MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Tiffany Bohee, Executive Director

SUBJECT: Approving the Report to the Board of Supervisors on the Amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area to increase the maximum height limit from 300 feet to 400 feet on Block 1 of Zone One of the Transbay Redevelopment Project Area and authorizing transmittal of the Report to the Board of Supervisors; Transbay Redevelopment Project Area

Adopting environmental review findings pursuant to the California Environmental Quality Act and approving the Amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area to increase the maximum height limit from 300 feet to 400 feet on Block 1 of Zone One of the Transbay Redevelopment Project Area, referring the Redevelopment Plan Amendment to the Planning Commission for its report and recommendation on the Redevelopment Plan Amendment and its conformance with the General Plan, and recommending the Redevelopment Plan Amendment to the Board of Supervisors for approval; Transbay Redevelopment Project Area

EXECUTIVE SUMMARY

The Board of Supervisors of the City and County of San Francisco ("Board of Supervisors") approved the Redevelopment Plan for the Transbay Redevelopment Project Area by Ordinances No. 124-05 (June 21, 2005) and No. 99-06 (May 9, 2006), as amended by Ordinance No. 84-15, (June 18, 2015) ("Redevelopment Plan"). The Redevelopment Plan establishes the land use controls for the Transbay Redevelopment Project Area ("Project Area"), and divides the Project Area into two sub-areas: Zone One, in which the Development Controls and Design Guidelines for the Transbay Redevelopment Project ("Development Controls") define the development standards, and Zone Two, in which the San Francisco Planning Code applies.

Located on Folsom Street between Main and Spear Streets in Zone One of the Project Area, Block 1 is comprised of Assessor's Block 3740, Lots 027, 029, 030, 031, and 032. Lot 027 is owned by the Office of Community Investment and Infrastructure ("OCII") and the remaining lots are owned by Block One Property Holder, L.P., an affiliate of Tishman Speyer ("Developer"). The Redevelopment Plan and the Development Controls specify a 300-foot maximum height limit on Block 1. The proposed amendment to the Redevelopment Plan ("Plan Amendment") would provide for a maximum height limit of 400 feet on Block 1 (see Exhibit A to accompanying Resolution No. 2-2016); in all other respects, the land use controls of the Redevelopment Plan would remain in effect. OCII, in consultation with the Planning Department, has prepared an addendum to the Final Environmental Impact Statement/Environmental Impact Report ("FEIS/EIR") for the Transbay Terminal/Caltrain

Downtown Extension/Redevelopment Project ("Addendum"). Overall, the Addendum determined the Plan Amendment would not cause new significant impacts not identified in the FEIS/EIR, nor would the project cause significant impacts previously identified in the FEIS/EIR to become substantially more severe. No new mitigation measures would be necessary to reduce significant impacts.

The Plan Amendment would help achieve the Redevelopment Plan goals and objectives, including among others, to create a community identity and built form that ensure high-rise buildings reflect high quality architectural and urban design standards, and to create housing opportunities by providing a mixture of housing types and sizes to attract a diverse residential population, including families and people of all income levels. A 400-foot tower on the Block 1 site would complement the downtown skyline and allow for a more elegant design. In addition, the current 400-foot development proposal for Block 1 would provide approximately 73 additional housing units on Block 1, for a total of 391 units. Under this proposal, 156 (40%) of the units will be affordable to moderate income households. The 300-foot development proposal for Block 1 would provide approximately 318 total residential units, of which 112 (35%) would be affordable to moderate income households.

The Report to the Board of Supervisors on the Amendment to the Redevelopment Plan for the Transbay Redevelopment Project Area ("Report to the Board of Supervisors") provides relevant background information in support of the need, purpose and impacts of the Plan Amendment.

Prior to the Plan Amendment becoming final, the San Francisco Planning Commission is given the opportunity to make its report and recommendations on the Plan Amendment and must determine its conformance to the General Plan, and the Board of Supervisors must finally approve, by ordinance, the Plan Amendment.

Staff recommends approving the Report to the Board of Supervisors and authorizing its transmittal to the Board of Supervisors; adopting environmental review findings pursuant to the California Environmental Quality Act; approving the Plan Amendment; referring the Plan Amendment to the Planning Commission for its report and recommendation on the Plan Amendment and its conformance to the General Plan; and recommending the Plan Amendment to the Board of Supervisors for adoption.

BACKGROUND

Transbay Redevelopment Plan

The Board of Supervisors approved the Redevelopment Plan by Ordinances No. 124-05 (June 21, 2005) and No. 99-06, (May 9, 2006), as amended by Ordinance No. 84-15 (June 18, 2015). The Redevelopment Plan establishes the land use controls for the Project Area, and divides the Project Area into two subareas: Zone One, in which the Development Controls define the development standards, and Zone Two, in which the San Francisco Planning Code applies. A map of the Project Area is attached hereto as Attachment A.

Located on Folsom Street between Main and Spear Streets in Zone One of the Project Area, Block 1 is an approximately 54,098-square-foot site comprised of Assessor's Block 3740, Lots 027, 029, 030, 031, and 032. Lot 027 (approximately 34,133 square feet) is owned by OCII, as the successor to the Former San Francisco Redevelopment Agency ("Former Redevelopment Agency"); the balance of the properties (approximately 19,965 square feet) is held by the Developer.

The Redevelopment Plan and Development Controls authorize residential development on Block 1. Specifically, Exhibit 4, Zone One Plan Map, page 40 of the Redevelopment Plan specifies the land use of Block 1 as Transbay Downtown Residential, and provides for a maximum height limit of 300 feet on Block 1. Map 5, Zone One Height Ranges, page 19 of the Development Controls, specifies a Block 1 maximum height limit of 300 feet for a residential tower on a portion of the site.[1]

DISCUSSION

The Plan Amendment

On November 18, 2014, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure ("Commission"), authorized an Exclusive Negotiations Agreement (the "ENA") with the Developer for (a) the sale to the Developer of the portion of Block 1 owned by OCII (Block 3740, Lot 027), and (b) the development of a combined affordable and market-rate homeownership project consisting of a residential tower, two residential podium buildings, and townhouses surrounding open space on Block 1.

The ENA contemplates two project alternatives, one with a tower height of 300 feet, as allowed by the Redevelopment Plan, and the second with a tower height of 400 feet, which would require the Plan Amendment. The term sheet for the Block 1 project negotiated to date by OCII staff and the Developer includes the 400-foot project alternative (the "Block 1 Project") (see Attachment B). Under this alternative, which is further detailed in the table below and in Attachment B, the number of residential units in the tower increases by 73 units to a total of 391. The number of affordable units increases by 44 units to a total of 156 (40%) of the total number of units. The additional affordable units will be dispersed in the townhomes and the first 26 floors of the tower. As noted above, the Commission will consider approval of the Block 1 Project at a later date after approval of the Plan Amendment.

[1] Upon approval of the Plan Amendment, a proposed amendment to the Development Controls to increase the height limit for a residential tower on Block 1 to 400 feet, in conformance with the Plan Amendment, would be brought to the Commission for consideration along with an Owner Participation/Disposition and Development Agreement and Schematic Design for the project in Spring 2016.

Summary of Block 1 Project

OVERALL PROJECT	ENA (with 300' Tower)	Proposed (with 400' Tower)	Benefit
Tower Height	300 feet	400 feet	100 foot increase
Stories	30	39	Additional 9 stories
Total Units	318 Units	391 Units	73 more units overall
Total BMR Units	112 BMR Units	156 BMR Units	44 more BMR Units
Overall Project Affordability	35%	40%	5% more overall affordability
Level of Affordability			
Podium	80% AMI (25 units) 90% AMI (26 units) 100% AMI (25 units)	80% AMI (25 units) 90% AMI (26 units) 100% AMI (25 units)	No change
Tower	100% AMI (36 units)	100% AMI (50 units) 120% AMI (30 units)	120% AMI tier added for 30 additional units in tower
Location of Tower BMR Units	Floors 1-3	Floors 1-26	BMR units interspersed in tower

Staff is recommending approval of the Plan Amendment to increase the maximum height limit on Block 1 from 300 feet to 400 feet to allow the Commission to consider the Block 1 Project, which would achieve several Redevelopment goals and objectives set forth in the Redevelopment Plan:

- Strengthen the community's supply of housing by assisting, to the extent economically feasible, in the construction and rehabilitation of affordable housing with the deepest levels of affordability, including the development of supportive housing for the homeless. Section 2.1 of the Redevelopment Plan.
- Ensure that high-rise buildings reflect high quality architectural and urban design standards. Section 2.2 of the Redevelopment Plan.
- Create a mixture of housing types and sizes to attract a diverse residential population, including families and people of all income levels. Section 2.2 of the Redevelopment Plan.
- Develop high-density housing to capitalize on the transit-oriented opportunities within the Project Area and provide a large number of housing units close to downtown San Francisco. Section 2.2 of the Redevelopment Plan.

The goals and objectives for Community Identity and Built Form and Housing Opportunities goal are further detailed below.

Community Identity and Built Form

The Redevelopment Plan is the implementing document of a citywide vision to transform former freeway land into a new high-rise residential district in the South of Market neighborhood. Through public workshops and meetings, in collaboration with the Transbay Citizens Advisory

Committee, land in the Project Area formerly containing portions of the Embarcadero Freeway, its ramps and Terminal Separator Structure, was envisioned as a transit-oriented residential district as documented in the Transbay Redevelopment Project Area Design for Development completed in October 2003 ("Design for Development"). The Design for Development informed the creation of the Redevelopment Plan and the Development Controls, both adopted in 2005, and called for Zone One of the Project Area to become a complementary and exciting addition to the downtown skyline, designed as a grouping of slender towers that would visually extend the Downtown high-rise office skyline.

The Design for Development recognized that to meet the current and future housing needs of San Francisco residents, new residential development was needed, and given the close proximity to the downtown core and the new Transbay Transit Center, a sustainable solution was to develop high-density housing, while at the same time creating a livable and complete neighborhood. The Design for Development specified, among other requirements, that towers should have strict bulk regulations, be spaced one per block, and be located in a way that would enable development while minimizing shadows in public spaces.

The Design for Development also recognized that San Francisco's skyline has been regarded as unique, given its bridges, fluctuating topography, and downtown skyscrapers, and that any new high-rise development must consider its effect on the shape of the skyline. The Transbay urban design scheme included a new grouping of taller buildings that would peak at the Transbay Terminal tower site between First, Mission and Fremont Streets and adjacent to the new Transbay Transit Center, and extend from the downtown mound to a new residential high-rise district in the South of Market.

Since completion of the Design for Development and adoption of the Redevelopment Plan and Development Controls, towers have been built immediately to the south of Block 1, just outside of the Project Area, at heights taller than 300 feet. The Infinity development, located immediately to the south of Block 1, across Folsom Street and between Spear and Main Streets, consists of two towers of 350 feet and 400 feet in height. Similarly, the Lumina development, located immediately to the west of the Infinity, on the south side of Folsom Street between Main and Beale Streets, includes two towers of 350 feet and 400 feet in height. In addition, several towers taller than 400 feet have been planned and built in the adjacent Rincon Hill district, pursuant to the Rincon Hill Plan, adopted in 2005. Also, to the north of Block 1 and within Zone Two of the Project Area, height limits were increased with the adoption of the Transit Center District Plan in 2012. As a result, buildings between approximately 700 and 1000 feet in height are currently under construction, including the Salesforce Tower (formerly the Transbay Terminal Tower), between Mission and Howard Streets.

Within Zone One, two towers have recently been permitted, consistent with the Redevelopment Plan and Development Controls, at heights higher than the 400 feet proposed for Block 1. Block 8, located at Folsom and First Streets will be a 550-foot tall residential tower three blocks to the west of Block 1, and the Park Tower on Block 5, located at Howard and Beale Streets, will be a 550-foot tall office building two blocks to the northwest of Block 1. These building heights to the north, west and south of Block 1 provide a context within the built environment that, with a

400-foot height limit on Block 1, results in a tapering effect of the skyline towards the east, as it approaches the Embarcadero waterfront.

Immediately to the east of Block 1 is the Gap Headquarters building, located on Folsom Street, between the Embarcadero and Spear Street. The building serves as the waterfront edge of the Folsom Street/South of Market high-rise district as it fronts the Embarcadero and Rincon Park. The tallest tower element of the building is approximately 289 feet in height, which includes a base tower height of approximately 240 feet and a podium element, which fronts the Embarcadero, at approximately 90 feet in height. At these heights and distances from the waterfront, the building provides a tapering effect; the skyline would literally step down from a 400-foot tower on Block 1 to the Gap Headquarters building to the east, which frames the Embarcadero and Rincon Park. This is in alignment with San Francisco General Plan's Urban Design Element, which calls for the tapering of heights from the hilltops to the water, and would be a consistent application of this principle for the downtown's waterfront edge.

Given the context of current and future towers in the vicinity of Block 1, an urban design analysis demonstrates the optimal height for the Block 1 tower at around 400 feet. See Attachment C. A 400-foot tower on the site complements the shape of the skyline, when viewed from afar, tying together the series of towers on Rincon Hill with the taller towers planned near the Transbay Transit Center and those north of Market Street. This height would continue to provide a stepping down from higher tower heights, such as the 1,070 foot-Salesforce Tower; the 550-foot Park Tower on Block 5; and the 550-foot tower on Block 8.

In addition to the analysis of the placement of a 400-foot tall tower on Block 1 within the surrounding skyline, a 400-foot tall tower on Block 1 with the same restricted floor plate size, as required by the Development Controls, provides the opportunity for a visually more slender and elegant architectural design of the structure itself. As shown in the design analysis included in Attachment C, a 400-foot tower on Block 1 compared to a 300-foot tower on the same site presents a potential improvement in the visual impact of the tower as the taller height emphasizes the verticality in its design, when viewed from adjacent areas, such as the Embarcadero.

Housing Opportunities

The Redevelopment Plan's Planning Goals and Objectives on housing opportunities include among others, the creation of a mixture of housing types and sizes to attract a diverse residential population, including families and people of all income levels, and the development of high-density housing to capitalize on the transit-oriented opportunities within the Project Area and to provide a large number of housing units close to downtown San Francisco. Zone One is a mixed-use, high-density residential district with no maximum residential density for living units.

The 300-foot project alternative for Block 1 allowed under the existing Redevelopment Plan would result in approximately 318 total residential units, including 112 affordable units, or approximately 35 percent of the total. The Plan Amendment would permit a taller tower on Block 1, providing for an increase in the number of dwelling units and affordable dwelling units in the tower. The Block 1 Project, as currently proposed, would increase the total number of residential units by 73 units to a total of 391. The number of affordable units would increase by 44 units to a total of 156. Under this revised project proposal, 40 percent of the housing would be

affordable to moderate income households earning 80-120% of area median income. Thus, the Plan Amendment would further the attainment of the Redevelopment Plan goals and objectives of creating high density, mixed-income housing.

Compliance with Community Redevelopment Law

Changing height limits under a redevelopment plan requires the following process: a publicly noticed hearing; environmental review to the extent required; adoption of the amendment after the public hearing; preparation of a report to the legislative body to the extent warranted by the plan amendment (in this case, the Report to the Board of Supervisors); referral of the amendment to the planning commission for its report and recommendation, if warranted; a publicly noticed hearing of the legislative body; and legislative body adoption of the amendment after the public hearing.

As required by CRL, OCII staff has prepared the Report to Board of Supervisors for the Plan Amendment. Because the scope of the Plan Amendment is limited to a land use amendment—that is, increasing the maximum height limit on one development block within Zone One of the Project Area—the contents of the Report to the Board of Supervisors are limited to the following: the reason for the Plan Amendment; proposed method of financing/economic feasibility; the Planning Commission's determination regarding conformity of the Plan Amendment to the General Plan (to be incorporated upon receipt); the report on the environmental review required by Section 21151 of the Public Resources Code; and the neighborhood impact report.

Additionally, in compliance with CRL, the following actions have been or will be undertaken in connection with the Plan Amendment:

- On December 18, 2016, the public hearing notice was mailed to property owners and occupants in the Project Area by regular mail, and to taxing entities by certified mail;
- On December 18, 2016, the public hearing notice was posted on OCII's website;
- On December 28, 2015, January 4, 2016 and January 11, 2016, the notice of the public hearing was published in the San Francisco Examiner; and
- On January 14, 2016, the Transbay Citizens Advisory Committee (" Transbay CAC") considered the Plan Amendment;

COMMUNITY OUTREACH

Many community and public meetings have been held on the Block 1 Project. In July 2014, the Transbay CAC approved the terms of the ENA for the Block 1 Project, which included the proposed height increase. As noted above, the Transbay CAC also considered the Plan Amendment at its meeting of January 14, 2016; any feedback and outcomes from this CAC meeting will provided to the Commission at the public hearing.

In 2014, the Developer met with the Housing Action Coalition. In 2014 and 2015, the Developer also sponsored four community and "Town Hall" meetings in the neighborhood. During the course of this community outreach, certain concerns have been raised, in particular, regarding how the increased height of the tower might block views or shadow nearby open spaces, such as Rincon Park. In response to the issue of protecting views, OCII staff conducted an urban design analysis of the effects the 100-foot increase could have on public view points and public spaces within the vicinity of Block 1, such as the Embarcadero, Rincon Park and Folsom Street, and from hallmark observational points around San Francisco, such as from Treasure Island, the San Francisco-Oakland Bay Bridge, Twin Peaks, Potrero Hill, Dolores Park, among several others. Generally, the increase in height from 300 feet to 400 feet results in negligible effects on the skyline as experienced from nearby and from afar. This assessment is detailed in Attachment C Urban Design Analysis, which includes informative images.

With respect to community concerns about shadow, and to comply with environmental review requirements, OCII staff oversaw the completion of a thorough shadow study that documented the additional shadow impacts the 400-foot-tall tower would have on six existing and proposed public open spaces located within the vicinity of Block 1, including Rincon Park, the proposed Transbay Park, and City Park, proposed to be built over the Transbay Transit Center. No open space located within Block 1's 400-foot-tall building shadow fan area falls under the jurisdiction of the City's Recreation and Parks Department. While Proposition K, otherwise known as the "Sunlight Ordinance," requires the application of Planning Code Section 295 only on parks under the jurisdiction of the Recreation and Parks Department, the Block 1 shadow report utilizes Section 295 shadow analysis methodology to study the shadow impacts in a way consistent with Proposition K. The analysis is described more thoroughly in Attachment D, and concludes that the maximum increase in shadow over an affected park, as a result of increasing the tower height, does not exceed a shadowing of 0.49% of Theoretically Available Annual Sunlight, which is a measurement of outdoor park space in relation to hours of annual sunlight. This was deemed not to be a significant environmental impact.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The Board of Supervisors affirmed, by Motion No. 04-67 (June 15, 2004), the certification under the California Environmental Quality Act ("CEQA") of the Final Environmental Impact Statement/Environmental Impact Report ("FEIS/EIR") for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project ("Project"), which included the Redevelopment Plan. Subsequently, the Board of Supervisors adopted, by Resolution No. 612-04 (Oct. 7, 2004), findings that various actions related to the Project complied with CEQA. Subsequent to the adoption of the FEIS/EIR and the findings, seven addenda to the FEIS/EIR have been approved and incorporated into the FEIS/EIR by reference.

OCII, as the Successor Agency to the Former Redevelopment Agency, has land use and California Environmental Quality Act ("CEQA") review authority of the Project Area. The height limit analyzed in the FEIS/EIR for the Block 1 site was 300 feet.

CEQA Guidelines Section 15164 provides for the use of an addendum to document the basis for a lead agency's decision not to require a Subsequent or Supplemental EIR for a project that is

already adequately covered in an existing certified EIR. The lead agency's decision to use an addendum must be supported by substantial evidence that the conditions that would trigger the preparation of a Subsequent or Supplemental EIR, as provided in CEQA Guidelines Section 15162, are not present. An addendum documents the assessment and determination that the modified project is within the scope of the FEIS/EIR and no additional environmental review is required.

Under the Plan Amendment, the only substantive modification to the proposed project that was not previously studied in the FEIS/EIR is the proposed Block 1 maximum height limit change from 300 feet to 400 feet. Therefore, the only CEQA topics requiring additional evaluation are those for which impacts could worsen due to additional building height. These topics include wind and shadow. All other features of the Block 1 development, including demolition, land use types, building square footage, retail square footage, and number of dwelling units, would be consistent with the Redevelopment Plan and the FEIS/EIR.

Accordingly, OCII, in consultation with the Planning Department, prepared the Addendum to the FEIS/EIR dated January 14, 2016 (see Exhibit B to accompanying Resolution No. 2 - 2016) focusing on wind and shadow, and, while not required by CEQA, included discussions of aesthetics and transportation. See Attachment D for a summary of the shadow study. The Addendum determined the Plan Amendment would not cause new significant impacts not identified in the FEIS/EIR, nor would the project cause significant impacts previously identified in the FEIS/EIR to become substantially more severe. No new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the project would cause significant environmental impacts. Therefore, the analyses conducted and the conclusions reached in the Final FEIS/EIR certified on April 22, 2004 remain valid and no supplemental environmental review is required beyond this Addendum. The FEIS/EIR findings and statement of overriding considerations adopted in accordance with CEQA by the Former Agency Commission by Resolution No. 11-2005 dated January 25, 2005 were and remain adequate, accurate and objective. The FEIS/EIR, related CEQA documents, and visual analysis images were provided to the Commission on a compact disc included as Attachment E to this memorandum and are available for review at OCII's offices and at http://sfocii.org/transbay.

STAFF RECOMENDATION

Staff recommends that the Commission take the following actions:

- Approving the Report to the Board;
- Adopting CEQA findings and approving the Plan Amendment;
- Referring the Plan Amendment to the Planning Commission for its report and recommendation on the Plan Amendment and its conformance with the General Plan; and
- Recommending the Plan Amendment to the Board of Supervisors for adoption.

NEXT STEPS

Per the CRL, upon approval by the Commission and referral of the Plan Amendment to the Planning Commission for its report and recommendation, the Board of Supervisors must approve the Plan Amendment. Staff anticipates the ordinance approving the Plan Amendment will be introduced in late January, with final Board of Supervisors consideration and approval in Spring of 2016.

Staff anticipates returning to the Commission in Spring of 2016 for approval of an Owner Participation/Disposition and Development Agreement, schematic design, consistent with the requirements of the Redevelopment Plan as anticipated to be amended, and amendments to the Development Controls.

(Originated by Marie Munson, Senior Development Specialist, and José Campos, Manager of Planning & Design Review)

Tiffany Bohee
Executive Director

Attachment A: Map of Transbay Redevelopment Project Area
Attachment B: Term Sheet for Block 1 Project
Attachment C: Urban Design Analysis
Attachment D: Summary of Shadow Study
Attachment E: Compact Disc with the following project documents:

CEQA Documents:

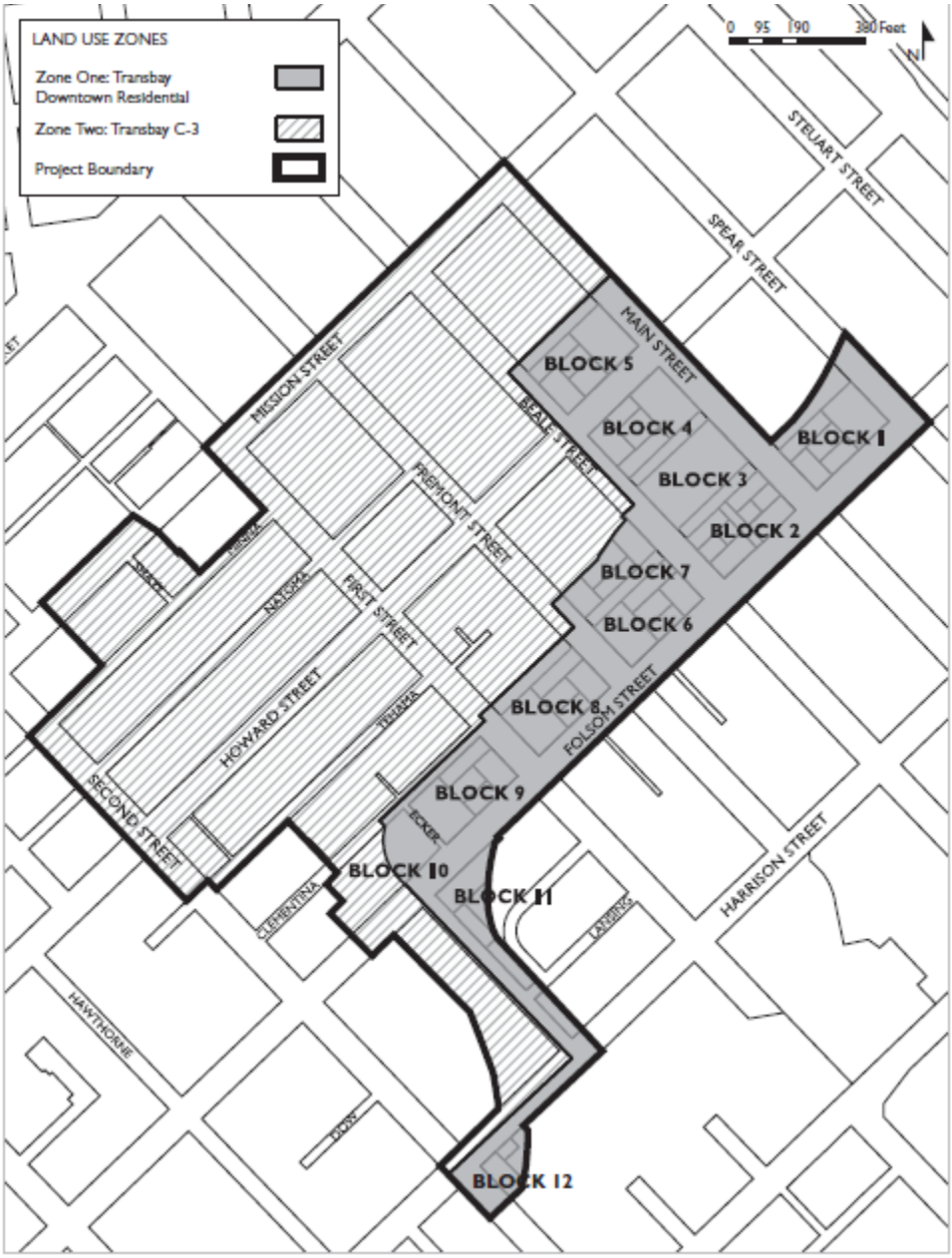
- Evaluation of Shadow Impacts for 160 Folsom Street/Transbay Block 1, October 14, 2015
- Potential Wind Conditions –Transbay Redevelopment Area, Block 1 – 160 Folsom Street, April 9, 2015
- Transbay Block 1 Transportation Assessment, Results of Preliminary Transportation Significance Evaluation (Updated), August 11, 2015
- Transbay Block 1 Transportation Assessment, Site Access and Circulation Review, October 13, 2015
- Final Environmental Impact Statement/Environmental Impact Report ("FEIS/EIR") for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project

Visual Analysis Images:

- Area Height Map
- Vistas Impact
- Background Study Vistas Impact
- Pedestrian Impact

Attachment A

Map of Transbay Redevelopment Project Area



Attachment B
Transbay Block 1 Term Sheet

Site:

The site is located on Folsom Street between Main and Spear Streets and is comprised of an OCII-owned parcel (Assessor's Block 3740, Lot 027) and four private parcels (Assessor's Block 3740, Lots 029, 030, 031, and 032) owned by Block One Property Holder, L.P., a Tishman Speyer affiliate (Developer).

The total size of the site is 53,622 square feet. Of this, 33,782 square feet (63%) is owned by OCII, and the balance of 19,840 square feet (37%) is owned by the Developer.

Proposed Project:

The proposed project is a combined affordable and market-rate homeownership project consisting of a 400-foot for-sale residential tower (39 stories) on the east side of Block 1, two residential podium buildings between 65 and 85 feet tall on the south and west sides of Block 1, townhouses bordering Clementina Street to the north, a shared underground parking facility, and 9,126 square feet of retail on the ground floor.

Overall Project Affordability:

The proposed project consists of 391 for-sale units. Of those 391 units, 235 units are market-rate and 156 are affordable to moderate income households, resulting in an overall project affordability level of 40%.

Unit Mix:

Unit Type	Tower Units	Podium Units	Total Units
Market-rate Units	235	0	235
BMR Units	80	76	156
Total Units	315	76	391

The market-rate units consist of one, two and three bedrooms units ranging in size from 654 -1,578 square feet. The BMR units consist of one, two, and three bedrooms and range in size from 584 -1,382 square feet.

Location of the BMR Units:

100% of the 76 units in the Podium are BMR units. The 80 Tower BMR units are interspersed in the Townhomes and up to Level 26 of the Tower.

Affordability Level of BMR Units:

	% Area Median Income	No. of Units
Podium	80%	25
	90%	26
	100%	25
	Total BMR Units	76
Tower/Townhomes	100%	50
	120%	30
	Total BMR Units	80

Land Price / OCII Subsidy:	The land price is $19.2 M for the OCII-owned parcel. Under the ENA, the parties agreed that the developer would pay the land price in cash at close of escrow and OCII, in turn, would provide a subsidy of $275,000 per unit for each of the 76 BMR units in the Podium (for a total subsidy of $20.9 M). Instead, the developer will construct these 76 units without a subsidy from OCII. The construction of these units will constitute payment of the land price (a net savings of $1.7 M to OCII).
Homeowner's Association (HOA) Dues:	Projected HOA dues for the BMR units are $500 - $750 per unit/month. For any of the BMR units at 80% of Area Media Income with HOA dues above $850 per month at unit closing, the developer will set aside an amount to cover excess HOA dues (i.e.: projected HOA dues above $850 per month, assuming 3% escalation after year 1, for 7.5 years).
Project Amenities:	All residents will have equal access to the amenities, which will include: • Outdoor courtyard on Level 2 of Podium; • Roof garden at Level 5 (roof of townhomes); • Shared access to lobby attendant; and • 5th floor lounge area in Tower.
Parking:	The shared underground parking garage will provide three underground levels of parking with 334 spaces plus 6 car share stalls, 10 electric vehicle charging stations, and 150 bicycle parking spaces. The parking ratio in the Tower (for both market-rate and BMR units) is 1:1. The parking ratio in the Podium is 1:4.
Transportation Sustainability Fee:	Per City requirements, developer will pay 50% of the Transportation Sustainability Fee.

Attachment C

Urban Design Analysis

Staff conducted an urban design analysis of an increase in height of the Block 1 tower from 300 feet to 400 feet. This assessment, which was separate from the shadow study, considered the effects a taller tower would have on the image of the city as experienced from afar; that is, the shape of the city skyline as seen from various important public vista points. The assessment also evaluated the impact a taller tower would have on the urban environment as perceived by a pedestrian walking within the Transbay neighborhood.

The San Francisco General Plan's Urban Design Element lists as a principle the need to evaluate "the relationship of a building's size and shape to its visibility in the cityscape, to important natural features and to existing development determines whether it will have a pleasing or a disruptive effect on the image and character of the city."

Staff conducted visual analyses of the impact of a 400-foot-tall tower on major vista points looking towards the Block 1 project site from the east, west, north and south. These vista points were located on Yerba Buena Island, Treasure Island, the San Francisco-Oakland Bay Bridge, Telegraph Hill, Twin Peaks, Corona Heights, Dolores Park, Bernal Heights Park, Potrero Hill and the Central Waterfront at Pier 70. The 400-foot-tall tower was not visible or barely visible from many of these vantage points. The images attached are those that demonstrate the effect the Block 1 tower would have on vista points that present the most impactful views of the building. These include vistas from Yerba Buena Island and Treasure Island and from the San Francisco-Oakland Bay Bridge on the approach to San Francisco. In addition, this analysis includes visualization images that show the impact of the 400-foot-tall tower versus a 300-foot-tall tower as experienced by pedestrians on Folsom Boulevard, as proposed, and on the existing waterfront walkways along nearby Rincon Park.

This assessment considered the perspectives on the skyline as well as within the pedestrian environment while comparing a 300-foot-tall tower with a 400-foot-tall tower. It included simulations of surrounding proposed projects yet to be built or currently under construction to effectively demonstrate the final result of the San Francisco urban landscape as expressed by the build-out of the Transbay, Rincon Hill and Transit Center District skylines.

The proposed 400-foot height matches the height of towers constructed within the immediate vicinity of Block 1, which are also at 400-feet, including one tower within the Infinity project, located across Folsom Street from Block 1. The 400-foot Infinity tower is located slightly closer to the waterfront and Rincon Park than the proposed Block 1 tower.

As the sole tower on Block 1, the proposal provides ample tower separation from nearby towers. In consideration of building heights within the districts to the north, west and south of Block 1, which include approved height ranges between approximately 400 and 1000 feet, the project's 400-foot height will blend appropriately into the San Francisco skyline as planned.
As seen and experienced from the Embarcadero waterfront and from Rincon Park, the proposed tower sits behind the block containing the Gap Building at Folsom Street between Spear Street and the Embarcadero.

The Gap Building's architecture provides a tower element height of approximately 289 feet, situated above an approximately 240-foot-tall office tower over a podium base height of approximately 90 feet. The Gap Building's architecture results in an aesthetically-pleasing stepping-down of the skyline from the proposed 400-foot-tall Block 1 tower to the waterfront as seen from nearby and from afar. At 300-feet in height, the Block 1 tower would not be visible from much of the walkway along the Embarcadero at Rincon Park, as it would be hidden behind the Gap Building. At 400 feet in height it provides a crown behind the Gap Building. The Gap Building functions as a frame to Rincon Park and to the waterfront since it is located at the edge of the City. Buildings constructed or approved for construction along the waterfront and adjacent to the Gap Building are consistent in height with the Gap Building; that is, over 200 feet in height. These heights result in a the tapering of the built environment to the water, and would be a consistent application of this principle for the downtown's waterfront edge in alignment with San Francisco General Plan's Urban Design Element.

Given the context of current and future towers in the vicinity of Block 1, this urban design analysis demonstrates an optimal height for the Block 1 tower at around 400 feet. The 400-foot tower on the site complements the shape of the skyline, when viewed from afar, tying together the series of towers on Rincon Hill with the taller towers planned near the Transbay Transit Center and those north of Market Street. This height would continue to provide a stepping down from higher tower heights, such as the 1,070 foot-Salesforce Tower; the 550-foot Park Tower on Transbay Block 5; and the 550-foot tower on Transbay Block 8.

In addition to the analysis of the placement of a 400-foot tall tower on Block 1 within the surrounding skyline, a 400-foot tall tower on Block 1 with the same restricted floor plate size, as required by the Development Controls, provides the opportunity for a visually more slender and elegant architectural design of the structure itself. As shown in the images attached, a 400-foot tower on Block 1 compared to a 300-foot tower on the same site presents a potential improvement in the visual impact of the tower as the taller height emphasizes the verticality in its design, when viewed from adjacent areas, such as the Embarcadero. The proposed tower floorplate is continuously modulated by up to 6 feet to achieve what can be called the "migrating bay" effect. This articulation creates a graceful diagonal spiral that draws the viewer's eye upwards making the tower appear more slender. The eye is encouraged to read this upward

movement rather than focus on the heavy mass of a simple extruded tower design. The increase in height from 300’ to 400’ allows each “migrating bay” sequence to increase to 10 floors tall. This stretching of the sequence produces a more vertical and dynamic spiral reading.

HEIGHT MAP WITH PIPELINE

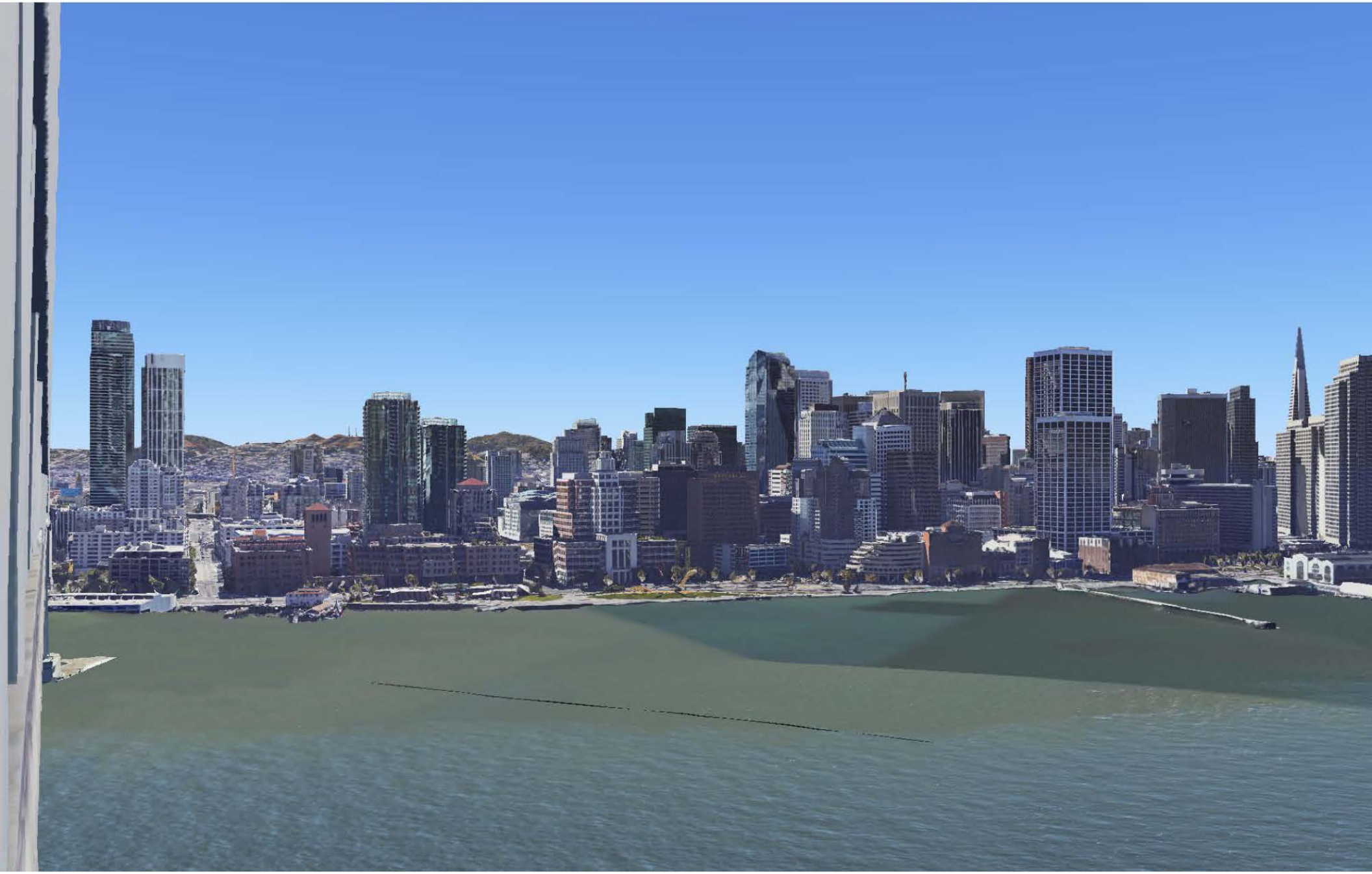
VISTAS IMPACT

TREASURE ISLAND EXISTING

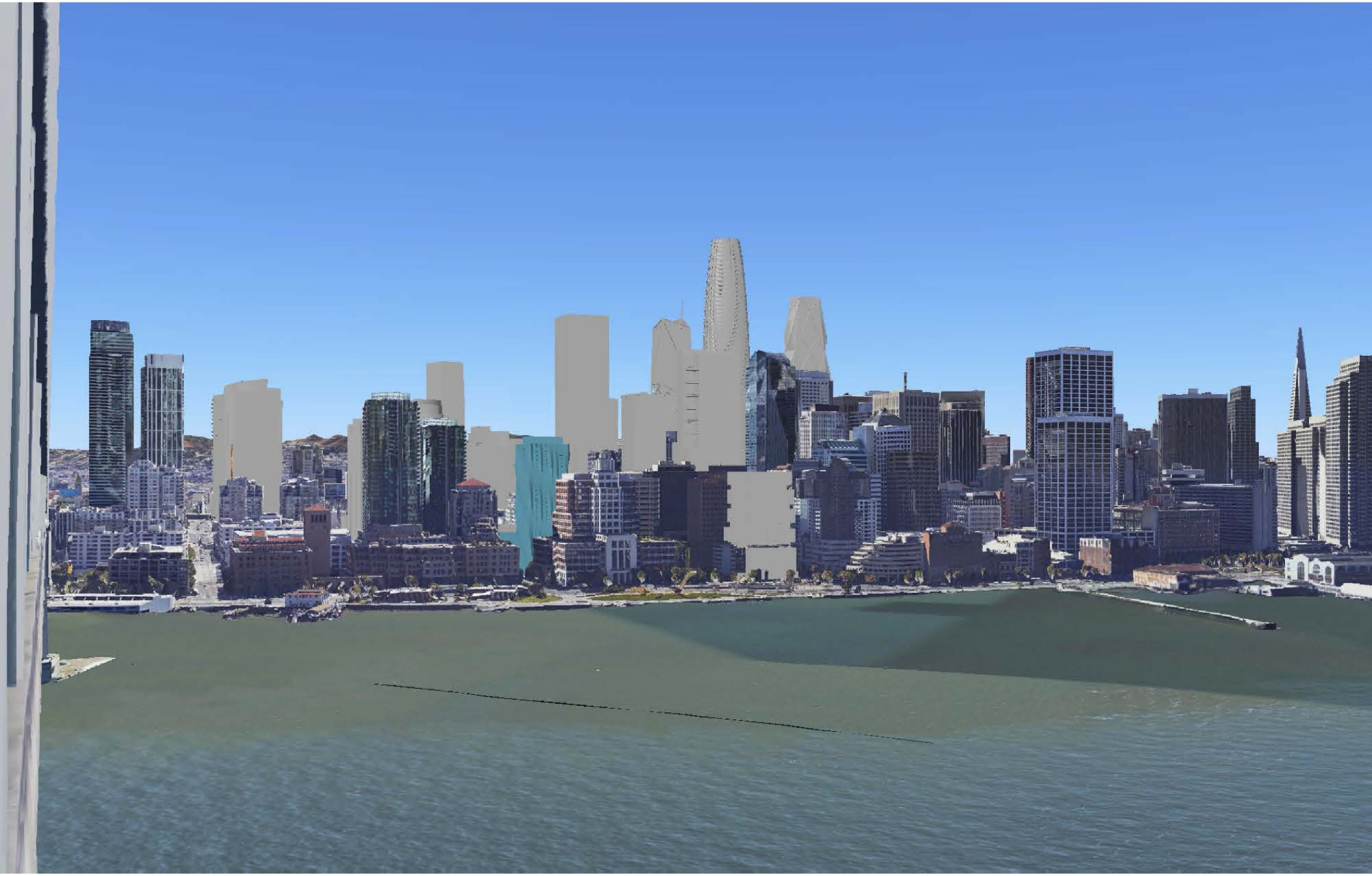
TREASURE ISLAND 300’ TOWER (WITH PIPELINE)

TREASURE ISLAND 400’ TOWER (WITH PIPELINE)

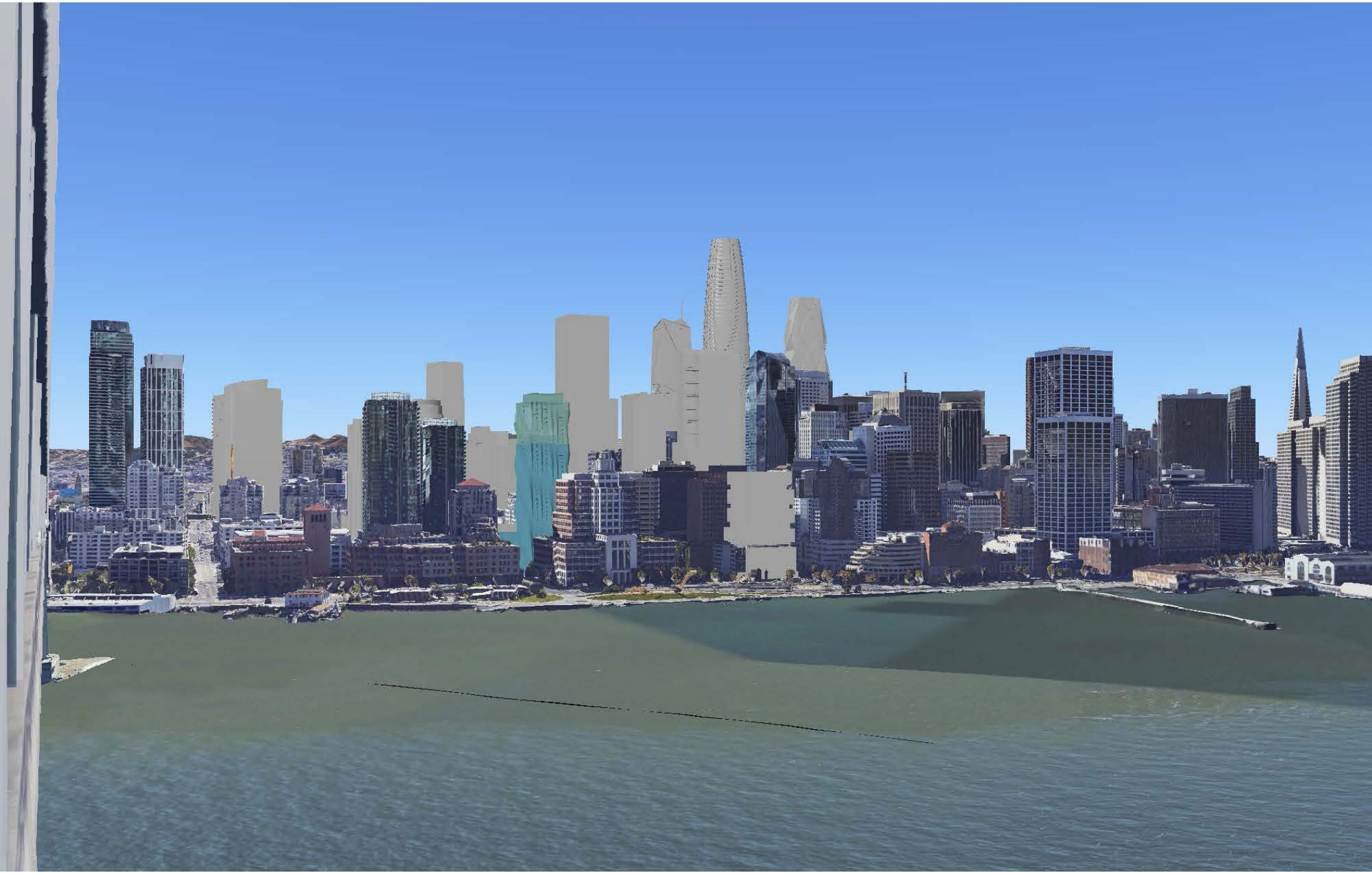
WATERFRONT SKYLINE - BAY BRIDGE EXISTING



WATERFRONT SKYLINE - BAY BRIDGE 300’ TOWER (WITH PIPELINE)



WATERFRONT SKYLINE - BAY BRIDGE 400’ TOWER (WITH PIPELINE)



TWIN PEAKS EXISTING

TWIN PEAKS 300’ TOWER (WITH PIPELINE)

TWIN PEAKS 400’ TOWER (WITH PIPELINE)

HEIGHT MAP WITH PIPELINE

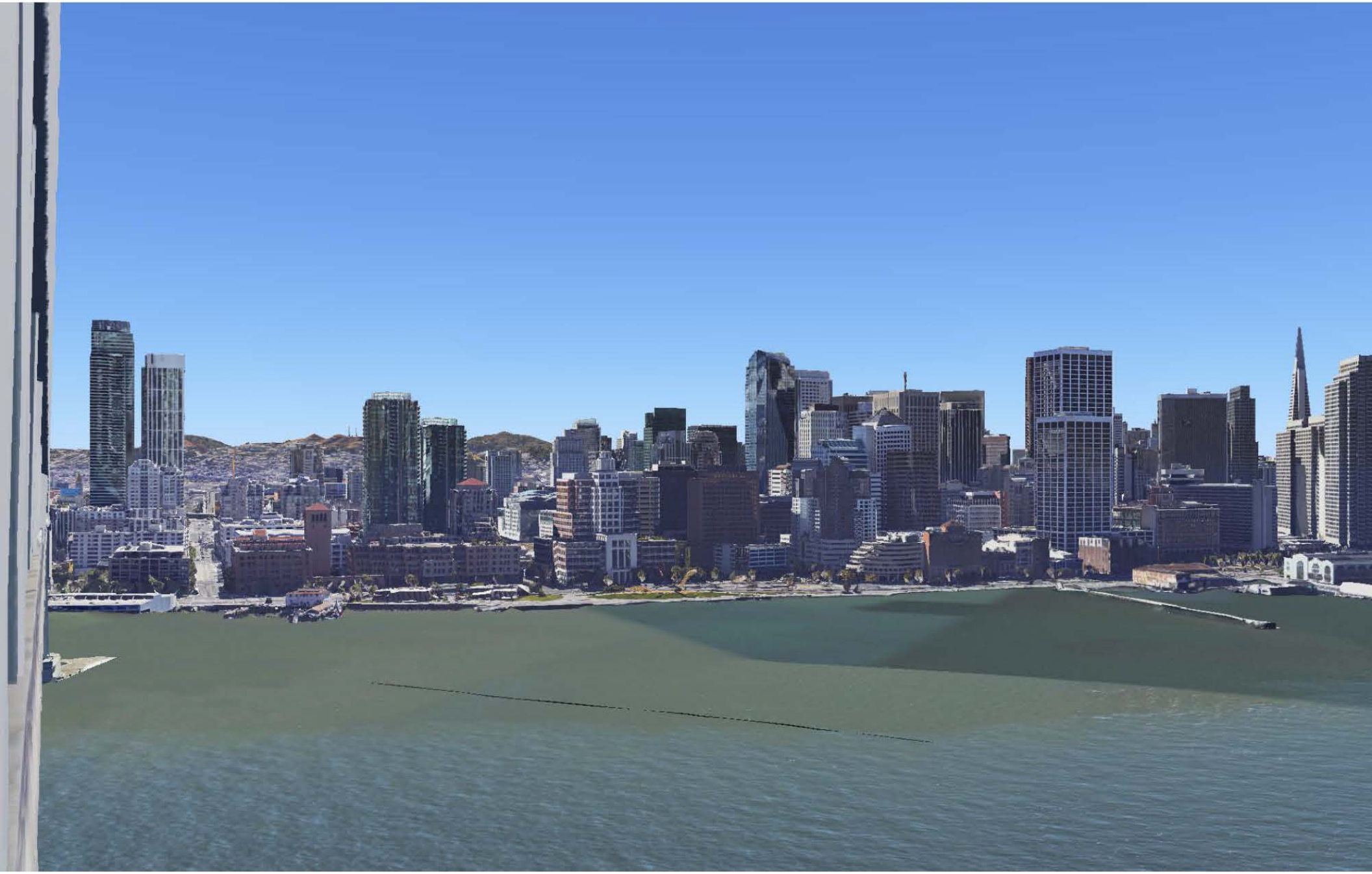
VISTAS IMPACT

TREASURE ISLAND EXISTING

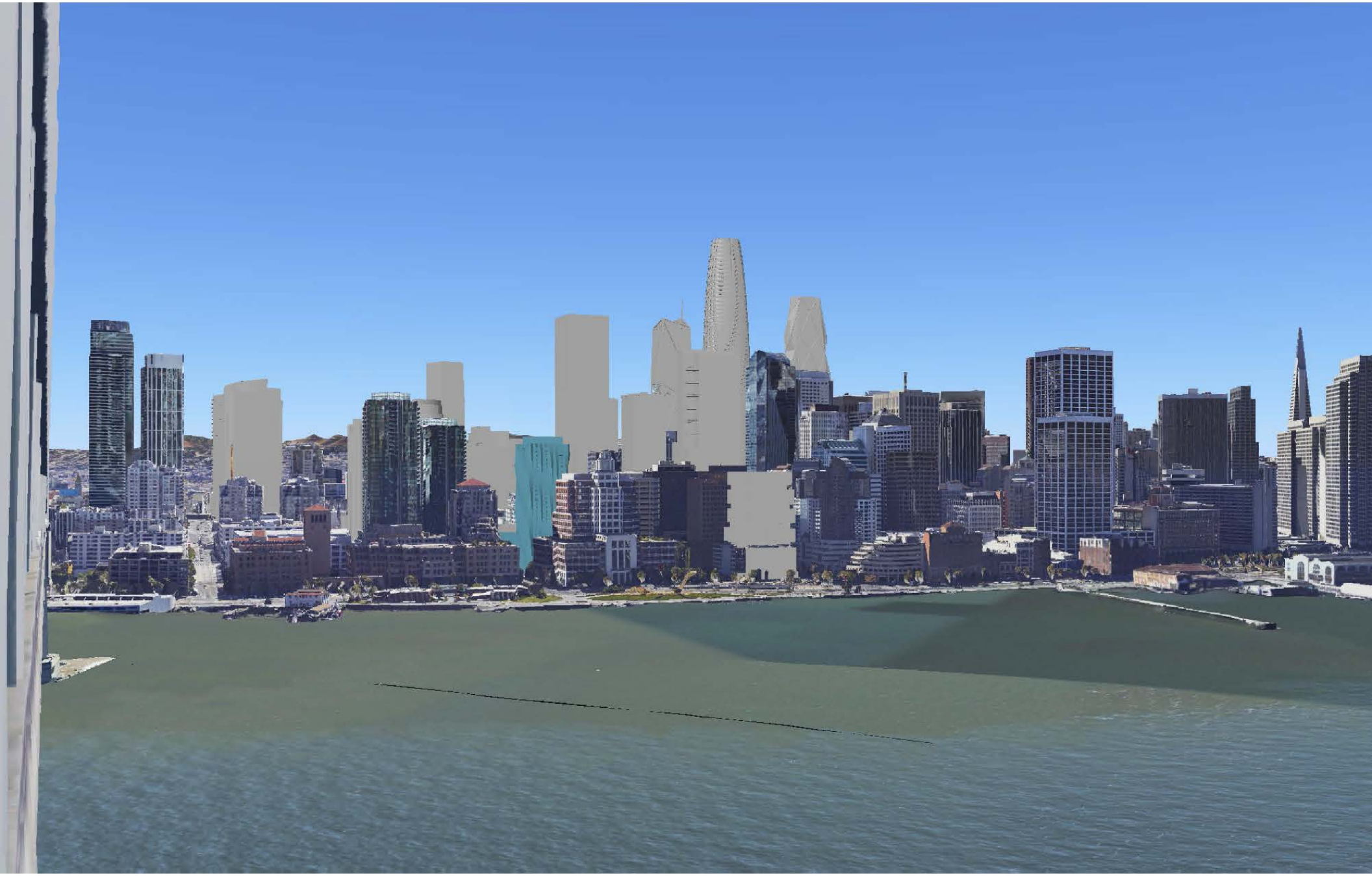
TREASURE ISLAND 300’ TOWER (WITH PIPELINE)

TREASURE ISLAND 400’ TOWER (WITH PIPELINE)

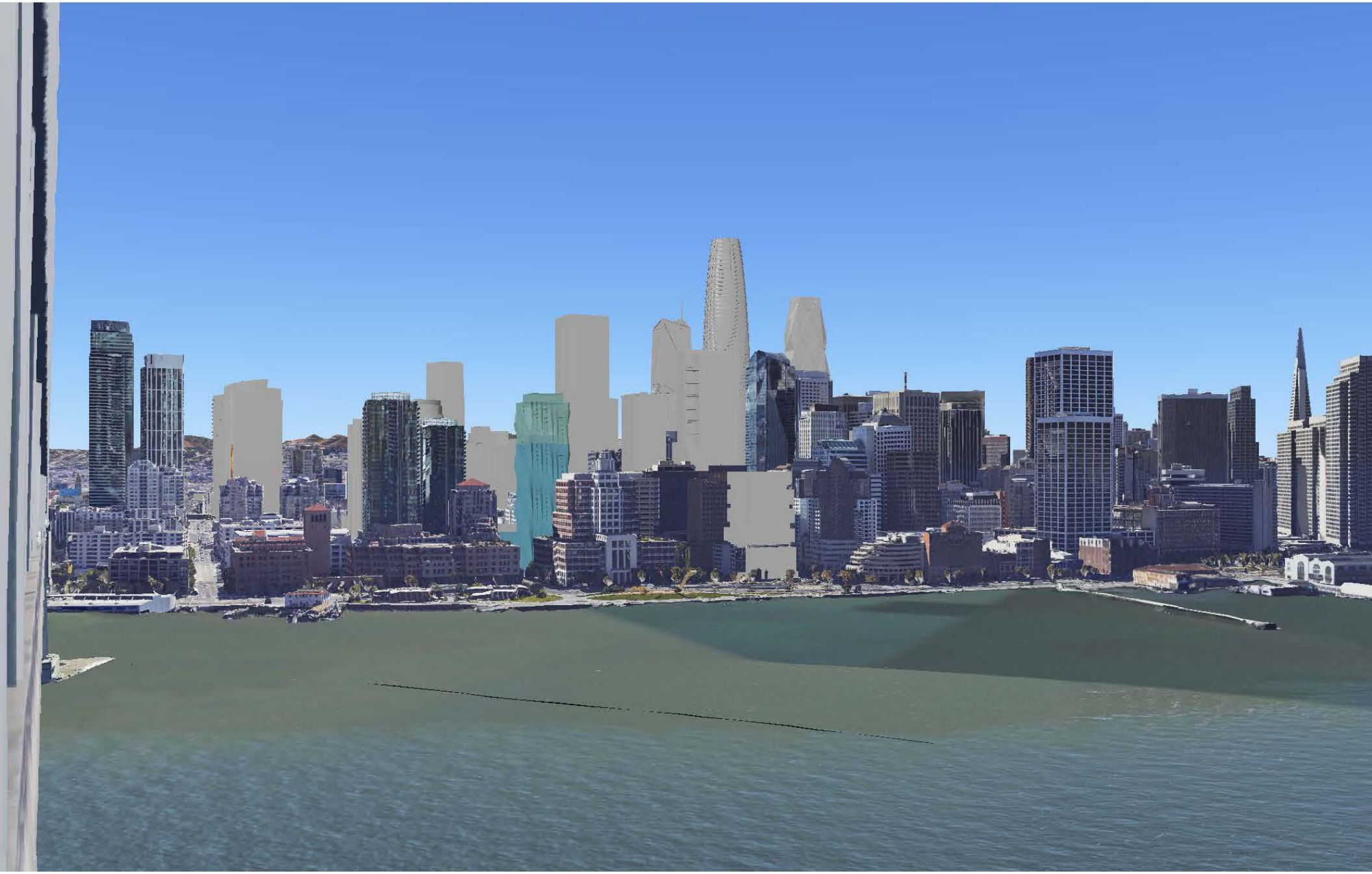
WATERFRONT SKYLINE - BAY BRIDGE EXISTING



WATERFRONT SKYLINE - BAY BRIDGE 300’ TOWER (WITH PIPELINE)



WATERFRONT SKYLINE - BAY BRIDGE 400’ TOWER (WITH PIPELINE)



TWIN PEAKS EXISTING

TWIN PEAKS 300’ TOWER (WITH PIPELINE)

TWIN PEAKS 400’ TOWER (WITH PIPELINE)

Attachment D

Summary of Shadow Study

As part of the Addendum, a study was conducted that analyzed potential shadow impacts generated by the proposed development on Block 1 onto six nearby publicly-accessible parks as a percentage of theoretically available annual sunlight ("TAAS") consumed.[1] The shadow analysis included a 300-foot-tall tower and a 400-foot-tall tower scenario for the Block 1 site, in order to measure the difference in shadow that would be caused by the proposed tower height change from the previously approved 300 feet to the proposed 400 feet. All other features of the project (townhouse and podium buildings) would fit within the massing envelope as dictated by the Development Controls and Design Guidelines of the Transbay Redevelopment Project. Reasonably foreseeable development projects were included in the analysis of cumulative shadow conditions, including forthcoming Transit Center District Plan and other Redevelopment Plan projects. Projects that would subsume (lessen) shadow cast by the Block 1 development were not included in the cumulative analysis unless they were already substantially under construction and completion was imminent.

The shadow analysis found that the Block 1 development would not cast shadow on any parks or open spaces subject to Section 295 of the San Francisco Planning Code.[2] Other public parks and open spaces not subject to Section 295 were still evaluated for potential impacts. The shadow analysis was conducted utilizing the methodology prescribed in Section 295 and found that the Block 1 development could cast new shadow on the following parks and open spaces:

- Rincon Park – located along the Embarcadero at Folsom Street
- Transbay Park (future)[3] – bounded by Beale, Clementina, Main, and Tehama Streets
- Spear Street Terrace – located on Spear Street south of Howard Street
- Howard/Fremont Plaza – located near Howard and Fremont Streets
- Main Street Plaza – located near Howard and Main Streets
- Transbay Terminal Park (future) – on the roof of the new Transbay Terminal

Table 1 below shows the amount of new shadow the proposed 100 foot height increase would add to each park or open space. The additional shading at each park and open space caused by the proposed tower height increase from 300 feet to 400 feet would be less than one half of one percent (0.5%) of the TAAS (ranging from 0.00% to 0.49% of TAAS).

Table 2 shows how much shadow the proposed 100-foot height increase would add on the days when shadows would be the largest, and how many more days per year shadow would occur at each park. As shown, the maximum shadow size at any park would grow by less than one percent due to the proposed height increase, and the additional shadow duration on the maximum days would range from 18 to 45 minutes.

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[1] TAAS is a measure of the square-foot-hours of sunlight that would theoretically be available at a given park or open space during a typical year, assuming that it is sunny during all daylight hours.

[2] Section 295 of the Planning Code only applies to public parks and open spaces that are under the jurisdiction of the San Francisco Recreation and Park Commission.

[3] Future parks were included in an effort to provide a conservative analysis, though shadow impacts on future parks are not typically considered significant.

Table 1: Comparison of the Proposed Project's Shadow Impacts on Theoretically Available Annual Sunlight (TAAS) Due to Height Increase from 300 Feet to 400 Feet

	Rincon Park	Transbay Park (future)	Spear Street Terrace	Howard/Fremont Plaza	Main Street Plaza	Transbay Terminal Park (future)
Existing Conditions						
Size (acres)	3.23	1.31	0.73	0.20	0.11	3.97
Shadow due to Existing Structures	23.51%	30.22%	75.36%	70.57%	61.43%	26.32%
Existing Conditions Plus Proposed Project						
Potential Shadow Added by 300' Tower (already covered by EIS/EIR)	0.39%	2.37%	0.94%	0.10%	0.10%	0.003%
Potential Shadow Added by 400' Tower (modified project)	0.72%	2.42%	1.43%	0.22%	0.29%	0.026%
New Shadow due to Height Increase from 300' to 400' (shadow due to modification)	**0.33%**	**0.03%**	**0.49%**	**0.12%**	**0.19%**	**0.02%**
Cumulative Conditions Plus Proposed Project						
Potential Shadow Added by 300' Tower and Cumulative Projects (already covered by EIS/EIR)	2.09%	12.57%	1.23%	11.50%	5.75%	20.21%
Potential Shadow Added by 400' Tower and Cumulative Projects (modified project)	2.42%	12.62%	1.72%	11.62%	5.94%	20.21%
New Shadow due to Height Increase from 300' to 400' (shadow due to modification)	**0.33%**	**0.05%**	**0.49%**	**0.12%**	**0.19%**	**0.00%**

All shadow amounts are shown as a percentage of TAAS.

Table 2: Additional Shadow Size and Duration at Periods of Maximum Shadow Due to Height Increase from 300 Feet to 400 Feet

	Rincon Park	Transbay Park (Future)	Spear Street Terrace	Howard/ Fremont Plaza	Main Street Plaza	Transbay Terminal Park (Future)
Additional Days Per Year When New Shadow Would Occur (Any Size)	28	None	28	43	None	70
Day(s) of Maximum Shadow	Feb 23 & Oct 18	June 21	Feb 23 & Oct 18	May 10 & Aug 2	May 10 & Aug 2	Apr 5 & Sep 6
Additional Percentage of Park/Open Space Square Footage Shaded on Day of Maximum Shadow	0.65%	0.28%	0.75%	0.30%	0.41%	0.21%
Additional Duration of Shadow on Day of Maximum Shadow	45 mins	18 mins	18 mins	18 mins	44 mins	18 mins

Qualitative descriptions of the areas that would be shaded by the proposed tower height increase from 300 feet to 400 feet (shadow cast by the portion of the proposed building between the 300-foot and 400-foot levels) are provided below:

- Rincon Park: New shading from the proposed height increase on Rincon Park would occur on a small portion of the San Francisco Bay Trail near the center of the park, during mid- to late-afternoon. The proposed height increase would result in some new shadow for 28 days of the year. The new shadow would last approximately 45 minutes on days when shadows would be the largest, between February 23rd and October 18th. Based on park use observations, usage was varied throughout the day with mornings and afternoons having less activity than midday periods.
- Transbay Park (Future): New shading from the proposed height increase would occur in early-morning in July, August, and early May, and would depart the park before 10 am. Due to the dense pattern of tree planting proposed along the park's periphery, the perceived impact of new shading may be somewhat diminished. As Transbay Park has not yet been constructed, no park usage observations could be conducted. The proposed 100-foot height increase would result in approximately 18 minutes of additional shade duration on the summer solstice, when shadows would be the largest.
- Spear Street Terrace: New shading from the proposed height increase on Spear Street Terrace would fall primarily in the northeast corner of the open space during mid- to late-afternoon between August and May. The proposed 100-foot height increase would result in some new shadow for 28 days of the year. The new shadow would last approximately 18 minutes on days when shadows would be the largest, February 23rd and October 18th Use observations revealed that the number of users during a given 30-minute period ranged from zero on the weekend to 28 during weekday midday periods. On weekdays, visitors were observed using seating areas to eat and make phone calls.

- Howard/Fremont Plaza: New shading from the proposed height increase would primarily shade the eastern part of the plaza during morning hours. The proposed 100-foot height increase would result in some new shadow for 43 days of the year. The new shadow would last approximately 18 minutes on days when the shadows would be the largest, May 10th and August 2nd. Plaza use observations revealed that the number of users during a given 30-minute period ranged from zero on the weekend to 20 during weekday midday periods. Visitors on weekdays tended to use the plaza as informal meeting space. No visitors were present during weekend observation times.
- Main Street Plaza: New shading from the proposed height increase would shade the southeast corner of the plaza during morning hours. The proposed 100-foot height increase would result in approximately 44 minutes of additional shade duration on days when shadows would be the largest, May 10th and August 2nd. Plaza use observations revealed that the number of users during a given 30-minute period ranged from zero on the weekend to 44 during weekday midday periods. Visitors were observed using the plaza as a place to rest or eat lunch.
- Transbay Terminal Park (Future): The areas affected by new shadow from the proposed height increase would be at the eastern end of the park and a portion of the central park during early morning in the spring and fall. Less than five percent of the park area would be shaded at the time of maximum impacts. The proposed 100-foot height increase would result in some new shadow for 70 days of the year. The new shadow would last approximately 18 minutes on days when shadows would be the largest – April 5th and September 6th. Though plans for the park are not finalized, the shaded area would likely contain benches, pathways, or passive recreation features. As Transbay Terminal Park has not yet been constructed, no park usage observations could be conducted.

The new shadow created by the proposed 100-foot height increase would consume less than one-half of one percent of TAAS at any of the six affected parks and open spaces. On the day(s) of maximum shading, less than one percent of each park's square footage would receive additional shading at the time when shadows are the largest. Shadows (of any size) would last from 18 to 45 minutes longer on the day of maximum shading, and the increase in shadow duration would be smaller on other days of the year. Activities in the affected portions of the parks and open spaces consisted primarily of passive activities, such as eating lunch, resting, and making phone calls. Areas that would be newly shaded would, in most cases, be located at the edges of the affected parks and open spaces. Given the limited increase in shadow size and duration, the proposed height increase from 300 to 400 feet would not create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas.