

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: January 7, 2025
To: Thor Kaslofsky, Executive Director, Office of Community Investment and Infrastructure
From: *ACC* Angela Calvillo, Clerk of the Board, Board of Supervisors
Subject: Redevelopment Plan Amendment - Hunters Point Shipyard
(File No. 240877)

On November 5, 2024, the Board of Supervisors passed Ordinance No. 253-24 sponsored by Mayor London N. Breed (File No. 240877, Redevelopment Plan Amendment - Hunters Point Shipyard), which was enacted on November 14, 2024.

Please find the attached courtesy certified copy of the Ordinance for your office's information and consideration.

If you have any questions or concerns, please contact the Office of the Clerk of the Board at (415) 554-5184, or by email: board.of.supervisors@sfgov.org.

c: Supervisor Shamann Walton, Board of Supervisors
Tom Paulino, Mayor's Liaison to the Board of Supervisors
Andres Power, Mayor's Policy Director
Lucinda Nguyen, Office of Community Investment and Infrastructure
Jaimie Cruz, Office of Community Investment and Infrastructure
Lila Hussain, Office of Community Investment and Infrastructure
Marc Slutzkin, Office of Community Investment and Infrastructure
James Morales, Office of Community Investment and Infrastructure

1 [Redevelopment Plan Amendment - Hunters Point Shipyard]

2

3 **Ordinance approving and adopting an amendment to the Redevelopment Plan for the**

4 **Hunters Point Shipyard Redevelopment Project Area (“HPS”) to authorize the transfer**

5 **of up to 2,050,000 square feet of research and development and office space from HPS**

6 **Phase 2 to the Bay View Hunters Point Redevelopment Plan Project Area Zone 1 and**

7 **extend the Redevelopment Plan time limits for HPS Phase 2; directing the Clerk of the**

8 **Board to transmit a copy of this Ordinance upon its enactment to the Successor**

9 **Agency; making findings under the California Environmental Quality Act; and making**

10 **findings of consistency with the General Plan, and the eight priority policies of**

11 **Planning Code, Section 101.1.**

12 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.

13 **Additions to Codes** are in *single-underline italics Times New Roman font*.

14 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.

15 **Board amendment additions** are in double-underlined Arial font.

16 **Board amendment deletions** are in ~~strikethrough Arial font~~.

17 **Asterisks (* * * *)** indicate the omission of unchanged Code subsections or parts of tables.

18

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

20 Section 1. Findings.

21 (a) On May 23, 2006, in Ordinance No. 113-06, the Board of Supervisors approved

22 and adopted the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project

23 (“BVHP Plan”), which established basic policies for development of the Bayview Hunters Point

24 Redevelopment Project Area (“BVHP Project Area”). The Redevelopment Agency of the City

25 and County of San Francisco (“Redevelopment Agency”) thereby became vested with the

responsibility to carry out these redevelopment plans. On July 14, 1997, in Ordinance No.

1 285-97, the Board of Supervisors approved and adopted the Hunters Point Shipyard
2 Redevelopment Plan ("HPS Plan"), which established basic policies for development of the
3 Hunters Point Shipyard Redevelopment Project Area ("HPS Project Area"), pursuant to the
4 Military Base Conversion Chapter of the Community Redevelopment Law ("CRL") (California
5 Health and Safety Code Sections 33492 et seq.).

6 (b) On August 3, 2010, in Ordinance Nos. 210-10 and 211-10, the Board of
7 Supervisors approved and adopted amendments to the BVHP Plan and the HPS Plan,
8 respectively, in connection with the approval of the Candlestick Point-Hunters Point Shipyard
9 Phase 2 Project ("Project").

10 (c) To implement the Project, the Redevelopment Agency and CP Development Co.,
11 LP, a Delaware limited partnership ("Developer"), entered into various agreements, including
12 a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters
13 Point Shipyard), dated as of June 3, 2010, as amended from time to time (the "DDA"). The
14 Project proposed a cohesive, overall plan for the development in Phase 2 of the HPS Project
15 Area (which excludes previously authorized development in the Hunters Point Hill Residential
16 District, referred to as "HPS Phase 1"), and development in the Candlestick Point portion of
17 the BVHP Project Area.

18 (d) On July 13, 2010, the Board of Supervisors approved Motion No. 10-110, which
19 affirmed the Planning Commission's certification of the final environmental impact report for
20 the Candlestick Point-Hunters Point Shipyard Phase 2 Project ("FEIR") in compliance with the
21 California Environmental Quality Act ("CEQA") (California Public Resources Code Sections
22 21000 et seq.). A copy of this Motion is on file with the Clerk of the Board of Supervisors in
23 File No. 100862 and is incorporated herein by reference.

24 (e) The Project, as analyzed in the FEIR and approved, included a new professional
25 football stadium in the HPS Project Area, a mix of other uses throughout the development

1 area, a comprehensive open space plan, an integrated transportation plan, a robust
2 community benefits plan, and improved opportunities to finance the development of affordable
3 housing and the public infrastructure necessary to expedite the revitalization of both areas.
4 Also, as part of the Project, the FEIR analyzed several land use variants, which provided for
5 differing mixes of housing, retail, research and development, and office uses in lieu of the
6 stadium use.

7 (f) Together with approval actions taken in 2010, this Board adopted Resolution No.
8 347-10, making findings in relation to the Project pursuant to CEQA, including a statement of
9 overriding considerations and a mitigation monitoring and reporting program (“CEQA
10 Findings”). Copies of said Resolution and supporting materials are in the Clerk of the Board
11 of Supervisors File No. 100572 and are incorporated herein by reference.

12 (g) On February 1, 2012, the State of California, in California Health and Safety Code
13 Sections 34170 et seq. (the “Redevelopment Dissolution Law”), dissolved all redevelopment
14 agencies in the State and established successor agencies to assume certain rights and
15 obligations of the former agencies. On October 2, 2012, in Ordinance No. 215-12, the Board
16 of Supervisors delegated its State authority under the Redevelopment Dissolution Law to the
17 Successor Agency to the former Redevelopment Agency of the City and County of San
18 Francisco (the “Successor Agency”); established the Successor Agency Commission
19 (commonly known as the “Commission on Community Investment and Infrastructure” or “CCII”
20 and the Office of Community Investment and Infrastructure or “OCII”) to implement and
21 complete, among other things, the surviving enforceable obligations of the dissolved
22 Redevelopment Agency; and acknowledged that, under the Redevelopment Dissolution Law,
23 the Successor Agency held all transferred assets and obligations of the dissolved
24 Redevelopment Agency. On December 4, 2012, the California Department of Finance finally
25

1 and conclusively determined that the DDA and related agreements were enforceable
2 obligations of the Successor Agency.

3 (h) On June 13, 2017, the Board of Supervisors approved and adopted, in Ordinance
4 Nos. 121-17 and 122-17, respectively, amendments to the HPS Plan and the BVHP Plan to
5 conform the plans to Proposition O, the “Hunters Point Shipyard/Candlestick Point Jobs
6 Stimulus Proposition,” adopted by the San Francisco voters on November 8, 2016.
7 Proposition O exempts the Project from the annual office development cap established under
8 Planning Code Sections 320-325.

9 (i) On July 16, 2018, the Board of Supervisors approved and adopted amendments to
10 the HPS Plan and BVHP Plan (“2018 Plan Amendments”) in Ordinance Nos. 166-18 and 167-
11 18, respectively. The 2018 Plan Amendments amended the BVHP Plan and HPS Plan to
12 authorize, subject to prior Successor Agency Commission approval: (1) adjustment of the
13 amount of individual non-residential uses permitted in the BVHP Project Area (except for
14 community use space), including conversion to other non-residential uses allowed by the
15 BVHP Plan, provided the total square footage of non-residential uses does not materially
16 exceed the Plan’s overall limitation for non-residential development in the Candlestick Point
17 area; and (2) the transfer of up to 118,500 square feet of research and development and
18 office space from Phase 2 of the HPS Project Area to those areas of Zone 1 of the BVHP
19 Project Area where such uses are permitted, with a corresponding reduction in that use in the
20 HPS Project Area. In addition, the 2018 Plan Amendment would authorize, subject to prior
21 Successor Agency Commission approval, adjustment of the amount of individual non-
22 residential uses permitted in the HPS Project Area (except for artists or community use
23 space), including conversion to other non-residential uses allowed by the HPS Plan; provided
24 that the total square footage of non-residential uses does not materially exceed the Plan’s
25 overall limitation for non-residential development.

1 (j) On September 13, 2023, Governor Newsom signed into law Senate Bill 143 (2023)
2 (“SB 143”) that amended California Health and Safety Code Section 34177.7 to add
3 subdivision (j), which states that “the limitations relating to time for establishing loans,
4 advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay
5 indebtedness, the time for applying tax increment, the number of tax dollars, or any other
6 matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the Project. SB
7 143 provides that the applicable time limits for establishing loans, advances, and
8 indebtedness; the effectiveness of the redevelopment plans; and the time to repay
9 indebtedness and receive property taxes will be established in the Project agreements. SB
10 143 further clarifies that the Redevelopment Dissolution Law does not “limit the receipt and
11 use of property tax revenues generated from the HPS Redevelopment Plan project area or
12 Zone 1 of the BVHP Plan project area” in connection with the Project.

13 (k) The Developer has proposed modifications to the Project primarily affecting the
14 Zone 1 of the BVHP Plan Project Area, with some conforming changes that affect the HPS
15 Project Area. To facilitate the proposed modifications, the Successor Agency Commission
16 has proposed an amendment to the HPS Plan (“2024 Plan Amendment”) that would amend
17 the HPS Plan to allow the transfer of up to 2,050,000 square feet of research and
18 development and office space from Phase 2 of the HPS Project Area to those portions of
19 Zone 1 of the BVHP Project Area where that use is allowed, subject to Successor Agency
20 Commission approval and any necessary environmental review.

21 (l) The 2024 Plan Amendment also implements SB 143 and establishes the applicable
22 limitations relating to time for establishing loans, advances, and indebtedness, the
23 effectiveness of the HPS Plan, and the time to repay indebtedness and receive property
24 taxes, in connection with Phase 2 of the HPS Project Area. It does so in the following ways:
25 (1) the time limit for establishing loans, advances, and indebtedness in connection with Phase

1 2 of the HPS Project Area shall be 30 years from the date of conveyance to the master
2 developer all Phase 2 parcel(s) required for the completion of development of the first Major
3 Phase (as defined in that certain Disposition and Development Agreement for the CP-HPS2
4 Project) located within Phase 2 (defined as the "Initial HPS Transfer Date") plus an additional
5 15 years which represents the "Anticipated Navy Delay" as further described in this
6 subsection (l); (2) the time limit for the effectiveness of the HPS Plan for Phase 2 shall be 30
7 years from the Initial HPS Transfer Date plus an additional 15 years which represents the
8 Anticipated Navy Delay; and (3) the time limit to repay indebtedness and receive property
9 taxes for Phase 2 shall be 45 years from the Initial HPS Transfer Date plus an additional 15
10 years which represents the Anticipated Navy Delay. The Navy has recently informed OCII
11 that completion of remediation and conveyance of all portions of the Shipyard Site, excluding
12 Parcel F, to Developer will occur sometime in 2036-2038, including time needed for a Finding
13 of Suitability for Transfer and associated conveyance documentation. Documentation from
14 the Navy relaying these schedule delays is described in correspondence that the Navy
15 provided to OCII, and which is on file with the CCII Commission Secretary. This estimated
16 delay (defined as the "Anticipated Navy Delay" in the HPS Plan) warrants the additional 15-
17 year extension of the redevelopment timelines referenced above for purposes of
18 redevelopment activities on the Shipyard Site and related tax increment financing.

19 (m) The 2024 Plan Amendment further proposes adjusting the limit on the amount of
20 bonded indebtedness that can be outstanding at one time by combining the existing \$800
21 million applicable to Candlestick Point and the existing \$900 million limit applicable to the
22 Shipyard Site into a single limit in the amount of \$5.9 billion applicable to both Zone 1 of the
23 BVHP Project Area and Phase 2 of the HPS Project Area. The limits on bonded
24 indebtedness, which have not been adjusted since the approval of the Project in 2010, are
25 necessary to address increases in project costs and inflation that have occurred since 2010

1 and future increases in project costs and inflation as redevelopment activities within Zone 1 of
2 Project Area B and Phase 2 of the HPS Project Area progress. The 2024 Plan Amendment
3 also would make minor amendments to the definitions, regulations, and standards of the HPS
4 Plan.

5 (n) On September 3, 2024, CCII adopted Resolution Nos. 24-2024 and 26-2024 (“CCII
6 Approval Resolutions”) which, among other things, approved the Report to the Board and
7 recommended the adoption of the 2024 Plan Amendment. OCII has transmitted certified
8 copies of the CCII Approval Resolutions to the Board of Supervisors together with its Report
9 to the Board and the amendment to the HPS Plan. Copies of the CCII Approval Resolutions,
10 the Report to the Board, and the 2024 Plan Amendment are on file with the Clerk of the Board
11 of Supervisors File No. 240877 and incorporated herein by reference.

12 (o) OCII transmitted the 2024 Plan Amendment to the Planning Commission pursuant
13 to CRL Section 33346 for the Planning Commission’s report and recommendation concerning
14 the 2024 Plan Amendment and its conformity with the General Plan. On September 12, 2024,
15 the Planning Commission, in Motion No. 21607, adopted findings that the actions
16 contemplated in this ordinance are consistent, on balance, with the City’s General Plan, as
17 amended, and eight priority policies of Planning Code Section 101.1. The Board adopts these
18 findings as its own. A copy of this Planning Commission Motion is on file with the Clerk of the
19 Board of Supervisors in File No. 240877 and incorporated by reference herein.

20 (p) On October 22, 2024 the Board of Supervisors held a duly noticed public hearing
21 on the 2024 Plan Amendment. The hearing has been closed. Notice of such hearing was
22 published in accordance with the CRL Section 33361, as required under Section 33354.6, in
23 The Examiner, a newspaper of general circulation, printed, published, and distributed in the
24 City and County of San Francisco, describing the boundaries of the HPS Project Area and
25 stating the day, hour, and place when and where any interested persons may appear before

1 the Board of Supervisors to object to the 2024 Plan Amendment. At such hearing the Board
2 considered the Report to the Board and recommendations of OCII and the Planning
3 Commission, the FEIR, and all evidence and testimony for and against the proposed 2024
4 Plan Amendment.

5
6 Section 2. Environmental Findings.

7 (a) The Successor Agency determined that proposed modifications to the Project,
8 referred to in CEQA Addendum No. 7 as the 2024 Modified Project Variant (hereinafter
9 referred to as the "Modified Project"), will not result in any new significant impacts or a
10 substantial increase in the severity of previously identified significant effects that would alter
11 the conclusions reached in the FEIR. A copy of Addendum No. 7 and supporting materials
12 are in the Clerk of the Board of Supervisors File No. 240877 and incorporated herein by
13 reference.

14 (b) By Resolution No. 22-2024, adopted September 3, 2024, CCII determined that the
15 analysis conducted and the conclusions reached in the FEIR as to the environmental effects
16 of the Project, together with further analysis provided in Addendum No. 1, Addendum No. 4,
17 Addendum No. 5, Addendum No. 6, and Addendum No. 7 to the FEIR, remain valid and can
18 be relied upon for approval of the Modified Project in compliance with the CEQA, that the
19 Modified Project will not cause new significant impacts not identified in the Final EIR or
20 substantially increase the severity of previously identified significant impacts, and that no new
21 mitigation measures will be necessary to reduce significant impacts. Therefore, CCII
22 determined that no subsequent or supplemental environmental review is required beyond
23 Addendum No. 7 to approve the Modified Project.

24 (c) As part of Resolution No. 22-2024, CCII made findings regarding the modifications
25 to previously adopted mitigation measures as recommended in Addendum No. 7 and as

1 further set forth in Resolution No. 22-2024, and approved the modifications to the adopted
2 mitigation measures. A copy of Resolution No. 22-2024 and supporting materials are on file
3 with the Clerk of the Board of Supervisors File No. 240877 and incorporated herein by
4 reference.

5 (d) The Board has reviewed and considered the information contained in the Final EIR
6 and CEQA Findings, including the statement of overriding considerations that it previously
7 adopted in Resolution No. 0347-10, and Addendum No. 1, Addendum No. 4, Addendum No.
8 5, Addendum No. 6, and Addendum No. 7, and the findings in OCII Resolution No. 22-2024.
9 The Board finds that the actions contemplated by this ordinance are included in the actions
10 identified in OCII Resolution No. 22-2024 for purposes of compliance with CEQA. The Board
11 hereby adopts the additional CEQA Findings in OCII Resolution No. 22-2024 as its own,
12 including approving the modifications to the adopted mitigation measures recommended for
13 modification in Addendum No. 7.

14
15 Section 3. Purpose and Intent. The purpose and intent of the Board of Supervisors
16 with respect to the 2024 Plan Amendment is to facilitate development of the Modified Project
17 consistent with the Modified Project agreements and the objectives of the HPS Plan.

18
19 Section 4. Plan Incorporation by Reference. The HPS Plan, as amended by this
20 ordinance, is incorporated in and made a part of this ordinance by this reference with the
21 same force and effect as though fully set forth in this ordinance. Copies of the HPS Plan, as
22 amended, are on file with the Clerk of the Board of Supervisors in File No. 240877 and
23 incorporated herein by reference.

1 Section 5. Further Findings and Determinations Regarding the 2024 Plan Amendment
2 under Community Redevelopment Law. To the extent required by the CRL, the Board of
3 Supervisors hereby further finds, determines, and declares, based on the record before it,
4 including but not limited to information contained in the Report to the Board:

5 (a) Significant blight (as described in the Report to the Board) remains in Phase 2 of
6 the HPS Project Area, the redevelopment of which is necessary to effectuate the public
7 purposes declared in the CRL.

8 (b) The remaining significant blight in Phase 2 of the HPS Project Area cannot be
9 eliminated without the establishment of additional debt and the increase in the limitation on
10 the number of dollars to be allocated to the Successor Agency.

11 (c) The HPS Plan as amended by the 2024 Plan Amendment will redevelop Phase 2
12 of the HPS Project Area in conformity with the CRL and is in the interest of the public peace,
13 health, safety, and welfare.

14 (d) The adoption and carrying out of the 2024 Plan Amendment is economically sound
15 and feasible as described in the Report to the Board.

16 (e) For the reasons set forth in Section 1, subsection (o) of this ordinance, the 2024
17 Plan Amendment is consistent with the San Francisco General Plan, including with the priority
18 policies in Planning Code Section 101.1.

19 (f) The carrying out of the 2024 Plan Amendment will promote the public peace,
20 health, safety, and welfare of the community and effect the purposes and policies of the CRL.

21 (g) The provisions of the HPS Plan concerning the condemnation of real property have
22 expired and are not necessary to execution of the 2024 Plan Amendment.

23 (h) Neither the HPS Redevelopment Plan nor the 2024 Plan Amendment authorize the
24 use of eminent domain.
25

1 (i) The 2024 Plan Amendment will not result in the temporary or permanent
2 displacement of any occupants of housing facilities.

3 (j) The 2024 Plan Amendment does not change the boundaries of the HPS Project
4 Area and, therefore, does not include any additional area for the purpose of obtaining any
5 allocation of tax increment revenues pursuant to CRL Section 33670.

6 (k) The elimination of blight and the redevelopment of Phase 2 of the HPS Project
7 Area could not reasonably be expected to be accomplished by private enterprise acting alone
8 without the aid and assistance of the Successor Agency.

9 (l) The HPS Project Area is predominantly urbanized, as defined by CRL 33320.1(b).

10 (m) The time limitation and increase in the amount of bonded indebtedness contained
11 in the 2024 Plan Amendment are reasonably related to the proposed projects to be
12 implemented in Phase 2 of the HPS Project Area and to the ability of the Successor Agency to
13 eliminate blight within Phase 2 of the HPS Project Area.

14 (n) The implementation of the 2024 Plan Amendment will further the HPS Plan's ability
15 to improve or alleviate the physical and economic conditions of the HPS Project Area.

16
17 Section 6. Official Plan. The Board of Supervisors hereby approves and adopts the
18 2024 Plan Amendment as the official Redevelopment Plan for the Project Area.

19
20 Section 7. Transmittal of Plan as Amended. The Clerk of the Board of Supervisors
21 upon enactment shall: (a) transmit a copy of this ordinance to the Successor Agency,
22 whereupon the Successor Agency shall be vested with the responsibility for carrying out the
23 HPS Plan as amended; (b) record or ensure that the Successor Agency records a notice of
24 the approval and adoption of the 2024 Plan Amendment pursuant to this ordinance,
25 containing a statement that proceedings for the redevelopment of the HPS Project Area

1 pursuant to the HPS Plan, as amended, has been instituted under the CRL; and (c) transmit a
2 copy of the ordinance, together with a copy of the 2024 Plan Amendment, to the Controller,
3 the Tax Assessor, the State Board of Equalization and the governing body of each of the
4 taxing agencies that levies taxes upon any property in the HPS Project Area as required
5 under CRL Section 33375.

6
7 Section 8. Effective Date. In accordance with CRL Sections 33378(b)(2) and 33450,
8 this ordinance shall become effective 90 days from the date of enactment. Enactment occurs
9 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
10 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
11 Mayor's veto of the ordinance.

12
13 APPROVED AS TO FORM:
14 DAVID CHIU, City Attorney

15 By: /s/ JOHN D. MALAMUT
16 JOHN D. MALAMUT
Deputy City Attorney

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City and County of San Francisco

Tails Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240877

Date Passed: November 05, 2024

Ordinance approving and adopting an amendment to the Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project Area ("HPS") to authorize the transfer of up to 2,050,000 square feet of research and development and office space from HPS Phase 2 to the Bay View Hunters Point Redevelopment Plan Project Area Zone 1 and extend the Redevelopment Plan time limits for HPS Phase 2; directing the Clerk of the Board to transmit a copy of this Ordinance upon its enactment to the Successor Agency; making findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

October 22, 2024 Board of Supervisors - CONTINUED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

October 29, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

November 05, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240877

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 11/5/2024 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Handwritten signature of London N. Breed
London N. Breed
Mayor

11/14/24
Date Approved