, purposefully designed indoor and outdoor space, and experienced, educated teachers. The enrollment is planned for Uber employees, contractors and members of the Mission Bay community.

The facility will feature renewable finishes and maximize natural light. The interior learning environment will be designed to encourage collaboration, cooperation, creativity and communication. The space will open directly onto the adjacent playground. The playground will be a safe environment that encourages children to explore and play. It will be surrounded by a fence with plantings on both the inside and outside. The park/playground will have learning and play centers for gross motor, arts and crafts, science, gardening, and imaginary play.

Parking for pick-up and drop off will occur within an adjacent existing parking garage located at 450 South Street to reduce queuing on vehicle roadways. The childcare facility will be accessed off Pierpoint Lane, a publicly accessible private pathway for pedestrians and cyclists between the two buildings.

The Plan’s Childcare Requirements

The Plan expressly incorporates, as a Development Fee and Exaction, the childcare requirements that were originally codified in Section 314 of the San Francisco Planning Code and are now codified in Section 414 et seq. of the Planning Code (the “Child Care Requirements”). Specifically, the Child Care Requirements apply to office and hotel development projects in San Francisco proposing a net addition of 25,000 or more gross square feet of office or hotel space. The developer of a project subject to the requirement must either pay the childcare in-lieu fee (\$1.53 per gross square foot) to the Department of Building Inspection (“DBI”) prior to issuance of a building or site permit or notify both OCII and the Planning Department that the developer will provide childcare either on-site at an alternative location, as allowed by the Section 414 of the Planning Code.

To comply with Section 304.9 of the Plan, ARE-Uber will meet the Child Care Requirements by providing an on-site childcare facility in accordance with Planning Code Section 414.5. The property owner will fulfill all obligations necessary for the facility to meet the conditions for on-site compliance, both prior to receiving the first certificate of occupancy and for ongoing operations with respect to annual reporting and affordability.

OCII Secondary Use Findings

The on-site childcare facility within the ARE-Uber Project qualifies as a secondary use under the Plan. Section 302 of the Plan provides as follows:

Secondary uses shall be permitted in a particular land use district as set forth in Sections 302.1, 302.3 and 302.4, provided that such use generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan and is determined by the Executive Director to make a positive contribution to the character of the Plan Area, based on a finding of consistency with the following criterion: the secondary use, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community.

The on-site childcare facility within the ARE-Uber Project is appropriate as a secondary use and will fulfill the Plan's Child Care Requirements and the following redevelopment objectives described in Section 103 of the Plan such as:

1. *Complying with the Child Care Requirement which is a redevelopment objective under Section 304.9.*

ARE-Uber has proposed fulfilling this requirement by developing an on-site child care facility, which is authorized under Section 414.5 of the Planning Code. The facility meets the Plan's definition of "Local-Serving" because it will primarily serve Uber employees, contractors, and members of the Mission Bay community.

2. *Assembling land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Plan Area (Section 103.C).*

As noted earlier, parking for pick-up and drop off will occur inside the adjacent existing parking facility. Circulation between this parking garage and the childcare facility will be accessible only through Pierpont Lane, a pedestrian and bicycle pathway that will be substantially improved as part of the ARE-Uber project.

3. *Providing flexibility in the development of the Plan Area to respond readily and appropriately to market conditions (Sec. 103.D), strengthening the economic base of the Plan Area (Sec. 103.H) and strengthening the community's supply of housing by facilitating economically feasible, affordable housing (Sec 103.G).*

A childcare facility makes a positive contribution to the Plan area, and is necessary, desirable and compatible with the community, as the service will primarily serve residents and employees in the community.

The inclusion of on-site childcare will help with employee attraction and retention, and support the viability of the office space that is the primary use of the ARE-Uber project. The on-site childcare facility within the ARE-Uber Project will meet the childcare requirement for new commercial developments found in Section 414 of the Planning Code. This Planning Code section finds that commercial developments are benefitted by the availability of nearby childcare for employees, which in turn supports the San Francisco economy and quality of life. It further finds the supply of childcare in the City has not kept pace with the demand for these services for new employees. The on-site childcare facility within the ARE-Uber Project will help to meet this need, at the location where the demand is generated.

As part of the Basic Concept/Schematic Design approvals for the ARE-Uber Project to be considered by the OCII Commission, the childcare has been evaluated for compliance with and subject to the Design for Development for the Mission Bay South Project Area as it applies to the Commercial/Industrial land use district, and staff is recommending approval of the ARE-Uber Project because of its consistency with the planning and design controls established pursuant to the Plan.

Based on these factors, the proposed child care facility in the ARE-Uber Project will make a positive contribution to the character of the Plan Area, at the size and intensity contemplated and at the proposed location will provide a development that is necessary and desirable for and compatible with the neighborhood and community. This letter serves as the determination by the Executive Director pursuant to Section 302 of the Plan to permit the development of the on-site childcare facility within the ARE-Uber Project as a secondary use in Mission Bay South.

In making this Secondary Use Determination, the Executive Director: 1) finds and determines that the Secondary Use Determination is within the scope of the Mission Bay Redevelopment Project approved under the Mission Bay Final Subsequent Environmental Impact Report; and 2) conditions this Secondary Use Determination on compliance with the OCII resolution approving the major phase and basic concept/schematic design applications for the ARE-Uber Project.

Sincerely,

Tiffany J. Bohee
Executive Director

**ATTACHMENT D
SBE CONTRACTING DATA**

Mission Bay South Blocks 26 & 27

Uber / ARE Joint Venture Office Building

Discipline	Consultant Name	Fees	SBE Goal		SBE		For Informal Purposes Only		
			Credit*		Participation	SBE - SF	MBE	Ethnicity**	WBE
Lead Architect	SHoP	\$ 5,716,315	\$ 5,716,315						
Architect of Record	Quezada*	\$ 3,280,203	\$ 3,280,203	\$ 3,280,203	\$ 3,280,203	\$ 3,280,203	\$ 3,280,203	Latino	
Specifications	Topflight	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000			
Major Phase Consulting	Powell Architecture	\$ 29,950	\$ 29,950	\$ 29,950	\$ 29,950	\$ 29,950			
Structural	Thornton Tomasetti	\$ 1,253,875							
Associate Structural	Bello	\$ 196,125	\$ 196,325	\$ 196,325	\$ 196,325	\$ 196,325		Asian/PI	\$ 196,325
Geotechnical Engineering	Langan Treadwell Rollo	\$ 483,000							
Environmental Consultant	Environ	\$ 159,000							
Landscape Architect	Surfacedesign	\$ 241,530	\$ 241,530	\$ 241,530	\$ 241,530	\$ 241,530			
Fire / Code	The Fire Consultants	\$ 178,200	\$ 178,200	\$ 178,200					
Owner's Permit Expeditor	Gary Bell Associates	\$ 11,400							
MEP + FP	Alfa Tech	\$ 2,223,432							
SBE Plumbing	A & S engineering	\$ 352,721	\$ 352,721	\$ 352,721	\$ 352,721	\$ 352,721	\$ 352,721	Asian/PI	
SBE Electrical	Meyers+	\$ 70,740	\$ 70,740	\$ 70,740	\$ 70,740	\$ 70,740			
Commissioning	Enovity	\$ 480,749							
SBE LEED and Energy Modeling	Atelier10	\$ 402,000							
SBE Lighting	Niteo	\$ 83,500	\$ 83,500	\$ 83,500	\$ 83,500	\$ 83,500			
Civil Engineer	Freyer & Laureta	\$ 232,076	\$ 232,076	\$ 232,076	\$ 232,076		\$ 232,076	Asian/PI	
Vertical Transportation/Elevator Consultant	GVK	\$ 93,000	\$ 93,000	\$ 93,000	\$ 93,000	\$ 93,000			
Acoustical Consultant	Papadimos	\$ 51,000	\$ 51,000	\$ 51,000				Asian/PI	\$ 51,000
Graphics, Signage & Way Finding Consultant	TBD***	\$ 20,000							
Building Enclosure Consultant (façade)	Heintges	\$ 517,000							
Accessibility Consultant	Sally Swanson	\$ 79,052	\$ 79,052	\$ 79,052	\$ 79,052	\$ 79,052			\$ 79,052
Reproduction	Smartplotting	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	SE Asian	
Sound/Vibration	Municon	\$ 84,936	\$ 84,936	\$ 84,936	\$ 84,936	\$ 84,936			\$ 84,936
SBE Consultant	Butler Enterprise	\$ 36,470	\$ 36,470	\$ 36,470	\$ 36,470	\$ 36,470	\$ 36,470	African American	
Owner's Testing & Inspection Agent	CEL / RES Engineers*	\$ 374,594	\$ 374,594	\$ 129,268	\$ 129,268	\$ 129,268			
Total		\$ 16,831,868	\$ 11,281,612	\$ 5,319,971	\$ 4,858,695	\$ 4,858,695	\$ 4,001,470		\$ 411,313
Percent of Total Fees			67.0%	31.6%	28.9%		23.8%		2.4%

* Full SBE credit is granted to joint ventures and associations where the SBE partner performs at least 35% of the joint venture or association agreement.

**Ethnicity and/or gender data were gathered from third-party sources and presented for informational purposes only. Such data have not been verified.

***Negotiations are pending with San Francisco-based SBEs. SBE percentages are expected to increase when contracts are finalized.

**ATTACHMENT D
SBE CONTRACTING DATA**

Mission Bay South Blocks 26 & 27

Uber / ARE Joint Venture Office Building

Bio on Key Subconsultants

Quezada Architecture is a San Francisco-based international architecture, planning and interiors firm founded in 1993 by Alfred Quezada Jr., AIA, LEEDap. QA has been recognized by publications and AIA design awards for many of its continuing clientele which include projects for all the George Lucas Companies, more than twenty for Microsoft Corporation and completed commissions for Accenture in more than six U.S. cities. Locally, QA has been honored with its selection for the design of the AIA San Francisco Office which received an AIA Achievement Award and USGBC LEED-CI Gold Rating.

Bello & Associates, Structural Engineers is a San Francisco firm founded in 1993 and provides structural engineering services with an emphasis on seismic design and analyses. The firm has designed many structures in the City for both public and private clients, including several buildings in Mission Bay.

Surfacedesign Inc. is a San Francisco-based Landscape Architecture and Urban design firm, established in 2001. Its principals, James A. Lord , Roderick Wyllie and Geoff Di Girolamo, have completed a wide range of award winning projects both nationally and internationally in New Zealand, Australia, Mexico, Canada, Indonesia and China. Currently SDI is providing the design lead for the Landscape Masterplan for the Smithsonian Institute in Washington DC. In the Bay Area and San Francisco, Surface design has completed many public projects including the Visitor Plaza and Overlook for the Golden Gate Bridge, Lands' End visitor center, Buena Vista Winery and Pier 9 Barnacles on the SF waterfront. SDI has recently been selected for new the Mission Bay waterfront Park adjacent to the proposed Warrior Stadium and has won a national Design honor award for the IBM plaza in Honolulu by the American society of Landscape Architects.

SmartPlotting Reprographics has more than two decades of successful experience meeting the printing & special project requirements of San Francisco's A/E/C & design communities. We have worked on various SF City and private-sector design/build projects over many years. As a small, local business, we specialize in providing our clients the benefits of personalized, boutique-style services with full-scale capabilities. Our primary objective is to give our clients an outstanding product & service supported by a skilled, responsive & dedicated staff committed to these principles. Our clients can count on SmartPlotting for attention to detail, quick turnaround, technical expertise & reliability.