

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO.41-2022

APPROVING AN AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE TRANSBAY REDEVELOPMENT PROJECT AREA IN CONNECTION WITH THE DEVELOPMENT OF A MIXED-USE RESIDENTIAL PROJECT ON BLOCK 2 OF ZONE ONE OF THE TRANSBAY REDEVELOPMENT PROJECT AREA; REFERRING THE PLAN AMENDMENT TO THE PLANNING COMMISSION FOR ITS REPORT AND RECOMMENDATION TO THE BOARD OF SUPERVISORS; RECOMMENDING THE PLAN AMENDMENT TO THE BOARD OF SUPERVISORS FOR ADOPTION; TRANSBAY 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 (“Former Agency”) undertook programs for the redevelopment of blighted areas in the City and County of San Francisco (“City”), including the Transbay Redevelopment Project Area (“Project Area”); and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) approved the Redevelopment Plan for the Transbay Redevelopment Project Area by Ordinance No. 124-05 (June 21, 2005) and by Ordinance No. 99-06 (May 9, 2006), as amended by Ordinance No. 84-15 (June 18, 2015) and Ordinance No. 62-16 (April 28, 2016) (“Redevelopment Plan”); and,

WHEREAS, The Redevelopment Plan establishes the land use controls for the Project Area and divides the Project Area into two subareas: Zone One, in which the Redevelopment Plan and the Development Controls and Design Guidelines for the Transbay Redevelopment Project (as currently amended, the “Development Controls”) define and regulate land uses, and Zone Two, in which the San Francisco Planning Code applies. Zone One is intended to be developed with predominantly residential uses. The Successor Agency solely administers and enforces land use entitlements for property and projects in Zone One and has delegated its authority over projects that do not require Successor Agency action in Zone Two to the San Francisco Planning Department pursuant to that certain Delegation Agreement between the Former Agency and the Planning Department for the Transbay Redevelopment Project Area (May 3, 2005); and,

WHEREAS, On February 1, 2012, the State of California dissolved all redevelopment agencies including the Former Agency and required the transfer of certain of the Former Agency's assets and obligations to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“Successor Agency”), commonly known as the Office of Community Investment and Infrastructure (“OCII”) (Cal. Health & Safety Code §§ 34170 et seq., “Redevelopment Dissolution Law”). On June 27, 2012, the Redevelopment Dissolution Law was amended to clarify that successor agencies are separate public entities from the city or county that had originally established a redevelopment agency and they succeed to the organizational status of the former redevelopment agency to complete any work

related to an approved enforceable obligation, Cal. Health & Safety Code § 34173 (g); and,

WHEREAS, The Board of Supervisors, acting as the legislative body of the Successor Agency, adopted Ordinance No. 215-12 (Oct. 4, 2012), which, among other matters: (a) acknowledged and confirmed that the Successor Agency is a separate legal entity from the City, and (b) established this Successor Agency Commission (“Commission”) and delegated to it the authority to (i) implement, modify, enforce and complete the Former Agency’s enforceable obligations; (ii) approve all contracts and actions related to the assets transferred to or retained by OCII, including, without limitation, the authority to exercise land use, development, and design approval, consistent with the applicable enforceable obligations; and (iii) take any action that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and any other action that the Commission deems appropriate, consistent with the Redevelopment Dissolution Law, to comply with such obligations; and,

WHEREAS, The authority of the Commission includes authority to grant approvals under land use controls for the Project Area specified in the Redevelopment Plan and to recommend amendments to the Redevelopment Plan, subject to Board of Supervisors’ approval, as provided under the CRL; and,

WHEREAS, The Successor Agency now proposes to take actions related to Transbay Block 2 within Zone One of the Project Area, an approximately 42,627 square-foot parcel generally located at 200 Folsom Street, bounded by Folsom, Main and Beale Streets and extending approximately 155 feet northwest from Folsom Street (Assessor’s Block 3739, Lot 014 (“Block 2” or the “Site”)); and,

WHEREAS, Through a competitive request for proposals process, the Successor Agency selected Mercy Housing California and Chinatown Community Development Center (the “Sponsors”) to co-develop the Site. Pursuant to an Exclusive Negotiations Agreement between the Successor Agency and affiliates of the Sponsor (approved as Commission Resolution No. 09-2021), the Sponsors have engaged in predevelopment activities for Block 2 and have requested that the Successor Agency take a series of actions related to the Site to facilitate the development of two mixed-use residential buildings as well as related public and private open space and streetscape improvements. In accordance with the Development Controls, Block 2 is divided by a 25 foot wide publicly accessible pedestrian mews running north to south through the center of the Site. The proposed building located to the east of the pedestrian mews includes 184 rental housing units (183 affordable units and one unrestricted manager’s unit) that will serve low-income households and formerly homeless households, resident-serving amenities, approximately 1,959 square feet of retail space, and an approximately 6,447 square foot childcare facility (the “2 East Project”). The proposed building located to the west of the pedestrian mews includes 151 rental housing units (150 affordable units and one unrestricted manager’s unit) that will serve low-income senior households and formerly homeless seniors, resident-serving amenities, and 2,945 square feet of retail space (the “2 West Project”). Together, the Blocks 2 East and West Projects comprise the “Block 2 Project”; and,

- WHEREAS, The Redevelopment Plan specifies the land use of Block 2 as "Transbay Downtown Residential" and provides for a maximum floor plate size of 7,500 square feet for buildings between 85 and 250 feet in height for all buildings within Zone One of the Project Area; and,
- WHEREAS, As part of its application for the Schematic Design of the 2 East Project, the Sponsors are requesting an amendment to the Redevelopment Plan that would facilitate the development of additional affordable housing units on Block 2 by increasing the maximum building floor plate size applicable to Block 2 from 7,500 square feet to 11,100 square feet for the portion of buildings between 85 feet and 144 feet in height, and to 9,200 square feet for the portion of buildings between 144 feet and 165 feet in height (the "Plan Amendment"); and,
- WHEREAS, In addition to the Plan Amendment, the requested actions consist of: (1) approval of necessary amendments to the Development Controls for the Block 2 Project, (2) conditional approval of Schematic Designs for the 2 East and 2 West Projects for the development of the Site, and (3) recommendations of related actions to agencies responsible therefor (collectively, items 1 through 3 and the Plan Amendment are the "Proposed Actions"); and,
- WHEREAS, OCII is recommending the Plan Amendment to achieve the goals and objectives set forth in the Redevelopment Plan, including among others, the creation of housing opportunities that provide a mixture of housing types and sizes to attract a diverse residential population, including families and people of all income levels. The increase in maximum floor plate area would permit a more efficient design that allows for the production of a greater number of affordable housing units and improves the financial viability of the 2 East Project, as described in further detail in the Commission Memorandum provided together with this resolution and incorporated herein by this reference; and,
- WHEREAS, Sections 33450-33458 of the CRL set forth a process to amend a redevelopment plan. This process includes a publicly noticed hearing, environmental review to the extent required, adoption of the plan amendment after the public hearing, referral of the amendment to the planning commission, a publicly noticed hearing of the legislative body, and legislative body consideration after its hearing. CRL Section 33352 further requires the preparation of a report to the legislative body regarding the plan to provide relevant background information in support of the need, purpose and impacts of the plan amendment; and,
- WHEREAS, Pursuant to Sections 33352 and 33457.1 of the CRL, the OCII staff has prepared the Report to the Board of Supervisors on the Amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area ("Report to the Board of Supervisors"), which the Commission has approved by Resolution No. 40-2022; and,
- WHEREAS, On November 1, 2022, the Commission opened a public hearing on the adoption of the Plan Amendment, notice of which was duly and regularly published, as required under Section 33452 (a) of the CRL, in a newspaper of general circulation in the City and County of San Francisco once a week for three successive weeks

beginning 21 days prior to the date of the hearing, and a copy of the notice and affidavit of publication are on file with OCII; and,

WHEREAS, As required under Section 33452 of the CRL, OCII mailed by first-class mail notices of the public hearing on the Plan Amendment to the last known address of each assessee of land in the Project Area as shown on the last equalized assessment roll of the City; and,

WHEREAS, As required under Section 33452 of the CRL, OCII mailed by first-class mail, notices of the public hearing on the Plan Amendment to all residential and business occupants in the Project Area; and,

WHEREAS, Copies of the notice of public hearing were mailed, by certified mail, return receipt requested, to the governing body of each taxing agency that receives taxes from property in the Project Area; and,

WHEREAS, On November 1, 2022, the Commission adopted Resolution No. 39-2022 by which the Commission determined that the Final Environmental Impact Statement/ Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project (the “FEIS/EIR” as defined in said resolution), together with further analysis provided in Addendum No. 10 to the FEIS/EIR (the “Addendum” as defined in said resolution), remains adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq., and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq., collectively “CEQA”) for purposes of evaluating the potential environmental effects of the Proposed Actions (including the Plan Amendment) and the Project; and,

WHEREAS, The environmental effects of the Plan Amendment have been analyzed in the environmental documents as described in Commission Resolution No. 39-2022. Copies of the FEIS/EIR and Addendum No. 10 are on file with the Commission Secretary;

WHEREAS OCII staff has reviewed the Plan Amendment, and, in accordance with its Commission Memorandum and supporting information provided to the Commission and incorporated herein by reference, finds it acceptable and recommends approval thereof,

WHEREAS, The Commission has provided an opportunity for all persons to be heard and has considered all evidence and testimony presented for or against any and all aspects of the Plan Amendment; now therefore, be it

RESOLVED, That in Resolution No. 39-2022, the Commission adopted findings that the Proposed Actions, including the Plan Amendment, are in compliance with CEQA, said findings, which are on file with the Commission Secretary, being in furtherance of the actions contemplated in this Resolution and made part of this Resolution by reference herein; and, be it further

RESOLVED, That for the purposes of compliance with CEQA, the Commission hereby adopts the findings and determinations set out in Resolution 39-2022 that the Plan Amendment is within the scope of the project analyzed by the FEIS/EIR and Addendum No. 10; and, be it further

RESOLVED, That the Commission refers the Plan Amendment to the San Francisco Planning Commission for its report and recommendation on the Plan Amendment and its conformance with the General Plan; and, be it further

RESOLVED, That the Commission approves the Plan Amendment as consistent with the goals and objectives of the Redevelopment Plan and recommends the Plan Amendment to the Board of Supervisors for its approval.

I hereby certify that the foregoing resolution was adopted by the Successor Agency Commission at its meeting of November 1, 2022.

Commission Secretary

EXHIBIT A: Plan Amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area

Exhibit A. Redevelopment Plan Amendment

Added text shown in red with underline.

3.5.2 Height and Size of Buildings

The Zone One Plan Map and the table and text below illustrate the heights and floor plate sizes permitted for residential buildings in Zone One.

Maximum Floor Plates for Residential Buildings

<i>Building Height (feet)</i>	<i>Maximum Floor Plate Size (square feet)</i>
85 – 250	7,500*
251 – 300	10,000
301 – 350	10,500
351 - 400	11,000
401 – 450	11,500
451 – 500	12,000
501 – 550	13,000

* On Transbay Block 2, a Maximum Floor Plate Size of 11,100 square feet is permitted for the portion of the building between 85 feet and 144 feet in height and a Maximum Floor Plate Size of 9,200 square feet is permitted for the portion of the building between 144 feet and 165 feet in height.

For residential towers above 500 feet in total height, the average floor plate size of the portion of the tower above 350 feet must not exceed 12,000 square feet. Below 85 feet, no bulk controls will apply.

The bulk controls for residential buildings prescribed in this section have been carefully considered in relation to the objectives and policies for Zone One of the Project Area. The maximum average floor plate size above 350 feet for residential towers with heights of 501-550 feet has been written to conform to the San Francisco Downtown Area Plan. There may be some exceptional cases in which the maximum average floor plate above 350 feet for residential towers with heights of 501-550 feet could be permitted to be exceeded. The Successor Agency Commission may approve exceptions to this control provided that the project sponsors demonstrate that all of the design guidelines for residential towers in the Development Controls and Design Guidelines are incorporated into the tower design. In no case shall residential tower floor plates exceed 13,000 square feet.

For general office buildings in Zone One, the maximum floor plate sizes shall be consistent with the bulk limits permitted by Sections 270 (Bulk Limits: Measurement) and 272 (Bulk Limits: Special Exceptions in C-3 Districts) of the San Francisco Planning Code, as amended from time to time, for the C-3-O District (Downtown Office).