

Amendment of the Whole
February 5, 2007.

FILE NO. 070099

RESOLUTION NO.

1 [Redevelopment of Candlestick Point and the Hunters Point Shipyard for an integrated mixed-
2 use project, including possibly a new 49ers stadium.]

3 **Resolution endorsing the efforts of the City, the Redevelopment Agency and Lennar**
4 **Corporation to generate a conceptual proposal for a mixed-use development on**
5 **Candlestick Point and Hunters Point Shipyard that includes the possibility of a new**
6 **state-of-the art stadium and associated parking for the San Francisco 49ers and that**
7 **will provide parks and open space, jobs, affordable housing and other tangible**
8 **economic and other public benefits for the Bayview Hunters Point community as soon**
9 **as possible, and urging the Redevelopment Agency to work with the City to amend its**
10 **exclusive negotiations agreement with Lennar/ BVHP Partners for the Hunters Point**
11 **Shipyard to provide for an integrated redevelopment project on Candlestick Point and**
12 **the Shipyard.**

13 WHEREAS, The Bayview Hunters Point (“BVHP”) community has one of the lowest
14 median income and highest unemployment rates in the San Francisco, and the betterment of
15 the quality of life for the residents of the BVHP Community is one of the City’s highest
16 priorities; and,

17 WHEREAS, Redevelopment of the Candlestick Point and Hunters Point Shipyard
18 areas with a mixed-use project would provide much needed parks and open space,
19 employment, and affordable housing opportunities, as well as other tangible economic and
20 public benefits, for the BVHP community in particular and the City as a whole; and,

21 WHEREAS, In June 1997, the electors of the City and County of San Francisco
22 adopted two measures – Proposition D and Proposition F – providing for the development of a
23 new state-of-the-art stadium for the San Francisco 49ers and entertainment retail shopping
24 center at Candlestick Point; and,

1 WHEREAS, Under Proposition F the people of San Francisco adopted a policy that
2 Candlestick Point and the surrounding area is the most suitable location in San Francisco for
3 the construction of a new 49ers stadium and that the development associated with the
4 stadium development would assist in revitalizing the economy of the BVHP area and provide
5 jobs; and,

6 WHEREAS, For several years following the approval of Propositions D and F, the City
7 worked with the 49ers and its developer partner, the Mills Corporation, to pursue a plan for
8 developing the stadium and adjoining entertainment retail shopping center project, but that
9 plan proved to be economically and practically infeasible, and in the Fall of 2005, the 49ers
10 terminated their exclusive negotiation arrangement with the Mills Corporation; and,

11 WHEREAS, In the Fall of 2005, the 49ers, after having conducted a competitive
12 process for a new developer partner, selected Lennar Corporation ("Lennar") to explore the
13 feasibility of a new plan for development of a stadium in the context of a comprehensive
14 mixed-use project at Candlestick Point; and,

15 WHEREAS, Over the course of about 18 months, Lennar, working in cooperation with
16 the 49ers and the City, created a new preliminary plan that would provide for a world-class
17 49ers stadium and related mixed-use development at Candlestick Point, consisting of about
18 6,500 new housing units, including affordable units and the replacement of the Alice Griffith
19 Public Housing Development, together with retail and commercial uses, new public open
20 spaces and major improvements to the state park, and substantial transportation
21 improvements at Candlestick Point; and,

22 WHEREAS, In the Fall of 2006, the 49ers decided that the proposed plan for
23 Candlestick Point did not fully meet their needs for a new football stadium, and on November
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1 8th the 49ers announced that they would instead focus on examining the feasibility of a new
2 stadium in Santa Clara; and,

3 WHEREAS, On November 21, 2006, Lennar, in conjunction with the Mayor's Office of
4 Economic and Workforce Development, presented at a public hearing before the full Board of
5 Supervisors the preliminary plan for the stadium related development Candlestick Point; and,

6 WHEREAS, Although the 49ers acknowledged that the preliminary plan for Candlestick
7 Point was a great plan for mixed-use development, the 49ers stated that it did not work
8 adequately for their football needs mainly because of concerns about the inclusion of a large
9 parking garage that would serve 49ers fans, the cost and risk of completion of the necessary
10 transportation improvements, the impacts on stadium operations during the construction of the
11 development, and the risk of the entitlement process; and,

12 WHEREAS, The 49ers are an important source of civic pride and are closely identified
13 with San Francisco, having played in San Francisco since the 1940s and at Candlestick Point
14 since the early 1970s; and,

15 WHEREAS, The City remains committed to addressing the 49ers' concerns and
16 examining a new plan that meets their needs, but at the same time the City's primary goal is
17 to assure that it can produce a plan that is fiscally prudent for the City and that will deliver
18 parks and public open space, jobs, affordable housing and other tangible economic and public
19 benefits to the BVHP community and the City as soon as possible; and,

20 WHEREAS, In March 1999 the Redevelopment Agency of the City and County of San
21 Francisco (the "Agency"), through a competitive process, selected Lennar/ BVHP Partners, an
22 affiliate of Lennar, as the primary developer of the Hunters Point Shipyard, and Lennar/ BVHP
23 Partners has since been working diligently with the City, Agency and the United States Navy
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1 to provide for the environmental remediation and transfer of the Shipyard by the Navy to
2 facilitate the redevelopment and economic revitalizations of the former base; and,

3 WHEREAS, In July 1997, the Board of Supervisors, by Ordinance No. 285-97, adopted
4 a Redevelopment Plan for the revitalization of the Hunters Point Shipyard Project Area, and in
5 June 2006, the Board of Supervisors, by Ordinance No. 113-06, adopted a Redevelopment
6 Plan for the Bayview Hunters Point Project Area, including land in Candlestick Point; and,

7 WHEREAS, Following the 49ers' announcement in November 2006 that they would
8 concentrate on exploring the feasibility of building a new stadium in Santa Clara, Lennar, in
9 cooperation with the City, has expended significant resources and has been working diligently
10 on a new preliminary plan that would site the stadium and related parking on the Hunters
11 Point Shipyard, and would provide for an integrated mixed-use development across both
12 Candlestick Point and the Hunters Point Shipyard; and,

13 WHEREAS, In the Mayor's December 28, 2006 letter to the 49ers, a copy of which is
14 on file with the Clerk of the Board of Supervisors in File No. 070099, which is hereby declared
15 to be a part of this resolution as if set forth fully herein, the Mayor set forth a new preliminary
16 plan based on such planning work, treating Candlestick Point and the second phase of
17 development for the Hunters Point Shipyard as an integrated project; and,

18 WHEREAS, The policy goals adopted by the People of San Francisco under
19 Proposition F, as well as the objectives for this area under the BVHP and Shipyard
20 Redevelopment Plans adopted by the Board of Supervisors and the public benefits under the
21 earlier Lennar plan for Candlestick Point can best be achieved by consolidating the
22 revitalization of Candlestick Point and the Hunters Point Shipyard as a single project; and,

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1 WHEREAS, The 49ers have indicated a willingness to work with the City and Lennar to
2 consider the feasibility of a possible plan for a new stadium and associated parking on the
3 Shipyard; and,

4 WHEREAS, On or before March 31, 2007, the Mayor's Office of Economic and
5 Workforce Development intends to present, and the Board wishes to consider at a public
6 hearing, the new preliminary plan for the Candlestick Point and the Shipyard to determine if
7 the integrated plan is fiscally feasible and responsibly delivers sufficient public benefits, and
8 whether environmental review should commence; and,

9 WHEREAS, The lease with the 49ers of the current stadium on Candlestick Point is
10 currently scheduled to expire on May 31, 2013; and,

11 WHEREAS, The new consolidated development plan should include, without limitation,
12 the City's approximately 77-acres of land at Candlestick Point that the stadium is located on
13 as well as the site of the Alice Griffith Public Housing Development, and the remainder of the
14 Hunters Point Shipyard, and should involve coordination with, among others, the State Parks
15 Department, to produce the best possible project boundaries to achieve all of the
16 aforementioned public benefits, including significant open space and recreation opportunities;
17 and,

18 WHEREAS, The new consolidated development plan should explore the construction
19 of hundreds of acres of new waterfront parks and open space, 8,500 new units of housing,
20 including replacing the Alice Griffith Public Housing Development as part of a larger affordable
21 housing program, extensive job-generating retail and research and development space, and
22 permanent space for the artists at the Hunters Point Shipyard, and should be consistent with
23 the applicable guiding principles for development on file with the Clerk of the Board of
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1 Supervisors in File No. 070099, which is hereby declared to be a part of this resolution as if
2 set forth fully herein; and,

3 WHEREAS, The consolidated development plan should also provide for the possibility
4 of developing a new stadium and associated parking on a portion the Hunters Point Shipyard,
5 if the 49ers timely determine that such a stadium is feasible, but the plan should allow the rest
6 of the mixed-use development and all of its attendant public benefits to proceed regardless of
7 the 49ers' final decision about the location of a new stadium; and,

8 WHEREAS, Any integrated project ultimately proposed by the City, the Agency and
9 Lennar shall be subject to a process of thorough public review and input and all necessary
10 and appropriate approvals; that process must include environmental review under the
11 California Environmental Quality Act ("CEQA") before the City or the Agency may consider
12 approving the project; the project will require discretionary approvals by a number of
13 government bodies after public hearings and environmental review, including by the City's
14 Board of Supervisors, Planning Commission, Recreation and Park Commission and
15 Redevelopment Agency Commission; the project also may require approval by various State
16 agencies, such as the State Park and Recreation Commission, Bay Conservation and
17 Development Commission ("BCDC"), and State Lands Commission; and, in addition, the
18 project may require amendments to the Hunters Point Shipyard and Bayview Hunters Point
19 Redevelopment Plans, in accordance with the procedural and substantive requirements of the
20 California Community Redevelopment Law; and,

21 WHEREAS, Nothing in this resolution commits, or shall be deemed to commit, the City,
22 the Agency or any other public agency to approve or implement the project, and they may not
23 do so until environmental review of the project as required under CEQA has been completed;
24 accordingly, the references to "the project" (or the like) in this resolution mean a proposed
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1 project subject to future environmental review and consideration by the City, Agency and
2 other public agencies; further, the City, the Agency and any other public agency with
3 jurisdiction over any part of the project each shall have the absolute discretion before
4 approving the project to: (i) make such modifications to the project as may be necessary to
5 mitigate significant environmental impacts; (ii) select other feasible alternatives to avoid or
6 substantially reduce significant environmental impacts; (iii) require the implementation of
7 specific measures to mitigate any specific impacts of the project; (iv) balance the benefits of
8 the project against any significant environmental impacts before taking final action if such
9 significant impacts cannot otherwise be avoided; or (v) determine whether or not to proceed
10 with the project; now, therefore, be it

11 RESOLVED, The Board endorses the efforts of Lennar, working in close cooperation
12 with all of the appropriate City departments (including, without limitation, the Recreation and
13 Park and Planning Departments) and the Agency, to generate an integrated development plan
14 for a mixed-use development on Candlestick Point and the Hunters Point Shipyard that
15 includes the possibility of a new state-of-the art stadium and associated parking for the San
16 Francisco 49ers on a portion of the Shipyard and that also provide parks and open space,
17 jobs, affordable housing and other tangible economic and public benefits for the BVHP
18 community, consistent with the relevant principles on file with the Clerk of the Board of
19 Supervisors in File No. 070099, which is hereby declared to be a part of this resolution as if
20 set forth fully herein; and, be it

21 FURTHER RESOLVED, That any new development that involves the site of the current
22 Alice Griffith Housing Development must provide for at least the 1:1 replacement at existing
23 income levels of such housing and phase the development so that the residents of the Alice
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1 Griffith Housing Development will be provided with new replacement housing before they are
2 required to leave their existing homes.

3 FURTHER RESOLVED, That the Board of Supervisors encourages the 49ers to work
4 diligently with the City, the Agency and Lennar to examine the feasibility of siting a new
5 stadium and associated parking at the Shipyard and to make a timely determination about the
6 feasibility of such plan; and,

7 FURTHER RESOLVED, That the Board of Supervisors urges the Redevelopment
8 Agency to work with the City to amend the Agency's Exclusive Negotiations Agreement
9 ("ENA") with Lennar/ BVHP Partners for the Hunters Point Shipyard to include redevelopment
10 of Candlestick Point, consistent with the objectives of this resolution, provided that the ENA
11 amendment should include provisions (i) granting an appropriate extension in the term of the
12 ENA to allow for environmental review of the integrated project, with such interim milestones
13 as the City and Agency typically incorporate into exclusive negotiation agreements to help
14 assure that timely progress is made, including milestones relating to arrangements with the
15 49ers, and (ii) conditioning the terms of any transfer and reuse of the City's land in
16 Candlestick Point on approval by the Recreation and Parks Commission and the Board of
17 Supervisors, and such other possible approvals, including voter approval, as may be required;
18 and, be it

19 FURTHER RESOLVED, That the Board of Supervisors urges the Mayors Office of
20 Economic and Workforce Development and the Agency, working in cooperation with Lennar,
21 to give a status report on or before March 31, 2007 to the Board of Supervisors on such
22 planning efforts, and to present to the Board by such date, if possible, a preliminary plan for
23 consideration by the Board; and, be it

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1 FURTHER RESOLVED, That the Board of Supervisors urges the Navy and the
2 environmental regulatory agencies with jurisdiction over the Shipyard, working in cooperation
3 with City departments, the Agency and Lennar, to take such actions as may be required to
4 facilitate the expeditious hazardous materials remediation and transfer by the Navy of the
5 Shipyard, and to integrate remediation with the development plan, so that the remaining of
6 parcels of the Shipyard may be redeveloped to achieve tangible public benefits for the BVHP
7 community as soon as possible; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors urges the federal and state
9 governments to provide grant funding to the City to assist in developing the transportation
10 infrastructure improvements that are necessary to revitalize Candlestick Point and the
11 Shipyard, including possibly a new stadium for the 49ers, and that will serve the BVHP
12 residents, the City as a whole and the region.

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