

File No. 100578

Committee Item No. 7

Board Item No. 16

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date July 12, 2010

Board of Supervisors Meeting Date 08/03/10

Cmte Board

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OTHER

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Planning Commission Resolution No. 10100 + 10101 (Exhibit A excluded*)</u> |
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Completed by: Alisa Somera Date July 9, 2010

Completed by: Alisa Somera Date July 21, 2010

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

28

1 [Zoning Map Amendments - Candlestick Point Activity Node and Hunters Point Shipyard
2 Phase 2 Project]

3
4 Ordinance amending the San Francisco Planning Code by amending Sectional Maps
5 SU09 and SU010 of the Zoning Map of the City and County of San Francisco to
6 establish the Candlestick Point Activity Node Special Use District and the Hunters
7 Point Shipyard Phase 2 Special Use District; amending Sectional Maps HT09 and
8 HT010 to establish the CP Height and Bulk District and the HP Height and Bulk District;
9 adopting findings, including environmental findings, Planning Code Section 302
10 findings, and findings of consistency with the General Plan and the Priority Policies of
11 Planning Code Section 101.1; providing for an operative date.

12 NOTE: Additions are *single-underline italics Times New Roman*;
13 deletions are ~~*strike through italics Times New Roman*~~.
14 Board amendment additions are double-underlined;
Board amendment deletions are ~~strikethrough normal~~.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Findings.

17 (a) The Planning Department has determined that the actions contemplated in this
18 ordinance comply with the California Environmental Quality Act (Public Resources Code
19 21000 et seq.) Said determination is on file with the Clerk of the Board of Supervisors in File
20 No. 100578 and is incorporated herein by reference.

21 (b) In accordance with the actions contemplated herein, this Board adopted
22 Resolution No. _____ making findings pursuant to the California Environmental
23 Quality Act. Said Resolution is on file with the Clerk of the Board of Supervisors in File No.
24 100572 and is incorporated herein by reference.

1 (c) Pursuant to Section 302 of the Planning Code, the Board finds that this
2 ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in
3 Planning Commission Resolution No. 18100 and the Board incorporates those reasons herein
4 by reference. A copy of Planning Commission Resolution No. 18100 is on file with the Clerk
5 of the Board of Supervisors in File No. 100578.

6 (d) The Board of Supervisors finds that this ordinance is in conformity with the
7 General Plan and the Priority Policies of Planning Code Section 101.1 for the reasons set
8 forth in Planning Commission Resolution No. 18101 and incorporates those findings hereby
9 by reference.

10 (e) The Board hereby incorporates by reference the project-specific findings set
11 forth in Section 1(b) of the companion ordinance that amends the text of the Planning Code,
12 Ordinance No. _____.

13 Section 2. The San Francisco Planning Code is hereby amended by amending
14 Sectional Maps SU09 and SU10 of the Zoning Map of the City and County of San Francisco,
15 as follows:

<u>Description of Property</u>	<u>Special Use District To Be Superseded</u>	<u>Special Use District Hereby Approved</u>
Assessor's Block 4884, Lot 025;	Restricted Light	Candlestick Point
Block 4886, Lot 008; Block 4917, Lots 001, 002, and 003; Block 4918, Lots 001 through 008, and 021 through 025; Block 4934, Lots 002 and 003; Block 4935, Lots 001, 002, and 003; Block 4960, Lot 27; Block 4983, Lots 001 and 025; Block 4984,	Industrial	Activity Node

1 Lots 001 and 002; Block 5005, Lots 001, 003,
2 004, 005, and 016.

3 Description of Property

Special Use District
Hereby Approved

4 Block 4884, Lots 026 and 027; Block 4956, Lots
5 003 through 014; Block 4977, Lot 006; Block 4991,
6 Lot 276; Block 5000, Lot 001.

Candlestick Point
Activity Node

7 Section 3. The San Francisco Planning Code is hereby amended by amending
8 Sectional Map SU09 of the Zoning Map of the City and County of San Francisco, as follows:

9 Description of Property

Special Use District
Hereby Approved

10 Assessor's Block 4591A, Lot 079; Block 4591C,
11 Lots 010, 209, and 211.

Hunters Point Shipyard Phase 2
Special Use District

13 Section 4. The San Francisco Planning Code is hereby amended by amending
14 Sectional Maps HT09 and HT010 of the Zoning Map of the City and County of San Francisco,
15 as follows:

16 Description of Property

Height and Bulk
District To Be
Superseded

Height and Bulk
District Hereby
Approved

17
18
19 Block 4884, Lots 025, 026, and 027;
20 Block 4917, Lots 001, 002, and 003; Block
21 4918, Lots 001 through 008 and 021 through
22 025; Block 4934, Lots 002 and 003; Block
23 4935, Lots 001, 002, and 003; Block 4956,
24 Lots 003 through 014; Block 4960, Lot 027;
25 Block 4983, Lots 001 and 025; Block 4984,

40X

CP

1 Lots 001, and 002; Block 5005, Lots 001, 003,
2 004, 005, and 016.

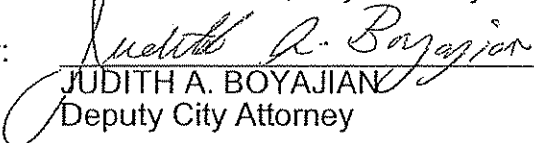
3
4 Block 4886, Lot 008; Block 4977, Lot 006; OS CP
5 Block 5000, Lot 001.

6
7 Section 5. The San Francisco Planning Code is hereby amended by amending
8 Sectional Map HT09 of the Zoning Map of the City and County of San Francisco, as follows:

<u>Description of Property</u>	<u>Height and Bulk District Hereby Approved</u>
Block 4591A, Lot 79; Block 4591, Lots 010, 209, 11 210, and 211.	HP

12
13 Section 6. OPERATIVE DATE. This ordinance shall become operative on the date that
14 the ordinances approving the amendments to the Bayview Hunters Point Redevelopment Plan
15 and the Hunters Point Shipyard Redevelopment Plan become effective.

16
17 APPROVED AS TO FORM:
18 DENNIS J. HERRERA, City Attorney

19 By: 
20 JUDITH A. BOYAJIAN
Deputy City Attorney

LEGISLATIVE DIGEST

[Zoning Map Amendments - Candlestick Point Activity Node and Hunters Point Shipyard Phase 2 Project.]

Ordinance amending the San Francisco Planning Code by amending Sectional Maps SU09 and SU010 of the Zoning Map of the City and County of San Francisco to establish the Candlestick Point Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District; amending Sectional Maps HT09 and HT010 to establish the CP Height and Bulk District and the HP Height and Bulk District; adopting findings, including environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1; providing for an operative date.

Existing Law

Section 105 of the Planning Code describes the San Francisco Zoning Map as showing the "designations, locations and boundaries of the districts established by this Code." The Zoning Map is incorporated within the Planning Code pursuant to Section 106. Under Section 302 of the Code, the process for amending the Zoning Map is the same as the process for amending the text of the Code.

Amendments to Current Law

This ordinance amends the San Francisco Zoning Map by amending Sections Maps SU09 and SU10 to show a newly created Candlestick Point Activity Node Special Use District and Hunters Point Shipyard Phase 2 Special Use District for the blocks and lots listed, which will supersede the existing Restricted Light Industrial Special Use District applicable to the listed blocks and lots. The ordinance will become operative on the date that the ordinances approving the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan become effective.

Sectional Maps HT09 and HT010 of the Zoning Map are being amended to show newly created CP and HP Height and Bulk Districts for the blocks and lots listed, and to supersede the existing OS and 40X Height and Bulk District applicable to the listed blocks and lots.

Background Information

Hunters Point Shipyard and Candlestick Point are part of the Bayview Hunters Point neighborhood and are in close proximity to one another, separated only by Yosemite Slough and the South Basin. Together, they comprise approximately 702 acres and make up the largest area of underused land in the City. For over a decade, the redevelopment of Candlestick Point and the Shipyard has proceeded on parallel, though largely separate, paths. But over the last three years, the City and the Redevelopment Agency have been working

with the Bayview Hunters Point community on redeveloping the two sites together, as envisioned in the Conceptual Framework endorsed by the Board of Supervisors and the Mayor in May 2007 and approved by the voters through passage of Proposition G in 2008.

This ordinance is part of a package of amendments to the General Plan, the Zoning Map, various parts of the Municipal Code, the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans, and various Agreements that will implement the Candlestick Point – Hunters Point Shipyard Phase 2 Development Project, a project that will integrate the development of the two areas. The Project is designed to revitalize the area by (a) improving and creating hundreds of acres of public parks and open space, particularly along the waterfront, (b) significantly increasing the quality and quantity of affordable housing in Southeastern San Francisco, including the complete rebuilding of the Alice Griffith Housing Development, (c) providing thousands of commercial and construction job opportunities for San Francisco residents and businesses, especially in the Bayview Hunters Point community, (d) supporting the creation of permanent space on the Shipyard for existing artists, (e) elevating the site into a regional center for green development and the use of green technology and sustainable building design, (f) providing extensive transportation improvements that will benefit southeastern San Francisco generally, (g) attracting and sustaining neighborhood serving and cultural amenities and services, and (h) offering a world-class waterfront stadium site opportunity as the City's last and best chance to keep the 49ers in San Francisco over the long term.

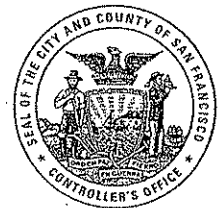
City and County of San Francisco

Office of the Controller - Office of Economic Analysis

Hunters Point Shipyard Phase 2/Candlestick Point: Economic Impact Report

File Nos. 100578,
100579

July 12, 2010





City and County of San Francisco

Office of the Controller - Office of Economic Analysis

**Hunters Point Shipyard Phase 2/Candlestick Point:
Economic Impact Report**

July 12, 2010

Main Conclusions

The proposed redevelopment of Phase 2 of the Hunters Point Shipyard and Candlestick Point (the "Project") will transform more than 700 acres of mostly vacant, underutilized land in southeast San Francisco into productive areas designed to accommodate significant new employment, housing, parks and open space. The Project will provide a mix of land uses, including market-rate and affordable homes, regional and neighborhood retail, research and development (R&D) and office space, a hotel, a performance arena, community services, and a waterfront park system. In addition, the southern portion of the Shipyard may be developed as a new football stadium for the San Francisco 49ers, or as additional R&D/office space, if the 49ers do not locate within the Project.

The development of the Project will create thousands of construction jobs, and inject an estimated \$4.3 billion into the City's economy during its projected 20+year build-out. The development of either Project alternative will result in significant employment opportunities, with an average of about 2,100 direct and indirect jobs per year during build-out, with about 1,450 of these jobs representing direct employment in the construction trades, equivalent to about 6% of citywide construction jobs projected during the same period.

The Project will create the opportunity for significant job growth from businesses occupying the completed non-residential buildings, with an estimated 11,300 direct employees projected under the Stadium alternative and about 12,200 workers in the Non-Stadium alternative at build-out. A wide range of employment opportunities will be created in either Project alternative in numerous industries and occupations, from entry-level to advanced, with annual average pay ranging from \$25,000 to \$185,000 per year, and aggregate wages of more than \$1 billion per year in either alternative upon full build-out. Of particular note is the fact that nearly half of the direct jobs are in occupations that pay less than the City's current average salary of about \$74,000 per year.

An additional 13,000 indirect and induced jobs are estimated at build-out, that together with direct employment attributed to Project, will contribute about \$6.4 to \$6.6 billion annually to San Francisco's gross city product (a measure of total spending on goods and services produced in San Francisco), in the Stadium and Non-Stadium alternatives, respectively. This represents an expansion of about 1.7% to the City's existing gross product during the projection period.

The impact of new development will not be limited to the economic activity generated by its construction and permanent employment; ultimately, 10,500 new households will make approximately \$287 million per year in retail purchases, supporting businesses in San Francisco and the region, further stimulating the economy.

Build-out of the Project will also increase the City's property tax base by approximately \$11 billion, as buildings are constructed and sold or rented. Much of the property tax increment generated by the Project will be reinvested in the Project, primarily to help pay for community benefits. However, per California Redevelopment Law, a portion of tax increment generated by the Project is "passed-through" to existing taxing entities, including the General Fund, which is anticipated to receive an average of \$4.8 million per year (in 2010 dollars) during the 45-year life of the Redevelopment Areas.





Highlights

- The redevelopment of Phase 2 of the Hunters Point Shipyard and Candlestick Point (the "Project") will transform more than 700 acres of mostly vacant, underutilized land in southeast San Francisco into productive areas designed to accommodate significant new employment, housing, parks and open space.
- The Project will provide a mix of land uses, including 10,500 housing units, over 3,340 of which will be available at below market rates, retail, research and development (R&D) and office space, hotel, performance arena, and an expansive waterfront park system. In addition, the southern portion of the Shipyard may be developed as a new football stadium for the San Francisco 49ers, or as additional R&D/office space, if the 49ers do not locate within the Project.
- The OEA has reviewed the market assumptions in the horizontal pro forma and determined that the rental rates, construction costs, and sales values are reasonable and consistent with the range of market value and cost data indicators maintained by the OEA for the mix of uses proposed
- Construction activity will contribute more than \$200 million per year, and about \$4.3 billion cumulatively at full build-out, to San Francisco's Gross City Product, defined as total spending on goods and services produced in San Francisco.
- The Project will create an estimated 11,000 to 12,000 direct permanent employment opportunities in numerous industries and occupations, from entry-level to advanced, with a wide range of annual salaries. Of particular note is that nearly half of the jobs are in occupations at, or below, the City's current average salary of about \$74,000 per year.
- The direct permanent employees are estimated to earn an aggregate salary of more than \$1 billion a year upon full build-out.
- An additional 13,000 indirect and induced jobs are projected to be generated by the Project. On average, direct and indirect employment generated by Project will contribute to an expansion of about 1.5% to the City's employment base during the projection period.
- Direct and indirect permanent employment will contribute about \$6.4 to \$6.6 billion annually to San Francisco's Gross City Product at build-out, an average expansion of about 1.7% during the projection period.
- The development of 10,500 housing units will expand the City's existing housing inventory by about 3% and add approximately 24,500 residents to San Francisco. At build-out, household spending on retail purchases are estimated at \$287 million per year, supporting businesses in San Francisco and the region.
- During the 45-year life of the Redevelopment Areas, the City's General Fund is anticipated to receive about \$4.8 million per year from the Project.
- Overall, either the Stadium or Non-Stadium Alternatives of the proposed Project will generate significant one-time and on-going economic impacts to the City.

ECONOMIC SCORECARD: PROPOSED PROJECT AT BUILD-OUT

The table below indicates the anticipated future change in San Francisco's economy resulting from development of the Project in either alternative.

It should be remembered that Project build-out will take about two decades, and that the area will accommodate a significant amount of development under the proposed Project, compared to current conditions.

	Highly Negative Impact (-.5% +)	Moderately Negative Impact (-.01% to -.5%)	Neutral Impact (-0.1% to 0.1%)	Moderately Positive Impact (.1% to .5%)	Highly Positive Impact (.5% +)
Construction Employment					
Permanent Employment					
San Francisco Gross City Product					
Housing Supply					

INTRODUCTION

Summary of Proposed Legislation

The main impact of the proposed legislation is the creation of regulatory conditions that will allow for significant new development in southeast San Francisco

The proposed legislation amends the General Plan, Zoning Map, and Zoning Plan to establish the Candlestick Point Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District.

The legislation, along with numerous other implementing agreements and documents¹, will enable significant new development in the southeast section of San Francisco through the redevelopment of Phase 2 of the Hunters Point Shipyard and Candlestick Point (the "Project")². Once all of the necessary approvals are obtained, the Project will be developed according to the adopted Hunters Point Shipyard and Bayview Hunters Point Redevelopment Plans, and their guiding documents, chief among them the Design for Development, and the Disposition and Development Agreement between the Redevelopment Agency and the Project's master developer, discussed below.

Redevelopment of Hunters Point Shipyard (Phase 2) and Candlestick Point

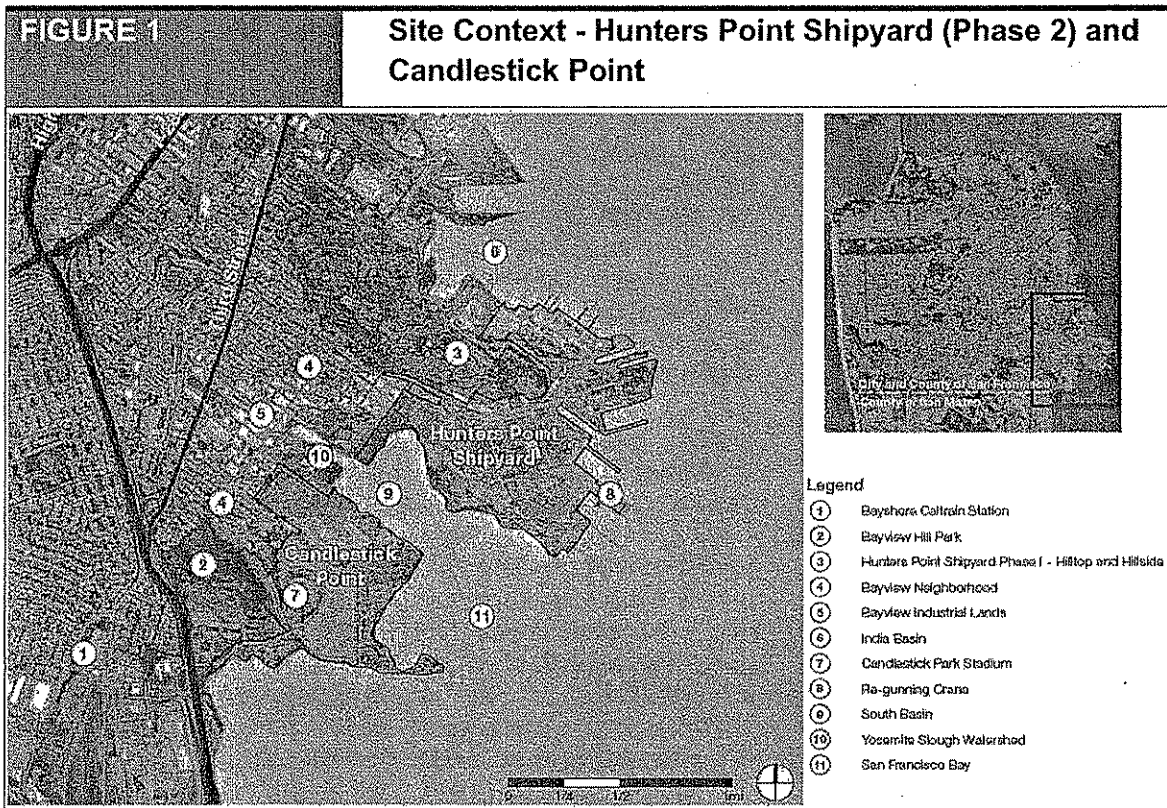
The proposed Project will transform more than 700 acres of mostly vacant, underutilized land in southeast San Francisco into productive areas designed to accommodate significant new employment, housing, parks and open space. The Project will integrate with the existing Bayview / Hunters Point neighborhood, creating a major new mixed-use, transit-oriented district in southeast San Francisco.

The Project will provide a mix of land uses, including market-rate and affordable homes, regional and neighborhood retail, research and development (R&D) and office space, a hotel, a performance arena, community services, and an expansive waterfront park system that extends along the entire shoreline of Candlestick Point and the Hunters Point Shipyard ("Shipyard"). In addition, the southern portion of the Shipyard may be developed as a new football stadium for the San Francisco 49ers, or as additional R&D/office space, if the 49ers do not locate within the Project.

¹ In addition to the proposed amendments to the General Plan, Zoning Map and Zoning Code, there are numerous other regulatory approvals from various agencies required for redevelopment of the Project. For a full list of Project approvals and documents, see Exhibit G of the Executive Summary referenced in footnote 5.

² The Project, as defined in detail later, is consistent with the Conceptual Framework for integrated development endorsed by the Board of Supervisors and Mayor in May 2007 and approved by San Francisco voters in June 2008 through passage of Proposition G.

A site context map of the proposed Project, showing key landmarks, is presented in Figure 1³.



Because of the uncertainty of the 49ers stadium preference at this time, planning for the Project has included two alternatives: the Stadium Alternative, and the Non-Stadium Alternative, which expands commercial uses on portions of the Shipyard site currently reserved for the stadium and related uses⁴.

³ Numerous documents have been generated regarding the Project, covering a range of topics, from environmental remediation on the former Navy Shipyard to an executive summary of the proposed Project, highlighting key elements of the public-private partnership, including details of community benefits, the deal structure between the City/Agency and master developer, related Project documents, and other information relating to the proposed project. These and other relevant documents can be found on the Office of Economic and Workforce Development's website: http://www.oewd.org/Development_Projects-Candlestick_Park_Hunters_Point_Shipyard.aspx. Rather than repeating their content here, the OEA refers readers to this site for detailed information on the background and history of the Project.

⁴ Even though the 49ers were successful in obtaining voter approval for a stadium plan in Santa Clara, uncertainty regarding the financial feasibility of a new stadium in that city remains. As such, it will likely take a number of years before the final stadium location is determined. The Project includes a location for the stadium on the Shipyard site; if certain conditions, including binding commitments from the 49ers to construct a new stadium in San Francisco, are not satisfied by 2014, the non-stadium alternative will prevail. The OEA analyzed the economic impacts of both alternatives, summarized in Table 1.

The Project will be developed through a public-private partnership between the City, through its Redevelopment Agency, and the master developer, led by Lennar. Briefly, the master developer is contributing private capital and its development expertise to construct the infrastructure (roads, parks, utilities, transit, public benefits, etc.) necessary to support the Project. The City's contribution to the partnership is primarily in the form of land from the Shipyard site and a commitment to reinvest a portion of the property tax increment generated by the Project to help fund the significant development costs, including community benefits⁵.

The terms of this partnership are governed by a legally binding Disposition and Development Agreement ("DDA") between the parties, which details obligations such as: the community benefits package and its timing, the financing plan, revenue sharing, and a timeline for development of the horizontal infrastructure, including penalties if this Schedule of Performance is not met.

Included in the DDA is a development pro forma (prepared jointly by the master developer and City), which provides detailed estimates of infrastructure costs, as well as anticipated revenue from the sale of finished land to vertical developers. These revenue and costs figures are projected over time, consistent with the Schedule of Performance, to test the financial feasibility of the Project (considering all infrastructure development costs, community benefit obligations, affordable housing program costs, etc. against anticipated revenue from finished land sales).

The pro forma was developed through an iterative process in which various land use mixes, public benefits, and market assumptions were tested, and refined over time, taking into account input from the community, while still maintaining a financially viable project.

The land use mix and development program which emerged from this process is the basis for the Project alternatives analyzed in this report, and is consistent with the DDA, other implementing documents, and the amendments contemplated by the proposed legislation. Further, the OEA has reviewed the market assumptions in the horizontal pro forma and

⁵Through a community planning process and negotiations between the City and master developer, a public benefits package emerged which includes more than 330 acres of parks, 3,345 affordable housing units (nearly 32% of all units), transportation improvements, small and local business assistance, community facilities, and redeveloped space for existing Shipyard artists. For a detailed summary of public benefits generated by the Project, see page 6 of the Executive Summary of the proposed Project at: <http://www.oewd.org/media/docs/Draft%20Hunters%20Point%20Shipyard%20Phase%202-Candlestick%20Point%20Executive%20Sumamry%20with%20Attachments%202.2.10.pdf>

determined that the rental rates, construction costs, and sales values are within the range of market value and cost data indicators maintained by the OEA.

**Land Use,
Population and
Employment
Assumptions**

*10,500 housing units
will increase the City's
existing housing
inventory by more
than 3%*

Table 1 summarizes the development program, population, and employment assumptions under both the Stadium and Non-Stadium alternatives upon full build-out of the Project, as discussed in the previous section. Appendices 1 and 2 detail the phasing assumptions of vertical construction and associated population and employment growth for both alternatives over time.

Both alternatives provide for the same amount of housing, retail, hotel, arena, and marina uses. The Stadium alternative has about 2,000 more parking spaces to accommodate additional parking demand from the 69,000-seat stadium. The Non-Stadium alternative requires fewer parking spaces, and can accommodate about 500,000 square feet of additional job-generating R&D/Office space, resulting in slightly more and varied employment in this alternative.

The development program and employment assumptions summarized in Table 1 are the basis for the economic impact analysis in the following section of the report⁶.

⁶ Although the Project is anticipated to be developed as described, because of the multiyear build-out of the Project, circumstances affecting such development may change over time, potentially affecting the timing of development and/or the development program. The DDA includes provisions, such as a Schedule of Performance to help ensure that development is timely. However, if market conditions deteriorate, for example, the DDA allows for a delay in the horizontal development (of up to 6 years cumulatively). In addition, the DDA includes a provision to refine select terms of the agreement (such as the land use mix) if the Developer can demonstrate why development is infeasible without the proposed changes, and the City/Agency agree. See Section 3.6 of the DDA for additional information. If a land use change were to be requested, the amendments would be reviewed by the OEA, and the economic impacts analyzed.

TABLE 1

Hunters Point Shipyard Phase 2/Candlestick Point- Development Program, Population and Direct Employment Assumptions (at Build-out) (1)

	Stadium Alternative		Non-Stadium Alternative	
	Development Program (2)	Population/ Jobs(3)	Development Program (2)	Population/ Jobs(3)
Residential				
Housing (all types) (units)	10,500	24,465	10,500	24,465
Affordable Housing (% of total units) 31.9%	3,345		3,345	
Residential Property Management (jobs)		420		420
Non-Residential				
Neighborhood Retail (gross sq.ft.)	232,500	861	232,500	861
Regional Retail (gross sq.ft.)	635,000	1,814	635,000	1,814
Office (gross sq.ft.)	1,318,000	4,692	1,287,500	4,602
R&D (gross sq.ft.)	1,082,000	2,762	1,630,500	4,120
Hotel (220 rooms) (gross sq.ft.)	150,000	214	150,000	214
49er Stadium (seats)	69,000	359		-
Arena (seats)	10,000	87	10,000	87
Parks and Open Space (acres)	336	87	327	85
Marina (boat slips)	300	5	300	5
Parking (spaces - structured)	8,500	31	6,439	24
Total Direct Employment		11,334		12,232

Sources and Notes:

- (1) Appendices 1 and 2 detail vertical development phasing and the resulting population and employment generation on a multiyear basis during the 20+ year projection period for the Stadium and Non-Stadium alternatives, respectively.
- (2) Development program is based on Version 27 Base Stadium and Non Stadium Alternative Pro Formas, May 2010, consistent with the Disposition and Development Agreement (DDA) between the City/Agency and Master Developer, and the Zoning Map and code amendments contemplated by the proposed legislation.
- (3) Based on density assumptions in Draft Environmental Impact Report, November 2009 (EIR), pg. III.C-12. Population based on 2.33 people per household. Employment based on the following densities: residential property management = 25 units per job; neighborhood retail = 270 gross sq.ft. per job; regional retail = 350 gross sq.ft. per employee; office = 270 gross sq.ft. per employee; R&D = 400 gross sq.ft. per employee; Hotel = 700 gross sq.ft. per employee (about 1 employee/room); Parks and Open Space = 0.26 jobs per acre; Marina = 5 full time equivalent employees; structured parking = 270 spaces per job. Stadium based on 12 football games and 20 other events per year and 2,915 8-hour shifts per event, or 746,000 total hours annually; Arena employment based on 150 events per year and 300 4-hour shifts per event, or 180,000 total hours annually. Dividing stadium and arena annual hours by 2,080 hours provides an estimate of full time equivalent annual employment.

ECONOMIC IMPACT FACTORS

Introduction

The Project has the potential to produce significant economic impacts on the entire City of San Francisco in general, and to the southeast part of the city in particular. The legislation will allow a major new mixed-use development, increasing the capacity of the City to accommodate employment growth in a variety of sectors and occupations, as well as increasing the City's housing supply and residential population.

The economic impacts can be distinguished as follows:

- One-time impacts associated with construction spending (on infrastructure and buildings), as measured by increases in employment and spending during the 20+ year build-out period;
- On-going impacts resulting from employment in the new commercial buildings, including an estimate of the distribution of employment and wages by industry and occupation, and an estimate of the impact of this employment on total spending in San Francisco;
- On-going impacts resulting from new resident spending captured by San Francisco businesses;
- On-going direct impacts from attendees at stadium events; and,
- A brief analysis of the impact of new development on the City's property tax base⁷.

⁷ Seifel Consulting, provided an estimate of property tax increment generated by the combined Project in its February 2010 "Bayview Hunters Point Redevelopment Plan Amendment - Preliminary Report" and "Hunters Point Shipyard Redevelopment Plan Amendment - Preliminary Report," prepared for the San Francisco Redevelopment Agency. The Seifel report estimated property taxes accruing to various taxing entities, including the 20% set-aside for housing, pass-through payments for the General Fund and other funds, and revenues flowing to other Redevelopment programs. Because the deal is structured so that all but the pass-through payments are reinvested in the Project, only this figure is reported.

One-Time Construction Impacts

The development of the Project will create thousands of construction jobs, and inject billions of dollars into the City's economy during its anticipated 20+year build-out.

Development costs for the Project are comprised of two components: horizontal infrastructure costs needed to support the proposed development (roads, utilities, transit, parks, etc.), and the cost to construct the vertical buildings (residential units, commercial space, etc.). Cost estimates for both alternatives are summarized in Table 2 below. A multi-year, dynamic cost estimate summarizing annual costs during the construction period is presented in Appendix 3 for both alternatives.

TABLE 2		Hunters Point Shipyard Phase 2/Candlestick Point- Vertical and Horizontal Development Cost Assumptions (at Build-out)				
		Stadium Alternative			Non - Stadium Alternative	
	Per Unit Cost (1)	Units/GSF	Total Cost (millions)	Per Unit Cost (1)	Units/GSF	Total Cost (millions)
Vertical Costs						
Residential	458,974	10,500	\$4,819	445,151	10,500	\$4,674
Neighborhood Retail	\$227	232,500	\$53	\$227	232,500	\$53
Regional Retail	\$228	635,000	\$145	\$228	635,000	\$145
Office	\$279	1,318,000	\$371	\$279	1,287,500	\$362
R&D	\$341	1,082,000	\$365	\$328	1,630,500	\$533
Hotel	139,284	220	\$31	139,284	220	\$31
Arena	\$1,101	75,000	\$83	\$1,101	75,000	\$83
Parking	\$22,000	8,500	\$187	\$22,000	6,439	\$142
49er Stadium	NA		\$900	NA		\$0
Marina	\$12,333	300	\$4	\$12,333	300	\$4
Sub-total			\$6,957			\$6,025
Horizontal Costs (1)(2)						
Direct (hard) Costs			\$1,553			\$1,804
Indirect (soft) Costs			\$311			\$328
Sub-total			\$1,864			\$2,131
Total Construction Costs (3)			\$8,821			\$8,157

Sources and Notes:

- (1) Average construction cost per unit, gross square foot, room, or space. Excludes land and developer profit. Construction costs are based on development assumptions in May 2010 pro forma (V27), the basis for the Disposition and Development Agreement (DDA) between the City/Agency and Master Developer. Vertical building costs are based on residual land pro formas, by unit type, land use, and location within the Project. These residual analyses are the basis for the finished land values in the horizontal pro forma, taking into account market conditions (for finished building value), and the cost to build the structures. The OEA has reviewed the pro formas and their assumptions and found them to be reasonable.
- (2) Excludes land acquisition cost, financing proceeds, and parking and stadium costs (which are included in the vertical costs). Includes cost for community facilities and artist space.
- (3) In 2010 \$. See Appendix 3 for a summary of development costs for both alternatives during the 20+ year projection period, consistent with the phasing assumptions in Appendices 1 and 2.

Construction of the Project will generate an annual average of approximately 1,500 direct construction jobs, representing a significant share of citywide construction employment projected during the 20+ year build-out.

The impact of the direct construction spending can be modeled using the OEA's econometric model of the San Francisco economy, prepared by Regional Economic Modeling Inc. (REMI).

The REMI model projects two key economic indicators that help explain the impact of constructing the Project: employment and *Gross City Product* (GCP)—an equivalent to Gross National Product (GNP) for San Francisco—which equals the total spending on goods and services produced in San Francisco⁸.

TABLE 3		Hunters Point Shipyard Phase 2/Candlestick Point-Construction Period Economic Impacts			
Summary Output (1)	Stadium Alternative		Non-Stadium Alternative		
	Total During Buildout	Annual Average (2)	Total During Buildout	Annual Average (2)	
Direct Construction Jobs	32,412	1,473	29,845	1,421	
Indirect/Induced Jobs	14,910	678	13,729	654	
Total Employment	47,322	2,151	43,574	2,075	
Gross City Product (2010\$) (3)	\$4,462,199,000	\$202,827,000	\$4,251,958,000	\$202,474,000	

Sources and Notes:

(1) San Francisco employment impacts associated with new construction per Regional Economic Modeling Inc. (REMI) run, 6/10/2010, based on development cost in Table 2 and phasing in Appendix 3. Direct construction employment was estimated based on construction multiplier of 1.46 (construction jobs x 1.46 = total jobs), based on previous construction multiplier analyses conducted by the OEA. Total development costs from Appendix 3 are the input source for the REMI model.

(2) Total during build-out divided by construction period (22 years in Stadium and 21 years in Non-Stadium).

(3) REMI output inflated to 2010\$ per Consumer Price Index (CPI) increase for the San Francisco MSA, per the US Department of Labor, Bureau of Labor Statistics (BLS).

Table 3 summarizes total employment, direct construction jobs, and spending (GCP) generated by the development of the Project, annually and during the 20+ year build-out.

⁸ The REMI Policy Insight model is based on a multi-year baseline projection of San Francisco's economy. The model contains a number of policy variables, including construction spending, new employment by industry, and others, which can be modified to reflect changes resulting from proposed legislation, in this case the proposed Project. OEA economists assess the economic impact by re-running the projection under alternative scenarios (in this case, new construction spending and new employment and population in the different alternatives), and comparing the results with the baseline projection.

An additional 650 indirect jobs per year are projected during the 20+ year build-out.

Construction of either alternative will contribute more than \$200 million per year, and about \$4.3 billion during the 20+year build-out, to San Francisco's gross city product.

As indicated, the development of either Project alternative will result in significant employment opportunities, with an average of about 2,100 direct and indirect jobs per year during build-out⁹. Direct employment in the construction trades is estimated to average about 1,450 jobs per year, providing significant employment opportunities in this sector¹⁰. In addition, construction activity will contribute an average of more than \$200 million per year to San Francisco's gross city product, and about \$4.3 to \$4.5 billion during the 20+ year build-out period, as shown in Table 3.

⁹ The REMI Policy Insight model captures not only direct construction jobs, but also the secondary intermediate and induced jobs. Intermediate jobs are created from the manufacturing of materials required for construction. Induced jobs are a result of new employees re-spending their wages.

¹⁰ The annual average construction employment from the Project represents nearly 6% of the 25,300 citywide construction jobs projected annually during build-out, per REMI projections.

**On-Going Impacts:
Permanent
Employment**

The 11,000 to 12,000 permanent employees are estimated to earn an aggregate salary of more than \$1 billion a year upon full build-out and absorption.

The Project will create a wide range of employment opportunities in numerous industries and occupations; the direct, induced and indirect employment attributed to the Project is anticipated to expand the City's employment base by an average of about 1.5% during the projection period.

The Project will create the opportunity for significant job growth from businesses occupying the completed non-residential buildings. Table 1 presented an estimate of employment by general land use category, based on typical employment density assumptions and the land use mix of each alternative. As indicated, an estimated 11,300 direct employees are projected under the Stadium alternative, while the Non-Stadium alternative is projected to employ about 12,200 workers at build-out¹¹.

To estimate the distribution of these workers by industry and occupation, including average wages, the OEA first selected the industries likely to occupy each type of space. The first column in the top section of Table 4 includes the industry employment assumptions for each land use category. For example the Retail land use category is assumed to be occupied by those in the retail trade (NAICS code 44-45). The next columns show the distribution of jobs among these industries, as well as average annual wages for these industries in San Francisco, per the U.S. Bureau of Labor Statistics. As indicated, the Non-Stadium alternative has a slightly higher average annual wage of \$95,000 (2010\$s), compared with \$92,000 in the Stadium alternative, primarily due to the inclusion of additional space devoted to office/R&D in the Non-Stadium alternative and the higher relative wages from this sector.

The bottom half of Table 4 summarizes employment by occupation for all of the industries in each alternative, based on the state Employment Development Department (EDD) occupational staffing patterns by industry. This database analyzes the specific types of occupations that different industries create as they grow. The OEA created a profile of each industry sector noted above, and then analyzed these occupational staffing patterns to illustrate the types of jobs created by the expansion of each sector of the economy. These sector-wide staffing patterns are shown on the bottom of Table 4, sorted by annual average salary.

¹¹ In addition to the direct employment, an additional 13,000 induced and indirect permanent jobs are estimated, per REMI. During the projection period, the average increase in direct, induced, and indirect employment attributed to the Project was calculated and compared to the average employment projected by REMI for San Francisco as a whole. On average, total Project employment will contribute to an expansion of about 1.5% to the City's employment base during the projection period.

TABLE 4

Hunters Point Shipyard Phase 2/Candlestick Point- Summary of Direct Employment Distribution by Land Use, Industry and Occupation

	Stadium Alternative			Non-Stadium Alternative		
	% of Total Jobs	# of Jobs	Average Annual Wage (SF)(4)	% of Total Jobs	# of Jobs	Average Annual Wage (SF)(4)
I. Employment by Land Use and Industry						
Retail (NAICS 44-45; retail trade)	24%	2,675	\$40,992	22%	2,675	\$40,992
Office (NAICS 51,52,54; info, finance/insurance, prof. & bus. services)	41%	4,692	\$124,881	38%	4,602	\$124,875
R&D (NAICS 5417; Scientific Research and Development Services)	24%	2,762	\$102,995	34%	4,120	\$102,995
Hotel (NAICS 721; Accommodation)	2%	214	\$40,145	2%	214	\$40,145
Arena (NAICS 7113 Promoters of Performing Arts and Sports)	1%	87	\$33,176	1%	87	\$33,176
Parking (NAICS 8129; Parking Lot Attendants)	0%	31	\$28,313	0%	24	\$28,313
Stadium (NAICS 7113 Promoters of Performing Arts and Sports)	3%	359	\$33,176	0%	-	\$0
Parks/Open Space (NAICS 712; Museums, Parks and Historical Sites)	1%	87	\$36,238	1%	85	\$36,238
Marina (NAICS 7139; Other Amusement and Recreation)	0%	5	\$26,154	0%	5	\$26,154
Residential (NAICS 53; Real Estate Rental and Leasing)	4%	420	\$81,500	3%	420	\$81,500
TOTAL Employment by Industry/Average Wage	100%	11,334	\$91,950	100%	12,232	\$94,709
II. Employment by Occupation (1)						
	% of Industry Jobs (2)	# of Industry Jobs (3)	Average Annual Wage (SF)(4)	% of Industry Jobs (2)	# of Industry Jobs (3)	Average Annual Wage (SF)(4)
Personal Care and Service	2%	195	\$24,484	1%	97	\$28,401
Food Preparation and Serving Related	2%	226	\$30,466	2%	201	\$32,013
Transportation and Material Moving	2%	231	\$34,673	2%	215	\$35,694
Building and Grounds Cleaning and Maintenance	2%	210	\$34,933	2%	196	\$36,710
Healthcare Support	0%	18	\$42,070	0%	22	\$42,145
Protective Service	1%	62	\$44,700	2%	227	\$46,307
Production Occupations	2%	201	\$45,806	0%	46	\$56,752
Office and Administrative Support	17%	1,895	\$60,465	16%	1,954	\$60,848
Installation, Maintenance, and Repair	3%	301	\$62,018	2%	300	\$63,360
Sales and Related Occupations	19%	2,199	\$63,501	18%	2,185	\$64,063
Construction and Extraction	0%	46	\$78,127	0%	52	\$80,152
Healthcare Practitioners and Technical	1%	102	\$79,010	1%	116	\$78,832
Arts, Design, Entertainment, Sports, and Media	5%	569	\$84,249	4%	520	\$87,964
Life, Physical, and Social Science	10%	1,126	\$92,353	13%	1,599	\$91,916
Architecture and Engineering	4%	485	\$94,126	5%	641	\$93,904
Education, Training, and Library	0%	25	\$105,221	0%	29	\$116,177
Computer and Mathematical Occupations	9%	1,075	\$119,359	10%	1,191	\$117,652
Business and Financial Operations	9%	1,008	\$141,680	9%	1,073	\$138,141
Legal	2%	177	\$153,433	2%	186	\$155,012
Management	10%	1,181	\$185,671	11%	1,382	\$185,045
TOTAL Employment by Occupation	100%	11,334	\$91,950	100%	12,232	\$94,709
Total Wages per Year (Billions \$) (at build-out)			\$1.0421			\$1.1584

Sources and Notes:

- (1) This exhibit summarizes employment by occupation for ALL industries in both alternatives, based on each scenario's land use plan. The following NAICS codes were used to determine average wages in San Francisco: Retail (NAICS 44-45, Retail Trade); Office (NAICS 51, Information; NAICS 52, Finance and Insurance; and NAICS 54, Professional and Business Services); R&D (NAICS 5417, Scientific Research and Development); Hotel (NAICS 721, Accommodation); Parking (NAICS 8129, Parking Lot Attendants); Parks and Open Space (NAICS 712, Parks and Historical Sites); Marina (NAICS 7139, Other Amusement and Recreation); Property Management (NAICS 53 Real Estate Rental and Leasing); Stadium and Arena (NAICS 7112-13, Sports Teams and Promoters of Sports and Events). The clean-tech sector is emerging and comprises many industries; Moody's Economy.com is studying the potential for this sector in San Francisco. Although the report has not been released, a preliminary review of the occupational distribution of businesses in this sector is similar to the R&D industry, and is used as a proxy for purposes of this analysis.
- (2) Source: California Employment Development Department (EDD), Occupational Employment Survey (OES), San Francisco MSA, 1Q 2009. Figure represents summation of employment for all industries by occupation.
- (3) See Table 1 for total estimated employment generated by Project. Distribution by occupation based on "% of Industry Jobs" ratio applied to total estimated direct employment generated by the Project.
- (4) Source: US Bureau of Labor Statistics Quarterly Census of Employment and Wages (QCEW) for average San Francisco wage as of 2008, inflated to 2010\$ by CPI. San Francisco wage by occupation estimated based on MSA-level wage distribution by occupation applied to average San Francisco industry wage. May not total due to rounding.
- (5) See Appendices 4 and 5 for estimated phasing of employment and wages for each alternative.

As shown, a wide range of employment opportunities will be created in either Project alternative in numerous industries and occupations, from entry-level to advanced, with annual average pay ranging from \$25,000 to \$185,000 per year, and aggregate wages of more than \$1 billion per year in either alternative upon build-out.

The following table summarizes the occupational employment distribution by wage quintile presented in Table 4. As indicated, employment by wage is fairly evenly distributed, providing jobs for a wide range of workers with varying skills and education levels. Of particular note is the fact that nearly half of the jobs are at, or below, the City's current average salary of about \$74,000 per year, in occupations that include: personal care, food preparation, transportation, building and grounds maintenance, office and administrative support, and sales occupations, among others (See Table 4).

TABLE 5 **Hunters Point Shipyard Phase 2/Candlestick Point-Direct Employment Distribution by Wage (1)**

Income Range	Stadium Alternative			Non-Stadium Alternative		
	% of Jobs	# of Jobs	Average Annual Wage	% of Jobs	# of Jobs	Average Annual Wage
\$0 - \$37,000	8%	862	\$31,328	6%	709	\$33,931
\$37,001 - \$74,000	41%	4,677	\$61,078	39%	4,734	\$61,668
\$74,001 - \$111,000	21%	2,354	\$90,032	24%	2,957	\$91,170
\$111,001 - \$148,000	18%	2,082	\$130,161	19%	2,264	\$127,367
\$148,001 - \$185,000	12%	1,358	\$181,476	13%	1,568	\$181,479
	100%	11,334	\$91,950	100%	12,232	\$94,709

Notes:
 (1) See Table 4 for detail. The income range at the Project is divided into quintiles, with the distribution shown above.

Upon build-out, direct, indirect, and induced employment attributed to the Project will contribute \$6.4 to \$6.6 billion annually to San Francisco's Gross City Product, expanding the City's economy by about 1.7%.

The impact of the Project's permanent employment on San Francisco's GCP was estimated by inputting the direct permanent employment estimates, by industry (as summarized in Appendices 5 and 6), into the REMI model. REMI calculated the indirect and induced employment (summarized in Table 6; an additional 13,000 jobs) from the Project. Together, the total employment will contribute about \$6.6 billion annually to the City's GCP in the Non-Stadium Alternative, and about \$6.4 billion annually in the Stadium Alternative (2010\$s), upon build-out.

During the projection period, the average increase in GCP attributed to the Project was calculated and compared to the San Francisco's average baseline city product projected by REMI absent the Project. On average, the Project will contribute to an expansion of about 1.7% to the City's GCP during the projection period.

**On-Going Impacts:
Resident Spending**

Aggregate household retail spending in both alternatives is estimated at \$287 million per year at build-out

The impact of new development will not be limited to the economic activity generated by its construction and permanent employment; ultimately, 10,500 new housing units will raise the city's population by approximately 24,500 people (about 3% of the existing population of about 800,000) (see Table 1).

The new household population at the Project will make retail purchases, supporting businesses in San Francisco and the region. Average retail spending per household was estimated at \$27,300 per year¹². Thus upon build-out, residents in both alternatives will spend an aggregate of \$286.6 million per year on retail purchases, further stimulating the economy.

**On-Going Impacts:
Stadium Spending**

The impact of direct concession spending by attendees of Stadium events was also estimated. As discussed in Table 1, an estimated 12 football games (at 100% occupancy) and 20 other events (at 50% occupancy) are anticipated annually at the 69,000-seat stadium, based on information provided by the 49ers. This equates to about 1.5 million fans attending stadium events annually. Assuming concession spending of \$10 per attendee, annual spending of about \$15 million is indicated in the Stadium alternative¹³.

¹² Based on the weighted average household expenditures by affordability level in the following retail categories: Apparel, General Merchandise, Food Stores, Eating and Drinking Places, Home Furnishings and Appliances, Building Materials, Motor Vehicles and Parts, Service Stations, and other retail stores. Source: CBRE retail analysis: EIR Appendix U, Exhibit 29. Average household spending is multiplied by the cumulative completed housing units to derive total retail spending per year.

¹³ Other than direct employment and stadium spending, the OEA did not analyze other potential economic impacts associated with the Stadium Alternative, such as out-of-town visitor spending on non-stadium purchases or accommodations, or the impact of potentially hosting the Superbowl, for example. Per capita concessions sales estimates per 49ers.

**Property Tax Increment
to General Fund**

During the 45-year life of the Redevelopment Areas, the City's General Fund is anticipated to receive about \$220 million on a present value basis from the Project, or an average of about \$4.8 million per year

Build-out of the Project will also increase the City's property tax base, as buildings are constructed and sold or rented. Upon build-out, the Project will add more than \$11 billion in assessed value to the property tax rolls, generating significant property tax revenue¹⁴.

As previously mentioned, much of the property tax increment generated by the Project will be reinvested in the Project, primarily to help pay for the community benefit package. However, per California Redevelopment Law, a portion of tax increment generated in a Redevelopment Area is "passed-through" to existing taxing entities, including the school and community college districts, BART, and the City's General Fund. During the 45-year life of both Redevelopment Areas, approximately 21% of property tax increment generated by the Project will be passed through, with about 85% of this amount flowing to the General Fund.

During the 45-year projection period, the City's General Fund is anticipated to receive about \$220 million in current 2010 dollars, or an average of about \$4.8 million per year.

¹⁴ Source: Seifel Consulting Inc. "Bayview Hunters Point Redevelopment Plan Amendment - Preliminary Report" and "Hunters Point Shipyard Redevelopment Plan Amendment - Preliminary Report," prepared for the San Francisco Redevelopment Agency, February 2010, Tables F-3,b,c, and d, and Tables D-3b, c, and d. Excludes value of 1,649 property tax exempt affordable housing units (Agency and Alice Griffith housing).

Summary conclusions

Overall, either the Stadium or Non-Stadium Alternatives of the proposed Project will generate significant one-time and on-going economic impacts to the City. As indicated in Table 6, the Stadium Alternative, with its slightly higher construction costs, will generate marginally more employment during the build-out phase. In addition, this alternative includes additional impacts associated with spending at Stadium events. On the other hand, the Non-Stadium Alternative, which can accommodate additional buildings for employment generating uses, is anticipated to support about 900 more direct permanent jobs, generating about \$250 million more per year in gross city product, compared to the Stadium Alternative.

TABLE 6		Hunters Point Shipyard Phase 2/Candlestick Point-Economic Impact Summary	
	Stadium Alternative	Non-Stadium Alternative	
One-Time Impacts			
<u>Construction Period Impacts (1)</u>			
Annual Average Employment	2,151	2,075	
Annual Direct Construction Employment	1,473	1,421	
Annual Gross City Product (2010\$s)	\$202,827,000	\$202,474,000	
On-Going Impacts (at build-out)			
<u>Permanent Employment (2)</u>			
Direct Project Employment	11,334	12,232	
Indirect and Induced Employment	12,738	13,438	
Total Employment	24,072	25,670	
Average Annual Wage (2010\$s)	\$91,950	\$94,709	
Direct Aggregate Wages per Year (2010\$s)	\$1,042,185,884	\$1,158,444,912	
Annual Gross City Product (2010\$s)	\$6,376,026,000	\$6,632,137,000	
<u>Resident Spending (3)</u>			
Aggregate Retail Spending per Year (2010\$s)	\$286,640,000	\$286,640,000	
<u>Stadium Spending (3)</u>			
Concession Spending per Year (2010\$s)	\$15,180,000	\$0	
Sources and Notes:			
(1) Annual averages during 20+ year build-out period. Employment includes direct and indirect jobs. See Table 3.			
(2) See Tables 1, 4, and Appendices 4 and 5 for direct employment detail. Indirect and induced employment, and gross city product per 6.30.10 REMI run.			
(3) See text for detail.			

APPENDIX 1: VERTICAL COMPLETION SCHEDULE AND POPULATION AND EMPLOYMENT ESTIMATES STADIUM ALTERNATIVE

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
A. Vertical Completion Schedule (1)																					
Residential (housing units)																					
Non-Residential																					
Retail																					
Gross Sq.Ft.																					
Net Sq.Ft.																					
Neighborhood																					
Regional																					
Sub-total																					
Commercial (R&D & Office)																					
OFFICE																					
R&D																					
R&D/OFFICE (50% each)																					
Sub-total																					
Hotel																					
Arena (seats)																					
Parking (spaces - structured)																					
49er STADIUM (seats)																					
Parks and Open Space (acres)																					
Marina (slips)																					
Total																					
B. Population and Employment Estimates																					
Residential Population																					
Total Residential Population																					
Density (per 1,000)																					
Employment																					
Retail																					
Neighborhood																					
Regional																					
Sub-total																					
Commercial (R&D & Office)																					
Office Employment																					
R&D Employment																					
R&D/Office Employment																					
Sub-total																					
Cumulative Office/R&D Employment																					
Hotel																					
Cumulative Hotel Employment																					
Arena																					
Cumulative Arena Employment																					
Parking																					
Cumulative Parking Employment																					
49er STADIUM																					
Total Stadium Employment																					
Cumulative Stadium Employment																					
Parks and Open Space																					
Parks and Open Space Employment																					
Cumulative Parks and Open Space Employment																					
Marina																					
Total Marina Employment																					
Cumulative Marina Employment																					
Residential Property Management																					
Residential Employment																					
Cumulative Residential Employment																					
CUMULATIVE EMPLOYMENT																					

(1) Note: As surplus 2 year delay from finished to delivery to finished vertical development. Source: DDA.ppt format Version 27. Timing is consistent with DDA schedule of performance.
 (2) Based on density assumptions in EIR; see Table 1 in report for detail.

APPENDIX 2: VERTICAL COMPLETION SCHEDULE AND POPULATION AND EMPLOYMENT ESTIMATES NON-STADIUM ALTERNATIVE

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
A. Vertical Completion Schedule (1)																				
Residential (housing units)																				
Residential (all unit types)		535	376	394	442	1,403	480	132	363	270	829	1,066	608	884	451	1,280	623	354		
Non-Residential																				
Retail																				
Neighborhood		-	-	-	-	8,550	60,800	17,100	8,550	23,750	-	-	34,042	34,042	34,042	-	-	-	-	-
Regional		-	-	-	-	-	-	-	-	-	-	-	-	603,250	-	-	-	-	-	-
Sub-total		-	-	-	-	8,550	60,800	17,100	8,550	23,750	-	-	34,042	637,292	34,042	-	-	-	-	-
Commercial (R&D & Office)																				
OFFICE		-	-	-	-	-	-	-	-	207,887	222,913	68,546	358,333	275,881	-	-	-	-	-	-
R&D		-	-	-	-	79,800	-	-	131,100	146,463	157,087	48,304	252,517	93,859	550,050	-	-	-	-	-
R&D/OFFICE (60% each)		-	-	-	179,550	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total		-	-	-	179,550	-	-	-	131,100	354,350	380,000	116,850	610,850	369,550	550,050	-	-	-	-	-
Hotel																				
Hotel		-	-	-	-	-	-	-	-	-	-	-	-	112,500	-	-	-	-	-	-
Arena		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking		-	-	-	416	27	301	54	206	560	400	160	643	3,093	579	-	-	-	-	-
49er STADIUM		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks and Open Space		10	27	10	17	26	22	20	21	48	-	12	106	-	-	-	-	-	-	8
Marina		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
300 slips		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300

B. Population and Employment Estimates (2)																					
Residential Population																					
Total		1,247	876	916	1,030	3,269	1,142	308	846	629	1,932	2,484	1,417	2,060	1,051	2,982	1,452	825			
Cumulative Residential Population		1,247	2,123	3,041	4,071	7,340	8,481	8,789	9,635	10,264	12,195	14,679	16,096	18,155	19,206	22,189	23,640	24,465			
Employment																					
Retail																					
Neighborhood		-	-	-	33	237	67	33	33	33	-	-	133	133	133	-	-	-	-	-	-
Regional		-	-	-	-	-	-	-	-	-	-	-	-	1,814	-	-	-	-	-	-	-
Sub-total		-	-	-	33	237	67	33	33	33	33	33	33	1,947	133	-	-	-	-	-	-
Cumulative Retail Employment		-	-	-	33	270	337	370	403	436	469	502	535	668	801	934	1,067	1,200	1,333	1,466	
Commercial (R&D & Office)																					
Office Employment		-	-	-	-	-	-	-	793	850	261	1,367	1,051	-	-	-	-	-	-	-	
R&D Employment		-	-	-	-	210	-	345	385	413	127	665	247	1,448	-	-	-	-	-	-	
Sub-total		-	-	-	559	-	-	345	1,178	1,264	389	2,031	1,298	1,446	-	-	-	-	-	-	
Cumulative Office/R&D Employment		-	-	-	559	559	769	1,114	2,292	3,556	3,945	5,976	7,274	8,722	8,722	8,722	8,722	8,722	8,722	8,722	
Hotel																					
Hotel Employment		-	-	-	-	-	-	-	-	-	-	-	-	214	-	-	-	-	-	-	
Cumulative Hotel Employment		-	-	-	-	-	-	-	-	-	-	-	-	214	214	214	214	214	214	214	
Arena																					
Arena Employment		-	-	-	-	-	-	-	-	-	-	-	-	87	87	87	87	87	87	87	
Cumulative Arena Employment		-	-	-	-	-	-	-	-	-	-	-	-	87	174	261	348	435	522	609	
Parking																					
Parking Employment		-	-	-	2	0	1	0	1	2	1	1	2	11	2	-	-	-	-	-	
Cumulative Parking Employment		-	-	-	2	2	3	3	4	6	7	8	10	22	24	24	24	24	24	24	
Parks and Open Space																					
Parks and Open Space Employment		3	7	3	4	7	6	5	5	12	-	3	28	-	-	-	-	-	-	-	
Cumulative Parks and Open Space Employment		3	10	12	16	23	29	34	40	52	52	55	83	83	83	83	83	83	83	85	
Marina																					
Marine Employment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Marine Employment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential Property Management																					
Residential Employment		-	-	21	15	16	18	56	20	5	15	11	33	43	24	35	18	51	25	14	
Cumulative Residential Employment		-	-	21	36	52	70	126	146	151	165	176	209	252	276	312	330	381	406	420	
CUMULATIVE EMPLOYMENT		3	31	49	629	687	1,197	1,289	1,679	2,979	4,255	4,767	7,003	10,499	12,116	12,188	12,213	12,232			

(1) Note: Assumes 2 year delay from finished lot/delivery to finished vertical development. Source: DDA pro formas Version 27. Timing is consistent with DDA schedule of performance.
 (2) Based on density assumptions in EIR; see Table 1 in report for detail.

APPENDIX 3: HORIZONTAL AND VERTICAL CONSTRUCTION COST SUMMARY – STADIUM AND NON-STADIUM ALTERNATIVES

Hunters Point Phase 2/Candlestick Point
 TOTAL HORIZONTAL AND VERTICAL CONSTRUCTION COST SUMMARY (1)
 Stadium and Non-Stadium Alternatives
 June 2010

	Total	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
STADIUM																								
Horizontal	1,863,907,690	82,167,981	34,662,716	18,615,758	50,811,668	81,521,562	102,788,757	96,006,084	143,305,201	198,097,103	270,537,447	138,621,103	63,315,161	54,008,797	56,087,034	52,808,252	41,406,830	41,975,776	57,728,652	36,472,185	46,298,089	183,805,108		
Vertical	6,956,881,766				115,946,684	198,087,759	206,409,273	522,365,418	764,978,818	780,215,057	186,076,342	135,350,391	463,262,395	576,927,569	507,350,880	577,224,655	287,582,084	165,034,139	470,049,550	434,394,190	264,385,427	238,511,675	65,429,329	
Total Cost	8,820,889,456	82,167,981	34,662,716	18,615,758	166,758,353	279,889,361	309,198,030	618,371,502	908,184,120	978,312,161	456,613,789	273,971,494	526,657,576	631,534,365	563,437,914	630,032,907	328,988,914	207,009,918	527,776,603	472,866,375	310,694,516	432,413,783	82,499,329	
NON-STADIUM																								
Horizontal	2,131,169,527	82,067,767	34,667,646	17,218,442	48,801,311	59,637,977	63,651,284	49,147,465	52,480,353	66,612,038	55,719,143	105,566,265	108,461,612	278,077,195	373,645,537	163,309,102	128,594,847	75,933,239	68,345,276	97,781,973	146,440,340	53,061,687		
Vertical	6,025,443,869				115,843,777	197,880,242	201,372,698	216,760,457	430,379,712	444,067,432	166,389,928	199,631,233	269,116,670	323,697,556	536,204,638	685,076,322	645,989,530	387,542,587	496,900,096	460,217,950	238,847,002	87,766,178		
Total Cost	8,156,613,425	82,067,767	34,667,646	17,218,442	165,645,088	257,518,219	265,023,982	265,907,923	482,872,065	510,679,470	222,109,071	305,197,498	377,578,282	601,764,753	912,850,385	853,385,424	774,574,377	463,475,826	474,845,372	558,009,923	395,293,351	140,819,865		

Note: (1) See Table 2 in the text for detailed assumptions and source notes. Cost phasing based on development program and timing in Appendices 1 and 2. The total cost for each alternative is the basis for the REM model run to estimate construction period economic impacts.

APPENDIX 4: SUMMARY OF EMPLOYMENT AND WAGE ESTIMATES – STADIUM ALTERNATIVE

Land Use	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Average Annual Wage																					
Retail																					
Annual Employment	-	-	37	274	93	59	726	1,223	188	74	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	37	311	404	463	463	1,191	2,413	2,601	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675
Aggregate Annual Wages	\$39,980	\$39,980	\$14,807	\$1,438,222	\$3,949,074	\$5,569,259	\$8,599,259	\$8,599,259	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365	\$15,962,365
Office																					
Annual Employment	-	-	370	-	-	272	736	1,136	439	1,268	471	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	370	370	370	642	1,378	2,514	2,953	4,221	4,692	4,692	4,692	4,692	4,692	4,692	4,692	4,692	4,692	4,692	4,692
Aggregate Annual Wages	\$121,797	\$121,797	\$5,043,278	\$4,043,278	\$4,043,278	\$8,086,556	\$12,129,834	\$16,173,112	\$18,144,380	\$19,412,658	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936	\$20,680,936
R&D																					
Annual Employment	-	-	370	210	-	157	425	456	140	732	272	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	370	580	580	737	1,162	1,618	1,758	2,490	2,762	2,762	2,762	2,762	2,762	2,762	2,762	2,762	2,762	2,762	2,762
Aggregate Annual Wages	\$100,452	\$100,452	\$7,464,008	\$3,764,328	\$3,764,328	\$6,248,656	\$8,012,984	\$9,777,312	\$10,511,640	\$11,245,968	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296	\$11,980,296
Hotel																					
Annual Employment	-	-	-	-	-	-	137	77	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	137	214	214	214	214	214	214	214	214	214	214	214	214	214	214
Aggregate Annual Wages	\$39,154	\$39,154	-	-	-	-	\$5,357,561	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143	\$8,390,143
Arena																					
Annual Employment	-	-	-	-	-	-	-	87	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	87	87	87	87	87	87	87	87	87	87	87	87	87	87
Aggregate Annual Wages	\$32,357	\$32,357	-	-	-	-	-	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925	\$2,800,925
Parking																					
Annual Employment	-	-	0	12	1	1	2	7	5	2	1	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	0	12	13	14	16	22	28	30	31	31	31	31	31	31	31	31	31	31	31
Aggregate Annual Wages	\$27,614	\$27,614	\$6,937	\$39,776	\$57,059	\$80,342	\$103,625	\$126,908	\$150,191	\$173,474	\$196,757	\$220,040	\$243,323	\$266,606	\$289,889	\$313,172	\$336,455	\$359,738	\$383,021	\$406,304	\$429,587
Stadium																					
Annual Employment	-	-	-	-	-	-	-	359	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	359	359	359	359	359	359	359	359	359	359	359	359	359	359
Aggregate Annual Wages	\$32,357	\$32,357	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656	\$16,668,656
Parks and Open Space																					
Annual Employment	3	7	3	4	7	6	5	6	13	3	29	-	-	-	-	2	-	-	-	-	-
Cumulative Employment	3	10	13	17	24	30	35	41	54	57	85	85	85	85	85	87	87	87	87	87	87
Aggregate Annual Wages	\$35,343	\$35,343	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523	\$104,523
Marina																					
Annual Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aggregate Annual Wages	\$25,508	\$25,508	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential/Property Management																					
Annual Employment	-	21	15	16	18	56	20	9	-	41	11	37	35	7	21	58	15	29	11	-	-
Cumulative Employment	-	21	36	52	70	126	146	154	154	195	207	244	279	286	307	365	380	409	420	-	-
Aggregate Annual Wages	\$79,487	\$79,487	\$2,986,506	\$4,982,221	\$6,977,942	\$10,973,663	\$12,969,384	\$14,965,105	\$16,960,826	\$18,956,547	\$20,952,268	\$22,947,989	\$24,943,710	\$26,939,431	\$28,935,152	\$30,930,873	\$32,926,594	\$34,922,315	\$36,918,036	\$38,913,757	\$40,909,478
TOTAL EMPLOYMENT																					
Annual Employment	3	29	18	760	421	558	116	504	1,175	2,504	1,986	2,257	854	7	21	60	15	34	11	-	-
Cumulative Employment	3	31	49	809	1,230	1,788	1,906	2,410	3,585	6,089	8,075	10,331	11,185	11,192	11,213	11,274	11,289	11,323	11,334	-	-
Aggregate Wages (\$M)	\$89,679	\$89,679	\$1,017,338	\$10,173,338	\$20,346,676	\$30,520,014	\$40,693,352	\$50,866,690	\$61,040,028	\$71,213,366	\$81,386,704	\$91,560,042	\$101,733,380	\$111,906,718	\$122,080,056	\$132,253,394	\$142,426,732	\$152,600,070	\$162,773,408	\$172,946,746	\$183,120,084

Note: based on phasing and development program in Appendices 1 and 2. See Table 4 for detailed assumptions.

APPENDIX 5: SUMMARY OF EMPLOYMENT AND WAGE ESTIMATES – NON-STADIUM ALTERNATIVE

Land Use	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Average Annual Wage																				
Retail																				
Annual Employment	-	-	33	237	33	33	33	33	93	93	133	133	1,347	133	-	-	-	-	-	-
Cumulative Employment	-	-	33	270	337	370	463	463	463	596	2,543	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675	2,675
Aggregate Annual Wages	-	-	1,332,867	10,809,407	13,474,741	14,807,407	18,569,259	18,569,259	23,815,247	101,656,377	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365	106,982,365
Office																				
Annual Employment	-	-	280	-	-	-	-	-	793	850	251	1,367	1,051	-	-	-	-	-	-	-
Cumulative Employment	-	-	280	280	280	280	280	280	1,072	1,923	2,184	3,551	4,602	4,602	4,602	4,602	4,602	4,602	4,602	4,602
Aggregate Annual Wages	-	-	34,050,962	34,050,962	34,050,962	34,050,962	34,050,962	130,604,141	234,146,424	265,985,676	432,428,896	580,487,031	580,487,031	580,487,031	580,487,031	580,487,031	580,487,031	580,487,031	580,487,031	580,487,031
R&D																				
Annual Employment	-	-	280	210	-	345	-	385	413	127	665	247	1,448	-	-	-	-	-	-	-
Cumulative Employment	-	-	280	490	490	835	835	1,220	1,633	1,761	2,425	2,672	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120
Aggregate Annual Wages	-	-	28,084,933	28,084,933	49,179,873	49,179,873	83,635,813	122,558,279	164,093,712	176,852,763	243,604,916	268,416,363	413,820,633	413,820,633	413,820,633	413,820,633	413,820,633	413,820,633	413,820,633	413,820,633
Hotel																				
Annual Employment	-	-	-	-	-	-	-	-	-	-	-	-	214	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	-	-	-	-	-	214	214	214	214	214	214	214	214
Aggregate Annual Wages	-	-	-	-	-	-	-	-	-	-	-	-	8,390,143	8,390,143	8,390,143	8,390,143	8,390,143	8,390,143	8,390,143	8,390,143
Arena																				
Annual Employment	-	-	-	-	-	-	-	-	-	-	87	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	-	-	-	87	87	87	87	87	87	87	87	87	87
Aggregate Annual Wages	-	-	-	-	-	-	-	-	-	-	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125	2,800,125
Parking																				
Annual Employment	-	-	2	0	1	0	1	2	1	1	2	2	11	2	-	-	-	-	-	-
Cumulative Employment	-	-	2	2	3	3	4	6	7	8	10	22	24	24	24	24	24	24	24	24
Aggregate Annual Wages	-	-	42,525	45,287	76,092	81,615	102,724	159,987	200,897	217,250	285,012	589,366	658,583	658,583	658,583	658,583	658,583	658,583	658,583	658,583
Parks and Open Space																				
Annual Employment	2.6	7	3	4	7	6	5	5	12	-	3	28	-	-	2	-	-	-	-	-
Cumulative Employment	3	10	12	16	23	29	34	40	52	52	55	83	83	83	85	85	85	85	85	85
Aggregate Annual Wages	91,704	337,829	430,384	582,895	825,611	1,031,298	1,215,649	1,409,093	1,845,761	1,845,761	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175	2,932,175
Marina																				
Annual Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aggregate Annual Wages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential Property Management																				
Annual Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Employment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aggregate Annual Wages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential Property Management																				
Annual Employment	-	21	15	16	18	56	20	5	15	11	33	43	24	35	18	51	25	14	-	-
Cumulative Employment	-	21	36	52	70	126	146	151	165	176	209	252	276	312	330	381	408	420	420	420
Aggregate Annual Wages	-	1,701,022	2,896,506	4,149,221	5,554,652	10,015,352	11,573,307	11,892,698	13,147,150	14,005,609	16,641,398	20,039,724	21,863,848	24,774,508	26,208,654	30,276,168	32,259,044	33,394,540	33,394,540	33,394,540
TOTAL EMPLOYMENT																				
Annual Employment	3	28	18	56	56	510	92	390	1,300	1,276	512	2,237	3,496	1,618	18	53	25	19	-	-
Cumulative Employment	3	31	49	829	687	1,197	1,289	1,679	2,979	4,255	4,767	7,003	10,499	12,116	12,134	12,188	12,213	12,232	12,232	12,232
Aggregate Wages (\$M)	\$0	0.1	2.0	3.3	66.9	105.2	109.6	146.2	286.8	432.8	483.0	725.9	967.2	1,120.8	1,122.3	1,126.4	1,128.4	1,129.6	1,129.6	1,129.6

Note: based on phasing and development program in Appendices 1 and 2. See Table 4 for detailed assumptions.

STAFF CONTACTS

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The author would like to thank Wells Lawson of the Office of Economic and Workforce Development for his assistance in the preparation of this report. All errors and omissions are solely the responsibility of the Office of Economic Analysis.

BOARD of SUPERVISORS



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May 18, 2010

File No. 100578

Bill Wycko
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Mr. Wycko:

On May 11, 2010, Mayor Gavin Newsom introduced the following proposed legislation:

File No. 100578

Ordinance amending the San Francisco Planning Code by amending Sectional Maps SU09 and SU010 of the Zoning Map of the City and County of San Francisco to establish the Candlestick Point Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District; amending Sectional Maps HT09 and HT010 to establish the CP Height and Bulk District and the HP Height and Bulk District; adopting findings, including environmental findings, Planning Code Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1; providing for an operative date.

The legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

Handwritten signature of Alisa Somera in cursive.

By: Alisa Somera, Committee Clerk
Land Use & Economic Development Committee

Attachment

cc: Nannie Turrell, Major Environmental Analysis
Brett Bollinger, Major Environmental Analysis

*Contained in environmental review - Candlestick Point - Hunters Point Shipyard Phase II Development Project EIR, approved by S.F. Planning Commission and S.F. Redevelopment Agency Comm. on June 3, 2010. Appeal of Planning Commission certification upheld at SF Board of Supervisors on July 14, 2010
Nannie Turrell 7/14/2010*



SAN FRANCISCO PLANNING DEPARTMENT

June 10, 2010

Ms. Angela Calvillo, Clerk
Board of Supervisors
City and County of San Francisco
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Re: **Transmittal of Planning Department Case Number 2007.0946BEMRTUZ to the Board of Supervisors:**
Candlestick Point – Hunters Point Shipyard Phase 2 Development Project
Planning Commission Recommendation: Approval

Dear Ms. Calvillo,

On June 3, 2010, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed joint hearing with the Redevelopment Commission on the Candlestick Point Hunters Point Shipyard Phase 2 Project. At the hearing, the Commission considered the proposed General Plan, Planning Code, and Zoning Map Ordinances which the Commission initiated on March 25, 2010. The proposed Ordinances are as follows:

- Amendments to the General Plan which would amend the Bayview Hunters Point Area Plan, the Transportation Element, the Recreation and Open Space Element, the Commerce and Industry Element, the Land Use Index; establish the Candlestick Point Subarea Plan, the Hunters point Area Plan, and make other minor General Plan Map amendments (referred to you separately by Mayor Newsom under File No. 100574).
- Amendments to the San Francisco Planning Code which would establish the Candlestick Point Activity Node Special Use District, the Hunters Point Shipyard Phase 2 Special Use District and establish special height provisions for the Candlestick Point Activity Node Special Use District and the CP Height and Bulk District, and special height provisions for the Hunters Point Shipyard Phase 2 Special Use District and the HP Height and Bulk District (referred to you separately by Mayor Newsom under File No. 100579).
- Amendments to the San Francisco Zoning Maps which would amend sectional maps SU09 and SU010 to establish the Candlestick Point Activity Node Special use District and the Hunters Point Shipyard Phase 2 Special Use District; and amend Sectional Maps HT09 and HT010 to establish the CP and HP Height and Bulk Districts (referred to you separately by Mayor Newsom under File No. 100578).

At the June 3, 2010 hearing, the Planning Commission, along with the Redevelopment Commission certified the Final Environmental Impact Report (FEIR) under Motion No. 18096 and Resolution No. 59-2010, respectively.

June 9, 2010

Transmittal of Planning Commission Actions

Candlestick Point Hunters Point Phase 2 Development Project

Page 2

Also at the June 3 hearing, the Planning Commission and the Redevelopment Commission made CEQA findings including the adoption of a Mitigation Monitoring Reporting Program (MMRP).

Finally, at the June 3 hearing, the Commission voted to recommend approval of the proposed Ordinances described above.

The Planning Commission took other actions related to the project including finding the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan consistent with the General Plan and Planning Code Section 101.1, recommending to the Board of Supervisors approval of said amendments, and finding the office component of the project consistent with Planning Code Sections 320-325. Other actions included approving a cooperative agreement between the Planning Department and Redevelopment Agency, and approving the Design for Development documents for the Project.

The Motions and Resolution and related information referred to here are being transmitted to you along with actions by the Redevelopment Commission in a comprehensive packet from the Office of Economic and Workforce Development. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,



John Rahaim

Director of Planning

cc: Supervisor Maxwell
Mat Snyder, Planning Department
Tiffany Bohee, Office of Economic and Workforce Development



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 18100

HEARING DATE: JUNE 3, 2010

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San Francisco,
CA 94103-2479

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Planning
Information:
415.558.6377

Date: May 20, 2010
Case No.: 2007.0946EMTZRU
Project: Candlestick Point – Hunters Point Shipyard Phase 2 Planning
Code Map Amendments
Block/Lot: Various. See Below.
Staff Contact: Mat Snyder – (415) 575-6891
mathew.snyder@sfgov.org
Recommendation: Approval

FORMULATING A RESOLUTION TO APPROVE AMENDMENTS TO THE SAN FRANCISCO ZONING MAPS BY AMENDING SECTIONAL MAPS SU09 AND SU010 TO ESTABLISH THE CANDLESTICK POINT ACTIVITY NODE SPECIAL USE DISTRICT AND THE HUNTERS POINT SHIPYARD PHASE 2 SPECIAL USE DISTRICT; AMENDING SECTIONAL MAPS HT09 AND HT010 TO ESTABLISH THE CP AND HP HEIGHT AND BULK DISTRICT.

WHEREAS, Section 4.105 of the Charter of the City and County of San Francisco provides to the Planning Commission the opportunity to periodically recommend Planning Code Text Amendments to the Board of Supervisors; and

The Planning Department is proposing amendment to the Planning Code by amending the Zoning Maps by establishing the Candlestick Point Activity Node Special Use District which would include the following Assessor’s Blocks and Lots: Block 4884, all lots; Blocks: 4917, all lots; Blocks: 4918, all lots; Block: 4934, all lots; Block: 4935, all lots; Blocks: 4956, Lots 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014 , Block 4960, Lot 027 , Block 4977, Lot: 006; Block 4983, all lots, Block: 4984, all lots; Block: 4886, all lots; Block 4991, Lot: 276; Block: 5000, Lot: 001; Block 5005, all lots; by establishing the Hunters Point Shipyard Phase 2 Special Use District which would include the following Assessor’s Blocks and Lots: Block 4591A, Lot 079; Block 4591C, Lots 010, 209, 210, and 211; by establishing the CP Height and Bulk District to include the following Assessor’s Blocks and Lots: Block 4884, all lots; Blocks: 4917, all lots; Blocks: 4918, all lots; Block: 4934, all lots; Block: 4935, all lots; Blocks: 4956, Lots 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014 , Block 4960, Lot 027 , Block 4977, Lot: 006; Block 4983, all lots, Block: 4984, all lots; Block: 4886, all lots; Block 4991, Lot: 276; Block: 5000, Lot: 001; Block 5005; and by establishing the HP Height and Bulk District to include the following Assessor’s Blocks and Lots: Block 4591A, Lot 079; Block 4591C, Lots 010, 209, 210, and 211;.

The Bayview Hunters Point has one of the highest concentrations of very low-income residents and one of the highest unemployment rates in San Francisco, and public health in the area has generally been poor compared to the rest of San Francisco. Bayview Hunters Point has very few quality public parks and open spaces that provide active recreation facilities for neighborhood youth, and is in need of affordable housing and business and job opportunities for its residents. The area remains under-served

by transit and basic neighborhood-serving retail and cultural amenities. The betterment of the quality of life for the residents of the Bayview Hunters Point community is one of the City's highest priorities.

Hunters Point Shipyard and Candlestick Point are part of the Bayview Hunters Point neighborhood and are in close proximity to one another, separated only by the Yosemite Slough and South Basin. Together, they comprise about 702 acres, and make up the largest area of underused land in the City. This legislation creating the Candlestick Point Activity Node Special Use District, the Hunters Point Shipyard Phase 2 Special Use District, the 40/420-CP Height and Bulk District and the 40/370-HP Height and Bulk District, and the related rezoning and General Plan amendments, will implement the Project.

The Project will include (a) 10,500 residential units, approximately 32 percent of which (3,345) will be offered at below market rates, (b) approximately 327 to 336 acres of new and improved public parks and open space, (c) 885,000 square feet of regional and neighborhood-serving retail space, (d) 255,000 square feet of new and renovated studio space for Shipyard artists, including an arts education center within a new "Arts District" supporting the vibrant artist community, (e) 2,650,000 square feet of commercial, light industrial, research and development and office space, including space for the United Nations Global Compact Center, (f) 100,000 square feet of community uses, (g) new public and community facilities on the Shipyard and Candlestick Point, (h) improved land and supporting infrastructure for a new football stadium for the San Francisco 49ers, including necessary parking areas and transportation improvements, with alternative uses that either shift— some residential uses from Candlestick Point to the Shipyard and expands—by up to 500,000 square feet commercial uses on some of the areas of the Shipyard currently reserved for stadium uses—or expand research and development uses by 2,500,000 square feet on the Shipyard if the 49ers do not avail themselves of the opportunity to build a new stadium on the Shipyard, (i) a 10,000 seat arena on Candlestick Point, (j) a hotel, (k) a 300 slip Marina, and (l) a bicycle and pedestrian bridge over Yosemite Slough, that can be used for game day automobile travel in the event the stadium is not constructed.

As set forth in Proposition G, passed by San Francisco voters on June 3, 2008, the Project is designed to reconnect the Shipyard and Candlestick Point with the Bayview Hunters Point community and the rest of San Francisco and transform these long-abandoned waterfront lands into productive areas for jobs, parks and housing, including affordable housing. Expediting implementation of the Project will provide long overdue improvements to the Bayview Hunters Point community that will also benefit the City as a whole.

Hunters Point Shipyard

WHEREAS, Hunters Point Shipyard was once a thriving, major maritime industrial center that employed generations of Bayview Hunters Point residents. Following World War II, the Shipyard was a vital hub of employment in the Bayview Hunters Point, providing logistics support, construction and maintenance for the United States Department of the Navy. At its peak, the Shipyard employed more than 17,000 civilian and military personnel, many of whom lived in Bayview Hunters Point. The United States Navy ceased operations at the Shipyard in 1974 and officially closed the base in 1988. The Shipyard was then included on the Department of Defense's 1991 Base Realignment and Closure (BRAC) list. In 1993, following designation of the Shipyard by the City's Board of Supervisors as a redevelopment survey area, the City and the Redevelopment Agency began a community process to create a plan for the economic reuse of the Shipyard and the remediation and conveyance of the property by the Navy.

In planning for the redevelopment of the Shipyard, the City and the Redevelopment Agency worked closely with the Hunters Point Citizen's Advisory Committee ("CAC"). The CAC is a group of Bayview Hunters Point community residents, business owners and individuals with expertise in specific areas, who are selected by the Mayor to oversee the redevelopment process for the Shipyard. The Agency has worked with the CAC and the community throughout the process of implementing revitalization activities regarding the Shipyard.

In July 1997, the Board of Supervisors adopted a Redevelopment Plan for revitalization of the Shipyard. The Hunters Point Redevelopment Plan contemplated the development of a mix of residential, commercial, cultural, research and development and light industrial uses, with open space around the waterfront perimeter.

Since its selection by the Redevelopment Agency, the Shipyard developer has worked with the City, the Agency, and the Navy to facilitate the redevelopment and economic reuse of the Shipyard. In 2003, the Shipyard developer and the Agency entered into the Hunters Point Shipyard Phase I Disposition and Development Agreement (DDA), under which the Shipyard developer is constructing infrastructure for up to 1,600 residential units on Parcel A of the Shipyard, of which approximately 30 percent will be affordable. The Phase I DDA also requires the Shipyard developer to create

Candlestick Point

WHEREAS, Candlestick Point includes, among other things: (a) the City-owned stadium, currently named Candlestick Park, which is home to the San Francisco 49ers and is nearing the end of its useful life; (b) the Alice B. Griffith Housing Development, also known as Double Rock, and (c) the Candlestick Point State Recreation Area.

In June, 1997, San Francisco voters adopted two measures (Propositions D and F) providing for the development by the 49ers or their development partners of a new stadium, a related 1,400,000 square foot entertainment and retail shopping center, and other conditional uses including residential uses. The voters approved up to \$100 million of lease revenue bonds to help finance the proposed development of the new stadium.

In June 2006, following a 10-year planning process, the Board of Supervisors adopted a Redevelopment Plan for the Bayview Hunters Point Project Area that includes Candlestick Point. The primary objective of the Redevelopment Plan is to revitalize the Bayview Hunters Point community through economic development, affordable housing and community enhancement programs for the benefit of existing residents and community-based businesses. The policies and programs of the Redevelopment Plan incorporate community goals and objectives expressed in a Concept Plan that the Bayview Hunters Point Project Area Committee ("PAC") adopted in 2000, following hundreds of community planning meetings. The PAC is a body that was formed in 1997 through a public election by Bayview Hunters Point voters to work with the Redevelopment Agency and the City and represent the interests of the Bayview Hunters Point community in planning for the area's future. The Agency has continued to work through the PAC and with the community throughout the process of implementing revitalization activities under the Redevelopment Plan.

The Alice B. Griffith Housing Development, built in the early 1960s and operated by the San Francisco Housing Authority, needs substantial improvement. An important component of the Project is to provide one-for-one replacement of Alice B. Griffith units at existing low income levels and to ensure

that existing tenants have the right to move to the new upgraded units without being displaced until the replacement units are ready for occupancy.

In 1983, the City donated land at Candlestick Point to the State of California to form the Candlestick Point State Recreation Area with the expectation that the State would develop and implement a plan for improving the park land. The Recreation Area has the potential to be a tremendous open space recreational resource for the region and for the residents of Bayview Hunters Point. But it has not reached its potential due to limited State funding and a challenging configuration. The long-term restoration and improvement of the Candlestick Point State Recreation Area has been a long-term goal of the residents of Bayview Hunters Point, the City, and the State.

Integrated Development of the Hunters Point Shipyard and Candlestick Point

WHEREAS, For over a decade, the redevelopment of Candlestick Point and the Shipyard has proceeded on parallel, though largely separate, paths. But over the last four years, the City and the Redevelopment Agency have been working with the Bayview Hunters Point community on redeveloping the two sites together. A primary objective of both the Hunters Point Shipyard Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan is to create economic development, affordable housing, public parks and open space and other community benefits by developing the under-used lands within the two project areas. Combining the planning and redevelopment of these two areas provides a more coherent overall plan, including comprehensive public recreation and open space plans and integrated transportation plans, and provides better ways to increase efficiencies to finance the development of affordable housing and the public infrastructure necessary to expedite the revitalization of both areas.

Accordingly, in May, 2007, the Board of Supervisors adopted and the Mayor approved a resolution a Conceptual Framework for the integrated development of Candlestick Point and the Hunters Point Shipyard. The Conceptual Framework, which is the basis for the last three years of planning for the Project, envisioned a major mixed-use project, including hundreds of acres of new waterfront parks and open space, thousands of new housing units, a robust affordable housing program, extensive job-generating retail and research and development space, permanent space for the artist colony that exists in the Shipyard, and a site for a potential new stadium for the 49ers on the Shipyard.

In furtherance of the Conceptual Framework, in April 2007, the San Francisco Recreation and Parks Commission adopted a resolution requesting the Redevelopment Agency to include the existing stadium site under the Exclusive Negotiations Agreement. In May 2007, the Redevelopment Agency and the Shipyard developer (whose members were reconstituted) entered into a Second Amended and Restated Exclusive Negotiations and Planning Agreement related to Phase II of the Shipyard Redevelopment Plan, which extended the Shipyard developer's exclusive negotiating rights to cover Candlestick Point.

On June 3, 2008, the San Francisco voters approved Proposition G, an initiative petition measure named The Bayview Jobs, Parks, and Housing Initiative, regarding plans to revitalize the Project site. As set forth in Proposition G, the project is designed to revitalize the Project Site by (a) improving and creating hundreds of acres of public parks and open space, particularly along the waterfront, (b) significantly increasing the quality and quantity of affordable housing in southeastern San Francisco, including the complete rebuilding of the Alice Griffith Housing Development, (c) providing thousands of commercial and construction job opportunities for San Francisco residents and businesses, especially in

the Bayview Hunters Point community, (d) supporting the creation of permanent space on the Shipyard for existing artists, (e) elevating the site into a regional center for green development and the use of green technology and sustainable building design, (f) providing extensive transportation improvements that will benefit southeastern San Francisco generally, (g) attracting and sustaining neighborhood serving retail and cultural amenities and services, and (h) offering a world-class waterfront stadium site opportunity as the City's last and best chance to keep the 49ers in San Francisco over the long term, but without requiring the revitalization project to be delayed if the 49ers do not timely decide to build a stadium in the project site or decide to build a new stadium elsewhere.

In October 2009, the State Legislature approved and the Governor signed and filed Senate Bill No. 792 (SB 792). SB 792, enacted as Chapter 2003 of the Statutes of 2009 in January of 2010, provides for the reconfiguration of the Candlestick Point State Recreation Area and improvement of the State park lands, in connection with the development of the Project.

Since February 2007, the Project has been reviewed by the Bayview Hunters Point community and other stakeholders in over 200 public meetings, including those held before the PAC, the CAC, the Redevelopment Agency Commission, the Board of Supervisors, the Planning Commission, and other City commissions and in other local forums.

On March 25, 2010, pursuant to Planning Code sections 302(b) and the Commission initiated Planning Code Map amendments by Resolution No. 18065, that would amend the San Francisco Zoning Maps by amending Sectional Maps SU09 and SU010 to establish the Candlestick Point Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District; amending Sectional Maps HT09 and HT010 to establish the CP and HT Height and Bulk District; and

On June 3, 2010, by Motion No. 18096, the Commission certified the Final Environmental Impact Report ("FEIR") as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA"); and

On June 3, 2010 by Motion No. 18097, the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth; and

A draft ordinance, substantially in the form attached hereto as Exhibit A, approved as to form, would amend the Planning Code Zoning Maps as described above.

NOW THEREFORE BE IN RESOLVED, That the Planning Commission hereby finds that the Planning Code Map amendments promote the public welfare, convenience and necessity for the following reasons:

1. The Zoning Map amendments would enable development that would eliminate blight in the Hunters Point Shipyard Redevelopment Project Area and Zone 1 (Candlestick Point) of the Bayview Hunters Point Redevelopment Project Area.
2. The Zoning Map amendments include a new Candlestick Point Activity Node Special Use District and Hunters Point Shipyard Phase 2 Activity Node Special Use District that refer to the

Resolution No. 18100
Hearing Date: June 3, 2010

Case No 2007.0946BEMRTUZ
Candlestick Point - Hunters Point Shipyard
Phase 2 Planning Code Map Amendments

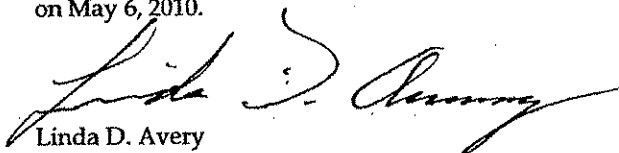
Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans respectively, which in turn, will promote vibrant high-density, mixed-use, multi-modal and transit friendly development as a means to fully realize its shoreline location and to help revitalize the Bayview.

3. The Zoning Map amendments support development that will provide a wide range of employment opportunities in wide range of fields and employment levels.
4. The Zoning Map amendments promote, the possibility of new emerging industries including green technology through the provision of a major new site and space for adjacent office and related uses.
5. Development enabled by the Zoning Map amendments would strengthen the economic base of the Project Area and the City as a whole by strengthening retail and other commercial functions in the Project Area community through the addition of several million square feet of Research and Development, hundreds of thousands of square feet of retail and community-facility uses.
6. Development enabled by the Zoning Map amendments includes the opportunity for substantial new and renovated publicly accessible open space.
7. The Zoning Map amendments would enable would enable development that would include substantial new housing opportunities, including a substantial amount of below market rate housing including the replacement of the Alice Griffith Public Housing development.

AND BE IT FURTHER RESOLVED, That the Planning Commission finds the Zoning Map amendments are in general conformity with the General Plan, and Planning Code section 101.1(b) pursuant to Planning Commission Resolution No. 18101. The findings attached to Resolution No. 18101 as Exhibit A, are hereby incorporated herein by this reference as if fully set forth.

AND BE IT FURTHER RESOLVED, That pursuant to Planning Code Section 340, the Planning Commission recommends to the Board of Supervisors approval the General Plan amendments.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on May 6, 2010.


Linda D. Avery
Commission Secretary

AYES: Commissioners Antonini, Borden, Lee, Miguel, Moore, Sugaya

NOES: Commissioner Olague

ABSENT: None

Resolution No. 18100
Hearing Date: June 3, 2010

Case No 2007.0946BEMRTUZ
Candlestick Point - Hunters Point Shipyard
Phase 2 Planning Code Map Amendments

ADOPTED: June 3, 2010



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 18101

HEARING DATE: JUNE 3, 2010

Date: May 20, 2010
Case No.: 2007.0946BEMRTUZ
Project: Candlestick Point – Hunters Point Shipyard Phase 2
 General Plan Findings and Planning Code Section 101.1 Findings
Location: Candlestick Point and Hunters Point Shipyard
Staff Contact: Mat Snyder – (415) 575-6891
 mathew.snyder@sfgov.org
Recommendation: Adopt the Findings

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ESTABLISHING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN OF THE CITY AND COUNTY OF SAN FRANCISCO AND WITH SECTION 101.1 OF THE CITY PLANNING CODE FOR THE CANDLESTICK POINT HUNTERS POINT SHIPYARD PHASE 2 DEVELOPMENT PROJECT INCLUDING AMENDMENTS TO THE BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN, THE HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN AND FOR VARIOUS ACTIONS NECESSARY FOR THE IMPLEMENTATION OF THE PROJECT.

WHEREAS, The Planning Department (“Department”), Redevelopment Agency (“Agency”), the Office of Economic and Workforce Development (“OEWD”) with many other City Departments have been working to transform Candlestick Point and the Hunters Point Shipyard from their current underutilized nature into a vibrant, high-density, mixed-use, transit-oriented neighborhoods that will provide public benefits to both the existing residents and the City as a whole;

The Bayview Hunters Point has one of the highest concentrations of very low-income residents and one of the highest unemployment rates in San Francisco, and public health in the area has generally been poor compared to the rest of San Francisco. Bayview Hunters Point has very few quality public parks and open spaces that provide active recreation facilities for neighborhood youth, and is in need of affordable housing and business and job opportunities for its residents. The area remains under-served by transit and basic neighborhood-serving retail and cultural amenities. The betterment of the quality of life for the residents of the Bayview Hunters Point community is one of the City’s highest priorities;

Hunters Point Shipyard and Candlestick Point are part of the Bayview Hunters Point neighborhood and are in close proximity to one another, separated only by the Yosemite Slough and South Basin. Together, they comprise about 702 acres, and make up the largest area of underused land in the City. The Candlestick Point area comprises approximately 281 acres and Hunters Point Shipyard Phase 2 area comprises approximately 402 acres. Candlestick Point is

generally comprised of the 49ers Football Stadium and parking lot, the Candlestick Point State Recreation Area (CPSRA) (excluding the Yosemite Slough portion of the Park), the Alice Griffith Housing development, along with privately held parcels to the southwest of the stadium site between Bayview Hill and Jamestown Avenue, and privately held parcels between the stadium and the CPSRA. The Hunters Point Shipyards portion of the project is comprised of a majority of the former Naval Shipyards except for the portion currently being developed as "Phase 1", also often referred to as "Parcel A";

The Hunters Point Shipyards was once a thriving, major maritime industrial center that employed generations of Bayview Hunters Point residents. Following World War II, the Shipyards was a vital hub of employment in the Bayview Hunters Point, providing logistics support, construction and maintenance for the United States Department of the Navy. At its peak, the Shipyards employed more than 17,000 civilian and military personnel, many of whom lived in Bayview Hunters Point. The United States Navy ceased operations at the Shipyards in 1974 and officially closed the base in 1988. The Shipyards was then included on the Department of Defense's 1991 Base Realignment and Closure (BRAC) list. In 1993, following designation of the Shipyards by the City's Board of Supervisors as a redevelopment survey area, the City and the Redevelopment Agency began a community process to create a plan for the economic reuse of the Shipyards and the remediation and conveyance of the property by the Navy; and

In planning for the redevelopment of the Shipyards, the City and the Redevelopment Agency worked closely with the Hunters Point Citizen's Advisory Committee ("CAC"). The CAC is a group of Bayview Hunters Point community residents, business owners and individuals with expertise in specific areas, who are selected by the Mayor to oversee the redevelopment process for the Shipyards. The Agency has worked with the CAC and the community throughout the process of implementing revitalization activities regarding the Shipyards; and

In July 1997, the Board of Supervisors adopted a Redevelopment Plan for revitalization of the Shipyards. The Hunters Point Redevelopment Plan contemplated the development of a mix of residential, commercial, cultural, research and development and light industrial uses, with open space around the waterfront perimeter; and

Since its selection by the Redevelopment Agency, the Shipyards developer has worked with the City, the Agency, and the Navy to facilitate the redevelopment and economic reuse of the Shipyards. In 2003, the Shipyards developer and the Agency entered into the Hunters Point Shipyards Phase I Disposition and Development Agreement (DDA), under which the Shipyards developer is constructing infrastructure for up to 1,600 residential units on Parcel A of the Shipyards, of which approximately 30 percent will be affordable. The Phase I DDA also requires the Shipyards developer to create approximately 25 acres of public parks and open space on Parcel A.

As described above, Candlestick Point includes, among other things: (a) the City-owned stadium, currently named Candlestick Park, which is home to the San Francisco 49ers and is nearing the end of its useful life; (b) the Alice B. Griffith Housing Development, also known as Double Rock, and (c) the Candlestick Point State Recreation Area.

Resolution No. 18101
Hearing Date: June 3, 2010

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 General Plan Findings
and Planning Code Section 101.1
Findings

In June, 1997, San Francisco voters adopted two measures (Propositions D and F) providing for the development by the 49ers or their development partners of a new stadium, a related 1,400,000 square foot entertainment and retail shopping center, and other conditional uses including residential uses. The voters approved up to \$100 million of lease revenue bonds to help finance the proposed development of the new stadium.

In June 2006, following a 10-year planning process, the Board of Supervisors adopted a Redevelopment Plan for the Bayview Hunters Point Project Area that includes Candlestick Point. The primary objective of the Redevelopment Plan is to revitalize the Bayview Hunters Point community through economic development, affordable housing and community enhancement programs for the benefit of existing residents and community-based businesses. The policies and programs of the Redevelopment Plan incorporate community goals and objectives expressed in a Concept Plan that the Bayview Hunters Point Project Area Committee ("PAC") adopted in 2000, following hundreds of community planning meetings. The PAC is a body that was formed in 1997 through a public election by Bayview Hunters Point voters to work with the Redevelopment Agency and the City and represent the interests of the Bayview Hunters Point community in planning for the area's future. The Agency has continued to work through the PAC and with the community throughout the process of implementing revitalization activities under the Redevelopment Plan.

The Alice B. Griffith Housing Development, built in the early 1960s and operated by the San Francisco Housing Authority, needs substantial improvement. An important component of the Project is to provide one-for-one replacement of Alice B. Griffith units at existing low income levels and to ensure that existing tenants have the right to move to the new upgraded units without being displaced until the replacement units are ready for occupancy.

In 1983, the City donated land at Candlestick Point to the State of California to form the Candlestick Point State Recreation Area with the expectation that the State would develop and implement a plan for improving the park land. The Recreation Area has the potential to be a tremendous open space recreational resource for the region and for the residents of Bayview Hunters Point. But it has not reached its potential due to limited State funding and a challenging configuration. The long-term restoration and improvement of the Candlestick Point State Recreation Area has been a long-term goal of the residents of Bayview Hunters Point, the City, and the State.

For over a decade, the redevelopment of Candlestick Point and the Shipyards has proceeded on parallel, though largely separate, paths. But over the last four years, the City and the Redevelopment Agency have been working with the Bayview Hunters Point community on redeveloping the two sites together. A primary objective of both the Hunters Point Shipyards Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan is to create economic development, affordable housing, public parks and open space and other community benefits by developing the under-used lands within the two project areas. Combining the planning and redevelopment of these two areas provides a more coherent overall plan, including comprehensive public recreation and open space plans and integrated transportation plans, and

provides better ways to increase efficiencies to finance the development of affordable housing and the public infrastructure necessary to expedite the revitalization of both areas.

In May, 2007, the Board of Supervisors adopted and the Mayor approved a resolution approving a Conceptual Framework for the integrated development of Candlestick Point and Phase 2 of the Hunters Point Shipyards ("the Project"). The Conceptual Framework, which is the basis for the last three years of planning for the Project, envisioned a major mixed-use project, including hundreds of acres of new waterfront parks and open space, thousands of new housing units, a robust affordable housing program, extensive job-generating retail and research and development space, permanent space for the artist colony that exists in the Shipyards, and a site for a potential new stadium for the 49ers on the Shipyards.

In furtherance of the Conceptual Framework, in April 2007, the San Francisco Recreation and Parks Commission adopted a resolution requesting the Redevelopment Agency to include the existing stadium site under the Exclusive Negotiations Agreement. In May 2007, the Redevelopment Agency and the Shipyards developer (whose members were reconstituted) entered into a Second Amended and Restated Exclusive Negotiations and Planning Agreement related to Phase II of the Shipyards Redevelopment Plan, which extended the Shipyards developer's exclusive negotiating rights to cover Candlestick Point.

On June 3, 2008, the San Francisco voters approved Proposition G, an initiative petition measure named The Bayview Jobs, Parks, and Housing Initiative, regarding plans to revitalize the Project site. As set forth in Proposition G, the project is designed to revitalize the Project Site by (a) improving and creating hundreds of acres of public parks and open space, particularly along the waterfront, (b) significantly increasing the quality and quantity of affordable housing in southeastern San Francisco, including the complete rebuilding of the Alice Griffith Housing Development, (c) providing thousands of commercial and construction job opportunities for San Francisco residents and businesses, especially in the Bayview Hunters Point community, (d) supporting the creation of permanent space on the Shipyards for existing artists, (e) elevating the site into a regional center for green development and the use of green technology and sustainable building design, (f) providing extensive transportation improvements that will benefit southeastern San Francisco generally, (g) attracting and sustaining neighborhood serving retail and cultural amenities and services, and (h) offering a world-class waterfront stadium site opportunity as the City's last and best chance to keep the 49ers in San Francisco over the long term, but without requiring the revitalization project to be delayed if the 49ers do not timely decide to build a stadium in the project site or decide to build a new stadium elsewhere.

In October 2009, the State Legislature approved and the Governor signed and filed Senate Bill No. 792 (SB 792). SB 792, enacted as Chapter 2003 of the Statutes of 2009 in January of 2010, provides for the reconfiguration of the Candlestick Point State Recreation Area and improvement of the State park lands, in connection with the development of the Project.

The Project will include (a) 10,500 residential units, approximately 32 percent of which (3,345) will be offered at below market rates, (b) approximately 327 to 336 acres of new and improved public parks and open space, (c) 885,000 square feet of regional and neighborhood-serving retail space, (d) 255,000 square feet of new and renovated studio space for Shipyards

artists, including an arts education center within a new "Arts District" supporting the vibrant artist community, (e) 2,650,000-5,000,000 square feet of commercial, light industrial, research and development and office space, including space for the United Nations Global Compact Center, (f) 100,000 square feet of community uses, (g) new public and community facilities on the Shipyard and Candlestick Point, (h) improved land and supporting infrastructure for a new football stadium for the San Francisco 49ers, including necessary parking areas and transportation improvements, with alternative uses that either shift some residential uses from Candlestick Point to the Shipyard and expands by up to 500,000 square feet commercial uses on some of the areas of the Shipyard currently reserved for stadium uses or expand research and development uses by 2,500,000 square feet on the Shipyard if the 49ers do not avail themselves of the opportunity to build a new stadium on the Shipyard, (i) a 10,000 seat arena on Candlestick Point, (j) a hotel, (k) a 300 slip Marina, and (l) a bicycle and pedestrian bridge over Yosemite Slough, that can be used for game day automobile travel in the event the stadium is constructed.

In order to implement the Project the Agency has prepared and transmitted to the Planning Commission proposed amendments to the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans. Among other things, these amendments increase tax increment financing limits, revise the land use controls, and limit new impact fees imposed on the Project. The amendment to the Shipyard Plan also provides that a portion of the research and development square footage entitlement be given priority for Proposition M (Planning Code Sections 320-325) office space allocation with certain conditions. Additionally, the Amendment to the Bayview Hunters Point Redevelopment Plan designates Candlestick Point as Zone I of the Project Area. In addition to amendments to the Redevelopment Plans, amendments to the City's General Plan, Planning Code and Zoning Maps are necessary to find the Redevelopment Plans consistent with the General Plan.

Pursuant to Section 33346 of the California Health and Safety Code regarding California Redevelopment Law, the planning policies and objectives and land uses and densities of the Redevelopment Plans must be found consistent with the General Plan prior to Redevelopment Plan approval by the Board of Supervisors.

The Charter of the City and County of San Francisco requires certain legislative actions to be found in conformity with the General Plan and Section 101.1 of the Planning Code.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of the Bayview Hunters Point and Hunters Point Shipyard, using the legal and financial tools of a Redevelopment Plan, while creating jobs, housing and open space in a safe, pleasant, attractive and livable mixed use neighborhood that is linked rationally to adjacent neighborhoods.

The proposed Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans, as amended, provide for a type of development, intensity of development and location of development that is consistent with the overall goals and objectives and policies of the General

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Plan as well as the Eight Priority Policies of Section 101.1, as expressed in the findings contained in Exhibit A to this resolution.

On June 3, 2010, by Motion No. 18096, the Commission certified the Final Environmental Impact Report ("FEIR") for the Project as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA").

On June 3, 2010 by Resolution No. 18102, the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyards Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth.

As part of the implementation of the Project, the Board of Supervisors is considering a number of actions, including but not limited to the following: adoption of amendments to the General Plan, Planning Code, and Zoning Map; adoption of the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyards Redevelopment Plan; approval of the Interagency Cooperation Agreement for the Project (which includes a Joint Facilities Agreement); approval of a Public Trust Exchange Agreement with the San Francisco Port, Redevelopment Agency and State Lands Commission, and a land transfer agreement with the Redevelopment Agency and San Francisco Recreation and Park; adoption of amendments to the Health Code, the Public Works Code, the Building Code, and the Subdivision Code; and approval of a Tax Allocation Agreement with the Redevelopment Agency.

Drafts of these documents and proposed Board of Supervisors' Resolutions and Ordinances are contained in Planning Department file for Case 2007.0946BEMTRUZ;

The drafts of the documents for Board action may be modified prior to final action by the Board of Supervisors.

The proposed General Plan, Planning Code and Zoning Map amendments provide for the adoption of the proposed amendments to the Bayview Hunters Point and the Hunters Point Shipyards Redevelopment Plans.

The drafts of the proposed amendments to the Bayview Hunters Point and the Hunters Point Shipyards Redevelopment Plans set forth plans and objectives for the revitalization of the area.

The proposed Interagency Cooperation Agreement sets forth a framework for cooperation between the City and the Redevelopment Agency in administering the process for approval of all applicable land use, development, construction, improvement, infrastructure, occupancy and use requirements relating to the areas covered by the Redevelopment Plans.

The Public Trust Exchange Agreement settles certain boundary and title disputes related to the common law public trust for commerce, navigation, and fisheries ("Public Trust"), and

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establishes and reconfigures the location of the lands subject to the Public Trust and lands free of the Public Trust, in furtherance of the Project and the reconfiguration of Candlestick Point State Recreation Area.

The Recreation and Park land transfer agreement provides for the transfer of City-owned land within the Candlestick site to the Redevelopment Agency for development of the Project, consistent with Proposition G.

The draft amendments to the Health Code and related amendments to the Public Works Code and the Building Code create a framework for the San Francisco Department of Public Health to oversee and monitor compliance with environmental requirements at the Hunters Point Shipyards.

The draft amendments to the Subdivision Code provide the terms and conditions under which subdivision and parcel maps will be approved in the Project area.

The proposed Tax Allocation Agreement provides for an irrevocable pledge of net available tax increment from the Project site to the Redevelopment Agency, for the purpose of financing the construction of public infrastructure and certain other public improvements in the Project site.

The Commission is not required to approve all of the Board Actions, but must consider whether the implementation of the Bayview Hunters Point and the Hunters Point Shipyards Plan Redevelopment Plans, as amended, which the Board actions contemplate, is consistent with the General Plan, as it is proposed to be amended, and with Planning Code Section 101.1.

The Commission has reviewed the analysis of the consistency of the Redevelopment Plans, as amended, and the various implementation actions with the City's General Plan, as it is proposed to be amended, and with Section 101.1 of the Planning Code, which consistency analysis has been prepared by Planning Department staff and is set forth in Exhibit A to this Resolution.

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NOW, THEREFORE, BE IT RESOLVED, That the Planning Commission finds that the amendments to the Bayview Hunters Point Redevelopment Plan, the Shipyards Redevelopment Plan, and the Board actions identified above as necessary to implement the Project are consistent with the General Plan, as it is proposed to be amended, and with Section 101.1 of the Planning Code as described in Exhibit A to this Resolution.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on June 3, 2010.



Linda D. Avery
Commission Secretary

AYES: Commissioners Antonini, Borden, Lee, Miguel

NOES: Commissioners Moore, Olague, Sugaya

ABSENT: None

ADOPTED: June 3, 2010

Exhibit A
To Planning Commission Resolution No. 18101

Candlestick Point – Hunters Point Shipyard Phase 2 Development Project
General Plan Findings and Planning Code Section 101.1 Findings

The following constitute findings that the Candlestick Point – Hunters Point Shipyard Phase 2 Development Project (the Project) is, on balance, consistent with the General Plan and Planning Code Section 101.1.

These findings consider, and are conditioned upon, all required Planning Commission actions related to the Project including, but not limited to, adoption of Planning Code text and map amendments (Planning Code Amendments); amendments to the General Plan, including amendments to the Bayview Hunters Point Area Plan, adoption of the Candlestick Point Sub-Area Plan, and adoption of the Hunters Point Shipyard Area Plan (General Plan Amendments); and adoption of the amendments to the Bayview Hunters Point Redevelopment Plan (BVHP Redevelopment Plan) and the Hunters Point Shipyard Redevelopment Plan (Shipyard Redevelopment Plan) and approval of the Candlestick Point and Hunters Point Shipyard Phase 2 Design for Development Documents and corresponding technical amendments to the Hunters Point Shipyard Phase 1 Design for Development Document.

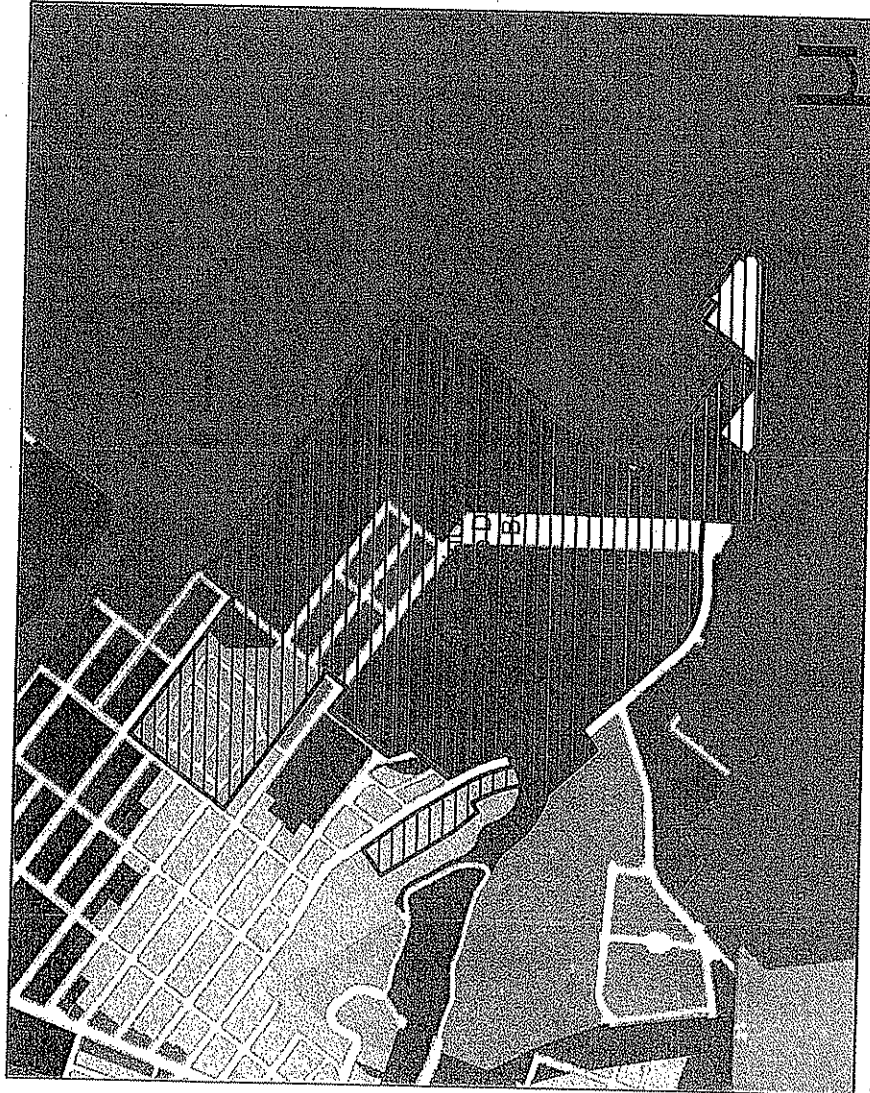
Additionally, these findings will apply to other Project actions and related documents including, but not limited to the Planning Cooperation Agreement, Real Property Transfer Agreement between the Redevelopment Agency and the City and County of San Francisco for certain City property at Candlestick Point (“Recreation and Park Land Transfer Agreement”), Interagency Cooperation Agreement, amendments to the Subdivision Code, amendments to the Health Code and related amendments to the Public Works Code and Building Code and the Public Trust Exchange Agreement.

BAYVIEW HUNTERS POINT AREA PLAN

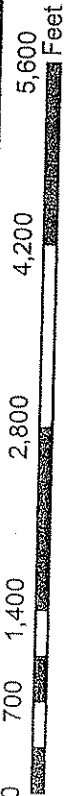
The Bayview Hunters Point Area Plan (BVHP Area Plan) provides broad principles, objectives, and policies for community development in the Bayview neighborhood. The BVHP Area Plan discusses the need to arrest the demographic decline of the African American population; provide economic development and jobs, particularly for local residents; eliminate health and environmental hazards including reducing land use conflicts; provide additional housing, particularly affordable housing; provide additional recreation, open space, and public service facilities, and better address transportation deficiencies by offering a wider range of transportation options.

As a part of the adopted General Plan amendments (Planning Commission Resolution No. 18098), the BVHP Area Plan was amended to implement the Project and reflect the fact that four years have passed since the BVHP Area Plan was last updated. Most significantly, a new Candlestick Point Subarea Plan was adopted as part of this Area Plan.

**Candlestick Point
Activity Node
Special Use District /
CP Height and Bulk District**



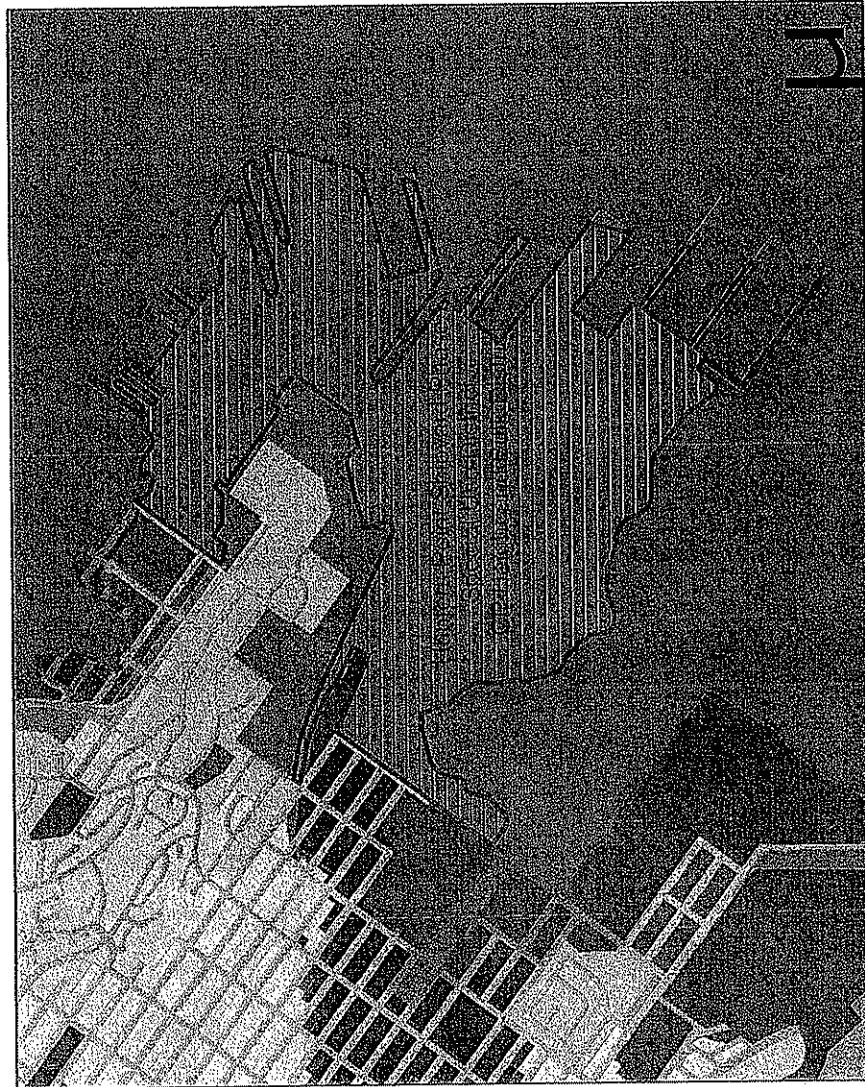
Printed: 19 May, 2010



Zoning

P	Public
RH-1	One Unit per Lot
RH-1(S)	One Unit per Lot with Minor Secondary Unit
RH-2	Two Units per Lot
RM-1	Low Density (1 Unit per 800 sf)
NC-2	Small-Scale (2 Commercial Stories)
NC-3	Moderate-Scale (3+ Commercial Stories)
C-2	Community Business
M-1	Light Industrial
M-2	Heavy Industrial
PDR-1-B	Buffer
PDR-2	Core
HP-RA	See Hunters Point Redevelopment Plan

Hunters Point Shipyard Phase 2 Special Use District / HP Height and Bulk District



0 950 1,900 3,800 5,700 7,600 Feet
Printed: 19 May, 2010

Zoning

P	Public
RH-1	One Unit per Lot
RH-1(S)	One Unit per Lot with Minor Secondary Unit
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