

File No. 240885

Committee Item No. _____

Board Item No. 25

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: October 22, 2024

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence (Click on hyperlink to view)

OTHER

- Draft Amend No. 1
- Executed Pledge Agreement 6/3/10
- Fiscal & Economic Impact Report 7/29/24
- OCII Resolution No. 25-2024 9/3/24
- OCII Resolution No. 26-2024 9/3/24
- OCII Resolution No. 29-2024 9/3/24
- Report to Board BVHP 9/6/24
- Report to Board HPS 9/6/24
- Updated Report to Board BVHP 9/18/24
- Updated Report to Board HPS 9/18/24
- Planning Commission Motion No. 21607 9/12/24
- Planning Commission Motion No. 21608 9/12/24

Prepared by: Lisa Lew

Date: October 18, 2024

Prepared by: _____

Date: _____

1 [Amendment to Tax Increment Allocation Pledge Agreement for Candlestick Point and Phase
2 of the Hunters Point Shipyard Project]

3 **Resolution approving an amendment to the Tax Increment Allocation Pledge**
4 **Agreement between the City and County of San Francisco and the Office of Community**
5 **Investment and Infrastructure for the pledge of net available tax increment to finance**
6 **public improvements and affordable housing in furtherance of the Candlestick Point**
7 **and Phase 2 of the Hunters Point Shipyard Redevelopment Project; adopting findings**
8 **under the California Environmental Quality Act; and adopting findings that the**
9 **agreement is consistent with the General Plan, and eight priority policies of Planning**
10 **Code, Section 101.1.**

11
12 WHEREAS, In May 2007, the Board of Supervisors approved Resolution No. 264-07,
13 endorsing a conceptual framework (the “Conceptual Framework”) for the integrated
14 development of Phase 2 of the Hunters Point Shipyard and the Candlestick Point subarea
15 (“Zone 1”) of the Bayview Hunters Point Project Area (the integrated development site, the
16 “Project Site”); and

17 WHEREAS, The Conceptual Framework envisioned a major mixed-use project,
18 including hundreds of acres of new and restored open space, thousands of new units of
19 housing, a robust affordable housing program, extensive job-generating retail and research
20 and development space, permanent space for the artist colony that exists in the Shipyard, and
21 a site for a new stadium for the 49ers on the Shipyard (the “Project”); and

22 WHEREAS, On June 3, 2008, the City’s voters passed Proposition G, the Jobs Parks
23 and Housing Initiative, which: (1) adopted policies for the revitalization of the Project Site; (2)
24 authorized the conveyance of the City’s land under Recreation and Park Department
25 jurisdiction within Candlestick Point in furtherance of the Project, provided that the transferred

1 property is replaced with other property of at least the same acreage that will be improved and
2 dedicated as public parks or open space in the Project; (3) repealed Proposition D and
3 Proposition F (June 1997) relating to prior plans for the development of a new stadium and
4 retail entertainment project on Candlestick Point; and (4) urged the City and County of San
5 Francisco (the "City"), the former Redevelopment Agency of the City and County of San
6 Francisco (the "Agency"), and all other governmental agencies with jurisdiction to proceed
7 expeditiously with the Project; and

8 WHEREAS, On August 3, 2010, in Ordinance Nos. 210-10 and 211-10, the Board of
9 Supervisors approved and adopted amendments to the Redevelopment Plan for the Bayview
10 Hunters Point Project ("BVHP Plan") and to the Hunters Point Shipyard Redevelopment Plan
11 ("HPS Plan"), respectively, in connection with the approval of the Candlestick Point-Hunters
12 Point Shipyard Phase 2 Project ("Project") in furtherance of the Conceptual Framework and
13 Proposition G; and

14 WHEREAS, To implement the Project, the Agency and CP Development Co., LP, a
15 Delaware limited partnership ("Developer"), entered into various agreements, including a
16 Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point
17 Shipyard), dated as of June 3, 2010, as amended from time to time (the "DDA") consistent
18 with the BVHP Plan and HPS Plan, as amended; and

19 WHEREAS, The BVHP Plan and the HPS Plan authorize the Agency to use tax
20 increment funds to finance the redevelopment of the Project Site, including the issuance of tax
21 allocation bonds secured by a pledge of property tax increment, subject to the limitations set
22 forth in the Redevelopment Plan Amendments and the California Community Redevelopment
23 Law ("Community Redevelopment Law" or "CRL") (California Health and Safety Code,
24 Sections 33000 et seq.); and

25

1 WHEREAS, In furtherance of the BVHP Plan, HPS Plan, DDA and related Project
2 documents, and the redevelopment of the Project Site, the City and the Agency entered into a
3 Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters
4 Point Shipyard), dated June 3, 2010, a copy of which is on file with the Clerk of the Board of
5 Supervisors in File No. 100662 (the "Tax Allocation Agreement"), that irrevocably pledges tax
6 increment from the Project Site for certain development costs; and

7 WHEREAS, Attached to the DDA is the Financing Plan, as amended from time to time,
8 ("Financing Plan") under which the Agency has incurred certain executory financial
9 obligations, including the obligation to pledge Net Available Increment to finance certain costs
10 of the Project, including the pledge of tax increment from the Project Site for public
11 improvements and affordable housing purposes; and

12 WHEREAS, In accordance with the Financing Plan, one or more community facilities
13 districts, which may include improvement areas and tax zones ("CFDs"), have been, or will be,
14 established for the Project under the Mello-Roos Community Facilities Act of 1982, as
15 amended; and

16 WHEREAS, The Agency and Developer intend that the CFDs will issue bonds to
17 finance public improvements described in the Infrastructure Plan (as may be amended from
18 time to time), which is also referenced in the Tax Allocation Agreement and is an attachment
19 to the DDA; and

20 WHEREAS, On July 13, 2010, the Board of Supervisors approved Motion No. 10-110,
21 affirming the Planning Commission's certification of the final environmental impact report for
22 the Candlestick Point-Hunters Point Shipyard Phase 2 Project in compliance with the
23 California Environmental Quality Act ("CEQA") (California Public Resources Code, Sections
24 21000 et seq.); and

25

1 WHEREAS, A copy of Motion No. 10-110 is on file with the Clerk of the Board of
2 Supervisors in File No. 100862 and is incorporated herein by reference; and

3 WHEREAS, The Project, as analyzed in the FEIR and approved, included a new
4 professional football stadium in the HPS Project Area, a mix of other uses throughout the
5 development area, a comprehensive open space plan, an integrated transportation plan, a
6 robust community benefits plan, and improved opportunities to finance the development of
7 affordable housing and the public infrastructure necessary to expedite the revitalization of
8 both areas; and

9 WHEREAS, As part of the Project, the FEIR analyzed several land use variants, which
10 provided for differing mixes of housing, retail, and research and development and office uses
11 in lieu of the stadium use; and

12 WHEREAS, On February 1, 2012, the State of California in 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; and

16 WHEREAS, On October 2, 2012, in Ordinance No. 215-12, the Board of Supervisors
17 delegated its State authority under the Redevelopment Dissolution Law to the Successor
18 Agency Commission as the governing body of the Successor Agency to the former
19 Redevelopment Agency of the City and County of San Francisco (the “Successor Agency,”
20 commonly known as the Commission of Community Investment and Infrastructure or “CCII”
21 and the Office of Community Investment and Infrastructure or “OCII”), to implement and
22 complete, among other things, the surviving enforceable obligations of the dissolved
23 Redevelopment Agency, and acknowledged that, under the Redevelopment Dissolution Law,
24 the Successor Agency held all transferred assets and obligations of the dissolved
25 Redevelopment Agency; and

1 WHEREAS, On December 4, 2012, the California Department of Finance finally and
2 conclusively determined that the DDA, Tax Allocation Agreement, and the affordable housing
3 program funded by tax increment for CP-HPS2 were enforceable obligations of the Successor
4 Agency; and

5 WHEREAS, California Health and Safety Code, Section 34177 provides that the
6 Successor Agency is required, subject to certain review and approval by an oversight board
7 and the California Department of Finance, to (1) perform obligations required pursuant to any
8 enforceable obligations, and (2) continue to oversee development of properties until the
9 contracted work has been completed; and

10 WHEREAS, On September 13, 2023, the Governor signed into law Senate Bill 143
11 (2023) (“SB 143”) that amended California Health and Safety Code, Section 34177.7 to add
12 subdivision (j) which states that “the limitations relating to time for establishing loans,
13 advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay
14 indebtedness, the time for applying tax increment, the number of tax dollars, or any other
15 matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the Project; and

16 WHEREAS, SB 143 provides that the applicable time limits for establishing loans,
17 advances, and indebtedness, the effectiveness of the redevelopment plans, and the time to
18 repay indebtedness and receive property taxes will be established in the Project agreements,
19 subject to review and approval by the Oversight Board of the City and County of San
20 Francisco (the “Oversight Board”) and the California Department of Finance; and

21 WHEREAS, SB 143 further clarified that Redevelopment Dissolution Law does not
22 “limit the receipt and use of property tax revenues generated from Phase 2 of the HPS
23 Redevelopment Plan project area or Zone 1 of the BVHP Plan project area” in connection with
24 the Project; and

1 WHEREAS, Concurrent with this Resolution, following recommendations of approval
2 from the Hunters Point Shipyard Citizens Advisory Committee and the Successor Agency
3 Commission, the Board of Supervisors is considering Ordinances to approve and adopt
4 amendments to the BVHP Plan and HPS Plan (collectively, the “Redevelopment Plan
5 Amendments”); and

6 WHEREAS, The Successor Agency and the City propose, subject to review and
7 approval by the Oversight Board and the California Department of Finance, to enter into a
8 First Amendment to Tax Increment Allocation Pledge Agreement (“First Amendment”) to
9 implement SB 143; and

10 WHEREAS, As authorized by SB 143, the First Amendment and the BVHP Plan and
11 the HPS Plan, each as amended, authorize the Successor Agency to use tax increment funds
12 from the BVHP Redevelopment Plan Area to finance the Qualified Project Costs and other
13 costs necessary to complete the enforceable obligations of the CP-HPS2 project, including
14 Agency Affordable Housing Costs and Agency Costs for the Project throughout both Zone 1 of
15 Project Area B of the BVHP Redevelopment Plan Area and Phase 2 of the Shipyard
16 Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge
17 of property tax increment from the BVHP Redevelopment Plan Area, subject to the BVHP
18 Redevelopment Plan’s time limits on incurring indebtedness; and

19 WHEREAS, As authorized by SB 143, the First Amendment and the HPS Plan, as
20 amended, provide that the Successor Agency: (1) may not establish or incur loans, advances
21 or indebtedness to finance in whole or in part its activities in Phase 2 of the HPS Project Area
22 beyond 30 years from the Initial HPS Transfer Date (as defined in the HPS Plan) plus an
23 additional 15 years which represents the “Anticipated Navy Delay” as described below and (2)
24 may not pay indebtedness or receive property taxes from Phase 2 of the Shipyard
25

1 Redevelopment Plan Area after 45 years after the Initial HPS Transfer Date plus an additional
2 15 years which represents the Anticipated Navy Delay; and

3 WHEREAS, The Navy has recently informed OCII that completion of remediation and
4 conveyance of all portions of the Shipyard Site, excluding Parcel F, to Developer will occur
5 sometime in 2036-2038, including time needed for a Finding of Suitability for Transfer and
6 associated conveyance documentation, and such documentation relaying these schedule
7 delays is described in correspondence that the Navy provided to OCII, which is on file with the
8 CCII Commission Secretary; and

9 WHEREAS, This estimated delay (defined as the Anticipated Navy Delay in the HPS
10 Plan) warrants the additional 15-year extension of the redevelopment timelines referenced
11 above for purposes of redevelopment activities on the Shipyard Site and related tax increment
12 financing; and

13 WHEREAS, As authorized by SB 143, the First Amendment and the BVHP Plan, as
14 amended, establish that the Successor Agency: (1) may not incur or establish loans,
15 advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area
16 B beyond 30 years from the 2024 Plan Amendment Date (as defined in the BVHP
17 Redevelopment Plan) and (2) may not pay indebtedness or receive property taxes pursuant
18 California Health and Safety Code, Section 33670 from Zone 1 of Project Area B after 45
19 years from the 2024 Plan Amendment Date; provided, however, that solely for the purpose of
20 using property tax revenues generated from Zone 1 of the BVHP Project Area to fund
21 Qualified Project Costs and other costs necessary to complete the enforceable obligations of
22 the Project, including Agency Affordable Housing Costs in Phase 2 of the HPS Project Area,
23 the time limits referenced in this paragraph shall include an additional 15 years; and

24 WHEREAS, Based on the Navy materials referenced above, this estimated delay
25 (defined as the Anticipated Navy Delay in the BVHP Plan) warrants the additional 15-year

1 extension of the redevelopment timelines referenced in this paragraph for purposes of
2 redevelopment activities on the Shipyard Site and related tax increment financing; and

3 WHEREAS, The extension of such time limits will advance the development of the
4 Project, which has faced numerous extraordinary challenges that have hindered the timely
5 development of the Project, including substantial delays caused by the ongoing clean-up of
6 the Shipyard Site due to ongoing investigation and testing; and

7 WHEREAS, Since the BVHP Plan and the HPS Plan both authorize the funding of
8 Qualified Project Costs and other costs necessary to complete the enforceable obligations of
9 the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs for the
10 Project as a whole, the First Amendment and the BVHP Plan and the HPS Plan set forth the
11 maximum bonded indebtedness that can be outstanding at any one time for both the BVHP
12 Plan and the HPS Plan; and

13 WHEREAS, The collective, single limit on the amount of bonded indebtedness of the
14 Successor Agency to be repaid from an allocation of tax increment from Zone 1 of the BVHP
15 Redevelopment Plan Area and Phase 2 of the Shipyard Redevelopment Plan Area that can
16 be outstanding at one time for both the BVHP Redevelopment Plan and the Shipyard
17 Redevelopment Plan is \$5.9 billion in the aggregate; and

18 WHEREAS, In accordance with the Financing Plan, tax increment from the Project Site
19 or the proceeds of bonds secured by a pledge of tax increment from the Project Site will be
20 used to make payments on indebtedness of the Agency under the Financing Plan and to pay
21 or otherwise reimburse directly the costs of public infrastructure or other public improvements,
22 all as further provided in the Financing Plan; and

23 WHEREAS, The Below-Market Rate Housing Plan referenced in the Tax Allocation
24 Agreement, as amended from time to time, (the "Housing Plan") contemplates that all of the
25 Housing Increment (as defined in the Financing Plan) produced by development in the Project

1 Site will be used in the Project Site for the development of up to approximately 3,345
2 affordable housing units on the Project Site, including one-for-one replacement of housing in
3 the Alice Griffith Housing Development (the “Alice Griffith Replacement Units”); and

4 WHEREAS, Except to the extent that the Agency uses Housing Increment, the Agency
5 will use only tax increment generated from development within the Project Site to finance
6 Qualified Project Costs; and

7 WHEREAS, The Financing Plan gives the Agency, subject to review and approval by
8 the Oversight Board and the California Department of Finance, the discretion on a case-by-
9 case basis in issuing tax allocation bonds to establish principal financing terms that the
10 Agency determines are appropriate to safeguard against the risk of default, provided that the
11 terms are consistent with the Financing Plan; and

12 WHEREAS, The dedication of Housing Increment as provided in the Financing Plan is
13 essential to the financing of affordable housing on the Project Site, including the Alice Griffith
14 Replacement Units, and complies with the enforceable obligations approved under
15 Redevelopment Dissolution Law, the requirements of Community Redevelopment Law and
16 the objectives of CCII Resolution No. 134-2005, and the requirements of the Redevelopment
17 Plan Amendments with respect to the use of tax increment revenues for affordable housing;
18 and

19 WHEREAS, Under the authority granted under Article XVI, Section 16 of the California
20 Constitution and Sections 33670, 33334.2, 33671, and 33675 of the Community
21 Redevelopment Law, and in furtherance of the implementation of the Redevelopment Plan
22 Amendments, the Board of Supervisors intends that this Resolution provide for the irrevocable
23 pledge of Net Available Increment from the Project Site for the purposes of financing or
24 refinancing the construction of public infrastructure, certain other public improvements in the
25 Project Site, and affordable housing as further provided in the Financing Plan; and

1 WHEREAS, The First Amendment amends the Tax Allocation Agreement and is
2 consistent with and in furtherance of the DDA and Tax Allocation Agreement, enforceable
3 obligations that existed prior to June 28, 2011, and is in the best interests of the taxing
4 entities; and

5 WHEREAS, The First Amendment will, by making tax increment financing available for
6 the anticipated buildout horizon of the Project, enable continued private investment in
7 completion of the Project and the winding down of the affairs of the Successor Agency; and

8 WHEREAS, On September 3, 2024, CCII adopted Resolution Nos. 25-2024, 26-2024,
9 and 29-2024 (“CCII Approval Resolutions”) which, among other things, approved the First
10 Amendment and recommended the adoption of the amendments to the BVHP and HPS
11 Plans; and

12 WHEREAS, Certified copies of the CCII Approval Resolutions along with the Report to
13 the Board and the amendments to the BVHP and HPS Plans are on file with the Clerk of the
14 Board of Supervisors in File No. 240885 and are incorporated herein by reference; and

15 WHEREAS, OCII transmitted the proposed amendments to the BVHP and HPS Plans
16 to the Planning Commission pursuant to CRL Section 33346 for the Planning Commission’s
17 report and recommendation concerning the 2024 Plan Amendment and its conformity with the
18 General Plan; and

19 WHEREAS, On September 12, 2024, the Planning Commission, in Motion Nos. 21607
20 and 21608, adopted findings that the HPS Plan, as amended, and the BVHP Plan, as
21 amended, are consistent, on balance, with the General Plan and eight priority policies of
22 Planning Code, Section 101.1; and

23 WHEREAS, The Board adopts these Planning Commission findings as its own for
24 purposes of this Resolution, and copies of said Planning Commission Motions are on file with
25 the Clerk of the Board of Supervisors in File No. 240885 and are incorporated by reference

1 herein; and

2 WHEREAS, For purposes CEQA and the actions contemplated in this Resolution, the
3 Board of Supervisors adopts the environmental findings in the companion Ordinance
4 amending the BVHP Plan, which is on file with the Clerk of the Board of Supervisors in File
5 No. 240878 and incorporated herein by reference; now, therefore, be it

6 RESOLVED, That the Board of Supervisors finds that the redevelopment of the Project
7 Site in accordance with the amendments to the BVHP and HPS Plans and related documents
8 affords numerous public benefits for the City and County and its residents, including the
9 revitalization of the Project Site, which is currently blighted; the elimination of the blighting
10 influences; the provision of substantial new affordable housing; the provision of a variety of
11 publicly accessible open space; the creation and enhancement of public access to the
12 waterfront; the creation of jobs, including employment opportunities for economically
13 disadvantaged individuals; the creation of significant new infrastructure; and the replacement
14 of Alice Griffith Housing Development; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form and
16 substance of the First Amendment and the pledge of tax increment from the Project Site for
17 the purposes described therein; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Mayor and the
19 Controller to execute the First Amendment, in the name and on behalf of the City, in
20 substantially the form presented to this Board of Supervisors, and subject to the review and
21 approval of the Oversight Board and the California Department of Finance; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors authorizes the Mayor and the
23 Controller (or any successor City officer designated by law) to enter into or approve any
24 additions, amendments, or other modifications to the Tax Allocation Agreement that they
25 determine, in consultation with the City Attorney, are in the best interests of the City; provided

1 that any such additions, amendments, or modifications (1) do not increase the pledge of tax
2 increment that is the subject of this Resolution or otherwise materially increase the liabilities or
3 obligations of the City, (2) are consistent with the approval of the Tax Allocation Agreement by
4 the Oversight Board and California Department of Finance, (3) are necessary or advisable to
5 effectuate the implementation of the BVHP and HPS Plans, and (4) do not materially
6 decrease the pledge of tax increment for affordable housing purposes, such determination to
7 be conclusively evidenced by the execution and delivery by the Mayor and the Controller of
8 the Tax Allocation Agreement and any amendments to it; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors authorizes the Mayor,
10 Controller, and any other officers, agents, and employees of the City to take any and all steps
11 (including the execution and delivery of any and all agreements, notices, consents and other
12 instruments or documents) as they or any of them deem necessary or appropriate, in
13 consultation with the City Attorney, in order to consummate the First Amendment in
14 accordance with this Resolution, or to otherwise effectuate the purpose and intent of this
15 Resolution, such determination to be conclusively evidenced by the execution and delivery by
16 such person or persons of any such documents; and, be it

17 FURTHER RESOLVED, That all of the Housing Increment produced by development in
18 the Project Site, which is required to be set aside for the provision of affordable housing under
19 the DDA, the Tax Allocation Agreement, and Community Redevelopment Law, shall be
20 reserved and dedicated for the predevelopment, development and construction of affordable
21 housing units in the Project Site, including the Alice Griffith Replacement Unit; and, be it

22 FURTHER RESOLVED, The approval under this Resolution shall become operative
23 and take effect upon the effective date of the amendments to the BVHP and HPS Plans
24 pursuant to the Ordinances amending said Plans, which are on file with the Clerk of the Board
25 of Supervisors in File Nos. 240877 and 240878, respectively.

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CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

October 21, 2024

TO: Board of Supervisors

FROM: Budget and Legislative Analyst 

SUBJECT: October 22, 2024 Committee of the Whole Adjourn and Report

TABLE OF CONTENTS

Item	File	Page
23, 24, & 25	24-0877 Redevelopment Plan Amendment - Hunters Point Shipyard 24-0878 Redevelopment Plan Amendment - Bayview Hunters Point 24-0885 Amendment to Tax Increment Allocation Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard Project.....	1

Items 23, 24, & 25 File 24-0885	Department: Controller
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EXECUTIVE SUMMARY

Legislative Objectives

File 24-0877 is an ordinance that would amend the Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project Area to extend the time limits for Hunters Point Shipyard Redevelopment Project Area Phase 2.

File 24-0878 is an ordinance that would amend the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area to extend the time limits for the Bayview Hunters Point Redevelopment Project Area Zone 1

The amendments would also allow the transfer of up to 2,050,000 square feet of research and development and office space from the Hunters Point Shipyard Redevelopment Project Area to Bayview Hunters Point Redevelopment Plan Project Area Zone 1.

File 24-0885 is a resolution that would approve the first amendment to the Tax Increment Allocation Pledge Agreement (Pledge Agreement) between the City and Successor Agency to the Redevelopment Agency (Office of Community Investment and Infrastructure or OCII). The amendment aligns the Pledge Agreement to the Redevelopment Plans' extended time limits.

Key Points

- In 2010, OCII entered into a Disposition and Development Agreement (DDA) with CP Development Co., LP. The DDA establishes: (a) the rights of the developer to develop the Project in a series of phases; and (b) the responsibilities of the developer to develop horizontal infrastructure. This public infrastructure is initially paid for by the developer and then reimbursed through public financing, including (a) special taxes and bonds; (b) tax increment revenue and bonds; and (c) other sources, such as grants. The Redevelopment Plans and Pledge Agreement allow for incremental increases in property taxes to pay for project costs. Absent a redevelopment plan, in FY 2024-25, the City would receive 64.6% of property taxes. Under the proposed agreements, the City would receive 12.9% of new property taxes, with most of the remaining revenue going to OCII to pay for project costs.

Fiscal Impact

- Analysis by Economic & Planning Systems indicate that the projects will generate a combined \$47.5 million in net General Fund revenues (in 2024 dollars) at project stabilization.

Policy Considerations

- The original Pledge Agreement and DDA were entered into in 2010 with the expectation that work would be complete in 2030. Relatively little has been accomplished due, in part, to the Navy’s delay in transferring the Shipyard land to OCII. The Shipyard and Candlestick

redevelopment programs were designed to be developed in tandem, so the delay impacted both project areas.

- The proposed amendments reset the redevelopment timelines for both projects and extend the timelines for public financing. If the project is finally launched, it will provide housing for 16,818 residents at Candlestick Point and 8,048 residents in Shipyard, a third of which would be in income-restricted units, and contribute to economic growth during and after construction.
- At the same time, the proposed Plan Amendments would push the end date of the Shipyard project to 2083, or 85 years after the competitive solicitation was issued to select the developer. This request comes to the Board of Supervisors on a relatively thin record of accomplishments – only 4.5 percent of the housing in Candlestick point has been built (the housing that was built is 100 percent affordable). The Board could consider requesting OCII reprocur the developer. Three other developers responded to the 1998 competitive solicitation. The Board could also defer approval of the Shipyard Plan Amendments and related language in the Pledge Agreement. At a later time, the Board of Supervisors could evaluate progress on the Candlestick project to assess whether further financial commitments from the City are warranted. The Controller is authorized to audit the work of the BVHP Plan, but not the Shipyard Plan, and no such performance audits have been completed to date.

Recommendation

Approval of the proposed ordinances and resolution are policy matters for the Board of Supervisors.

MANDATE STATEMENT

California Health and Safety Code Section 33450 states that local legislative bodies may amend redevelopment plans, by ordinance.

California Health & Safety Code Section 33670 states that incremental tax revenue generated within redevelopment plan areas may be used to finance redevelopment projects, including for paying debt. Although state law dissolved redevelopment agencies in 2012, successor agencies to redevelopment agencies may continue to receive this incremental tax revenue to the extent that enforceable obligations, such as pledge agreements, survived redevelopment dissolution and were approved by the state.

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) any modification of such contracts of more than \$500,000, is subject to Board of Supervisors approval.

BACKGROUND

OCII

The former San Francisco Redevelopment Agency was the entity charged with alleviating blight through redevelopment projects. Such projects were governed by redevelopment plans approved by the Board of Supervisors and typically financed with incremental increases in property taxes generated by increased property value following redevelopment.

When redevelopment agencies were dissolved in 2012, the State created successor agencies to carry out the enforceable obligations in effect at the time of dissolution. The Board of Supervisors allowed the Successor Agency to the San Francisco Redevelopment Agency, known as the Office of Community Investment and Infrastructure (OCII), to carry out the development projects that had agreements in effect, which were Mission Bay, Transbay, Hunters Point Shipyard, and Candlestick Point (File 12-0898). OCII is a separate government entity from the City.

Hunters Point Shipyard Phase 2 and Candlestick Point Project¹

The Hunters Point Shipyard and Candlestick Point are located in the southeastern corner of the City on the San Francisco Bay. The Candlestick Point and Hunters Point Shipyard Phase 2² Project (the Project) will generate 10,672 new housing units (of which 32 percent will be affordable), 4.9 million square feet of research and development and office space, 1.8 million square feet of retail, community, and institutional space, and over 300 acres of open space and parks, and

¹ The Hunters Point Shipyard is being developed in two phases under separate disposition and development agreements with different master developers. Lennar is developing Hunters Point Shipyard Phase 1, and FivePoint is developing Hunters Point Shipyard Phase 2 and Candlestick Point.

additional community benefits. The Project is being developed by CP Development Co., LP, a subsidiary of Five Point Holdings LLC (Five Point).

The Navy owns most of the Shipyard Phase 2 area parcels, which will be transferred to OCII following successful remediation of contamination resulting from the Navy's former use of the Shipyard Site facilities. The master developer of the Project, OCII, Port, City the State, and private parties own the Candlestick Point parcels. Attachment 2 shows the current landownership.

As originally planned, the Candlestick Site and Shipyard Site were to be developed simultaneously. Since 2010, the clean-up of the Shipyard Site has faced unprecedented delays due to the ongoing investigation, re-testing, and litigation related to the fraudulent work by the Navy's contractor. Because of the ongoing extraordinary Navy delays, the Excusable Delay provisions of the Hunters Point Shipyard Phase 2 and Candlestick Point Disposition and Development Agreement ("DDA") became applicable to the Shipyard Site according to OCII staff. OCII is proposing changes to the project documents to facilitate sequential, rather than simultaneous, development of the project areas.

Redevelopment Plans

The Project is governed by two redevelopment plans, which establish land use controls and policies for development in the project areas. The Board of Supervisors approved the Hunters Point Shipyard Redevelopment Plan (HPS Plan) in 1997 and the Bayview Hunters Point Redevelopment Plan (BVHP Plan) in 2006 (Ordinance 285-97 and File 06-0343). The Board of Supervisors approved amendments to the plans in 2010 in connection with approval of the Project (Files 10-0658 and 10-0659) and subsequent amendments to the plans in 2017 (Files 17-0414 and 17-0415) and 2018 (Files 18-0515 and 18-0516).

OCII has land use jurisdiction over the Project through the Redevelopment Plans. The Project is located within Zone 1 of Project Area B of the BVHP Plan (referred to as "Candlestick Site" or "Candlestick Point") and Phase 2 of the HPS Plan Project Area (referred to as "Shipyard Site" or "HPS2").³ Candlestick Point includes the location of the former 49ers Stadium, Candlestick Point State Recreational Area, the Alice Griffith Housing Authority site, and other adjacent private and Port parcels.

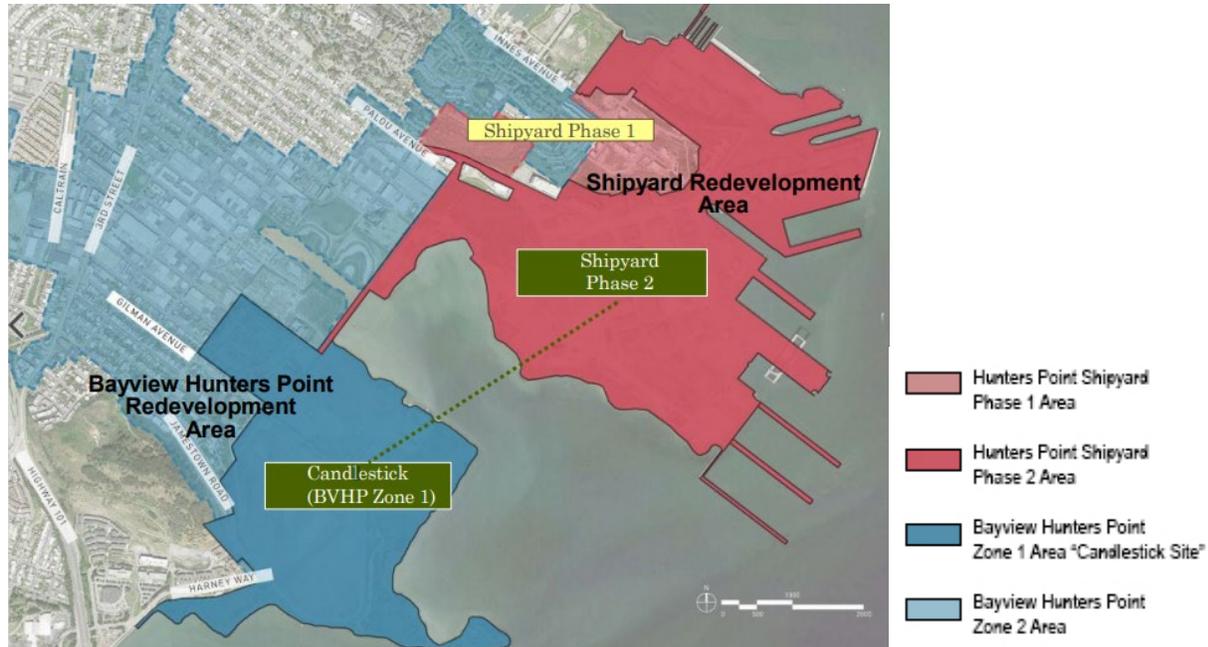
As contemplated under the Redevelopment Plans and the Project documents, including the DDA and Pledge Agreement, the Project depends upon tax increment financing to achieve financial feasibility. The Project was subject to certain time limits under the California Community Redevelopment Law: 1) a 20-year time limit on establishing loans, advances, and indebtedness; 2) a 30-year time limit on the effectiveness of the plan; and 3) a 45-year time limit to repay indebtedness. Certain of these statutory redevelopment timelines are approaching, with the time limit for establishing loans, advances, and indebtedness in the BVHP project area set to expire on June 1, 2026. OCII is proposing changes to the project documents to extend these time limits, as allowable under California Senate Bill 143, which was approved in 2023 and is discussed further

³ Under the Bayview Hunters Point Plan, Project Area B is divided into Zones 1 and 2. OCII has jurisdiction over land use within Zone 1. The Planning Department has jurisdiction over land use within Zone 2.

below. The Successor Agency Commission approved the BVHP and HPS Plans amendments on September 3, 2024.

Exhibit 1 below shows the BVHP and HPS Plan Areas.

Exhibit 1: Project Area Map



Source: OCII

Disposition and Development Agreement & Financing Plan

In 2010, OCII entered into a Disposition and Development Agreement (DDA) with CP Development Co., LP. The DDA establishes: (a) the rights of the Developer to develop the Project in a series of phases and to ground lease or sell lots to vertical developers for development; and (b) the responsibilities of the Developer to develop horizontal infrastructure, public open space, affordable housing, and other community benefits. Horizontal infrastructure improvements include demolition, grading, sea level mitigation, wastewater utilities, water utilities, streets, and transportation improvements.

The DDA has been amended three times. The Fourth Amendment was approved by the Successor Agency Commission on September 3, 2024, the Oversight Board to the Redevelopment Agency of the City and County of San Francisco (“Oversight Board”) on September 9, 2024, and is pending final approval by the State Department of Finance. The City is not party to the DDA, and the Board of Supervisors does not approve the DDA, but exercises authority over the Project through the amendments to the Redevelopment Plans and approval of the amendment to the Pledge Agreement.

The Fourth Amendment provides for the development program to be consistent with changes proposed in the Redevelopment Plans (discussed below) and makes other changes to streamline

the planning review process. There are no changes to the Project’s Community Benefits Plan, the number of affordable housing units or the income levels to qualify for affordable housing.

The Financing Plan (Exhibit H to the DDA) details the funding sources available to reimburse the developer for qualified project costs, including: (a) Community Facilities District (CFD) special taxes and bonds; (b) tax increment revenue and bonds; and (c) “alternate financing,” which may include grants, municipal debt issued by OCII or the City and secured by tax increment, special taxes, special assessment or fees in the Project Site, or certificates of participation. The fourth amendment to the DDA makes the following changes to the Financing Plan: (a) permits tax increment generated within the Candlestick Project Area and Hunters Point Shipyard Phase 2 Project Area to be used to pay project costs in either project area consistent with changes in State law; (b) extends the time period from 75 years to 85 years to levy special taxes for CFD bonds; and (c) adds the City’s Certificates of Participation (COP) debt program as a potential source of alternate financing. According to OCII staff, there is no plan to use COP debt for the BVHP nor Shipyard projects. The purpose of the amendment was for the DDA to be consistent with the recently modified provisions to the Treasure Island DDA’s Financing Plan, for which the Board of Supervisors approved up to \$115 million in COP debt (File 24-0202).

An overview of the Candlestick and Shipyard projects’ infrastructure delivery timelines and a map of the phases is included as Attachment 1 to this report.

Evaluation of Updated Public Financing Model

To assess the Project’s updated public financing, OCII engaged ALH Economics and C.H. Elliott & Associates as financial consultants. For Candlestick Point, OCII’s consultants performed a review of the developer’s financials and public financing model to determine the project’s feasibility, including the project program and pro forma underwriting assumptions. OCII’s consultants also reviewed the public financing model for the Shipyard Site for feasibility. Based on these reviews OCII’s consultants determined that the Project was feasible with the proposed amendments to the Redevelopment Plans and Pledge Agreement. OCII’s consultants also concluded that the current Project would not be feasible to develop without the proposed amendments to the Redevelopment Plans and Pledge Agreement.

Developer and Selection of Developer

Following a competitive procurement process that began in 1998, the former Redevelopment Agency selected the Lennar-BVHP LLC (a corporate affiliate of Lennar) as the master developer for the Hunters Point Shipyard project in 1999. Two other developers submitted proposals that were considered by the Agency: Forest City Development California Inc./EM Johnson Interest Inc. and Catellus Development/WDG. Lennar-BVHP LLC entered into a DDA for the Hunters Point Shipyard Phase 1 in 2003.

The HPS Plan was amended in 2010 and divided into two phases. Phase 1 includes areas referred to as the Hilltop and Hillside. Phase 2 includes the rest of the Shipyard and includes Zone 1 of the BVHP Plan. The Phase 1 area is subject to a separate disposition and development agreement, and none of the amendments impact the Phase 1 area. The DDA for Candlestick Point and Phase 2 of the Hunters Point Shipyard project is between OCII and CP Development Co., LLC, the Master

Developer, and was approved by Successor Agency Commission by Resolution No. 69-2010 (June 3, 2010).

Senate Bill 143-2023 State Law Change

In 2023, the State Legislature and Governor approved Senate Bill 143 that amended the Health and Safety Code section 34177.7 to add subdivision (j), which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the CP-HPS2 Project. Most relevant for the proposed agreements, SB 143 released OCII and the Phase 2 of the Hunters Point Shipyard project from the statutory time limits associated with redevelopment plan durations, incurring debt, amount of debt, and timeline to repay indebtedness. Instead, it allowed OCII, with approval from its Oversight Board and the Department of Finance, to establish new such timelines within the relevant Project agreements. The amendments to the BVHP and HPS Plans and Pledge Agreement, which the Successor Agency Commission approved, by Resolution Nos. 25-2024, 26-2024, and 29-2024 (Sep. 3, 2024), are now before the Board of Supervisors. The Oversight Board approved, by Resolution No. 04-2024 (Sep. 9, 2024), the Pledge Agreement, which is pending before the Department of Finance and the Board of Supervisors.

SB 143 also allows property tax increment generated from both Project Areas (Shipyard Phase 2 and Candlestick Point) can be used to finance Qualified Project Costs in either Project Area. The amendments to the BVHP and HPS Plans and to the Pledge Agreement are consistent with the Project agreements currently under review by the State.

DETAILS OF PROPOSED LEGISLATION

File 24-0877 is a proposed ordinance that would amend the Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project Area to extend the time limits for Hunters Point Shipyard Redevelopment Project Area Phase 2 and to allow the transfer of up to 2,050,000 square feet of research and development and office space from the Hunters Points Shipyard Project Area to Bayview Hunters Point Redevelopment Plan Project Area Zone 1.

File 24-0878 is a proposed ordinance that would amend the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area to extend the time limits for the Bayview Hunters Point Redevelopment Project Area Zone 1 and to allow the transfer of up to 2,050,000 square feet of research and development and office space from the Hunters Point Shipyard Redevelopment Project Area to Bayview Hunters Point Redevelopment Plan Project Area Zone 1.

File 24-0885 is a resolution that would approve the first amendment to the Tax Increment Allocation Pledge Agreement (Pledge Agreement) between the City and Successor Agency to the Redevelopment Agency (Office of Community Investment and Infrastructure or OCII). The amendment will conform the Pledge Agreement to the Redevelopment Plan(s) extended time limits.

Redevelopment Plan Amendments

The proposed amendments to the Redevelopment Plans make changes to the proposed non-residential land use, the limit on bonded indebtedness, and timelines for plan effectiveness and indebtedness as discussed below.

Land Use Changes

Due to delays in conveyance of Hunters Point Shipyard parcels from the Navy, the Hunters Point Shipyard Phase 2 and Candlestick project areas cannot be developed simultaneously as previously planned. Therefore, the proposed plan amendments would authorize the transfer with approval of the Successor Agency Commission at a public hearing, some non-residential land use from Hunters Pont Shipyard Phase 2 to the Candlestick project area to increase non-residential development in the early project stages. The amended plans would authorize the transfer of 2,050,000 square feet of research and development and office use from Hunters Point Shipyard Phase 2 to Bayview Hunters Point Zone 1, Candlestick Point Area compared to the 2019 Redevelopment Plans.⁴ There is no change in the total non-residential square feet of 6,686,000 across both project areas. Exhibit 2 below shows the proposed non-residential land use in the amended plans.

Exhibit 2: Proposed Non-Residential Land Use in Amended Redevelopment Plans

	Bayview Hunters Point Plan Zone 1 (Candlestick)	Hunters Point Shipyard Phase 2	Total
<u>Non-Residential Land Use (sf)</u>			
Hotel	130,000	120,000	250,000
R&D/Office	2,800,000*	2,096,500*	4,896,500
Retail & Entertainment	309,500	401,000	710,500
Artists Space		255,000	255,000
Community Uses	50,000	50,000	100,000
Institution		410,000	410,000
Film Arts Center	64,000		64,000
Total, Non-Residential Square Feet	3,353,500	3,332,500	6,686,000

Source: Proposed Amended Redevelopment Plans

*The proposed redevelopment plans transfer up to 2,050,000 square feet of R&D/office use from Hunters Point Shipyard Phase 2 to Bayview Hunters Point Zone 1, Candlestick. The 2019 Redevelopment Plans currently provide for 750,000 square feet of R&D/office use in Candlestick and 4,146,500 square feet of R&D/ office use in Hunters Pont Shipyard Phase 2.

⁴ According to OCII staff, the 2019 Redevelopment Plans, which did not require Board of Supervisors’ approval, added an additional 481,500 square feet of research and development and office use to Bayview Hunters Point Zone 1 with offsetting reductions in retail and entertainment uses, hotel uses, and film arts center uses compared to the 2018 Redevelopment Plans.

Tax Increment Pledge Agreement

The purpose of the Pledge Agreement is to divert to OCII what otherwise would be the City’s property tax revenue within the Bayview Hunters Point Redevelopment Plan and Shipyard Redevelopment Plan areas. This property tax revenue would not be available with the absence of the Project. The proposed amendments to the Pledge Agreement extend the tax pledge timelines to be consistent with the terms of the BVHP and HPS Plans. The Pledge Agreement also authorizes OCII to incur debt secured by the pledged revenues. Exhibit 3 below summarizes the changes to the project timelines included in the amendments to the Redevelopment Plans and Pledge Agreement.

Exhibit 3: Proposed Change to Project Timelines

Redevelopment Plans	Current	End	Proposed	End
	Start		Start	
<u>Plan and Pledge Agreement Terms</u>				
BVHP (Candlestick)	2006	2036	2025	2070
HPS (Shipyard)	2013	2043	Conveyance of all Shipyard parcels in Phase 2 area, estimated in 2038	45 years, estimated in 2083
<u>Time Limit to Incur Debt</u>				
BVHP (Candlestick)	2006	2026	2025	2070
HPS (Shipyard)	2013	2033	Conveyance of all Shipyard parcels in Phase 2 area, estimated in 2038	45 years, estimated in 2083
<u>Indebtedness Limit</u>				
BVHP (Candlestick)	\$800 million		\$5.9 billion at any one time (both projects)	
HPS (Shipyard)	\$900 million			
<u>Repay Indebtedness & Receive Tax Increment</u>				
BVHP (Candlestick)	2006	2051	2025	2085
HPS (Shipyard)	2013	2058	Conveyance of all Shipyard parcels in Phase 2 area, estimated in 2038	60 years, estimated in 2098

Sources: Redevelopment Plan Amendments, Pledge Agreement Amendment

Note: The 2024 BVHP Plan Amendment Date as defined in the BVHP Plan to mean the date on which the ordinance approving the Plan becomes effective, which is 90 days after Board and Mayoral approval.

Key changes to the timelines include:

- **Plan Duration:** The BVHP Plan and associated Pledge Agreement commitments become effective ninety days (90) after adoption of the Plan amendment (File 24-0878) and is assumed to occur in early 2025. The Shipyard Plan and associated Pledge Agreement commitments would be effective when the Navy transfers ownership of the Shipyard parcels to OCII, which is estimated to occur between 2036 and 2038. Both plans have a 45-year term, which is based on the 30-year of the current Plans plus an additional 15 years to account for the Navy’s delayed transfer of land.
- **Time Limit to Incur Debt:** The proposed Plan and Pledge Agreement amendments extend the timeline to incur debt from 20 years in the current agreements to 45 years each. The Amendments also allow for debt secured by Candlestick area property tax increment could be incurred through 2070 to pay for Qualified Project Costs in both the Candlestick and Shipyard project areas.
- **Indebtedness Limit:** The proposed Plan and Pledge Agreement amendments increase the indebtedness limit by \$4.2 billion, from \$800 million for Candlestick and \$900 million for Shipyard to a combined \$5.9 billion for both projects. This represents the total amount of debt that can be outstanding at any given time, not the total amount of debt issued, which could be higher. The \$5.9 billion is based on OCII’s assessment of future property tax revenues in the project areas and their ability to finance debt.

Time Limit to Repay Indebtedness and to Receive Property Tax Increment: The proposed Plan and Pledge Agreement amendments allow each project area to receive incremental property tax revenue for sixty years following the effective date of each Plan.

The proposed amendment to the Pledge Agreement allows CFD revenues to pay for privately owned infrastructure that is open to the public.

Some of the Pledge Agreement’s provisions are unchanged in the proposed amendment, including:

- **No General Fund Commitment:** The City’s General Fund is not liable for any project costs.
- **Use of Pledged Taxes:** Funding may only be used for Qualified Project Costs, which, per the DDA Financing Plan, include horizontal infrastructure, affordable housing, pre-Agreement Costs, Community Benefits, and land acquisition costs.
- **Calculation of Net Available Tax Increment Pledge:** Continues to reference the Redevelopment tax allocation framework in State law (Health and Safety Code Section 33670), detailed below.

Property Taxes Diversion

Absent a redevelopment plan or establishment of an infrastructure financing district, in FY 2024-25, the City would receive 64.6% of property taxes, including 55.6% for the General Fund, 2.5% for the Library Preservation Fund, 4% for the Children’s Fund, and 2.5% for the Open Space Fund, plus a rate sufficient to pay for voter-approved general obligation bonds. Other taxing entities

receive the remaining amount of property taxes and include the School District, Community College District, County Office of Education, Air Quality District, and BART. Where Redevelopment Plans are in effect, the City is only entitled to receive a portion of its share of the incremental increase in property tax revenues in plan areas, with the rest diverted to pay for Qualified Project Costs. If no qualified costs exist in a given year, the available property tax year revenue becomes residual funds available to the City and other taxing entities.

Of the incremental increase in property taxes within the project areas, the DDA requires that 20% is set aside for low- and moderate-income housing within the BVHP and Shipyard Plan areas. Of the remaining 80% of new property taxes, 25% is then passed-through to the City and other taxing agencies. This amounts to the City receiving 12.9% (= 80% * 25% * 64.6%) rather than the typical 64.6% of new property taxes collected. Any property taxes not spent on Qualified Project Costs would then be distributed annually to the taxing entities according to their typical property tax shares, potentially increasing the City’s total share of total new property taxes collected to over 12.9%. The remaining 60% of new property taxes would be allocated to OCII to pay for Qualified Project Costs. OCII’s share of new property taxes declines in years eleven and thirty-one of the Plans, however the City’s share of new property taxes remains at least 12.9% while the Redevelopment Plans and Pledge Agreement are in effect.⁵ As noted above, each Redevelopment Plan allows for OCII to receive property tax increment and pay debt for up to sixty years. The proposed changes would allow Candlestick property taxes to finance Candlestick and Shipyard costs through 2084 and the Shipyard costs for sixty years after the Navy transfers ownership of the Shipyard to OCII, which is estimated to occur in 2038.

Use of Pledged Incremental Property Taxes

As noted above, under the DDA, the developer is responsible for horizontal infrastructure (streets, utilities, and sea level adaptations) as well as public benefits such as parks and some affordable housing. OCII is responsible, with the 20 percent set aside, for constructing affordable housing projects on land identified and restricted to affordable housing under the DDA (public housing replacement and new income-restricted housing). The developer funds the initial costs of these improvements and then is repaid by a combination of property tax increment generated within the project areas, CFD special taxes, and land sales. Public financing may be used for public infrastructure and community serving facilities, such as housing and community benefits associated with the DDA documents.

According to the 2024 Summary Proforma (Exhibit H-B of the DDA), Candlestick’s Qualified Project Costs total \$1.438 billion. These costs will be funded by \$985.2 million in Candlestick Proceeds (bonds and net available increment/pay go) secured by incremental property taxes,

⁵ Other, non-City taxing entities would receive approximately 35.4% (i.e. 100% minus the City Share of 64.6%) of an additional 21% (= 7.4%) of the 80% non-housing incremental property taxes generated after year ten (taxes on the incremental growth over year ten value) and an additional 35.4% of 14% (= 5.0%) of the 80% non-housing incremental property taxes generated after year thirty (taxes on the incremental growth over year thirty value). OCII’s share of incremental property taxes would decline by an equal amount.”

with an estimated total debt service of \$2.6 billion for Candlestick Point costs. In addition, OCII and the Developer estimate the CFD special taxes will fund \$453 million in project costs.

OCII has not received updated Shipyard project costs from the developer. However, in 2018, the DDA’s Summary Pro Forma indicated that the Shipyard’s Qualified Project Costs were \$1.91 billion and incremental property taxes could finance \$890.96 million of those costs, leaving \$1.01 billion to be funded with CFD Revenue and other project revenues.

In 2024, OCII and the developer estimate that the Shipyard project will require \$1.1 billion in incremental property tax revenue from Zone 1 of the BVHP Plan plus \$318.6 million in debt secured by Candlestick revenues with an estimated total debt service of \$730 million. According to OCII, diverting this \$1.8 billion in property taxes from Candlestick to Shipyard will help accelerate delivery of Shipyard infrastructure by providing the project an additional financing source. This incremental property tax revenue from Candlestick could instead go to the City and other taxing agencies. However, this could slow the development of Shipyard. Additionally, the longer timeline for repaying Qualified Project Costs would necessitate more private capital for a longer period of time, which would impact financial feasibility.

FISCAL IMPACT

Candlestick Project Area: Net Benefit to the General Fund

The Developer hired Economic and Planning Systems (EPS) to assess the fiscal impact of the new project timelines. According to the July 29, 2024 report that is included in the legislative file for the Pledge Agreement, the redevelopment activities in Candlestick Point area will generate \$23.3 million in net General Fund revenues (in 2024 dollars) at project stabilization (assumed in 2046). The analysis projects general revenues through that time and related expenses in providing City services to the newly developed area.

Shipyard: Net Benefit to the General Fund

EPS also completed a fiscal impact of the Shipyard project timelines. According to the October 8, 2024 report, the Shipyard project will generate \$24.2 million in net General Fund revenues (in 2024 dollars) at project stabilization (assumed in 2054). The analysis projects general revenues through that time and related expenses in providing City services to the newly developed area

The fiscal impact reports for Candlestick Point and the Shipyard project areas indicate that they will generate a combined \$47.5 million in net General Fund revenues (in 2024 dollars) at project stabilization.

Tax Increment Projections

In a report to the Board of Supervisors within File 24-0878, OCII provided a projection of incremental property tax revenue to be generated within Candlestick Point.⁶ The table shows the

⁶ The projections show higher property tax revenues than in the EPS report because OCII’s projections assume a certain amount of property sales, whereas EPS’s projections conservatively do not.

project will generate \$10.49 billion in incremental property tax revenue through FY 2075-76, of which the City would receive at least \$1.35 billion for the General Fund and required set-asides.

In a report to the Board of Supervisors within File 24-0877, OCII provided a projection of incremental property tax revenue to be generated within the Shipyard project area, from FY 2035-36 – FY 2082-83. The projections show that the Shipyard project would generate \$7.48 billion in incremental property tax revenue, of which the City would receive \$966.5 million.

POLICY CONSIDERATIONS

Project Status

The original Pledge Agreement was executed in 2010. At that time, total horizontal costs were estimated at \$2.131 billion, with all horizontal and vertical construction complete by 2030. Since that time, relatively little has been accomplished. Horizontal costs for the Candlestick portion alone are now estimated at \$2 billion (\$1.4 billion in Qualified Project Costs plus \$0.6 million in other horizontal costs that do not qualify for public financing). New horizontal infrastructure delivery timelines were established in a 2018 revision to the DDA between OCII and the developer. Under that 2018 Schedule of Performance, horizontal infrastructure for five sub-phases within the Alice Griffith area were supposed to be complete by December 2022. As of this writing, only subphase one has been completed by the developer and none of the infrastructure has been accepted by the City. Due to delays discussed below, OCII and the developer have agreed to the Excusable Delay⁷ provisions in the DDA, which allow the suspension of the 2018 Schedule of Performance delivery dates, as they pertain to Shipyard. The developer did not comply with the current Schedule of Performance for Candlestick.

The 2024 DDA amendments reset the Schedule of Performance for the Candlestick Point area of the Project. Once the Navy has completed the remediation of the Shipyard, a new Schedule of Performance will be provided for the Shipyard Site.

Project Delays

OCII notes that the project has faced several challenges since 2010, including: the dissolution of redevelopment agencies in 2012, the relocation of the 49ers from San Francisco to Santa Clara, and the Navy’s failure to remediate and transfer the Shipyard parcels, which was originally expected in 2015 and is now expected between 2036 and 2038. We note however that other OCII

⁷ Section 24 of the Disposition and Development Agreement between OCII and the developer allows for “Excusable Delays” to extend the agreement’s Schedule of Performance (which defines the dates by which infrastructure must be complete and accepted by the City). Excusable delays include *force majeure*, a four percent or more decline in residential real prices in a given year, delays from other governments, and CEQA-related delays. Excusable Delays do not include lack of developer financing or developer bankruptcy.

projects have delivered 80 percent of their housing goals⁸ and that the 2010 DDA contained a “non-stadium alternative” design which anticipated the potential relocation of the 49ers.

Although the current Plan documents contemplate independent public financing for each project generated within each project area, according to OCII and the developer, the composition of the land use in both project areas were designed to be developed in tandem so that the project as a whole would be more financially feasible for the developer. As a result, according to OCII and the developer, the developer took limited action in the Candlestick area due to the delay in developing Shipyard. As discussed above, the proposed Redevelopment Plan Amendments changes the land use composition so Candlestick can be developed independently and also subsidize Shipyard infrastructure costs. OCII and the developer are now seeking Board of Supervisors approval to extend the Redevelopment Plans and Pledge Agreement timelines to proceed with the development.

Developer Accomplishments: Candlestick

There is a total of 7,218 housing units at Candlestick Point, 34% (2,459) of these units will be below market rate. The developer has provided infrastructure and funding for 226 public housing replacement units adjacent to the former Alice Griffith public housing project site, as well as 111 new affordable housing units (including manager’s unit) and related infrastructure. This amounts to 13 percent of the DDA’s affordable housing goals and 4.5 percent of the project’s overall housing production goal. For the subsequent two development phases of Candlestick Point, an additional 1,523 housing units are in the predevelopment/planning phases, with the remaining 5,358 housing units to be built in later phases. In addition, the developer has demolished the vacant Alice Griffith buildings, received schematic design approvals for seven residential blocks, commenced designs for one of the required new parks, and demolished the old Candlestick Stadium. The developer has also performed partial utility work at the former stadium site.

Developer Accomplishments: Shipyard

Progress on the Shipyard portion of the project has been more limited due to the delay in the Navy remediating the site. Since 2010, the developer reports it has completed schematic designs for Northside Park, completed design work, site grading, roads, and underground infrastructure for a 106,000-square-foot Artists' Building. Also, the construction of an and a 11,000 square-foot commercial kitchen/cookery has been completed.

Alternatives for the Board of Supervisors

Both Candlestick Point and the Shipyard are underdeveloped and underused land in San Francisco. The proposed agreements allow the City and OCII to partner with a private developer for a multibillion-dollar development of public infrastructure in the area. The project is estimated to generate \$2.3 billion in revenue to the City over the next 55-60 years, provide housing for

⁸ According to OCII’s FY 2024-25 Adopted Budget 80 percent of Mission Bay, Transbay, and Shipyard Phase 1 housing has been constructed, compared to the 3 percent for Shipyard Phase 2 (which includes Candlestick).

16,818 residents at Candlestick Point and 8,048 residents in Shipyard, a third of which would be in income-restricted units, and contribute to economic growth during and after construction.

At the same time, the proposed Plan Amendments would push the end date of the Shipyard project to 2083, or 85 years after the competitive solicitation was issued to select the predecessor to the current developer. This request comes to the Board of Supervisors on a relatively thin record of accomplishments.

The Board could consider requesting OCII reprocur the developer. Three other developers responded to the 1998 competitive solicitation. Such a process would be complicated by the fact that the developer owns roughly half the land in the Candlestick area, with the remaining land in Candlestick and Shipyard owned by various public agencies (see land ownership maps in Attachment 2). Reprocuring a developer could result in the loss of redevelopment financing tools,⁹ however those could be replaced by an infrastructure financing district and negotiating pledge agreements with other taxing agencies. Reprocuring the developer and establishing new public financing mechanisms would very likely add to the project delivery timeline.

The Board could also defer approval of the Shipyard Plan Amendments and related language in the Pledge Agreement. At a later time, the Board of Supervisors could evaluate progress on the Candlestick project to assess whether further financial commitments from the City are warranted. As noted above, the Shipyard Plan's time limit to incur debt currently expires in 2033 and the term of the Plan currently expires in 2043, so any decision to extend the HPS Redevelopment Plan would need to be made before then.

No Performance Audits of the Candlestick or Shipyard Redevelopment Projects Have Occurred

Section 1.2.5 of the BVHP Redevelopment Plan allows the Controller's City Service Auditor to conduct performance audits of the project, but that has never occurred. The Controller's Office is considering how to incorporate an audit of this project into its work plan. The Shipyard Redevelopment Plan does not have similar audit language.

RECOMMENDATIONS

Approval of the proposed ordinances and resolution are policy matters for the Board of Supervisors.

⁹ With the dissolution of redevelopment agencies, redevelopment financing tools are available only if the "enforceable obligation" (such as the DDA or Pledge Agreement) is still in effect.

Attachment 1: Project Phasing

Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
1 Alice Griffith ("AG") (completed)		Arelious Walker Dr. Giants Dr. Donner Ave. Egbert Ave. Fitzgerald Dr.	337	337	-	Accelerated ahead of market rate \$1M to scholarship & education funds \$250K credit support Local hire preference
2 CP Outfield/Harney (2026-2028)		Arelious Walker Dr. Harney Way West Harney Way Harney Way off-site Candlestick Park Dr. Marichal Lane Rice Road Montana-Clark Dr. Policy Ave.	675	278	Willie Mays Plaza interim uses (.77) Alice Griffith interim uses Central Promenade	Community facilities Space (retail space offered with no base rent to local residents/business) 12K sq.ft. \$300K Scholarship Fund payment \$950K Education Improvement Fund \$250K per year Construction Assistance Fund during development Community Real Estate Broker Program Community Benefits Fund (.5% market rate condo sales) Local hire preference
3 CP Infield/Ingerson (2029-2032)		Ingerson Ave. West Harney Way	848	244	Willie Mays Plaza (.77)	Community facilities Space ~8K sq.ft.

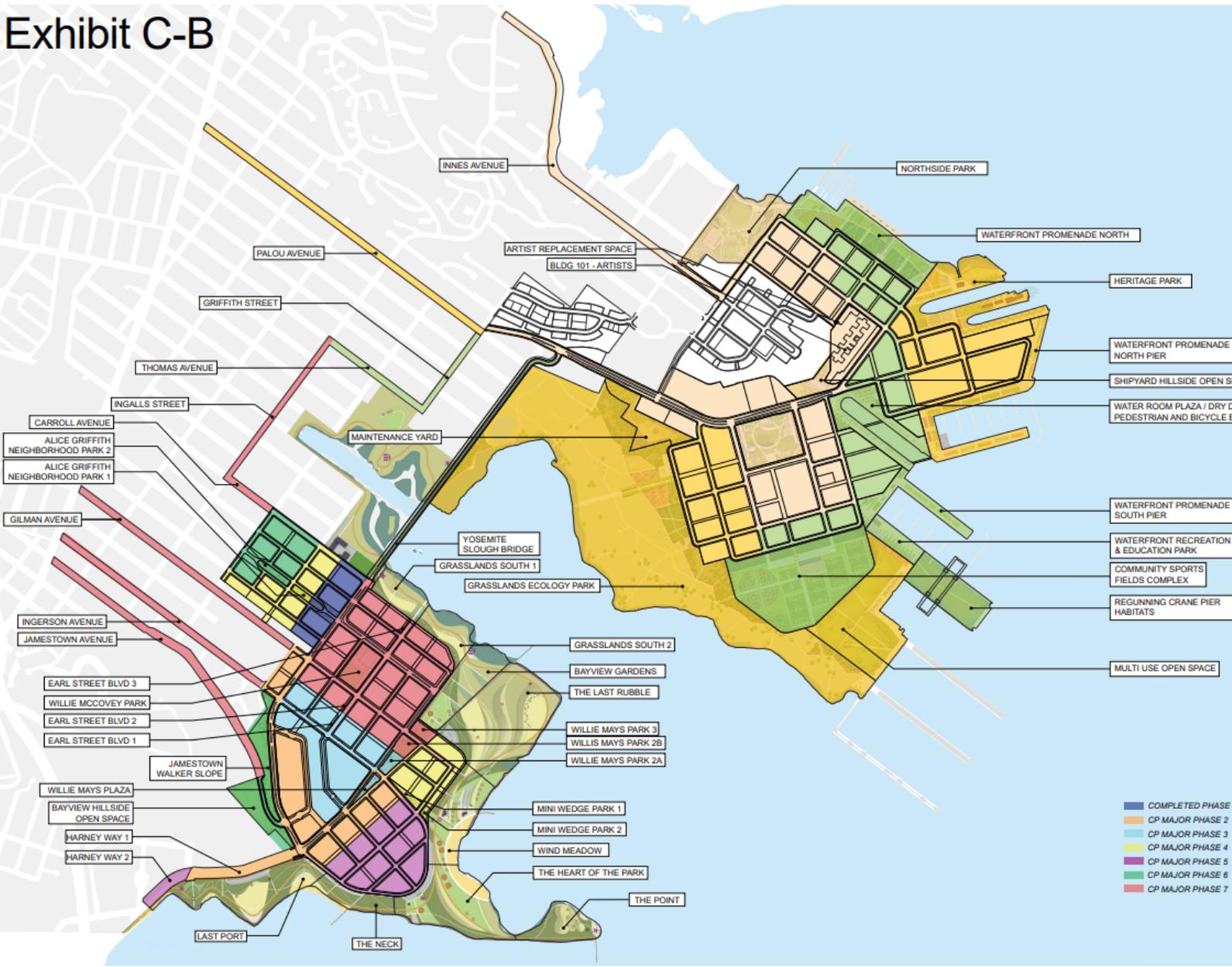
Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
		DeBartolo Way Zerline Dixon St. Earl St. Elder Smith St.			Willie Mays Park 2a (1) Central Promenade	\$250K credit support Community Real Estate Broker Program Community Benefits Fund (.5% market rate sales) Local hire preference
4 CP East and AG 2 (2032-2035)		Harney Way Gilman Ave. Candlestick Park Dr. Walsh St. Lott Lane Griffith St. Carroll Ave. Donner Ave. Egbert Ave. Fitzgerald Ave.	1,054: CP East = 530 AG 2 = 524	346: CP East = 128 AG 2= 218	AG Neighborhood Park East (.36) Mini Wedge Park (.8)	\$300K Scholarship Fund payment \$950K Education Improvement Fund Community Builder Lots \$250K credit support Community Real Estate Broker Program Community Benefits Fund (.5% market rate condo sales) Local hire preference
5 CP South (2035-2038)		Candlestick Park Dr. Harney Way off-site Marichal Lane Walsh St. Cepeda Lane Rice Road	1,683	292	Jamestown Walker Slope (3.44) Bayview Hillside Open Space (2.85) Wind Meadow ² (11.4) Heart of the Park ² (15.4)	\$950K Education Improvement Fund \$250K credit support Community Real Estate Broker Program Community Benefits Fund (.5%)

Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
		Montana-Clark Dr. Policy Ave.			The Point ² (6.1) Last Port ² (14.6) The Neck ² (4.9)	market rate condo sales) Local hire preference
6 AG 3 (2039-2042)		Hawes St. Neal St. Carroll Ave. Donner Ave. Egbert Ave. Jamestown Ave. off-site	908	371	AG Neighborhood Park West (.36)	\$950K Education Improvement Fund Community Real Estate Broker Program Community Benefits Fund (.5% market rate condo sales) Local hire preference
7 CP North (2045-2048)		Arelious Walker Dr. Gilman Ave. Egbert Ave. Donner Ave. West Harney Way Elder Smith St. Earl St. Zerline Dixon St.	1,713	591	Willie Mays Park 2b & 3 (1.93) McCovey Park (3.1) Grasslands South (10.3) Bayview Gardens (9.5) Last Rubble (24.5)	\$950K Education Improvement Fund Community Real Estate Broker Program Community Benefits Fund (.5% market rate condo sales) Local hire preference
Total			7,218 homes	2,459 homes	105.7 acres	

Source: FivePointe (Developer)

Phasing Map with Public Benefits

Exhibit C-B



Attachment 2: Current Landownership within Project Areas

Candlestick Point Landownership



EXISTING OWNERSHIP

-  Private Land
-  SFHA
-  State
-  OCII
-  CP Development Co., LLC
-  CP Vertical Development Co., LLC

N

0' 750'
Scale: 1" = 750'
MAP GENERATED OCT 3, 2019

Source: OCII

Hunters Point Shipyard Landownership

NAVY PARCELS-GREEN PARCELS ARE PHASE 2 PARCELS UNDER NAVY CONTROL



Source: OCII

Attachment 1: Project Phasing

Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
1	Alice Griffith ("AG") (completed)	Arelious Walker Dr. Giants Dr. Donner Ave. Egbert Ave. Fitzgerald Dr.	337	337	-	Accelerated ahead of market rate \$1M to scholarship & education funds \$250K credit support Local hire preference
2	Outfield/Harney (2026-2028)	CP Arelious Walker Dr. Harney Way West Harney Way Harney Way off-site Candlestick Park Dr. Marichal Lane Rice Road Montana-Clark Dr. Policy Ave.	675	278	Willie Mays Plaza interim uses (.77) Alice Griffith interim uses Central Promenade	Community facilities Space (retail space offered with no base rent to local residents/business) 12K sq.ft. \$300K Scholarship Fund payment \$950K Education Improvement Fund \$250K per year Construction Assistance Fund during development Community Real Estate Broker Program Community Benefits Fund (.5% market rate condo sales) Local hire preference
3	Infield/Ingerson (2029-2032)	CP Ingerson Ave. West Harney Way	848	244	Willie Mays Plaza (.77)	Community facilities Space ~8K sq.ft.

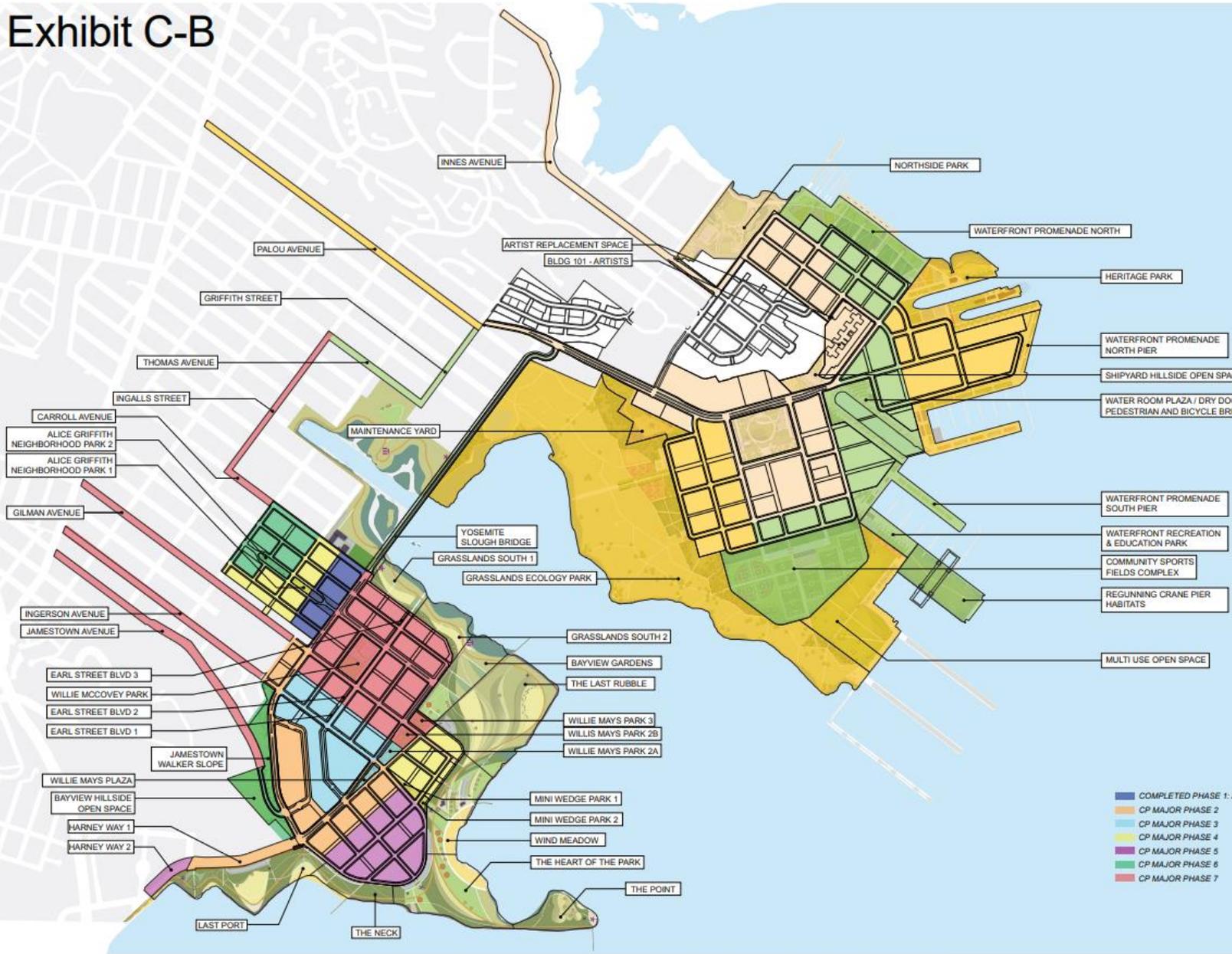
Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
		DeBartolo Way Zerline Dixon St. Earl St. Elder Smith St.			Willie Mays Park 2a (1) Central Promenade	\$250K credit support Community Real Estate Broker Program Community Benefits Fund (.5% market rate sales) Local hire preference
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Major years infrastructure ¹	Phase/est. of	Public Infrastructure ⁴	Est. Total Housing Units ¹	Est. Affordable (BMR) Units ¹	Parks & Open Space (acres)	Additional Community Benefits ³
		Montana-Clark Dr. Policy Ave.			The Point ² (6.1) Last Port ² (14.6) The Neck ² (4.9)	market rate condo sales) Local hire preference
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Phasing Map with Public Benefits

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Candlestick Point Landownership



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- CP Vertical Development Co., LLC

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Scale: 1" = 750'
MAP GENERATED OCT 3, 2019

Source: OCII

Hunters Point Shipyard Landownership

NAVY PARCELS-GREEN PARCELS ARE PHASE 2 PARCELS UNDER NAVY CONTROL



Source: OCII

**FIRST AMENDMENT TO
TAX INCREMENT ALLOCATION PLEDGE AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

This FIRST AMENDMENT TO TAX INCREMENT ALLOCATION PLEDGE AGREEMENT (CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD) (this “**First Amendment**”) dated for reference purposes as of _____, 20__ (the “**First Amendment Reference Date**”) is between the CITY AND COUNTY OF SAN FRANCISCO, a charter city and county (the “**City**”), and the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (the “**Agency**”), in reference to the DDA (as defined herein), by and between the Redevelopment Agency (as defined below) and CP DEVELOPMENT CO., LLC, a Delaware limited liability company (together with its successors, “**Developer**”). Capitalized terms used but not otherwise defined in this First Amendment shall have the meanings for such terms set forth in the DDA.

RECITALS

A. In accordance with the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) (the “**CCRL**”), the City approved: (1) the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 285-97, adopted by the Board of Supervisors of the City and County of San Francisco (the “**Board of Supervisors**”) on July 14, 1997; (2) an amendment to the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 211-10, adopted August 3, 2010, providing for the Project; (3) an amendment to the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 122-17, adopted June 22, 2017, providing for the Project; and (4) an amendment to the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 0166-18, adopted July 16, 2018, providing for the Project (collectively and as amended from time to time to the extent permitted under the DDA, the “**Original Shipyard Redevelopment Plan**”). The Original Shipyard Redevelopment Plan provides for the redevelopment, rehabilitation, reuse, and revitalization of the former Hunters Point Naval Shipyard consisting of approximately 1,120 acres along the southeastern waterfront of San Francisco, as described in the Original Shipyard Redevelopment Plan (the “**Shipyard Redevelopment Plan Area**”). The Shipyard Redevelopment Plan Area includes Parcels A through G.

B. The City also approved, in accordance with the CCRL: (1) the Hunters Point Redevelopment Plan by Ordinance No. 25-69, adopted January 20, 1969; (2) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 280-70, adopted August 24, 1970; (3) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 475-86, adopted December 1, 1986; (4) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 417-94, adopted December 12, 1994; (5) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 113-06, adopted May 23, 2006, under which the Hunters Point Redevelopment Plan: (i) was renamed the Bayview Hunters Point Redevelopment Plan; (ii) the redevelopment project area was enlarged to add Project Area B (as defined in the BVHP Redevelopment Plan); (iii) the financing plan for redevelopment was amended to provide for tax increment financing for Project Area B; and; (6) an amendment to the Hunters Point

Redevelopment Plan by Ordinance No. 210-10, adopted August 3, 2010; (7) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 121-17, adopted June 22, 2017; and (8) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 0167-18, adopted July 16, 2018, (iv) Project Area B was split into two zones: Zone 1 corresponding to the Candlestick Point Activity Node, including the Alice Griffith Site and Zone 2 consisting of the remainder of Project Area B (the Bayview Hunters Point Redevelopment Plan, as amended and as amended from time to time to the extent permitted under the DDA, the “**Original BVHP Redevelopment Plan**”). The Original BVHP Redevelopment Plan provides for the redevelopment, rehabilitation, and revitalization of approximately 1,360 acres in the southeastern area of San Francisco north and west of the Shipyard Redevelopment Plan Area, as described in the Original BVHP Redevelopment Plan (the “**BVHP Redevelopment Plan Area**”).

C. The Redevelopment Agency of the City and County of San Francisco (the “**Redevelopment Agency**”) and Developer entered into the DDA and recorded it in the Official Records of the City and County of San Francisco on November 18, 2010 as Document No. 2010-J083660 at Reel K273, Image 427, as amended by the First Amendment to Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated as of December 19, 2012, and recorded in the Official Records of the City and County of San Francisco on February 11, 2013 as Document No. 2013-J601487 at Reel K831, Image 0490, as amended by the Second Amendment to Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated as of December 1, 2014, and recorded in the Official Records of the City and County of San Francisco on December 5, 2014 as Document No. 2014-J984039, as amended by the Third Amendment to Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated as of August 10, 2018, and recorded in the Official Records of the City and County of San Francisco on August 13, 2018 as Document No. 2018-K654875 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “**DDA**”).

D. In connection with the execution of the DDA, the Redevelopment Agency and the City executed and delivered the Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated for reference purposes only as of June 3, 2010, as attached as Exhibit A (the “**Original Pledge Agreement**”).

E. Under Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“**AB 26**”) and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, No. S194861, all redevelopment agencies in the State of California, including the Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

F. In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State’s budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) (“**AB 1484**”), and the

Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (1) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (2) the successor agency has its own name and the capacity to sue and be sued, (3) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation, and (4) the successor agency is a local entity for purposes of the Ralph M. Brown Act.

G. Pursuant to AB 26 and AB 1484, the Agency was designated as the successor agency to receive the non-affordable housing assets of the Redevelopment Agency, and the Agency succeeds, by operation of law, to the Redevelopment Agency's rights, title and interest in the DDA and the Original Pledge Agreement, without the necessity for any assignment or other action on the part of any party. On October 2, 2012, the City's Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating a commission for the Agency (the "**Commission**") as a policy body of the Agency and delegating to the Commission the authority to act in place of the former San Francisco Redevelopment Agency Commission to implement certain projects, including the Project. As required by AB 26, the City also established the oversight board of the Agency (the "**Oversight Board**").

H. The DDA and the Original Pledge Agreement are enforceable obligations within the meaning of AB 26 and AB 1484 ("**Enforceable Obligations**"), and the DDA and the Original Pledge Agreement were in existence prior to June 28, 2011. The Oversight Board has recognized and approved the DDA and the Original Pledge Agreement as Enforceable Obligations, and has approved recognized obligation payment schedules that include various obligations and commitments relating to these Enforceable Obligations. On December 14, 2012, the Department of Finance issued a letter to the Agency pursuant to Health & Safety Code Section 34711.5(i) making its final and conclusive determination approving the DDA, the Original Pledge Agreement, and the affordable housing program funded by the Low and Moderate Income Housing Fund as Enforceable Obligations.

I. California Health and Safety Code Section 34177 provides that the Agency, as a successor agency, is required to (1) perform obligations required pursuant to any Enforceable Obligations, and (2) continue to oversee development of properties until the contracted work has been completed.

J. This First Amendment amends the Original Pledge Agreement and is consistent with and in furtherance of an Enforceable Obligation that existed prior to June 28, 2011, and is in the best interests of the taxing entities. This First Amendment will, by making tax increment financing available for the anticipated buildout horizon of the Project, enable continued private investment in completion of the Project and the winding down of the affairs of the Agency.

K. Mayor London Breed's Executive Directive 23-01 (Housing for All) and the

City’s 2023 Housing Element goals and objectives are designed to remove uncertainty in the regulatory review process and streamlining the permitting process so as to accelerate the City’s housing production. Implementation of the Project, which requires this First Amendment, will advance the Project’s delivery of a range of uses, including the Project’s robust housing program, consistent with Executive Directive 23-01 and the Housing Element.

L. On September 13, 2023, the Governor signed Senate Bill 143 (“**SB 143**”) amending Health & Safety Code section 34177.7 to add subdivision (j) which provides that in connection with the development of the Project, the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plans, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 shall not apply to the Project. Consistent with Section 34177.7(j). SB 143 provides that time limits for those matters referenced in the preceding sentence shall be set forth in project agreements implementing the Project.

M. To implement SB 143, the Board of Supervisors approved (i) an amendment to the Hunters Point Shipyard Redevelopment Plan by Ordinance No. _____, adopted _____, 20__ (the “**2024 Shipyard Plan Amendment**,” which together with the Original Shipyard Redevelopment Plan and as further amended from time to time to the extent permitted under the DDA, constitutes the “**Shipyard Redevelopment Plan**”) and (ii) an amendment to the Bayview Hunters Point Redevelopment Plan by Ordinance No. _____, adopted _____, 20__ (the “**2024 BVHP Plan Amendment**,” which together with the Original BVHP Redevelopment Plan and as further amended from time to time to the extent permitted under the DDA, constitutes the “**BVHP Redevelopment Plan**”).

N. The City’s, the Agency’s, and Developer’s actions pursuant to this First Amendment are in furtherance of Proposition G passed by San Francisco voters on June 3, 2008. Consistent with Proposition G:

1. City policy encourages a mixed-use development of the Project Site, which includes the Candlestick Site and the Shipyard Site. At full build-out, this development is anticipated to include: over 300 acres of public park and open space improvements; 10,500 homes for sale or rent; 885,000 square feet of retail uses; about 2,650,000 square feet of green office, science and technology, and research and development uses; a 150,000 square foot hotel; a 10,000 seat arena or other public performance site; a 300 slip marina; and up to 2,500,000 square feet of additional green office, science and technology, research and development, and industrial uses.

2. City policy mandates that the Project: produce tangible community benefits for BVHP and the City; reconnect the Project Site with BVHP and protect BVHP’s character for existing residents; produce substantial new affordable and market-rate rental and for-sale housing and encourage rebuilding Alice Griffith; incorporate environmental sustainability; and require the project to be financially sound.

3. Under City Charter section 4.113, the voters authorized the City to transfer for non-recreational use any park land under Recreation and Park Commission jurisdiction within the Candlestick Site free of any park or recreational use restrictions if: the City's approval is conditioned on a binding obligation to create new public park or public open space areas in the Project Site at least equal in size to the transferred park land; and the Board of Supervisors finds that the proposed new public park or public open space areas are suitable and will be dedicated for those purposes and that the transfer will further the objectives for the Project as set forth in Proposition G.

4. The City, the Agency, and other public agencies with jurisdiction over aspects of the Project are to proceed as expeditiously as possible to implement Proposition G and take actions such as adopting land use controls for the Project Site consistent with Proposition G's objectives, subject to public review processes outlined in Proposition G. Finally, by adopting Proposition G, the voters "encourage the Board of Supervisors and other public agencies with applicable jurisdiction to approve such final development plans at the conclusion of the review process . . . so long as the Board of Supervisors and the Mayor then determine that such plans are generally consistent with [Proposition G's] objectives", even if the final development plan for and boundaries of the Project Site are materially different from those identified in Proposition G due to variables such as market changes, economic feasibility, and the 49ers' decision regarding a stadium.

O. As authorized by SB 143, both this First Amendment and the Shipyard Redevelopment Plan, as amended by the 2024 Shipyard Redevelopment Plan Amendment, authorize the Agency to use tax increment funds from the Shipyard Redevelopment Plan Area to finance the Qualified Project Costs and other costs necessary to complete the enforceable obligations of the Project throughout both Phase 2 of the Shipyard Redevelopment Plan Area and Zone 1 of Project Area B of the BVHP Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge of property tax increment from the Shipyard Redevelopment Plan Area, subject to the Shipyard Redevelopment Plan's time limits on incurring indebtedness.

P. As authorized by SB 143, both this First Amendment and the BVHP Redevelopment Plan, as amended by the 2024 BVHP Redevelopment Plan Amendment, authorize the Agency to use tax increment funds from Zone 1 of the BVHP Redevelopment Plan Area to finance the Qualified Project Costs and other costs necessary to complete the enforceable obligations of the Project throughout both Zone 1 of Project Area B of the BVHP Redevelopment Plan Area and Phase 2 of the Shipyard Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge of property tax increment from the BVHP Redevelopment Plan Area, subject to the BVHP Redevelopment Plan's time limits on incurring indebtedness.

Q. Since the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan both authorize the funding of Qualified Project Costs and other costs necessary to complete the enforceable obligations of the Project as a whole, both the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan set forth the maximum bonded indebtedness that can be outstanding at any one time for both the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan. The collective, single limit on the amount of bonded indebtedness of the Agency to be repaid from an allocation of tax increment under the CCRL from Zone 1 of the

BVHP Redevelopment Plan Area and Phase 2 of the Shipyard Redevelopment Plan Area that can be outstanding at one time for both the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan is \$5,900,000,000 in the aggregate. Of this combined single limit on bonded indebtedness, it is estimated that \$3,300,000,000 in bonded indebtedness may be required for Zone 1 of Project Area B of the BVHP Redevelopment Plan Area and up to \$2,600,000,000 in bonded indebtedness may be required for Phase 2 of the Shipyard Redevelopment Plan Area. These estimates are informational and shall not operate as limits upon bonded indebtedness within the BVHP Redevelopment Plan Area and Shipyard Redevelopment Plan Area, respectively.

R. This First Amendment sets forth a baseline thirty (30) year period for establishing or incurring loans, advances or indebtedness using property tax and a baseline forth-five (45) year period for payment of indebtedness or receipt of property tax revenues. This time frame is consistent with those originally provided under the Community Redevelopment Law for completion of redevelopment activities. The Navy has recently informed the Parties that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, to Developer will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy. This estimated delay (“**Anticipated Navy Delay**”) warrants an additional extension of the Term of this Agreement and of the redevelopment timelines to be established pursuant to SB 143 to include fifteen (15) additional years for purposes of those redevelopment activities on the Shipyard Site and related tax increment financing.

S. To implement SB 143, the Shipyard Redevelopment Plan, as amended by the 2024 Shipyard Redevelopment Plan Amendment, provides the Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Phase 2 of the Shipyard Redevelopment Plan Area beyond a date that is : (i) thirty (30) years from the Initial HPS Transfer Date (as defined in the Shipyard Redevelopment Plan), plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay. The Agency may not pay indebtedness or receive property taxes from Phase 2 of the Shipyard Redevelopment Plan Area after a date that is: (i) forty-five (45) years after the Initial HPS Transfer Date, plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay.

T. To implement SB 143, the BVHP Redevelopment Plan, as amended by the 2024 BVHP Redevelopment Plan Amendment, provides the Agency may not incur or establish loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond thirty (30) years from the 2024 Plan Amendment Date (as defined in the BVHP Redevelopment Plan). The Agency may not pay indebtedness or receive property taxes pursuant Health & Safety Code section 33670 from Zone 1 of Project Area B after forty-five (45) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Redevelopment Plan Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2

DDA)) in Phase 2 of the Shipyard Redevelopment Plan Area, each of the time limits described in this Recital T shall include an additional fifteen (15) years, which amount represents Anticipated Navy Delay.

U. The extension of such time limits will advance the development of the Project, which has faced numerous extraordinary challenges that have hindered the timely development of the Project, including substantial delays caused by the ongoing clean-up of the Shipyard Site due to ongoing investigation and testing.

V. The City and the Agency have made findings pursuant to CCRL sections 33445 and 33445.1 authorizing the payment of costs for the installation and construction of Infrastructure and Improvements relating to the Project to be acquired by the City or other public agencies.

W. In order to facilitate the implementation of the Project, the Agency and Developer entered into the DDA. Attached to the DDA is the Financing Plan, which has been amended by the First Amendment to Financing Plan (as amended, the “**Financing Plan**”) under which the Agency has incurred certain executory financial obligations, including the obligation to pledge Net Available Increment for the purposes of the Financing Plan. The Shipyard Redevelopment Plan, the BVHP Redevelopment Plan, and their implementing documents, including the DDA, and related ordinances and regulations, are referred to in this First Amendment collectively as the “**Plan Documents**”. The Agency and Developer are also entering into the Acquisition and Reimbursement Agreement (as amended, the “**Acquisition and Reimbursement Agreement**”) setting forth the procedures by which Developer will be reimbursed for Qualified Project Costs and Authorized Payments from the Funding Sources.

X. The redevelopment of the Project Site in accordance with the Plan Documents affords numerous public benefits for the City and its residents, which include: eliminating blighting influences from and revitalizing the blighted Project Site; constructing substantial new rental and for-sale affordable and market-rate housing; creating publicly accessible open space and new, enhanced public access to the waterfront; and generating new jobs, including employment opportunities for economically disadvantaged individuals.

Y. In accordance with the Financing Plan, the Agency will establish CFDs for the Project Site. The CFDs, through the Agency, will levy special taxes and issue CFD Bonds to finance the acquisition of Infrastructure and other Improvements as described in the Financing Plan before and after development in the Project Site will generate tax increment. In addition to CFD financing, tax increment from the Project Site and Tax Allocation Debt and Supplemental Obligation Financing secured by such tax increment will be used to pay or otherwise directly reimburse Qualified Project Costs. The Financing Plan establishes Funding Goals for Public Financing under the Financing Plan and describes the general terms and conditions under which the Agency will issue CFD Bonds, Tax Allocation Debt, Supplemental Obligation Financing, and Alternative Financing.

Z. Except as provided in the Financing Plan, no tax increment revenues generated outside the Project Site will be made available for the Project. Also, Developer agrees in the

Financing Plan to pay certain shortfalls in the available tax increment after Tax Allocation Debt is issued by the Agency to finance Infrastructure and other Improvements. This payment obligation applies to a decrease in tax increment caused by Developer's initiation of a reassessment of property owned by Developer in the Project Site. Developer's payment obligation for any such shortfalls will terminate upon the occurrence of certain conditions described in the Financing Plan.

AA. The DDA requires the Agency to set aside at least twenty percent (20%) of the tax increment it receives to increase, improve, and preserve the City's supply of housing for persons and families of very low-, low-, or moderate income (the "**Low and Moderate Income Housing Fund**"). Attached to the DDA is the Below-Market Rate Housing Plan. The Agency and the City intend to reserve and dedicate Housing Increment as provided in the Below-Market Rate Housing Plan and the Financing Plan and consistent with Proposition G.

BB. The Agency's use of Housing Increment from the Project Site, as well as affordable housing funds from outside of the Project Site, to the extent required, is essential for: (1) developing the Agency Affordable Units in the Project Site; (2) the Agency's compliance with the CCRL requirement that at least fifteen percent (15%) of the new and rehabilitated housing units in the Shipyard Redevelopment Plan Area and BVHP Redevelopment Plan Area be affordable; and (3) achieving the DDA objectives for Affordable Units as more particularly described in the Below-Market Rate Housing Plan.

CC. To promote development in accordance with objectives and purposes of the Shipyard Redevelopment Plan, the BVHP Redevelopment Plan, Proposition G and the DDA, the City and the Agency entered into that certain Interagency Cooperation Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) which provides for their cooperation in administering the control and approval of subdivisions, and all other applicable land use, development, construction, improvement, infrastructure, occupancy, and use requirements applicable to the Project.

DD. To create a reliable source of funds to pay all of the Agency's contractual obligations under the Financing Plan, the Parties now wish to: (1) agree to pledge irrevocably Net Available Increment to finance or refinance Qualified Project Costs; and (2) authorize and approve the Agency's incurrence of bonded indebtedness for these purposes, all on the terms and conditions further set forth below.

AGREEMENT

ACCORDINGLY, in consideration of the matters described in the foregoing recitals, the covenants contained in this First Amendment and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the City and the Agency agree as follows:

1. New Section 3.1. Section 3.1 of the Original Pledge Agreement is hereby deleted and replaced with the following:

“**3.1 Shipyard Indebtedness.** The City authorizes and approves the Agency to:

(a) incur indebtedness (including Tax Allocation Debt and Supplemental Obligation Financing) to finance or refinance Qualified Project Costs (the “**Shipyard Indebtedness**”);

(b) pledge irrevocably all Net Available Increment produced from the Shipyard Redevelopment Plan Area, plus any accrued interest earnings, to pay the Shipyard Indebtedness;

(c) pledge irrevocably all Housing Increment generated in the Shipyard Redevelopment Plan Area, plus any accrued interest earnings, to finance or refinance development permitted under section 33334.2 of the CCRL; and

(d) Nothing in this Section 3.1 shall prohibit the issuance of Project Indebtedness (as defined in Section 3.2) by the Agency secured by both the Net Available Increment provided from Phase 2 of the Shipyard Redevelopment Plan Area and the Net Available Increment provided from Zone 1 of the BVHP Redevelopment Plan Area, nor shall anything prohibit the use of the proceeds of Project Indebtedness on Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA)) throughout both Phase 2 of the Shipyard Redevelopment Plan Area and Zone 1 of Project Area B of the BVHP Redevelopment Plan Area.”

2. New Section 3.2. Section 3.2 of the Original Pledge Agreement is hereby deleted and replaced with the following:

“**3.2 BVHP Indebtedness.** The City authorizes and approves the Agency to:

(a) incur indebtedness (including Tax Allocation Debt and Supplemental Obligation Financing) to finance or refinance Qualified Project Costs (the “**BVHP Indebtedness**”, and together with the Shipyard Indebtedness, the “**Project Indebtedness**”);

(b) pledge irrevocably all Net Available Increment produced from Zone 1 of the BVHP Redevelopment Plan Area, plus any accrued interest earnings, to pay the BVHP Indebtedness;

(c) pledge irrevocably all Housing Increment generated in Zone 1 of the BVHP Redevelopment Plan Area, plus any accrued interest earnings, to finance or refinance development permitted under section 33334.2 of the CCRL;

and

(d) Nothing in this Section 3.2 shall prohibit the issuance of Project Indebtedness by the Agency secured by both the Net Available Increment provided from Phase 2 of the Shipyard Redevelopment Plan Area and the Net Available Increment provided from Zone 1 of the BVHP Redevelopment Plan Area, nor shall anything prohibit the use of the proceeds of Project Indebtedness on Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA)) throughout both Phase 2 of the Shipyard Redevelopment Plan Area and Zone 1 of Project Area B of the BVHP Redevelopment Plan Area.”

3. Amendment to Section 4.1(a). Section 4.1(a) of the Original Pledge Agreement is hereby deleted and replaced with the following:

“(a) any CFD may finance Infrastructure or other Improvements that will be owned or controlled by the City and any other public agency or privately-owned if such Infrastructure or Improvements are open to the public to the extent permitted under the CFD Act and the documents governing formation of the applicable CFD. This Agreement constitutes a joint community facilities agreement within the meaning of section 53316.2 of the CFD Act; and”

4. Amendment to Section 5. Section 5 of the Original Pledge is hereby deleted and replaced with the following:

5. Recognized Obligation Payment Schedule

5.1 Agency Covenant. The Agency agrees to submit to the City Controller and Oversight Board of the City and County of San Francisco a Recognized Obligations Payment Schedule (ROPS) annually for as long as the Agency is entitled to collect tax increment generated in the Project Site. The ROPS must report the amount of funds the Agency needs to meet its obligations under the Financing Plan and the Below-Market Rate Housing Plan and all other requirements of the CCRL, as amended by the Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq. for the Project.

5.2 City Covenant. The City covenants to take all actions necessary to allocate to the Agency, to the extent legally permissible, all Net Available Increment and Housing Increment, based on the Agency’s ROPS.

5.3 Satisfaction of Indebtedness. The City and the Agency agree that Net Available Increment may be used only in accordance with this Agreement, the DDA, including the Financing Plan, and the CCRL.

5.4 Qualified Pre-Agreement Costs. The City and the Agency agree that Qualified Pre-Agreement Costs may be financed from the Funding Sources in the same manner as Qualified Project Costs are financed under the Financing Plan.

5. New Section 6. Section 6 of the Original Pledge Agreement is hereby deleted and replaced with the following:

“6. EFFECTIVE DATES AND TERMS

6.1 Shipyards Effective Date and Term. As to the Shipyards Redevelopment Plan Area, the provisions of this Agreement other than Section 4 will:

(a) become effective (the “**Shipyards Effective Date**”) on the latest of: (i) the date the Shipyards Plan Amendment becomes effective; (ii) the date a Board of Supervisors resolution authorizing and approving this Agreement becomes effective; and (iii) the date this Agreement, including Developer’s consent, has been fully executed and delivered; and

(b) remain in effect until a date that is (i) forty-five (45) years from the Initial HPS Transfer Date (as defined in the Shipyards Redevelopment Plan), plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay.

6.2 BVHP Effective Date. As to the BVHP Redevelopment Plan Area, the provisions of this Agreement other than Section 4 will:

(a) become effective (the “**BVHP Effective Date**”) on the latest of: (i) the date the BVHP Plan Amendment becomes effective; (ii) the date a Board of Supervisors resolution authorizing and approving this Agreement becomes effective; and (iii) the date this Agreement, including Developer’s consent, has been fully executed and delivered; and

(b) remain in effect until a date that is forty-five (45) years from the 2024 Plan Amendment Date (as defined in the BVHP Redevelopment Plan). Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Redevelopment Plan Area to fund Qualified Project costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA))in Phase 2 of the Shipyards Redevelopment Plan Area, this Agreement shall remain in effect until a date that is forty five (45) years from the 2024 Plan Amendment Date (as defined in the BVHP Redevelopment Plan), plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay.

6.3 Effective Date and Term of Section 4. The provisions of Section 4 relating

to CFDs shall become effective upon execution of this Agreement and shall remain in effect so long as CFDs exist on the Project Site.

6.4 Indebtedness Time Limits Implementing SB 143. As contemplated by SB 143 enacted by the Legislature in 2023, the time limits for establishing or incurring loans, advances, or indebtedness and the time limits for paying indebtedness or receiving property taxes are as follows:

- (a) For Phase 2 of the Shipyard Redevelopment Plan: The Agency shall not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Phase 2 of the Shipyard Redevelopment Plan Area beyond a date that is (i) thirty (30) years from the Initial HPS Transfer Date (as defined in the Shipyard Redevelopment Plan), plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay. The Agency may not pay indebtedness or receive property taxes from Phase 2 of the Shipyard Redevelopment Plan Area after a date that is (i) forty-five (45) years after the Initial HPS Transfer Date, plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay.
- (b) For Zone 1 of Project Area B of the BVHP Redevelopment Plan: The Agency may not incur or establish loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond thirty (30) years from the 2024 Plan Amendment Date (as defined in the BVHP Redevelopment Plan). The Agency may not pay indebtedness or receive property taxes pursuant to Health & Safety Code section 33670 from Zone 1 of Project Area B after forty-five (45) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Redevelopment Plan Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA)) in Phase 2 of the Shipyard Redevelopment Plan Area, (i) the Agency may not incur or establish loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond a date that is (1) thirty (30) years from the 2024 Plan Amendment Date (as defined in the BVHP Redevelopment Plan), plus (ii) an additional fifteen (15) years, which amount represents Anticipated Navy Delay, and (ii) the Agency may not pay indebtedness or receive property taxes pursuant to Health & Safety Code section 33670 from Zone 1 of Project Area B after a date that is (1) forty-five (45) years from the 2024 Plan Amendment Date, plus (2) an additional fifteen (15) years, which amount represents Anticipated Navy Delay.

6. Amendment to Section 8. Section 8 of the Original Pledge Agreement is hereby deleted and replaced with the following:

8. Limitations on Tax Increment

8.1 No Increment from Other Areas. The Parties recognize and agree that in accordance with the DDA, the Shipyard Redevelopment Plan and the BVHP Redevelopment Plan, no property tax increment or bond proceeds from areas other than the Project Site (other than affordable housing funds from outside the Project Site) will be made available for the Project.

7. Amendment to Section 9.2. The first sentence of Section 9.2 of the Original Pledge Agreement is hereby deleted and replaced with the following:

“Other than as set forth in Section 9.3, the Parties have determined that monetary damages are generally inappropriate and that it would be extremely difficult and impractical to fix or determine the actual damages to a Party as a result of a TAA Default and that equitable remedies including specific performance, but not including damages, are the appropriate remedies for enforcement of this Agreement.

8. Amendment to Section 10. The Developer’s address in Section 10 of the Original Pledge Agreement is hereby amended to read as follows:

“And copies of all notices to: CP Development Co., LLC
One Sansome Street, Suite 3500
San Francisco, California 94104
Attn: Suheil Totah

with copy to: CP Development Co., LLC
c/o FivePoint
15131 Alton Parkway, 4th Floor
Irvine, California 92618
Attn: Legal Notices

And to: Perkins Coie LLP
505 Howard Street Suite 1000
San Francisco, CA 94105
Attention: Matthew S. Gray

10. New Section 13.6. Section 13.6 of the Original Pledge Agreement is hereby deleted and replaced with the following:

13.6 Definitions. The following terms have the meanings given to the terms

below or are defined where indicated.

“**2024 BVHP Plan Amendment**” is defined in Recital L.

“**2024 Shipyard Plan Amendment**” is defined in Recital L.

“**AB 26**” is defined in Recital E.

“**AB 1484**” is defined in Recital F.

“**Acquisition and Reimbursement Agreement**” is defined in Recital S.

“**Agency**” means the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, as the successor to the Redevelopment Agency.

“**Agency Affordable Units**” is defined in the Below-Market Rate Housing Plan.

“**Agreement**” means the Original Pledge Agreement, as amended by the First Amendment.

“**Alice Griffith Replacement Units**” is defined in the Below-Market Rate Housing Plan.

“**Alternative Financing**” is defined in the Financing Plan.

“**Below-Market Rate Housing Plan**” is defined in the DDA.

“**BVHP Effective Date**” is defined in Section 6.2(a).

“**BVHP Indebtedness**” is defined in Section 3.2(a).

“**BVHP Redevelopment Plan**” is defined in Recital L.

“**BVHP Redevelopment Plan Area**” is defined in Recital B.

“**Board of Supervisors**” is defined in Recital A.

“**Candlestick Housing Increment**” is defined in the Financing Plan.

“**Candlestick Site**” is defined in the DDA.

“**CCRL**” is defined in Recital A.

“**CFD**” is defined in the Financing Plan.

“**CFD Act**” is defined in Section 4.1.

“**CFD Bonds**” is defined in the Financing Plan.

“**City**” is defined in the introductory paragraph.

“**Citywide Housing Advance**” is defined in the Financing Plan.

“**Commission**” is defined in Recital G.

“**DDA**” is defined in Recital C.

“**Developer**” means CP Development Co., LLC, a Delaware limited liability company, as successor to CP Development Co., L.P., a Delaware limited liability partnership.

“**Developer Representative**” is defined in the DDA.

“**Enforceable Obligation**” is defined in Recital H.

“**Excess Increment**” is defined in the Financing Plan.

“**Existing Indebtedness**” is defined in the Financing Plan.

“**Financing Plan**” is defined in Recital S.

“**First Amendment**” means the First Amendment to Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes as _____, 20__.

“**First Amendment Effective Date**” is defined in Section 14.

“**First Amendment Reference Date**” is defined in the introductory paragraph.

“**Funding Goals**” is defined in the Financing Plan.

“**Funding Sources**” is defined in the Financing Plan.

“**General Fund**” means the City’s general operating fund, into which taxes are deposited, excluding dedicated revenue sources for certain municipal services, capital projects, and debt service.

“**Housing Increment**” is defined in the Financing Plan.

“**Improvements**” is defined in the DDA.

“**Infrastructure**” is defined in the DDA.

“Low and Moderate Income Housing Fund” is defined in Recital Z.

“Mandated Payment” is defined in the Financing Plan.

“Mandated Payment Pro-Rata Portion” is defined in the Financing Plan.

“Net Available Increment” is defined in the Financing Plan.

“Non-Material Change” is defined in Section 11.1.

“Original BVHP Redevelopment Plan” is defined in Recital B.

“Original Pledge Agreement” is defined in Recital D.

“Original Shipyard Redevelopment Plan” is defined in Recital A.

“Oversight Board” is defined in Recital G.

“Parties” or **“Party”** means the Agency or the City, or both, as the context requires.

“Person” is defined in the DDA.

“Plan Documents” is defined in Recital S.

“Pre-Agreement Costs” is defined in the Financing Plan.

“Project” is defined in the DDA.

“Project Costs” is defined in the Financing Plan.

“Project Indebtedness” is defined in Section 3.2(a).

“Project Site” is defined in the DDA.

“Public Financing” is defined in the Financing Plan.

“Qualified” is defined in the Financing Plan.

“Redevelopment Agency” is defined in Recital C.

“Shipyard Effective Date” is defined in Section 6.1(a).

“Shipyard Housing Increment” is defined in the Financing Plan.

“**Shipyards Indebtedness**” is defined in Section 3.1(a).

“**Shipyards Redevelopment Plan**” is defined in Recital L.

“**Shipyards Redevelopment Plan Area**” is defined in Recital A.

“**Shipyards Site**” is defined in the DDA.

“**Statement of Indebtedness**” is defined in the Financing Plan.

“**Supplemental Obligation Financing**” is defined in the Financing Plan.

“**TAA Default**” is defined in Section 9.1(a).

“**Tax Allocation Debt**” is defined in the Financing Plan.

“**Transferee**” is defined in the DDA.

“**Vertical Developer**” is defined in the DDA.”

10. Relation to Original Pledge Agreement. Except as modified by this First Amendment, the Original Pledge Agreement shall remain in full force and effect in accordance with the terms and provisions thereof. Each Party confirms, represents, and warrants to the other Party: (a) that the execution and delivery of this First Amendment has been fully authorized by all necessary corporate action; (b) that the person signing this First Amendment has the requisite authority to do so and the authority and power to bind the entity on whose behalf they have signed; and (c) that, this First Amendment is valid, binding and legally enforceable in accordance with its terms.

11. Successors and Assigns. This First Amendment inures to the benefit of and binds the City’s and the Agency’s respective successors and assigns. Developer (and its Transferees) and Vertical Developers are intended third party beneficiaries of this First Amendment. Except for Developer (and its Transferees) and Vertical Developers, this First Amendment is for the exclusive benefit of the Parties and not for the benefit of any other Person and may not be deemed to have conferred any rights, express or implied, upon any other Person.

12. Governing Law. This First Amendment is governed by and must be construed in accordance with the laws of the State of California.

13. Counterparts. This First Amendment may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

14. Effective Date. This First Amendment shall become effective on the latest to occur of (the "**First Amendment Effective Date**") (i) the date that it is duly executed and delivered by the parties hereto, (ii) the effective date of a resolution adopted by the Oversight Board approving

this First Amendment, and (iii) the date on which both the 2024 BVHP Plan Amendment and 2024 Shipyard Plan Amendment have become effective.

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DRAFT

IN WITNESS WHEREOF, the Parties have each caused this First Amendment to be duly executed on its behalf as of the First Amendment Effective Date.

CITY AND COUNTY OF SAN FRANCISCO

By: _____
Mayor

By: _____
Clerk of the Board of Supervisors

By: _____
Controller

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Deputy City Attorney

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO,
a public body organized and existing

By: _____
Thurston Kaslofsky
Executive Director

APPROVED AS TO FORM:

By: _____
James B. Morales
General Counsel

DEVELOPER'S CONSENT AND AGREEMENT

By signing below, the undersigned, on behalf of Developer, acknowledges that Developer is an intended third party beneficiary of the First Amendment to Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated for reference purposes as of _____, 202__ (the "**First Amendment**"), to which this consent is attached, consents to the First Amendment, may enforce this First Amendment, and specifically agrees to be bound by all limitations on remedies under the First Amendment applicable to Developer.

Executed and delivered as of _____, 20__.

CP DEVELOPMENT CO., LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

DRAFT

**TAX INCREMENT ALLOCATION PLEDGE AGREEMENT
(CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD)**

This TAX INCREMENT ALLOCATION PLEDGE AGREEMENT (CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD) (as amended from time to time, this “**Agreement**”) dated for reference purposes as of June 3, 2010 (the “**Reference Date**”) is between the CITY AND COUNTY OF SAN FRANCISCO, a charter city and county (the “**City**”), and the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, of the State of California (together with any successor public agency, the “**Agency**”), in reference to the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated for reference purposes as of June 3, 2010, by and between the Agency and CP DEVELOPMENT CO., LP, a Delaware limited partnership (together with its successors, “**Developer**”) (including all attached and incorporated exhibits and as amended from time to time, the “**DDA**”). Capitalized terms used but not otherwise defined in this Agreement shall have the meanings for such terms set forth in the DDA.

RECITALS

A. In accordance with the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq.) (the “**CCRL**”), the City approved: (1) the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 285-97, adopted by the Board of Supervisors of the City and County of San Francisco (the “**Board of Supervisors**”) on July 14, 1997; and (2) an amendment to the Hunters Point Shipyard Redevelopment Plan by Ordinance No. 211-10, adopted August 3, 2010, providing for the Project (the “**Shipyard Plan Amendment**”) (the Hunters Point Shipyard Redevelopment Plan, as amended by the Shipyard Plan Amendment and as amended from time to time to the extent permitted under the DDA, the “**Shipyard Redevelopment Plan**”). The Shipyard Redevelopment Plan provides for the redevelopment, rehabilitation, reuse, and revitalization of the former Hunters Point Naval Shipyard consisting of approximately 1,120 acres along the southeastern waterfront of San Francisco, as described in the Shipyard Redevelopment Plan (the “**Shipyard Redevelopment Plan Area**”). The Shipyard Redevelopment Plan Area includes Parcels A through G.

B. The City also approved, in accordance with the CCRL: (1) the Hunters Point Redevelopment Plan by Ordinance No. 25-69, adopted January 20, 1969; (2) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 280-70, adopted August 24, 1970; (3) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 475-86, adopted December 1, 1986; (4) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 417-94, adopted December 12, 1994; (5) an amendment to the Hunters Point Redevelopment Plan by Ordinance No. 113-06, adopted June 1, 2006 (the “**BVHP Adoption Date**”), under which the Hunters Point Redevelopment Plan: (i) was renamed the Bayview Hunters Point Redevelopment Plan; (ii) the redevelopment project area was enlarged to add Project Area B (as defined in the BVHP Redevelopment Plan); and (iii) the financing plan for redevelopment was amended to provide for tax increment financing for Project Area B; and (6) an amendment to the Bayview Hunters Point Redevelopment Plan (the “**BVHP Plan Amendment**”) by Ordinance No. 210-10, adopted August 3, 2010, under which Project Area B was split into two zones: Zone 1 corresponding to the Candlestick Point Activity Node, including the Alice Griffith Site, and

Zone 2 consisting of the remainder of Project Area B (the Bayview Hunters Point Redevelopment Plan, as amended by the BVHP Plan Amendment and as amended from time to time to the extent permitted under the DDA, the “**BVHP Redevelopment Plan**”). The BVHP Redevelopment Plan provides for the redevelopment, rehabilitation, and revitalization of approximately 1,360 acres in the southeastern area of San Francisco north and west of the Shipyard Redevelopment Plan Area, as described in the BVHP Redevelopment Plan (the “**BVHP Redevelopment Plan Area**”).

C. San Francisco voters passed Proposition G on June 3, 2008. Consistent with Proposition G:

1. City policy encourages a mixed-use development of the Project Site, which includes the Candlestick Site and the Shipyard Site. At full build-out, this development is anticipated to include: over 300 acres of public park and open space improvements; 10,500 homes for sale or rent; 885,000 square feet of retail uses; about 2,650,000 square feet of green office, science and technology, and research and development uses; a 150,000 square foot hotel; a 10,000 seat arena or other public performance site; a 300 slip marina; a site in the Shipyard Site for a new stadium if the 49ers and the City timely determine that the stadium is feasible; and up to 2,500,000 square feet of additional green office, science and technology, research and development, and industrial uses if the stadium is not built.

2. City policy mandates that the Project: produce tangible community benefits for BVHP and the City; reconnect the Project Site with BVHP and protect BVHP’s character for existing residents; produce substantial new affordable and market-rate rental and for-sale housing and encourage rebuilding Alice Griffith; incorporate environmental sustainability; encourage the 49ers to remain in San Francisco by providing a new stadium site and supporting infrastructure; and require the project to be financially sound, all with or without a new stadium.

3. Under City Charter section 4.113, the voters authorized the City to transfer for non-recreational use any park land under Recreation and Park Commission jurisdiction within the Candlestick Site free of any park or recreational use restrictions if: the City’s approval is conditioned on a binding obligation to create new public park or public open space areas in the Project Site at least equal in size to the transferred park land; and the Board of Supervisors finds that the proposed new public park or public open space areas are suitable and will be dedicated for those purposes and that the transfer will further the objectives for the Project as set forth in Proposition G.

4. The City, the Agency, and other public agencies with jurisdiction over aspects of the Project are to proceed as expeditiously as possible to implement Proposition G and take actions such as adopting land use controls for the Project Site consistent with Proposition G’s objectives, subject to public review processes outlined in Proposition G. Finally, by adopting Proposition G, the voters “encourage the Board of Supervisors and other public agencies with applicable jurisdiction to approve such final development plans at the conclusion of the review process . . . so long as the Board of Supervisors and the Mayor then determine that such plans are generally consistent with [Proposition G’s] objectives”, even if the final development plan for and boundaries of the Project Site are materially different from those

identified in Proposition G due to variables such as market changes, economic feasibility, and the 49ers' decision regarding a stadium.

D. The Shipyard Redevelopment Plan authorizes the Agency to use tax increment funds from the Shipyard Redevelopment Plan Area to finance the redevelopment of the Shipyard Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge of property tax increments from the Shipyard Redevelopment Plan Area, subject to the Shipyard Redevelopment Plan's time limits on incurring indebtedness. The Shipyard Redevelopment Plan limits the amount of bonded indebtedness of the Agency to be repaid from an allocation of tax increments under the CCRL from the Shipyard Redevelopment Plan Area that can be outstanding at one time to \$900 million in the aggregate. Under the Shipyard Redevelopment Plan, the Agency may not pay indebtedness or receive tax increments from the Shipyard Redevelopment Plan Area after forty five (45) years from the date the Agency begins collecting a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000), unless such date is extended pursuant to an amendment to the Shipyard Redevelopment Plan.

E. The BVHP Redevelopment Plan authorizes the Agency to use tax increment funds from the BVHP Redevelopment Plan Area to finance the redevelopment of the BVHP Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge of property tax increments from the BVHP Redevelopment Plan Area, subject to the BVHP Redevelopment Plan's time limits on incurring indebtedness. The BVHP Redevelopment Plan limits the amount of bonded indebtedness of the Agency to be repaid from an allocation of tax increments under the CCRL from Zone 1 of the BVHP Redevelopment Plan Area that can be outstanding at one time to \$820 million in the aggregate. Under the BVHP Redevelopment Plan, the Agency may not pay indebtedness or receive tax increments from the BVHP Redevelopment Plan Area after June 1, 2051, which is the date that is forty five (45) years after the BVHP Adoption Date, unless such date is extended pursuant to an amendment to the BVHP Redevelopment Plan.

F. The City and the Agency have made findings pursuant to CCRL sections 33445 and 33445.1 authorizing the payment of costs for the installation and construction of Infrastructure and Improvements relating to the Project to be acquired by the City or other public agencies.

G. In order to facilitate the implementation of the Project, the Agency and Developer entered into the DDA. Attached to the DDA is the Financing Plan under which the Agency has incurred certain executory financial obligations, including the obligation to pledge Net Available Increment for the purposes of the Financing Plan. The Shipyard Redevelopment Plan, the BVHP Redevelopment Plan, and their implementing documents, including the DDA, and related ordinances and regulations, are referred to in this Agreement collectively as the "**Plan Documents**". The Agency and Developer are also entering into the Acquisition and Reimbursement Agreement setting forth the procedures by which Developer will be reimbursed for Qualified Project Costs and Authorized Payments from the Funding Sources.

H. The redevelopment of the Project Site in accordance with the Plan Documents affords numerous public benefits for the City and its residents, which include: eliminating blighting influences from and revitalizing the blighted Project Site; constructing substantial new

rental and for-sale affordable and market-rate housing; creating publicly accessible open space and new, enhanced public access to the waterfront; and generating new jobs, including employment opportunities for economically disadvantaged individuals.

I. In accordance with the Financing Plan, the Agency will establish CFDs for the Project Site. The CFDs, through the Agency, will levy special taxes and issue CFD Bonds to finance the acquisition of Infrastructure and other Improvements as described in the Financing Plan before and after development in the Project Site will generate tax increment. In addition to CFD financing, tax increment from the Project Site and Tax Allocation Debt and Supplemental Obligation Financing secured by such tax increment will be used to pay or otherwise directly reimburse Qualified Project Costs. The Financing Plan establishes Funding Goals for Public Financing under the Financing Plan and describes the general terms and conditions under which the Agency will issue CFD Bonds, Tax Allocation Debt, Supplemental Obligation Financing, and Alternative Financing.

J. Except as provided in the Financing Plan, no tax increment revenues generated outside the Project Site will be made available for the Project. Also, Developer agrees in the Financing Plan to pay certain shortfalls in the available tax increment after Tax Allocation Debt is issued by the Agency to finance Infrastructure and other Improvements. This payment obligation applies to a decrease in tax increment caused by Developer's initiation of a reassessment of property owned by Developer in the Project Site. Developer's payment obligation for any such shortfalls will terminate upon the occurrence of certain conditions described in the Financing Plan.

K. The CCRL requires the Agency to set aside at least twenty percent (20%) of the tax increment it receives to increase, improve, and preserve the City's supply of housing for persons and families of very low-, low-, or moderate income (the "**Low and Moderate Income Housing Fund**"). Attached to the DDA is the Below-Market Rate Housing Plan. The Agency and the City intend to reserve and dedicate Housing Increment as provided in the Below-Market Rate Housing Plan and the Financing Plan and consistent with Proposition G.

L. The Agency has committed to spend Excess Increment, if any, as provided in the Financing Plan. The Agency's use of Housing Increment and Excess Increment from the Project Site, as well as funds in the Low and Moderate Income Housing Fund from outside of the Project Site, to the extent required, is essential for: (1) developing the Agency Affordable Units in the Project Site; (2) the Agency's compliance with the CCRL requirement that at least fifteen percent (15%) of the new and rehabilitated housing units in the Shipyard Redevelopment Plan Area and BVHP Redevelopment Plan Area be affordable; and (3) achieving the DDA objectives for Affordable Units as more particularly described in the Below-Market Rate Housing Plan.

M. To promote development in accordance with objectives and purposes of the Shipyard Redevelopment Plan, the BVHP Redevelopment Plan, Proposition G and the DDA, the City and the Agency are entering into that certain Interagency Cooperation Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) to provide for their cooperation in administering the control and approval of subdivisions, and all other applicable land use, development, construction, improvement, infrastructure, occupancy, and use requirements applicable to the Project.

N. To create a reliable source of funds to pay all of the Agency's contractual obligations under the Financing Plan, the Parties now wish to: (1) agree to pledge irrevocably Net Available Increment to finance or refinance Qualified Project Costs; and (2) authorize and approve the Agency's incurrence of bonded indebtedness for these purposes, all on the terms and conditions further set forth below.

AGREEMENT

ACCORDINGLY, in consideration of the matters described in the foregoing recitals, the covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the City and the Agency agree as follows:

1. PURPOSE

The purpose of this Agreement is to facilitate the implementation of the Project in accordance with the Shipyard Redevelopment Plan, the BVHP Redevelopment Plan, Proposition G, the DDA and the other Plan Documents. The City and the Agency agree that: (a) the development of the Project in accordance with the DDA is in the best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws; and (b) Developer is entitled to rely on this Agreement, receive the benefits of this Agreement for the Project and enforce any provision of this Agreement against any Party, but neither the Agency nor the City will be liable to Developer or any Transferee for damages under this Agreement, as provided in Section 9.2. The Parties intend that all Net Available Increment generated in the Project Site shall be irrevocably pledged to finance or refinance Qualified Project Costs, all in accordance with the terms and conditions of the Financing Plan.

2. PLEDGE OF NET AVAILABLE INCREMENT FOR INFRASTRUCTURE

In accordance with the CCRL, the City recognizes and approves the incurrence of indebtedness by the Agency under the Financing Plan for the purpose of financing or refinancing, in whole or in part, the Qualified Project Costs in accordance with the terms and conditions of the Financing Plan. The City agrees that all Net Available Increment and any interest earnings thereon shall be irrevocably pledged by the Agency, as a first pledge where applicable, for the payment of the Project Indebtedness of the Agency. Net Available Increment excludes: (a) Housing Increment; (b) payments to taxing agencies required under the CCRL; (c) debt service on Existing Indebtedness secured by or payable from tax increment generated in the BVHP Redevelopment Plan Area; and (d) the Mandated Payment Pro-Rata Portion that is attributable to the Project Site. The City and the Agency hereby determine and agree that Net Available Increment is being pledged to the payment of Project Indebtedness that has been incurred for "redevelopment activity" pursuant to section 33678 of the CCRL.

3. AUTHORIZATION OF AGENCY INDEBTEDNESS

3.1 Shipyard Indebtedness. The City authorizes and approves the Agency to:

(a) incur indebtedness (including Tax Allocation Debt and Supplemental Obligation Financing) to finance or refinance Qualified Shipyard Project Costs (the “**Shipyard Indebtedness**”);

(b) pledge irrevocably all Net Available Increment produced from the Shipyard Redevelopment Plan Area, plus any accrued interest earnings, to pay the Shipyard Indebtedness; and

(c) pledge irrevocably all Housing Increment generated in the Shipyard Redevelopment Plan Area, plus any accrued interest earnings, to finance or refinance development permitted under section 33334.2 of the CCRL.

3.2 BVHP Indebtedness. The City authorizes and approves the Agency to:

(a) incur indebtedness (including Tax Allocation Debt and Supplemental Obligation Financing) to finance or refinance Qualified Candlestick Project Costs (the “**BVHP Indebtedness**”, and together with the Shipyard Indebtedness, the “**Project Indebtedness**”);

(b) pledge irrevocably all Net Available Increment produced from Zone 1 of the BVHP Redevelopment Plan Area, plus any accrued interest earnings, to pay the BVHP Indebtedness; and

(c) pledge irrevocably all Housing Increment generated in the BVHP Redevelopment Plan Area, plus any accrued interest earnings, to finance or refinance development permitted under section 33334.2 of the CCRL.

3.3 Cooperation.

(a) The City agrees to aid the Agency, and the City and the Agency agree to cooperate with one another, to expeditiously implement the Project in accordance with the Plan Documents and undertake and complete all actions or proceedings reasonably necessary or appropriate to ensure that the objectives of the Plan Documents are fulfilled during the term of this Agreement; including making appropriate additional findings pursuant to sections 33445, 33445.1, and 33678 of the CCRL as necessary to fulfill the objectives of the Plan Documents.

(b) City actions and proceedings subject to this Agreement shall be through the Mayor or his or her designee and shall include:

(i) taking actions necessary to obtain the Board of Supervisors’ approval of the Agency’s budget and to allocate Net Available Increment and Housing Increment to the extent required to fulfill the terms of this Agreement and the DDA (including the Financing Plan);

(ii) upon the written request of the Agency, using the City’s good faith efforts to implement, or assist the Agency in the implementation of, any Supplemental Obligation Financing or Alternative Financing, provided that the City shall not be obligated to implement any Supplemental Obligation Financing or Alternative Financing that is not consistent with the Funding Goals; and

(iii) upon the written request of the Agency in compliance with and under CCRL Section 33607.5, subordinating the City's right to receive a portion of tax increment revenues collected from the Shipyard Site and Candlestick Site, to debt service on any Tax Allocation Debt or any Supplemental Obligation Financing issued on or after the Reference Date.

4. JOINT COMMUNITY FACILITIES AGREEMENT

4.1 Authorized Activities. The City and the Agency acknowledge and agree that the Infrastructure, other Improvements, and Qualified Pre-Agreement Costs described in the DDA to be constructed or provided by Developer and that will be ultimately owned by the City or other public agencies may be financed by one or more CFDs formed by the Agency over the Project Site under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with § 53311) of Part I of Division 2 of Title 5 of the California Government Code (as amended from time to time, the "**CFD Act**"). In addition, the CFDs will be formed for the purpose of financing certain services on property to be owned by the City and other public agencies. The CFDs are to be formed by the Agency from time to time in connection with the development of the Project. It is the intention of the Agency and the City that: (a) any CFD may finance Infrastructure or other Improvements that will be owned or controlled by the City and any other public agency; and (b) any CFD may finance services on property owned or operated by the City and any other public agency for the Project, as provided in the Financing Plan. This Agreement constitutes a joint community facilities agreement within the meaning of section 53316.2 of the CFD Act.

4.2 Benefit. The City and the Agency find and determine that this Agreement will be beneficial to the residents residing within the respective boundaries of the City and the Agency.

4.3 Limited Liability and Control. The City and the Agency agree that, as between themselves, the Agency will make all decisions regarding the CFDs (including boundaries, tax formulas, use of special tax or bond proceeds, and costs), and all proceeds of bonds and special taxes shall be allocated to the CFDs to be disbursed as determined by the CFDs in accordance with the Financing Plan, and the City will not have any liability for any CFD Bonds.

4.4 Cooperation. The City and the Agency agree to take all reasonable steps, and execute such documents necessary, to give effect to the provisions of this Section 4 and to consummate the financing of the Infrastructure, other Improvements, Qualified Project Costs, and services under the CFD Act as described in the Financing Plan.

4.5 Infrastructure. The Agency agrees to: (a) use CFD Bonds, CFD special taxes, Net Available Increment, Supplemental Obligation Financing, Tax Allocation Debt, and Alternative Financing in accordance with the Financing Plan and the Acquisition and Reimbursement Agreement to pay a portion of the City's or any other public agency's cost to acquire or finance Qualified Project Costs, Infrastructure, and other Improvements after the City or other public agency has inspected and found the components acceptable for acquisition; and (b) otherwise cooperate with the City and other public agency in accepting Infrastructure and other Improvements to be accepted as provided in the Financing Plan, the Interagency Cooperation Agreement, and the Acquisition and Reimbursement Agreement.

5. STATEMENT OF INDEBTEDNESS; COVENANT TO ALLOCATE

5.1 Agency Covenant. The Agency agrees to submit to the City Controller a Statement of Indebtedness annually for as long as the Agency is entitled to collect tax increment generated in the Project Site. The Statement of Indebtedness must report the amount of funds the Agency needs to meet its obligations under the Financing Plan and the Below-Market Rate Housing Plan and all other requirements of the CCRL for the Project.

5.2 City Covenant. The City covenants to take all actions necessary to allocate to the Agency, to the extent legally permissible, all Net Available Increment and Housing Increment, based on the Agency's Statement of Indebtedness.

5.3 Satisfaction of Indebtedness. The City and the Agency agree that Net Available Increment may be used only in accordance with this Agreement, the DDA, including the Financing Plan, and the CCRL.

5.4 Qualified Pre-Agreement Costs. The City and the Agency agree that Qualified Pre-Agreement Costs may be financed from the Funding Sources in the same manner as Qualified Project Costs are financed under the Financing Plan.

6. EFFECTIVE DATES AND TERMS

6.1 Shipyards Effective Date and Term. As to the Shipyards Redevelopment Plan Area, the provisions of this Agreement other than Section 4 will:

(a) become effective (the "**Shipyards Effective Date**") on the latest of: (i) the date the Shipyards Plan Amendment becomes effective; (ii) the date a Board of Supervisors resolution authorizing and approving this Agreement becomes effective; and (iii) the date this Agreement, including Developer's consent, has been fully executed and delivered; and

(b) remain in effect until the date that is forty five (45) years from the date the Agency has received tax increment funds from the Shipyards Redevelopment Plan Area exceeding one hundred thousand dollars (\$100,000), unless such date is extended by an amendment to the Shipyards Redevelopment Plan.

6.2 BVHP Effective Date. As to the BVHP Redevelopment Plan Area, the provisions of this Agreement other than Section 4 will:

(a) become effective (the "**BVHP Effective Date**") on the latest of: (i) the date the BVHP Plan Amendment becomes effective; (ii) the date a Board of Supervisors resolution authorizing and approving this Agreement becomes effective; and (iii) the date this Agreement, including Developer's consent, has been fully executed and delivered; and

(b) remain in effect until June 1, 2051, which is the date that is forty five (45) years after the BVHP Adoption Date, unless such date is extended pursuant to an amendment to the BVHP Redevelopment Plan, or the BVHP Redevelopment Plan otherwise expires pursuant to the CCRL.

6.3 Effective Date and Term of Section 4. The provisions of Section 4 relating to CFDs shall become effective upon execution of this Agreement and shall remain in effect so long as CFDs exist on the Project Site.

6.4 Independent Operation of Provisions. The City and the Agency intend the provisions specifically applicable to the Shipyard Redevelopment Plan and the Shipyard Redevelopment Plan Area and the provisions specifically applicable to the BVHP Redevelopment Plan and the BVHP Redevelopment Plan Area to operate independently to the fullest extent possible, and agree that they may be severed if necessary or convenient. Because portions of both the Shipyard Redevelopment Plan Area and the BVHP Redevelopment Plan Area are included in the Project, the City and the Agency have entered into this Agreement covering both the plan areas for convenience.

7. NO GENERAL FUND COMMITMENT

This Agreement covers only Agency indebtedness payable from Net Available Increment and Housing Increment, including any accrued interest (and not from any other funds or assets of the Agency). This Agreement is not intended to and does not create any City commitment or obligation to satisfy any portion of the Agency's indebtedness from the City's General Fund, nor may this Agreement be construed in any manner that would violate the debt limitations under article XVI, section 18 of the State Constitution or of the City's Charter, including section 3.105 of the Charter. As further provided in the Financing Plan, the lack of sufficient tax increment proceeds to finance all of the Qualified Project Costs and Qualified Pre-Agreement Costs of the Project will not relieve Developer of its obligations under the DDA to complete the Infrastructure, so long as Net Available Increment is pledged and allocated consistent with this Agreement and the Financing Plan.

8. LIMITATIONS ON TAX INCREMENT

8.1 No Increment from Other Areas. The Parties recognize and agree that in accordance with the DDA, the Shipyard Redevelopment Plan and the BVHP Redevelopment Plan, no property tax increment or bond proceeds from areas other than the Project Site (other than the Citywide Housing Advance) will be made available for the Project.

8.2 Major Phase and Sub-Phase Allocations. The Parties recognize Net Available Increment pledged to pay the Shipyard Indebtedness and the BVHP Indebtedness is allocated among Major Phases under the Financing Plan.

9. DEFAULT

9.1 Default Procedures.

(a) Notice of Default. If any Party defaults in the performance of this Agreement (each a “**TAA Default**”), the non-defaulting Party may deliver a written notice of default to the other. The notice of default must state with reasonable specificity the nature of the alleged TAA Default, the provision(s) under which the TAA Default is claimed to arise, and the manner in which the TAA Default may be cured.

(b) Meet and Confer. After notice of a TAA Default is delivered, the City and the Agency, together with Developer, will meet promptly to discuss the TAA Default and the manner in which the defaulting Party can cure the same so as to satisfy the noticing Party’s concerns. The City, the Agency, and Developer will continue meeting regularly, discussing, investigating, and considering alternatives for up to sixty (60) days from the delivery of the notice of a TAA Default. After the sixty (60) day meet and confer period, if the noticing Party no longer holds the view that the other Party is in default, the noticing Party will rescind the notice of a TAA Default.

(c) Cure. No later than the end of the sixty (60) day meet and confer period, the defaulting Party must begin to cure the noticed TAA Default, and proceed diligently to cure the TAA Default. If: (i) the defaulting Party does not commence within sixty (60) days after the end of the meet and confer period and diligently pursue a cure, or the TAA Default is not cured within a reasonable time, not to exceed sixty (60) days after the end of the sixty (60) day meet and confer period; or (ii) the defaulting Party refuses to meet and confer regarding the noticed TAA Default, then, subject to Section 9.2, the noticing Party or Developer may institute proceedings to obtain a cure and remedy for the TAA Default, including proceedings to compel specific performance by the defaulting Party. Nothing in this Section 9.1(c) requires a Party to postpone instituting any injunctive proceeding if it believes in good faith that postponement will cause it irreparable harm. The Parties acknowledge that termination of this Agreement is a remedy only if the Plan Documents terminate, as further provided in this Agreement.

9.2 No Monetary Damages. The Parties have determined that monetary damages are generally inappropriate and that it would be extremely difficult and impractical to fix or determine the actual damages to a Party as a result of a TAA Default and that equitable remedies including specific performance, but not including damages, are the appropriate remedies for enforcement of this Agreement. The Parties would not have entered into this Agreement if either of them were liable to the other or to any other Person, for damages under or with respect to this Agreement. Consequently, the Parties have agreed that neither Party will be liable in damages to the other, or to any other Person, and each Party covenants not to sue for or claim any damages and expressly waives its right to do so: (a) for any TAA Default; or (b) arising from or connected with any dispute, controversy, or issue regarding the application, interpretation, or effect of this Agreement.

9.3 Attorneys’ Fees. In the event of any dispute or any legal action or other dispute resolution mechanism to enforce or interpret any provision of this Agreement, each Party will bear its own attorneys’ fees, whether or not one Party prevails.

10. NOTICES

All notices, requests for consent or approval, and responses to requests under this Agreement by either Party to the other must be delivered by hand or by registered or certified mail, postage prepaid, addressed as follows:

To the Agency: San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, California 94102
Attn: Executive Director
Re: CP/HPS Tax Allocation Agreement

With a copy to: San Francisco Redevelopment Agency
One South Van Ness Avenue, 5th Floor
San Francisco, California 94102
Attn: General Counsel
Re: CP/HPS Tax Allocation Agreement

To the City: Office of Economic and Workforce
Development
City and County of San Francisco
City Hall, Rm. 448
1 Dr. Carlton B. Goodlett Place, Third Floor
San Francisco, California 94102
Attn: Director
Re: CP/HPS Tax Allocation Agreement

With a copy to: Office of the Controller
City and County of San Francisco
875 Stevenson Street, Rm. 235
San Francisco, California 94103
Attn: Controller
Re: CP/HPS Tax Allocation Agreement

And to: Office of the City Attorney
City Hall, Rm. 234
1 Dr. Carlton B. Goodlett Place, Rm. 232
San Francisco, California 94102
Attn: Real Estate/Finance
Re: CP/HPS Tax Allocation Agreement

And copies of all notices to:

CP Development Co., LP
c/o Lennar Urban
One California Street, Suite 2700
San Francisco, California 94111
Attn: Kofi Bonner

And to:

Paul Hastings LLP
55 Second Street, 24th Floor
San Francisco, California 94105
Attn: Charles V. Thornton
David A. Hamsher

Every notice given under this Agreement must be in writing and must state (or must be accompanied by a cover letter that states) substantially the following, as applicable:

1. the Section of this Agreement under which the notice is given and the action or response required;
2. the period of time within which the recipient of the notice must respond;
3. a “Request for Approval under the Tax Allocation Agreement”; and
4. the specific reasons for disapproval or objection, if the notice conveys disapproval or an objection for which reasonableness is required.

Any mailing address may be changed at any time by giving written notice of the change in the manner provided above at least ten (10) days before the effective date of the change. All notices under this Agreement will be deemed given, received, made, or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

11. RELATED AGREEMENTS

11.1 Amendments to Agreement. Except as otherwise provided in this Agreement, this Agreement may be amended or modified only by a written instrument executed by the City and the Agency. Developer’s written consent to any amendment or modification of this Agreement will be required until Developer has been reimbursed for all Qualified Project Costs provided in the Financing Plan and has completed all Infrastructure and other Improvements contemplated in the DDA. The Mayor and the City Controller (or any successor City officer as designated by law) may consent on the City’s behalf to any Non-Material Change or other modifications to this Agreement. A “**Non-Material Change**” means any change that does not increase or decrease the pledge of tax increment that is the subject of this Agreement or otherwise materially increase the City’s liabilities or obligations or materially decrease the availability of Net Available Increment for the Project. All amendments to this Agreement that do not constitute a Non-Material Change must be first approved by the Board of Supervisors by resolution.

11.2 Amendments to DDA Documents. Except as otherwise provided in the Financing Plan, the Agency agrees not to amend the Financing Plan, the Infrastructure Plan or the Below-Market Rate Housing Plan in any manner that would increase or decrease the pledge of Net

Available Increment or increase or decrease the pledge of Housing Increment contemplated by this Agreement without in each case obtaining the City's prior written consent, which the City may give or withhold in its sole discretion. The Mayor and the City Controller (or any successor City officer as designated by law) may act on the City's behalf in response to a request for the City's consent under this Section 11.2.

11.3 Developer Consents. Any consent required of Developer under this Agreement must be given by a Developer Representative.

12. MISCELLANEOUS

12.1 Severability. If a final court order finds any provision of this Agreement invalid or inapplicable to any Person or circumstance, then the invalid or inapplicable provision will not affect any other provision of this Agreement or its application to any other Person or circumstance, and the remaining portions of this Agreement will continue in full force and effect, unless enforcement of this Agreement as so modified would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement. If any applicable federal or state law prevents or precludes compliance with any material term of this Agreement, the Parties agree to modify or amend this Agreement, or any portion of this Agreement, in a manner that preserves to the greatest extent possible the benefits of this Agreement absent the conflict with federal or state law. However, if: (a) such amendment, modification or suspension would deprive the City or the Agency of the substantial benefits derived from this Agreement or make performance unreasonably difficult or expensive, and (b) Developer has been reimbursed for all Qualified Project Costs provided in the Financing Plan and has completed all Infrastructure and other Improvements contemplated in the DDA; then either the City or the Agency may terminate all provisions of this Agreement except Section 4, which will remain in effect so long as CFDs exist on the Project Site, upon written notice to the other Party. Termination will be effective on the date stated in the notice, and following that date, all rights and obligations under this Agreement, except Section 4, will be extinguished.

12.2 Non-Waiver. A Party's (or Developer's) delay or failure to exercise any right under this Agreement may not be deemed a waiver of that or any other right contained in this Agreement.

12.3 Successors and Assigns; Third Party Beneficiary. This Agreement inures to the benefit of and binds the City's and the Agency's respective successors and assigns. Developer (and its Transferees) and Vertical Developers are intended third party beneficiaries of this Agreement. Except for Developer (and its Transferees) and Vertical Developers, this Agreement is for the exclusive benefit of the Parties and not for the benefit of any other Person and may not be deemed to have conferred any rights, express or implied, upon any other Person.

12.4 Governing Law. This Agreement is governed by and must be construed in accordance with the laws of the State of California.

12.5 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

12.6 Entire Agreement. This Agreement contains all of the representations and the entire agreement between the Parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda, agreements, warranties, or representations relating to such subject matter are superseded by this Agreement. No prior drafts of this Agreement or changes from those drafts to the executed version of this Agreement may be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other Person, and no court or other body may consider those drafts in interpreting this Agreement.

13. INTERPRETATION

13.1 Captions. All references to a Section, Article, or paragraph refer to this Agreement unless otherwise specified. The captions preceding the Articles and Sections of this Agreement have been inserted for convenience of reference only and do not define or limit the scope or intent of any provision of this Agreement.

13.2 Words of Inclusion. The words “including”, “such as” or words of similar import when following any general term may not be construed to limit the general term to the specific terms that follow, whether or not language of non-limitation is used in the reference. Rather, these terms will be deemed to refer to all other terms that could reasonably fall within the broadest possible scope of the term.

13.3 References. All references to any provision, term, or matter “in this Agreement”, “herein” or “hereof” or words of similar import will be deemed to refer to any and all provisions of this Agreement reasonably related to the provision, term, or matter in the context of the reference, unless the reference refers solely to a specific numbered or lettered, Section, paragraph, or subdivision of this Agreement.

13.4 Recitals. Recitals provide the context for this Agreement and do not have legal effect.

13.5 Further Assurances. The Agency and the City each agree to take all actions and do all things, and execute, with acknowledgment or affidavit if required, any and all documents that may be necessary or appropriate to achieve the purposes of this Agreement.

13.6 Definitions. The following terms have the meanings given to them below or are defined where indicated.

“**Agency**” is defined in the introductory paragraph

“**Agency Affordable Units**” is defined in the Below-Market Rate Housing Plan.

“**Agreement**” is defined in the introductory paragraph.

“**Alice Griffith Replacement Units**” is defined in the Below-Market Rate Housing Plan.

“**Alternative Financing**” is defined in the Financing Plan.

“**Below-Market Rate Housing Plan**” is defined in the DDA.

“**BVHP Adoption Date**” is defined in Recital B.

“**BVHP Effective Date**” is defined in Section 6.2(a).

“**BVHP Indebtedness**” is defined in Section 3.2(a).

“**BVHP Plan Amendment**” is defined in Recital B.

“**BVHP Redevelopment Plan**” is defined in Recital B.

“**BVHP Redevelopment Plan Area**” is defined in Recital B.

“**Board of Supervisors**” is defined in Recital A.

“**Candlestick Housing Increment**” is defined in the Financing Plan.

“**Candlestick Site**” is defined in the DDA.

“**CCRL**” is defined in Recital A.

“**CFD**” is defined in the Financing Plan.

“**CFD Act**” is defined in Section 4.1.

“**CFD Bonds**” is defined in the Financing Plan.

“**City**” is defined in the introductory paragraph.

“**Citywide Housing Advance**” is defined in the Financing Plan.

“**DDA**” is defined in the introductory paragraph.

“**Developer**” is defined in the introductory paragraph.

“**Developer Representative**” is defined in the DDA.

“**Excess Increment**” is defined in the Financing Plan.

“**Existing Indebtedness**” is defined in the Financing Plan.

“**Funding Goals**” is defined in the Financing Plan.

“**Funding Sources**” is defined in the Financing Plan.

“General Fund” means the City’s general operating fund, into which taxes are deposited, excluding dedicated revenue sources for certain municipal services, capital projects, and debt service.

“Housing Increment” is defined in the Financing Plan.

“Improvements” is defined in the DDA.

“Infrastructure” is defined in the DDA.

“Low and Moderate Income Housing Fund” is defined in Recital K.

“Mandated Payment” is defined in the Financing Plan.

“Mandated Payment Pro-Rata Portion” is defined in the Financing Plan.

“Net Available Increment” is defined in the Financing Plan.

“Non-Material Change” is defined in Section 11.1.

“Parties” or **“Party”** means the Agency or the City, or both, as the context requires.

“Person” is defined in the DDA.

“Plan Documents” is defined in Recital G.

“Pre-Agreement Costs” is defined in the Financing Plan.

“Project” is defined in the DDA.

“Project Costs” is defined in the Financing Plan.

“Project Indebtedness” is defined in Section 3.2(a).

“Project Site” is defined in the DDA.

“Public Financing” is defined in the Financing Plan.

“Qualified” is defined in the Financing Plan.

“Reference Date” is defined in the introductory paragraph.

“Shipyard Effective Date” is defined in Section 6.1(a).

“Shipyard Housing Increment” is defined in the Financing Plan.

“Shipyard Indebtedness” is defined in Section 3.1(a).

“Shipyard Plan Amendment” is defined in Recital A.

“Shipyard Redevelopment Plan” is defined in Recital A.

“Shipyard Redevelopment Plan Area” is defined in Recital A.

“Shipyard Site” is defined in the DDA.

“Statement of Indebtedness” is defined in the Financing Plan.

“Supplemental Obligation Financing” is defined in the Financing Plan.

“TAA Default” is defined in Section 9.1(a).

“Tax Allocation Debt” is defined in the Financing Plan.

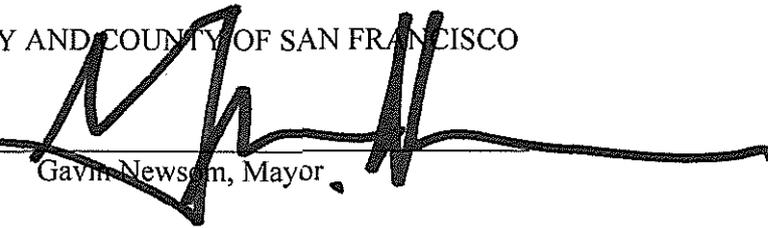
“Transferee” is defined in the DDA.

“Vertical Developer” is defined in the DDA.

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This Agreement was executed and delivered as of the Reference Date.

CITY AND COUNTY OF SAN FRANCISCO

By 
Gavin Newsom, Mayor

By _____
Angela Calvillo
Clerk of the Board of Supervisors

By _____
Ben Rosenfield, Controller

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By _____
Deputy City Attorney

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By _____
Fred Blackwell
Executive Director

APPROVED AS TO FORM:

James B. Morales
General Counsel

This Agreement was executed and delivered as of the Reference Date.

CITY AND COUNTY OF SAN FRANCISCO

By _____
Gavin Newsom, Mayor

By Angela Calvillo
Angela Calvillo
Clerk of the Board of Supervisors

By _____
Ben Rosenfield, Controller

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By D. Herrera
Deputy City Attorney

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By _____
Fred Blackwell
Executive Director

APPROVED AS TO FORM:

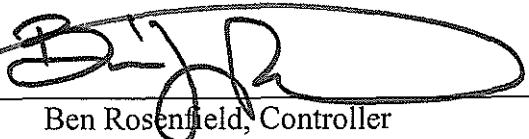
James B. Morales
General Counsel

This Agreement was executed and delivered as of the Reference Date.

CITY AND COUNTY OF SAN FRANCISCO

By _____
Gavin Newsom, Mayor

By _____
Angela Calvillo
Clerk of the Board of Supervisors

By  _____
Ben Rosenfield, Controller

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By  _____
Deputy City Attorney

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By _____
Fred Blackwell
Executive Director

APPROVED AS TO FORM:

James B. Morales
General Counsel

This Agreement was executed and delivered as of the Reference Date.

CITY AND COUNTY OF SAN FRANCISCO

By _____
Gavin Newsom, Mayor

By _____
Angela Calvillo
Clerk of the Board of Supervisors

By _____
Ben Rosenfield, Controller

APPROVED AS TO FORM:

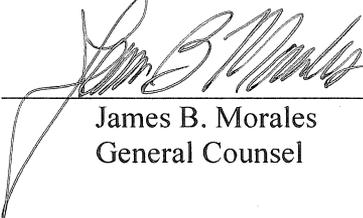
DENNIS J. HERRERA
City Attorney

By _____
Deputy City Attorney

REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By  _____
Fred Blackwell
Executive Director

APPROVED AS TO FORM:

 _____
James B. Morales
General Counsel

DEVELOPER'S CONSENT AND AGREEMENT

By signing below, the undersigned, on behalf of Developer, acknowledges that Developer is an intended third party beneficiary of the Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated for reference purposes as of June 3, 2010 (the "Agreement"), to which this consent is attached, consents to the Agreement, may enforce this Agreement, and specifically agrees to be bound by all limitations on remedies under the Agreement applicable to Developer.

Executed and delivered as of June 3, 2010

CP DEVELOPMENT CO., LP,
a Delaware limited partnership

By CP/HPS Development Co. GP, LLC,
a Delaware limited liability company,
its General Partner

By: 
Name: Kofi Bonner
Its: Authorized Representative

Final Report

Fiscal and Economic Impact of Candlestick Point

The Economics of Land Use



Prepared for:
FivePoint Communities

Prepared by:
Economic & Planning Systems, Inc.

July 29, 2024

*Economic & Planning Systems, Inc.
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Oakland, CA 94612-3604
510.841.9190 tel
510.740.2080 fax*

EPS #221066

*Oakland
Sacramento
Denver
Los Angeles*

www.epsys.com

Table of Contents

1.	INTRODUCTION	4
	Organization of Report.....	4
2.	KEY FINDINGS: FISCAL AND ECONOMIC IMPACTS	5
	General Fund Impacts	5
	Transit Impacts	6
	Economic Impacts.....	6
3.	DEVELOPMENT PROGRAM AND SERVICE POPULATION	16
	Project Service Population	17
	Citywide Service Population	20
4.	SAN FRANCISCO GENERAL FUND REVENUES	21
	Assessed Value.....	22
	Property Tax	25
	Property Tax In-Lieu of Vehicle License Fees.....	25
	Property Transfer Tax.....	28
	Sales and Use Taxes.....	31
	Hotel Tax.....	33
	Parking Tax.....	35
5.	SAN FRANCISCO GENERAL FUND EXPENDITURES.....	38
	Elections.....	39
	Assessor.....	40
	311.....	40
	Police Services	42
	Fire Protection	45
	911.....	46
	Public Health	46
	Public Works	48
	Recreation	50
	Library	50
6.	TRANSPORTATION.....	51

List of Tables

Table 1	General Fund Revenue and Expenditures at Buildout	8
Table 2	General Fund Fiscal Impact (2024\$).....	9
Table 3	Transportation Revenue and Expenditures at Buildout	11
Table 4	Impacts on Transportation (2024\$).....	12
Table 5	Construction Employment and Income Impacts	14
Table 6	Direct Employment Estimates	15
Table 7	Ongoing Economic Impacts.....	15
Table 8	CP Development Program Summary.....	16
Table 9	Development Program and Population Density Assumptions	18
Table 10	Citywide and Project Population and Employment Estimates	20
Table 11	Summary of General Fund Revenue Estimates.....	21
Table 12	Assessed Value	23
Table 13	Property Tax.....	26
Table 14	Property Transfer Tax	29
Table 15	Sales Tax	32
Table 16	Hotel Tax	34
Table 17	Parking Tax	36
Table 18	General Fund Expenditures	39
Table 19	Elections	40
Table 20	311 Cost.....	41
Table 21	Police Services.....	43
Table 22	Fire Protection	45
Table 23	911 Calls.....	46
Table 24	Public Health	47
Table 25	Public Works.....	49
Table 26	Library.....	50

1. INTRODUCTION

Economic & Planning Systems, Inc. (EPS) has conducted a 2024 fiscal and economic impact analysis of the Candlestick Point (Project) component of the larger CPHPSII development. This includes analysis of the fiscal impacts on the City and County of San Francisco's (CCSF's) General Fund and Transit Budget as well as the ongoing economic and one-time construction impacts from Project development.

The methodologies used in this analysis are consistent with those developed and applied in the original 2010 Fiscal Impact Analysis (2010 Analysis) and in subsequent analyses (e.g. the 2018 and 2019 Analyses). The General Fund fiscal impact analysis retains many of the level of service assumptions from the prior analysis with updates based on new project and market information and the latest CCSF budget. The revised transit budget analysis reflects the new development schedule and expected transit capital investments needs, including contingency mitigations in case of capital stock problems.

The fiscal impact analysis is based on 2023/ 2024 inputs and calculations by FivePoint (development program and schedule), DPF (assessed values and property taxes), Fehr & Peers (all transit costs and selected transit revenues), and EPS (real estate market values, all other General Fund revenues, selected transit revenues, and a first-order evaluation of General Fund expenditures). The economic impact analysis is based on FivePoint/ EPS estimates of job density for different land uses, the overall development program, and TRC estimates of construction jobs. In addition, the incomes, output, and multiplier effects associated with this job growth are estimated using the IMPLAN Economic Impact Model for San Francisco.

Organization of Report

Following this introductory chapter, **Chapter 2** summarizes key findings of the analysis. The following **Chapters 3** through **6**, then provide detailed information on the assumptions and methodology that underpin the estimates of fiscal and economic impacts. Specifically, **Chapter 3** outlines the development program and associated demographic/economic assumptions; **Chapter 4** describes the Project-related General Fund revenues, **Chapter 5** describes the Project-related General Fund expenditures; **Chapter 6** addresses impacts on transit revenues and expenditures.

2. KEY FINDINGS: FISCAL AND ECONOMIC IMPACTS

This chapter summarizes the findings of the 2024 Analysis and is separated into three sections: General Fund (Fiscal) Impacts; Transit (Fiscal) Impacts; and Economic Impacts. Results are provided in aggregate for the full CP development program and, for fiscal impacts, in time-series format as well.

All results are in constant 2024 dollar terms and are for the proposed CP development program (the Project). Detailed information on the CP development program and expected schedule of development is provided in **Chapter 3**. Overall, the Project includes a total of 7,218 residential units, about 34 percent of which are below market rate units; approximately 2.8 million square feet of Office/ R&D development; and, an additional 510,000 square feet of other commercial development (including regional retail, neighborhood retail, community facilities space, and hotel uses).

General Fund Impacts

After project buildout, Project-related net annual General Fund revenues to the City are forecast to be about \$23.3 million.¹

New General Fund revenues associated with CP development are forecast to be substantially greater than annual General Fund expenditures. As shown in **Table 1**, in 2046 (after buildout and cost/ revenue stabilization), the new General Fund revenues are about \$61.7 million annually relative to \$38.4 million annually in General Fund expenditures, representing a net annual General Fund surplus of about \$23.3 million (all in 2024 constant dollar terms). The revenues are driven primarily by assessed value/ property-related taxes, which account for about 71 percent of total revenues at stabilization. Business taxes contribute the next largest portion of General Fund revenues, providing \$9.4 million annually at stabilization. This net fiscal inflow will provide the City with the opportunity to enhance investments in a range of services throughout the City. The revenue streams are more than sufficient to cover the largest expenditure categories, including police services, fire services, and allocations to San Francisco MTA, including \$5.8 million to MUNI and \$6.0 million to other SFMTA programs/expenditure categories. During the course of development, the CCSF will also receive substantial additional property transfer tax and sales and use tax revenues associated with the land development and construction process.

Annual General Fund revenues are projected to exceed costs in all years.

New General Fund revenues associated with CP development are forecast to be greater than annual General Fund expenditures from the first year of new revenue and expenditure generation (2028) through estimated project buildout and stabilization (2046). As shown in **Table 2** the property transfer taxes associated with early land acquisitions and other revenue categories are sufficient to cover the early public service expenditures. Over time, the full range of General Fund revenue items is continuously greater than the estimated General Fund

¹ EPS has not conducted recent interviews with CCSF staff. The current expenditure estimates are based on the general conclusions and relationships concerning public service needs drawn in prior studies.

expenditures with some fluctuations on the size of the fiscal surplus related to variations in levels of land sales and construction activity in each year. As noted above, after project buildout and stabilization, the Project is expected to generate a sizeable and ongoing fiscal surplus to the CCSF General Fund.

Transit Impacts

Project-related annual transit revenues are forecast to be about \$2.8 million at stabilization, totaling to about \$44.4 million in cumulative transit revenues.

At stabilization, the combination of Project-related annual transit revenues and the Project-related allocation to MUNI of General Fund revenues, are expected to more than cover Project-related transit expenditures (which include operations costs, debt service payments on capital and transit facilities investments, and debt service payments on potential capital cost mitigations). As shown in **Table 3**, by 2050 (after buildout and cost/ revenue stabilization), annual transit revenues are estimated at \$20.7 million compared to estimated expenditures of \$17.9 million, resulting in net annual revenues of about \$2.8 million (all in 2024 constant dollar terms). The cumulative revenues from the annual impacts for transit over the 2028 to 2050 period sum to about \$44.4 million.

Transit revenues will exceed costs in every year of Project buildout with the exception of 2031, 2032, 2041, and 2043.

Transit revenues and costs both accrue incrementally through time as new development occurs and new transit investments are made. The distribution of costs is affected by the assumption that all investments in transit vehicles and facilities can be financed, with costs thereby spread more evenly through time. As shown in **Table 4**, annual transit revenues are greater than transit costs every year except 2031, 2031, 2041, 2043. Outside of the four annual deficits, the Project is expected to generate an annual transit surplus every year, as well as a cumulative surplus that is positive and remains positive from 2034 onward. The cumulative revenues from the annual impacts for transit over the 2028 to 2050 period sum to about \$44.4 million.

Economic Impacts

Throughout the expected period of Project land and building development, from 2025 through 2044, construction activity is estimated to generate over 4,000 jobs and \$750 million in economic output.

TRC has estimated a schedule of full-time and part-time construction jobs associated with Project development from the start of horizontal development. The number of direct construction jobs varies by year but averages about 185 jobs annually over 19 years, or a total of about 3,500 construction job-years. As shown in **Table 5**, about \$383 million in income is associated with these jobs. The construction activity will also generate “multiplier” effects (indirect and induced effects) in San Francisco during the period of construction, adding an additional 567 job-years in San Francisco and about \$72 million in extra income. The combined direct, indirect, and induced jobs are estimated to generate about \$754 million in economic output.

By Project buildout, ongoing economic activity at the Project and associated "multiplier" effects will provide about 12,700 new jobs and \$4.8 billion in economic output in San Francisco.

As shown in **Table 6**, proposed employment-generating uses within the Project will generate approximately 8,250 jobs with the majority of jobs associated with the office/ research and development workspaces. About 1,360 of these jobs will be associated with the regional and neighborhood retail, the community facility space, the hotels, and the residential properties. As shown in **Table 7** these 8,250 project-related jobs are expected, annually, to generate about \$3.3 billion in direct economic output, and provide \$1.9 billion in income. The economic multiplier effects in San Francisco provide significant additional economic impacts, generating an estimated additional 4,420 jobs, \$650 million in income, and adding another \$1.5 billion in economic output.

Table 1 General Fund Revenue and Expenditures at Buildout

Item	2024 Model Stabilization (2046) (2024 Constant \$\$)
REVENUES	
Business Taxes	\$9,393,350
Hotel Room Tax	\$2,318,663
Parking Tax	\$461,295
Property Tax	\$15,189,607
Property Transfer Tax	\$14,390,119
Property Tax in Lieu of VLF	\$14,218,490
Sales and Use Tax	\$2,444,208
Gas Electric Steam Users Tax	\$609,999
Telephone Users Tax	\$807,487
Water Users Tax	\$83,812
Fines, Forfeitures & Penalties	\$52,371
License, Permits, and Franchises	\$526,263
Sales Tax Allocation to Public Safety	<u>\$1,222,104</u>
Total Revenues	\$61,717,769
EXPENDITURES	
Elections	\$360,406
Assessor/Recorder	\$156,928
311	\$215,571
Police Services	\$11,772,568
Fire Protection	\$10,337,453
911 Emergency Response	\$955,161
<u>San Francisco MTA</u>	
MUNI	\$5,792,157
Other MTA Programs	\$5,994,657
Department of Public Health	\$1,534,105
DPW (Road Maintenance)	\$866,932
Recreation and Parks	\$152,979
Library	<u>\$277,666</u>
Total Expenditures	\$38,416,583
NET REVENUES	\$23,301,185

Sources: FivePoint; City and County of San Francisco; Economic & Planning Systems, Inc.

Table 2 General Fund Fiscal Impact (2024\$)

Item	2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
REVENUES									
Business Taxes ¹	\$15,347	\$15,347	\$15,347	\$15,347	\$1,060,283	\$2,353,127	\$4,644,456	\$6,075,409	\$7,448,417
Hotel Room Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking Tax	\$0	\$0	\$0	\$0	\$47,645	\$113,005	\$223,715	\$294,726	\$371,831
Property Tax	\$294,267	\$375,765	\$467,524	\$667,316	\$1,417,575	\$2,431,330	\$4,481,107	\$5,886,690	\$7,021,215
Property Transfer Tax	\$3,779,129	\$4,395,644	\$5,033,839	\$10,936,069	\$11,670,522	\$24,888,350	\$24,504,577	\$43,846,355	\$16,916,004
Property Tax in Lieu of VLF	\$0	\$77,795	\$165,384	\$356,098	\$1,072,264	\$2,039,954	\$3,996,588	\$5,338,302	\$6,421,273
Sales Tax	\$94,478	\$107,740	\$121,044	\$265,612	\$1,188,865	\$1,542,436	\$3,144,045	\$2,391,600	\$2,126,522
Gas Electric Steam Users Tax	\$997	\$997	\$997	\$997	\$68,854	\$152,811	\$301,609	\$394,534	\$483,696
Telephone Users Tax	\$25,727	\$25,727	\$25,727	\$25,727	\$102,498	\$140,127	\$239,479	\$308,860	\$363,692
Water Users Tax	\$2,670	\$2,670	\$2,670	\$2,670	\$10,639	\$14,544	\$24,856	\$32,058	\$37,749
Fines, Forfeitures & Penalties	\$1,980	\$1,980	\$1,980	\$1,980	\$6,793	\$8,294	\$13,491	\$17,305	\$20,054
License, Permits, and Franchises	\$19,900	\$19,900	\$19,900	\$19,900	\$68,259	\$83,346	\$135,564	\$173,897	\$201,520
Sales Tax Allocation to Public Safety	\$47,239	\$53,870	\$60,522	\$132,806	\$594,432	\$771,218	\$1,572,023	\$1,195,800	\$1,063,261
Subtotal	\$4,281,734	\$5,077,433	\$5,914,935	\$12,424,523	\$17,308,629	\$34,538,543	\$43,281,510	\$65,955,535	\$42,475,233
EXPENDITURES									
Elections	\$16,827	\$16,827	\$16,827	\$16,827	\$48,234	\$48,933	\$71,902	\$91,125	\$101,761
Assessor/Recorder	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928
311	\$10,065	\$10,065	\$10,065	\$10,065	\$28,850	\$29,268	\$43,007	\$54,505	\$60,866
Police Services	\$434,203	\$434,203	\$434,203	\$434,203	\$1,489,340	\$1,818,526	\$2,957,887	\$3,794,270	\$4,396,975
Fire Protection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
911 Emergency Response	\$44,595	\$44,595	\$44,595	\$44,595	\$127,831	\$129,684	\$190,556	\$241,503	\$269,689
San Francisco MTA									
MUNI ²	\$405,432	\$480,981	\$560,531	\$1,176,870	\$1,600,301	\$3,233,052	\$3,993,475	\$6,200,421	\$3,964,989
Other MTA Programs	\$190,991	\$190,991	\$190,991	\$190,991	\$760,931	\$1,040,282	\$1,777,854	\$2,292,923	\$2,699,989
Department of Public Health ³	\$71,626	\$71,626	\$71,626	\$71,626	\$205,313	\$208,288	\$306,056	\$387,883	\$433,154
DPW (Road Maintenance) ⁴	\$213,823	\$213,823	\$213,823	\$213,823	\$213,823	\$287,167	\$287,167	\$336,165	\$336,165
Recreation and Parks ⁵	\$7,142	\$7,142	\$7,142	\$7,142	\$20,474	\$20,770	\$30,520	\$38,679	\$43,194
Library	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666
Subtotal	\$1,829,297	\$1,904,846	\$1,984,396	\$2,600,736	\$4,929,690	\$7,250,565	\$10,093,016	\$13,872,069	\$12,741,376
NET REVENUES (COSTS)	\$2,452,437	\$3,172,587	\$3,930,539	\$9,823,788	\$12,378,939	\$27,287,978	\$33,188,494	\$52,083,466	\$29,733,856

[1] Includes Gross Receipts Tax, Payroll Tax, and Business Registration Tax.

[2] MUNI expenditure is the General Fund revenues required to be transferred to SFMTA per City Charter 8A.

[3] Based on estimates of hospital admissions and emergency room visits not reimbursed from other sources.

[4] Based on rough order of magnitude road mileage provided by BKF in 2024.

[5] Parks and recreation costs will be covered by special taxes. The costs shown here are associated with recreational programming.

Table 2 General Fund Fiscal Impact (2024\$) (continued)

Item	Fiscal Year						Buildout		Stabilization	
	2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
REVENUES										
Business Taxes ¹	\$8,649,457	\$8,653,100	\$9,220,363	\$9,232,158	\$9,273,508	\$9,273,508	\$9,381,100	\$9,393,350	\$9,393,350	\$9,393,350
Hotel Room Tax	\$0	\$0	\$2,318,663	\$2,318,663	\$2,318,663	\$2,318,663	\$2,318,663	\$2,318,663	\$2,318,663	\$2,318,663
Parking Tax	\$431,035	\$431,035	\$460,738	\$460,738	\$460,738	\$460,738	\$461,295	\$461,295	\$461,295	\$461,295
Property Tax	\$8,249,274	\$9,334,640	\$11,221,408	\$12,087,414	\$12,251,477	\$14,362,098	\$14,800,361	\$14,973,126	\$15,123,577	\$15,189,607
Property Transfer Tax	\$25,370,687	\$15,060,620	\$63,151,266	\$15,287,431	\$13,109,329	\$20,603,047	\$16,204,542	\$14,814,575	\$14,820,852	\$14,390,119
Property Tax in Lieu of VLF	\$7,593,529	\$8,629,575	\$10,430,607	\$11,257,262	\$11,413,870	\$13,428,584	\$13,846,931	\$14,011,846	\$14,155,461	\$14,218,490
Sales Tax	\$2,347,936	\$2,170,672	\$4,073,388	\$2,766,169	\$2,019,757	\$4,633,345	\$2,869,264	\$2,589,466	\$2,558,482	\$2,444,208
Gas Electric Steam Users Tax	\$561,691	\$561,928	\$598,766	\$599,532	\$602,217	\$602,217	\$609,204	\$609,999	\$609,999	\$609,999
Telephone Users Tax	\$416,736	\$422,843	\$544,715	\$564,487	\$633,804	\$633,804	\$786,952	\$807,487	\$807,487	\$807,487
Water Users Tax	\$43,255	\$43,889	\$56,538	\$58,590	\$65,785	\$65,785	\$81,681	\$83,812	\$83,812	\$83,812
Fines, Forfeitures & Penalties	\$22,853	\$23,323	\$32,161	\$33,683	\$39,019	\$39,019	\$50,790	\$52,371	\$52,371	\$52,371
License, Permits, and Franchises	\$229,645	\$234,369	\$323,182	\$338,476	\$392,095	\$392,095	\$510,378	\$526,263	\$526,263	\$526,263
Sales Tax Allocation to Public Safety	\$1,173,968	\$1,085,336	\$2,036,694	\$1,383,084	\$1,009,878	\$2,316,672	\$1,434,632	\$1,294,733	\$1,279,241	\$1,222,104
Subtotal	\$55,090,065	\$46,651,329	\$104,468,489	\$56,387,687	\$53,590,140	\$69,129,574	\$63,355,792	\$61,936,986	\$62,190,853	\$61,717,769
EXPENDITURES										
Elections	\$114,443	\$118,438	\$188,841	\$201,774	\$247,112	\$247,112	\$346,975	\$360,406	\$360,406	\$360,406
Assessor/Recorder	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928	\$156,928
311	\$68,452	\$70,841	\$112,952	\$120,687	\$147,805	\$147,805	\$207,537	\$215,571	\$215,571	\$215,571
Police Services	\$5,300,628	\$5,403,703	\$7,341,527	\$7,675,231	\$8,845,131	\$8,845,131	\$11,425,979	\$11,772,568	\$11,772,568	\$11,772,568
Fire Protection	\$0	\$0	\$0	\$0	\$0	\$13,311,539	\$10,337,453	\$10,337,453	\$10,337,453	\$10,337,453
911 Emergency Response	\$303,301	\$313,888	\$500,473	\$534,747	\$654,903	\$654,903	\$919,564	\$955,161	\$955,161	\$955,161
San Francisco MTA										
MUNI ²	\$5,162,197	\$4,362,716	\$9,807,332	\$5,266,416	\$5,034,297	\$6,397,001	\$5,928,641	\$5,806,192	\$5,831,982	\$5,792,157
Other MTA Programs	\$3,093,778	\$3,139,117	\$4,043,878	\$4,190,663	\$4,705,261	\$4,705,261	\$5,842,204	\$5,994,657	\$5,994,657	\$5,994,657
Department of Public Health ³	\$487,139	\$504,142	\$803,822	\$858,870	\$1,051,855	\$1,051,855	\$1,476,933	\$1,534,105	\$1,534,105	\$1,534,105
DPW (Road Maintenance) ⁴	\$473,385	\$473,385	\$619,838	\$619,838	\$866,932	\$866,932	\$866,932	\$866,932	\$866,932	\$866,932
Recreation and Parks ⁵	\$48,577	\$50,272	\$80,156	\$85,646	\$104,890	\$104,890	\$147,278	\$152,979	\$152,979	\$152,979
Library	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666	\$277,666
Subtotal	\$15,486,495	\$14,871,097	\$23,933,414	\$19,988,465	\$22,092,780	\$36,767,023	\$37,934,089	\$38,430,619	\$38,456,408	\$38,416,583
NET REVENUES (COSTS)	\$39,603,570	\$31,780,232	\$80,535,075	\$36,399,222	\$31,497,360	\$32,362,551	\$25,421,703	\$23,506,367	\$23,734,445	\$23,301,185

[1] Includes Gross Receipts Tax, Payroll Tax, and Business Registration Tax.

[2] MUNI expenditure is the General Fund revenues required to be transferred to SFMTA per City Charter 8A.

[3] Based on estimates of hospital admissions and emergency room visits not reimbursed from other sources.

[4] Based on rough order of magnitude road mileage provided by BKF in 2024.

[5] Parks and recreation costs will be covered by special taxes. The costs shown here are associated with recreational programming.

Sources: FivePoint; City and County of San Francisco; Economic & Planning Systems, Inc.

Table 3 Transportation Revenue and Expenditures at Buildout

Item	2024 Model Stabilization (2050) (2024 Constant \$\$)
Transit Revenues	
FastPass	\$6,973,000
Farebox Recovery	\$3,023,000
Advertising	\$335,000
Prop K Sales Tax ¹	\$488,842
On-Street Parking	\$813,000
Parking Tax ²	\$1,845,180
Parking Fees and Fines	\$455,000
State Sales Tax (AB 1107) ³	\$305,526
TDA Sales Tax ⁴	\$611,052
General Fund Transfer to MUNI ⁵	<u>\$5,866,347</u>
Subtotal	\$20,715,946
Transit Expenditures	
Operations	\$12,594,463
Capital Costs ⁶	\$1,868,824
Facilities ⁷	\$1,821,440
Mitigation Costs	<u>\$1,593,576</u>
Subtotal	\$17,878,304
Net Annual Transportation Impact	\$2,837,642
Cumulative	\$44,435,324

[1] According to January 2017 Proposition K Sales Tax Expenditure Plan Summary, 40.0% of one-half cent sales tax allocated to transit maintenance and rehabilitation.

[2] According to Proposition A, SFMTA receives 80% of parking tax from off-street, commercial spaces. SFMTA Adopted Operating Budget FY2016, p. 33.

[3] State sales tax (AB 1107 or BART) is a one-half cent sales tax, which allocates 25% to SFMTA and AC Transit (75% to BART). Mtc.ca.gov/our-work/fund-invest.

[4] Transportation Development Act (TDA) sales tax is a tax of one-quarter of one percent on all retail sales, which is used to finance transit. Mtc.ca.gov/our-work/fund-invest.

[5] 9.57% baseline of discretionary General Fund revenues are assumed transferred to MUNI per 2023 correspondence with the Controller's Office.

[6] Potential mitigation capital costs for rolling stock includes 11 motor coaches, 2 trolley coaches, and one light rail vehicle.

[7] Fehr & Peers provided a facilities cost, which EPS amortized assuming a 5 percent interest rate over 30 years.

Sources: FivePoint; City and County of San Francisco Operating Budget (2024); SFMTA website; Fehr & Peers; Economic & Planning Systems, Inc.

Table 4 Impacts on Transportation (2024\$)

Item	Source	2028	2029	2030	2031	2032	2033	2034	2035	2036
		1	2	3	4	5	6	7	8	9
Transit Revenues										
FastPass	Fehr & Peers/Other	\$0	\$0	\$0	\$479,000	\$479,000	\$479,000	\$1,292,000	\$1,292,000	\$1,810,000
Farebox Recovery	Fehr & Peers/Other	\$0	\$0	\$0	\$626,000	\$626,000	\$939,000	\$977,000	\$977,000	\$1,290,000
Advertising	Fehr & Peers/Other	\$0	\$0	\$0	\$91,000	\$91,000	\$122,000	\$142,000	\$142,000	\$233,000
Prop K Sales Tax ¹	EPS	\$18,896	\$21,548	\$24,209	\$53,122	\$237,773	\$308,487	\$628,809	\$478,320	\$425,304
On-Street Parking	Fehr & Peers/Other	\$0	\$0	\$0	\$94,000	\$125,000	\$159,000	\$264,000	\$298,000	\$379,000
Parking Tax ²	EPS	\$0	\$0	\$0	\$0	\$190,581	\$452,020	\$894,862	\$1,178,906	\$1,487,324
Parking Fees and Fines	Fehr & Peers/Other	\$9,000	\$9,000	\$9,000	\$53,000	\$70,000	\$89,000	\$148,000	\$167,000	\$212,000
State Sales Tax (AB 1107) ³	EPS	\$11,810	\$13,467	\$15,131	\$33,202	\$148,608	\$192,804	\$393,006	\$298,950	\$265,815
TDA Sales Tax ⁴	EPS	\$23,620	\$26,935	\$30,261	\$66,403	\$297,216	\$385,609	\$786,011	\$597,900	\$531,630
General Fund Transfer to MUNI ⁵	EPS	\$405,432	\$480,981	\$560,531	\$1,176,870	\$1,600,301	\$3,233,052	\$3,993,475	\$6,200,421	\$3,964,989
Subtotal		\$468,757	\$551,931	\$639,131	\$2,672,598	\$3,865,479	\$6,359,973	\$9,519,162	\$11,630,497	\$10,599,063
Transit Expenditures⁶										
Operations	Fehr & Peers/Other	\$0	\$0	\$0	\$2,608,580	\$2,608,580	\$3,912,743	\$4,071,620	\$4,071,620	\$5,375,783
Capital Costs	Fehr & Peers/Other	\$0	\$0	\$0	\$1,586,470	\$1,586,470	\$2,379,588	\$2,437,869	\$2,437,869	\$3,019,807
Facilities	Fehr & Peers/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mitigation Costs	Fehr & Peers/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal		\$0	\$0	\$0	\$4,195,050	\$4,195,050	\$6,292,331	\$6,509,489	\$6,509,489	\$8,395,590
Net Annual Transportation Impact		\$468,757	\$551,931	\$639,131	-\$1,522,453	-\$329,572	\$67,642	\$3,009,673	\$5,121,008	\$2,203,472
Cumulative		\$468,757	\$1,020,688	\$1,659,819	\$137,367	-\$192,205	-\$124,563	\$2,885,111	\$8,006,118	\$10,209,591

[1] Assumes 40.0% of Prop. K's one-half cent sales tax is allocated to transit system maintenance and renovation.

[2] Assumes 80% of parking tax from off-street, commercial spaces is transferred from General Fund to SFMTA.

[3] State sales tax (AB 1107 or BART) is a one-half cent sales tax, which allocates 25% to MTC (75% to BART).

[4] Transportation Development Act (TDA) sales tax is a tax of one-quarter of one percent on all retail sales, which is used to finance transit.

[5] 9.57% baseline of discretionary General Fund revenues are assumed transferred to MUNI.

[6] Capital costs, facilities costs, and mitigation costs were provided by Fehr & Peers.

Sources: FivePoint; City and County of San Francisco; SFMTA website; Fehr & Peers; Economic & Planning Systems, Inc.

Table 4 Impacts on Transportation (2024\$) (continued)

Item	Source	Fiscal Year					Buildout									
		2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19	2047 20	2048 21	2049 22	2050 23	
Transit Revenues																
FastPass	Fehr & Peers/Other	\$1,810,000	\$1,810,000	\$1,810,000	\$1,810,000	\$3,666,000	\$3,666,000	\$3,666,000	\$4,537,000	\$4,537,000	\$4,537,000	\$4,537,000	\$4,537,000	\$4,537,000	\$6,973,000	
Farebox Recovery	Fehr & Peers/Other	\$1,290,000	\$1,290,000	\$1,290,000	\$1,290,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$2,668,000	\$3,023,000	
Advertising	Fehr & Peers/Other	\$233,000	\$233,000	\$233,000	\$233,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$335,000	
Prop K Sales Tax ¹	EPS	\$469,587	\$434,134	\$814,678	\$553,234	\$403,951	\$926,669	\$573,853	\$517,893	\$511,696	\$488,842	\$488,842	\$488,842	\$488,842	\$488,842	
On-Street Parking	Fehr & Peers/Other	\$409,000	\$409,000	\$409,000	\$409,000	\$650,000	\$650,000	\$650,000	\$694,000	\$694,000	\$694,000	\$694,000	\$694,000	\$694,000	\$813,000	
Parking Tax ²	EPS	\$1,724,139	\$1,724,139	\$1,842,951	\$1,842,951	\$1,842,951	\$1,842,951	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180	
Parking Fees and Fines	Fehr & Peers/Other	\$229,000	\$229,000	\$229,000	\$229,000	\$364,000	\$364,000	\$364,000	\$389,000	\$389,000	\$389,000	\$389,000	\$389,000	\$389,000	\$455,000	
State Sales Tax (AB 1107) ³	EPS	\$293,492	\$271,334	\$509,174	\$345,771	\$252,470	\$579,168	\$358,658	\$323,683	\$319,810	\$305,526	\$305,526	\$305,526	\$305,526	\$305,526	
TDA Sales Tax ⁴	EPS	\$586,984	\$542,668	\$1,018,347	\$691,542	\$504,939	\$1,158,336	\$717,316	\$647,367	\$639,621	\$611,052	\$611,052	\$611,052	\$611,052	\$611,052	
General Fund Transfer to MUNI ⁵	EPS	\$5,162,197	\$4,362,716	\$9,807,332	\$5,266,416	\$5,034,297	\$6,397,001	\$5,928,641	\$5,806,192	\$5,831,982	\$5,792,157	\$5,810,584	\$5,829,090	\$5,847,678	\$5,866,347	
Subtotal		\$12,207,399	\$11,305,992	\$17,963,481	\$12,670,914	\$15,711,608	\$18,577,126	\$17,096,648	\$17,753,316	\$17,761,290	\$17,655,757	\$17,674,183	\$17,692,690	\$17,711,278	\$20,715,946	
Transit Expenditures⁶																
Operations	Fehr & Peers/Other	\$5,375,783	\$5,375,783	\$5,375,783	\$5,375,783	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$11,116,310	\$12,594,463	
Capital Costs	Fehr & Peers/Other	\$3,019,807	\$3,019,807	\$3,019,807	\$3,019,807	\$4,558,786	\$4,558,786	\$4,558,786	\$4,558,786	\$2,972,316	\$2,972,316	\$2,179,198	\$2,120,917	\$2,120,917	\$1,868,824	
Facilities	Fehr & Peers/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,821,440	\$1,821,440	
Mitigation Costs	Fehr & Peers/Other	\$0	\$0	\$0	\$0	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	\$1,593,576	
Subtotal		\$8,395,590	\$8,395,590	\$8,395,590	\$8,395,590	\$17,268,673	\$17,268,673	\$17,268,673	\$17,268,673	\$15,682,203	\$15,682,203	\$14,889,085	\$14,830,804	\$16,652,244	\$17,878,304	
Net Annual Transportation Impact		\$3,811,809	\$2,910,401	\$9,567,891	\$4,275,323	-\$1,557,064	\$1,308,453	-\$172,024	\$484,643	\$2,079,087	\$1,973,555	\$2,785,099	\$2,861,886	\$1,059,034	\$2,837,642	
Cumulative		\$14,021,399	\$16,931,800	\$26,499,691	\$30,775,014	\$29,217,950	\$30,526,403	\$30,354,378	\$30,839,021	\$32,918,108	\$34,891,663	\$37,676,762	\$40,538,648	\$41,597,681	\$44,435,324	

[1] Assumes 40.0% of Prop. K's one-half cent sales tax is allocated to transit system maintenance and renovation.
 [2] Assumes 80% of parking tax from off-street, commercial spaces is transferred from General Fund to SFMTA.
 [3] State sales tax (AB 1107 or BART) is a one-half cent sales tax, which allocates 25% to MTC (75% to BART).
 [4] Transportation Development Act (TDA) sales tax is a tax of one-quarter of one percent on all retail sales, which is used to finance transit.
 [5] 9.57% baseline of discretionary General Fund revenues are assumed transferred to MUNI.
 [6] Capital costs, facilities costs, and mitigation costs were provided by Fehr & Peers.

Sources: FivePoint; City and County of San Francisco; SFMTA website; Fehr & Peers; Economic & Planning Systems, Inc.

Table 5 Construction Employment and Income Impacts

Impact Type	Employment ¹	Income ²	Output ³
Direct Effect ⁴	3,501	382,715,123	575,732,074
Indirect Effect	200	31,755,693	77,359,909
Induced Effect	<u>367</u>	<u>40,738,344</u>	<u>101,342,082</u>
Total Effect	4,068	\$455,209,160	\$754,434,065

[1] Employment in job-years. One job-year is equal to one person working for one year.

[2] Includes employee wages and benefits and proprietor income.

[3] Economic outputs based on the IMPLAN industry 'Construction of New Multifamily Residential Structures'. EPS tested the results using other IMPLAN spending categories, including spending on non-residential structures and land improvements. The results were very similar so the new multifamily construction category was used as a proxy for all construction spending.

[4] Direct construction employment estimate provided by TRC (March 28, 2018). Includes on-site construction, off-site roadway improvements, and shoreline improvements.

Sources: TRC; Minnesota Implan Group, Inc.; Economic & Planning Systems, Inc.

Table 6 Direct Employment Estimates

Item	Development Program	Worker Density Assumptions ¹	2024 Employment ¹
<u>Residential</u>	7,218 Units	25 Units/job	289
<u>Commercial Uses</u>			
Film & Arts Center/Performance Venue ¹	69,000 Gross Sq. Ft.	750 Sq. ft./job	92
Hotel	130,000 Gross Sq. Ft.	700 Sq. ft./job	186
Regional Retail	102,000 Gross Sq. Ft.	400 Sq. ft./job	255
Neighborhood Retail	184,100 Gross Sq. Ft.	400 Sq. ft./job	460
Office Research & Development	2,757,500 Gross Sq. Ft.	400 Sq. ft./job	6,894
Community Facility Space	<u>23,000</u> Gross Sq. Ft.	400 Sq. ft./job	<u>58</u>
Commercial Subtotal	3,265,600 Gross Sq. Ft.		7,944
Public Parking ⁴	4,796 Spaces	270 Spaces/job	18
Total Direct Jobs			8,251

[1] Unless otherwise noted, employment assumptions based on industry standards and previous EPS studies for individual land use types.

[2] Based on information about number of studios and artists provided by FivePoint.

[3] Based on generalized population density at institutions such as schools.

[4] Includes all off-street parking.

Sources: FivePoint; Minnesota IMPLAN System; Economic & Planning Systems, Inc.

Table 7 Ongoing Economic Impacts

Impact Type	Employment ¹	Income ²	Output
Direct Effect	8,251	1,867,319,892	3,345,082,527
Indirect Effect	2,598	448,253,547	987,972,578
Induced Effect	<u>1,818</u>	<u>202,089,394</u>	<u>503,631,524</u>
Total Effect	12,667	\$2,517,662,832	\$4,836,686,629

[1] Reflects full- and part-time employment.

[2] Includes employee wages and benefits and proprietor income.

Sources: Minnesota Implan Group, Inc.; Economic & Planning Systems, Inc.

3. DEVELOPMENT PROGRAM AND SERVICE POPULATION

Table 8 shows the proposed CP development program. The residential component of the CP development program includes a total of 7,218 residential units, including 4,759 units of market rate development, 483 units of inclusionary development, 687 units of workforce housing, and 1,289 public housing and Agency units. About 34 percent of the CP units will be affordable at below-market rates.

The non-residential component of the CP development program includes about 2.8 million square feet of office/ R&D development that incorporates 2.0 million square feet of office/ R&D development shifted over from HPSII. It also includes about 130,000 square feet of hotel uses, 310,000 square feet of regional retail, neighborhood retail, and community facilities uses, and about 70,000 square feet of film arts center. About 4,800 off-street paid commercial parking spaces will also be provided, the majority associated with the new Office/ R&D development.

Table 8 CP Development Program Summary

Item	2024 Model Buildout (2044)
<u>Residential</u>	
Market-Rate	
For-Sale	3,819 units
Rental	<u>940</u> units
Market-Rate Subtotal	4,759 units
Below Market-Rate	
For-Sales	402 units
Rental	<u>81</u> units
Below Market-Rate Subtotal	483 units
Workforce Units	687 units
Public Housing & Agency Units	<u>1,289</u> units
Residential Total	7,218 units
<u>Commercial Uses</u>	
Hotel	130,000 Gross Sq. Ft.
Regional Retail	102,000 Gross Sq. Ft.
Neighborhood Retail	184,100 Gross Sq. Ft.
Community Facility Space	<u>23,000</u> Gross Sq. Ft.
Commercial Total	439,100 Gross Sq. Ft.
<u>Other Non-Residential Uses and Parking</u>	
Film & Arts Center	69,000 Gross Sq. Ft.
Office Research & Development	<u>2,757,500</u> Gross Sq. Ft.
Other Non-Residential Uses Total	2,826,500 Gross Sq. Ft.
Public Parking	4,796 Spaces

Sources: FivePoint 2024 Development Plan; Economic & Planning Systems, Inc.

As with the prior fiscal and economic impact analyses, a time series expression of the expected pace of development has been developed. The annual development schedule is shown in **Table 9** and covers the period from 2028 to 2046. The annual development schedule reflects expectations concerning the timing and pace of infrastructure development and the associated design, permitting, and construction of residential and non-residential buildings. With initial infrastructure development assumed to begin in 2025, the first new residential and non-residential buildings (outside of the existing Alice Griffiths units) are expected to be occupied in 2032. As a result, the first year of the model, 2028, shows the existing 337 Alice Griffith units as the only development until 2032. As shown, 2044 is expected to be the final year of new CP development.

Project Service Population

Table 9 also indicates the expected residents, workers, and service population associated with CP development. These estimates are based on assumptions associated with average persons per unit (2010 EIR) and FivePoint/ EPS assumptions concerning expected workers per 1,000 square feet of non-residential development (see **Table 6** for detailed assumptions). It also shows the associated service population estimates, an important metric in estimating several cost and revenue impacts. The Project's service population is calculated by adding total residential population and half of total employment. It represents a measure of public service demand in which employees are given 50 percent of the weight of residents because of more modest demands for public service. As shown, by CP buildout, the Project is expected to include about 16,800 residents and 8,250 workers, corresponding to a service population of about 25,000.

Table 9 Development Program and Population Density Assumptions

Item	Development Program Total	Fiscal Year									
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9	2037 10
Residential											
Market-Rate											
For-Sale	3,819 units	0	0	0	0	352	13	272	340	112	224
Rental	<u>940 units</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Market-Rate Subtotal	4,759 units	0	0	0	0	352	13	272	340	112	224
Below Market-Rate											
For-Sales	402 units	0	0	0	0	41	1	32	45	11	30
Rental	<u>81 units</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Below Market-Rate Subtotal	483 units	0	0	0	0	41	1	32	45	11	30
Workforce Units	687 units	0	0	0	0	0	0	0	0	0	0
Public Housing & Agency Units	1,289 units	337	0	0	0	236	0	156	0	90	0
Residential Total	7,218 units	337	0	0	0	629	14	460	385	213	254
Commercial Uses											
Hotel	130,000 Gross Sq. Ft.	0	0	0	0	0	0	0	0	0	0
Regional Retail	102,000 Gross Sq. Ft.	0	0	0	0	0	0	0	0	8,000	0
Neighborhood Retail	184,100 Gross Sq. Ft.	0	0	0	0	42,332	0	85,975	10,000	20,000	20,000
Community Facility Space	<u>23,000 Gross Sq. Ft.</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>0</u>
Commercial Total	439,100 Gross Sq. Ft.	0	0	0	0	54,332	0	85,975	10,000	31,000	20,000
Other Non-Residential Uses and Parking											
Film & Arts Center/Performance Venue ¹	69,000 Gross Sq. Ft.	0	0	0	0	0	0	0	0	69,000	0
Office Research & Development	<u>2,757,500 Gross Sq. Ft.</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>302,000</u>	<u>453,000</u>	<u>710,000</u>	<u>485,500</u>	<u>410,000</u>	<u>397,000</u>
Other Non-Residential Uses Total	2,826,500 Gross Sq. Ft.	0	0	0	0	302,000	453,000	710,000	485,500	479,000	397,000
Total On-Site Commercial Parking²	4,796 Spaces	0	0	0	0	495	680	1,151	738	802	616
Hotel	55 Spaces	0	0	0	0	0	0	0	0	0	0
Regional Retail	275 Spaces	0	0	0	0	0	0	0	0	22	0
Neighborhood Retail	184 Spaces	0	0	0	0	42	0	86	10	20	20
Community Facility Space	0 Spaces	0	0	0	0	0	0	0	0	0	0
Film and Arts Center	145 Spaces	0	0	0	0	0	0	0	0	145	0
Office R&D	4,136 Spaces	0	0	0	0	453	680	1,065	728	615	596
Population and Employment											
Annual New Residents ³	16,818 residents	785	0	0	0	1,466	33	1,072	897	496	592
Cumulative New Residents	16,818 residents	785	785	785	785	2,251	2,283	3,355	4,252	4,749	5,340
Annual New Employees ⁴	8,251 employees	13	0	0	0	918	1,136	2,013	1,257	1,206	1,055
Cumulative New Employees	8,251 employees	13	13	13	13	931	2,067	4,079	5,336	6,542	7,597
Annual Resident + Employee Population	25,069 resident + employees	799	0	0	0	2,383	1,168	3,084	2,154	1,702	1,647
Cumulative Resident + Employee Population	25,069 resident + employees	799	799	799	799	3,182	4,350	7,435	9,589	11,291	12,938
Annual Service Population ⁵	20,943 service population	792	0	0	0	1,924	600	2,078	1,525	1,099	1,119
Cumulative Service Population	20,943 service population	792	792	792	792	2,716	3,317	5,395	6,920	8,020	9,139

[1] Assumes maximum allowable parking of 145 spaces for the film and arts center.

[2] Estimated on-site commercial parking spaces that will pay parking tax (excludes parking for community uses). Estimated based on maximum parking requirements by use type provided by FivePoint applied to level of new development in each year.

[3] Assumes 2.33 persons per household according to the CP/HPS Phase II Development Plan Project Final EIR (2010) Vol. II, p. C-6, Table III.

[4] Annual new employees for the service population calculation include all employees associated with the new residential and commercial development, as well as public parking.

[5] Service population is calculated by adding total residential population and half of total employment.

Sources: FivePoint 2024 Development Plan; Economic & Planning Systems, Inc.

Table 9 Development Program and Population Density Assumptions (continued)

Item	Development Program Total	Fiscal Year					Buildout		Stabilization	
		2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
Residential										
<u>Market-Rate</u>										
For-Sale	3,819 units	57	848	240	344	0	750	267	0	0
Rental	<u>940 units</u>	<u>0</u>	<u>210</u>	<u>0</u>	<u>105</u>	<u>0</u>	<u>625</u>	<u>0</u>	<u>0</u>	<u>0</u>
Market-Rate Subtotal	4,759 units	57	1,058	240	449	0	1,375	267	0	0
<u>Below Market-Rate</u>										
For-Sales	402 units	23	97	19	39	0	62	2	0	0
Rental	<u>81 units</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>16</u>	<u>0</u>	<u>35</u>	<u>0</u>	<u>0</u>	<u>0</u>
Below Market-Rate Subtotal	483 units	23	127	19	55	0	97	2	0	0
Workforce Units	687 units	0	120	0	237	0	330	0	0	0
Public Housing & Agency Units	1,289 units	0	105	0	167	0	198	0	0	0
Residential Total	7,218 units	80	1,410	259	908	0	2,000	269	0	0
<u>Commercial Uses</u>										
Hotel	130,000 Gross Sq. Ft.	0	130,000	0	0	0	0	0	0	0
Regional Retail	102,000 Gross Sq. Ft.	0	94,000	0	0	0	0	0	0	0
Neighborhood Retail	184,100 Gross Sq. Ft.	0	0	0	0	0	5,793	0	0	0
Community Facility Space	<u>23,000 Gross Sq. Ft.</u>	<u>0</u>	<u>8,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Commercial Total	439,100 Gross Sq. Ft.	0	232,000	0	0	0	5,793	0	0	0
<u>Other Non-Residential Uses and Parking</u>										
Film & Arts Center/Performance Venue ¹	69,000 Gross Sq. Ft.	0	0	0	0	0	0	0	0	0
Office Research & Development	<u>2,757,500 Gross Sq. Ft.</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Non-Residential Uses Total	2,826,500 Gross Sq. Ft.	0	0	0	0	0	0	0	0	0
<u>Total On-Site Commercial Parking²</u>										
Hotel	55 Spaces	0	55	0	0	0	0	0	0	0
Regional Retail	275 Spaces	0	254	0	0	0	0	0	0	0
Neighborhood Retail	184 Spaces	0	0	0	0	0	6	0	0	0
Community Facility Space	0 Spaces	0	0	0	0	0	0	0	0	0
Film and Arts Center	145 Spaces	0	0	0	0	0	0	0	0	0
Office R&D	4,136 Spaces	0	0	0	0	0	0	0	0	0
<u>Population and Employment</u>										
Annual New Residents ³	16,818 residents	186	3,285	603	2,116	0	4,660	627	0	0
Cumulative New Residents	16,818 residents	5,527	8,812	9,416	11,531	11,531	16,191	16,818	16,818	16,818
Annual New Employees ⁴	8,251 employees	3	498	10	36	0	95	11	0	0
Cumulative New Employees	8,251 employees	7,600	8,099	8,109	8,145	8,145	8,240	8,251	8,251	8,251
Annual Resident + Employee Population	25,069 resident + employees	190	3,784	614	2,152	0	4,755	638	0	0
Cumulative Resident + Employee Population	25,069 resident + employees	13,127	16,911	17,525	19,677	19,677	24,431	25,069	25,069	25,069
Annual Service Population ⁵	20,943 service population	188	3,534	609	2,134	0	4,707	632	0	0
Cumulative Service Population	20,943 service population	9,327	12,861	13,470	15,604	15,604	20,311	20,943	20,943	20,943

[1] Assumes maximum allowable parking of 145 spaces for the film and arts center.

[2] Estimated on-site commercial parking spaces that will pay parking tax (excludes parking for community uses). Estimated based on maximum parking requirements by use type provided by FivePoint applied to level of new development in each year.

[3] Assumes 2.33 persons per household according to the CP/HPS Phase II Development Plan Project Final EIR (2010) Vol. II, p. C-6, Table III.

[4] Annual new employees for the service population calculation include all employees associated with the new residential and commercial development, as well as public parking.

[5] Service population is calculated by adding total residential population and half of total employment.

Sources: FivePoint 2024 Development Plan; Economic & Planning Systems, Inc.

Citywide Service Population

The existing citywide population, employment, and service population also play an important role in determining the existing per capita or per service population City expenditures and revenues associated with particular budget items. **Table 10** shows the resident, employment, and service population assumptions for the City and County of San Francisco as well as those for the Project at buildout. As noted previously, the service population is calculated by adding total residential population and half of total employment. It represents a measure of public service demand in which employees are given 50 percent the weight of residents because of more modest demands for public service.

Table 10 Citywide and Project Population and Employment Estimates

Item	Total	Service Population Weighting Factor ¹	Service Population
<u>San Francisco</u>			
Residents ²	831,703	1.00	831,703
Jobs ³	<u>747,568</u>	0.50	<u>373,784</u>
Total	1,579,271		1,205,487
<u>CP at Buildout</u>			
Residents ⁴	16,818	1.00	16,818
Total Direct Jobs	<u>8,251</u>	0.50	<u>4,125</u>
Total	25,069		20,943

[1] Service population is calculated by adding total residential population and half of total employment. It represents a measure of public service demand in which employees are given 50 percent the weight of residents because of more modest demands for public service.

[2] California Department of Finance, 2023.

[3] American Community Survey, 2022 5-year estimate.

[4] Assumes 2.33 persons per household according to the CP/HPS Phase II Development Plan Project Final EIR (2010) Vol. II, p. C-6, Table III.

Sources: United States Census Bureau; CA DOF; CP/HPS EIR; Economic & Planning Systems, Inc.

4. SAN FRANCISCO GENERAL FUND REVENUES

Table 11 provides an overview of the City and County of San Francisco’s (CCSF) General Fund revenues in fiscal year 2023 – 2024 and the allocation method used to estimate the revenues generated by CP. These revenues will help fund public services to the Project area, as well as citywide services and facilities. Actual outcomes will vary depending on the realized levels and types of activities, as well as fiscal and economic conditions at the time the Project is completed. General Fund revenues are estimated on a pro-rata basis for revenue items that fluctuate proportionally with residential and employment populations or on a case study basis where applicable. Where a pro-rata basis is used, a per service population, per employee, or per employee and population basis is selected depending on the extent to which new residents and/or workers are expected to drive new revenues. A number of revenue items that are not expected to be affected by Project development are not estimated. Calculations displaying EPS’s case study approaches are shown in **Table 12 - Table 17**.

Table 11 Summary of General Fund Revenue Estimates

Item	GF Revenue FY 23-24		Allocation Method
Business Taxes ¹	\$851,100,000	\$1,138	per employee population
Hotel Room Tax	\$302,910,000		Case Study
Parking Tax	\$84,100,000		Case Study
Property Tax ²	\$2,149,800,000		Case Study
Property Transfer Tax	\$221,960,000		Case Study
Property Tax in Lieu of VLF	\$360,200,000		Case Study
Sales and Use Tax	\$200,050,000		Case Study
Gas Electric Steam Users Tax	\$55,270,000	\$73.93	per employee population
Telephone Users Tax	\$50,870,000	\$32.21	per resident and employee population
Water Users Tax	\$5,280,000	\$3.34	per resident and employee population
Fines, Forfeitures & Penalties	\$3,014,441	\$2.50	per service population ²
License, Permits, and Franchises	\$30,291,484	\$25.13	per service population ²
Access Line Tax	\$55,600,000		not estimated
Other Local Taxes	\$122,840,000	-	not estimated
Charges for Service	\$272,865,183	-	not estimated
Interest & Investment Income	\$121,070,506	-	not estimated
Intergovernmental Transfers (Local, State, Federal)	\$1,477,114,905	-	not estimated
Operating Transfers In	\$211,296,220	-	not estimated
Other Revenues	\$17,531,790	-	not estimated
Rents and Concessions	\$14,571,090	-	not estimated
Prior Year	<u>\$224,247,420</u>	-	not estimated
Total General Fund Revenues	\$6,831,983,039		

[1] Includes Gross Receipts Tax, Payroll Tax, and Business Registration Tax.

[2] Property tax shown subtracts VLF revenue.

[2] Service population is calculated by adding total residential population and half of total employment. It represents a measure of public service demand in which employees are given 50 percent the weight of residents because of more modest demands for public service.

Source: City and County San Francisco Budget and Appropriation Ordinance 2023/2024 (page 16); Economic & Planning Systems.

Assessed Value

A key factor in determining the scale of fiscal revenues is the Project's assessed value. Estimates of increases in assessed value associated with land development and building construction and sale are used to estimate new property taxes, real estate transfer taxes, and property tax in-lieu of VLF (motor vehicle license fees). The Project's annualized assessed value is based on DPG's forecasts of residential and commercial land sales, building sales, and future development value which were based, in part, on EPS estimates of residual land values, construction costs, and sales prices by land use.

The assessed values through time in nominal dollars are shown in **Table 12** along with a conversion of the inflated/ nominal cumulative assessed value into constant dollars. Project assessed value increases each year as land is improved, buildings are constructed, and existing properties turnover. The new land and building sales are assessed at their forecasted market value, while a consistent average annual increase in existing assessed value is applied each year to reflect both the limits placed by Proposition 13 on assessed value increases for property that does not turn over as well as the periodic re-assessments to market value that occur when existing properties do turn over. As shown, at stabilization, the Project is estimated to have an assessed value of approximately \$19.4 billion in nominal dollars and \$13.6 billion in 2024 constant dollars. The nominal dollar estimates of Project assessed value are converted into 2024 constant dollars assuming a 2 percent annual inflation rate consistent with the prior fiscal and economic impact analyses.

Table 12 Assessed Value

Item ¹	2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9	2037 10
New Residential For-Sale										
Land AV	\$14,888,935	\$0	\$0	\$146,959,510	\$0	\$208,248,617	\$0	\$538,964,452	\$0	\$143,279,528
Building AV	\$0	\$0	\$0	\$0	\$155,902,754	\$0	\$792,306,282	\$0	\$329,444,792	\$362,383,599
Closed Value Added AV	\$0	\$0	\$0	\$0	\$14,098,644	\$15,085,549	\$36,867,867	\$60,000,283	\$95,984,851	\$75,869,412
Total	\$14,888,935	\$0	\$0	\$146,959,510	\$170,001,398	\$223,334,166	\$829,174,149	\$598,964,736	\$425,429,643	\$581,532,539
Cumulative Inflated AV	\$14,888,935	\$15,253,019	\$15,626,007	\$162,967,625	\$336,954,130	\$568,527,958	\$1,411,604,527	\$2,045,087,740	\$2,520,526,656	\$3,163,694,548
New Residential For-Rent										
Land AV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,104,697	\$0	\$10,842,070
Building AV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,104,697	\$0	\$10,842,070
Cumulative Inflated AV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,104,697	\$21,620,778	\$32,991,549
Residential Cumulative Inflated AV Subtotal	\$14,888,935	\$15,253,019	\$15,626,007	\$162,967,625	\$336,954,130	\$568,527,958	\$1,411,604,527	\$2,066,192,438	\$2,542,147,434	\$3,196,686,097
New Commercial										
Land AV	\$48,096,546	\$73,262,971	\$83,956,454	\$40,953,895	\$86,471,948	\$83,732,307	\$75,858,321	\$17,695,831	\$0	\$0
Building AV	\$0	\$0	\$0	\$0	\$467,896,469	\$689,056,357	\$1,151,289,873	\$787,871,730	\$737,897,962	\$689,014,434
Total	\$48,096,546	\$73,262,971	\$83,956,454	\$40,953,895	\$554,368,417	\$772,788,664	\$1,227,148,194	\$805,567,561	\$737,897,962	\$689,014,434
Cumulative Inflated AV	\$48,096,546	\$122,535,639	\$209,488,502	\$255,565,095	\$816,182,937	\$1,608,930,019	\$2,875,421,962	\$3,751,303,259	\$4,580,933,200	\$5,381,966,856
Existing AV (2023/2024)										
Cumulative Inflated AV	\$200,513,924	\$205,417,163	\$210,440,304	\$215,586,277	\$220,858,086	\$226,258,809	\$231,791,598	\$237,459,682	\$243,266,370	\$249,215,051
TOTAL NEW DEVELOPMENT VALUE (NOMINAL \$)	\$62,985,481	\$73,262,971	\$83,956,454	\$187,913,404	\$724,369,815	\$996,122,830	\$2,056,322,342	\$1,425,636,994	\$1,163,327,605	\$1,281,389,043
TOTAL NEW DEVELOPMENT VALUE (CONSTANT \$)	\$62,985,481	\$71,826,442	\$80,696,322	\$177,074,998	\$669,205,740	\$902,219,138	\$1,825,955,393	\$1,241,102,796	\$992,888,910	\$1,072,209,029
TOTAL CUMULATIVE INFLATED AV (NOMINAL \$)	\$263,499,404	\$343,205,822	\$435,554,813	\$634,118,997	\$1,373,995,154	\$2,403,716,786	\$4,518,818,087	\$6,054,955,379	\$7,366,347,004	\$8,827,868,003
TOTAL CUMULATIVE INFLATED AV (CONSTANT \$)²	\$263,499,404	\$336,476,296	\$418,641,688	\$597,544,493	\$1,269,359,138	\$2,177,120,351	\$4,012,581,142	\$5,271,203,036	\$6,287,106,239	\$7,386,765,038

[1] New assessed value forecasts provided by DPG and based on development program and FivePoint/ EPS estimates of values and inflation. Residential property values are assumed to increase 2.45 percent annually. Commercial values increase 2 percent annually.

[2] Assumes annual inflation rate of 2 percent.

Sources: DPG Assessed Value Estimates (February, 2024); Economic & Planning Systems, Inc.

Table 12 Assessed Value (continued)

Item ¹	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
<u>New Residential For-Sale</u>									
Land AV	\$0	\$893,923,887	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building AV	\$545,061,708	\$975,548,878	\$429,036,965	\$0	\$1,321,395,065	\$286,667,042	\$0	\$0	\$0
Closed Value Added AV	\$91,541,046	\$118,029,846	\$154,494,099	\$128,912,660	\$95,904,084	\$165,935,112	\$132,938,751	\$106,674,194	\$0
Total	\$636,602,754	\$1,987,502,611	\$583,531,064	\$128,912,660	\$1,417,299,149	\$452,602,153	\$132,938,751	\$106,674,194	\$0
Cumulative Inflated AV	\$3,877,660,272	\$5,959,984,717	\$6,689,257,449	\$6,981,744,949	\$8,569,771,240	\$9,231,933,118	\$9,590,623,679	\$9,931,820,873	\$10,174,687,291
<u>New Residential For-Rent</u>									
Land AV	\$0	\$67,317,933	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building AV	\$326,350,034	\$0	\$344,301,281	\$0	\$1,010,102,057	\$0	\$0	\$0	\$0
Total	\$326,350,034	\$67,317,933	\$344,301,281	\$0	\$1,010,102,057	\$0	\$0	\$0	\$0
Cumulative Inflated AV	\$360,148,338	\$436,273,109	\$791,242,734	\$810,591,279	\$1,840,515,019	\$1,885,521,800	\$1,931,629,149	\$1,978,863,977	\$2,027,253,856
Residential Cumulative Inflated AV Subtotal	\$4,237,808,610	\$6,396,257,825	\$7,480,500,183	\$7,792,336,228	\$10,410,286,258	\$11,117,454,918	\$11,522,252,827	\$11,910,684,849	\$12,201,941,147
<u>New Commercial</u>									
Land AV	\$0	\$478,747	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building AV	\$182,455,122	\$0	\$0	\$0	\$3,138,841	\$0	\$0	\$0	\$0
Total	\$182,455,122	\$478,747	\$0	\$0	\$3,138,841	\$0	\$0	\$0	\$0
Cumulative Inflated AV	\$5,696,029,166	\$5,835,794,981	\$5,978,499,793	\$6,124,694,217	\$6,277,602,427	\$6,431,110,917	\$6,588,373,205	\$6,749,481,085	\$6,914,528,594
<u>Existing AV (2023/2024)</u>									
Cumulative Inflated AV	\$255,309,197	\$261,552,365	\$267,948,200	\$274,500,434	\$281,212,893	\$288,089,494	\$295,134,251	\$302,351,276	\$309,744,781
TOTAL NEW DEVELOPMENT VALUE (NOMINAL \$)	\$1,145,407,911	\$2,055,299,292	\$927,832,345	\$128,912,660	\$2,430,540,046	\$452,602,153	\$132,938,751	\$106,674,194	\$0
TOTAL NEW DEVELOPMENT VALUE (CONSTANT \$)	\$939,633,432	\$1,653,001,254	\$731,589,472	\$99,653,679	\$1,842,045,597	\$336,290,067	\$96,838,677	\$76,182,716	\$0
TOTAL CUMULATIVE INFLATED AV (NOMINAL \$)	\$10,189,146,973	\$12,493,605,171	\$13,726,948,176	\$14,191,530,879	\$16,969,101,578	\$17,836,655,328	\$18,405,760,283	\$18,962,517,210	\$19,426,214,523
TOTAL CUMULATIVE INFLATED AV (CONSTANT \$)²	\$8,358,649,396	\$10,048,144,864	\$10,823,604,958	\$10,970,514,950	\$12,860,458,276	\$13,252,897,643	\$13,407,599,027	\$13,542,319,882	\$13,601,446,218

[1] New assessed value forecasts provided by DPG and based on development program and FivePoint/ EPS estimates of values and inflation. Residential property values are assumed to increase 2.45 percent annually. Commercial values increase 2 percent annually.

[2] Assumes annual inflation rate of 2 percent.

Sources: DPG Assessed Value Estimates (February, 2024); Economic & Planning Systems, Inc.

Property Tax

Property tax will account for a significant share of the annual revenue that this project will generate to San Francisco's General Fund. Total base property tax revenues are based on one percent of the Project's assessed value and will be collected from the land and improvements within the Project Area. The Project is located in the Candlestick Point Redevelopment Area. Within this Redevelopment Area, the taxes collected will be distributed to the Office of Community Investment and Infrastructure, successor agency to the San Francisco Redevelopment Agency for redevelopment purposes.

As a committed obligation under the California Redevelopment Law before the dissolution of redevelopment in California, a 20 percent Tier 1 portion² of the 1.0 percent gross "tax increment" collected is required to be passed-through to taxing entities (including the City and County of San Francisco), and 20 percent is required to be allocated to affordable housing purposes. Of this 20 percent pass-through, CCSF receives about 64.6 percent, including 55.8 percent to the CCSF General Fund and 8.8 percent to a number of special San Francisco funds (including the Children's Fund, the Library Preservation Fund, and the Open Space Acquisition Fund).

Most of the remainder is available for redevelopment purposes, namely payment of existing debt service obligations that extend beyond the development period. After buildout, tax increment not otherwise committed to debt service or other redevelopment purposes could be available for distribution to taxing entities, including CCSF's General Fund.

As shown in **Table 13**, the Project at stabilization would result in annual revenue of about \$17.6 million to CCSF, including about \$15.2 million to the CCSF General Fund and \$3.4 million to special funds. The estimates are based on the amount of property tax increment pass-through to the General Fund after accounting for adjustments to ERAF deductions³.

Property Tax In-Lieu of Vehicle License Fees

Changes in the State budget converted a significant portion of Motor Vehicle License Fee (VLF) subventions, previously distributed by the State based on a per-capita formula, into property tax distributions. These distributions increase over time based on assessed value. As CP development results in an increase in the citywide assessed value, these revenues increase proportionately, as shown in **Table 13**. At stabilization, approximately \$14.2 million in property tax in-lieu of vehicle license fees will be generated annually by the Project.

² Also referred to as 25 percent of the gross tax increment after affordable housing set-asides are deducted from the total tax increment.

³ ERAF is the Education Revenue Augmentation Fund that receives a share of property tax and is used by the State to supplement education funding.

Table 13 Property Tax

Item	Estimating Factor	Fiscal Year								
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
Assessed Value¹										
Total Cumulative Inflated Property Value (nominal \$)		\$263,499,404	\$343,205,822	\$435,554,813	\$634,118,997	\$1,373,995,154	\$2,403,716,786	\$4,518,818,087	\$6,054,955,379	\$7,366,347,004
Total Cumulative Inflated Property Value (constant \$) ²		\$263,499,404	\$336,476,296	\$418,641,688	\$597,544,493	\$1,269,359,138	\$2,177,120,351	\$4,012,581,142	\$5,271,203,036	\$6,287,106,239
Gross Tax Increment	1% of AV	\$2,634,994	\$3,364,763	\$4,186,417	\$5,975,445	\$12,693,591	\$21,771,204	\$40,125,811	\$52,712,030	\$62,871,062
(less) Low Mod Housing	20% of gross	<u>(\$526,999)</u>	<u>(\$672,953)</u>	<u>(\$837,283)</u>	<u>(\$1,195,089)</u>	<u>(\$2,538,718)</u>	<u>(\$4,354,241)</u>	<u>(\$8,025,162)</u>	<u>(\$10,542,406)</u>	<u>(\$12,574,212)</u>
Net Tax Increment		\$2,107,995	\$2,691,810	\$3,349,134	\$4,780,356	\$10,154,873	\$17,416,963	\$32,100,649	\$42,169,624	\$50,296,850
(less) Tier 1	20.0% of gross	<u>(\$526,999)</u>	<u>(\$672,953)</u>	<u>(\$837,283)</u>	<u>(\$1,195,089)</u>	<u>(\$2,538,718)</u>	<u>(\$4,354,241)</u>	<u>(\$8,025,162)</u>	<u>(\$10,542,406)</u>	<u>(\$12,574,212)</u>
(less) Tier 2	16.8% of gross	<u>(\$442,679)</u>	<u>(\$565,280)</u>	<u>(\$703,318)</u>	<u>(\$1,003,875)</u>	<u>(\$2,132,523)</u>	<u>(\$3,657,562)</u>	<u>(\$6,741,136)</u>	<u>(\$8,855,621)</u>	<u>(\$10,562,338)</u>
(less) Tier 3	11.2% of gross	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total Tier 1 and Tier 2 Pass-Throughs		<u>(\$969,678)</u>	<u>(\$1,238,233)</u>	<u>(\$1,540,601)</u>	<u>(\$2,198,964)</u>	<u>(\$4,671,242)</u>	<u>(\$8,011,803)</u>	<u>(\$14,766,299)</u>	<u>(\$19,398,027)</u>	<u>(\$23,136,551)</u>
Taxing Entities	Tax Share of Tier 1									
SF General Fund ²	55.8%	\$294,267	\$375,765	\$467,524	\$667,316	\$1,417,575	\$2,431,330	\$4,481,107	\$5,886,690	\$7,021,215
SF Special Funds ³	8.8%	<u>\$46,112</u>	<u>\$58,883</u>	<u>\$73,262</u>	<u>\$104,570</u>	<u>\$222,138</u>	<u>\$380,996</u>	<u>\$702,202</u>	<u>\$922,461</u>	<u>\$1,100,244</u>
Total Pass-Through to CCSF Funds		\$340,379	\$434,648	\$540,786	\$771,887	\$1,639,713	\$2,812,326	\$5,183,308	\$6,809,151	\$8,121,458
Citywide Assessed Value (millions) ⁴		\$325,064	\$325,137	\$325,219	\$325,398	\$326,070	\$326,977	\$328,813	\$330,071	\$331,087
Growth in citywide AV due to Project	100%	100%	100%	100%	100%	100%	100%	101%	100%	100%
Citywide Property Tax in Lieu of VLF ⁵		\$346,523,669	\$346,601,464	\$346,689,053	\$346,879,767	\$347,595,933	\$348,563,623	\$350,520,257	\$351,861,971	\$352,944,942
New Annual Incremental Property Tax in Lieu of VLF (constant \$)		\$0	\$77,795	\$87,590	\$190,714	\$716,166	\$967,690	\$1,956,634	\$1,341,713	\$1,082,971
Cumulative Total Property Tax in Lieu of VLF (constant \$)		\$0	\$77,795	\$165,384	\$356,098	\$1,072,264	\$2,039,954	\$3,996,588	\$5,338,302	\$6,421,273

[1] See Table 12 for assessed value.

[2] In accordance with Redevelopment Law, CCSF Funds only receives shares of Tier 1 pass through revenue.

[3] Includes Children's Fund, Library Preservation Fund, and Open Space Acquisition Fund.

[4] Starts with FY 2022-23 net total assessed value for VLF per Controller's Office Property Tax Manager as latest available.

[5] Starts with FY 2022-23 Citywide VLF recovered per Controller's Office Property Tax Manager as latest available.

Sources: FivePoint; Economic & Planning Systems, Inc.

Table 13 Property Tax (continued)

Item	Estimating Factor	Fiscal Year					Buildout				
		2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
Assessed Value¹											
Total Cumulative Inflated Property Value (nominal \$)		\$8,827,868,003	\$10,189,146,973	\$12,493,605,171	\$13,726,948,176	\$14,191,530,879	\$16,969,101,578	\$17,836,655,328	\$18,405,760,283	\$18,962,517,210	\$19,426,214,523
Total Cumulative Inflated Property Value (constant \$) ²		\$7,386,765,038	\$8,358,649,396	\$10,048,144,864	\$10,823,604,958	\$10,970,514,950	\$12,860,458,276	\$13,252,897,643	\$13,407,599,027	\$13,542,319,882	\$13,601,446,218
Gross Tax Increment	1% of AV	\$73,867,650	\$83,586,494	\$100,481,449	\$108,236,050	\$109,705,150	\$128,604,583	\$132,528,976	\$134,075,990	\$135,423,199	\$136,014,462
(less) Low Mod Housing	20% of gross	(\$14,773,530)	(\$16,717,299)	(\$20,096,290)	(\$21,647,210)	(\$21,941,030)	(\$25,720,917)	(\$26,505,795)	(\$26,815,198)	(\$27,084,640)	(\$27,202,892)
Net Tax Increment		\$59,094,120	\$66,869,195	\$80,385,159	\$86,588,840	\$87,764,120	\$102,883,666	\$106,023,181	\$107,260,792	\$108,338,559	\$108,811,570
(less) Tier 1	20.0% of gross	(\$14,773,530)	(\$16,717,299)	(\$20,096,290)	(\$21,647,210)	(\$21,941,030)	(\$25,720,917)	(\$26,505,795)	(\$26,815,198)	(\$27,084,640)	(\$27,202,892)
(less) Tier 2	16.8% of gross	(\$12,409,765)	(\$14,042,531)	(\$16,880,883)	(\$18,183,656)	(\$18,430,465)	(\$21,605,570)	(\$22,264,868)	(\$22,524,766)	(\$22,751,097)	(\$22,850,430)
(less) Tier 3	11.2% of gross	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Tier 1 and Tier 2 Pass-Throughs		(\$27,183,295)	(\$30,759,830)	(\$36,977,173)	(\$39,830,866)	(\$40,371,495)	(\$47,326,486)	(\$48,770,663)	(\$49,339,964)	(\$49,835,737)	(\$50,053,322)
Taxing Entities	Tax Share of Tier 1										
SF General Fund ²	55.8%	\$8,249,274	\$9,334,640	\$11,221,408	\$12,087,414	\$12,251,477	\$14,362,098	\$14,800,361	\$14,973,126	\$15,123,577	\$15,189,607
SF Special Funds ³	8.8%	\$1,292,684	\$1,462,764	\$1,758,425	\$1,894,131	\$1,919,840	\$2,250,580	\$2,319,257	\$2,346,330	\$2,369,906	\$2,380,253
Total Pass-Through to CCSF Funds		\$9,541,958	\$10,797,403	\$12,979,833	\$13,981,545	\$14,171,318	\$16,612,679	\$17,119,618	\$17,319,455	\$17,493,483	\$17,569,860
Citywide Assessed Value (millions) ⁴		\$332,187	\$333,159	\$334,848	\$335,624	\$335,770.66	\$337,661	\$338,053.04	\$338,208	\$338,342	\$338,401.59
Growth in citywide AV due to Project	100%	100%	100%	101%	100%	100%	101%	100%	100%	100%	100%
Citywide Property Tax in Lieu of VLF ⁵		\$354,117,198	\$355,153,244	\$356,954,276	\$357,780,931	\$357,937,539	\$359,952,253	\$360,370,600	\$360,535,515	\$360,679,129	\$360,742,159
New Annual Incremental Property Tax in Lieu of VLF (constant \$)		\$1,172,256	\$1,036,046	\$1,801,032	\$826,654	\$156,609	\$2,014,713	\$418,347	\$164,914	\$143,615	\$63,030
Cumulative Total Property Tax in Lieu of VLF (constant \$)		\$7,593,529	\$8,629,575	\$10,430,607	\$11,257,262	\$11,413,870	\$13,428,584	\$13,846,931	\$14,011,846	\$14,155,461	\$14,218,490

[1] See Table 12 for assessed value.

[2] In accordance with Redevelopment Law, CCSF Funds only receives shares of Tier 1 pass through revenue.

[3] Includes Children's Fund, Library Preservation Fund, and Open Space Acquisition Fund.

[4] Starts with FY 2022-23 net total assessed value for VLF per Controller's Office Property Tax Manager as latest available.

[5] Starts with FY 2022-23 Citywide VLF recovered per Controller's Office Property Tax Manager as latest available.

Sources: FivePoint; Economic & Planning Systems, Inc.

Property Transfer Tax

CCSF collects a property transfer tax of \$3.75 per \$500 on transactions between \$1 million and \$5 million and \$30 per \$500 on transactions of \$25 million or more. This analysis estimates the tax based on the assumed values and absorption of the development program for land sales and building sales.

The average residential home sale price is estimated to be \$1.5 million, so EPS applied the City rate of \$3.75 per \$500 of value. Fourteen percent of residential for-sale units are assumed to sell every year after the initial sale of new units; this rate represents an average and will vary year-to-year depending on economic conditions and average length of ownership by the occupants.

As indicated by FivePoint, virtually all commercial building sales are assumed to exceed \$25 million, so the rate of \$30 per \$500 was applied. Of the newly developed commercial property, 20 percent on average is assumed to be sold upon construction, and the balance of the commercial property is assumed to be "built-to-suit" and owner occupied; to the extent that more taxable transactions occur, transfer tax revenues will be greater than estimated.

Commercial property resales are difficult to predict, but for purposes of this analysis commercial properties are assumed to sell an average of at least once every forty years, which is to say that 2.5 percent of the properties sell, on average, every year following initial occupancy. This represents a conservatively low turnover estimate. As noted above, this rate will vary depending on economic cycles, age of the property, and other economic and investment factors. In addition, land transfers from land developer to vertical developers will pay transfer taxes. Land sales are expected to be over \$25 million and so the \$30 per \$500 tax on transactions would apply.

Annual revenue from property transfer tax is estimated in **Table 14**, showing a total of \$14.4 million in annual property transfer taxes at stabilization (in constant dollars). Over the course of CP development, a cumulative total of \$153.4 in property transfer tax revenues will accrue to the CCSF General Fund from the initial sale of improved land.

Table 14 Property Transfer Tax

Item	Estimating Factor	Fiscal Year								
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
<u>Transfer Tax from Land Sales¹</u>										
Transfer Tax from Residential Land Sale ²	\$30.00 per \$500 value	\$893,336	\$0	\$0	\$8,817,571	\$0	\$12,494,917	\$0	\$33,604,149	\$0
Transfer Tax from Commercial Land Sales ²	\$30.00 per \$500 value	\$2,885,793	\$4,395,778	\$5,037,387	\$2,457,234	\$5,188,317	\$5,023,938	\$4,551,499	\$1,061,750	\$0
Transfer Tax from Land Sales		\$3,779,129	\$4,395,778	\$5,037,387	\$11,274,804	\$5,188,317	\$17,518,855	\$4,551,499	\$34,665,899	\$0
<u>Transfer Tax from Building Sales¹</u>										
Transfer Tax from Sale of New Residential Buildings ³	\$3.75 per \$500 value	\$0	\$0	\$0	\$0	\$1,275,010	\$113,142	\$6,218,806	\$450,002	\$3,190,722
Transfer Tax from Re-sale of Existing Residential Buildings ⁴	14.0% annual turnover	\$0	\$15,633	\$16,016	\$16,407	\$171,116	\$353,802	\$596,954	\$1,482,185	\$2,147,342
Transfer Tax from Sale of New Commercial Buildings ⁵	\$30.00 per \$500 value	\$0	\$0	\$0	\$0	\$5,614,758	\$8,268,676	\$13,815,478	\$9,454,461	\$8,854,776
Transfer Tax from Re-sale of Existing Commercial Buildings ⁶	2.5% annual turnover	\$0	\$72,145	\$183,803	\$314,233	\$383,348	\$1,224,274	\$2,413,395	\$4,313,133	\$5,626,955
Transfer Tax from Building Sales		\$0	\$87,778	\$199,819	\$330,640	\$7,444,232	\$9,959,894	\$23,044,634	\$15,699,781	\$19,819,795
Total Property Transfer Tax to General Fund (nominal \$)		\$3,779,129	\$4,483,556	\$5,237,206	\$11,605,444	\$12,632,549	\$27,478,750	\$27,596,133	\$50,365,679	\$19,819,795
Total Property Transfer Tax to General Fund (constant \$)		\$3,779,129	\$4,395,644	\$5,033,839	\$10,936,069	\$11,670,522	\$24,888,350	\$24,504,577	\$43,846,355	\$16,916,004

[1] See Table 12 for assessed values.

[2] The City transfer tax rate is \$30 per \$500 of value for transactions larger than \$25 million.

[3] City rate of \$3.75 per \$500 in value applies to transactions between \$1 million and \$5 million. Assumes all for-sale transactions fall into this range. Analysis excludes for-rent units.

[4] FivePoint assumption of 14 percent turnover of cumulative inflated residential building value at the end of the prior fiscal year.

[5] City rate of \$30 per \$500 of value for transactions larger than \$25 million. It is assumed that 20 percent of new commercial space turns over upon completion while the remainder is built-to-suit space that will not change ownership.

[6] EPS assumption of 2.5 percent turnover of cumulative inflated commercial building value at the end of the prior fiscal year.

Sources: FivePoint; CCSF Office of Assessor-Recorder Transfer Tax schedule; Economic and Planning Systems, Inc.

Table 14 Property Transfer Tax (continued)

Item	Estimating Factor	Buildout										Stabilization	
		2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19		
<u>Transfer Tax from Land Sales¹</u>													
Transfer Tax from Residential Land Sale ²	\$30.00 per \$500 value	\$9,247,296	\$0	\$57,674,509	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Tax from Commercial Land Sales ²	\$30.00 per \$500 value	\$0	\$0	\$28,725	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Tax from Land Sales		\$9,247,296	\$0	\$57,703,234	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>Transfer Tax from Building Sales¹</u>													
Transfer Tax from Sale of New Residential Buildings ³	\$3.75 per \$500 value	\$3,286,898	\$4,774,521	\$8,201,840	\$4,376,483	\$966,845	\$10,629,744	\$3,394,516	\$997,041	\$800,056	\$0	\$0	\$0
Transfer Tax from Re-sale of Existing Residential Buildings ⁴	14.0% annual turnover	\$2,646,553	\$3,321,879	\$4,071,543	\$6,257,984	\$7,023,720	\$7,330,832	\$8,998,260	\$9,693,530	\$10,070,155	\$10,428,412	\$10,428,412	\$10,428,412
Transfer Tax from Sale of New Commercial Buildings ⁵	\$30.00 per \$500 value	\$8,268,173	\$2,189,461	\$0	\$0	\$0	\$37,666	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Tax from Re-sale of Existing Commercial Buildings ⁶	2.5% annual turnover	\$6,871,400	\$8,072,950	\$8,544,044	\$8,753,692	\$8,967,750	\$9,187,041	\$9,416,404	\$9,646,666	\$9,882,560	\$10,124,222	\$10,124,222	\$10,124,222
Transfer Tax from Building Sales		\$21,073,024	\$18,358,812	\$20,817,427	\$19,388,159	\$16,958,315	\$27,185,283	\$21,809,180	\$20,337,237	\$20,752,771	\$20,552,634	\$20,552,634	\$20,552,634
Total Property Transfer Tax to General Fund (nominal \$)		\$30,320,319	\$18,358,812	\$78,520,662	\$19,388,159	\$16,958,315	\$27,185,283	\$21,809,180	\$20,337,237	\$20,752,771	\$20,552,634	\$20,552,634	\$20,552,634
Total Property Transfer Tax to General Fund (constant \$)		\$25,370,687	\$15,060,620	\$63,151,266	\$15,287,431	\$13,109,329	\$20,603,047	\$16,204,542	\$14,814,575	\$14,820,852	\$14,390,119	\$14,390,119	\$14,390,119

[1] See Table 12 for assessed values.

[2] The City transfer tax rate is \$30 per \$500 of value for transactions larger than \$25 million.

[3] City rate of \$3.75 per \$500 in value applies to transactions between \$1 million and \$5 million. Assumes all for-sale transactions fall into this range. Analysis excludes for-rent units.

[4] FivePoint assumption of 14 percent turnover of cumulative inflated residential building value at the end of the prior fiscal year.

[5] City rate of \$30 per \$500 of value for transactions larger than \$25 million. It is assumed that 20 percent of new commercial space turns over upon completion while the remainder is built-to-suit space that will not change ownership.

[6] EPS assumption of 2.5 percent turnover of cumulative inflated commercial building value at the end of the prior fiscal year.

Sources: FivePoint; CCSF Office of Assessor-Recorder Transfer Tax schedule; Economic and Planning Systems, Inc.

Sales and Use Taxes

Sales tax revenue will be generated by the spending of new Project residents in San Francisco as well as spending at the Project's retail stores and restaurants that are not from Project residents.

The sales tax revenue generated by residents is based on estimated household incomes. Sales tax driven by residents is reduced to reflect that a portion of resident expenditures will occur outside of the City. Although employee expenditures associated with commercial uses can produce taxable sales, conservatively, no employee impact on taxable sales is assumed. Taxable sales by commercial businesses occupying office R&D space can also generate sales tax, though this can vary significantly by business. These potential tax revenues are conservatively not estimated.

Taxable sales at regional retail is expected to exceed neighborhood sales on a per-square-foot basis. Regional retail sales are discounted by 10 percent to account for potential capture of consumers from other stores and/or spending by Project residents. Neighborhood retail and community facility space are expected to cater substantially to the Project's residents, and thus, have been discounted by 50 percent to avoid double counting resident spending.

Project's sales tax revenue calculations are provided in **Table 15**. After Project buildout and cost/revenue stabilization in 2046, the Project will generate approximately \$2.4 million annually in sales and use tax revenues to the General Fund through its 1 percent share of taxable sales. Over the course of Project development, the Project is estimated to generate about \$19.3 million in construction-activity related sales and use tax associated with the purchase of materials and fixtures.⁴

⁴ The sales and use tax revenues associated with construction activity assume that FivePoint makes the necessary reporting arrangements with its contractors to ensure these taxes are "localized".

If this does not occur, these revenues will not be accrue to CCSF.

Table 15 Sales Tax

Item	Estimating Factor	Fiscal Year								
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
Sales Tax from Market-Rate For-Sale Unit Households										
Average for-sale unit selling price ¹		\$1,488,367								
Average Amount Mortgaged ²	80% Mortgaged	\$1,190,694								
Average Annual Housing Payment ³		\$86,503								
Average Annual HH Income ⁴	26%	\$332,702								
Average HH Taxable Retail Expenditure ⁵	14%	\$47,703								
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576
For-Sale Units		0	0	0	0	352	365	637	977	1,089
New Retail Sales Captured by San Francisco		\$0	\$0	\$0	\$0	\$10,410,597	\$10,795,080	\$18,839,632	\$28,895,323	\$32,207,786
New Sales from Market-Rate For-Sale Units	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$104,106	\$107,951	\$188,396	\$288,953	\$322,078
Sales Tax from BMR For-Sale Unit Households										
Average Annual HH Income ⁴	CCSF BMR income limits	\$142,274								
Average HH Taxable Retail Expenditure ⁵	23%	\$33,250								
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615
For-Sale Units		0	0	0	0	41	42	74	119	130
New Retail Sales Captured by San Francisco		\$0	\$0	\$0	\$0	\$845,226	\$865,841	\$1,525,530	\$2,453,218	\$2,679,986
New Sales from BMR For-Sale Units	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$8,452	\$8,658	\$15,255	\$24,532	\$26,800
Sales Tax from Market-Rate Rental Unit Households										
Average Annual Rent		\$48,000								
Average Annual HH Income ⁴	26%	\$184,615								
Average HH Taxable Retail Expenditure ⁵	22%	\$40,741								
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260
Rental Units		0	0	0	0	0	0	0	0	0
New Retail Sales Captured by San Francisco		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax from BMR Rental Unit Households										
Average Annual HH Income ⁴	CCSF BMR income limits	\$142,274								
Average HH Taxable Retail Expenditure ⁵	23%	\$33,250								
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615
BMR Rental Units		0	0	0	0	0	0	0	0	0
New Retail Sales Captured by San Francisco		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax from Workforce Unit Households										
Average Annual HH Income ⁴	CCSF BMR income limits	\$190,863								
Average HH Taxable Retail Expenditure ⁵	22%	\$42,120								
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114
Workforce Units		0	0	0	0	0	0	0	0	0
New Retail Sales Captured by San Francisco		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total New Retail Sales Tax from Households		\$0	\$0	\$0	\$0	\$112,558	\$116,609	\$203,652	\$313,485	\$348,878
Sales Tax Generated from New Retail										
New Regional Retail Space (Sq. Ft.)		0	0	0	0	0	0	0	0	8,000
Total Taxable Sales ⁷	\$550 per sq. ft.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,400,000
Net New Taxable Sales ⁸	90% of total taxable sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,960,000
Sales Tax Generated from New Regional Retail	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,600
New Neighborhood Retail Space (Sq. Ft.)		0	0	0	0	42,332	42,332	128,307	138,307	158,307
Total Taxable Sales ⁹	\$300 per sq. ft.	\$0	\$0	\$0	\$0	\$12,699,600	\$12,699,600	\$38,492,100	\$41,492,100	\$47,492,100
Net New Taxable Sales ¹⁰	50% of total taxable sales	\$0	\$0	\$0	\$0	\$6,349,800	\$6,349,800	\$19,246,050	\$20,746,050	\$23,746,050
Sales Tax Generated from New Neighborhood Retail	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$63,498	\$63,498	\$192,461	\$207,461	\$237,461
New Community Facilities (Sq. Ft.)		0	0	0	0	12,000	12,000	12,000	12,000	15,000
Total Taxable Sales ¹¹	\$150 per sq. ft.	\$0	\$0	\$0	\$0	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$2,250,000
Net New Taxable Sales ¹²	50% of total taxable sales	\$0	\$0	\$0	\$0	\$900,000	\$900,000	\$900,000	\$900,000	\$1,125,000
Sales Tax Generated from New Makerspace/Community Facilities	1.0% of taxable sales	\$0	\$0	\$0	\$0	\$9,000	\$9,000	\$9,000	\$9,000	\$11,250
Total New Retail Sales Tax from New Retail		\$0	\$0	\$0	\$0	\$72,498	\$72,498	\$201,461	\$216,461	\$288,311
Construction-related Sales Tax										
Total Development Value		\$62,985,481	\$71,826,442	\$80,696,322	\$177,074,998	\$669,205,740	\$902,219,138	\$1,825,955,393	\$1,241,102,796	\$992,888,910
Supply/Materials Portion of Construction Cost	30%	\$18,895,644	\$21,547,933	\$24,208,897	\$53,122,499	\$200,761,722	\$270,665,741	\$547,786,618	\$372,330,839	\$297,866,673
San Francisco Capture of Taxable Sales	50% of total taxable sales	\$9,447,822	\$10,773,966	\$12,104,448	\$26,561,250	\$100,380,861	\$135,332,871	\$273,893,309	\$186,165,419	\$148,933,336
New One-Time Retail Sales Tax from Construction	1.0% of taxable sales	\$94,478	\$107,740	\$121,044	\$265,612	\$1,003,809	\$1,353,329	\$2,738,933	\$1,861,654	\$1,489,333
Total Sales Tax Revenue to General Fund		\$94,478	\$107,740	\$121,044	\$265,612	\$1,188,865	\$1,542,436	\$3,144,045	\$2,391,600	\$2,126,522

[1] Weighted average adjusted, uninflated sales price for Candlestick market-rate units.
 [2] Assumes a 20 percent down payment.
 [3] Assumes a 6 percent interest rate and a 30-year mortgage period.
 [4] Assumes average household spends 30 percent of income on housing, with 26 percent of income remaining for rent or mortgage payments after netting out utilities and other housing costs.
 [5] Based on 2022 Consumer Expenditure Survey.
 [6] IMPLAN data for SF County suggests a citywide capture rate of 62.2% based on distribution of spending by retail category for households with the Project's average annual household incomes.
 [7] Regional retail sales provided by FivePoint.
 [8] Assumes 10 percent of sales a relocation of existing citywide retail sales to the site.
 [9] Actual retail sales after accounting for neighborhood retailers not subject to sales tax. EPS assumption.
 [10] Assumes neighborhood retail largely caters to Project residents. Discounted 50 percent to avoid double counting resident spending.
 [11] Lower sales due to assumption that a portion of makerspace/ community facilities space will not generate retail sales.
 [12] Discounted 50 percent to account for the relocation of existing retail to the site.

Sources: FivePoint; Economic & Planning Systems, Inc.

Table 15 Sales Tax (continued)

Item	Estimating Factor	Fiscal Year									
		2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
Sales Tax from Market-Rate For-Sale Unit Households											
Average for-sale unit selling price ¹		\$1,488,367									
Average Amount Mortgaged ²	80% Mortgaged	\$1,190,694									
Average Annual Housing Payment ³		\$86,503									
Average Annual HH Income ⁴	26%	\$332,702									
Average HH Taxable Retail Expenditure ⁵	14%	\$47,703									
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576	\$29,576
For-Sale Units		1,313	1,370	2,218	2,458	2,802	2,802	3,552	3,819	3,819	3,819
New Retail Sales Captured by San Francisco		\$38,832,711	\$40,518,518	\$65,598,594	\$72,696,729	\$82,870,722	\$82,870,722	\$105,052,392	\$112,949,067	\$112,949,067	\$112,949,067
New Sales from Market-Rate For-Sale Units	1.0% of taxable sales	\$388,327	\$405,185	\$655,986	\$726,967	\$828,707	\$828,707	\$1,050,524	\$1,129,491	\$1,129,491	\$1,129,491
Sales Tax from BMR For-Sale Unit Households											
Average Annual HH Income ⁴	CCSF BMR income limits	\$142,274									
Average HH Taxable Retail Expenditure ⁵	23%	\$33,250									
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615
For-Sale Units		160	183	280	299	338	338	400	402	402	402
New Retail Sales Captured by San Francisco		\$3,298,444	\$3,772,595	\$5,772,276	\$6,163,967	\$6,967,962	\$6,967,962	\$8,246,109	\$8,287,340	\$8,287,340	\$8,287,340
New Sales from BMR For-Sale Units	1.0% of taxable sales	\$32,984	\$37,726	\$57,723	\$61,640	\$69,680	\$69,680	\$82,461	\$82,873	\$82,873	\$82,873
Sales Tax from Market-Rate Rental Unit Households											
Average Annual Rent		\$48,000									
Average Annual HH Income ⁴	26%	\$184,615									
Average HH Taxable Retail Expenditure ⁵	22%	\$40,741									
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260	\$25,260
Rental Units		0	0	210	210	315	315	940	940	940	940
New Retail Sales Captured by San Francisco		\$0	\$0	\$5,304,515	\$5,304,515	\$7,956,773	\$7,956,773	\$23,744,021	\$23,744,021	\$23,744,021	\$23,744,021
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$53,045	\$53,045	\$79,568	\$79,568	\$237,440	\$237,440	\$237,440	\$237,440
Sales Tax from BMR Rental Unit Households											
Average Annual HH Income ⁴	CCSF BMR income limits	\$142,274									
Average HH Taxable Retail Expenditure ⁵	23%	\$33,250									
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615	\$20,615
BMR Rental Units		0	0	30	30	46	46	81	81	81	81
New Retail Sales Captured by San Francisco		\$0	\$0	\$618,458	\$618,458	\$948,303	\$948,303	\$1,669,837	\$1,669,837	\$1,669,837	\$1,669,837
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$6,185	\$6,185	\$9,483	\$9,483	\$16,698	\$16,698	\$16,698	\$16,698
Sales Tax from Workforce Unit Households											
Average Annual HH Income ⁴	CCSF BMR income limits	\$190,863									
Average HH Taxable Retail Expenditure ⁵	22%	\$42,120									
Expenditures per New Household Captured by San Francisco ⁶	62% of taxable expenditures	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114	\$26,114
Workforce Units		0	0	120	120	357	357	687	687	687	687
New Retail Sales Captured by San Francisco		\$0	\$0	\$3,133,721	\$3,133,721	\$9,322,821	\$9,322,821	\$17,940,555	\$17,940,555	\$17,940,555	\$17,940,555
New Sales from Market-Rate Units	1.0% of taxable sales	\$0	\$0	\$31,337	\$31,337	\$93,228	\$93,228	\$179,406	\$179,406	\$179,406	\$179,406
Total New Retail Sales Tax from Households		\$421,312	\$442,911	\$804,276	\$879,174	\$1,080,666	\$1,080,666	\$1,566,529	\$1,645,908	\$1,645,908	\$1,645,908
Sales Tax Generated from New Retail											
New Regional Retail Space (Sq. Ft.)		8,000	8,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000
Total Taxable Sales ⁷	\$550 per sq. ft.	\$4,400,000	\$4,400,000	\$56,100,000	\$56,100,000	\$56,100,000	\$56,100,000	\$56,100,000	\$56,100,000	\$56,100,000	\$56,100,000
Net New Taxable Sales ⁸	90% of total taxable sales	\$3,960,000	\$3,960,000	\$50,490,000	\$50,490,000	\$50,490,000	\$50,490,000	\$50,490,000	\$50,490,000	\$50,490,000	\$50,490,000
Sales Tax Generated from New Regional Retail	1.0% of taxable sales	\$39,600	\$39,600	\$504,900	\$504,900	\$504,900	\$504,900	\$504,900	\$504,900	\$504,900	\$504,900
New Neighborhood Retail Space (Sq. Ft.)		178,307	178,307	178,307	178,307	178,307	178,307	184,100	184,100	184,100	184,100
Total Taxable Sales ⁹	\$300 per sq. ft.	\$53,492,100	\$53,492,100	\$53,492,100	\$53,492,100	\$53,492,100	\$53,492,100	\$55,230,000	\$55,230,000	\$55,230,000	\$55,230,000
Net New Taxable Sales ¹⁰	50% of total taxable sales	\$26,746,050	\$26,746,050	\$26,746,050	\$26,746,050	\$26,746,050	\$26,746,050	\$27,615,000	\$27,615,000	\$27,615,000	\$27,615,000
Sales Tax Generated from New Neighborhood Retail	1.0% of taxable sales	\$267,461	\$267,461	\$267,461	\$267,461	\$267,461	\$267,461	\$276,150	\$276,150	\$276,150	\$276,150
New Community Facilities (Sq. Ft.)		15,000	15,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Total Taxable Sales ¹¹	\$150 per sq. ft.	\$2,250,000	\$2,250,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000	\$3,450,000
Net New Taxable Sales ¹²	50% of total taxable sales	\$1,125,000	\$1,125,000	\$1,725,000	\$1,725,000	\$1,725,000	\$1,725,000	\$1,725,000	\$1,725,000	\$1,725,000	\$1,725,000
Sales Tax Generated from New Makerspace/Community Facilities	1.0% of taxable sales	\$11,250	\$11,250	\$17,250	\$17,250	\$17,250	\$17,250	\$17,250	\$17,250	\$17,250	\$17,250
Total New Retail Sales Tax from New Retail		\$318,311	\$318,311	\$789,611	\$789,611	\$789,611	\$789,611	\$798,300	\$798,300	\$798,300	\$798,300
Construction-related Sales Tax											
Total Development Value		\$1,072,209,029	\$939,633,432	\$1,653,001,254	\$731,589,472	\$99,653,679	\$1,842,045,597	\$336,290,067	\$96,838,677	\$76,182,716	\$0
Supply/Materials Portion of Construction Cost	30%	\$321,662,708.83	\$281,890,030	\$495,900,376	\$219,476,842	\$29,896,104	\$552,613,679	\$100,887,020	\$29,051,603	\$22,854,815	\$0
San Francisco Capture of Taxable Sales	50% of total taxable sales	\$160,831,354	\$140,945,015	\$247,950,188	\$109,738,421	\$14,948,052	\$276,306,840	\$50,443,510	\$14,525,802	\$11,427,407	\$0
New One-Time Retail Sales Tax from Construction	1.0% of taxable sales	\$1,608,314	\$1,409,450	\$2,479,502	\$1,097,384	\$149,481	\$2,763,068	\$504,435	\$145,258	\$114,274	\$0
Total Sales Tax Revenue to General Fund		\$2,347,936	\$2,170,672	\$4,073,388	\$2,766,169	\$2,019,757	\$4,633,345	\$2,869,264	\$2,589,466	\$2,558,482	\$2,444,208

[1] Weighted average adjusted, uninflated sales price for Candlestick market-rate units.
 [2] Assumes a 20 percent down payment.
 [3] Assumes a 6 percent interest rate and a 30-year mortgage period.
 [4] Assumes average household spends 30 percent of income on housing, with 26 percent of income remaining for rent or mortgage payments after netting out utilities and other housing costs.
 [5] Based on 2022 Consumer Expenditure Survey.
 [6] IMPLAN data for SF County suggests a citywide capture rate of 62.2% based on distribution of spending by retail category for households with the Project's average annual household incomes.
 [7] Regional retail sales provided by FivePoint.
 [8] Assumes 10 percent of sales a relocation of existing citywide retail sales to the site.
 [9] Actual retail sales after accounting for neighborhood retailers not subject to sales tax. EPS assumption.
 [10] Assumes neighborhood retail largely caters to Project residents. Discounted 50 percent to avoid double counting resident spending.
 [11] Lower sales due to assumption that a portion of makerspace/ community facilities space will not generate retail sales.
 [12] Discounted 50 percent to account for the relocation of existing retail to the site.

Sources: FivePoint; Economic & Planning Systems, Inc.

Hotel Tax

Hotel Room Tax (also known as Transient Occupancy Tax) will be generated by the proposed hotels in the Project. The City and County of San Francisco currently receives 14 percent of room charges and 100 percent of Hotel Room Tax proceeds are allocated to the General Fund. For this analysis an average daily room rate of \$275 was applied to the total number of rooms (220). A vacancy rate of 25 percent was subtracted and the 14 percent tax rate was applied. Total hotel tax revenue allocated to the General Fund at Project stabilization is estimated to be just \$2.3 million (see **Table 16**).

Table 16 Hotel Tax

Item	Estimating Factor	2028	2029	2030	2031	2032	2033	2034	2035	2036
		1	2	3	4	5	6	7	8	9
Hotel rooms ¹		0	0	0	0	0	0	0	0	0
Gross Daily Hotel Room Revenue ¹	\$275 per room- night	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Annual Hotel Room Revenue (minus) Vacancy	365 nights per year 25%	$0 $0	$0 $0	$0 $0	$0 $0	$0 $0	$0 $0	$0 $0	$0 $0	\$0 <u>\$0</u>
Total Hotel Room Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Hotel Tax Revenue to General Fund²	14% of room rent revenue	$0	$0	$0	$0	$0	$0	$0	$0	\$0

[1] According to email from FivePoint. Average daily rate of \$275.

[2] Assumes that 100 percent of the 14 percent hotel tax revenues were allocated to the General Fund.

Sources: FivePoint; Economic & Planning Systems, Inc.

Table 16 Hotel Tax (continued)

Item	Estimating Factor	Buildout					Stabilization				
		2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
		10	11	12	13	14	15	16	17	18	19
Hotel rooms ¹		0	0	220	220	220	220	220	220	220	220
Gross Daily Hotel Room Revenue ¹	\$275 per room- night	\$0	\$0	\$60,500	\$60,500	\$60,500	\$60,500	\$60,500	\$60,500	\$60,500	\$60,500
Gross Annual Hotel Room Revenue (minus) Vacancy	365 nights per year 25%	\$0 <u>\$0</u>	\$0 <u>\$0</u>	\$22,082,500 <u>(\$5,520,625)</u>							
Total Hotel Room Proceeds		\$0	\$0	\$16,561,875	\$16,561,875	\$16,561,875	\$16,561,875	\$16,561,875	\$16,561,875	\$16,561,875	\$16,561,875
Total Hotel Tax Revenue to General Fund²	14% of room rent revenue	\$0	\$0	\$2,318,663							

[1] According to email from FivePoint. Average daily rate of \$275.

[2] Assumes that 100 percent of the 14 percent hotel tax revenues were allocated to the General Fund.

Sources: FivePoint; Economic & Planning Systems, Inc.

Parking Tax

The City collects a 25 percent parking tax from commercial off-street parking charges. The Project is estimated to result in approximately 4,796 net new paid off-street and structured parking spaces. The Project's parking spaces are assumed to be subject to the parking tax based on potential public parking revenues. Approximately 20 percent of the parking tax proceeds are allocated to the General Fund, while the remaining 80 percent are allocated to the San Francisco Municipal Transportation Agency (SFMTA). This analysis assumes a parking vacancy rate of 25 percent. The revenues per space are estimated at \$214 per parking space, reflecting a weighted average of parking rates for office, retail, hotel, and the film arts center uses. At buildout the Project is estimated to generate approximately \$2.3 million in parking tax, of which about \$460,000 will be allocated to the General Fund and \$1.8 million to the Municipal Transportation Fund (see **Table 17**).

Table 17 Parking Tax

Item	Estimating Factor	Fiscal Year								
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
Commercial Off-Street Parking at Buildout ¹	4,796 spaces	0	0	0	0	495	1,175	2,326	3,064	3,866
<u>Monthly Revenue Rates²</u>	\$214 per space per month	\$0	\$0	\$0	\$0	\$105,878	\$251,122	\$497,145	\$654,948	\$826,291
Subtotal		\$0	\$0	\$0	\$0	\$105,878	\$251,122	\$497,145	\$654,948	\$826,291
Gross Annual Parking Revenue	12 months per year	\$0	\$0	\$0	\$0	\$1,270,537	\$3,013,469	\$5,965,744	\$7,859,371	\$9,915,492
(minus) Vacancy	25%	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$317,634)</u>	<u>(\$753,367)</u>	<u>(\$1,491,436)</u>	<u>(\$1,964,843)</u>	<u>(\$2,478,873)</u>
Total Parking Tax Proceeds		\$0	\$0	\$0	\$0	\$952,903	\$2,260,102	\$4,474,308	\$5,894,528	\$7,436,619
San Francisco Parking Tax	25% of annual revenue	\$0	\$0	\$0	\$0	\$238,226	\$565,025	\$1,118,577	\$1,473,632	\$1,859,155
Total Parking Tax Revenue to General Fund	20% of tax proceeds	\$0	\$0	\$0	\$0	\$47,645	\$113,005	\$223,715	\$294,726	\$371,831
Municipal Transportation Fund Allocation	80% of GF allocation	\$0	\$0	\$0	\$0	\$190,581	\$452,020	\$894,862	\$1,178,906	\$1,487,324

[1] Excludes residential parking, on-street parking, and parking for community, or artist uses not subject to the City's parking tax.

[2] Retail and hotel spaces are estimated to have a monthly rate of \$300. Office uses are estimated to have a rate of \$200.

Sources: FivePoint; Economic & Planning Systems, Inc.

Table 17 Parking Tax (continued)

Item	Estimating Factor	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
		10	11	12	13	14	15	16	17	18	19
Commercial Off-Street Parking at Buildout ¹	4,796 spaces	4,481	4,481	4,790	4,790	4,790	4,790	4,796	4,796	4,796	4,796
<u>Monthly Revenue Rates</u> ²	\$214 per space per month	\$957,855	\$957,855	\$1,023,862	\$1,023,862	\$1,023,862	\$1,023,862	\$1,025,100	\$1,025,100	\$1,025,100	\$1,025,100
Subtotal		\$957,855	\$957,855	\$1,023,862	\$1,023,862	\$1,023,862	\$1,023,862	\$1,025,100	\$1,025,100	\$1,025,100	\$1,025,100
Gross Annual Parking Revenue	12 months per year	\$11,494,262	\$11,494,262	\$12,286,341	\$12,286,341	\$12,286,341	\$12,286,341	\$12,301,200	\$12,301,200	\$12,301,200	\$12,301,200
(minus) Vacancy	25%	(\$2,873,566)	(\$2,873,566)	(\$3,071,585)	(\$3,071,585)	(\$3,071,585)	(\$3,071,585)	(\$3,075,300)	(\$3,075,300)	(\$3,075,300)	(\$3,075,300)
Total Parking Tax Proceeds		\$8,620,697	\$8,620,697	\$9,214,756	\$9,214,756	\$9,214,756	\$9,214,756	\$9,225,900	\$9,225,900	\$9,225,900	\$9,225,900
San Francisco Parking Tax	25% of annual revenue	\$2,155,174	\$2,155,174	\$2,303,689	\$2,303,689	\$2,303,689	\$2,303,689	\$2,306,475	\$2,306,475	\$2,306,475	\$2,306,475
Total Parking Tax Revenue to General Fund	20% of tax proceeds	\$431,035	\$431,035	\$460,738	\$460,738	\$460,738	\$460,738	\$461,295	\$461,295	\$461,295	\$461,295
Municipal Transportation Fund Allocation	80% of GF allocation	\$1,724,139	\$1,724,139	\$1,842,951	\$1,842,951	\$1,842,951	\$1,842,951	\$1,845,180	\$1,845,180	\$1,845,180	\$1,845,180

[1] Excludes residential parking, on-street parking, and parking for community, or artist uses not subject to the City's parking tax.

[2] Retail and hotel spaces are estimated to have a monthly rate of \$300. Office uses are estimated to have a rate of \$200.

Sources: FivePoint; Economic & Planning Systems, Inc.

5. *SAN FRANCISCO GENERAL FUND EXPENDITURES*

This section summarizes key public costs for services that will be required as redevelopment occurs. This analysis is based on Project-specific estimates for on-site services, for example police and fire, as well as a “per-capita” approach for certain other citywide services. Actual costs will vary by department, and will depend on future service demands, fiscal and economic conditions, and policy decisions to be made by the Board of Supervisors related to staffing and service levels. **Table 18** summarizes General Fund expenditures in fiscal year 2023 - 2024 and the method of allocation used for this analysis. Calculations displaying EPS’s case study approach for expenditures are shown in **Table 19-Table 26**.

Table 18 General Fund Expenditures

Item	GF Expenditure 2023-2024	Allocation Method	
<u>General Fund</u>			
General Administration and Finance	\$345,406,000		
Elections ¹	-	\$360,406 at buildout	<i>Case Study</i>
Assessor/Recorder ²	-	\$156,928 per year	
311 ³	-	\$215,571 at buildout	<i>Case Study</i>
Other	-	- not estimated	
Public Protection			
Police Services ⁴	\$673,673,000		<i>Case Study</i>
Fire Protection ⁵	\$463,339,000		<i>Case Study</i>
911 Emergency Response ⁶	-	\$955,161 at buildout	<i>Case Study</i>
Other Public Protection	\$610,192,000	- not estimated	
Community Health ⁷	\$1,125,977,000		<i>Case Study</i>
Public Works, Transportation, and Commerce ⁸	\$242,912,000		<i>Case Study</i>
Culture and Recreation	\$201,453,000		
Recreation and Parks ⁹	-		<i>Case Study</i>
Library ¹⁰	-		<i>Case Study</i>
Other Culture and Recreation	-	- not estimated	
Human Welfare and Neighborhood Development	\$1,604,163,000	- not estimated	
General City Responsibility	\$184,513,000	- not estimated	
Transfers Out	<u>\$1,309,516,000</u>	- not estimated	
Total Expenditures	<u>\$6,761,144,000</u>		

[1] Estimated cost growth is assumed in proportion to population growth. The Project cost is based on the City's estimates in 2017 and has been inflated using the CPI index to 2024 dollars.

[2] Assumes additional staff would be added to facilitate the assessment and recording process. Cost is based on the City's estimates in 2017 and has been inflated using the CPI index to 2024 dollars.

[3] Based on estimated calls and required staffing cost. Staff salary assumptions inflated to 2024 dollars.

[4] Additional officers are added to achieve 1.7 officers per 1,000 service population (Citywide average). Also includes cost for space expansion.

[5] Citywide operating costs per station and facility costs for a new station inflated to 2024 dollars.

[6] Based on estimated calls and required staffing cost. Staff salary assumptions inflated to 2024 dollars.

[7] Department of Public Health costs based on estimates of hospital admissions and emergency room visits not reimbursed from other sources (W. Lawson, 8/2008). Cost and staffing estimates have been inflated to 2024 dollars. Affordable units updated to 2024 plan.

[8] Transportation impacts are addressed separately. Cost of road maintenance based on 2024 BKF linear feet inputs.

[9] Parks and recreation costs will be covered by special taxes and an annuity provided by the Developer. The costs shown here are associated with recreational programming.

[10] Includes 2-3 staff, and costs for furnishings, fixtures, and equipment. Cost estimates inflated to 2024 dollars.

Sources: City and County of San Francisco Budget and Appropriations Ordinance Fiscal Year Ending June 30, 2023 and Fiscal Year Ending June 30, 2024 (page 32); BKF; Economic and Planning Systems, Inc.

Elections

The community will require equipment and staffing for elections. Costs are based on previous study estimated costs required annually to serve the projected population and have been inflated to 2024 dollars. The estimates are based on estimates of new residents in the 2024 plan, the percentage eligible to vote, number of required polling places, and costs including voting materials, signage, and equipment. The cost is estimated to be approximately \$360,400 (see **Table 19**) multiplied by the annual number of new residents at the Project through buildout.

Table 19 Elections

Item	Assumptions	Total
New Residents		16,818
New Residents Eligible to Register ¹	72% of total residents	12,109
Registered Voters ¹	80% of eligible residents	9,687
Polling places needed ¹	1 per 800 residents	12
Total Annual Cost²	\$29,764 per polling place	\$360,406

[1] 2010 analysis assumptions.

[2] Using the CPI index, EPS inflated the 2017 cost per polling place to 2024 dollars.

Sources: City and County of San Francisco; W. Lawson, E. McGrath (December 4, 2008); Economic & Planning Systems, Inc.

Assessor

Assessment services will be required to assure that developing properties are added to the tax rolls in a timely manner. This will also help to assure that property taxes and tax increment financing are available as projected. The estimated costs assume that an approximately one Full-Time Equivalent (FTE) position will be required. The services may actually include portions of an FTE from an appraiser, principal appraiser, and mapping engineer. The previous study estimates of one FTE position have been inflated to 2024 dollars using the Consumer Price Index, resulting in an annual cost of approximately \$157,000.

311

The City's "311" service provides residents with assistance over the phone with non-emergency City and County of San Francisco government matters. The potential impacts on "311" services have been estimated based on average calls per resident in 2023, and the staff required to respond to those calls. The costs have been spread over time as population of CP grows. Actual costs and staff will depend on timing of buildout, demand for "311," and capacity of the service at future points in time (see **Table 20**).

Table 20 311 Cost

Item	Total				
City Population	831,703				
Annual Calls to 311 ¹	679,999				
Call per Resident	0.82				
New Residents at CP/HPS	16,818				
Annual Call Increase	13,750				
Current Staffed CSR ²	74				
Annual Calls per CSR	9,189				
Increase in CSR	1.50				
Increase in CSR Supervisor ²	0.15				
		<u>Step 5</u>	<u>Fringe³</u>	<u>Total</u>	<u>Increase</u>
1324 Customer Service Agent ⁴	\$96,928	\$32,471	\$129,400	\$193,628	
1326 Customer Service Agent Supervisor ³	\$109,842	\$36,797	\$146,639	\$21,942	
Total 311 Cost				\$215,571	

[1] Number of calls in 2023 according to DataSF.org.

[2] Organization chart on sf311.org website (2017).

[3] Fringe rate is percent of total salaries.

[4] Using the CPI index, EPS inflated the 2017 salaries to 2024 dollars.

Sources: W. Lawson, E. McGrath (December 4, 2008); Economic & Planning Systems, Inc.

Police Services

The current level of staffing may provide some capacity to handle increased calls and could be augmented as demands exceed that capacity and/or the types of calls require a greater level of backup. Based on a current San Francisco average officers per service population,⁵ approximately 35 officers would be required to serve the project 24/7 at buildout to maintain a service level of 1.7 officers per service population. Staffing and related costs are phased as development occurs, although actual staff and service area configurations will need to be developed based on future demands and service configurations in neighboring areas. The level and cost of future police protection will vary depending on the type and extent of future calls for service.

Expansion of service is likely to require additional equipment and facilities on approximately 6,000 square feet of land. The land will either be existing land owned and provided by the SFPD or by the Developer for community facilities. A new or expanded facility is not expected to be needed until year 10 (2037). The cost assumes development costs for newly constructed/expanded SFPD space; to the extent that a new facility locates within a commercial building built onsite by the Developer, estimated costs could be lower than shown. The previous study facility costs have been inflated to 2024 dollars. Annual police service costs are estimated in **Table 21**, with a cost of \$11.8 million at stabilization.

⁵ Service population is calculated by adding total residential population and half of total employment. It represents a measure of public service demand in which employees are given 50 percent the weight of residents because of more modest demands for public service.

Table 21 Police Services

Item	Estimating Factor	Fiscal Year									
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9	2037 10
Sworn Police Officers ¹	2,001										
Officers per 1,000 Service Population	1.7										
Cumulative New Service Population	20,943 service population	792	792	792	792	2,716	3,317	5,395	6,920	8,020	9,139
Officers Required	35 officers	1	1	1	1	5	6	9	11	13	15
Officer Cost ²	\$330,301 per officer	\$434,203	\$434,203	\$434,203	\$434,203	\$1,489,340	\$1,818,526	\$2,957,887	\$3,794,270	\$4,396,975	\$5,010,649
Facilities Cost ³	\$743 per square foot										\$289,980
Total Police Cost		\$434,203	\$434,203	\$434,203	\$434,203	\$1,489,340	\$1,818,526	\$2,957,887	\$3,794,270	\$4,396,975	\$5,300,628

[1] sf.gov

[2]Based on CCSF Police Department 2023-24 costs; includes costs of salaries, fringe benefits, materials, and supplies.

[3] Consistent with 2017 analysis, assumes 6,000 square feet of facilities by tenth year of occupancy. Cost estimate assumes \$743 per square foot, amortized over 30 years at 5 percent.

Sources: City and County of San Francisco; Economic & Planning Systems, Inc.

Table 21 Police Services (continued)

Item	Estimating Factor	Fiscal Year								
		2038	2039	2040	2041	2042	2043	2044	2045	2046
		11	12	13	14	15	16	17	18	19
Sworn Police Officers ¹	2,001									
Officers per 1,000 Service Population	1.7									
Cumulative New Service Population	20,943 service population	9,327	12,861	13,470	15,604	15,604	20,311	20,943	20,943	20,943
Officers Required	35 officers	15	21	22	26	26	34	35	35	35
Officer Cost ²	\$330,301 per officer	\$5,113,723	\$7,051,547	\$7,385,252	\$8,555,151	\$8,555,151	\$11,135,999	\$11,482,588	\$11,482,588	\$11,482,588
Facilities Cost ³	\$743 per square foot	\$289,980	\$289,980	\$289,980	\$289,980	\$289,980	\$289,980	\$289,980	\$289,980	\$289,980
Total Police Cost		\$5,403,703	\$7,341,527	\$7,675,231	\$8,845,131	\$8,845,131	\$11,425,979	\$11,772,568	\$11,772,568	\$11,772,568

[1] sf.gov

[2]Based on CCSF Police Department 2023-24 costs; includes costs of salaries, fringe benefits, materials, and supplies.

[3] Consistent with 2017 analysis, assumes 6,000 square feet of facilities by tenth year of occupancy. Cost estimate assumes \$743 per square foot, amortized over 30 years at 5 percent.

Sources: City and County of San Francisco; Economic & Planning Systems, Inc.

Fire Protection

Fire protection service costs provided to CP assume development of a new station on the site to serve areas of CP. The services are likely to include an engine company, truck company, and ambulance.⁶ The fiscal analysis utilizes the previous study average cost per station (inflated to 2024 dollars) to estimate the operating costs. Depending on the magnitude and type of future service demands, and possible re-configuration of other existing or new stations in the City, it may be necessary to modify staff and/or facilities and equipment relative to typical City stations.

The new station is assumed to be required at year 15. This analysis assumes that a new station will cost approximately \$18 million for construction. Additional costs are included for vehicles and equipment and estimated to cost a total of \$3 million; these costs are amortized over multiple years. **Table 22** provides an estimate of the operating and capital costs for a new fire station. Note that only Years 15-19 are shown, as costs do not occur until Year 15. At Project stabilization, total fire costs are approximately \$10.3 million.

Table 22 Fire Protection

Item	Estimating Factor	2042	2043	2044	2045	2046
		15	16	17	18	19
Operations Cost ¹	\$9,176,642 per station	\$9,176,642	\$9,176,642	\$9,176,642	\$9,176,642	\$9,176,642
Facilities Cost ²	\$17,844,516 per facility	\$1,160,811	\$1,160,811	\$1,160,811	\$1,160,811	\$1,160,811
Equipment and vehicles cost ²	\$2,974,086	\$2,974,086	\$0	\$0	\$0	\$0
Total Fire Cost		\$13,311,539	\$10,337,453	\$10,337,453	\$10,337,453	\$10,337,453

[1] Cost per station is inflated from based on FY16 Adopted Budget, total fire budget (including GF and Departmental revenue-funded costs) per 47 stations (2016 CAFR statistical data). Cost assumed to be incurred in Year 15, as was assumed in 2010 and 2017 analyses.

[2] Assumes \$17,844,516 facility cost amortized over 30 years at 5 percent. Equipment and vehicles assumed at \$2,974,086. EPS has inflated the 2017 cost estimates to 2024 dollars.

Sources: City and County of San Francisco; Project EIR (p. III.0-12); 2016 CCSF CAFR Report; Economic & Planning Systems, Inc.

⁶ Draft EIR (III.0-20).

911

Other Public Protection services may be affected by new development. Costs for the City's "911" service have been estimated based on potential call volume and additional staff required to handle the calls. The costs have been spread over time as population of CP grows. Actual costs and staff will depend on timing of buildout, demand for "911," and capacity of the service at future points in time. **Table 23** summarizes the estimated cost for additional 911 demand.

Table 23 911 Calls

Item	Total				
City Population	831,703				
Annual Calls to 911 ¹	1,240,257				
Calls per Resident	1.49				
New Residents at CP/HPS	16,818				
Annual Call Increase	25,079				
Current Staffed PSD ¹	261				
Annual Calls per PSD	4,752				
Increase in PSD	5.28				
Increase in PSD Supervisor ²	0.88				
		<u>Step 5</u>	<u>Fringe³</u>	<u>Total</u>	<u>Increase</u>
8238 Public Safety Dispatcher		\$114,172	\$38,248	\$152,420	\$804,427
8239 Public Safety Supervising Dispatcher		\$128,362	\$43,001	\$171,363	\$150,734
Total 911 Costs					\$955,161

[1] San Francisco Department of Emergency Management Annual Report (2016).

[2] 2010 assumption.

[3] Fringe rate is percent of total salaries.

Sources: City and County of San Francisco; W. Lawson, E. McGrath (December 4, 2008); Economic & Planning Systems, Inc.

Public Health

Public health expenditures reflect costs related to emergency room visits and hospital stays, which are partially funded by the General Fund. The costs were estimated by the Department of Public Health (DPH) in previous analyses based on the number of affordable units, average number of visits and admissions, and average cost per visit after accounting for reimbursements. This analysis has updated the number of affordable units and inflated the average cost per visit to 2024 dollars (see **Table 24**).

Table 24 Public Health

Item	Total
Total number of Units	7,218
Affordable Units ¹	2,459
Person per Unit ²	2.33
Population seeking DPH services ³	5,729
<u>DPH</u>	
Expected number of ER visits annually ⁵	1,719
Percent increase in people to ER ⁶	2.9%
Inpatient cost per visit ⁷	\$840
Annual cost of ER visits	\$1,444,135
Number of patients admitted annually ⁸	241
Cost per day of inpatient ⁹	\$4,461
Average length of stay (days) ¹⁰	5.8
Annual admission cost	\$6,226,393
Total cost ER + Inpatient Admissions	\$7,670,527
Non-GF Reimbursements ¹¹	\$6,136,422
Remaining General Fund Cost	\$1,534,105
City Per Capita Cost	\$91

[1] Units sold or rented to individuals with less than the area median income (AMI).

[2] Derived from housing units and US Census data for people per household in San Francisco County.

[3] Conservative assumption that residents with less than AMI are more likely to be uninsured.

[4] Ratio of children to total number of units assumed to be consistent with 2010 analysis.

[5] Estimate from 2017 analysis.

[6] Estimate of 60,000 according to the Department of Public Health (DPH) in 2010.

[7] EPS inflated the 2017 cost to 2024 dollars.

[8] 0.3 visits per person according to the California Health Care Foundation (CHF) in 2010.

[9] EPS inflated the 2017 cost to 2024 dollars.

[10] According to OSHPD (state regulatory agency for acute care hospitals) in 2010.

[11] In 2010, on average, SFGH generated \$4 in reimbursements for every \$5 spent per patient visit.

Sources: City and County of San Francisco; California Health Care Foundation; OSHPD; Economic & Planning Systems, Inc.

Public Works

Maintenance of roadways will include street sweeping, routine maintenance (pothole repair and patching), sidewalks, striping and signage, as well as resurfacing and reconstruction that will be necessary as roads age. Costs have been estimated for periodic resurfacing and reconstruction to City standards on an optimal schedule to maintain a high level of street condition. The costs have been converted to an average annual cost equivalent. The previous study average annual cost has been inflated to 2024 dollars.

Maintenance costs are phased proportionate to the schedule of new road construction, which was provided by BKF Engineers in February 2024. The costs are assumed to be incurred annually beginning no earlier than about three years after road construction is initiated. This phasing allows for completion of new development sites, absorption of new units, then conveyance of streets for public use and maintenance. During construction, the developer is assumed to be responsible for maintenance of streets to address wear because of construction activity. Street sweeping will be required and is included in the cost estimates shown in **Table 25**. At buildout, road costs are approximately \$867,000.

Table 25 Public Works

Item	Estimating Factor	Fiscal Year								
		2028 1	2029 2	2030 3	2031 4	2032 5	2033 6	2034 7	2035 8	2036 9
<u>Mileage¹</u>										
CP Annual Roads	6.95	1.72	0.00	0.59	0.00	0.39	0.00	1.10	0.00	1.17
CP ² Cumulative Road Total		1.72	1.72	1.72	2.30	2.30	2.70	2.70	3.80	3.80
City Road Maintenance Responsibility		1.72	1.72	1.72	1.72	1.72	2.30	2.30	2.70	2.70
Total CP Roads Service Costs³	\$124,677 per mile	\$213,823	\$213,823	\$213,823	\$213,823	\$213,823	\$287,167	\$287,167	\$336,165	\$336,165

[1] Mileage schedule according to BKF Engineers, February 2024. Existing mileage in 2024 based on public roads previously built around the Alice Griffith housing.

[2] City responsibility assumed to begin 3 years after the start of road construction, by year.

[3] Includes periodic partial and full reconstruction, and pothole repair/patching during interim years. Per mile cost includes cost of maintenance and street sweeping, less Prop. K sales tax revenue and a portion of gas tax revenue. Per mile cost at stabilization in 2017 inflated to 2024 dollars.

Sources: City and County of San Francisco; BKF Engineers Construction Schedule; Economic & Planning Systems, Inc.

Table 25 Public Works (continued)

Item	Estimating Factor	Buildout					Stabilization				
		2037 10	2038 11	2039 12	2040 13	2041 14	2042 15	2043 16	2044 17	2045 18	2046 19
<u>Mileage¹</u>											
CP Annual Roads	6.95	0.00	1.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
CP ² Cumulative Road Total		4.97	4.97	6.95	6.95	6.95	6.95	6.95	6.95	6.95	
City Road Maintenance Responsibility		3.80	3.80	4.97	4.97	6.95	6.95	6.95	6.95	6.95	
Total CP Roads Service Costs³	\$124,677 per mile	\$473,385	\$473,385	\$619,838	\$619,838	\$866,932	\$866,932	\$866,932	\$866,932	\$866,932	

[1] Mileage schedule according to BKF Engineers, February 2024. Existing mileage in 2024 based on public roads previously built around the Alice Griffith housing.

[2] City responsibility assumed to begin 3 years after the start of road construction, by year.

[3] Includes periodic partial and full reconstruction, and pothole repair/patching during interim years. Per mile cost includes cost of maintenance and street sweeping, less Prop. K sales tax revenue and a portion of gas tax revenue. Per mile cost at stabilization in 2017 inflated to 2024 dollars.

Sources: City and County of San Francisco; BKF Engineers Construction Schedule; Economic & Planning Systems, Inc.

Recreation

The CP plan will include new public parks, trails, and sports fields and urban recreation areas, which will require maintenance and operation. The Project will also likely result in a need for new recreational programs once the recreational facilities are built. The potential costs of new recreational programs are estimated on per capita basis based on the 2024 budget for recreation programming at an approximate cost of \$9.10 per person.

Library

The community facilities include a reading room operated by the San Francisco Public Library (SFPL) system. It would be staffed by two to three librarians, and would include programming space as well as collections and computers with internet connections. In addition, the Project envisions the incorporation of automated book pick-up and drop-off kiosks to be operated by the SFPL. The operating and capital costs for a new library facility have been inflated from previous study costs to 2024 dollars in **Table 26**.

Table 26 Library

Item	Total
<hr/>	
<u>Annual Operating Costs¹</u>	
Personnel	\$263,892
Telephone Costs	\$307
Internet Costs	\$1,051
Utilities ²	<u>\$12,417</u>
Total Annual Costs	\$277,666
<u>Capital Costs¹</u>	
Programming Space ³	\$127,140
Collections	\$122,672
Technology ⁴	\$201,328
FF&E Contingency	<u>\$32,360</u>
Total Capital Costs	\$483,500

[1] Costs inflated to 2024 dollars.

[2] Includes light, heat, power, water, sewer, and trash.

[3] Includes tables, chairs, white board, curtains, book trucks, and miscellaneous supplies and tax.

[4] Includes Phone, WiFi, copier, data projector, retractable screen, audio visual, laptops, printer, and a keycard system.

Sources: City and County of San Francisco; Economic & Planning Systems, Inc.

6. TRANSPORTATION

The results of the transit fiscal impact analysis are presented earlier in this report in **Chapter 2**. **Table 3** shows annual transit revenues and cost at project stabilization. **Table 4** shows the annual forecasted Project-related transit revenue and expenditure forecasts from 2028 through 2046.

Fehr & Peers estimated all the transit expenditures as well as a number of transit revenues. Transit revenues estimated by Fehr & Peers included revenues from FastPasses, Farebox recovery, advertising, on-street parking, and parking fees and fines.

EPS estimated the Project-related transit revenues associated with the taxable sales and parking revenues discussed in **Chapter 3** as well as the City Charter's appropriation of a portion of General Fund revenues to SFMTA. These revenue items are addressed briefly below. It is important to note that while, historically, Muni's capital costs have been funded through federal and state sources in addition to local, this analysis makes the conservative assumption that no State and federal revenues will be available.

EPS estimated the following revenue sources assumed for transportation:

- Sales Tax (Prop K) - The City of San Francisco has enacted a 1/2-cent sales tax for purposes of funding transportation projects, 36.8 percent of which is allocated to transit system maintenance and renovation.
- Parking Tax – 80% of parking tax from off-street, commercial spaces is transferred from General Fund to SFMTA.
- State sales tax (AB 1107 or BART) is a one-half cent sales tax, which allocates 25 percent to SFMTA and AC Transit and 75 percent to BART.
- TDA Sales Tax – SFMTA receives an amount equal to ¼ cent sales tax. The analysis estimates sales tax revenues based on new commercial space at the Project and resident expenditures.

The transportation services provided by the SFMTA are an integral component of the success of the new neighborhood, and therefore, its ability to generate the additional General Fund revenues. Section 8A.105 of the City's Charter directs the Controller to adjust the Base Amount of annual General Fund appropriations to the SFMTA for any increases in service not provided in the Base Year. This mechanism will allow Muni to direct additional surplus General Fund revenue generated by the Project to Muni for operations and maintenance expenses, as well as financing for capital and facilities expenses through mechanisms such as certificates of participation, revenue bonds, or leases. In 2024, 9.57 percent of discretionary General Fund revenues will be transferred to SFMTA. For the purposes of this analysis, this appropriation is assumed to remain constant, though it might increase over time as transit demand increases.

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 25-2024

Adopted September 3, 2024

ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING AMENDMENTS TO THE REDEVELOPMENT PLAN FOR BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA, REFERRING THE PLAN AMENDMENTS TO THE PLANNING COMMISSION FOR ITS REPORT ON CONFORMITY WITH THE GENERAL PLAN, AND RECOMMENDING THE PLAN AMENDMENTS TO THE BOARD OF SUPERVISORS FOR ADOPTION; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA

- WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, Section 33000 et seq. the “**CRL**”), the Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“**City**”), including the Bayview Hunters Point Redevelopment Project Area (“**BVHP Project Area**”) and the Hunters Point Shipyard Redevelopment Project Area (“**HPS Project Area**”); and,
- WHEREAS, The Board of Supervisors of the City and County of San Francisco (“**Board of Supervisors**”) adopted the Hunters Point Shipyard Redevelopment Plan (“**HPS Plan**”) on July 14, 1997 by Ordinance No. 285-97 and amended the HPS Plan on August 3, 2010 by Ordinance No. 211-10, on June 22, 2017 by Ordinance No. 122-17, and on July 16, 2018 by Ordinance No. 0166-18; and,
- WHEREAS, On May 23, 2006, the Board of Supervisors amended the Bayview Hunters Point Redevelopment Plan (“**BVHP Plan**”) by Ordinance No. 113-06, on August 3, 2010 by Ordinance No. 210-10, on June 22, 2017 by Ordinance No. 123-17, and on July 16, 2018 by Ordinance No. 0167-18; and,
- WHEREAS, On June 3, 2010, the Former Agency took several actions approving (or recommending approval of) a program of development for approximately 700 acres of land within the BVHP Plan and HPS Plan areas (“**CP/HPS2 Project**”) including a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) by and between the Former Agency and CP Development Co., LLC (“**Developer**”); and,
- WHEREAS, Pursuant to California Health and Safety Code §§ 34170 *et seq.* (the “**Dissolution Law**”), the Former Agency was dissolved as of February 1, 2012; and,
- WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure, herein “**Successor Agency**” or “**OCII**”) is completing the enforceable obligations of the Former Agency with regard to the HPS Plan and BVHP Plan areas, including implementation of the CP/HPS2 Project, under the authority of the CRL as amended by the Dissolution Law, and under San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“**Commission**”) and delegating to it state authority under the Dissolution Law); and,

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

WHEREAS, The Successor Agency proposes to adopt amendments to the BHVP Plan (“**Plan Amendments**”) to facilitate modifications to the CP/HPS2 Project, which modifications are proposed to be approved by the Commission together with its adoption of the Plan Amendments; and,

WHEREAS, The BVHP Plan establishes the land use controls for the BVHP Project Area, which is divided into two sub-areas (Project Area A and Project Area B), and Project Area B is further divided into Zone 1 (also known as Candlestick Point) and Zone 2 (the remainder of Project Area B); and,

WHEREAS, Proposed amendments to the BVHP Plan land use controls consist of the following general changes: (a) allowing the transfer of up to 2,050,000 square feet of research and development and office space from HPS Phase 2 to those portions of BVHP Zone 1 where that use is allowed, subject to Commission approval and any necessary environmental review; (b) clarifying that certain commercial uses currently authorized within HPS Phase 2 are also allowed within BVHP Zone 1; and (c) allowing the transfer of residential units from HPS Phase 2 to BVHP Zone 1, subject to Commission approval and any necessary environmental review; and,

WHEREAS, Proposed amendments to the BVHP Plan further implement SB 143 and establish the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with BVHP Zone 1 as follows: (a) the time limit for establishing loans, advances, and indebtedness in connection with Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date (defined in the BVHP Plan as the date on which the Board of Supervisors ordinance adopting the amendments to the BVHP Plan becomes effective); (b) the time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date; (c) the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date; and,

WHEREAS Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limits referenced in clauses (a) – (c) above shall include an additional fifteen (15) years. The Navy has recently informed OCII that completion of remediation and

conveyance of all portions of the Shipyard Site, excluding Parcel F, to Developer will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relating these schedule delays are described in correspondence provided to OCII by the Navy, and which are on file with the Commission Secretary. This estimated delay (defined as the Anticipated Navy Delay in the BVHP Plan) warrants the additional 15-year extension of the redevelopment timelines referenced above for purposes of redevelopment activities on the Shipyard Site and related tax increment financing; and,

WHEREAS, The Plan Amendment further proposes adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by combining the existing \$800 million applicable to Candlestick Point and the existing \$900 million limit applicable to the Shipyard Site into a single limit in the amount of \$5.9 billion applicable to both BVHP Zone 1 and Phase 2 of the HPS Project Area. The limits on bonded indebtedness, which have not been adjusted since the approval of the Project in 2010, is necessary to address increases in project costs and inflation that have occurred since 2010 and future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area B and Phase 2 of the HPS Project Area progress; and,

WHEREAS, The proposed amendments to the Redevelopment Plans remain consistent with the development envisioned by the Conceptual Framework (Board of Supervisors Resolution No. 264-07 (May 15, 2007); Agency Commission Resolution No. 40- 2007 (May 1, 2007), Proposition G, the Jobs Parks and Housing Initiative (June 2008)), and Proposition O, the Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition (November 2016); and,

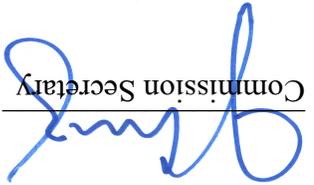
WHEREAS, Sections 33450-33458 of the CRL sets forth the process for amending a redevelopment plan. This process includes a publicly noticed hearing of the redevelopment agency; environmental review to the extent required, and adoption of the amendment by the redevelopment agency after the public hearing; preparation of the report to the legislative body, referral of the amendment to any applicable planning entity for a determination of General Plan conformity, if warranted; a publicly noticed hearing of the legislative body, and legislative body consideration after its hearing. Section 33457.1 of the CRL further requires the preparation of a report to the legislative body regarding the plan amendment in order to provide relevant background information in support of the need, purpose and impacts of the plan amendment; and,

WHEREAS, Pursuant to Section 33457.1 of the CRL, OCII staff has prepared a Report to the Board of Supervisors on the Amendments to the Bayview Hunters Point Redevelopment Plan that includes the information required by Section 33352 to the extent warranted by the proposed amendment; and,

WHEREAS, The Commission held a public hearing on September 3, 2024 on adoption of the Plan Amendments, notice of which was duly and regularly published in a newspaper of general circulation in the City once a week for four successive weeks prior to the date of the hearing, and a copy of that notice and affidavit of publication are on file with the Commission Secretary; and,

- WHEREAS, Copies of the notice of public hearing were mailed by first-class mail to the last known address of each assessee of land in the HPS Project Area and the BVHP Project Area as shown on the last equalized assessment role of the City; and,
- WHEREAS, Copies of the notice of public hearing were mailed by first-class mail to all residential and business occupants in the HPS Project Area and the BVHP Project Area; and,
- WHEREAS, Copies of the notice of public hearing were mailed, by certified mail, return receipt requested, to the governing body of each taxing agency which receives taxes from property in the HPS Project Area and the BVHP Project Area; and,
- WHEREAS, The Commission has provided an opportunity for all persons to be heard and has considered all evidence and testimony presented for or against any and all aspects of the conforming Plan Amendments; and,
- WHEREAS, The Plan Amendments were presented to the Mayor’s Hunters Point Shipyard Citizens Advisory Committee Business & Employment, Housing and Planning subcommittee on May 16, 2024, and to its full Committee on June 17, 2024, and received its recommendation for approval; and,
- WHEREAS, OCII staff has reviewed the Plan Amendments, and find them acceptable and recommends approval thereof; and,
- WHEREAS, OCII has provided for appropriate public hearings, and referred them to the City’s Planning Commission for determination that the Plan Amendments are consistent with the General Plan and with the Eight Priority Policies of City Planning Code Section 101.1; and,
- WHEREAS, On September 3, 2024, the Commission adopted Resolution No. 22-2024, by which the Commission determined that the Final EIR (therein defined), together with further analysis provided in Addendum No. 1, Addendum No. 4, Addendum No. 5, Addendum No. 6, and Addendum No. 7 remain adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (“CEQA”) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.); and,
- WHEREAS, The environmental effects of the Redevelopment Plan Amendment have been analyzed in the environmental documents, which are described in Resolution No. 22-2024. Copies of the environmental documents are on file with the Agency; now, therefore, be it:
- RESOLVED, That the Commission hereby finds that the Plan Amendments are included in the actions identified in Resolution No. 22-2024 for purposes of compliance with CEQA; and be it further
- RESOLVED, That in Resolution No. 22-2024, adopted on September 3, 2024, the Commission adopted findings that various actions, including the Plan Amendments, were in compliance with CEQA. Said findings are on file with the Commission Secretary and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein; and be it

EXHIBIT A: Amendments to the Redevelopment Plan for the Bayview Hunters Point Redevelopment Plan (Existing Redevelopment Plan available at www.sfochi.org).


Commission Secretary

I hereby certify that the foregoing resolution was adopted by the Successor Agency Commission at its meeting of September 3, 2024.

RESOLVED, That the Commission approves the Plan Amendments attached hereto as Exhibit A and recommends forwarding the Plan Amendments to the San Francisco Board of Supervisors for its approval; and be it
RESOLVED, That the Commission authorizes the OCII Executive Director to take all actions as may be necessary or appropriate, to the extent permitted under applicable law and the Redevelopment Plans, to effectuate OCII's performance thereunder.

BVHP Redevelopment Plan Amendment – Description of Changes

The BVHP Plan establishes land use controls for development on Candlestick Site (referred to as Zone 1 of BVHP Project Area B).

Land Use and Development Program Modifications. The proposed amendment to the BVHP Plan would:

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area (Shipyards Site) to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to OCII Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow hotel use as a Principal Use and allow certain entertainment and performance uses as a Secondary Use within the Candlestick Mixed Use Residential District.
- Clarify that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B.

Redevelopment Plan Time Limits. The proposed amendment to the BVHP Plan would implement SB 143 by establishing the following time limits in connection with Zone 1 of Project Area B:

- **Time Limit to Incur Debt.** Time limit for establishing loans, advances, and indebtedness for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date (defined as date on which the Board of Supervisors adopts the 2024 amendments to the BVHP Plan). Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for establishing loans, advances, and indebtedness shall be a) 30 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the “Anticipated Navy Delay” (as defined in the BVHP Plan).
- **Effectiveness of the Plan.** Time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be a) 30 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project

Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit. Consistent with SB 143's authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the proposed amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The proposed amendment to the BVHP Plan establishes that the aggregate total amount of bonded indebtedness of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

SUMMARY OF PLAN AMENDMENTS

The following summarizes the proposed amendments to the BVHP Plan:

§1.0 Bayview Hunters Point Redevelopment Plan Overview. Addition of language describing the dissolution of redevelopment agencies and the recent passage of Senate Bill 143 which established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 do not apply to the Project.

§1.3.2 Plan Duration for Project Area B. Establishes time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date and that solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be a) 30 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the Anticipated Navy Delay.

§1.5.7 Candlestick Point. Language clarifying that the character of the Candlestick Point neighborhood is to foster an array of diverse commercial uses, including research and development.

§1.8.2 Tax Increment Financing. Language implementing SB 143 authorizing tax increment revenues to flow between Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Project Area.

§1.8.3. Agency Bonds. Language establishing that the aggregate total amount of bonded indebtedness for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area is \$5.9 billion.

§1.8.5 Time Limit for Receipt of Tax Increment Funds. Time limit for establishing loans, advances, and indebtedness for Zone 1 of Project Area B shall be 30 years from the 2024 Plan

Amendment Date and solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for establishing loans, advances, and indebtedness shall be a) 30 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the “Anticipated Navy Delay”.

Establish that the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date and solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other cost necessary to complete the enforceable obligations in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, b) plus an additional 15 years, which represents the Anticipated Navy Delay.

§4.2.2 (Candlestick North Neighborhood); §4.2.3 (Candlestick Center Neighborhood); §4.2.4 (Candlestick South Neighborhood). Language clarifying the character of the neighborhoods.

§4.2.7 Candlestick Mixed Use Residential District. Hotel Use is allowed as a Principal Use. Regional retail, and certain commercial and entertainment uses are Secondary Uses.

§4.2.8 Candlestick Center Mixed Use Commercial District. Clarify that Research and Development uses (Office, Laboratory, Life Science, Green Technology) and Maker Space are Principal Uses.

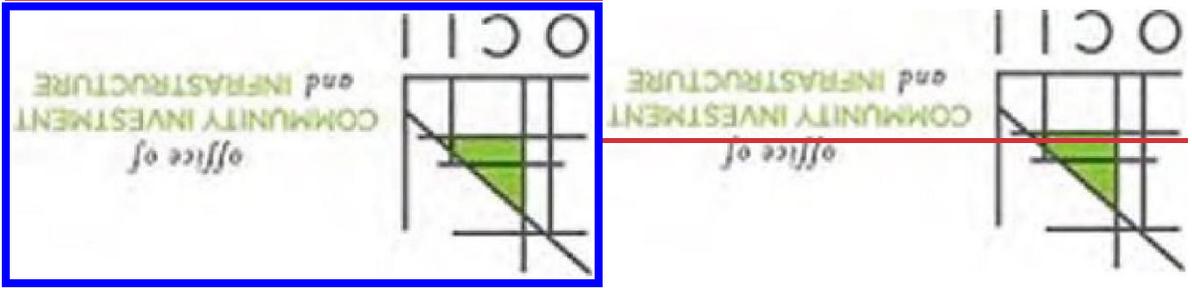
§4.3.6 Limitation on the Number of Dwelling Units. Language clarifying that the maximum number of units may be increased without amendment to the BVHP Plan to the extent the HPS Plan authorizes the transfer of Dwelling Units from Phase 2 of the Hunters Point Shipyard Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review.

§4.3.7 Limitation on Type, Size and Height of Buildings. Adjustments to the development program square footage to reflect the updated development program. Language authorizing transfer of up to 2,050,000 square feet of R&D/office from Phase 2 of the Hunters Point Shipyard Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. Authorize any unused R&D/office square footage transferred from the Shipyard Site to Candlestick Point, following Commission approval, to be transferred back to the Shipyard Site subject to Commission approval of applicable Major Phase Application.

§6.0 Definitions. Added definitions of certain commercial uses currently included in the HPS Plan to the BVHP Plan. Commercial uses include Research and Development activities related to Laboratory, Life Science, Light Industrial, Green Technology, and Office uses.

**REDEVELOPMENT PLAN
FOR THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT**

July 16, 2018 [DATE]



**SUCCESSOR AGENCY TO THE SAN FRANCISCO
REDEVELOPMENT AGENCY**

**Adopted August 3, 2010
Amended June 22, 2017
Amended July 16, 2018**

Amended [DATE], 2024

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**REDEVELOPMENT PLAN
FOR THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT**

Bayview Hunters Point Redevelopment Plan
Approved and Adopted by the Board of Supervisors
of the City and County of San Francisco,
Ordinance No. 25-69, January 20, 1969

Amendments Adopted and Approved by the Board of Supervisors
of the City and County of San Francisco,
Ordinance No. 280-70, August 24, 1970,
Ordinance No. 475-86, December 1, 1986,
Ordinance No. 417-94, December 12, 1994,
Ordinance No. 113-06, May 23, 2006,
Ordinance No. 210-10, August 3, 2010;
Ordinance No. 121-17; June 22, 2017
and Ordinance No. 0167-18, July 16, 2018.

TABLE OF CONTENTS

1.0	BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN OVERVIEW	1
1.1	Bayview Hunters Point Redevelopment Plan Overview	2
1.1.1	Significant Community Participation In Planning Process.....	2
1.1.2	Contents of this Redevelopment Plan	2
1.1.3	Project Area Boundaries	3
1.1.4	Conformance with the General Plan	3
1.1.5	Powers, Duties and Obligations for Implementation of this Redevelopment Plan	443
1.1.6	Powers and Duties of the Project Area Committee	444
1.1.7	Preliminary Plan.....	444
1.1.8	Remaining Survey Area Subject to Further Analysis and Incorporation	554
1.2	Planning Goals and Objectives for the Project Area	555
1.2.1	Redevelopment Project Area Objectives	555
1.2.2	Implementation Plan for the Project Area	666
1.2.3	Related Plan Documents for the Project Area	776
1.2.4	Historical Survey of the Project Area	776
1.2.5	Performance Audit	777
1.3	Redevelopment Plan Duration	887
1.3.1	Plan Duration for Project Area A.....	887
1.3.2	Plan Duration for Project Area B.....	887
1.4	Redevelopment Activities for the Project Area	998
1.4.1	Redevelopment Actions	998
1.4.2	Personal Property Acquisition and Disposition	10109
1.4.3	Real Property Acquisition.....	10109
1.4.4	Real Property Disposition and Development.....	101010
1.4.5	Prohibitions and Limitations on Use of Eminent Domain.....	111111
1.4.6	Rehabilitation, Conservation and Moving of Structures.....	131312
1.5	Community Revitalization Activity Nodes.....	131312
1.5.1	Northern Gateway	141413
1.5.2	Town Center.....	141413
1.5.3	Health Center	151513

Bayview Hunters Point Redevelopment Plan

~~July 16, 2018~~

~~[Date], 2024~~

1.5.4	South Basin	151514
1.5.5	Oakinba	161614
1.5.6	Hunters Point Shoreline	161615
1.5.7	Candlestick Point	161615
1.6	Community Enhancements and Benefits Program for the Project Area.....	171716
1.6.1	Community Benefits Program	171716
1.6.2	Proposed Benefits Programs	171716
1.6.3	Open Space	181816
1.6.4	Public Improvements and Public Facilities.....	181817
1.7	Affordable Housing in the Project Area	191917
1.7.1	Affordable Housing Program.....	191917
1.7.2	Affordable Housing Production Goals.....	191917
1.7.3	Affordable Housing Participation Policy	191918
1.7.4	Tax Increment Committed To Housing	202019
1.7.5	Replacement Housing	212119
1.7.6	Occupancy Preferences	212120
1.8	Methods of Financing this Redevelopment Plan in the Project Area	222220
1.8.1	General Description of Proposed Financing Method.....	222220
1.8.2	Tax Increment Financing	222220
1.8.3	Agency Bonds	242422
1.8.4	Time Limit on Establishment of Indebtedness	252523
1.8.5	Time Limit for Receipt of Tax Increment Funds	252523
	24	
	24	
1.8.6	Other Loans, Grants and Miscellaneous Financing Sources	262624
2.0	GENERAL POLICIES APPLICABLE TO THE PROJECT AREA	262624
2.1	Relocation of Displaced Persons, Businesses and Others in Project Area	262624
2.1.1	Assistance in Finding other Locations	262624
2.1.2	Relocation Payments.....	272725
2.1.3	Business Tenant Preference	272725
2.2	Nondiscrimination and Equal Opportunity	272725
2.2.1	Nondiscrimination in Implementation	272725

2.2.2	Employment and Contracting Opportunities in Implementation.....	282826
2.3	Owner Participation Agreements.....	282826
2.3.1	Participation by Property Owners.....	282826
2.3.2	OPA Rules.....	292927
2.4	Enforcement, Amendments and Severability of Redevelopment Plan.....	292927
2.4.1	Actions by the City.....	292927
2.4.2	Administration and Enforcement.....	292927
2.4.3	Procedures for Plan Amendment.....	292927
2.4.4	Severability.....	303027
3.0	EXPIRED REDEVELOPMENT PLAN FOR PROJECT AREA A.....	303028
3.1	Methods of Financing under this Redevelopment Plan for former Project Area A..	303028
3.1.1	General Description of Proposed Financing Method.....	303028
3.1.2	Limits on Indebtedness and Tax Increment for Non-Housing Purposes.....	323229
3.1.3	Extension of Indebtedness and Tax Increment for Housing under Senate Bill (SB) 2113.....	323230
4.0	REDEVELOPMENT PLAN FOR ZONE 1 OF THE PROJECT AREA.....	323230
4.1	Existing Conditions in Zone 1 of the Project Area.....	3333308
4.2	Generalized Neighborhood Land Uses.....	333334
4.2.1	Alice Griffith Neighborhood.....	333334
4.2.2	Candlestick North Neighborhood.....	333334
4.2.3	Candlestick Center Neighborhood.....	3434319
4.2.4	Candlestick South Neighborhood.....	343432
4.2.5	Intentionally Deleted.....	353532
4.2.6	Land Use Districts.....	353532
4.2.7	Candlestick Mixed Use Residential District.....	373734
4.2.8	Candlestick Center Mixed Use Commercial District.....	393936
4.2.9	Open Space.....	4242385
4.2.10	Interim Uses.....	424239
4.2.11	Temporary Uses.....	434340
4.2.12	Public Rights-of-Way.....	4444407
4.3	Standards and Procedures for Development in Zone 1.....	444441
4.3.1	Applicability of City Regulations; City’s Duty to Protect Public Health and Safety.....	444441

Bayview Hunters Point Redevelopment Plan

~~July 16, 2018~~

~~[Date], 2024~~

4.3.2	Cooperation Agreement	474744
4.3.3	Interagency Cooperation Agreement	484844
4.3.4	Type, Size, Height and Use of Buildings in Zone 1	484844
4.3.5	Limitation on the Number of Buildings.....	484844
4.3.6	Limitation on the Number of Dwelling Units.....	4848441
4.3.7	Limitation on Type, Size and Height of Buildings.....	4949451
4.3.8	Parking	494946
4.3.9	Land Coverage	505046
4.3.10	Signs.....	505046
4.3.11	Review of Planning Applications, Architectural and Landscape Plans.....	505046
4.3.12	Off-Site Improvements	505046
4.3.13	Variance by Agency.....	515147
4.3.14	Nonconforming Uses	515147
4.3.15	Development Fees and Exactions	525248
4.3.16	Office Development Limitations	535349
4.3.17	Shadow on Recreation and Park Property	545450
5.0	REDEVELOPMENT PLAN FOR ZONE 2 OF THE PROJECT AREA	545450
5.1	Existing Conditions in Zone 2 of the Project Area	545450
5.2	Land Uses Permitted in Zone 2 of the Project Area	555550
5.2.1	Permitted Land Uses in Zone 2.....	555550
5.2.2	Residential.....	555551
5.2.3	Mixed Use – Neighborhood Commercial.....	555551
5.2.4	Light Industrial.....	565651
5.2.5	Buffer Zones	565651
5.2.6	Public Facility	565652
5.2.7	Public Rights-of-Way	565652
5.3	Standards for Development in Zone 2 of the Project Area.....	575752
5.3.1	Delegation Agreement	575752
5.3.2	Type, Size, Height and Use of Buildings in Zone 2	575753
5.3.3	Limitation on the Number of Buildings.....	585853
5.3.4	Number of Dwelling Units.....	585853
5.3.5	Parking	585853

5.3.6	Land Coverage	585853
5.3.7	Signs.....	585853
5.3.8	Review of Planning Applications, Architectural and Landscape Plans.....	585854
5.3.9	Off-Site Improvements	595954
5.3.10	Variance by Agency.....	595954
5.3.11	Variance by Planning Department	595955
5.4	Economic Development Program for Zone 2 of the Project Area.....	606055
5.4.1	Proposed Economic Development Programs.....	606055
5.4.2	Economic Development Activity Nodes	606055
6.0	DEFINITIONS.....	616156

ATTACHMENTS

Attachment A - Legal Description Project Area A

Attachment B - Legal Description Project Area B

Parcel One

Parcel Two

Attachment C - Authorized Public Improvements

Attachment D - List of Blocks and Lots Within Zone 1 of Project Area B

Attachment E - Planning Code Section 314

Attachment F - Planning Code Section 295

Attachment G - Planning Commission Resolution 18102

Attachment H - Proposition O (2016)

EXHIBITS

MAP 1 – Project Area Boundary

MAP 2 – Project Area B Redevelopment Zones

MAP 3 – Area B Activity Nodes

MAP 4 – Zone 1 Land Use Districts Map

MAP 5 – Zone 2 Generalized Land Use Map

1.0 BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN OVERVIEW

When adopted in 2006, this Bayview Hunters Point Redevelopment Plan¹ (the “**Redevelopment Plan**”) amended the redevelopment plan formerly known as the Hunters Point Redevelopment Plan for the redevelopment project area formerly known as “**Hunters Point Redevelopment Project Area**.” In January 2009, the portion of this Redevelopment Plan covering the Hunters Point Redevelopment Project Area (also known as Project Area A) expired and, as a result, the Redevelopment Agency of the City and County of San Francisco (the “**Agency**”) has no authority to act pursuant to that portion of this Redevelopment Plan except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which includes the use of its tax increment for the funding of affordable replacement housing.² With the expiration of Project Area A, only the area added by the 2006 amendment constitutes the “**Bayview Hunters Point Redevelopment Project Area**” (sometimes referred to as the “**Project Area B**” or the “**Project Area**”). During the preparation of this Redevelopment Plan, the Agency consulted with the Project Area Committee, the Planning Department and other departments of the City and County of San Francisco (the “**City**”).

On February 1, 2012, the State of California dissolved all redevelopment agencies, including the Agency, and established successor agencies to assume certain rights and obligations of the former redevelopment agencies, Cal. Health & Safety Code § 34170 et seq. (the “Redevelopment Dissolution Law”). As a result, the Agency ceased to exist and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or “OCII”), was established by operation of law and assumed certain obligations of the Agency, primarily those “enforceable obligations” that were entered into prior to the suspension of redevelopment agencies’ activities and were approved by the State of California, through its Department of Finance. On December 14, 2012, the Department of Finance finally and conclusively determined that the following agreements associated with the Project Area are enforceable obligations that survived redevelopment dissolution: the Disposition and Development Agreement for Candlestick Point-Hunters Point Shipyard Phase 2 (“CP-HPS2”) and the Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), including those portions funding affordable housing in CP-HPS2. Accordingly, the Successor Agency continues to have authority to implement the above-referenced enforceable obligations in Zone 1 of the Project Area, but lacks authority to undertake activities in Zone 2 of the Project Area.

In 2023, amendments to State law established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 shall not apply to

¹ Capitalized terms have the meaning set forth in Section 6 (**Definitions**) unless otherwise indicated in the text.

² Under Sections 33333.7 and 33333.8 of the California Health and Safety Code, the Agency may continue to incur indebtedness and receive tax increment from the Hunters Point Project Area (Project Area A) to fulfill its housing obligation to replace affordable housing units that were previously destroyed and never replaced. Ordinance No. 15-05 (Jan. 21, 2005).

Authorized Public Improvements (Attachment C), the List of Blocks and Lots within Zone 1 as of the 2010 Plan Amendment Date (Attachment D), Planning Code Section 314 (Attachment E), Planning Code Section 295 (Attachment F), Planning Commission Resolution 18102 (Attachment G) (subject to Section 4.3.16 (below)), and Proposition O (Attachment H). All attachments and maps are incorporated into this Redevelopment Plan by reference. This Redevelopment Plan was prepared by the Agency pursuant to the California Community Redevelopment Law (CRL), the California Constitution, and all applicable local codes and ordinances. The Project Area is in Bayview Hunters Point, City and County of San Francisco, State of California and includes all properties within the Project Area boundary shown on Map 1.

1.1.3 Project Area Boundaries

The Project Area consists of Project Area B which has two sub-areas: Zone 1 (also known as the Candlestick Point Sub-Area) and Zone 2.³

Project Area B includes portions of the Survey Area designated and described in Resolution No. 26-95 adopted by the Board of Supervisors of the City and County of San Francisco on January 3, 1995, and formally designated in name as the “Bayview Hunters Point Survey Area” in Resolution No. 439-99 adopted by the Board of Supervisors on May 10, 1999. The BVHP Project Area was adopted on June 1, 2006 by Ordinance No. 113-06. The boundaries of Project Area B are indicated on Map 1, Project Area Boundary Map, and the legal description is found in Attachment B. The sub-areas of Project Area B are illustrated in Map 2. The parcels, as of the 2010 Plan Amendment Date, within Zone 1 are listed by Assessor Block and Lot numbers in Attachment D.

A portion of the original Bayview Hunters Point Survey Area created in 1995 centered around the Hunters Point Shoreline Activity Node, also referred to as the India Basin Shoreline, may be added as Project Area C as part of a future plan amendment, as described in Section 1.1.8 below.

1.1.4 Conformance with the General Plan

The Redevelopment Plan is consistent with the General Plan of the City and County of San Francisco and its applicable elements, including the BVHP Area Plan and the Candlestick

³ Prior to its expiration in 2009, Project Area A comprised all of the Redevelopment Area G (Hunters Point), as designated and described in Resolution No. 711-63 adopted by the Board of Supervisors on December 23, 1963, portions of the Survey Area as designated and described in Resolution No. 100-68 adopted by the Board of Supervisors on February 13, 1968, and Survey Areas as designated and described in Resolution No. 313-70 adopted by the Board of Supervisors on May 25, 1970. The boundaries of Project Area A are indicated on Map 1, Project Boundary Map, and the legal description is found in Attachment A.

Point Sub-Area Plan, each as of the 2018~~24~~ Plan Amendment Date, and is in conformity with the eight Priority Policies of Section 101.1 of the San Francisco Planning Code.

1.1.5 Powers, Duties and Obligations for Implementation of this Redevelopment Plan

This Redevelopment Plan provides the Agency with the powers, duties and obligations to implement and further the programs generally described herein for the redevelopment, rehabilitation and revitalization of the Project Area. This Redevelopment Plan provides a framework and sets forth the objectives, redevelopment programs, and land use controls within which specific redevelopment activities in the Project Area will be pursued. It also describes the tools available to the Agency to develop and proceed with specific plans, projects, and solutions. The development of all real property in Zone 1 of the Project Area is subject to the controls and requirements of this Redevelopment Plan, and the other applicable Plan Documents, including the development standards and design guidelines established in the Candlestick Point Design for Development. The development of all real property in Zone 2 of the Project Area is subject to the controls and requirements of this Redevelopment Plan, the Planning Code and the other applicable Plan Documents, as described herein.

1.1.6 Powers and Duties of the Project Area Committee

The PAC has the role and duties listed in Section 33347.5 and Sections 33385 through 33388 of the CRL, which requires, among other things that the Agency consult with and obtain the advice of a project area committee on policy matters affecting the residents of the project area “throughout the period of preparation of the redevelopment plan and for a three-year period after the adoption of the redevelopment plan, subject to one-year extensions by the legislative body.” Section 33386. The required three-year period for the PAC is reset by the amendment of this Redevelopment Plan by Ordinance No. 210-10. When the term of the existing PAC expires, the Agency shall request, on an annual basis, that the Board of Supervisors authorize one-year extensions of the PAC for the duration of this Redevelopment Plan or otherwise ensure, pursuant to CRL Section 33385(f), that another advisory committee is formed for the duration of this Redevelopment Plan. The Agency will consult with and seek the advice of the PAC or other advisory committee on policies and programs designed to implement this Redevelopment Plan.

1.1.7 Preliminary Plan

This Redevelopment Plan is based on the Amended Preliminary Plan for the South Bayshore Redevelopment Project Area, formulated and adopted by the Planning Commission by Motion No. 14205 on October 10, 1996 and as revised by the Planning Commission by Motion No. 14257 on December 12, 1996. The Planning Commission also formulated and adopted the India Basin Preliminary Plan by Motion No. 17932 on July 23, 2009.

1.1.8 Remaining Survey Area Subject to Further Analysis and Incorporation

A portion of the Bayview Hunters Point Survey Area that is centered around the Hunters Point Shoreline Activity Node, as shown on Map 3 – Area B Activity Nodes, is subject to further analysis and planning by the Agency, in conjunction with the Planning Department and other City departments. Although this area suffers from severe blighting conditions, further analysis and study are required before the Agency can recommend to the Board of Supervisors that the area be included in the Project Area. The Agency anticipates that further planning and blight analysis will support a future amendment to this Redevelopment Plan to include most of this area. If supported by further analysis, the Agency anticipates incorporation of the India Basin Shoreline area as Project Area C through a further amendment of this Redevelopment Plan.

1.2 Planning Goals and Objectives for the Project Area

1.2.1 Redevelopment Project Area Objectives

The following goals for this Redevelopment Plan were established in conjunction with the PAC through its endorsement of the Concept Plan and in meetings with members of the public at large. Together with the other related Plan Documents, these goals and objectives will direct the revitalization of the community and guide the direction of all future development within the Project Area. The goals and objectives for the Project Area are as follows:

- Providing opportunities for participation by owners in the redevelopment of their properties.
- Increasing the community’s supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community.
- Strengthening the economic base of the Project Area and the community by strengthening retail and other commercial functions within the Project Area through the facilitation of new retail space, and as appropriate, new commercial and light industrial uses.
- Providing public parks and open space.
- Administering lands granted to the Agency by the State consistent with the Public Trust for commerce, navigation and fisheries, and reconfiguring those lands in a manner that enhances their value for Public Trust purposes, in accordance with Chapter 203 of the Statutes of 2009 (as amended from time to time, the “Granting Act”).

- Retaining existing residents and existing cultural diversity to the extent feasible.
- Encouraging participation of area residents in the economic development that will occur.
- Supporting locally-owned small businesses and local entrepreneurship.
- Facilitating emerging commercial-industrial sectors through facilitating improvement of transportation access to commercial and industrial areas, improvement of safety within the Project Area, and the installation of needed site improvements to stimulate new commercial and industrial expansion, employment, and economic growth.
- Facilitating public transit opportunities to and within the Project Area to the extent feasible.
- Providing land, as feasible and appropriate, for publicly accessible open spaces.
- Facilitating the preservation, rehabilitation, and seismic retrofitting of historic buildings and other landmarks.
- Providing assistance towards the improvement of key transportation routes to meet the needs of alternative transportation modes, industrial trucking operations, and emergency operations.
- Eliminating blighting influences and correcting environmental deficiencies within the Project Area, including, abnormally high vacancies, abandoned, deteriorated and dilapidated buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities.
- Removing structurally substandard buildings, removing impediments to land development, and facilitating modern, integrated development with improved pedestrian and vehicular circulation within the Project Area and vicinity.
- Redesigning and developing undeveloped and underdeveloped areas, which are improperly utilized.
- Providing flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

1.2.2 Implementation Plan for the Project Area

Community Redevelopment Law Section 33490 requires the Agency to adopt, after a public hearing, an implementation plan that contains the specific goals and objectives of the Agency for the Project Area, the specific programs, including potential projects, estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the Project Area

Bayview Hunters Point Redevelopment Plan
July 16, 2018

and implement the requirements of CRL Sections 33334.2, 33334.4, 33334.6, and 33413. After adoption of the first implementation plan, subsequent implementation plans must be adopted every five years either in conjunction with the City's housing element cycle, new redevelopment plan amendments, or the implementation plan cycle and report on the Agency's compliance with CRL Sections 33334.2, 33334.4, 33334.6, and 33413.

1.2.3 Related Plan Documents for the Project Area

In order to facilitate the implementation of this Redevelopment Plan, the Agency has developed, or may develop in the future, related Plan Documents such as the Design for Development, Interagency Cooperation Agreement, Business Occupant Re-Entry Policy, Delegation Agreement, Implementation Plan, OPA Rules and Relocation Plan. In addition, the State or, subject to the provisions of this Redevelopment Plan, the City may pass legislation related to this Redevelopment Plan.

1.2.4 Historical Survey of the Project Area

As part of the Agency's annual budget, the Agency shall seek funding from the Board of Supervisors to conduct a building-by-building historical survey of each parcel in the Project Area. The Agency shall complete the survey within five (5) years from the date that the Agency first receives sufficient funding from the City to initiate the survey. If funded, this survey will include, among other things, an architectural description and analysis together with historical documentation of each building, structure, or object and will also note whether it has been designated in any existing City survey or other official listing. In seeking this funding, the Agency may identify particular subareas of the Project Area that will be surveyed incrementally over a period of time so that completion of the entire survey of the Project Area will occur over a five year period. The Agency may request funding for a subarea survey based on its inclusion in the Planning Department's rezoning efforts, its identification in this Redevelopment Plan as an Economic Development Activity Node, or some other reasonable classification of an area for survey purposes. As of the 2010 Plan Amendment Date, a Historic Survey has been conducted for the Candlestick Point (Zone 1), the Hunters Point Shoreline (including Survey Area C), and the Town Center Activity Nodes.

1.2.5 Performance Audit

The City Services Auditor will conduct periodic performance audits of the activities of the Agency and other relevant City departments in implementing this Redevelopment Plan. Such audits will include a review of the overall performance and effectiveness of the Agency, together with relevant City departments, in the planning, undertaking, construction and operation of redevelopment projects in furtherance of the goals and objectives for the Project Area as set forth in this Redevelopment Plan. The Agency and City will provide for the cost of such performance audit in the Agency's annual budget.

1.3 Redevelopment Plan Duration

1.3.1 Plan Duration for Project Area A

On January 1, 2009, the Agency’s land use jurisdiction over Project Area A ended, and this Redevelopment Plan has no further effect as to development in Project Area A, except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which include the use of its tax increment for the funding of affordable replacement housing. In 2005, the Board of Supervisors adopted a plan amendment by Ordinance No. 15-05, allowing the Agency to incur additional indebtedness and receive additional tax increment revenues from Project Area A to repay the additional indebtedness, but only for the purpose of funding low- and moderate-income housing fund activities. The 2005 plan amendment was authorized under Section 33333.7 and Section 33333.8 of the CRL, which is also known as SB 2113.

Any declaration of restrictions formulated pursuant to this Redevelopment Plan may contain provisions for the extension of such declaration of restrictions for successive periods. Tax increment financing will remain in place beyond this expiration date.

1.3.2 Plan Duration for Project Area B

The provisions of this Redevelopment Plan for Zone 2 of Project Area B will be effective for thirty years from the adoption of the ordinance approving the Bayview Hunters Point Plan by the Board of Supervisors on June 1, 2006; except that the nondiscrimination and nonsegregation provisions will run in perpetuity. ~~After this time limit~~

The provisions of this Redevelopment Plan for Zone 1 of Project Area B will be effective for thirty (30) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the Disposition and Development Agreement for the CP-HPS2 project (“CP-HPS2 DDA”)) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the provisions of this Redevelopment Plan shall be (i) thirty (30) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional extension of the redevelopment timelines to be established pursuant to Section

34177.7(j) to include fifteen (15) additional years for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing. Notwithstanding that the effectiveness of this Redevelopment Plan for Zone 1 of Project Area B may expire as described above, the Agency shall continue to pay indebtedness and receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Zone 1 of Project Area B as set forth herein.

After the time limits on the duration and effectiveness of this Redevelopment Plan, the Agency will have no authority to act pursuant to this Redevelopment Plan except, subject to compliance with the Redevelopment Dissolution Law, (i) to pay previously incurred indebtedness and to enforce existing covenants or contracts, and (ii) if the Agency has not completed its housing obligations pursuant to CRL Section 33413, it will retain its authority to implement its requirements under CRL Section 33413, including its ability to incur and pay indebtedness for this purpose, and will use this authority to complete these housing obligations as soon as reasonably possible.

1.4 Redevelopment Activities for the Project Area

1.4.1 Redevelopment Actions

The Agency may exercise all of its powers in Project Area B, including but not limited, to the following:

- Providing very low-, low- and moderate-income housing, including supportive housing for the homeless;
- Preserving the availability of affordable housing units assisted or subsidized by public entities, which are threatened with conversion to market rates;
- Requiring the integration of affordable housing sites with sites developed for market rate housing;
- Assisting the development of affordable and supportive housing by developers;
- Providing relocation assistance to eligible occupants displaced from property in the Project Area by Agency Actions;
- Providing for participation in redevelopment by owners presently located in the Project Area and extending preferences to business occupants and other tenants desiring to remain or relocate within the Project Area;
- Acquiring land or building sites;
- Demolishing or removing certain buildings and improvements;

- Constructing buildings, structures, roadways, and park facilities;
- Improving land, building sites, or public infrastructure with on-site or off-site improvements;
- Encouraging the rehabilitation of structures and improvements by present owners or their successors;
- Disposing of property by sale, lease, donation or other means to public entities or private developers for uses in accordance with this Redevelopment Plan;
- Financing insurance premiums pursuant to CRL Section 33136;
- Developing plans, paying principal and interest on bonds, loans, advances or other indebtedness or paying financing or carrying charges;
- Promoting the retention of existing businesses and attraction of new businesses and the provision of assistance to the private sector, if necessary; and
- Remedying or removing a release of hazardous substances on, under, or from property within the Project Area.

To accomplish the above activities in the implementation and furtherance of this Redevelopment Plan, the Agency is authorized to use all the powers provided in this Redevelopment Plan and all the powers now or hereafter permitted by law as may be limited by this Redevelopment Plan.

1.4.2 Personal Property Acquisition and Disposition

The Agency is not authorized to acquire personal property in the Project Area, except as necessary in the execution of this Redevelopment Plan. For purposes of this section, personal property includes but is not limited to, structures and improvements without acquiring the land upon which those structures or improvements are located. The Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber or otherwise dispose of personal property acquired by the Agency.

1.4.3 Real Property Acquisition

The Agency may acquire real property, either the entire fee or any other interest in real property less than a fee, including underground easements, located in the Project Area by any means authorized by law, as may be limited by this Redevelopment Plan. The use of eminent domain is totally prohibited in Project Area A and is partially prohibited in Project Area B, as set forth in Section 1.4.5 of this Redevelopment Plan.

1.4.4 Real Property Disposition and Development

The Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust or otherwise dispose of any interest in real property in the Project Area, except to the extent prohibited by the Granting Act. To the extent permitted by law, the Agency is authorized to dispose of or acquire real property by negotiated lease, sale or transfer without public bidding.

All real property acquired by the Agency in the Project Area will be sold or leased to public or private persons or entities for development of the uses permitted in this Redevelopment Plan, or may be developed by the Agency for uses consistent with the Community Redevelopment Law.

The Agency will obligate all purchasers or lessees of property acquired from the Agency to use the property for the purposes designated in this Redevelopment Plan, to begin and complete development of the property within a period of time that the Agency fixes as reasonable and to comply with other conditions that the Agency deems necessary to carry out the purposes of this Redevelopment Plan.

To provide adequate safeguards to ensure that the provisions of this Redevelopment Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased or conveyed by the Agency, as well as all property subject to owner participation agreements, is subject to the provisions of this Redevelopment Plan.

The Agency will reserve powers and controls in the disposition and development documents as necessary to prevent transfer, retention or use of property for speculative purposes and to ensure that development is carried out consistent with this Redevelopment Plan.

Leases, deeds, contracts, agreements and declarations of restrictions of the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes or any other provisions necessary to carry out this Redevelopment Plan. Where appropriate, as determined by the Agency, such documents, or portions thereof, will be recorded in the office of the County Recorder.

Property acquired by the Agency in the Project Area will be under the management and control of the Agency during its ownership of such property. Such property may be rented or leased by the Agency pending its conveyance.

The Agency is authorized to assist financially (and otherwise) any public entity in the cost of public land, buildings, facilities, structures or other improvements where such land, buildings, facilities, structures or other improvements, are or would be, of benefit to the Project Area.

1.4.5 Prohibitions and Limitations on Use of Eminent Domain

The Agency may exercise the power of eminent domain in the Project Area only if the Agency complies with state law including the requirement: that the Agency make every effort to acquire property by negotiation, instead of by condemnation or eminent domain; that the Agency pay just compensation based upon fair market value; and that the Agency adopt at a public hearing by a vote of not less than two-thirds of all members of the Agency Commission, a resolution of necessity finding that acquisition of such property through eminent domain is in the public interest, and necessary to carry out this Redevelopment Plan. In addition, the use of eminent domain will be subject to the following limitations and prohibitions:

- The Agency may not use eminent domain to acquire property without first receiving a recommendation from the PAC or appointed citizens advisory committee. As stated in Section 1.1.6, the Agency commits to maintain a PAC or an appointed citizens advisory committee for the duration of this Redevelopment Plan.
- The Agency may not use eminent domain to acquire publicly owned property including property owned by the San Francisco Housing Authority.
- Eminent domain proceedings, if used in the Project Area, must be commenced, pursuant to CRL Section 33333.2(a)(4), within twelve (12) years from the Effective Date. This time limitation may be extended, pursuant to the standards of CRL Section 33333.2(a)(4), only by amendment of this Redevelopment Plan, as adopted and approved by the Board of Supervisors and the Agency Commission, following a community process.
- The Agency may not acquire, through the use of eminent domain, real property in a Residential (R) District, as defined by the Planning Code (“R” zone), as of the Effective Date, in the Project Area.
- The Agency may not acquire, through the use of eminent domain, property that contains legally occupied Dwelling Units.
- The Agency may not acquire, through the use of eminent domain, property owned by churches or other religious institutions, as defined in Planning Code Section 209.3(j).
- The Agency may not acquire real property in the Project Area to be retained by an owner pursuant to an Owner Participation Agreement, unless the owner fails to perform under that agreement and as a result the Agency exercises its reverter rights, if any; or successfully prosecutes a condemnation or eminent domain action.
- The Agency will use eminent domain on a parcel not zoned “R” (Residential) only as a last resort after the property owner has failed, after reasonable notice, to correct one or more of the following conditions:

- The property contains an unreinforced masonry building (UMB) that has not been seismically retrofitted by the date required by City ordinance.
- The property contains a building in which it is unsafe or unhealthy for persons to live or work as determined by the Department of Building Inspection, after failure to comply with an order of abatement of such conditions pursuant to Section 102 of the Building Code.
- The property contains uses that pose a threat to the public’s safety and welfare as formally determined through major citations by the appropriate City agencies or departments, including the San Francisco Police Department, San Francisco Fire Department, San Francisco City Attorney’s Office, San Francisco District Attorney’s Office, San Francisco Department of Public Health, San Francisco Department of Building Inspection, and San Francisco Planning Department.
- A parcel that is vacant, used solely as a surface parking lot (not accessory to another use), or contains a vacant or substantially vacant (approximately seventy five percent (75%) or more of the rentable area) building(s) and the owner has no active plans for a new use or development.
- Under-utilization of a property of irregular form and shape, and of inadequate size that substantially hinders its economically viable uses for development consistent with this Redevelopment Plan.

1.4.6 Rehabilitation, Conservation and Moving of Structures

The Agency is authorized to rehabilitate and conserve or to cause to be rehabilitated and conserved, any building or structure in the Project Area and to encourage others to do so. The Agency is also authorized to acquire, restore, rehabilitate, move and conserve historic resources in the Project Area.

It is a purpose of this Redevelopment Plan to encourage the retention of existing businesses that are generally compatible with this Redevelopment Plan and to add to the economic viability of businesses by programs that encourage voluntary participation in conservation and rehabilitation. The Agency is authorized to conduct a program of assistance and incentives to encourage owners of property within the Project Area to upgrade and maintain their property in a manner consistent with this Redevelopment Plan and with other standards that may be established by the Agency.

1.5 Community Revitalization Activity Nodes

The Agency shall encourage the promotion of policies and land use decisions that provide job-training, employment and business opportunities to local residents with a focus on Bayview Hunters Point Redevelopment Plan
 July 16, 2018

economic development efforts within the seven Community Revitalization Activity Nodes of the Project Area: Town Center, Health Center, South Basin, Oakinba, Candlestick Point and a portion of the Hunters Point Shoreline and Northern Gateway Activity Nodes. The Community Revitalization Activity Nodes are shown on Map 3. The Agency may implement Activity Node development programs for all or part of each Activity Node. The Agency may also pursue economic development efforts outside of the Project Area where these efforts are determined to be necessary to effect the elimination of blighting conditions within the Project Area and are consistent with CRL Section 33445.1 (Stat.2009, Chapter 555). The design of each Community Revitalization Activity Node will facilitate and support the Agency's efforts under its Affordable Housing Program.

The Agency's Housing programs, economic development efforts, and community enhancements will focus on the following Activity Nodes as illustratively described below:

1.5.1 Northern Gateway

- Promote mixed-use, transit-oriented development on Third Street, including local shopping, office space, entertainment venues and, where appropriate, light industrial activities.
- Develop industrial and large-scale commercial space on properties.
- Encourage the development of major business and employment development centers.
- Maintain and expand industry to increase the job base and support the development of entrepreneurial opportunities.
- Encourage clean industry and facilities to improve the quality of life for Project Area residents and workers.

1.5.2 Town Center

- Promote appropriately scaled, mixed-use, transit-oriented development on Third Street.
- Assist the retention of existing buildings and facades where feasible and appropriate.
- Encourage the growth of commercial retail, including restaurants, boutique shops, arts, theaters, museums, a conference center, cultural and entertainment uses that contribute to development of a cultural destination.
- Promote infill development in residential neighborhoods, as appropriate.

- Create community service spaces centered around Third Street and Oakdale Avenue.
- Promote the enhancement of transit hubs, including Muni and CalTrain, to bring people to Bayview Hunters Point and to provide residents with improved connections to employment.
- Develop community destinations and gathering places – including plazas and locations for festivals, fairs, a farmer’s market and community events.

1.5.3 Health Center

- Assist the development of mixed-use, transit oriented projects on Third Street with ground floor commercial retail space.
- Enhance public amenities designed to serve an aging population.
- Promote commercial activities focused on medical, medical-related and supportive services.
- Assist in the renovation and expansion of the Southeast Health Center.
- Construct community destinations and gathering places – including plazas.
- Develop housing for seniors including assisted-living facilities.
- Develop an commercial office area, with medical and other types of office uses bounding the Southeast Health Center with buffer zones between adjacent residential and industrial uses.

1.5.4 South Basin

- Promote transit-oriented development adjacent to Third Street, with residential units, including affordable housing units, in appropriate locations.
- Encourage the development of industrial and large-scale commercial space on properties zoned for light industrial uses.
- Create buffer land use zones between residential and industrial uses to minimize potential adverse environmental health impacts and other land use conflicts.
- Promote locally-owned businesses and local entrepreneurs.
- Promote retail growth focused on neighborhood-serving businesses that meet the basic shopping needs of the community.
- An eco-industrial park in the southeast portion of the district, with defined truck routes linking the Shipyard and the freeway.

- Protect historic residential neighborhoods, with a range of new infill housing and transit-oriented mixed-use development focused around light rail stations.

1.5.5 Oakinba

- Create a vibrant commercial center with limited larger-scale, city-serving commercial businesses along Bayshore Boulevard consistent with Planning Code standards.
- Ensure the compatibility of larger-scale commercial and light industrial uses with nearby residential neighborhoods.
- Develop job-training, employment and business opportunities to local residents.
- Promote economic development that fosters clean industry and commercial facilities to protect and improve the quality of life for area residents and workers.
- Maintain and expand industry within the area to increase the job base and support the development of entrepreneurial opportunities.
- Facilitate the creation of a ‘green’ home improvement district along Bayshore Boulevard.

1.5.6 Hunters Point Shoreline

- Promote new housing on available infill development sites where appropriate.
- Assist with the renovation of Housing Authority projects such that the housing fits in architecturally with other residential development in the community.
- Emphasis on encouraging artists and artisans, such as those of African or Pan-African influence.
- Improve access to water recreation along the India Basin shoreline and enhance public access to the waterfront from the hillside housing.
- Assist with the redesign of Innes Avenue to improve pedestrian safety and enhance the neighborhood commercial area.
- Facilitate the development of a maritime center focused on historic boating activities and creating future recreational opportunities.
- Conduct specific land use planning for the remaining survey area.

1.5.7 Candlestick Point

- Administer the development of a new, high density, transit-oriented mixed-use development that includes residential units with a range of housing types and densities and fosters a diverse array of commercial uses from a wide range of

industries that may include, among other uses, regional retail and entertainment venues; a hotel and entertainment arena; neighborhood-serving commercial and retail uses; and office, research and development, and community service uses, consistent with Proposition G, which San Francisco voters approved on June 3, 2008.

- Create community and regional recreational destinations and gathering places, including a restored, reconfigured, and redeveloped Candlestick Point State Recreation Area land, and other public parks and civic spaces.
- Rebuild the Alice Griffith Housing to provide at least one-for-one replacement units targeted to the same income levels as those of the existing residents and ensure that Alice Griffith households leasing units from the Housing Authority have the opportunity to move to the new, upgraded units directly from their existing Alice Griffith Housing units without having to relocate to any other area.
- Construct new public infrastructure and transportation facilities to service new development at Candlestick Point, Alice Griffith and the Hunters Point Shipyard.

1.6 Community Enhancements and Benefits Program for the Project Area

1.6.1 Community Benefits Program

The Agency may adopt and implement a community enhancements and benefits program that will promote the full revitalization of the Bayview Hunters Point neighborhood and that will involve the Agency and as appropriate, other city, regional and state agencies in its implementation.

1.6.2 Proposed Benefits Programs

The following community benefit program elements are suggested under this Redevelopment Plan:

- Streetscape plans for Third Street, Evans-Innes Avenue, Oakdale Avenue or other major roadways in Zone 2 of the Project Area, including traffic calming where needed;
- Green Streets Program to provide for the landscaping and lighting of local streets;
- Façade Improvement Program in concert with the streetscape plans to enhance key catalyst areas along the major roadways;

- Development of “way finding” programs such as local signage and gateway elements;
- Development of public parks and recreational facilities;
- Preservation of historic structures;
- Commitment of land and ground floor spaces in mixed use projects for community facilities;
- Planning and development of community facilities and health clinics; and
- Creation of job readiness, training, and placement programs for local residents.

1.6.3 Open Space

The generalized park and open space areas consist of a system of new and reconfigured state park facilities, community and neighborhood parks, plazas, recreational facilities, and habitat preservation areas.

In Zone 1, the Agency will work with developer(s), City and State agencies, toward the construction of a comprehensive and integrated system of new and reconfigured public parks in the Candlestick Point Activity Node. The Agency may assist in land transactions and the funding of new public parks or the enlargement and/or enhancement of existing public facilities within Zone 1 of the Project Area and maintenance of those improvements. The Agency encourages the cooperation of developers in the construction and maintenance of private and semi-public outdoor open spaces (plazas, balconies, patios, courtyards, rooftops).

In Zone 2, the Agency will work with city agencies toward the construction of a comprehensive and integrated system of inviting and well-lighted “Green Streets” to provide direct pedestrian movement to and from schools, parks, playgrounds, commercial areas, and other frequently visited facilities and places. These pedestrian routes, both on and away from public streets, should be marked with distinctive landscaping. The Agency may assist in the purchase of land and the development of new public parks or the enlargement and enhancement of existing public facilities within Zone 2 of the Project Area. The Agency encourages the cooperation of developers in the construction and maintenance of private and semi-public outdoor open spaces (plazas, balconies, patios, courtyards, rooftops).

1.6.4 Public Improvements and Public Facilities

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, on any parcel within or outside the Project Area, appropriate or necessary to carry out this Redevelopment Plan. Such public improvements and public facilities are described in Attachment C.

1.7 Affordable Housing in the Project Area

1.7.1 Affordable Housing Program

The Agency shall implement an Affordable Housing Program and, as feasible, may dedicate affordable housing funds for the production of affordable housing outside of the Project Area if such production is determined to be necessary to effect the elimination of blighting conditions within the Project Area and the implementation of this Redevelopment Plan.

Further the Agency may only utilize citywide affordable housing funds generated from Zone 1 of the Project Area for the production of affordable housing outside of Zone 1 as provided in the applicable Tax Allocation Agreement and disposition and development agreement.

The Affordable Housing Program shall be consistent with the City's Consolidated Housing Plan and the General Plan and will include below market rate apartment development, affordable home ownership project development, supportive housing projects serving high need populations, and Agency programs such as a model block single family rehabilitation program.

1.7.2 Affordable Housing Production Goals

Subdivision (b)(2) of Section 33413 of the Community Redevelopment Law requires that at least fifteen percent (15%) of all new and substantially rehabilitated Dwelling Units developed within Project Area B by public or private entities or persons other than the Agency will be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income, as defined by the CRL.

In Zone 1, the Agency shall meet this Community Redevelopment Law requirement through implementation of one or more disposition and development agreements that include the Candlestick Point Hunters Point Shipyard Phase 2 Below Market Rate Housing Plan. In Zone 2 of the Project Area, the Agency shall exceed the Community Redevelopment Law requirement by making at least twenty-five percent (25%) of all new and substantially rehabilitated Dwelling Units developed within Project Area B by public or private entities or persons other than the Agency be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income, as defined by the CRL. Not less than forty percent (40%) of the Dwelling Units in Zone 2 required to be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income shall be available at affordable housing cost to, and occupied by, extremely low- and very low-income households.

1.7.3 Affordable Housing Participation Policy

Bayview Hunters Point Redevelopment Plan
July 16, 2018

To facilitate the Agency’s compliance with the above-described affordable housing production goals, the developers of market rate housing shall have an inclusionary housing obligation.

In Zone 1 of the Project Area, developers of housing shall comply with the requirements of any disposition and development agreement, including the Candlestick Point and Hunters Point Shipyard Phase 2 Below-Market Housing Plan, which requires, among other things, Permanently Affordable, inclusionary units that are restricted to households earning between eighty percent (80%) and one hundred-twenty percent (120%) of AMI (Asas defined in the Candlestick Point and Hunters Point Shipyard Phase 2 Below-Market Housing Plan) and developer subsidies for affordable housing units constructed on Agency-owned land in Zone 1 of the Project Area.

In Zone 2 of the Project Area, developers of housing shall comply with the citywide Inclusionary Housing Ordinance, as described in Sections 315 et seq. of the Planning Code, and as it may be further amended from time to time, except that: (a) the duration, monitoring, marketing, and controls for affordable units shall be consistent with the Community Redevelopment Law and Agency policy; (b) the number of units required under Sections 315.4 and 315.5 of the Planning Code shall be increased to at least fifteen percent (15%) of all units constructed on the project site and twenty percent (20%) of all units constructed off-site; (c) the construction of off-site units under Sections 314.4(e)(1) and 315.5 of the Planning Code shall occur only at a site within Zone 2 of the Project Area; (d) the payment of an in lieu fee under Sections 314.4(e)(2) and 315.6 of the Planning Code shall be made to the Agency instead of the Mayor’s Office of Housing; and (e) the definition of “affordable to qualifying households” in Section 315.1 means: (1) for rental units in an affordable housing project, the goal will be to establish, to the extent feasible, a rent that is affordable to households whose combined annual gross income for all members does not exceed fifty percent (50%) of Area Median Income; and (2) for owned units in an affordable housing project, the goal will be to establish, to the extent feasible, an average maximum purchase price that is affordable to households whose combined annual gross income for all members does not exceed eighty percent (80%) of Area Median Income, assuming an annual payment of all housing costs of thirty-three percent (33%) of the combined household annual net income, a five percent (5%) down payment and available financing consistent with the Limited Equity Program, or such successor affordable homeownership program as the Agency may implement. However, notwithstanding anything herein to the contrary, if the ownership structure of any housing development in Zone 2 includes a long-term leasehold, with fee title ownership of the land held by the Agency, then the requirements and procedures of Section 315.1-315.9 of the Code, as they may become applicable, shall apply only to the leasehold estate, and no affordability restrictions shall be recorded against the Agency’s fee title interest.

1.7.4 Tax Increment Committed To Housing

In a given year, the Agency shall use no less than the amount required under CRL Section 33334.2, which mandates that not less than twenty percent (20%) of all taxes allocated to the Agency pursuant to CRL Section 33670(b) shall be used by the Agency for the purposes of increasing, improving and preserving the City’s supply of housing for persons and families of very low-, low- or moderate-income unless certain findings are made as required by that section to lessen or exempt such requirement. In Zone 1 of the Project Area, these funds are to be used solely for the costs related to the construction of affordable housing units and related development expenses.

Over the term of this Redevelopment Plan, the Agency shall use no less than fifty percent (50%) of the total tax increment funds that the Mayor and Board of Supervisors allocate to the Agency for its redevelopment activities for the purposes of increasing, improving, and preserving the City’s supply of housing for persons and families of extremely low-, very low-, low- or moderate-income, consistent with Board Resolution No. 427-05 and Agency Resolution No. 134-2005; provided, however, that in Zone 1 the Agency may use funding sources other than tax increment to provide the amount of funding that meets or exceeds the amount equivalent to fifty percent (50%) of the total tax increment funds allocated to the Agency. For purposes of this Section, “redevelopment activities” means the Agency’s work program for the Project Area as described in its annual budget but does not include any statutory pass-through obligations.

Within Zone 1 of the Project Area the Agency may utilize Zone 1 housing funds for the construction of infrastructure directly related to affordable housing development, subject to compliance with the standards of Section 33334.2.

The Agency may use the funds specified in CRL Section 33334.2 to meet, in whole or in part, the replacement housing provisions or the affordable housing production provisions. These funds may be used inside the Project Area. These funds may be used outside the Project Area only if findings of benefit to the Project Area are made as required by CRL Section 33334.2(g).

1.7.5 Replacement Housing

In accordance with CRL Section 33334.5, whenever Dwelling Units housing persons of low or moderate income are destroyed or removed from the low- and moderate-income housing market, as part of the implementation of this Redevelopment Plan, the Agency shall, within four (4) years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low- or moderate-income an equal number of comparably affordable replacement Dwelling Units, within the Project Area or within the territorial jurisdiction of the City in accordance with the provisions of CRL Sections 33413 and 33413.5.

1.7.6 Occupancy Preferences

Whenever the Agency provides a subsidy, financial assistance or some other material benefit such as site assembly, site specific capital improvements, or an amendment to this Redevelopment Plan, that results in low- or moderate- income housing units being developed in Zone 2 of the Project Area or elsewhere pursuant to this Redevelopment Plan, the Agency shall require by contract or other appropriate means that such housing be made available for rent or purchase to persons and families of low- and moderate-income in the following order of priority, to the extent permitted by law: (1) Hunters Point Certificate of Preference Holders; (2) other Certificate of Preference Holders; (3) rent burdened or assisted housing residents, defined as persons paying more than fifty percent (50%) of their income for housing, or persons residing in public housing or Project-Based Section 8 housing; (4) San Francisco residents and workers; and (5) members of the general public. Any residency preference authorized under this Section will be permitted only to the extent that such preference: (a) does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit based on race, color, ethnic origin, gender, religion, disability, age, or other protected characteristic of any member of an applicant household; and (b) is not based on how long an applicant has resided or worked in the area.

1.8 Methods of Financing this Redevelopment Plan in the Project Area

1.8.1 General Description of Proposed Financing Method

The Agency is authorized to finance the implementation of this Redevelopment Plan with financial assistance from the City, State, federal government, tax increment funds, interest income, Agency bonds, donations, loans from private financial institutions, assessments, the lease or sale of Agency-owned property and any other available source, public or private.

The Agency is also authorized to obtain advances, borrow funds and create indebtedness in carrying out this Redevelopment Plan. The principal and interest on such advances, funds and indebtedness may be paid from tax increments or any other funds available to the Agency.

The City or any other public agency may expend money to assist the Agency in carrying out this Redevelopment Plan. As available, gas tax funds from the State and County may be used for transportation improvements and public transit facilities.

1.8.2 Tax Increment Financing

All taxes levied upon taxable property within the Project Area each year, by or for the benefit of the State, the City, any district or any other public corporation (sometimes called "Taxing Agencies") after the Effective Date shall be divided as follows:

That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such Taxing Agencies, last equalized prior to the Effective Date, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for the Taxing Agencies on all other property are paid. For the purpose of allocating taxes levied by or for any Taxing Agency or agencies that does not include the territory of the Project Area as of the Effective Date but to which such territory is annexed or otherwise included after such Effective Date, the assessment roll of the County of San Francisco last equalized on the Effective Date will be used in determining the assessed valuation of the taxable property in the Project Area on the Effective Date.

Except as provided in CRL Section 33670(e) or in Section 33492.15, that portion of levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the redevelopment project; provided, however, that the portion of the levied taxes from Zone 1 of the Project Area shall be allocated each year and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, money advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of those sections of this Redevelopment Plan for Zone 1. Unless and until the total assessed valuation of the taxable property in the Project Area exceeds the total assessed value of taxable property in the Project Area as shown by the last equalized assessment roll referred to herein, all of the taxes levied and collected upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies. When the loans, advances or indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

The Agency irrevocably pledges the portion of taxes mentioned above and hereby for the payment of the principal and interest on the advance of monies, or making of loans or the incurring of an indebtedness (whether funded, refunded, assumed or otherwise), to finance or refinance the implementation of this Redevelopment Plan in whole or in part, including direct and indirect expenses; provided, however, that the portion of taxes received from Zone 1 of the Project Area shall be pledged for the implementation of those sections of this Redevelopment Plan for Zone 1 and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area; and provided further that the portion of taxes received from Zone 2 of the Project Area shall be pledged for the implementation of those sections of this Redevelopment Plan for Zone 2. The Agency is authorized to make pledges as to specific advances, loans and indebtedness as appropriate in carrying out this Redevelopment Plan.

As permitted under Section 34177.7(j)(2) of the California Health and Safety Code and amendments to the CP-HPS2 project agreements, the 2024 amendment to the Redevelopment Plan authorize the application of the allocated property tax revenues generated from Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to both project areas for the purpose of implementing the Candlestick-Point Hunters Point Shipyard Phase 2 project regardless of location of the projects financed within Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area.

1.8.3 Agency Bonds

The Agency is authorized to issue bonds from time to time, if it deems it appropriate to do so, in order to finance all or any part of the implementation of ~~this Redevelopment Plan~~the CP-HPS2 project. Neither the members of the Agency Commission nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

For Zone 1 of the Project Area, and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the aggregate total amount of bonded indebtedness of the Agency to be repaid from the allocation of taxes to the Agency for both Zone 1 of the Project Area and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area pursuant to CRL Section 33670, which can be outstanding at one time, may not exceed \$~~1.25~~1.259 billion, except by amendment of this Redevelopment Plan. ~~Notwithstanding the foregoing, the principal amount of bonded indebtedness of the Agency to be repaid from such allocation of taxes to the Agency, which can be outstanding at one time for Zone 1 may not exceed a total of \$800,000,000, determined in a manner prescribed in a tax allocation agreement between the Agency and the City. Further, notwithstanding the foregoing, available tax increment that may be paid, pursuant to a tax allocation agreement or other agreement, for the implementation of those sections of this Redevelopment Plan for Zone 1 from the allocation of increment to the Agency under CRL Section 1.8.34177.7(j)(2) above shall be limited to), the~~ available increment levied against property within and collected from Zone 1 of the Project Area ~~and shall exclude all of the following: the amount specified in Section 1.8.2 and annual fees to the Agency for the purpose of administering~~ shall be available to finance both (i) the implementation of those sections of this Redevelopment Plan and related documents for Zone 1 in the amount in accordance with ~~an~~ agreement between the Agency, master developer of Zone 1, and/or the City and pursuant to State law. ~~Likewise, notwithstanding the CP-HPS2 DDA and (ii) the implementation of those sections of Phase 2 of the Hunters Point Shipyard Redevelopment Plan and related documents in the amount in accordance with the CP-HPS2 DDA.~~

Notwithstanding the foregoing, available tax increment that may be paid, pursuant to a tax allocation agreement or other agreement, for the implementation of those sections of this Redevelopment Plan for Zone 2 from the allocation of increment to the Agency under Section 1.8.2 above shall be limited to available increment levied against property within and collected from Zone 2 of the Project Area and shall exclude all of the following: the amount specified in

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Section 1.8.2 and annual fees to the Agency for the purpose of administering the implementation of those sections of this Redevelopment Plan and related documents for Zone 2 in the amount in accordance with an agreement between the Agency, developers and/or landowners in Zone 2, and/or the City and pursuant to State law.

The bonds and other obligations of the Agency are not a debt of the City or the State, nor are any of its political subdivisions liable for them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency, and such bonds and other obligations shall so state on their face. The bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

1.8.4 Time Limit on Establishment of Indebtedness

The Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Zone 2 of the Project Area beyond twenty (20) years from the Effective Date unless amended following applicable provisions of the Community Redevelopment Law, except that the Agency may incur loans, advances or indebtedness beyond twenty (20) years from the Effective Date to be paid from the Low and Moderate Income Housing Fund as defined by the Community Redevelopment Law or to meet the Agency's replacement housing or inclusionary housing requirements as set forth in CRL Sections 33413 and 33413.5. This limit will not prevent the Agency from refinancing, refunding, or restructuring indebtedness after the time limit if the indebtedness is not increased and the time during which the indebtedness is to be repaid is not extended beyond the time limit to repay indebtedness required by CRL Section 33333.2.

1.8.5 Time Limit for Receipt of Tax Increment Funds

The Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond thirty (30) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA)) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the time limit establishing or incurring loans, advances or indebtedness is (i) thirty (30) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which represents the Anticipated Navy Delay. The Agency may not pay indebtedness or receive property taxes pursuant to CRL Section 33670 from Zone 2 of Project Area B after forty-five (45) years from the Effective Date.

The Agency may not pay indebtedness or receive property taxes pursuant to CRL Section 33670 from Zone 1 of Project Area B after forty-five (45) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project

Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the time limit for paying indebtedness or receiving property taxes is (i) forty-five (45) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

1.8.6 Other Loans, Grants and Miscellaneous Financing Sources

Any other loans, grants, guarantees or financial assistance from the federal government, the State, the City or any other public or private source will be used if available.

2.0 GENERAL POLICIES APPLICABLE TO THE PROJECT AREA

In order to eliminate existing blight in the Project Area, to prevent its reoccurrence and to accomplish the goals of this Redevelopment Plan, the Agency may implement the following policies listed in this Section, as said policies may be amended from time to time. In addition, the Agency may adopt additional policies, from time to time, in its sole discretion, as are desirable and necessary to accomplish the goals of this Redevelopment Plan.

2.1 Relocation of Displaced Persons, Businesses and Others in Project Area

2.1.1 Assistance in Finding other Locations

The Relocation Plan of the Agency for the relocation of families or single persons to be displaced by a project shall provide that no persons or families of low- or moderate-income may be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement. Such housing units shall be a standard dwelling that is suitable to the needs of such displaced persons or families and must be decent, safe, sanitary, and otherwise standard dwellings. The Agency may not displace such person or family until such housing units are available and ready for occupancy.

To the extent required by State and Federal law, the Agency shall: (1) pursuant to a Relocation Plan, assist or cause to be assisted all eligible persons (including individuals and families), business concerns and others, if any, displaced from Project Area B by redevelopment activities undertaken or assisted by the Agency in finding other locations and facilities, and, where possible, shall relocate businesses to a location of similar size within the Project Area; and (2) in order to implement this Redevelopment Plan with a minimum of hardship to eligible

persons, business concerns and others, if any, displaced by the implementation of this Redevelopment Plan, the Agency shall assist such persons, business concerns and others in finding new locations in accordance with Community Redevelopment Law, California Relocation Assistance Law and other applicable State and Federal law.

2.1.2 Relocation Payments

The Agency shall make or cause to be made relocation payments to persons (including individuals and families), business concerns and others displaced by implementation of this Redevelopment Plan as may be required by State and Federal law. The Agency shall make such relocation payments pursuant to the California Relocation Assistance Law (Government Code §§ 7260 *et seq.*), Agency rules and regulations adopted pursuant thereto, and, as may be applicable in the event that the Agency uses federal funding to implement this Redevelopment Plan, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Agency may make such other payments as it determines to be appropriate and for which funds are available.

2.1.3 Business Tenant Preference

The Agency shall extend reasonable preferences to persons who are engaged in business within the Project Area to participate in the redevelopment of the Project Area, or to reenter into business within the redeveloped Project Area, if they otherwise meet the requirements of this Redevelopment Plan. In order to extend reasonable preferences to businesses to reenter into business within the redeveloped Project Area, the Agency has promulgated rules for the Business Occupant Re-Entry Policy within the redeveloped Project Area. For development in Zone 1, the Agency may elect to promulgate rules pursuant to a new Business Occupant Re-Entry Policy specific to Zone 1.

2.2 Nondiscrimination and Equal Opportunity

2.2.1 Nondiscrimination in Implementation

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, gender identity, sexual orientation, age, marital or domestic partner status, national origin or ancestry, height, weight, or disability including HIV/AIDS status permitted in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of property in the Project Area. All property sold, leased, conveyed or subject to an Owner Participation Agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases or contracts for the sale, lease, sublease or other transfer of land in the Project Area shall contain such nondiscrimination and non-segregation clauses.

2.2.2 Employment and Contracting Opportunities in Implementation

The Agency, after consultation with the PAC, will adopt and implement programs for the Project Area, that meet or exceed City policies regarding workforce development, contracting opportunities, and equal opportunity, particularly for economically-disadvantaged Bayview Hunters Point residents and businesses.

For those projects that require Agency Action, the Agency shall require the developer to comply with the Agency's equal opportunity and local hiring policies, including: the Small Business Enterprise Program, the Bayview Employment and Contracting Policy, Nondiscrimination and Equal Benefits policies, Minimum Compensation and Healthcare Accountability policies and the Agency's Prevailing Wage Policy, where applicable, as such policies are amended or succeeded from time to time. For public housing redevelopment projects, compliance with SFHA contracting requirements is mandatory.

2.3 Owner Participation Agreements

2.3.1 Participation by Property Owners

Owners of real property in the Project Area may participate in the redevelopment of the Project Area by new development or rehabilitation in accordance with the standards for development or the standards for rehabilitation, which will be set forth in the OPA Rules.

The Agency may require, as a condition to participate in redevelopment in the Project Area, that each participant may enter into a binding written Owner Participation Agreement with the Agency by which the property will be developed, maintained or rehabilitated for use in conformity with this Redevelopment Plan, the Planning Code, the OPA Rules, declaration of restrictions, if any, and applicable design guidelines promulgated by the Agency. Owners of property in Zone 1 of the Project Area that is not subject to a disposition and development agreement must enter into an OPA in order to coordinate the delivery of public infrastructure with the development of other land within Zone 1.

Owner participation necessarily will be subject to and limited by such factors as the nature, condition, and use of existing improvements; the reduction of the total number of individual parcels in the Project Area; the elimination of certain land uses; the realignment of streets; the construction of new public facilities and improvements; and the ability of owners to finance acquisition, rehabilitation, and/or redevelopment in accordance with this Redevelopment Plan and the declaration of restrictions and in accordance with such controls as are necessary to ensure that redevelopment is carried out pursuant to the Standards for Development.

2.3.2 OPA Rules

Property owners will be given a reasonable opportunity to participate in redevelopment. The Agency has adopted, after a public hearing, rules governing participation by property owners, which are subject to amendment from time to time. These rules were adopted pursuant to the CRL in order to implement the provisions of this Redevelopment Plan regarding participation by property owners. These rules incorporate the procedures to encourage, permit and govern the participation by property owners within the boundaries of the Project Area to the maximum extent consistent with the objectives of this Redevelopment Plan.

2.4 Enforcement, Amendments and Severability of Redevelopment Plan

2.4.1 Actions by the City

The City shall aid and cooperate with the Agency in carrying out this Redevelopment Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Redevelopment Plan and the other applicable Plan Documents, including preventing the recurrence or spread of conditions causing blight in the Project Area. The City shall comply with the provisions of the Community Redevelopment Law that generally entitle the Agency to all of the property tax revenues realized from growth in property values since the inception of this Redevelopment Plan.

2.4.2 Administration and Enforcement

Except as otherwise specified in any Delegation Agreement, Interagency Cooperation Agreement, or Cooperation Agreement to be adopted by the Agency, the administration and enforcement of this Redevelopment Plan, including the preparation and execution of any documents implementing this Redevelopment Plan, will be performed by the Agency.

The provisions of this Redevelopment Plan or other documents entered into pursuant to this Redevelopment Plan may also be enforced by legal action instituted by the Agency and/or, to the extent set forth in a Delegation Agreement, Interagency Cooperation Agreement, or Cooperation Agreement, the City. Any such legal action may seek appropriate remedies that may include, but are not limited to, specific performance, damages, re-entry, injunctions or any other remedies appropriate to the purposes of this Redevelopment Plan.

Members of the PAC may, to the extent permitted by law, enforce this Redevelopment Plan in a court of competent jurisdiction.

2.4.3 Procedures for Plan Amendment

This Redevelopment Plan may be amended by means of the procedure established in CRL Sections 33450-33458 or by any other procedure hereafter established by law.

2.4.4 Severability

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Redevelopment Plan is for any reason held to be invalid or unconstitutional, such decision will not affect the validity of the remaining portion or portions of this Redevelopment Plan.

3.0 EXPIRED REDEVELOPMENT PLAN FOR PROJECT AREA A

On January 20, 1969, by Ordinance No. 25-69, the Board of Supervisors adopted the redevelopment plan for Hunters Point, which became Project Area A of the Bayview Hunters Point Redevelopment Plan pursuant to Ordinance No. 113-06 and which expired in January 2009. Accordingly, the Agency has no authority to act pursuant to the portion of the former redevelopment plan for Project Area A except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which includes the use of its tax increment for the funding of affordable replacement housing.⁴ The regulation of land use and development in Project Area A reverted back to the Planning Code with the expiration of Project Area A in January 2009.

3.1 Methods of Financing under this Redevelopment Plan for former Project Area A

3.1.1 General Description of Proposed Financing Method

Under the prior Hunters Point Redevelopment Plan, which this Redevelopment Plan amended in 2006, the Agency has been authorized to finance redevelopment activities related to Project Area A with financial assistance from the City, the State or the federal government, tax increment funds, interest income, Agency bonds, donations, loans from private institutions, assessments, the lease or sale of Agency-owned property or any other available source, public or private. The City or any other public agency may expend money to assist the Agency in carrying out this Redevelopment Plan. As available, gas tax funds from the State and County may be used for street improvements and public transit facilities. In accordance with CRL, the Agency has been authorized to obtain advances, borrow funds and create indebtedness in carrying out

⁴ Under Sections 33333.7 and 33333.8 of the California Health and Safety Code, the Agency may continue to incur indebtedness and receive tax increment from the Hunters Point Project Area (Project Area A) to fulfill its housing obligation to replace affordable housing units that were previously destroyed and never replaced. Ordinance No. 15-05 (Jan. 21, 2005).

redevelopment activities and to pay the principal and interest on such indebtedness from tax increment funds.

All taxes levied upon taxable property within Project Area A each year, by or for the benefit of the State, the City, any district or any other public corporation (sometimes called “Taxing Agencies”) after the effective date of the ordinance initially approving the allocation of taxes from Project Area A pursuant to Section 33670 (“**Effective Date of the Project Area A Ordinance**”), shall be divided as follows:

That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in Project Area A as shown upon the assessment roll used in connection with the taxation of such property by such Taxing Agencies, last equalized prior to the Effective Date of the Project Area A Ordinance, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for the Taxing Agencies on all other property are paid. For the purpose of allocating taxes levied by or for any Taxing Agency or agencies which does not include the territory of the Project Area A as of the Effective Date of the Project Area A Ordinance but to which such territory is annexed or otherwise included after such Effective Date, the assessment roll of the County of San Francisco last equalized on the Effective Date of the Project Area A Ordinance will be used in determining the assessed valuation of the taxable property in the Project Area on the Effective Date of the Project Area A Ordinance.

Except as provided in CRL Section 33670(e) or in Section 33492.15, that portion of levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the redevelopment project. Unless and until the total assessed valuation of the taxable property in Project Area A exceeds the total assessed value of taxable property in Project Area A as shown by the last equalized assessment roll referred to herein, all of the taxes levied and collected upon the taxable property in Project Area A shall be paid into the funds of the respective Taxing Agencies. When the loans, advances or indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in Project Area A shall be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

The Agency irrevocably pledges the portion of taxes mentioned above and hereby for the payment of the principal and interest on the advance of monies, or making of loans or the incurring of an indebtedness (whether funded, refunded, assumed or otherwise), to finance or refinance the implementation of redevelopment activities in whole or in part, including direct and indirect expenses. The Agency is authorized to make pledges as to specific advances, loans and indebtedness as appropriate in carrying out redevelopment activities.

Prior to 2005, the amount of Project Area A taxes allocated to the Agency pursuant to Section 33670 of the CRL was limited to \$15.1 million. This tax increment financing cap has been reached. In addition, the deadline for incurring debt for non-housing redevelopment activities was January 1, 2004. However, by virtue of Section 33333.7 of the CRL and Board of Supervisors' Ordinance No. 15-05, the Agency has the ability to incur indebtedness exclusively for the purpose of building affordable housing until the earlier of January 1, 2014 or until the Agency's replacement housing obligation, as defined in Section 33333.7 (SB 2113), is met.

3.1.2 Limits on Indebtedness and Tax Increment for Non-Housing Purposes

The Agency may not pay indebtedness or receive property taxes for non-housing purposes in Project Area A after January 1, 2019.

3.1.3 Extension of Indebtedness and Tax Increment for Housing under Senate Bill (SB) 2113

Notwithstanding the expiration of this Redevelopment Plan with respect to Project Area A, the Agency will have the continuing authority to incur indebtedness and to receive tax increment to meet its replacement housing obligation under CRL Section 33333.7 (SB 2113). Pursuant to state law, the Board of Supervisors amended the Hunters Point Redevelopment Plan by Ordinance No. 15-05 which became effective on January 21, 2005, to allow the Agency to incur indebtedness exclusively for the purpose of building affordable housing until the earlier of January 1, 2014 or until the Agency's replacement housing obligation under SB 2113 is met. The Agency will have the ability to receive tax increment for the purpose of repaying the indebtedness incurred to meet its replacement housing obligation under SB 2113 until January 1, 2044.

4.0 REDEVELOPMENT PLAN FOR ZONE 1 OF THE PROJECT AREA

This Redevelopment Plan amendment designates Zones 1 and 2 of the Project Area as shown on Map 2, within the Bayview Hunters Point Redevelopment Project Area B. The Agency's Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 1 of the Project Area are set forth below. The Agency retains land use authority within Zone 1 of the Project Area. The blocks and lots contained within Zone 1 as of the 2010 Plan Amendment Date are listed in Attachment D.

All real property in Zone 1 of ~~the~~ Project Area B is hereby made subject to the controls and requirements of this Redevelopment Plan. The Redevelopment Plan designates allowed uses and building types for Zone 1 of ~~the~~ Project Area B and relies upon the Candlestick Point Design for Development to provide more detailed development standards, design guidelines, and

Bayview Hunters Point Redevelopment Plan
July 16, 2018

controls on use within Zone 1 of ~~the~~Project Area B. No real property or real property interest may be developed, rehabilitated, or otherwise changed after the 2010 Plan Amendment Date except in conformance with the provisions of this Redevelopment Plan and the Candlestick Point Design for Development.

4.1 Existing Conditions in Zone 1 of the Project Area

Zone 1 of ~~the~~Project Area B contains a mixture of vacant lands, surface parking lots, Candlestick Stadium, under-utilized park lands, blighted industrial properties, and the Alice Griffith San Francisco Housing Authority property in need of revitalization. The area is served by inadequate public infrastructure and deficient public facilities. These conditions constitute a substandard living environment and have a detrimental effect on the neighborhoods within and surrounding Zone 1 of ~~the~~Project Area B.

4.2 Generalized Neighborhood Land Uses

Neighborhoods correspond to portions of Zone 1 with distinct characteristics and planning objectives, as reflected both in this Redevelopment Plan and the Candlestick Point Design for Development. This Redevelopment Plan identifies general objectives for each of this Neighborhoods in order to help determine what additional, complementary land uses may be allowed in a Land Use District and to assist with implementation of the Candlestick Point Design for Development.

4.2.1 Alice Griffith Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a diverse range of housing types with improved connections to the surrounding neighborhoods. Existing affordable homes will be rebuilt to provide at least one-for-one replacement units targeted to the same income levels as those of the existing residents and ensure that eligible Alice Griffith Housing residents have the opportunity to move to the new, upgraded units directly from their existing Alice Griffith Housing units without having to relocate to any other area. A focus of this Neighborhood will be a centrally located park that extends the length of this Neighborhood that may include community gardens, active sports uses, and picnic areas.

This Neighborhood will include mixed-income housing developments that may include townhomes, stacked townhomes, live-work units, group housing, and multi-unit, multi-story apartment and condominium buildings.

4.2.2 Candlestick North Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a compact, mixed-use community with higher densities than the Alice Griffith Neighborhood and an anchoring main street for neighborhood-serving shops and services. Given the higher density and greater number of units in the neighborhood than in the Alice Griffith Neighborhood, this Neighborhood ~~will include~~envisions a greater concentration of neighborhood-serving retail, business, service, and office uses, ~~most of~~ which ~~will~~may be concentrated in the ground floor beneath residential uses along the southern edge of this Neighborhood, adjacent to the Candlestick Center Neighborhood. This Neighborhood may include certain commercial uses, including but not limited to, retail, hotel, and entertainment uses, as Principal and Secondary Uses as set forth in Section 4.2.7. This Neighborhood will include community facilities uses as well as two parks – one in the center of this Neighborhood intended to serve this Neighborhood and a wedge-shaped park at the southeastern edge forming a connection between the development, the State Park and the Bay waterfront. This Neighborhood may also include commercial uses and places intended to foster a sense of community where people can spend time between home and work.

This Neighborhood may include townhomes; lofts; live-work units; group housing, low- and mid-rise multi-unit, multi-story condominium or apartment buildings; and high-rise towers.

4.2.3 Candlestick Center Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate the commercial heart of Zone 1. ~~It is and envisions~~ a mixed-use neighborhood ~~with regional shops and services, offices~~comprised of a diverse array of uses that may include, among other uses, office, research and development, hotel, public uses and residential uses. ~~The regional and neighborhood~~ retail uses ~~in this Neighborhood may include, public uses, entertainment uses such as movie theaters, clubs with live music, and restaurants., residential, and arts and cultural uses.~~ This Neighborhood ~~may include large format, anchor retailers to be accompanied by smaller stores fronting onto neighborhood streets.~~also encourages innovation, such as emerging technologies, and active uses that enhance adjacent Neighborhoods. This Neighborhood will include office/research and development uses ~~to~~which may be located above the ground-floor retail ~~and entertainment uses and residential units above base floors containing commercial uses and parking areas.~~ Parking areas would be included on the interiors of blocks.

Residential uses in this Neighborhood may include townhomes; lofts; live-work units; and senior and disabled housing, and multi-unit, multi-story condominium or apartment buildings.

4.2.4 Candlestick South Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a broad range of residential housing types ~~as well as neighborhood serving~~and may include commercial uses,

including but not limited to, appropriate, retail, hotel, and entertainment uses designed to complement its position adjacent to the beach and surrounding parkland. ~~Most~~This Neighborhood may include commercial uses and places intended to foster a sense of the community where people can spend time between home and work. The neighborhood-serving retail, business, service, and office uses ~~will be~~may be concentrated in the ground floor beneath residential uses along the northern edge of this Neighborhood, adjacent to the Candlestick Center Neighborhood. This Neighborhood will include a mini-wedge park that would bisect this Neighborhood and provide a direct connection to the State parklands that are adjacent to this Neighborhood and provide the area's principal recreational resources.

Residential uses in this Neighborhood will include townhomes; lofts; live-work units; group housing, low- and mid-rise multi-unit, multi-story condominium or apartment buildings; and high-rise towers.

4.2.5 Intentionally Deleted.

4.2.6 Land Use Districts

Zone 1 of the Project Area consists of three land use districts (each referred to as a “**District**” or “**Land Use District**”) as shown on Map 4. The map shows the general boundaries of the Districts; precise boundaries of the Districts are to be interpreted in light of the objectives of this Redevelopment Plan at the time specific parcels are subdivided in accordance with City and State subdivision laws.

Allowable land uses within each District will be all those that are consistent with the character of the District as described in this Redevelopment Plan. The specific uses identified below for each District illustrate the appropriate scope and nature of permitted uses.

Principal Uses. Within each District, “**Principal Uses**” shall be allowed as of right.

Secondary Uses. Within each District, “**Secondary Uses**” will be permitted, through the determination of the Agency Commission or its designee, provided that such use: (a) generally conforms with the redevelopment objectives of this Redevelopment Plan, the objectives of the District as set forth in this Redevelopment Plan and the Candlestick Point Design for Development; (b) is compatible with the District's Principal Uses, nearby public facilities, and broader community; (c) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts; and (d) does not at the proposed size and location materially impede the planned uses and development of the District or Project Area. The Agency Commission or its designee may place conditions on the Secondary Use as necessary to make the findings in clauses (a) through (d) above.

Non-Designated Uses. Uses that are proposed but are not specifically defined herein (“**Non-Designated Uses**”) may be classified by the Executive Director as Principal Uses, Secondary Uses, Temporary Uses, Interim Uses, or Prohibited Uses. The Executive Director or his or her designee may allow a Non-Designated Use as a Principal Use subject to approval by the Agency Commission, provided the Executive Director or his or her designee finds that such Non-Designated Use: (a) is consistent with the other Principal Uses allowed in the applicable District; (b) is consistent with the objectives for the applicable District; (c) generally conforms with the Candlestick Point Design for Development; and (d) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts. For Temporary or Interim Uses, the Executive Director shall in addition make the findings required for such uses as set forth in Section 4.2.10 and 4.2.11 below.

In the event the Executive Director determines that a Non-Designated Use should be evaluated as a potential Secondary Use rather than a Principal Use, the Executive Director shall require that the proposed use be considered by the Agency Commission pursuant to the Secondary Use process set forth above.

Prohibited Uses. Within most Districts, certain land uses are expressly prohibited in order to maintain the intended character of the District, avoid conflicts of land uses, or maintain public welfare in response to specific conditions of the District (“**Prohibited Uses**”). The following uses will be Prohibited Uses in all Districts within Zone 1: Mortuary and Adult Entertainment uses.

Provisions Applicable Generally.

Certain lands within the Zone 1 are or may be subject to the Public Trust. The Public Trust doctrine limits the uses that are permitted on Public Trust lands. A Principal Use or Secondary Use shall be permitted on Public Trust land only to the extent the use is permitted under the Public Trust and is consistent with the Agency’s management of those lands on behalf of the State for Public Trust purposes. Thus, even though a particular use or uses may be shown as a permitted Principal or Secondary Use within the Zone 1, that use or uses may nevertheless not be permitted on lands subject to the Public Trust within Zone 1.

In all cases below, the height, bulk, setback, parking and open space requirements will be established in the Candlestick Point Design for Development.

Parking is a permitted Accessory Use to every Principal Use and Secondary Use permitted in each Land Use District. The design and location of parking is controlled by the Candlestick Point Design for Development.

Infrastructure elements that are required to provide access, utilities, and public services to the development described in this Section 4.2 shall be allowed as Principal Uses to the provided they

are consistent with the Mitigation Measures and subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR.

Additional infrastructure elements such as decentralized wastewater treatment facilities, automated trash centralized collection facilities, and district heating and cooling facilities that serve the Project Area will be subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR, the Mitigation Measures, and the Infrastructure Plan for the Hunters Point Shipyard Phase 2-Candlestick Point Project (as amended from time to time, the “**Infrastructure Plan**”). Decentralized wastewater treatment facilities shall be permitted as a Secondary Use in all Districts except the Open Space District. Automated trash centralized collection facilities shall be permitted as a Secondary Use in the Candlestick Mixed Use Commercial District. District Heating and Cooling Facilities shall be permitted as a Secondary Use in all Districts except the Open Space District.

4.2.7 Candlestick Mixed Use Residential District

The Candlestick Mixed Use Residential District consists of residential uses and **some** compatible **nonresidential uses, including but not limited to, local-serving retail and services, hotels, and neighborhood serving entertainment uses.** The primary land use is residential ~~units,~~ ranging from attached single family homes to high-rise multi-family residential developments. Related uses also include, **among other uses,** local-serving businesses, neighborhood retail, community facilities, family Child-Care Facilities, small professional offices, home occupations, and recreation facilities. This district covers the allowable land uses for the residential neighborhoods of Alice Griffith Neighborhood, Candlestick North Neighborhood and Candlestick South Neighborhood described above. This District also includes a planned neighborhood park, the final location of which has not been determined.

The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live-Work Units
- Group Housing
- Supportive Housing
- Home Office

Retail Businesses, Offices and Personal Services Uses:

- Neighborhood Retail Sales and Services
(up to 10,000 sq. ft. per tenant)
- Restaurants
- Physical fitness and health facilities
- Automated teller machines (ATMs)

- Dry Cleaning Facility (without on-site dry cleaning plant)
- Commercial Wireless Transmitting Facilities
- Maker Space

Civic and Institutional Uses:

- Community Uses
- Arts Education
- Recreation Facilities
- Religious Institutions
- Elementary School
- Child-Care Facility
- Vocational / Job Training Facility (Clerical/Administrative)

Hotel Uses (restaurants, bars and other entertainment activities permitted as Accessory Uses)

Parks and Recreation Uses:

- Parks
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

Retail Businesses, Offices and Personal Services Uses:

- Regional Retail Sales and Services
- Neighborhood Retail Sales and Services (over 10,000 sq. ft. per tenant)
- Grocery Store
- Bars
- Office

Civic and Institutional Uses:

- Secondary School
- Post-Secondary Institution
- Nighttime Entertainment

- Amusement Enterprise
- Vocational / Job Training Facility (Mechanical/Industrial)

Commercial, Entertainment and Visitor Serving Uses:

- Performance Arts
- Multi-screen cinema
- Meeting Rooms
- Conference Facilities

The following Uses are Prohibited Uses in this Land Use District:

- Commercial Storage
- Automotive Sale
- Automotive Service Station
- Automotive Repair
- Automotive Gas Station
- Motor Vehicle Tow Service
- Drive-through facilities
- Dry Cleaning Facility (with onsite cleaning operations)
- Wholesale Retail
- Warehousing
- (prohibition excludes such uses allowed as an Accessory Use)Cannabis-Related Uses

4.2.8 Candlestick Center Mixed Use Commercial District

The Candlestick Center Mixed Use Commercial District consists of a diverse array of commercial uses that provide for the integration of various uses suitable for evolving market conditions for an innovative business or institutional environment ranging from office to laboratory activities, and as appropriate accessory uses, light industrial and manufacturing operations. It will also support small-, moderate-and large-scale retail and commercial operations, residential units, office and professional services, research and development, hotels, and entertainment uses. This land use district covers the allowable uses within the Candlestick Center Neighborhood described above.

The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Group Housing
- Supportive Housing

- Live-Work Units
- Home Office

Retail Businesses, Offices, Research and Development, and Personal Services Uses:

- Regional Retail Sales and Services
- Neighborhood Retail Sales and Services
- Grocery Store
- Professional, medical, and business offices,
- Physical fitness and other health facilities
- Restaurants
- Bars
- Commercial Wireless Transmitting Facilities
- ~~Commercial~~
- Office
- Research and Development
- Laboratory
- Life Science

• Green Technology
Maker SpaceCommercial, Entertainment and Visitor Serving Uses:

- Performance Arts
- Multi-screen cinema
- Hotel
- Meeting Rooms
- Conference Facilities

Education, Arts and Community Activities Uses:

- Arts Production
- Community Use
- Nighttime Entertainment
- Amusement Enterprise
- Post-Secondary Institution
- Recreation Facilities
- Religious Institutions
- Child-Care Facility
- Vocational / Job Training

Parks and Recreation Uses:

- Parks
- Active Recreation Facilities
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

Retail Businesses, Offices and Personal Services:

- Non-Retail Sales and Services
- Dry Cleaning Facility (with on-site dry cleaning plant)
- Animal Services
- Automotive Rental

Education, Arts and Community Activities Uses:

- Secondary School

The following Uses are Prohibited Uses in this Land Use District:

- Commercial Storage
- Automotive Sale
- Automotive Service Station
- Automotive Repair
- Automotive Gas Station
- Motor Vehicle Tow Service
- Drive-through facilities
- Industrial Activities (prohibition excludes such uses allowed as an Accessory Use)
- Warehousing (prohibition excludes such uses allowed as an Accessory Use)

4.2.9 Open Space

The open space areas consist of land owned by the Agency, City or the State to be developed into regional and local-serving public parks including appropriate recreational facilities and equipment and park maintenance areas. Park lands that are subject to the Public Trust will be managed as state or regional parks consistent with the Public Trust. No other uses beyond those described below are permitted in open space areas.

The following Uses are Principal Uses in this Land Use District:

Parks and Recreation Uses:

- Active Recreation Facilities
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities
- Recreational Equipment Rental

Civic, Arts & Entertainment Uses:

- Recreational Facility
- Transit Shelters

In areas not subject to the Public Trust, the full range of Uses allowed in Parks, open air marketplaces, and similar active recreational Uses shall be allowed in addition to the Permitted Uses listed above.

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

- Performance Arts
- Restaurants

4.2.10 Interim Uses

“**Interim Uses**” are uses proposed during the time prior to or concurrent with development of land within a Land Use District consistent with this Redevelopment Plan. Interim Uses may be authorized in all areas not subject to the Public Trust for an initial time period to be determined by the Executive Director, upon a determination by the Executive Director that the authorized uses will not impede the orderly development of the Project Area as contemplated in this Redevelopment Plan. Where approved, Interim

Uses will be permitted for a defined period of time not to exceed five (5) years.

Permissible Interim Uses are as follows:

- Rental or sales office incidental to a new development, provided that it is located in the development or a temporary structure
- Structures and uses incidental to environmental cleanup and staging
- Temporary structures and uses incidental to the demolition or construction of a structure, building, infrastructure, group of buildings, or open space, including construction staging of materials and equipment
- Commercial Storage
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses above
- Other Interim Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

Interim Uses of areas subject to the Public Trust shall be authorized only if the authorized uses are determined to be consistent with, necessary and convenient for, or incidental or ancillary to, the purposes of the Public Trust, or if the following criteria are met:

- There are no immediate Public Trust-related needs for the property,
- The proposed lease for the use prohibits construction of new structure or improvements that, as a practical matter, could prevent or inhibit the property from being converted to a permissible Public Trust use if necessary,
- The proposed lease for the use provides that the Agency has the right to terminate the lease in favor of Public Trust uses as Public Trust needs arise, and
- The proposed use of the leased property would not interfere with commerce, navigation, fisheries, or any other existing Public Trust use or purpose.

Extensions of the above approval periods may be authorized by the Executive Director in increments of up to five (5) year periods, subject to the same determinations as required for the initial period.

4.2.11 Temporary Uses

“**Temporary Uses**” are short-term, transitory uses that may be proposed either prior to or following development of land within a Land Use District consistent with this Redevelopment Plan. Temporary Uses will be permitted by the Executive Director or his or her designee for such period of time as the Executive Director or his or her designee determines to be reasonable provided the Executive Director or his or her designee finds that such Temporary Use is consistent with the objectives of the this Redevelopment Plan and the Candlestick Point Design for Development, as appropriate. Permissible Temporary Uses include:

- Booth for charitable, patriotic or welfare purposes
- Exhibition, celebration, festival, circus or neighborhood carnival
- Open air sales of agriculturally-produced seasonal decorations, including Christmas trees and Halloween pumpkins
- Convention staging
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses listed above
- Other Temporary Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

4.2.12 Public Rights-of-Way

The proposed street layout for Zone 1 is illustrated on the Map 4. Streets and alleys may be widened, narrowed, altered, realigned, abandoned, depressed or closed as necessary for proper redevelopment of Zone 1 of the Project Area. Additional public streets, alleys, rights-of-way and easements, may be created in Zone 1 of the Project Area as needed for development and circulation.

Certain streets in Zone 1 will be impressed with the Public Trust. These streets will provide key vehicular, bicycle and pedestrian access ways to and along the wedge parks at the center of Candlestick Point, and linking the northern, eastern, and southern waterfronts in the State Park.

4.3 Standards and Procedures for Development in Zone 1

For Zone 1, this Redevelopment Plan and the other Plan Documents, including the Candlestick Point Design for Development, establish the standards for development and supersede the San Francisco Planning Code in its entirety, except as otherwise expressly provided herein. The only sections of the Planning Code that shall apply within Zone 1, pursuant to the provisions of this Redevelopment Plan, are Sections 101.1, 295, and 314, as such sections are in effect as of the 2010 Plan Amendment Date. Both the Agency Commission and the Planning Commission must approve any amendments to the Candlestick Point Design for Development.

4.3.1 Applicability of City Regulations; City’s Duty to Protect Public Health and Safety

(a) *General.* Regardless of any future action by the City or the Agency, whether by ordinance, resolution, initiative or otherwise, the rules, regulations, and official policies applicable to and governing the overall design, construction, fees, use or other aspect of development of Zone 1 will be (i) this Redevelopment Plan and the other Plan Documents, (ii) to Bayview Hunters Point Redevelopment Plan
July 16, 2018

the extent not inconsistent therewith or not superseded by this Redevelopment Plan, the Existing City Regulations (including all provisions of the Building Construction Codes, which are not inconsistent with or superseded by this Redevelopment Plan), (iii) New City Regulations to the extent permitted under this Redevelopment Plan; (iv) new or changed Development Fees and Exactions to the extent permitted under Section 43.15 of this Redevelopment Plan; (v) any disposition and development agreement or owner participation agreement related to development within Zone 1; and (vi) the Mitigation Measures (collectively, the “**Applicable City Regulations**”).

(b) *Protection of Public Health and Safety; Federal or State Law.* Notwithstanding any provision of this Redevelopment Plan to the contrary, the Agency and any City Agency having jurisdiction, shall exercise its sole discretion under this Redevelopment Plan and the applicable Plan Documents in a manner that is consistent with the public health and safety and shall at all times retain their respective authority to take any action that is necessary to protect the physical health and safety of the public (the “**Public Health and Safety Exception**”) or to comply with changes in Federal or State law, including applicable Federal and State regulations (the “**Federal or State Law Exception**”), including the authority to condition or deny a permit, approval, agreement or other entitlement or to adopt a New City Regulation, but subject, in all events, to any rights to terminate between an owner or developer and the Agency as set forth in either the Plan Documents or any disposition and development agreement or owner participation agreement related to development within Zone 1. Except for emergency measures, any City Agency or the Agency, as the case may be, will meet and confer with the owner of the affected Real Property and/or any affected party under any disposition and development agreement or owner participation agreement related to development within Zone 1 in advance of the adoption of any New City Regulations or New Construction Requirements to the extent feasible.

(c) *Permitted New City Regulations.* The City Agencies and the Agency reserve the right to impose any New City Regulations (except for the Planning Code sections superseded by this Redevelopment Plan) provided that (i) they are imposed on a Citywide Basis and (ii) they do not conflict with the development permitted or contemplated within Zone 1 by this Redevelopment Plan, the Plan Documents, or any disposition and development agreement or owner participation agreement related to development within Zone 1, or any portion of such development (unless such conflict is waived by the owners and developers of all affected property). As used in this paragraph (c), a New City Regulation “conflicts with the development permitted or contemplated” if it would change the aforementioned development regulations to:

(1) limit or reduce the density or intensity of development, or otherwise require any reduction in the square footage or number of proposed buildings (including number of Dwelling Units) or other improvements;

(2) limit or reduce the height or bulk of development within Zone 1, or any part thereof, or of individual proposed buildings or other improvements;

(3) materially change, restrict, or condition any land uses, including permitted or conditional uses, of development within Zone 1;

(4) materially limit or control the rate, timing, phasing, or sequencing of approval, development, or construction (including demolition);

(5) require the issuance of additional land use-related permits or approvals by the City or the Agency;

(6) materially limit or control the availability of public utilities, services or facilities or any privileges or rights to public utilities, services or facilities for Zone 1, including but not limited to water rights, water connections, sewage capacity rights and sewer connections;

(7) control or limit commercial or residential rents or purchase prices (excluding property owned or controlled by the Agency or the City during the period of Agency or City ownership and only to the extent such controls or limits would not survive transfer to a successive owner);

(8) materially limit the processing or procuring of applications and approvals for any subsequent City or Agency approvals;

(9) subject to Section 4.3.15, impose any new Development Fees and Exactions or expand or increase Development Fees and Exactions;

(10) subject to section 4.3.1.d (New Construction Requirements), materially increase the cost of construction or maintenance of all or any development permitted or contemplated in Zone 1 or of compliance with any provision of this Redevelopment Plan, the Plan Documents, any disposition and development agreement or owner participation agreement related to development within Zone 1 or Existing City Regulations applicable to Zone 1

(11) materially decrease the value of any land in Zone 1;

(12) materially reduce, limit the availability of or delay the amount or timing of tax increment or Mello-Roos Community Facilities District funding; or

(13) limit the Agency's ability to timely satisfy its obligations under any disposition and development agreement or owner participation agreement related to development within Zone 1 or the City's ability to timely satisfy its obligations under any cooperation agreement or tax allocation agreement related to development within Zone 1.

Nothing in this Redevelopment Plan or other applicable Plan Documents shall be deemed to limit any City Agency's or the Agency's ability to comply with the California Environmental Quality Act ("CEQA") or the CRL.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Nothing in this section shall limit the authority of the Agency or any City Agency to exercise its discretion under the Public Health and Safety Exception or to make changes under the Federal or State Law Exception, as described in Section 4.3.1(b) (Protection of Public Health and Safety).

The City Municipal Code (excluding the Planning Code with the exception of conditions for cannabis-related uses specified in Section 202.2 thereof (as may be amended or superseded)) and related regulations (as such Code Sections and regulations may be amended from time to time consistent with this Redevelopment Plan) establishing a permitting program for Cannabis-Related Uses are Permitted New City Regulations applicable to and enforceable against Cannabis-Related Uses within the Project Area.

The City’s Municipal Code and related regulations establishing a permitting program for Short-Term Rentals (as such Code Sections and regulations may be amended from time to time, consistent with this Redevelopment Plan) are Permitted New City Regulations applicable to and enforceable against Short-Term Rentals within the Project Area.

(d) *New Construction Requirements.* In addition to the Public Health and Safety Exception and the Federal or State Law Exception, the City may change construction requirements for Infrastructure and other Improvements (“**New Construction Requirements**”) if the changes: (i) would not materially increase costs or accelerate the payment of costs of developing the Project Area consistent with this Redevelopment Plan; (ii) are imposed by the Board of Supervisors on a Citywide Basis; and (iii) would not: (a) materially adversely affect Net Available Increment; (b) delay development; (c) materially limit or restrict the availability of Infrastructure; or (d) impose limits or controls on the timing, phasing, or sequencing of development permitted under this Redevelopment Plan. In addition, from and after the 10th anniversary of the issuance of the first Building Permit for a project within Zone 1 of Project Area B of the Project Area, the City may impose New Construction Requirements in response to technological advances in construction if the New Construction Requirements: (1) would materially decrease the City’s operation and maintenance costs and would not materially interfere with the uses, heights, density, and intensity of development described in the Plan Documents; (2) will apply on a Citywide Basis for similar land uses; (3) do not conflict with the Mitigation Measures (provided, this requirement may be satisfied with an exemption for specific Mitigation Measures as needed); and (4) do not increase by more than twenty percent (20%) the unit cost of any single component that is the subject of the New Construction Requirement.

4.3.2 Cooperation Agreement

The Agency will enter into a Cooperation Agreement with the Planning Department defining the roles and responsibilities for the provision of project entitlements and the administration of, development controls, and implementation of mitigation measures within Zone 1 of the Project Area. The Cooperation Agreement will specify the respective roles of the Agency and the Planning Department in reviewing development proposals and otherwise

Bayview Hunters Point Redevelopment Plan
July 16, 2018

administering the development controls, with the objective of facilitating the development process and furthering the goals of this Redevelopment Plan and the Candlestick Point Design for Development. Amendments to the Candlestick Point Design for Development will be approved by the Agency Commission and the Planning Commission.

4.3.3 Interagency Cooperation Agreement

The Agency and the City are entering into an Interagency Cooperation Agreement defining the roles and responsibilities for the design and installation of infrastructure, and implementation of mitigation measures within Zone 1 of the Project Area. The Interagency Cooperation Agreement will outline the responsibilities of city departments and agencies regarding the design, approval, installation and maintenance of public infrastructure in Zone 1.

4.3.4 Type, Size, Height and Use of Buildings in Zone 1

The Redevelopment Plan, the General Plan, and the Candlestick Point Design for Development establish the development controls authorized for Zone 1 of the Project Area. The Candlestick Point Design for Development provides specific limitations to the height and other dimensions of new buildings, standards for development of new buildings, as well as design guidelines directing the architectural character of future development.

The Planning Commission and the Agency Commission may adopt amendments to the Candlestick Point Design for Development to better achieve the goals and objectives of this Redevelopment Plan, subject to Section 4.3.1 above.

4.3.5 Limitation on the Number of Buildings

The number of buildings within the Zone 1 of the Project Area may not exceed approximately 450 buildings.

4.3.6 Limitation on the Number of Dwelling Units

The maximum number of Dwelling Units in Zone 1 of ~~the~~ Project Area B is approximately 7,850 units, provided that the maximum number of Dwelling Units may be increased, without amendment to this Plan, to the extent the Hunters Point Shipyard Redevelopment Plan allows for the transfer of Dwelling Units from Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to Zone 1 of Project Area B (subject to any required Commission approval and environmental review required under CEQA), and provided that the total Dwelling Units constructed within both Zone 1 of ~~the~~ Project Area B and the Hunters Point Shipyard Redevelopment Plan Area may not exceed 12,100 Dwelling Units without Commission approval (including attendant environmental review).

4.3.7 Limitation on Type, Size and Height of Buildings

The size and type of buildings may be as permitted in the Applicable City Regulations, which is approximately ~~1,185,000~~3,353,500 square feet of non-residential development, including approximately ~~760,000~~309,500 square feet of retail and entertainment space, 50,000 square feet of community services space, ~~1502,800,000~~ square feet of research and development/office space, 1530,000 square feet of hotel and hotel related uses, and ~~10,000~~1,200 seat (~~7564,000~~ square feet) film arts/performance/event space.

The Commission may approve, without amendment to this Plan but subject to any necessary environmental review, adjustment of the foregoing square footages over time (except of community services space), including conversion to other non-residential uses allowed by this Plan, provided the total square footage of non-residential uses within Zone 1 of the Project Area does not materially exceed ~~1,185,000~~3,353,500 square feet (except as provided below).

The Commission may approve (with any necessary environmental review) the transfer of up to ~~118,500~~2,050,000 square feet of research and development/office use from the Hunters Point Shipyard Project Area to those portions of Zone 1 of the Bayview Hunters Point Project Area where such use is a Principal Use, without further amendment to this Redevelopment Plan. Any unused research and development/office square footage transferred from the Hunters Point Shipyard Project Area to Zone 1 of the Bayview Hunters Point Project Area pursuant to this paragraph may be transferred back to the Hunters Point Shipyard Project Area subject to Commission approval of applicable Major Phase Application(s) (as defined in the CP-HPS2 DDA).⁴

Accessory parking facilities for these uses are not included as part of these limitations.

The maximum building heights within Zone 1 is 420 feet. The Agency may impose additional height limits, building size and location restrictions, and other development controls within the Candlestick Point Design for Development, subject, subject to Section 4.3.1 above.

4.3.8 Parking

⁴ The 2010 FEIR for the CP HPS2 project and subsequent addenda evaluated up to 5,000,000 million square feet of research and development and office use within Phase 2 of the Hunters Point Shipyard Project Area. To the extent feasible, the Agency and master developer shall rely on the prior environmental review in the event of a transfer of square footage to Phase 2 of the Hunters Point Shipyard Project Area pursuant to this paragraph. In addition, the Infrastructure Plan and Transportation Plan for the CP HPS2 project is designed to accommodate up to 5,000,000 million square feet of research and development/office use on Phase 2 of the Hunters Point Shipyard Project Area. A transfer of square footage pursuant to this paragraph that substantially conforms with the Infrastructure Plan and Transportation Plan shall not require amendment of such plans.

Parking will be permitted and required as described in the permitted land use section and as further regulated in the Candlestick Point Design for Development. In Zone 1, parking is generally required to be in an enclosed garage, not visible from the street or right-of-way, and accessory to an established residential or commercial use. Stand-alone parking use is not permitted at full build-out. However, it is understood that through phasing of the project, parking may be available before the completion of the use to which it is accessory, and may be on temporary outdoor lots.

4.3.9 Land Coverage

Land coverage will be determined by the application of the Candlestick Point Design for Development for density, parking, and open space.

4.3.10 Signs

In Zone 1, with the exception of temporary marketing and sales signs pertaining to developments within Zone 1 (which will be permitted), permanent or temporary billboards (excluding kiosks, streetscape commercial signage, and street furniture-related commercial signage), are prohibited within all Land Use Districts and are prohibited in any park or street area. Permanent signage for residential, commercial and open space development is subject to the development controls and guidelines of the Candlestick Point Design for Development. The Agency Commission shall review for consistency with the objectives of this Redevelopment Plan any proposed signage not permitted by the Candlestick Point Design for Development and any signage master plan.

4.3.11 Review of Planning Applications, Architectural and Landscape Plans

In evaluating plans, the Agency will use the standards set forth in the Candlestick Point Design for Development, which establishes design criteria for specific parcels to ensure an attractive and harmonious urban design. Development proposals will be evaluated pursuant to the Agency's Design Review and Document Approval Procedure (DRDAP) as attached to any disposition and development agreement to ensure they achieve the objectives of this Plan and are consistent with the Candlestick Point Design for Development.

4.3.12 Off-Site Improvements

The Agency may require a landowner or development project sponsor to install infrastructure, roadways, street trees, parks and other landscaping, or other improvements on property other than the site that is the subject of the sale, disposal, lease, or owner participation agreement. Such improvements shall be designed in conformity with approved open space, streetscape, or infrastructure plans and other applicable design guidelines.

The tax increment resources from Zone 1 of this Redevelopment Plan may provide for development of a stadium at Hunters Point Shipyard in order to free up the site of the existing Candlestick Point, thus facilitating regional retail and entertainment uses adjacent to Highway 101 and the integrated development of Candlestick Point and Hunters Point Shipyard. In order to accommodate vehicle traffic and transit serving the various uses planned for the Project Area, this Redevelopment Plan also provides for street, lighting, utility, and related improvements to the portion of Harney Way located to the southwest of the Zone 1 boundary of the Project Area, Bus Rapid Transit facilities along Geneva Avenue and at the Bayshore Caltrain Station, portions of the costs related to the Highway 101/Harney/Geneva freeway interchange, portions of Palou Avenue east of Third Street located outside the Project Area, and improvements to the Pennsylvania/25th Street intersection north of the Project Area.

4.3.13 Variance by Agency

The owner or developer of any property in Zone 1 may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and, after consultation with the PAC and the Planning Department, the Agency Commission may, in its sole discretion at a duly noticed public hearing, grant a variance from this Redevelopment Plan or the Candlestick Point Design for Development under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Redevelopment Plan; and
- The granting of a variance would be in harmony with the goals of this Redevelopment Plan and the Candlestick Point Design for Development, and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Redevelopment Plan and the Candlestick Point Design for Development. The Agency's determination to grant or deny a variance will be final and will not be appealable to the Planning Department. In no instance will any variance be granted that will substantially change the allowable land uses of this Plan.

4.3.14 Nonconforming Uses

The Agency will provide for the reasonable continuance, modifications, and/or termination of non-conforming uses and non-complying structures whose use or structure does not comply with this Redevelopment Plan or the Candlestick Point Design for Development, provided that such use is generally compatible with the development and uses authorized by this Redevelopment Plan and the Candlestick Point Design for Development. The Agency may authorize additions, alterations, reconstruction, rehabilitation, or changes in use through uses or structures that do not conform to the provisions of this Redevelopment Plan, subject to the Agency's determination that the additions, alterations, reconstruction, rehabilitation, or changes in use will not impede the orderly development of Zone 1 of this Redevelopment Plan and promote compatibility of uses, eliminate blighting conditions and effectuate the purposes, goals, and objectives of this Redevelopment Plan.

4.3.15 Development Fees and Exactions

The following provisions will apply to all property in Zone 1 except parcels used for the development of affordable housing by Agency-sponsored entities. Development Fees and Exactions shall apply to the Project in the manner described below. Except as provided in this section and except as required by the Mitigation Measures, the School Facilities Impact Fee, the Child-Care Requirements, and the Art Requirement shall be the only Development Fees and Exactions that apply to the Zone 1 for the duration of this Redevelopment Plan. Water Capacity Charges and Wastewater Capacity Charges are Administrative Fees and not Development Fees and Exactions, and shall apply in the Project Area.

The School Facilities Impact Fee shall apply for the duration of this Redevelopment Plan, shall be administered as required by State law, and shall be increased for the duration of this Redevelopment Plan in accordance with State law, but only to the extent permitted by State law.

The Art Requirement shall apply for the duration of this Redevelopment Plan and requires that any new office building in excess of 25,000 square feet constructed within the Project Area include one-half of one percent (0.5%) of the hard costs of initial construction (excluding costs of infrastructure and tenant improvements) (the "**Art Fee Amount**") for the installation and maintenance of works of art in the public realm within Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area. In the event that public spaces are not available at the time the Art Requirement is due, then the Art Fee Amount shall be paid to a fund administered by the Agency to be used for public art within the Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area. The public realm within which art may be installed so as to comply with the Art Requirement includes: any areas on the site of the building and clearly visible from the public sidewalk or open space feature, on the site of any open space feature, or in any adjacent public property. The type and location of artwork proposed shall be reviewed by the Executive Director for consistency with the Candlestick Point Design for Development and other Plan Documents.

The Child-Care Requirements shall apply for the duration of this Redevelopment Plan only to all commercial development over 50,000 square feet per Planning Code Section 314, as it existed on the 2010 Plan Amendment Date (attached and incorporated hereto as Attachment E). The Child-Care Requirements will be administered by the Agency to provide for these public benefits within Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area.

The Child-Care Requirements provide for compliance either by constructing Child-Care Facilities or, alternatively, payment of an in-lieu fee. For the duration of this Redevelopment Plan, development within the Zone 1 shall not be subject to any change to the provisions of the Child-Care Requirements that permit compliance through the construction of Child-Care facilities. In addition, no new in lieu fee or increase in the existing in lieu fee related to the Child-Care Requirement shall apply to the Project Area for twelve (12) years following the date the first Building Permit is issued for a project in Zone 1 of Project Area B of the Project Area and, thereafter, will only be applicable if the new or increased in lieu fee relating to Child-Care Requirements is: (i) not increased at a rate greater than the annual increase in the Consumer Price Index commencing at the end of the 12-year period during which the fee has been frozen as described above; (ii) generally applicable on a Citywide Basis to similar land uses; and (iii) not redundant of a fee, dedication, program, requirement, or facility described in the Plan Documents or in any applicable disposition and development agreement related to development within Zone 1.

Notwithstanding the foregoing, new or increased Development Fees and Exactions may be imposed to the extent required under the Public Health and Safety Exception and the Federal or State Law Exception.

The parcels on Assessor Blocks 4917, 4918, 4934, and 4935 shall be subject to all fees and exactions under the City Planning Code in effect from time to time, except as otherwise provided pursuant to an Owner Participation Agreement or Development Disposition Agreement, if the Agency determines that the public benefits under an Owner Participation Agreement exceed those that would otherwise be obtained through imposition of the City Planning Code fees and exactions.

4.3.16 Office Development Limitations

On November 8, 2016, voters enacted Proposition O, which exempts Zone 1 of this Redevelopment Plan from the office development limits set forth in Planning Code Sections 320 – 325. Planning Code Sections 320 – 325 (Proposition M) shall apply to office development in Zone 2 of this Redevelopment Plan and Planning Code Section 324.1 shall apply to office development in Zone 1 of this Redevelopment Plan. Accordingly, the cap on the annual amount of office development permitted in the City shall apply in Zone 2 but not in Zone 1 of this Redevelopment Plan.

By Resolution No. 18102 (Attachment G), the Planning Commission adopted findings pursuant to Planning Code Section 321(b)(1) that the 150,000 square feet of office development contemplated in Zone 1 of this Redevelopment Plan in particular promotes the public welfare, convenience and necessity, and in so doing considered the criteria of Planning Code Section 321(b)(3)(A)-(G). Proposition O states in part that “No project authorization or allocation shall be required for any Development on the Subject Property [Candlestick Point and Hunter’s Shipyard Phase 2]. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.” Proposition O (2016) supersedes, as to Zone 1 of this Redevelopment Plan, any portion of Resolution No. 18102 (Attachment G) that would require an office authorization or allocation, compliance with Planning Code sections 320-325, or Planning Commission review or approval of office developments.

Proposition O did not exempt Zone 2 of the Project Area from the requirements of Proposition M (Sections 320-325). The permitted land uses and standards of development for Zone 2 are described in Section 5.

4.3.17 Shadow on Recreation and Park Property

Section 295 of the Planning Code (Proposition K) shall apply to development in the Project Area in the form in which Section 295 was in effect as of the 2010 Plan Amendment Date (attached hereto as Attachment F). Section 295 (Proposition K) shall not continue to apply to development in the Project Area in the event it is repealed by legislation or voter initiative.

5.0 REDEVELOPMENT PLAN FOR ZONE 2 OF THE PROJECT AREA

This Redevelopment Plan designates Zones 1 and 2 of the Project Area as shown on Map 2 within the Bayview Hunters Point Redevelopment Project Area B. The Agency’s Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 2 are set forth below. To the extent that the Agency has delegated land use authority in Zone 2 to the Planning Department by a Delegation Agreement then in effect, references below to actions or determinations by the Agency may be undertaken by the Planning Department or Planning Commission. The Agency’s Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 1 is described in Section 4.

5.1 Existing Conditions in Zone 2 of the Project Area

Zone 2 of the Project Area is a mixed residential, industrial and commercial area that has suffered from severe economic decline for many years with the closure of the Hunters Point

Naval Shipyard, the shrinking of heavy and light industrial bases, and the lingering effects of long-term environmental pollution. The resulting difficulty of rehabilitating residential and commercial areas have resulted in the prolonged use of obsolete and inadequate structures; nearly vacant and abandoned commercial and industrial buildings; obsolete and inadequate public facilities; and some privately-owned, deteriorating dwellings. Zone 2 of the Project Area is characterized by dilapidated buildings of inadequate construction, unfit and unsafe for occupancy; deteriorating streets and public utilities of inadequate construction; a general absence of usable open and recreation space; conflicts between industrial and residential land uses and deficient public facilities. These conditions constitute a substandard living environment and have a detrimental effect on the neighborhoods within and surrounding Zone 2 of the Project Area.

5.2 Land Uses Permitted in Zone 2 of the Project Area

5.2.1 Permitted Land Uses in Zone 2

All real property in Zone 2 of the Project Area is hereby made subject to the controls and requirements of this Redevelopment Plan, which incorporates the Planning Code and Zoning Maps as its land use controls. No real property or real property interest may be developed, rehabilitated, or otherwise changed after the 2010 Plan Amendment Date, except in conformance with the provisions of this Redevelopment Plan, as amended from time to time, and the Planning Code and Zoning Maps, as amended from time to time, to the extent not contrary to this Redevelopment Plan.

The generalized land uses for Zone 2 of the Project Area are shown on Map 5, are generally illustrative and based on the Generalized Land Use Plan in the Bayview Hunters Point Area Plan of the General Plan. The descriptions below generally illustrate the land uses of Zone 2 of the Project Area, but property owners and others should refer directly to the Planning Code and its Zoning Maps for applicable standards.

5.2.2 Residential

The generalized residential areas consist of residential uses and some compatible local-serving retail and services. The primary land use is residential units ranging from single family homes to multi-family developments of a moderate scale. Related uses also include local-serving businesses, family Child-Care Facilities, small professional offices, home occupations, and recreation facilities.

5.2.3 Mixed Use – Neighborhood Commercial

The generalized mixed use area consists of small and moderate scale retail and commercial operations on the ground floor along the major commercial streets of the area with

residential units or office uses on the upper floors. The mixed use area allows on the ground floor local-serving businesses, restaurants, financial institutions, small offices, catering establishments, household or business repair, interior decorating shops, graphics reproduction, child care, religious institutions, ATMs, and parking. On the upper floors, land uses may include small scale offices, second floor retail operations, and residential units.

5.2.4 Light Industrial

The generalized light industrial areas consist of businesses and facilities requiring some separation from residential areas due to their generation of truck traffic, noise, and odors. The land uses taking place in these areas are primarily industrial in nature and include manufacturing, repair shops, automotive services, warehouses, wholesale showrooms, industrial research laboratories, open storage, transportation and distribution facilities, food production and distribution, graphic design and reproduction, arts facilities, entertainment venues, vocational job training and related commercial operations. Office and retail uses are permitted but primarily as accessory uses to the industrial operations.

5.2.5 Buffer Zones

The generalized buffer zone areas are intended to provide a transition from industrial uses to residential neighborhoods. The land uses in the buffer zone are small scale light industrial activities that create limited external impacts (such as noise, traffic, or odor), commercial operations, arts facilities, vocational training and, where appropriate, limited accessory residential units.

5.2.6 Public Facility

The generalized public facility areas consist of land other than housing sites or open space, owned by a government agency or other public or semi-public entity and in some form of public or semi-public use. The principal uses in this area include fire station, police stations, public schools, community college facilities, water treatment facilities, sports stadiums, cultural facilities and public transportation facilities.

5.2.7 Public Rights-of-Way

The existing street layout is illustrated on Map 2. Streets and alleys may be widened, narrowed, altered, realigned, abandoned, depressed or closed as necessary for proper redevelopment of Zone 2 of the Project Area. Additional public streets, alleys, rights-of-way and easements, including above and below-ground railroad easements and rights of way, may be created in Zone 2 of the Project Area as needed for development and circulation. Any modifications must conform to the General Plan and the Planning Code, as amended from time

to time in the future, unless amendments to the General Plan or the Planning Code are contrary to the provisions of this Redevelopment Plan.

5.3 Standards for Development in Zone 2 of the Project Area

To achieve the objectives of this Redevelopment Plan in Zone 2 of the Project Area, the use and development of land shall be in accordance with the Planning Code and the General Plan. References in this Section to the Planning Code and the General Plan mean the Planning Code and the General Plan, as amended from time to time, to the extent that the amendments are not contrary to the provisions of this Redevelopment Plan.

5.3.1 Delegation Agreement

The Agency and Planning Department have entered into a Delegation Agreement delegating to the Planning Department the administration of development controls within Zone 2 of the Project Area. The Delegation Agreement specifies the respective roles of the Agency and the Planning Department in reviewing development proposals and otherwise administering the development controls, with the objective of facilitating the development process and furthering the goals of this Redevelopment Plan. For projects requiring Agency Action wherein the Agency does not delegate its land use jurisdiction, appeals of permits, variances, and final action on environmental review under the California Environmental Quality Act will be to the Board of Supervisors or to the Board of Appeals; these appeals shall be consistent with the procedures of the City's Charter and Ordinances pertaining to appeals from decisions of the Planning Commission and Planning Department. The Agency and City will provide for the cost of implementing the Delegation Agreement in the Agency's or Planning Department's annual budget.

5.3.2 Type, Size, Height and Use of Buildings in Zone 2

The General Plan and the Planning Code identify the land uses and other development controls authorized in Zone 2 of the Project Area. The Planning Commission and the Board of Supervisors may adopt amendments to the General Plan and the Planning Code to better achieve the goals and objectives of this Redevelopment Plan. In the event the General Plan, Planning Code or any other applicable ordinance is amended or supplemented with regard to any land use or development control in Zone 2 of the Project Area, the land use provisions and development controls of this Redevelopment Plan will be automatically modified accordingly without the need for any formal plan amendment process unless those amendments or supplements are contrary to the provisions of this Redevelopment Plan. Prospective property developers should refer directly to the Planning Code for applicable standards, as well as to the remainder of this Redevelopment Plan and Related Plan Documents; provided however that to the extent that the inclusionary housing requirements in Section 315 of the Planning Code are inconsistent with this

Redevelopment Plan, this Redevelopment Plan amends and takes precedence over Section 315 of the Planning Code. Thus, developers in Project Area B are required to comply with the inclusionary housing standards in this Redevelopment Plan.

5.3.3 Limitation on the Number of Buildings

The number of buildings within the Zone 2 of the Project Area may not exceed approximately 4,000.

5.3.4 Number of Dwelling Units

The number of Dwelling Units presently within Zone 2 of the Project Area is currently approximately 5,510 and will be approximately 9,300 under this Redevelopment Plan.

5.3.5 Parking

Parking spaces may be provided as permitted in the Planning Code. The Agency will encourage joint use of parking spaces as may be permitted under the Planning Code to the extent that such joint use will adequately serve the needs of each user.

5.3.6 Land Coverage

Land coverage shall be determined by the application of the Planning Code for density, parking, and open space.

5.3.7 Signs

Signs in Zone 2 of the Project Area shall be designed and constructed in conformance with the Planning Code. In addition, signs shall be complementary to elements in the total environment.

5.3.8 Review of Planning Applications, Architectural and Landscape Plans

In evaluating the plans, the Agency will use the standards set forth in the Planning Code and any applicable approved City design guidelines. Particular emphasis will be given to the visual relationship to adjoining development and to the view of the development from public rights-of- way.

In the disposition of land, the Agency may establish design criteria for specific parcels to ensure an attractive and harmonious urban design and may implement these criteria with appropriate provisions in the disposition documents. Development proposals will be evaluated as to the manner in which they achieve the objectives of this Redevelopment Plan.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

5.3.9 Off-Site Improvements

The Agency may require a land owner, at his/her own expense, to install street trees, landscaping, paving, or other improvements on property other than the site that is the subject of the sale, lease, or owner participation agreement. Such improvements shall be designed in conformity with approved streetscape plans and/or applicable design guidelines.

5.3.10 Variance by Agency

If a development project in Zone 2 involves Agency Action, then, in its sole discretion, the Agency may grant a variance from this Redevelopment Plan or the Planning Code.

The owner or developer of any property in Zone 2 may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and, after consultation with the PAC and the Planning Department, the Agency Commission may, at a duly noticed public hearing, grant a variance from this Redevelopment Plan or the Planning Code under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Redevelopment Plan; and
- The granting of a variance would be in harmony with the goals of this Redevelopment Plan and the Planning Code, and would not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Redevelopment Plan and the Planning Code.

5.3.11 Variance by Planning Department

If a development project is in Zone 2 of the Project Area and does not involve Agency Action, then any request for a variance will be reviewed by the Planning Department, in its sole discretion, using the guidelines and procedures established by the Planning Department. The Planning Department's determination to grant or deny a variance is not appealable to the Agency.

5.4 Economic Development Program for Zone 2 of the Project Area

5.4.1 Proposed Economic Development Programs

The Agency may develop the following economic programs within each of the Economic Development Activity Nodes in conjunction with and with the assistance of the PAC:

- Façade improvement program;
- Brownfield cleaning assistance;
- Assistance with the development of key catalyst commercial sites;
- Provision of small business improvement assistance;
- Assistance with marketing and promotional activities for local business groups;
- Creating local business retention programs;
- Development of cultural facilities;
- Rehabilitation of historic structures;
- Planning for innovative parking strategies in the Third Street corridor;
- Providing support for job training programs; and
- Enforcing the Agency's and/or City's local hiring and equal opportunity programs, where appropriate.

5.4.2 Economic Development Activity Nodes

The Agency shall encourage the promotion of policies and land use decisions that provide job-training, employment and business opportunities to local residents with a focus on economic development efforts within the seven Activity Nodes of Project Area B described in Section 1.4.7. The Agency may implement Activity Node development programs for all or part of each Activity Node. The Agency may also pursue economic development efforts outside of Zone 2 of the Project Area where these efforts are determined to be necessary to effect the elimination of blighting conditions within Zone 2 of the Project Area; and where they comply with the CRL, including, Section 33445.1. The design of each Economic Development Activity Node will facilitate and support the Agency's efforts under its Affordable Housing Program.

6.0 DEFINITIONS

Following are definitions for certain words and terms used in this Redevelopment Plan. All words used in the present tense include the future. All words in the plural number include the singular number and all words in the singular number include the plural number, unless the natural construction of the wording indicates otherwise. The word “shall” is mandatory and not directory; and the term “may not” is prohibitory and not permissive. The words “including,” “such as,” or words of similar import when following any general term may not be construed to limit the general term to the specific terms that follow, whether or not language of non-limitation is used; rather, these terms will be deemed to refer to all other terms that could reasonably fall within the broadest possible scope of the term.

2010 Plan Amendment Date means the date on which Ordinance No. 210-10 adopting amendments to this Redevelopment Plan, approved on August 3, 2010, became effective.

2017 Plan Amendment Date means the date on which Ordinance No. 121-17 adopting amendments to this Plan, approved on June 22, 2017, became effective.

2018 Plan Amendment Date means the date on which Ordinance No. 0176-18 adopting amendments to this Plan, approved on July 16, 2018, became effective.

2024 Plan Amendment Date means the date on which Ordinance No. _____ adopting amendments to this Plan, approved on [DATE], became effective.

Accessory Use means uses that are related to and subservient to another use, and serve that use only.

Administrative Fee means any fee charged by any City Agency or the Agency in effect on a Citywide Basis, including fees associated with Article 31, at the time of submission for the processing of any application for building or other permits, subdivision maps, or other City or Agency regulatory actions or approvals for any development in the Project Area.

Adult Entertainment means a use that includes any of the following: adult bookstore, adult theater, and encounter studio, as defined by Section 1072.1 of the San Francisco Police Code.

Affordable Housing Program means the Agency’s activities to construct, rehabilitate, and preserve housing that is permanently affordable to low- and moderate-income households. The basis for the Affordable Housing Program can be found in the Framework Housing Program adopted by the PAC on September 20, 2004 and the Below – Market Rate Housing Plan formulated in 2010 for Zone 1 of the Project Area, as amended from time to time.

Agency Action means the Agency’s funding, acquisition, disposition, or development of property through a Disposition and Development Agreement (DDA), Owner Participation Agreement (OPA), loan agreement, grant agreement, or other transactional or funding documents between a property owner or developer and the Agency.

Agency Commission means the Commission for the Redevelopment Agency of the City and County of San Francisco.

Amusement Enterprise means enterprises such as billiard halls, bowling alleys, skating rinks, and similar uses when conducted within a completely enclosed building.

Animal Services means an animal care use that provides medical care and/or boarding services for animals.

Area Median Income or **AMI** means area median income as determined by the United States Department of Housing and Urban Development for the San Francisco area, adjusted for actual household size, but not adjusted for high income area. If data from HUD specific to the Metro Fair Market Rent Area that includes San Francisco are unavailable, AMI may be calculated by the Mayor’s Office of Housing using other publicly available and credible data, adjusted for Household Size.

Arts Education means schools of any of the following for professionals, credentialed individuals or amateurs: dance, music, dramatic art, film, video, graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel, and other visual, performance, industrial and product-design and sound arts and craft.

Art Production means commercial arts and art-related business service uses including, but not limited to, recording and editing services, small-scale film and video developing and printing; titling; video and film libraries; special effects production; fashion and photo stylists; production, sale and rental of theatrical wardrobes; and studio property production and rental companies. Arts spaces may include studios, workshops, galleries, museums, archives and small theaters, and other similar spaces customarily used principally for production and post-production of graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel and other visual, performance and sound arts and craft.

Automotive Sale means a retail use that provides on-site vehicle sales whether conducted within a building or on an open lot.

Automotive Repair means a retail automotive service use that provides any of the following automotive repair services, whether outdoors or in an enclosed building: minor auto repair,

engine repair, rebuilding, or installation of power train components, reconditioning of badly worn or damaged motor vehicles, collision service, or full body paint spraying.

Bar means a principal retail use not located in a Restaurant that provides on-site alcoholic beverage sales for drinking on the premises, including bars serving beer, wine and/or liquor to the customer where no person under twenty one (21) years of age is admitted (with Alcoholic Beverage Control [ABC] license 42, 48, or 61) and drinking establishments serving liquor (with ABC license 47 or 49) in conjunction with other uses that admit minors, such as theaters, and other entertainment. Restaurants with ABC licenses are not considered bars under this definition.

Bayview Hunters Point Survey Area C means the India Basin portion of the original South Bayshore Survey Area designated in 2006 to remain an area for consideration for amendment into Project Area B after an additional community planning process.

Board of Supervisors means the Board of Supervisors of the City and County of San Francisco, California.

Bicycle Storage means: (a) Class 1 Bicycle Parking Space(s), that are facilities that protect the entire bicycle, its components and accessories against theft and against inclement weather, including wind-driven rain. Examples of this type of facility include (1) lockers, (2) check-in facilities, (3) monitored parking, (4) restricted access parking, and (5) personal storage; (b) Class 2 Bicycle Parking Space(s), that include bicycle racks that permit the locking of the bicycle frame and at least one wheel to the rack and, that support the bicycle in a stable position without damage to wheels, frame or components.

Building Construction Codes means the City's (or if applicable, the Port's) Building Code, Electrical Code, Mechanical Code and Plumbing Code and any construction requirements in the Housing Code and the Fire Code.

Business Occupant Re-Entry Policy means a document approved by the Agency Commission in relation to this Redevelopment Plan that establishes, to the extent required by State or Federal law, how the extension of reasonable preferences to business occupants will be implemented within the Project Area. For Zone 2, such document was adopted by Resolution No. 34-2006 dated March 7, 2006. The Agency may elect to rely on this document with respect to Zone 1 or may elect to promulgate a new Business Occupant Reentry Policy specific to Zone 1.

Candlestick Point Design for Development means the Candlestick Point Design for Development document, that sets development standards and design guidelines for Zone 1 of the Project Area (the Candlestick Point Sub-Area) as shown on Map 2, including the Candlestick Point Activity Node that may be amended from time to time consistent with its provisions.

Candlestick Point Sub-Area means that portion of the Bayview Area Plan within the San Francisco General Plan that corresponds to Zone 1 of the Project Area, consisting of the within the Candlestick Activity Node and the Alice Griffith Project.

Cannabis-Related Use means any use that is required to obtain a permit, and has obtained such permit, from the San Francisco Office of Cannabis (or its successor). For the avoidance of doubt, a Cannabis-Related Use is any category of Use otherwise permitted herein that cultivates, manufactures, distributes, tests, sells, delivers or in any other way uses cannabis or cannabis-derived materials, including for legal adult use or medical use.

Certificate of Preference Holders means persons who have rights under the Agency’s Certificate of Preference Program, as amended by Resolution No. 57-2008 (adopted on June 3, 2008 and effective Oct. 1, 2008).

Child-Care Facility means a use that provides less than 24-hour care for children by licensed personnel and that meets all the requirements of the State and other authorities for such a facility.

Child-Care Requirements means the requirements set forth in City Planning Code Section 314, as it exists on the 2010 Plan Amendment Date (and attached hereto as Attachment E).

City Agency means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any portion of the Project Area, including but not limited to the Port Authority, Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Agency, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency designated by or under law.

City Regulations means ordinances, resolutions, initiatives, rules, regulations, and other official City and Agency policies applicable to and governing the overall design, construction, fees, use or other aspects of development within Zone 1. City Regulations includes City municipal codes, the General Plan, Building Construction Codes, and all ordinances, rules, regulations, and official policies adopted to implement those City Regulations, except to the extent such regulations are Administrative Fees.

Citywide Basis means all privately-owned property within (a) the City’s jurisdictional limits or (b) any designated use classification or use district of the City so long as (1) any such use classification or use district includes a substantial amount of affected private property other than affected private property within the Project Area, (2) the use classification or use district includes all private property that receives the general or special benefits of, or causes the burdens that occasion the need for, the New City Regulation, Development Fees and Exactions, or New Construction Requirements, and (3) the cost of compliance with the New City Regulation,

Development Fees and Exactions, or New Construction Requirements applicable to the same type of use in the Project Area (or portion thereof) does not exceed the proportional benefits to, or the proportional burdens caused by private development of that type of use in, the Project Area (or portion thereof).

Commercial Storage means a commercial use that stores, within an enclosed building, household goods, contractors' equipment, building materials or goods or materials used by other businesses at other locations and that may include self-storage facilities for members of the public. The prohibition of this use in Zone 1 includes the storage of waste, salvaged materials, automobiles, inflammable or highly combustible materials, and wholesale goods or commodities.

Commercial Wireless Transmitting Facility means equipment for the transmission, reception, or relay of radio, television, or other electronic signals, and may include towers, antennae, and related equipment.

Community Garden means land gardened collectively by a group of people.

Community Redevelopment Law or **CRL** means the Community Redevelopment Law of the State of California (Health & Safety Code Sections 33000 *et seq.*).

Community Use means a publicly- or privately-owned use that provides public services to the community, whether conducted within a building or on an open lot. This use may include, by way of example and not limitation, museums, post offices, public libraries, police or fire stations, transit and transportation facilities, utility installations, building-integrated sustainable energy generation facilities, neighborhood-serving community recycling centers, and wireless transmission facilities.

Concept Plan means the Bayview Hunters Point Community Revitalization Concept Plan adopted by the PAC on November 13, 2000, as amended from time to time.

Conceptual Framework Plan means the Conceptual Framework Plan for the Integrated Development of Hunters Point Shipyard Phase 2 and Candlestick Point, endorsed by Board Resolution No. 264-07.

Consumer Price Index means the All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor.

Cooperation Agreement means an agreement between the Agency and the Planning Department that defines how the two agencies will administer the entitlement process in Zone 1 of the Project Area.

Delegation Agreement means an agreement between the Agency and the Planning Department that defines how the two agencies will administer the entitlement process in Zone 2 of the Project Area.

Development Fees and Exactions means a monetary or other exaction including in-kind contributions, other than a tax or special assessment or Administrative Fee, that is charged by the Agency or any City Agency in connection with any permit, approval, agreement or entitlement or any requirement for the provision of land for construction of public facilities or Infrastructure or any requirement to provide or contribute to any public amenity or services. Development Fees and Exactions does not include Building Construction Codes in effect from time to time and generally applicable on a Citywide Basis to similar land uses.

District Heating and Cooling Facility means a plant with hot water (or steam) and chilled water distributed from the district plant to individual buildings via a pipe distribution network located under the streets.

Dry-Cleaning Facility means dry-cleaning establishment, including pressing and other miscellaneous processing of clothes.

Dwelling Units means a residential use that consists of a suite of one or more rooms and includes sleeping, bathing, cooking, and eating facilities.

Effective Date means the date the ordinance passed by the Board of Supervisors approving this Redevelopment Plan (Ordinance No. 113-06) became effective.

Elementary School means an institution that provides K-8 education and that may be either public or private.

Executive Director means the Executive Director of the Agency.

General Plan means the General Plan for the City and County of San Francisco.

Green Technology means a use or several uses that involves the research, development, and fabrication of innovative methods, materials, and technology to improve environmental quality, increase energy and/or resource efficiency, reduce greenhouse gas emissions, reduce waste and pollution, and increase resource sustainability. Green Technology uses may utilize office, laboratory, light manufacturing, or other types of use. Green technology can include office, laboratory, and light-manufacturing uses.

Grocery Store means a retail use of medium or large scale providing sales of food, produce, prepared food, beverages, toiletries, pharmaceutical products and services, and household items to the general public. This includes neighborhood-serving stores, supermarkets, festival market places, or other large format tenants providing primarily food sales up.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Group Housing means a residential use that provides lodging or both meals and lodging without individual cooking facilities. Group Housing may include housing specifically designed for and occupied by seniors, students or disabled residents.

Historic Survey means a building-by-building survey of properties containing structures over fifty (50) years of age utilizing survey methods outlined by State Office of Historic Preservation.

Home Office means the accessory use of a dwelling for office purposes, provided that the principal user of such office resides in that dwelling.

Hotel means a use that provides overnight accommodations including guest rooms or suites and ancillary services to serve hotel guests. Hotels shall be designed to include all lobbies, offices and internal circulation to guest rooms and suites within and integral to the same enclosed building or buildings as the guest rooms or suites.

Housing Authority means the San Francisco Housing Authority.

Implementation Plan means a plan adopted periodically by the Agency Commission relating to the implementation of goals and objectives within this Redevelopment Plan, in accordance with the requirements of the CRL.

India Basin Shoreline Area means BVHP Survey Area C.

India Basin Sub-area Plan means a proposed sub-area plan for the Bayview Hunters Point applicable for BVHP Survey Area C.

Interagency Cooperation Agreement means an agreement between the Agency and the City to facilitate the design, approval, operation and maintenance of public infrastructure to be built to serve Zone 1 of the Project Area.

Institutional Use means Residential Care Facility, Child-Care Facility, Elementary School, Religious Institution, Secondary School, Post-Secondary Institution, or Vocational/Job Training Facility.

Laboratory means a use that provides for space within any structure intended or primarily suitable for scientific research. This includes industrial, biologics, chemical, pharmaceuticals, and digital work stations for the purpose of design, developing, and testing product development. The space requirements of uses within this category include specialized facilities or built accommodations that distinguish the space from office uses and light industrial uses.

Life Science means a use that involves the integration of natural and engineering sciences and advanced biological techniques using organisms, cells, and parts thereof for products and

services. Life Science uses may utilize office, laboratory, light manufacturing, or other types of uses. Life Science can include Light Industrial uses as accessory uses.

Light Industrial means a non-retail use that provides for the fabrication or production of goods, by hand or machinery, for distribution to retailers or wholesalers for resale off the premises, primarily involving the assembly, packaging, repairing, or processing of previously prepared materials.

Limited Equity Program means the Agency’s program for first-time homebuyers, which provides for-sale housing to income-qualified households at an affordable price and maintains initial affordability levels at each resale.

Live-Work Units means a structure or portion of a structure combining a residential living space for a household or group of persons with an integrated work space principally used by one or more of the residents of that unit.

Maker Space means uses for contemporary forms of small-scale manufacturing, repair, and post-manufacturing activities. Maker space should typically include a retail component, and may include several other uses within a single space, including but not limited to, Light Industrial (for example, craft, industrial arts and design, robotics, woodwork, jewelry manufacture, clothing and apparel manufacture, and food and beverage production), office and research and development (e.g., digital technologies and electronics, 3D printing, graphic design), and Neighborhood Retail Sales and Services associated with the foregoing (e.g., food and beverage tasting and sale, arts and crafts sales, jewelry sales), among many others. For the purposes of size limitations established in Section 4.3.7, Maker Space is considered research and development/office or retail and entertainment space.

Mayor means the current Mayor for the City and County of San Francisco.

Mitigation Measures means those mitigation measures from the Candlestick Point/Hunters Point Shipyard Phase 2 Project EIR imposed as conditions of approval of the amendments to this Redevelopment Plan as set forth in Resolution No. 347-10, as amended or modified from time to time consistent with CEQA.

Motor Vehicle Tow Service means a service use that provides vehicle towing service, including accessory vehicle storage, when all tow trucks used and vehicles towed by the use are parked or stored on the premises.

Neighborhood Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live or work nearby and who can access the establishment directly from the street on a walk-in basis. This use may provide goods and/or services to the business community, provided that it also serves the general

public. This use would include those that sell, for example, groceries, personal toiletries, magazines, smaller scale comparison shopping; personal services such as laundromats, health clubs, formula retail outlets, hair or nail salons; and uses designed to attract customers from the surrounding neighborhood. Retail uses can also include outdoor activity areas, open air sales areas, and walk-up facilities (such as ATMs or window service) related to the retail sale or service use and need not be granted separate approvals for such features. Neighborhood retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not be limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, and health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

New City Regulations means both City Regulations adopted after the 2010 Plan Amendment Date or a change in Existing City Regulations, including any amendment to this Redevelopment Plan or the Plan Documents, effective after the 2010 Plan Amendment Date.

Nighttime Entertainment means entertainment activities such as dance halls, discotheques, nightclubs, and similar evening-oriented entertainment activities generally involving amplified music, either live or recorded, as well as restaurants and bars, and other venues or spaces used for different uses during the day that present such activities. It excludes Adult Entertainment.

Non-Retail Sales and Services means a commercial or office use that provides goods and/or services primarily to other businesses rather than to the general public and that may include, by way of example and not limitation, wholesale sales; sale, rental, installation, servicing and/or repair of business goods and equipment.

Nonconforming Use means a use that existed lawfully as of the 2010 Plan Amendment Date and that fails to conform to one or more of the use limitations in this Redevelopment Plan and/or the Planning Code then applicable for the Project Area in which the property is located.

Office means a use within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities that perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following: professional; medical; banking; insurance; management; consulting; technical; sales; artificial intelligence; technology, and design; and the non-accessory office functions of manufacturing and warehousing businesses; multimedia, software development, hardware development; web design, electronic commerce, and information technology; administrative services; and professional services. This use does not include retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; or wholesale shipping, receiving and storage.

Open Space means space that is retained primarily in an unimproved, natural state. Open Space may be used for passive recreational activities, such as hiking and picnicking, and may include facilities related to such passive recreational uses.

Owner Participation Agreement or **OPA** means a binding agreement between a property owner and the Agency by which the participant agrees to rehabilitate, develop, use and maintain the property in conformance with this Redevelopment Plan.

Owner Participation Rules means the rules for property owner participation in redevelopment activities consistent with the provisions of this Redevelopment Plan within the Project Area, approved by the Agency Commission by Resolution No. 34-2006 dated March 7, 2006, as may be amended from time to time.

Parking means the storage of vehicles accessory to a principle or secondary residential or commercial use. Such storage can be in the form of independently accessible parking spaces, non-independently accessible parking spaces including those accessed on parking lifts or through the use of valet. Parking spaces need not be on the same lot or block to the use it serves.

Parks means publicly owned open space improved with either active recreational amenities such as playing fields and sporting courts and/or passive recreational amenities such as trails, picnic areas, and small outdoor performance spaces

Performance Arts means a use that includes performance, exhibition, rehearsal, production, or post-production of any of the following: dance, music, dramatic art, film, video, and other visual, performance and sound arts and craft.

Permanently Affordable means in compliance with the statutorily required minimum affordability periods as set forth in the California Redevelopment Law.

Plan Documents means any Business Occupant Re-Entry Policy, Delegation Agreement(s) (as to Zone 2) Implementation Plan, Design for Development documents, Relocation Plan and Owner Participation Rules.

Planning Code means the Planning Code and Zoning Maps of the City and County of San Francisco.

Planning Commission means the Planning Commission of the City and County of San Francisco, California.

Planning Department means the Planning Department of the City and County of San Francisco.

Post-Secondary Institutions means a use that is certified by the Western Association of Schools and Colleges that provides post-secondary educational services such as a school, college or university.

Priority Policies means the eight priority policies stated in Section 101.1, Master Plan Consistency and Implementation, of the City’s Planning Code.

Project Area means Project Area B, consisting of Zone 1 and Zone 2, within the boundaries of the Bayview Hunters Point Redevelopment Project Area.

Project Area A means the area delineated in Map 1. The legal description is contained in Attachment A hereto.

Project Area B means the area delineated in Map 2 and includes Area B Parcel One, and Area B Parcel Two. The legal description is contained in Attachment B hereto. Project Area B is further delineated for the purpose of redevelopment implementation into Zone and Zone 2. Zone 1, shown in Map 2, is the Candlestick Point Sub-Area, which includes the Candlestick Point Activity Node and Alice Griffith Project. Zone 2 includes the remainder of Project Area B.

Project Area Committee or PAC means the elected community body that advises the Agency on the preparation of this Redevelopment Plan and supporting documents.

Public Recreation means privately-owned recreational areas that are open to the general public. This use may include may include hiking trails, playgrounds, public parks, sports fields, community gardens, golf courses, marinas, and tennis courts as well as accessory uses such as maintenance facilities, parking, and concession areas.

Public Trust means collectively the common law public trust for commerce, navigation and fisheries and the statutory trust imposed by the Granting Act.

Real Property means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

Recreational Facility means a use that provides social, fraternal, counseling, athletic or other recreational gathering services to the community.

Redevelopment Plan means this Redevelopment Plan for the Bayview Hunters Point Project Area, formerly known as the Hunters Point Redevelopment Project Area.

Regional Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live throughout the surrounding region and may include both small and large format tenants up to 120,000 square feet. This would include those who sell apparel, electronics, furniture, durable goods, specialty items, formula retail outlets, and other more expensive, and less frequently purchased items; beyond the surrounding neighborhood. Regional Retail sales and services can include counter and other walk-up facilities as well as adjacent outdoor activity areas accessory to such uses. Regional retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but be not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

Religious Institution means a use that provides religious services to the community such as a church, temple or synagogue.

Relocation Plan means, as appropriate, either: 1) as to Zone 2, a document, approved by the Agency Commission by Resolution No. 34-2006 dated March 7, 2006 that establishes how the Agency and developers will assist persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with all applicable relocation statutes and regulations; or 2) as to as to the Alice Griffith Housing portion of Zone 1, a plan approved by the Agency Commission consistent with Section 2.1 of this Redevelopment Plan in connection with a disposition and development agreement for the Alice Griffith Housing site; and 3) as to all other portions of Zone 1 other than Alice Griffith Housing, either a plan adopted by the Agency Commission consistent with the requirements of applicable State or Federal law or, if no such plan is adopted, the document approved by Agency Commission Resolution No. 34-2006 described in subsection 1 above.

Research and Development means a use compatible with adjacent uses that includes the study, testing, engineering, design, analysis, or experimental development of products, processes, or services related to current, emerging, or new technologies, including but not limited to artificial intelligence, clean energy, communications, 3-D production and printing. Research and development may include, but is not limited to, light manufacturing, fabricating, processing, assembling or storage of products or materials, or similarly related activities that includes, but is not limited to, Laboratory, Life Science, Light Industrial, Green Technology, and Office uses.

Residential Care Facility means medical use that provides lodging, board, and care for one day or more to persons in need of specialized aid by personnel licensed by the State but does not provide outpatient services.

Residential Use means a use that includes for sale and rental housing units, including Dwelling Units, Live/Work Units, and Group Housing

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Restaurant means a full service or self service retail facility primarily for eating use that provides ready-to-eat food to customers for consumption on or off the premises, which may or may not provide seating, and that may include service of liquor under ABC licenses [those explicitly for any alcoholic service in association with a restaurant]. Food may be cooked or otherwise prepared on the premises.

School Facilities Impact Fee means the sum payable to the San Francisco Unified School District pursuant to Government Code Section 65995.

Secondary School means a use that provides grade 9-12 education and may be either public or private.

Short-Term Rental has the meaning established in Article 41A of the Administrative Code (as it may be amended from time to time), and, subject to compliance with regulations of the City's Office of Short-Term Rentals (or its successor), is allowed within Residential uses unless otherwise prohibited by applicable private covenants or similar restrictions.

Standards for Development means, for Zone 2 of the Project Area, the standards set forth in the Planning Code. For Zone 1 of the Project Area (Candlestick Point Sub-Area), the Standards for Development are set forth in the Candlestick Point Design for Development Document.

State means the State of California.

State Historical Building Code or **SHBC** means the State Historical Building Code as set forth in Part 8 of Title 24 (Health & Safety Code §§ 18950 *et seq.*), which applies to all qualified historical buildings or structures, as defined in SHBC Section 18955. It provides building regulations and standards for the rehabilitation, preservation, restoration (including related reconstruction) or relocation of qualified historical buildings.

Supportive Housing means affordable housing developments with integrated services that are not required as a condition of occupancy and that serve high needs populations including but not limited to low income senior citizens, youth transitioning out of foster care, adults with developmental disabilities, individuals and families who are homeless or at risk of homelessness, and persons with AIDS.

Taxing Agencies means all public entities that have the authority to tax property within the Project Area, including the State, the City, BART, San Francisco Unified School District, City College of San Francisco, Bay Area Air Quality Management District and any district or other public corporation.

Use means the purpose for which land or a structure, or both, are designed, constructed, arranged or intended, or for which they are occupied or maintained, let or leased.

Vocational/Job Training Facility means a use that provides job training, and may also provide vocational counseling and job referrals. Vocational/Job Training Facilities that are oriented to clerical, administrative, or professional skill development and job placement (Clerical/Administrative) shall be a distinct use from facilities that are oriented to mechanical, light industrial, or trade-related skill development and job placement (Mechanical/Industrial).

Zone 1 means the Candlestick Point Activity Node of the Project Area, defined above, and illustrated in Map 2, subject to the additional entitlement provisions of Section 4 of this Redevelopment Plan. Zone 1 is the portion of the Project Area subject to Proposition G. All parcels within Zone 1 are listed in a separate table in Attachment D.

Zone 2 means the portion of the Project Area outside of Zone 1, which is not subject to Proposition G.

Attachment A - Legal Description Project Area A.

The Boundaries of Project Area A are indicated on Map 1, and are more particularly described as follows:

Beginning at the point of intersection of the northwesterly line of Mendell Street with a line drawn parallel with and perpendicularly distant 100 feet northeasterly from the northeasterly line of Innes Avenue; running thence southeasterly along the parallel line so drawn to the northwesterly line of Lane Street; thence northeasterly along the northwesterly line of Lane Street to its intersection with a line drawn parallel with and perpendicularly distant 100 feet southwesterly from the southwesterly line of Galvez Avenue; thence northwesterly along last said parallel line to the southeasterly line of Mendell Street; thence northeasterly along said southeasterly line of Mendell Street to a line drawn parallel with and perpendicularly distant 100 feet northeasterly from the northeasterly line of Galvez Avenue; thence southeasterly along last said parallel line to the northwesterly line of Keith Street to its intersection with the southwesterly line of Fairfax Avenue; thence southeasterly along the southwesterly line of Fairfax Avenue produced southeasterly to its intersection with the southeasterly line of Keith Street; thence northeasterly along said southeasterly line of Keith Street produced northeasterly to its intersection with the northeasterly line of Fairfax Avenue; thence along the northeasterly line of Fairfax Avenue the following courses and distances: southeasterly 300.836 feet; southeasterly along an arc of a curve to the right tangent to the preceding course, with a radius of 175.534 feet, a central angle of 32°20'31", a distance of 99.084 feet; southeasterly tangent to the preceding curve 34.487 feet; at a right angle southwesterly 9 feet; and southeasterly on the arc of a curve to the right, whose tangent deflects 90°00'00" to the left from the preceding course, with a radius of 221 feet, a central angle of 3°07'20", a distance of 12.043 feet to the southwesterly line of Fairfax Avenue; thence deflecting 144°32'9" to the right from the tangent to the preceding curve and running northwesterly along the southwesterly line of Fairfax Avenue 2.671 feet, thence continuing along the southwesterly line of Fairfax Avenue the following courses and distances: northwesterly along an arc of a curve to the left, tangent to the preceding course, with a radius of 100 feet, a central angle of 25°50'32", a distance of 45.103 feet; northwesterly along an arc of a reverse curve to the right, with a radius of 100 feet, a central angle of 25°50'32", a distance of 45.103 feet; and northwesterly tangent to the preceding curve 73.988 feet to a point on the southwesterly line of Fairfax Avenue distant thereon 265.220 feet southeasterly from the southeasterly line of Keith Street; thence leaving said southwesterly line of Fairfax Avenue south 62°19'13" west 43.370 feet; thence north 26°38'51" west 8.730 feet; thence north 81°55'51" west 127.710 feet; thence south 53°19'54" west 28.400 feet; thence south 10°40'51" east 83.580 feet; thence south 12°00'13" west 64.610 feet; thence south 25° west 44.690 feet; thence south 31°41'18" west 69.610 feet, thence south 9°40'46" west 39.050 feet; thence south 10°04'18" east 55.080 feet; thence south 22°34'00" west 56.800 feet to the northeasterly line of Hudson Avenue; thence southeasterly along said northeasterly line of Hudson Avenue 76.020 feet; thence at a right angle southwesterly 180 feet; thence at a right angle southeasterly 207.573 feet; thence deflecting 70°43'48" to the right and running southerly 98.255 feet to a point on the former northwesterly line of Jennings Street, distant thereon 7.250 feet northeasterly from the

A-1

northeasterly from the northeasterly line of Innes Avenue; thence southwesterly along said former northwesterly line of Jennings Street 47.250 feet to the center line of Innes Avenue;

thence northwesterly along said center line of Innes Avenue 95.281 feet; thence southeasterly along an arc of a curve to the right, whose tangent deflects $145^{\circ}42'16''$ to the left from the preceding course, with a radius of 828 feet, a central angle of $14^{\circ}13'16''$, a distance of 205.514 feet; thence southeasterly tangent to the preceding curve a distance of 160.232 feet; thence continuing southeasterly along an arc of a curve to the left, tangent to the preceding course, with a radius of 122 feet, a central angle of $48^{\circ}31'00''$, a distance of 103.307 feet; thence southeasterly tangent to the preceding curve a distance of 440 feet to the center line of Middle Point Road, formerly Ingalls Street; thence northeasterly along the center line of Middle Point Road to a point perpendicularly distant 100 feet southwesterly from southwesterly from the southwesterly line of Innes Avenue; thence southeasterly parallel with last said line of Innes Avenue to a point perpendicularly distant 225 feet northwesterly from the northwesterly line of Hawes Street; thence northeasterly parallel with said northwesterly line of Hawes Street 100 feet to the southwesterly line of Innes Avenue; thence southeasterly along said southwesterly line of Innes Avenue 289 feet to the southeasterly line of Hawes Street; thence at a right angle southwesterly along said southeasterly line of Hawes Street 100 feet; thence at right angle northwesterly to the center line of Hawes Street; thence southwesterly along the southwesterly extension of the center line of Hawes Street to a point distant thereon 442.823 feet northeasterly from the former northeasterly line of Newcomb Avenue; thence southeasterly along an arc of a curve concave southwesterly, having a radius of 74.50 feet (a radial line to said curve at last mentioned point bears North $25^{\circ}43'29''$ east), through a central angle of $8^{\circ}25'50''$, a distance of 10.962 feet: thence south $27^{\circ}47'39''$ west 171.95 feet; thence south $27^{\circ}20'36''$ east 290.700 feet; thence south $54^{\circ}28'21''$ east 371.245 feet to the center line of former Griffith Street; thence southwesterly along last said center line to the center line of former Newcomb Avenue; thence northwesterly along said center line of Newcomb Avenue to a point distant thereon 225 feet southeasterly from the former southeasterly line of Hawes Street; thence southwesterly parallel with said southeasterly line of Hawes Street to the northeasterly line of Lot 12, in Block 284, as said lot and block are shown on that certain map entitled, "Map of the Property of the South San Francisco Homestead and R.R. Association", filed April 15, 1867, in Book 2 "A" and "B" of Maps, at page 39, in the office of the Recorder of the City and County of San Francisco, State of California; thence southeasterly along the northeasterly line of Lot 12 to the southeasterly line of said lot; thence southwesterly along last said southeasterly line and its southwesterly extension to the southwesterly line of Oakdale Avenue; thence northwesterly along last said line of Oakdale Avenue to a point distant thereon 75 feet northwesterly from the northwesterly line of Ingalls Street; thence southwesterly at a right angle to said southwesterly line of Oakdale Avenue 30 feet; thence at a right angle northwesterly 25 feet; thence at a right angle southwesterly 70 feet to a point perpendicularly distant 100 feet northeasterly from the northeasterly line of Palou Avenue; thence northwesterly parallel with said northeasterly line of Palou Avenue to the southeasterly line of Jennings Street; thence at a right angle southwesterly along said southeasterly line of Jennings Street, 100 feet to the northeasterly line of Palou Avenue; thence northwesterly along said northeasterly line of Palou Avenue 89 feet, more or less, to a point

distant thereon 25 feet northwesterly from the northwesterly line of Jennings Street; thence at a right angle northeasterly 100 feet; thence northwesterly parallel with said northeasterly line of Palou Avenue to a point perpendicularly distant 225 feet southeasterly from the southeasterly line of Keith Street; thence northeasterly parallel with last said line of Keith Street to the southwesterly line of Oakdale Avenue; thence northwesterly along said southwesterly line of Oakdale Avenue to a point distant thereon 150 feet southeasterly from said southeasterly line of Keith Street; thence northeasterly parallel with last said line of Keith Street to the northeasterly line of Oakdale Avenue; thence at a right angle northwesterly along last said line of Oakdale Avenue to a point distant thereon 112.50 feet southeasterly from the southeasterly line of Keith Street; thence northeasterly parallel with said southeasterly line of Keith Street to a point perpendicularly distant 100 feet southwesterly from the southwesterly line of Newcomb Avenue; thence northwesterly parallel with said southwesterly line of Newcomb Avenue to a point perpendicular distant 75 feet southeasterly from the southeasterly line of Keith Street; thence northeasterly parallel with said southeasterly line of Keith Street to the southwesterly line of Newcomb Avenue; thence northwesterly along said southwesterly line of Newcomb Avenue and its northwesterly extension to its intersection with the northwesterly line of Keith Street; thence northeasterly along last said line of Keith Street to a point distant thereon 100 feet southwesterly from the former southwesterly line of McKinnon Avenue; thence northwesterly parallel with last said line of McKinnon Avenue to a point perpendicularly distant 200 feet southeasterly from the southeasterly line of Lane Street; thence northeasterly parallel with said southeasterly line of Lane Street to the southwesterly line of McKinnon Avenue; thence northwesterly along last said line of McKinnon Avenue and its northwesterly extension to its intersection with the northwesterly line of Lane Street; thence northeasterly along last said line of Lane Street to its intersection with the southwesterly line of La Salle Avenue; thence northwesterly along last said line of La Salle Avenue and its northwesterly extension to its intersection with the northwesterly line of Mendell Street; thence northeasterly along last said line of Mendell Street to the point of beginning.

Project Area A contains 137 acres. Project Area B (described in Attachment B) contains 1,361.5 acres. Total computed acreage for Project Area A and Project Area B contains 1,498.5 acres more or less.

Attachment B- Legal Description Project Area B.

The Boundaries of Project Area B are indicated Map 2, and are more particularly described as follows:

Parcel One

Beginning at the point of intersection of the northerly line of Cesar Chavez Street with the northeasterly line of San Bruno Avenue, said point being the southwest corner of Assessor's Block 4279; Thence southwesterly to the northeast corner of Assessor's Block 5509; Thence southerly along the easterly line of Assessor's Block 5509 to the most southerly corner of Assessor's Block 5509; Thence southerly to the most easterly corner of Assessor's Block 5510, said corner being on the westerly line of Bay Shore Boulevard; Thence southerly along the westerly line of Bay Shore Boulevard to the northerly line of Eve Street; Thence southerly to the intersection of the southerly line of Eve Street with the westerly line of Bay Shore Boulevard; Thence southerly along the westerly line of Bay Shore Boulevard to the northeast corner of lot 47, Assessor's Block 5533; Thence westerly along the northerly line of said lot 47 to the northwest corner of said lot 47, also being the most northerly corner of lot 48, Assessor's Block 5533; Thence southwesterly along the northwesterly line of said lot 48 to an angle point therein; Thence southwesterly along the northwesterly line of said lot 48 to the southwest corner of said lot 48; Thence southeasterly along the southwesterly line of said lot 48 to the northwesterly line of Bay Shore Boulevard; Thence southwesterly along the northwesterly line of Bay Shore Boulevard and its southwesterly prolongation to the intersection of the northwesterly line of Bay Shore Boulevard with the southwesterly line of Costa Street; Thence northwesterly along the southwesterly line of Costa Street to the northwest corner of lot 1, Assessor's Block 5573; Thence southwesterly along the northwesterly line of lot 1 and lot 5, Assessor's Block 5573 to the southwest corner of said lot 5; Thence southeasterly along the southwesterly line of said lot 5 to the northwesterly line of Bay Shore Boulevard; Thence southwesterly along the northwesterly line of Bay Shore Boulevard and its southwesterly prolongation to the intersection of the northwesterly line of Bay Shore Boulevard with the southwesterly line of Faith Street; Thence northwesterly along the southwesterly line of Faith Street to the northwest corner of lot 1, Assessor's Block 5576; Thence southwesterly along the northwesterly line of said lot 1 to the northeasterly line of Oakdale Avenue; Thence southeasterly along the northeasterly line of Oakdale Avenue to the northwesterly line of Bay Shore Boulevard; Thence southwesterly to the intersection of the northwesterly line of Bay Shore Boulevard with the southwesterly line of Oakdale Avenue; Thence northwesterly along the southwesterly line of Oakdale Avenue to the northwest corner of lot 1, Assessor's Block 5596; Thence southwesterly along the northwesterly line of said lot 1 to the southwest corner of said lot 1, also being the northwest corner of lot 43, Assessor's Block 5596; Thence southerly along the westerly line of said lot 43 to the intersection of the northwesterly and northeasterly lines of Cosgrove Street; Thence southwesterly along the northwesterly line of Cosgrove Street to the southwesterly line of Cosgrove Street; Thence southeasterly along the southwesterly line of Cosgrove Street to the northwesterly line of lot 53, Assessor's Block 5596; Thence southwesterly along the northwesterly line of lots 53, 54, 12, 14, 13, 15, 17D, 17B, 41, and 38, Assessor's Block 5596 to the northerly line of Cortland Avenue;

B-1

Thence easterly along the northerly line of Cortland Avenue to the westerly line of Bay Shore Boulevard; Thence southerly along the westerly line of Bay Shore Boulevard and its southerly prolongation to the southwesterly prolongation of the southeasterly line of Industrial Street; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of Industrial Street to the southwesterly line of Shafter Avenue; Thence southeasterly along the southwesterly line of Shafter Avenue to the southwesterly prolongation of the northwesterly line of lot 1, Assessor's Block 5348; Thence northeasterly along said southwesterly prolongation to the northeasterly line of Shafter Avenue; Thence southeasterly along the northeasterly line of Shafter Avenue to the northwesterly line of Selby Street; Thence northeasterly along the northwesterly line of Selby Street to the northwesterly prolongation of the southwesterly line of lot 26, Assessor's Block 5347; Thence southeasterly along said northwesterly prolongation and along the southwesterly line of lots 26 through 31 and 46 through 48, Assessor's Block 5347 to the most southerly corner of said lot 48; Thence northeasterly along the southeasterly line of said lot 48 to the southwesterly line of Revere Avenue; Thence southeasterly along the southwesterly line of Revere Avenue to the southwesterly prolongation of the northwesterly line of Rankin Street; Thence northeasterly along said southwesterly prolongation and along the northwesterly line of Rankin Street to the northeasterly line of lot 2, Assessor's Block 5334; Thence northwesterly along the northeasterly line of lots 2 through 23, 51 and 50 to the southeasterly line of Selby Street; Thence northeasterly along the southeasterly line of Selby Street to the northeasterly line of Palou Avenue; Thence southeasterly along the northeasterly line of Palou Avenue to the northwesterly line of Rankin Street; Thence northeasterly along the northwesterly line of Rankin Street to the most easterly corner of lot 2, Assessor's Block 5318; Thence southeasterly at a right angle to the northwesterly line of Rankin Street to the southeasterly line of Rankin Street; Thence southwesterly along the southeasterly line of Rankin Street to the southwesterly line of lot 49, Assessor's Block 5319; Thence southeasterly along the southwesterly line of said lot 49 to the southeasterly line of said lot 49; Thence northeasterly along the southeasterly line of said lot 49 to the southwesterly line of lot 27, Assessor's Block 5319; Thence southeasterly along the southwesterly line of lots 27 through 47 and 1, Assessor's Block 5319 to the northwesterly line of Quint Street; Thence southeasterly to the intersection of the southeasterly line of Quint Street with the northeasterly line of Drummond Alley; Thence southeasterly along the northeasterly line of Drummond Alley and its southeasterly prolongation to the southeasterly line of Dunshee Street; Thence southwesterly along the southeasterly line of Dunshee Street and its southwesterly prolongation to the southwesterly line of Palou Avenue; Thence southeasterly along the southwesterly line Palou Avenue to the northwesterly line of Phelps Street; Thence southwesterly along the northwesterly line of Phelps Street and its southwesterly prolongation to the southwesterly line of Quesada Avenue; Thence southeasterly along the southwesterly line of Quesada Avenue to the southeasterly line of Quesada Avenue; Thence northeasterly along the southeasterly line of Quesada Avenue to the northeasterly line of Quesada Avenue, also being the southwesterly line of Assessor's Block 5328; Thence southeasterly along the southwesterly line of Assessor's Block 5328 to the northwesterly line of Newhall Street; Thence southwesterly along the northwesterly line of Newhall Street to the northwesterly prolongation of the southwesterly line of Quesada Avenue; Thence southeasterly along said northwesterly prolongation and along the southwesterly line of Quesada Avenue to

the northwesterly line of lot 1, Assessor's Block 5338; Thence southwesterly along the northwesterly line of lots 1 and 2, Assessor's Block 5338 to the northeasterly line of lot 53, Assessor's Block 5338; Thence northwesterly along said northeasterly line of lot 53, Assessor's Block 5338, to the northeast corner of said lot 53; Thence southwesterly along the northwesterly line of lot 53 to an angle point therein; Thence northwesterly along the northwesterly line of lot 53, Assessor's Block 5338, a distance of 7.21 feet; Thence southwesterly along the northwesterly line of lot 53, Assessor's Block 5338, to the southwesterly line of lot 53; Thence southeasterly along the southwesterly line of lot 53, Assessor's Block 5338 to the northwesterly line of lot 5, Assessor's Block 5338; Thence southwesterly along the northwesterly line of lot 5, Assessor's Block 5338 to the northeasterly line of Revere Avenue; Thence southwesterly at a right angle to the northeasterly line of Revere Avenue to the southwesterly line of Revere Avenue; Thence southeasterly along the southwesterly line of Revere Avenue to the northwesterly line of lot 33, Assessor's Block 5343; Thence southwesterly along the northwesterly line of said lot 33 to the northeasterly line of Bay View Street; Thence southwesterly to the intersection of the southwesterly line of Bay View Street with the southeasterly line of Latona Street; Thence southeasterly along the southwesterly line of Bay View Street to the northwesterly line of lot 29, Assessor's Block 5358; Thence southwesterly along the northwesterly line of lots 29, 3, and 4, Assessor's Block 5358 to the southwesterly line of said lot 4; Thence southeasterly along the southwesterly line of said lot 4 to the northwesterly line of lot 5A, Assessor's Block 5358; Thence southwesterly along the northwesterly line of lot 5A and lot 27 to the northeasterly line of lot 8, all in Assessor's Block 5358; Thence northwesterly along the northeasterly line of said lot 8 to the northwesterly line of said lot 8; Thence southwesterly along the northwesterly line of lots 8 and 9, Assessor's Block 5358 to the southwesterly line of said lot 9; Thence southeasterly along the southwesterly line of said lot 9 to the northwesterly line of lot 11A, Assessor's Block 5358; Thence southwesterly along the northwesterly line of said lot 11A to the southwesterly line of said lot 11A; Thence southeasterly along the southwesterly line of said lot 11A to the northwesterly line of lot 12, Assessor's Block 5358; Thence southwesterly along the northwesterly line of said lot 12 to the northeasterly line of lot 13, Assessor's Block 5358; Thence northwesterly along the northeasterly line of said lot 13 to the northwesterly line of said lot 13; Thence southwesterly along the northwesterly line of said lot 13 to the southwesterly line of said lot 13; Thence southeasterly along the southwesterly line of said lot 13 to the northwesterly line of lot 14, Assessor's Block 5358; Thence southwesterly along the northwesterly line of said lot 14 to the northeasterly line of lot 15, Assessor's Block 5358; Thence northwesterly along the northeasterly line of said lot 15 to the southeasterly line of Latona Street; Thence southwesterly along the southeasterly line of Latona Street to the northeasterly line of Thornton Avenue; Thence southwesterly at a right angle to the northeasterly line of Thornton Avenue to the southwesterly line of Thornton Avenue; Thence northwesterly along the southwesterly line of Thornton Avenue to the southeasterly line of Lucy Street; Thence southwesterly along the southeasterly line of Lucy Street to the northeasterly line of Williams Avenue; Thence northwesterly along the northeasterly line of Williams Avenue to the northwesterly line of Reddy Street; Thence northeasterly along the northwesterly line of Reddy Street to the southwesterly line of Thornton Avenue; Thence northwesterly along the southwesterly line of Thornton Avenue to the southeasterly line of Diana Street; Thence

southwesterly along the southeasterly line of Diana Street to the northeasterly line of Williams Avenue; Thence southwesterly at a right angle to the northeasterly line of Williams Avenue to the southwesterly line of Williams Avenue; Thence southeasterly along the southwesterly line of Williams Avenue to the westerly line of lot 4, Assessor's Block 5415; Thence southerly along the westerly line of said lot 4 to the southwesterly line of said lot 4; Thence southeasterly along the southwesterly line of said lot 4 to the westerly line of lot 1, Assessor's Block 5415; Thence southerly along the westerly line of said lot 1 to the northwesterly line of Mendell Street; Thence southwesterly along the northwesterly line of Mendell Street and its southwesterly prolongation to the westerly line of lot 5, Assessor's Block 5415; Thence southerly along the westerly line of said lot 5 to the southeasterly prolongation of the northeasterly line of Egbert Avenue; Thence northwesterly along said southeasterly prolongation and along the northeasterly line of Egbert Avenue to the southeasterly line of Newhall Street; Thence northeasterly along the southeasterly line of Newhall Street and its northeasterly prolongation to the southeasterly prolongation of the northeasterly line of Carroll Avenue; Thence northwesterly along said southeasterly prolongation and along the northeasterly line of Carroll Avenue to an angle point therein; Thence southwesterly to the northwest corner of Assessor's Block 5434B; Thence southwesterly along the northwesterly line of Assessor's Block 5434B to the northeasterly line of Egbert Avenue; Thence southwesterly to the most northerly corner of Assessor's Block 5431A; Thence southwesterly along the northwesterly line of Assessor's Block 5431A to the northeasterly line of Fitzgerald Avenue; Thence northwesterly along the northeasterly line of Fitzgerald Avenue to the easterly line of Bay Shore Boulevard; Thence westerly at a right angle to the easterly line of Bay Shore Boulevard to the westerly line of Bay Shore Boulevard; Thence southerly along the westerly line of Bay Shore Boulevard to the southwesterly line of Paul Avenue; Thence southeasterly along the southwesterly line of Paul Avenue to the northwesterly line of lot 53, Assessor's Block 5461; Thence southwesterly along the northwesterly line of lots 53, 3 through 9, 51, 52, 14 through 24, all Assessor's Block 5461 to the northeasterly line of Salinas Avenue; Thence southwesterly to the intersection of the southwesterly line of Salinas Avenue with the southeasterly line of Keith Street; Thence southwesterly along the southeasterly line of Keith Street to the northeasterly line of Jamestown Avenue; Thence southwesterly to the intersection of the southwesterly line of Jamestown Avenue with the southeasterly line of Keith Street; Thence southeasterly along the southwesterly line of Jamestown Avenue to the northwesterly line of Third Street; Thence southwesterly along the northwesterly line of Third Street to the northeast corner of lot 1, Assessor's Block 5470; Thence westerly along the northerly line of lots 1 and 2, Assessor's Block 5470 to the northeasterly line of Key Avenue; Thence westerly to the intersection of the southwesterly line of Key Avenue with the southeasterly line of Keith Street; Thence southwesterly along the southeasterly line of Keith Street to the northeasterly line of Le Conte Avenue; Thence northwesterly to the intersection of the northwesterly line of Keith Street with the northeasterly line of Le Conte Avenue; Thence southwesterly to the intersection of the southwesterly line of Le Conte Avenue with the northwesterly line of Keith Street; Thence northwesterly along the southwesterly line of Le Conte Avenue and its northwesterly prolongation to the northerly prolongation of the easterly line of Bay Shore Boulevard; Thence southerly along said northerly prolongation and along the easterly line of Bay Shore Boulevard to the northwesterly line of Keith Street; Thence southerly to the intersection of the easterly line

of Bay Shore Boulevard with the southeasterly line of Keith Street; Thence southerly along the easterly line of Bay Shore Boulevard to the southwesterly prolongation of the northwesterly line of Third Street; Thence easterly to the northwesterly prolongation of the northeasterly line of Meade Avenue; Thence southeasterly along said northwesterly prolongation and along the northeasterly line of Meade Avenue to the southeasterly line of lot 17, Assessor's Block 5016; Thence northeasterly along the southeasterly line of lot 17, 8, 18, and 10, all Assessor's Block 5016 to the northeasterly line of said lot 10; Thence northwesterly along the northeasterly line of said lot 10 to the southeasterly line of lot 10A, Assessor's Block 5016; Thence northeasterly along the southeasterly line of lots 10A, 11B and 11, all Assessor's Block 5016 to the southwesterly line of Le Conte Avenue; Thence northeasterly at a right angle to the southwesterly line of Le Conte Avenue to the northeasterly line of Le Conte Avenue; Thence northwesterly along the northeasterly line of Le Conte Avenue to the southeasterly line of lot 24, Assessor's Block 4995; Thence northeasterly along the southeasterly line of said lot 24 to the southwesterly line of lot 25, Assessor's Block 4995; Thence southeasterly along the southwesterly line of said lot 25 to the southeasterly line of said lot 25; Thence northeasterly along the southeasterly line of lots 25 through 28 and lot 15, all Assessor's Block 4995 to the southwesterly line of Key Avenue; Thence southeasterly along the southwesterly line of Key Avenue to the southwesterly prolongation of the southeasterly line of lot 3, Assessor's Block 4994; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of said lot 3 to an angle point therein; Thence southeasterly along said southeasterly line of said lot 3 to the northwesterly line of Jennings Street; Thence northeasterly along the northwesterly line of Jennings Street to the southwesterly line of Jamestown Avenue; Thence southeasterly to the intersection of the southwesterly line of Jamestown Avenue with the southeasterly line of Jennings Street; Thence southeasterly along the southwesterly line of Jamestown Avenue to the most northerly corner of lot 277, Assessor's Block 4991; Thence southwesterly and southeasterly along the northwesterly and southwesterly lines of said lot 277 to the most southerly corner of said lot 277; Thence southeasterly along the southwesterly line of lot 276, Assessor's Block 4991 to the northwesterly line of lot 6, Assessor's Block 4977; Thence southwesterly along the northwesterly line of said lot 6 to the southwesterly line of said lot 6; Thence southeasterly along the southwesterly line of said lot 6 and lot 8, Assessor's Block 4977 to the southeasterly line of said lot 8; Thence northeasterly along the southeasterly line of said lot 8 to the southwesterly line of lot 8, Assessor's Block 5023; Thence southeasterly along the southwesterly line of said lot 8 to the northwesterly line of Harney Way; Thence northeasterly along the northwesterly line of Harney Way to the southwesterly line of Jamestown Avenue; Thence southeasterly along the southwesterly line of Jamestown Avenue to the most easterly corner of lot 10, Assessor's Block 5023; Thence southwesterly along the southeasterly line of said lot 10 to the mean low-tide line of the San Francisco Bay Shoreline; Thence easterly, northwesterly, northeasterly, northwesterly, northeasterly and southeasterly meandering along said mean low-tide line to the point of intersection with the southeasterly line of Assessor's Block 4825; Thence northeasterly along the southeasterly line of Assessor's Blocks 4825, 4814 and 4805 and along the southeasterly line of Fitch Street to the northeasterly line of Palou Avenue; Thence northwesterly along the northeasterly line of Palou Avenue to the southeasterly line of Griffith Street; Thence northeasterly along the southeasterly line of Griffith Street to an

angle point therein, said point being on the southeasterly prolongation of the southwesterly line of Oakdale Avenue; Thence northwesterly along the southeasterly line of Griffith Street to an angle point therein, said point being on the former centerline of Griffith Street; Thence northeasterly along the current southeasterly line of Griffith Street (formerly the centerline of Griffith Street) to the southeasterly prolongation of the southwesterly line of Navy Road; Thence northwesterly along said southeasterly prolongation and along the southwesterly line of Navy Road to the most northerly corner of lot 43, Assessor's Block 4700; Thence southwesterly along the northwesterly line of said lot 43 to an angle point therein; Thence southeasterly along said northwesterly line of said lot 43 to an angle point therein; Thence southwesterly along said northwesterly line of said lot 43 and its southwesterly prolongation to the southwesterly line of Oakdale Avenue; Thence northwesterly along the southwesterly line of Oakdale Avenue to the northwesterly line of Assessor's Block 4734; Thence southwesterly along the northwesterly line of Assessor's Block 4734 and its southwesterly prolongation to the southwesterly line of Palou Avenue; Thence southeasterly along the southwesterly line of Palou Avenue to the northwesterly line of Hawes Street; Thence southwesterly along the northwesterly line of Hawes Street to the northeasterly line of Shafter Avenue; Thence northwesterly along the northeasterly line of Shafter Avenue to its intersection with the southeasterly line of Ingalls Street; Thence northwesterly to the intersection of the northeasterly line of Shafter Avenue with the northwesterly line of Ingalls Street; Thence southwesterly to the intersection of the northwesterly line of Ingalls Street with the southwesterly line of Shafter Avenue; Thence southwesterly along the northwesterly line of Ingalls Street to the northeasterly line of Thomas Avenue; Thence northwesterly along the northeasterly line of Thomas Avenue to the southeasterly line of Jennings Street; Thence northwesterly to the intersection of the northeasterly line of Thomas Avenue with the northwesterly line of Jennings Street; Thence southwesterly to the intersection of the northwesterly line of Jennings Street with the southwesterly line of Thomas Avenue; Thence southwesterly along the northwesterly line of Jennings Street to the northeasterly line of Underwood Avenue; Thence southwesterly to the intersection of the northwesterly line of Jennings Street with the southwesterly line of Underwood Avenue; Thence northwesterly along the southwesterly line of Underwood Avenue to the southeasterly line of Keith Street; Thence northwesterly to the intersection of the southwesterly line of Underwood Avenue with the northwesterly line of Keith Street; Thence northwesterly along the southwesterly line of Underwood Avenue to the southwesterly prolongation of the southeasterly line of lot 8, Assessor's Block 5361; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of lot 8 and lot 25, Assessor's Block 5361 to the southwesterly line of Thomas Avenue; Thence northwesterly along the southwesterly line of Thomas Avenue to the southeasterly line of Lane Street; Thence northwesterly to the intersection of the southwesterly line of Thomas Avenue with the northwesterly line of Lane Street; Thence northwesterly along the southwesterly line of Thomas Avenue to the northwesterly line of lot 1, Assessor's Block 5362; Thence northeasterly at a right angle to the southwesterly line of Thomas Avenue to the northeasterly line of Thomas Avenue; Thence northwesterly along the northeasterly line of Thomas Avenue to the southeasterly line of lot 4, Assessor's Block 5359; Thence northeasterly along the southeasterly line of lots 4, 4A and 4B, all Assessor's Block 5359 to the northeasterly line of said lot 4B; Thence northwesterly along the northeasterly line of said lot 4B to the

southeasterly line of lot 6, Assessor's Block 5359; Thence northeasterly along the southeasterly line of said lot 6 to the southwesterly line of Shafter Avenue; Thence northwesterly along the southwesterly line of Shafter Avenue to the southwesterly prolongation of the southeasterly line of lot 7, Assessor's Block 5342; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of lot 7, 8 and 9A, Assessor's Block 5342 to the northeasterly line of said lot 9A; Thence northwesterly along the northeasterly line of said lot 9A to the southeasterly line of lot 10, Assessor's Block 5342; Thence northeasterly along the southeasterly line of said lot 10 to the southwesterly line of Revere Avenue; Thence northwesterly along the southwesterly line of Revere Avenue to the southwesterly prolongation of the southeasterly line of lot 7, Assessor's Block 5339; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of lot 7, 7A, 8, 9, 10 and 11, all Assessor's Block 5339 to the southwesterly line of Quesada Avenue; Thence northeasterly to the most southerly corner of lot 28, Assessor's Block 5326, said corner being on the northeasterly line of Quesada Avenue; Thence northeasterly along the southeasterly line of said lot 28 to the northeasterly line of said lot 28; Thence northwesterly along the northeasterly line of said lot 28 to the southeasterly line of lot 11, Assessor's Block 5326;

Thence northeasterly along the southeasterly line of lots 11 and 12, Assessor's Block 5326 to the southwesterly line of Palou Avenue; Thence southeasterly along the southwesterly line of Palou Avenue to the northwesterly line of Lane Street; Thence southeasterly to the intersection of the southwesterly line of Palou Avenue with the southeasterly line of Lane Street; Thence northeasterly along the southeasterly line of Lane Street to the northeasterly line of Newcomb Avenue; Thence southeasterly along the northeasterly line of Newcomb Avenue to the southeasterly line of lot 13, Assessor's Block 5308; Thence northeasterly along the southeasterly line of lots 13 and 13C, Assessor's Block 5308 to the northeasterly line of said lot 13C; Thence northwesterly along the northeasterly line of said lot 13C to the southeasterly line of Lane Street; Thence northwesterly to the most easterly corner of lot 2, Assessor's Block 5307, said corner being on the northwesterly line of Lane Street; Thence northwesterly along the northeasterly line of lot 2 through lot 17C, Assessor's Block 5307 to the southeasterly line of Mendell Street; Thence northeasterly along the southeasterly line of Mendell Street to the southwesterly line of La Salle Avenue; Thence northwesterly to the intersection of the southwesterly line of La Salle Avenue with the northwesterly line of Mendell Street; Thence northeasterly along the northwesterly line of Mendell Street to the most easterly corner of lot 22, Assessor's Block 5259; Thence southeasterly to the most westerly corner of lot 15, Assessor's Block 5258, said corner being on the southeasterly line of Mendell Street; Thence southeasterly along the southwesterly line of lot 15, Assessor's Block 5258 to the southeasterly line of said lot 15; Thence northeasterly along the southeasterly line of said lot 15 to the southwesterly line of Hudson Avenue; Thence northeasterly to the most southerly corner of lot 11, Assessor's Block 5255, said corner being on the northeasterly line of Hudson Avenue; Thence northeasterly along the southeasterly line of lots 11, 11C, 11B and 11A, all Assessor's Block 5255 to the northeasterly line of said lot 11A; Thence northwesterly along the northeasterly line of said lot 11A to the southeasterly line of Mendell Street; Thence northwesterly to the most easterly corner of lot 2, Assessor's Block 5254, said corner being on the northwesterly line of Mendell Street; Thence northwesterly along the northeasterly line of lots 2 and 4, Assessor's Block 5254 to the

B-7

northwesterly line of said lot 4; Thence southwesterly along the northwesterly line of said lot 4 to the northeasterly line of Hudson Avenue; Thence southwesterly to the most northerly corner lot 1A, Assessor's Block 5259, said corner being on the southwesterly line of Hudson Avenue; Thence southwesterly along the northwesterly line of lots 1A and 3, Assessor's Block 5259 to the northeasterly line of Innes Avenue; Thence northwesterly along the northeasterly line of Innes Avenue to the most southerly corner of lot 9B, Assessor's Block 5259; Thence northeasterly along the southeasterly line of lots 9B, 9A and 9C, Assessor's Block 5259 to the southwesterly line of lot 9D, Assessor's Block 5259; Thence southeasterly along the southwesterly line of said lot 9D to the southeasterly line of said lot 9D; Thence northeasterly along the southeasterly line of lots 9D, 10, 11, 23 and 24, all Assessor's Block 5259 to the southwesterly line of Hudson Avenue; Thence northeasterly at a right angle to the southwesterly line of Hudson Avenue to the northeasterly line of Hudson Avenue; Thence northwesterly along the northeasterly line of Hudson Avenue to the southeasterly line of Newhall Street; Thence southwesterly along the southeasterly line of Newhall Street to the southeasterly line of Third Street; Thence southwesterly along the southeasterly line of Third Street to the southwesterly line of Kirkwood Avenue; Thence northwesterly along the southwesterly line of Kirkwood Avenue to the southwesterly prolongation of the southeasterly line of lot 7, Assessor's Block 5279; Thence northeasterly along said southwesterly prolongation and along the southeasterly line of said lot 7 to the northeasterly line of said lot 7; Thence northwesterly along the northeasterly line of lots 7 through 12, 52, and 15 through 27, all Assessor's Block 5279 to the southeasterly line of Phelps Street; Thence northwesterly at a right angle to the southeasterly line of Phelps Street to the northwesterly line of Phelps Street; Thence northeasterly along the northwesterly line of Phelps Street to the northwesterly prolongation of the southwesterly line of lot 11, Assessor's Block 5235; Thence southeasterly along said northwesterly prolongation and along the southwesterly line of said lot 11 and its southeasterly prolongation to the southeasterly line of Third Street; Thence northeasterly along the southeasterly line of Third Street to the southwesterly line of Burke Avenue; Thence northeasterly to the intersection of the northeasterly line of Burke Avenue with the easterly line of Third Street; Thence northerly along the easterly line of Third Street to the northwest corner of Assessor's Block 4502A; Thence easterly along the northerly line of Assessor's Block 4502A to its intersection with the mean low-tide line of the San Francisco Bay Shoreline; Thence northerly, westerly, northerly, southeasterly and easterly meandering along said mean low-tide line to its intersection with the easterly line of Illinois Street; Thence northerly along the easterly line of Illinois Street to the southerly line of Marin Street; Thence easterly along the southerly line of Marin Street to the easterly line of Marin Street; Thence northerly along the easterly line of Marin Street to the southeast corner of Assessor's Block 4358; Thence northerly along the easterly line of Assessor's Block 4358 to an angle point therein; Thence easterly along said easterly line of Assessor's Block 4358 to an angle point therein; Thence northerly along said easterly line of Assessor's Block 4358 to the southerly line of Cesar Chavez Street; Thence northerly at a right angle to the southerly line of Cesar Chavez Street to the northerly line of Cesar Chavez Street; Thence westerly along the northerly line of Cesar Chavez Street to the point of beginning.

EXCEPTING THEREFROM THE FOLLOWING PARCEL: Beginning at the point of intersection of the southeasterly prolongation of the southwesterly line of Oakdale Avenue with

B-8

the northeasterly prolongation of the northwesterly line of Industrial Street; Thence southwesterly along said northeasterly prolongation and along the northwesterly line of Industrial Street and its southwesterly prolongation to its intersection with the southerly prolongation of the easterly line of Barneveld Avenue; Thence northerly and northeasterly along said southerly prolongation and along the easterly and southeasterly lines of Barneveld Avenue and its northeasterly prolongation to its point of intersection with the northwesterly prolongation of the southwesterly line of Oakdale Avenue; Thence southeasterly along said northwesterly prolongation and along the southwesterly line of Oakdale Avenue and its southeasterly prolongation to the point of beginning.

Parcel Two

All that real property in the City and County of San Francisco, State of California and described as follows:

Beginning at the point of intersection of the southeasterly line of Earl Street with the northeasterly line of Innes Avenue; Thence northwesterly along said northeasterly line of Innes Avenue to the southeasterly line of Hawes Street; Thence northeasterly along said line of Hawes Street to its intersection with the westerly line of Hunters Point Boulevard; Thence northerly along said line of Hunters Point Boulevard to its intersection with the northeasterly line of Hudson Avenue; Thence northwesterly along said line of Hudson Avenue and along the most northeasterly line of Assessor's Block 4647a to the southeasterly line of Assessor's Block 4624; Thence northeasterly along said southeasterly line of Assessor's Block 4624 to the easterly line of Assessor's Block 4624; Thence northerly along said easterly line to the northeasterly line of Assessor's Block 4624; Thence northwesterly along said northeasterly line to the easterly line of Middle Point Road; Thence continuing northwesterly along the northwesterly prolongation of the northeasterly line of Assessor's Block 4624 to the westerly line of Middle Point Road; Thence continuing northwesterly along the northeasterly line of Lot 9 in Assessor's Block 4624 to an angle point in said Lot 9; Thence northwesterly, westerly, southwestery and southerly (20 Courses) along the northwesterly line of said Lot 9 to the northeasterly line of Lot 71, Assessor's Block 4700; Thence northwesterly along the northeasterly line of said Lot 71 to the northwesterly line of said Lot 71; Thence southwestery along the northwesterly line of said Lot 71 to the southwestery line of said Lot 71; Thence southerly and southeasterly (4 Courses) along the southwestery line of said Lot 71 to the northwesterly line of Harbor Road; Thence southeasterly along the northeasterly line of Harbor Road to the northwesterly line of Ingalls Street; Thence northeasterly along the northwesterly line of Ingalls Street to the northwesterly prolongation of the southwestery line of Assessor's Block 4652; Thence southeasterly along said northwesterly prolongation and along the southwestery line of Assessor's Block 4652 to the southeasterly line of Assessor's Block 4652; Thence northeasterly along the southeasterly line of Assessor's Block 4652 to the southwestery line of Innes Avenue; Thence southeasterly along the southwestery line of Innes Avenue to the northwesterly line of Hawes Street; Thence southwestery, southeasterly and southwestery (3 Courses) along the northwesterly line of Hawes Street to the most northerly Corner of Lot 39, Assessor's Block 4700; Thence southwestery along the northwesterly line of said Lot 39 and its southwestery prolongation to the most northerly Corner of Lot 40, Assessor's Block 4700; Thence southwestery along the northwesterly line of said Lot 40 to the most easterly Corner of said Lot 40; Thence southwestery to the northwest Corner of Lot 41, Assessor's Block 4700; Thence southwestery along the northwesterly line of said Lot 41 and its southwestery prolongation to the most southerly Corner of Lot 79, Assessor's Block 4700; Thence northwesterly and northerly along the southerly line of said Lot 79 to the southeasterly line of Ingalls Street; Thence southwestery along the southeasterly line of Ingalls Street to the southwestery line of Assessor's Block 4700; Thence southeasterly along the southwestery line of Assessor's Block 4700 (3 Courses) to the most westerly Corner of Lot 52, Assessor's Block 4700; Thence southeasterly along the southwestery line of said Lot 52 to an angle point Therein; Thence northeasterly along the

B-10

southwesterly line of said Lot 52 to an angle point Therein; Thence southeasterly along the southwesterly line of said Lot 52 to the southeasterly line of said Lot 52; Thence northeasterly along the southeasterly line of said Lot 52 to the southwesterly line of Kirkwood Avenue; Thence southeasterly along the southwesterly line of Kirkwood Avenue to the northwesterly line of Earl Street; Thence southwesterly (5 Courses) along the northwesterly line of Earl Street to the northwesterly line of Assessor's Block 4591b; Thence southwesterly along the northwesterly line of Assessor's Block 4591b to the southwesterly line of Assessor's Block 4591b; Thence southeasterly along the southwesterly line of Assessor's Block 4591b to the southeasterly line of Assessor's Block 4591b; Thence northeasterly along the southeasterly line of Assessor's Block 4591b and along the southeasterly line of Donahue Street to an angle point in the southeasterly Boundary line of the "Inchon Village" Condominium Project (17 Cm 112-130); Thence northwesterly along said southeasterly Boundary line to the southeasterly line of Assessor's Block 4591b; Thence northeasterly along the southeasterly line of Assessor's Block 4591b and its northeasterly prolongation to the southwesterly Boundary line of the "Morgan Heights" Condominium Project (29 Cm 94-101); Thence northeasterly along the southeasterly Boundary line of said "Morgan Heights" Condominium Project to the northeasterly Boundary line of said "Morgan Heights" Condominium Project; Thence northwesterly along said northeasterly Boundary line to the southeasterly line of Earl Street; Thence northeasterly along said southeasterly line of Earl Street to the point of beginning.

Project Area A (described in Attachment A) contains 137 acres. Project Area B contains 1,361.5 acres and is comprised of Parcel One, that contains 1,267.3 acres, and Parcel Two, that contains 94.2 acres. Total computed acreage for Project Area A and Project Area B contains 1,498.5 acres more or less.

ATTACHMENT C: Authorized Public Improvements

- Public open spaces including parks, plazas, habitat restoration, sports facilities and playgrounds
- Facilities in parks such as tables, waste receptacles, signage, landscaping, market stalls and maintenance facilities;
- Public roadways and other walkways, roadways, lanes, and connectors
- Medians, curbs, bulb-outs, and gutters
- Sidewalks, street trees, landscaping, and street furnishings
- Street, sidewalk, and park lighting
- Traffic signals, control centers, street signage, and pavement striping
- Parking meters
- Potable water distribution and fire suppression facilities
- Reclaimed water facilities and irrigation distribution
- Sanitary sewer facilities and pump stations
- Storm drains, storm water sewer, treatment and conveyance facilities
- Natural gas, electric, telephone and telecommunication facilities
- Utilities and utility relocation
- MUNI light rail/bus/transit facilities, cantenary wires, communication facilities, transit stops and markings, poles, eyebolts, and substations as needed and related improvements
- Community centers and library facilities
- Public health centers and clinics
- Bridges, trails, and staircases
- Seawall upgrades, piers, railings, boating facilities and other shoreline improvements
- Retaining walls and permanent grading
- Public art installations and interpretive signage
- Improvements to existing roadways, streetscapes and utilities
- Improvements to historic buildings
- Erosion control features
- School facilities
- Off-site transportation improvements outside the Project Area including Harney Way right-of-way, Geneva Avenue Bus Rapid Transit facilities, Palou Avenue, the Highway 101/Harney/Geneva freeway interchange, and the signalization of the Pennsylvania/25th ramps.
- Off-site improvements to the football stadium pad and related infrastructure on Hunters Point Shipyard.
- Additional temporary, interim and/or permanent facilities and improvements to the foregoing

ATTACHMENT D: List of Blocks and Lots Within Zone 1 of Project Area B

(as of the effective date of the 2010 Plan Amendment Date)

Assessor's Blocks and Lots:

Block: 4884, all lots;
Block: 4917, all lots;
Block: 4918, all lots;
Block: 4934, all lots;
Block: 4935, all lots;
Block: 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: 5000, Lot: 001;
Block: 5005, all lots.

ATTACHMENT E: Planning Code Section 314

SEC. 314. - CHILD-CARE REQUIREMENTS FOR OFFICE AND HOTEL DEVELOPMENT PROJECTS.

When the words “this Section” appear in Sections 314.1 through 314.8, they shall be construed to mean “Sections 314.1 through 314.8.”

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.1. - DEFINITIONS.

The following definitions shall govern interpretation of this Section:

- (a) “Child-care facility” shall mean a child day-care facility as defined in California Health and Safety Code Section 1596.750.
- (b) “Child care provider” shall mean a provider as defined in California Health and Safety Code Section 1596.791.
- (c) “Commission” shall mean the City Planning Commission.
- (d) “DBI” shall mean the Department of Building Inspection.
- (e) “Department” shall mean the Department of City Planning.
- (f) “First certificate of occupancy” shall mean either a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy, as defined in San Francisco Building Code Section 109, whichever is issued first.
- (g) “Hotel” shall mean a building containing six or more guest rooms as defined in San Francisco Housing Code Section 401 intended or designed to be used, or which are used, rented, or hired out to be occupied, or which are occupied for sleeping purposes and dwelling purposes by guests, whether rent is paid in money, goods, or services, including motels as defined in San Francisco Housing Code Section 401.
- (h) “Hotel use” shall mean space within a structure or portion thereof intended or primarily suitable for the operation of a hotel, including all office and other uses accessory to the renting of guest rooms, but excluding retail uses and office uses not accessory to the hotel use.
- (i) “Household of low income” shall mean a household composed of one or more persons with a combined annual net income for all adult members which does not exceed the qualifying limit for a lower-income family of a size equivalent to the number of persons residing in such household, as set forth for the County of San Francisco in California Administrative Code Section 6932.

(j) “Household of moderate income” shall mean a household composed of one or more persons with a combined annual net income for all adult members which does not exceed the qualifying limit for a median-income family of a size equivalent to the number of persons residing in such household, as set forth for the County of San Francisco in California Administrative Code Section 6932.

(k) “Licensed child-care facility” shall mean a child-care facility which has been issued a valid license by the California Department of Social Services pursuant to California Health and Safety Code Sections 1596.80—1596.875, 1596.95—1597.09, or 1597.30—1597.61.

(l) “Net addition of gross square feet of hotel space” shall mean gross floor area as defined in Planning Code Section 102.9 to be occupied by, or primarily serving, hotel use, less the gross floor area in any structure demolished or rehabilitated as part of the proposed hotel development project space used primarily and continuously for office or hotel use and not accessory to any use other than office or hotel use for five years prior to Planning Commission approval of the hotel development project subject to this Section, or for the life of the structure demolished or rehabilitated, whichever is shorter.

(m) “Net addition of gross square feet of office space” shall mean gross floor area as defined in Planning Code Section 102.9 to be occupied by, or primarily serving, office use, less the gross floor area in any structure demolished or rehabilitated as part of the proposed office development project space used primarily and continuously for office or hotel use and not accessory to any use other than office or hotel use for five years prior to Planning Commission approval of the office development project subject to this Section, or for the life of the structure demolished or rehabilitated, whichever is shorter.

(n) “Nonprofit child-care provider” shall mean a child-care provider that is an organization organized and operated for nonprofit purposes within the provisions of California Revenue and Taxation Code Sections 23701—23710, inclusive, as demonstrated by a written determination from the California Franchise Tax Board exempting the organization from taxes under Revenue and Taxation Code Section 23701.

(o) “Nonprofit organization” shall mean an organization organized and operated for nonprofit purposes within the provisions of California Revenue and Taxation Code Sections 23701—23710, inclusive, as demonstrated by a written determination from the California Franchise Tax Board exempting the organization from taxes under Revenue and Taxation Code Section 23701.

(p) “Office development project” shall mean any new construction, addition, extension, conversion or enlargement, or combination thereof, of an existing structure which includes any gross square feet of office space.

(q) “Office use” shall mean space within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities which perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following:

Professional, banking, insurance, management, consulting, technical, sales and design, or the office functions of manufacturing and warehousing businesses, but excluding retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; design showcases or any other space intended and primarily suitable for display of goods; and child-care facilities. This definition shall include all uses encompassed within the meaning of Planning Code Section 219.

(r) “Retail use” shall mean space within any structure or portion thereof intended or primarily suitable for occupancy by persons or entities which supply commodities to customers on the premises including, but not limited to, stores, shops, restaurants, bars, eating and drinking businesses, and the uses defined in Planning Code Sections 218 and 220 through 225, and also including all space accessory to such retail use.

(s) “Sponsor” shall mean an applicant seeking approval for construction of an office or hotel development project subject to this Section and such applicant’s successors and assigns.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 22-00, File No. 991877, App. 2/18/2000; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.2. - FINDINGS.

The Board hereby finds and declares as follows:

Large-scale office and hotel developments in the City and County of San Francisco (hereinafter “City”) have attracted and continue to attract additional employees to the City, and there is a causal connection between such developments and the need for additional child-care facilities in the City, particularly child-care facilities affordable to households of low and moderate income.

Office and hotel uses in the City are benefitted by the availability of child care for persons employed in such offices and hotels close to their place of employment. However, the supply of child care in the City has not kept pace with the demand for child care created by these new employees. Due to this shortage of child care, employers will have difficulty in securing a labor force, and employees unable to find accessible and affordable quality child care will be forced either to work where such services are available outside of San Francisco, or leave the work force entirely, in some cases seeking public assistance to support their children. In either case, there will be a detrimental effect on San Francisco’s economy and its quality of life.

Projections from the EIR for the Downtown Plan indicate that between 1984 and 2000 there will be a significant increase of nearly 100,000 jobs in the C-3 District under the Downtown Plan. Most of that employment growth will occur in office and hotel work, which consist of a predominantly female work force.

According to the survey conducted of C-3 District workers in 1981, 65 percent of the work force was between the ages of 25—44. These are the prime childbearing years for women, and the prime fathering years for men. The survey also indicated that only 12 percent of the C-3 District jobs were part-time, leaving up to 88 percent of the positions occupied by full-time workers. All of these factors point to the inevitable increase in the number of working parents in the C-3 District and the concomitant increase in need for accessible, quality child-care.

Presently, there exists a scarcity of child care in the C-3 District and citywide for all income groups, but the scarcity is more acutely felt by households of low and moderate income. Hearings held on April 25, 1985 before the Human Services Committee of the San Francisco Board of Supervisors documented the scarcity of child care available in the C-3 District, the impediments to child-care program startup and expansion, the increase in the numbers of children needing care, and the acute shortage of supply throughout the Bay Area. The Board of Supervisors also takes legislative notice of the existing and projected shortage of child-care services in the City as documented by the Child-Care Information Kit prepared by the California Child-Care Resources and Referral Network located in San Francisco.

The scarcity of child care in the City is due in great part to large office and hotel development, both within the C-3 District and elsewhere in the City, which has attracted and will continue to attract additional employees and residents to the City. Some of the employees attracted to large office and hotel developments are competing with present residents for the few openings in child-care programs available in the City. Competition for child care generates the greatest pressure on households of low and moderate income. At the same time that large office and hotel development is generating an increased demand for child care, it is improbable that factors inhibiting increased supply of child care will be mitigated by the marketplace; hence, the supply of child care will become increasingly scarce.

The Master Plan encourages “continued growth of prime downtown office activities so long as undesirable consequences of such growth can be avoided” and requires that there be the provision of “adequate amenities for those who live, work and use downtown.” In light of these provisions, the City should impose requirements on developers of office and hotel projects designed to mitigate the adverse effects of the expanded employment facilitated by such projects. To that end, the City Planning Commission is authorized to promote affirmatively the policies of the San Francisco Master Plan through the imposition of special child-care development or assessment requirements. It is desirable to impose the costs of the increased burden of providing child care necessitated by such office and hotel development projects directly upon the sponsors of new development generating the need. This is to be done through a requirement that the sponsor construct child-care facilities or pay a fee into a fund used to foster the expansion of and to ease access to affordable child care as a condition of the privilege of development.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.3. - APPLICATION.

(a) This Section shall apply to office and hotel development projects proposing the net addition of 50,000 or more gross square feet of office or hotel space.

(b) This Section shall not apply to:

(1) Any development project other than an office or hotel development project, including that portion of an office or hotel development project consisting of a retail use;

(2) That portion of an office or hotel development project located on property owned by the United States or any of its agencies;

(3) That portion of an office or hotel development project located on property owned by the State of California or any of its agencies, with the exception of such property not used exclusively for a governmental purpose;

(4) That portion of an office or hotel development project located on property under the jurisdiction of the Port of San Francisco or the San Francisco Redevelopment Agency where the application of this Section is prohibited by State or local law; and

(5) Any office or hotel development project approved by the Planning Commission prior to the effective date of this Section.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.4. - IMPOSITION OF CHILD CARE REQUIREMENT.

(a) (1) The Department or the Commission shall impose conditions on the approval of building or site permit applications for office or hotel development projects covered by this Section in order to mitigate the impact on the availability of child-care facilities which will be caused by the employees attracted to the proposed development project. The conditions shall require that the sponsor construct or provide a child-care facility on or near the site of the development project, either singly or in conjunction with the sponsors of other office or hotel development projects, or arrange with a nonprofit organization to provide a child-care facility at a location within the City, or pay an in-lieu fee to the City Treasurer which shall thereafter be used exclusively to foster the expansion of and ease access to child-care facilities affordable to households of low or moderate income.

(2) Prior to either the Department's or the Commission's approval of a building or site permit for a development project subject to this Section, the Department shall issue a notice complying with Planning Code Section 306.3 setting forth its initial

determination of the net addition of gross square feet of office or hotel space subject to this Section.

(3) Any person may appeal the initial determination by delivering an appeal in writing to the Department within 15 days of such notice. If the initial determination is not appealed within the time allotted, the initial determination shall become a final determination. If the initial determination is appealed, the Commission shall schedule a public hearing prior to the approval of the development project by the Commission or the Department to determine the net addition of gross square feet of office or hotel space subject to this Section. The public hearing may be scheduled separately or simultaneously with a hearing under City Planning Code Sections 139, 306.2, 309(h), 313.4, 315.3 or a Discretionary Review hearing under San Francisco Business and Tax Regulations Code Section 26. The Commission shall make a final determination of the net addition of gross square feet at the hearing.

(4) The final determination of the net addition of gross square feet of office or hotel space subject to this Section shall be set forth in the conditions of approval relating to the child-care requirement in any building or site permit application approved by the Department or the Commission. The Department shall notify the Treasurer of the final determination of the net addition of gross square feet of office or hotel space subject to this ordinance within 30 days of the date of the final determination. The Department shall notify the Treasurer and DBI that the development project is subject to this Section prior to the time the Department or the Commission approves the permit application.

(b) (1) The sponsor of a development project subject to this (1) Section may elect to provide a child-care facility on the premises of the development project for the life of the project to meet the requirements of this Section. The sponsor shall, prior to the issuance of the first certificate of occupancy by DBI for the development project, provide proof to the Treasurer and the Department that:

(A) A space on the premises of the development project has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease and an operating agreement between the sponsor and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Net add. gross sq. ft. off. or hotel space</i>	<i>X .01 =</i>	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel of the development project is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A notice of special restriction has been recorded stating that the development project is subject to this Section and is in compliance herewith by providing a child-care facility on the premises.

(2) The sponsor of a development project subject to this Section in conjunction with the sponsors of one or more other development projects subject to this Section located within 1/2 mile of one another may elect to provide a single child-care facility on the premises of one of their development projects for the life of the project to meet the requirements of this Section. The sponsors shall, prior to the issuance of the first certificate of occupancy by DBI for any one of the development projects complying with this part, provide proof to the Treasurer and the Planning Department that:

(A) A space on the premises of one of their development projects has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease and an operating agreement between the sponsor in whose project the facility will be located and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Combined net add. gross sq. ft. office or hotel space of all participating dev. projects</i>	<i>X .01</i> =	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A written agreement binding each of the participating project sponsors, with a term of 20 years from the date of issuance of the first certificate of occupancy for any development project complying with this part, guaranteeing that the child-care facility will be provided for the life

of the development project in which it is located, or for as long as there is a demonstrated demand, as determined under Subsection (h) of this Section 314.4, has been executed and recorded in the chain of title of each participating building.

(3) The sponsor of a development project subject to this Section, either singly or in conjunction with the sponsors of one or more other development projects subject to this Section located within 1/2 mile of one another, may elect to provide a single child-care facility to be located within one mile of the development project(s) to meet the requirements of this Section. Subject to the discretion of the Department, the child-care facility shall be located so that it is reasonably accessible to public transportation or transportation provided by the sponsor(s). The sponsor(s) shall, prior to the issuance of the first certificate of occupancy by DBI for any development project complying with this part, provide proof to the Treasurer and the Planning Department that:

(A) A space has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease or sublease and an operating agreement between the sponsor(s) and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Combined net add. gross sq. ft. office or hotel space of all participating dev. projects</i>	x .01 =	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A written agreement binding each of the participating project sponsors, with a term of 20 years from the date of issuance of the first certificate of occupancy for any development project complying with this part, guaranteeing that a child-care facility will be leased or subleased to one or more nonprofit child-care providers for as long as there is a

demonstrated demand under Subsection (h) of this Section 314.4 has been executed and recorded in the chain of title of each participating building.

(4) The sponsor of a development project subject to this Section may elect to pay a fee in lieu of providing a child-care facility. The fee shall be computed as follows:

<i>Net add. gross sq. ft. office or hotel space</i>	<i>X \$1.00 = Total Fee</i>
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Upon payment of the fee in full to the Treasurer and upon request of the sponsor, the Treasurer shall issue a certification that the fee has been paid. The sponsor shall present such certification to the Department prior to the issuance by DBI of the first certificate of occupancy for the development project.

(5) The sponsor of a development project subject to this Section may elect to satisfy its child-care requirement by combining payment of an in-lieu fee to the Child Care Capital Fund with construction of a child-care facility on the premises or providing child-care facilities near the premises, either singly or in conjunction with other sponsors. The childcare facility to be constructed on-site or provided near-site under this election shall be subject to all of the requirements of whichever of Parts (b)(1), (2) and (3) of this Section 314.4 is applicable, and shall have a minimum floor area of 3,000 gross square feet. If the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the minimum gross floor area of the facility shall be 2,000 square feet. The in-lieu fee to be paid under this election shall be subject to all of the requirements of Part (b)(4) of this Section 314.4 and shall be determined by the Commission according to the following formula:

<i>Net. add. gross sq. ft. space - subject project</i>	[	<i>Net. add. gross sq. ft. space subject project</i>	X	<i>Sq. ft. child-care facility</i>	<i>X100</i>	<i>X\$1.00</i>	]	=	<i>Total Fee for Subject Project</i>
		<i>Net. add. gross sq. ft. space all participating projects</i>							

(6) The sponsor of a development project subject to this Section may elect to satisfy its child-care requirement by entering into an arrangement pursuant to which a nonprofit organization will provide a child-care facility at a site within the City. The sponsor shall, prior to the issuance of the first certificate of occupancy by the Director of the Department of Building Inspection for the development project, provide proof to the

(A) A space for a child-care facility has been provided by the nonprofit organization, either for its own use if the organization will provide

childcare services, or to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease or sublease and an operating agreement between the nonprofit organization and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Net add. gross sq. ft. office or hotel space</i>	<i>X .01 =</i>	<i>sq. ft. of child- care facility</i>
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In the event that the net addition of gross square feet of office or hotel space is less than 300,000 square feet, the child-care facility may have a minimum gross floor of 2,000 square feet or the area determined according to the above formula, whichever is greater;

(D) The nonprofit organization has executed and recorded a binding written agreement, with a term of 20 years from the date of issuance of the first certificate of occupancy for the development project, pursuant to which the nonprofit organization guarantees that it will operate a childcare facility or it will lease or sublease a child-care facility to one or more nonprofit child-care providers for as long as there is a demonstrated need under Subsection (h) of this Section 314.4, and that it will comply with all of the requirements imposed on the nonprofit organization under this Paragraph (b)(6) and imposed on a sponsor under Subsections (g), (h) and (i) of Section 314.4.

(E) To support the provision of a child-care facility in accordance with the foregoing requirements, the sponsor has paid to the nonprofit organization a sum which equals or exceeds the amount of the in-lieu fee which would have been applicable to the project under Section 314.4(b)(4).

(F) The Department of Children, Youth and Their Families has determined that the proposed child-care facility will help meet the needs identified in the San Francisco Child Care Needs Assessment and will be consistent with the City Wide Child Care Plan; provided, however, that this Paragraph (F) shall not apply to any office or hotel development project approved by the Planning Commission prior to December 31, 1999.

Upon compliance with the requirements of this Part, the nonprofit organization shall enjoy all of the rights and be subject to all of the obligations of the sponsor, and the sponsor shall have no further rights or obligations under this Section.

(c) The Director of the Department of Building Inspections shall provide notice in writing to the Director of Planning at least five business days prior to issuing the first certificate of occupancy for any development project subject to this Section. If the Director of Planning notifies the Director of the Department of Building Inspections within such time that the sponsor has not complied with the provisions of this Section, the Director of the Department of Building Inspections shall deny any and all certificates of occupancy. If the Director of Planning notifies the Director of the Department of Building Inspections that the sponsor has complied with this Section or fails to respond within five business days, a certificate of occupancy shall not be disapproved pursuant to this Section. Any failure of the Director of the Department of Building Inspections or the Director of Planning to give any notice under this Subsection shall not relieve a sponsor from compliance with this Section.

(d) In the event that the Department or the Commission takes action affecting any development project subject to this Section and such action is thereafter modified, superseded, vacated, or reversed by the Department or the Commission, Board of Appeals, the Board of Supervisors, or by court action, the permit application for such office development project shall be remanded to the Department or Commission within 60 days following the date on which such action is final to determine whether the proposed project has been changed in a manner which affects the area of the child-care facility or the amount of the in-lieu fee to be provided under this Section 314.4 and, if so, the Department or the Commission shall revise the child-care requirement imposed on the permit application in compliance with this Section, and shall promptly notify the Treasurer and DBI of that revision.

(e) The sponsor shall supply all information to the Treasurer, the Department, and the Commission necessary to make a determination as to the applicability of this Section and the number of gross square feet of office or hotel space subject to this Section.

(f) Within nine months of the effective date of this Section, the Commission shall, after public notice and a hearing pursuant to Charter Section 4.104, adopt rules and regulations by which compliance with this Subsection shall be determined.

(g) In the event that a sponsor elects to satisfy its child-care requirement under Section 314(b)(1), (2), (3) or (5) by providing an on-site or near-site child-care facility, the sponsor shall submit a report to the Department in January of each year for the life of the child-care facility. The report shall have attached thereto a copy of the license issued by the California Department of Social Services permitting operation of the child-care facility, and shall state:

- (1) The address of the child-care facility;
- (2) The name and address of the child-care provider operating the facility;
- (3) The size of the center in terms of floor area;
- (4) The capacity of the child-care facility in terms of the maximum number of children for which the facility is authorized to care under the license;
- (5) The number and ages of children cared for at the facility during the previous year; and
- (6) The fees charged parents for use of the facility during the previous year.

(h) In the event that a sponsor elects to satisfy its child-care requirement under Paragraphs 314.4 (b)(1), (2), (3) or (5) by providing an on-site or near-site child-care facility, or under Paragraph 314.4(b)(6) by agreement with a non-profit organization, the sponsor, or in the case of a facility created pursuant to Paragraph 314.4(b)(6) the nonprofit organization, may apply to the Department to eliminate the facility or to reduce the floor area of the facility in any amount, providing, however, that the gross floor area of a reduced facility is at least 2,000 square feet. The Department shall schedule a public hearing on any such application before the Commission and provide notice pursuant to City Planning Code Section 306.3(a) at least two months prior to the hearing. The application may be granted only where the sponsor has demonstrated that there is insufficient demand for the amount of floor area then devoted to the on-site or near-site child-care facility. The actual reduction in floor area or elimination of the child-care facility shall not be permitted in any case until six months after the application is granted. Such application may be made only five years or more after the issuance of the first certificate of occupancy for the project. Prior to the reduction in floor area or elimination of the child care facility, the sponsor shall pay an in-lieu fee to the City’s Treasurer to be computed as follows:

(20 - No. of years since issuance of first <u>certificate of occupancy</u>) 20	X	Net reduction gross sq. ft. child-care facility	= \$100 X	Total Fee
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Upon payment of the fee in full to the Treasurer and upon request of the sponsor, the Treasurer shall issue a certification that the fee has been paid. The sponsor shall present such certification to the Director prior to the reduction in the floor area or elimination of the child care facility.

(i) The child care provider operating any child care facility pursuant to Sections 314.4(b)(1), (2), (3) or (5) shall reserve at least 10 percent of the maximum capacity of the child care facility as determined by the license for the facility issued by the California Department of Social Services to be affordable to children of households of low income. The Department shall adopt rules and regulations to determine the rates to be charged to such households at the same time and following the procedures for the adoption of rules and regulations under Section 314.5.

(j) The fee required by this ordinance is due and payable to the Treasurer prior to issuance of the first certificate of occupancy for the office development project. Except in the case of a reduction in space of the child care facility pursuant to Subsection (h), if the fee remains unpaid following issuance of the certificate, any amount due shall accrue interest at the rate of one and one-half percent per month, or fraction thereof, from the date of issuance of the certificate until the date of final payment. Where the amount due is as a result of a reduction in space of the child care facility pursuant to subsection (h), such interest shall accrue from the date on which the available space is reduced until the date of final payment.

(k) In the event that a development project for which an in-lieu fee imposed under this Section has been fully paid is demolished or converted to a use or uses not subject to this ordinance prior to the expiration of its estimated useful life, the City shall refund to the sponsor a portion of the amount of an in-lieu fee paid. The portion of the fee refunded shall be determined on a pro rata basis according to the ratio of the remaining useful life of the project at the time of demolition or conversion in relation to its total useful life. For purposes of this ordinance, the useful life of a development project shall be 50 years.

(1) A sponsor's failure to pay the fee imposed pursuant to (1) this Section shall constitute cause for the City to record a lien against the development project in the sum of the in-lieu fee required under this ordinance, as adjusted under this Section.

(2) If, for any reason, the fee imposed pursuant to this ordinance remains unpaid following issuance of the certificate, the Treasurer shall initiate proceedings in accordance with the procedures set forth in Article XX of Chapter 10, of the San Francisco Administrative Code to make the entire unpaid balance of the fee, including interest, a lien against all parcels used for the development project. The Treasurer shall send all notices required by that Article to the owner of the property as well as the sponsor. The Treasurer shall also prepare a preliminary report notifying the sponsor of a hearing to confirm such report by the Board of Supervisors at least 10 days before the date of the hearing. The report to the sponsor shall contain the sponsor's name, a description of the sponsor's development project, a description of the parcels of real property to be encumbered as set forth in the Assessor's Map Books for the current year, a description of the alleged violation of this ordinance, and shall fix a time, date, and place for hearing. The Treasurer shall cause this report to be mailed to the sponsor and each owner of record of the parcels of real property subject to lien. Except for the release of lien recording fee authorized by Administrative Code Section 10.237, all sums collected by the Tax Collector pursuant to this ordinance shall be held in trust by the Treasurer and deposited in the Child Care Capital Fund established in Section 314.5.

(3) Any notice required to be given to a sponsor or owner shall be sufficiently given or served upon the sponsor or owner for all purposes hereunder if personally served upon the sponsor or owner or if deposited, postage prepaid, in a post office letterbox

addressed in the name of the sponsor or owner at the official address of the sponsor or owner maintained by the Tax Collector for the mailing of tax bills or, if no such address is available, to the sponsor at the address of the development project, and to the applicant for the site or building permit at the address on the permit application.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 409-87, App. 10/9/87; Ord. 22-00, File No. 991877, App. 2/18/2000; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.5. - CHILD CARE CAPITAL FUND.

There is hereby established a separate fund set aside for a special purpose called the Child Care Capital Fund (“Fund”). All monies contributed pursuant to the provisions of this Section, and all other monies from the City’s General Fund or from contributions from third parties designated for the fund shall be deposited in the fund. For a period of three years from the date of final adoption of this ordinance, no more than 25 percent of the money deposited in the fund shall be paid to providers operating child care facilities subject to Sections 314.4(b)(1), (2), (3) and (5) to reduce the cost of providing affordable child care services to children from households of low income as required in Section 314.4(i). The remaining monies deposited in the fund during such three-year period, and all monies in the fund following expiration of such three-year period, shall be used solely to increase and/or improve the supply of child care facilities affordable to households of low and moderate income; except that monies from the fund shall be used by the Director to fund in a timely manner a nexus study to demonstrate the relationship between commercial development projects and child care demand as described in San Francisco Planning Code Section 314.4. In the event that no child care facility is in operation under Sections 314.4(b)(1), (2), (3) or (5) during such three-year period, the maximum of 25 percent of the fund reserved for households of low income shall be spent solely to increase and/or improve the supply of child care facilities affordable to households of low and moderate income. The fund shall be administered by the Director, who shall adopt rules and regulations governing the disposition of the fund which are consistent with this Section. Such rules and regulations shall be subject to approval by resolution of the Board of Supervisors.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 409-87, App. 10/9/87; Ord. 263-98, App. 8/21/98; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.6. - PARTIAL INVALIDITY AND SEVERABILITY.

If any provision of this Section, or its application to any development project or to any geographical area of the City, is held invalid, the remainder of the Section, or the application of such provision to other office or hotel development projects or to any other geographical areas of the City, shall not be affected thereby.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.7. - ANNUAL EVALUATION.

Commencing one year after the effective date of this Section and each year thereafter, the Director shall report to the Commission at a public hearing and to the Planning, Housing and Development Committee of the Board of Supervisors at a separate public hearing, on the status of compliance with this Section and the efficacy of this Section in mitigating the City's shortage of child care facilities generated by the office and hotel development projects subject to this Section. Five years after the effective date of this Section, the Commission shall review the formulae set forth in Section 314.4. In such report, the Director shall recommend any changes in the formulae.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.8. - DECREASE IN CHILD CARE FORMULAE AFTER STUDY.

If the Commission determines after review of an empirical study that the formulae set forth in Section 314.4 impose a greater requirement for child care facilities than is necessary to provide child care for the number of employees attracted to office and hotel development projects subject to this Section, the Commission shall, within three years of making such determination, refund that portion of any fee paid or permit a reduction of the space dedicated for child care by a sponsor consistent with the conclusions of such study. The Commission shall adjust any sponsor's requirement and the formulae set forth in Section 314.4 so that the amount of the exaction is set at the level necessary to provide child care for the employees attracted to office and hotel development projects subject to this Section.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

ATTACHMENT F: Planning Code Section 295

SEC. 295 – HEIGHT RESTRICTIONS ON STRUCTURES SHADOWING PROPERTY UNDER THE JURISDICTION OF THE RECREATION AND PARK COMMISSION.

(a) No building permit authorizing the construction of any structure that will cast any shade or shadow upon any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission may be issued except upon prior action of the City Planning Commission pursuant to the provisions of this Section; provided, however, that the provisions of this Section shall not apply to building permits authorizing:

(1) Structures which do not exceed 40 feet in height;

(2) Structures which cast a shade or shadow upon property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission only during the first hour after sunrise and/or the last hour before sunset;

(3) Structures to be constructed on property under the jurisdiction of the Recreation and Park Commission for recreational and park-related purposes;

(4) Structures of the same height and in the same location as structures in place on June 6, 1984;

(5) Projects for which a building permit application has been filed and either (i) a public hearing has been held prior to March 5, 1984 on a draft environmental impact report published by the Department of City Planning, or (ii) a Negative Declaration has been published by the Department of City Planning prior to July 3, 1984;

(6) Projects for which a building permit application and an application for environmental evaluation have been filed prior to March 5, 1984 and which involve physical integration of new construction with rehabilitation of a building designated as historic either by the San Francisco Board of Supervisors as a historical landmark or by the State Historic Preservation Officer as a State Historic Landmark, or placed by the United States Department of the Interior on the National Register of Historic Places and which are located on sites that, but for separation by a street or alley, are adjacent to such historic building.

(b) The City Planning Commission shall conduct a hearing and shall disapprove the issuance of any building permit governed by the provisions of this Section if it finds that the proposed project will have any adverse impact on the use of the property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission because of the shading or shadowing that it will cause, unless it is determined that the impact would be insignificant. The City Planning Commission

shall not make the determination required by the provisions of this Subsection until the general manager of the Recreation and Park Department in consultation with the Recreation and Park Commission has had an opportunity to review and comment to the City Planning Commission upon the proposed project.

(c) The City Planning Commission and the Recreation and Park Commission, after a joint meeting, shall adopt criteria for the implementation of the provisions of this Section.

(d) The Zoning Administrator shall determine which applications for building permits propose structures which will cast a shade or shadow upon property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. As used in this Section, “property designated for acquisition by the Recreation and Park Commission” shall mean property which a majority of each of the Recreation and Park Commission and the City Planning Commission, meeting jointly, with the concurrence of the Board of Supervisors, have recommended for acquisition from the Open Space Acquisition and Park Renovation Fund, which property is to be placed under the jurisdiction of the Recreation and Park Commission.

(Added Ord. 62-85, App. 1/31/1985)

Attachment G - Planning Commission Resolution 18102

G-1

Bayview Hunters Point Redevelopment Plan
July 16, 2018

[161867879.13](#)



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 18102

HEARING DATE: JUNE 3, 2010

Date: March 18, 2010
Case No.: 2007.0946BEMRTUZ
Project: Candlestick Point – Hunters Point Shipyard Phase 2
Finding the Redevelopment Plan Amendments Consistent with
the General Plan, Recommending Approval of Redevelopment
Plan Amendments, and Making Office Allocation Findings
(Planning Code Section 320 – 325)
Block/Lot: Candlestick Point and Hunters Point Shipyard
Staff Contact: Mat Snyder – (415) 575-6891
mathew.snyder@sfgov.org
Recommendation: Approval

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ESTABLISHING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN OF THE CITY AND COUNTY OF SAN FRANCISCO FOR PROPOSED AMENDMENTS TO THE BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN AND THE HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN, AS PART OF THE CANDLESTICK POINT - HUNTERS POINT SHIPYARD PHASE 2 PROJECT, RECOMMENDING THE APPROVAL OF THE AMENDMENTS TO SUCH REDEVELOPMENT PLANS, AND MAKING OFFICE ALLOCATION FINDINGS PURSUANT TO PLANNING CODE SECTIONS 320 - 325.

WHEREAS, In accordance with California Redevelopment Law, the San Francisco Redevelopment Agency is proposing to amend both the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan.

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 proposed consolidated redevelopment of the Hunters Point Shipyard Phase 2 and

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Case No 2007.0946BEMTZRU
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Code

Candlestick Point ("the Project"). The areas within the Candlestick Activity Node Special Use District and the Hunters Point Shipyards Phase 2 Special Use District together comprise the Project Site ("The Project Site"). As set forth in Proposition G, passed by San Francisco voters on June 3, 2008, the Project is designed to reconnect the Shipyards 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 Shipyards

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.

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.

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.

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.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point - Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

In March 2004, the Redevelopment Agency, in cooperation with the City and the Shipyard developer negotiated a comprehensive agreement with the Navy governing the terms and conditions of the hazardous materials remediation and conveyance of the Shipyard by the Navy to the Agency. The Conveyance Agreement obligates the Navy to remediate the hazardous materials on the Shipyard to levels consistent with the land uses designated in the original redevelopment plans for the Shipyard and to convey parcels to the Agency at no cost on a phased basis as the Navy successfully completes the remediation.

In 2005, the Navy conveyed Parcel A to the Agency under the Conveyance Agreement, and the Agency then closed escrow on its transfer of a portion of Parcel A to the Shipyard developer to begin site preparation and infrastructure development for the construction of new housing and parks on Parcel A.

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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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 Shipyards and Candlestick Point.

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; and

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 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; and

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.

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Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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 June 3, 2010, by Resolution No.18098, the Planning Commission adopted amendments to the General Plan and recommended to the Board of Supervisors approval of those amendments to the General Plan including amendments to Bayview Hunters Point Area Plan and the Commerce and Industry Element, and the creation of the Candlestick Point Subarea Plan, and the Hunters Point Area Plan.

Pursuant to Sections 33346 and 33354.6 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 or amendment by the Board of Supervisors.

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; and

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

The proposed Bayview Hunters Point and Hunters Point Shipyards Redevelopment Plan provides 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 Plan as well as the Eight Priority Policies of Section 101.1 of the Planning Code as set forth in Planning Commission Resolution.

The Planning Commission believes that the Bayview Hunters Point Redevelopment Plan as amended and the Hunters Point Shipyards Redevelopment Plan as amended would meet these objectives; and

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 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 Shipyards 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 an alternative uses that either shift some residential uses from Candlestick Point to the Shipyards and expands by up to 500,000 square feet commercial uses on some of the areas of the Shipyards currently reserved for stadium uses or expand research and development uses by 2,500,000 square feet on the Shipyards if the 49ers do not avail themselves of the opportunity to build a new stadium on the Shipyards, (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.

The proposed Hunters Point Shipyards Redevelopment Plan provides that to facilitate early job generation within the Project Area during the early phases of redevelopment under this Plan, the first 800,000 square feet of office development within the Project Area is to receive priority under Sections 320-325 over all office development proposed elsewhere in the City, except within (a) the Mission Bay South Project Areas; and (b) the Transbay Transit Tower (proposed for development on Lot 001 of assessors Block 3720) (but not the remainder of the Transbay Redevelopment Project Area)

The Design for Development document contains detailed design standards and guidelines for all proposed development in both the Candlestick Point and Hunters Point Shipyards areas ("the Project Area").

The Candlestick Point area comprises approximately 281 and Hunters Point Shipyards 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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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".

Any office development in the Candlestick Point and Hunters Point Shipyards will be subject to the limitation on the amount of square footage which may be approved, as set forth in Planning Code 321 or as amended by the voters.

Planning Code Sections 320-325 require review of proposed office development, as defined in Planning Code Section 320, by the Planning Commission and consideration of certain factors in approval of any office development.

Based upon the information before the Planning Commission regarding design guidelines for in the Design for Development for Candlestick Point and Hunters Point Shipyards, and the land use designations set out in the respective Redevelopment Plans, the Candlestick Point Subarea Plan and the Hunters Point Shipyards Area Plan, and the goals and objectives of set out in all the relevant documents, the Planning Commission hereby makes the findings set forth below, in accordance with Planning Code ~~Section 321.~~

The Planning Commission has reviewed and considered the factors set forth in Planning Code Section 321(b) in order to make the determination that the office development contemplated by the Plan in particular would promote the public welfare, convenience and necessity. Those factors include consideration of the balance between economic growth and housing, transportation and public services, the contribution of the office development to the objectives and policies of the General Plan, the quality of the design of the proposed office development, the suitability of the proposed office development for its location, the anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses, the extent to which the proposed development will be owned or occupied by a single entity, and the use of transferable development rights for such office development.

The Planning Commission will review the design and details of individual office developments which are proposed in the Project Area, using the design standards and guidelines set forth in the Design for Development reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein.

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 Shipyards Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth.

The Planning Commission finds the amended Bayview Hunters Point Redevelopment Plan and the amended Hunters Point Shipyards Redevelopment Plan as described in Exhibit A to this Resolution consistent with the General Plan, as it is proposed to be amended, and to Section 101.1 of the Planning Code as described in Exhibit A to Resolution No. 18101 which findings are hereby incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, BE IT RESOLVED, That the Planning Commission having considered this proposal at a public meeting on June 3, 2010 pursuant to Planning Code Sections 302(b) and 340, having heard and reviewed oral and written testimony and reports, and having reviewed and certified the Final Environmental Impact Report on the Redevelopment Plans as adequate, complete, and in compliance with CEQA, does hereby find the Bayview Hunters Point Redevelopment Plan, as amended, and the Hunters Point Shipyards Redevelopment Plan, as amended, dated May 6, 2010 respectively, in conformity with the General Plan as it is recommended to be amended by Resolution No. 18101; and

BE IT FURTHER RESOLVED, That the Planning Commission hereby finds that up to 5,000,000 square feet of office development contemplated by the Hunters Point Shipyards Redevelopment Plan and up to 150,000 square feet of office development contemplated in Zone 1 of the Bayview Hunters Point Redevelopment Plans in particular promotes the public welfare, convenience and necessity for the following reasons:

1. The office development is part of the Redevelopment Plans, which would eliminate blighting influences and correct environmental deficiencies in the Hunters Point Redevelopment Project Area and Zone 1 (Candlestick Point) of the Bayview Hunters Point Redevelopment Project Area through a comprehensive plan for redevelopment.
2. The Redevelopment Plans and their supporting documents include a series of detailed design standards and guidelines which will ensure quality design of office development as well as a quality urban design scheme.
3. The Redevelopment Plans provide the important ability to retain and promote, within the City and County of San Francisco, 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.
4. Implementing permitted office uses as part of the Redevelopment Plans enables the achievement of a coordinated mixed-use development plan incorporating many features, such as large open spaces and parks and a new street grid,.
5. Implementing the office use contemplated by the Redevelopment Plans 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 approximately 850,000 leasable square feet of various kinds of retail space, and as much as about 5,000,000 leasable square feet of mixed office, research and development and light manufacturing uses depending on the final disposition of the 49ers to building a new stadium at the Shipyard.

6. Build-out, including office uses, of both the Candlestick Point and Hunters Point Shipyard Phase 2 is anticipated to result in significant positive fiscal impacts to the City. This includes \$22 million in net cumulative revenues will accrue to other City funds including the Children's Fund, Library Fund and Open Space Fund
7. The development proposed by the Project will also have significant positive economic impacts on the City. At full build-out, employment in the Project Area is expected to be about 10,700. Direct and indirect job generation is estimated to be about 18,500. About 55% of the direct and indirect jobs are expected to be held by San Francisco residents. Project-related construction employment is projected to total 1,500 annual full-time equivalent jobs over the build-out period, representing a five percent increase in the City's construction job industry base. The employees working at the Project Area are expected to generate total household income of about \$746 million annually. Total direct, indirect and induced economic activity within the City and County of San Francisco is expected to be approximately \$3.7 billion. The Project provides an unprecedented system for diversity and economic development, including good faith efforts to meet goals for hiring minority and women-owned consulting and contracting businesses, hiring of minority and women laborers, compliance with prevailing wage policies, and would include a robust job training and placement program that will include, but not be limited to, almost \$9 million to workforce training and placement programs for local residents. . The community benefits package also includes funds for child care and school facilities. Development of office uses will help to create the employment opportunities to achieve such hiring goals.
8. The Project includes the opportunity for substantial new publicly accessible open spaces totaling upwards of approximately 336 acres including a fully realized CPSRA, the dual use sports facility on the stadium's parking lot, ecological restoration areas, and a wide variety of neighborhood parks, plazas and shorefront promenades. Office users will benefit from the conveniently located open space, and the development of office uses will help to finance the provision of such open space and its maintenance.
9. The office uses would be located in an ideal area to take advantage of a wide variety of transit, including a new Bus Rapid Transit (BRT) line, express downtown buses, and extended Muni lines. The Project Area has been designed in consultation with the City, including MUNI, to capitalize on opportunities to coordinate with and expand transit systems to serve the Project. The Project also includes Transportation Management Programs which will be in place throughout the development of the Project Area.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

10. The Plan areas include sites for both a new fire station and a flexible approach to other community facilities including the potential use for a school, so that necessary services and assistance are available near the office uses and so that office uses will not otherwise burden existing services.
11. The Redevelopment Plan and their supporting documents include significant new infrastructure, including a linked program for creation of a comprehensive vehicular, bicycle and pedestrian circulation system. The public infrastructure will include public streets, underground pipes, traffic signals and open space, plus additional substantial infrastructure as described in the Candlestick Point – Hunters Point Shipyards Phase 2 Infrastructure Plan. An emphasis will be placed on sustainable development techniques as outlined in the Sustainability Plan. The office development would be adequately served by the infrastructure and the tax increment generated by office development in the Project Area will also provide a critical component of the financing of such infrastructure.
12. This new infrastructure included in the Plan will be financed through a self-taxing financing device to be imposed upon the Project Area (excluding affordable housing sites and open space).

BE IT FURTHER RESOLVED, That the Planning Commission has considered the factors set forth in Planning Code Section 321(b)(3)(A)-(G) and finds as follows:

- (A) The apportionment of potential office space over the course of many approval periods during the anticipated 20-30 year build-out of the Plan Areas will remain within the limits of Planning Code Section 321 and will maintain a balance between economic growth and housing, transportation and public services, pursuant to the terms of the Plans and their supporting documents which provide for the appropriate construction and provision of housing, roadways, transit and all other necessary public services in accordance with the Infrastructure Plan; and
- (B) As determined in this Resolution, above, and for the additional reasons set forth in Planning Commission Resolution No. 18101, the adoption of the Plan, which includes office uses and contemplates office development, and all of the other implementation actions, are consistent with the objectives and policies of the General Plan and Priority Policies of Planning Code Section 101.1 and will contribute positively to the achievement of City objectives and policies as set forth in the General Plan; and
- (C) The design guidelines for the Project Area are set forth in the respective Design for Development documents for Candlestick Point and Hunters Point Shipyards Phase 2. This Planning Commission has reviewed the design standards and guidelines and finds that such standards and guidelines will ensure quality design of any proposed office

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

development. In addition, the Planning Commission will review any specific office development subject to the terms of Planning Code §§320-325 to confirm that the design of that office development is consistent with the findings set forth herein; and

- (D) The potential office development contemplated in the Plans is suitable for the Project Area where it would be located. As discussed above, transportation, housing and other public services including open space will be provided in the Project Area. The office development would be located in an area which is not currently developed, nor is it heavily developed with other office uses; and
- (E) As noted above, the anticipated uses of the office development will enhance employment opportunities and will serve other Research and Development related uses including potentially those for green technology businesses which wish to locate in the Project Area, where the underdeveloped nature of the area provides a readily available supply of space for potential research and development, light industrial and office uses; and
- (F) While the overall Project is being developed by a master developer, the proposed office development is available to serve a variety of users, including a variety of businesses expected to locate in the area, and could accommodate a multiplicity of owners; and
- (G) The Plan does not provide for the use of transferrable development rights ("TDRs") and this Planning Commission does not believe that the use of TDRs is useful or appropriate in the Project Area, given the availability of space for development and the fact that only a relatively few number of buildings have been identified as a potential historic resource; and

BE IT FURTHER RESOLVED, That the Planning Commission will review and approve the design of specific office development which may be proposed in the Project Area and subject to the provisions of Planning Code §§320-325, using the design standards and guidelines set forth in the Design for Development, as reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein; and

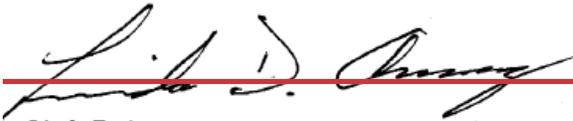
BE IT FURTHER RESOLVED, That upon such determination, the Planning Commission will issue an authorization for the proposed office development project;

BE IT FURTHER RESOLVED, That the Planning Commission does hereby recommend approval of the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Redevelopment Plan to the Board of Supervisors.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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, Moore and Sugaya

NOES: Commissioner Olague

ABSENT: None

ADOPTED: June 3, 2010

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

Candlestick Point ("the Project"). The areas within the Candlestick Activity Node Special Use District and the Hunters Point Shipyards Phase 2 Special Use District together comprise the Project Site ("The Project Site"). As set forth in Proposition G, passed by San Francisco voters on June 3, 2008, the Project is designed to reconnect the Shipyards 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 Shipyards

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.

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.

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.

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.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

In March 2004, the Redevelopment Agency, in cooperation with the City and the Shipyard developer negotiated a comprehensive agreement with the Navy governing the terms and conditions of the hazardous materials remediation and conveyance of the Shipyard by the Navy to the Agency. The Conveyance Agreement obligates the Navy to remediate the hazardous materials on the Shipyard to levels consistent with the land uses designated in the original redevelopment plans for the Shipyard and to convey parcels to the Agency at no cost on a phased basis as the Navy successfully completes the remediation.

In 2005, the Navy conveyed Parcel A to the Agency under the Conveyance Agreement, and the Agency then closed escrow on its transfer of a portion of Parcel A to the Shipyard developer to begin site preparation and infrastructure development for the construction of new housing and parks on Parcel A.

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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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.

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; and

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 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 Shipyard, and a site for a potential new stadium for the 49ers on the Shipyard; and

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.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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.

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 June 3, 2010, by Resolution No.18098, the Planning Commission adopted amendments to the General Plan and recommended to the Board of Supervisors approval of those amendments to the General Plan including amendments to Bayview Hunters Point Area Plan and the Commerce and Industry Element, and the creation of the Candlestick Point Subarea Plan, and the Hunters Point Area Plan.

Pursuant to Sections 33346 and 33354.6 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 or amendment by the Board of Supervisors.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of the Bayview Hunters Point and Hunters Point Shipyards, 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; and

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

The proposed Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans provides 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 Plan as well as the Eight Priority Policies of Section 101.1 of the Planning Code as set forth in Planning Commission Resolution.

The Planning Commission believes that the Bayview Hunters Point Redevelopment Plan as amended and the Hunters Point Shipyard Redevelopment Plan as amended would meet these objectives; and

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 an 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.

The proposed Hunters Point Shipyard Redevelopment Plan provides that to facilitate early job generation within the Project Area during the early phases of redevelopment under this Plan, the first 800,000 square feet of office development within the Project Area is to receive priority under Sections 320-325 over all office development proposed elsewhere in the City, except within (a) the Mission Bay South Project Areas; and (b) the Transbay Transit Tower (proposed for development on Lot 001 of assessors Block 3720) (but not the remainder of the Transbay Redevelopment Project Area)

The Design for Development document contains detailed design standards and guidelines for all proposed development in both the Candlestick Point and Hunters Point Shipyard areas ("the Project Area").

The Candlestick Point area comprises approximately 281 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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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".

Any office development in the Candlestick Point and Hunters Point Shipyards will be subject to the limitation on the amount of square footage which may be approved, as set forth in Planning Code 321 or as amended by the voters.

Planning Code Sections 320-325 require review of proposed office development, as defined in Planning Code Section 320, by the Planning Commission and consideration of certain factors in approval of any office development.

Based upon the information before the Planning Commission regarding design guidelines for in the Design for Development for Candlestick Point and Hunters Point Shipyards, and the land use designations set out in the respective Redevelopment Plans, the Candlestick Point Subarea Plan and the Hunters Point Shipyards Area Plan, and the goals and objectives of set out in all the relevant documents, the Planning Commission hereby makes the findings set forth below, in accordance with Planning Code Section 321.

The Planning Commission has reviewed and considered the factors set forth in Planning Code Section 321(b) in order to make the determination that the office development contemplated by the Plan in particular would promote the public welfare, convenience and necessity. Those factors include consideration of the balance between economic growth and housing, transportation and public services, the contribution of the office development to the objectives and policies of the General Plan, the quality of the design of the proposed office development, the suitability of the proposed office development for its location, the anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses, the extent to which the proposed development will be owned or occupied by a single entity, and the use of transferable development rights for such office development.

The Planning Commission will review the design and details of individual office developments which are proposed in the Project Area, using the design standards and guidelines set forth in the Design for Development reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein.

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 Shipyards Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth.

The Planning Commission finds the amended Bayview Hunters Point Redevelopment Plan and the amended Hunters Point Shipyard Redevelopment Plan as described in Exhibit A to this Resolution consistent with the General Plan, as it is proposed to be amended, and to Section 101.1 of the Planning Code as described in Exhibit A to Resolution No. 18101 which findings are hereby incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, BE IT RESOLVED, That the Planning Commission having considered this proposal at a public meeting on June 3, 2010 pursuant to Planning Code Sections 302(b) and 340, having heard and reviewed oral and written testimony and reports, and having reviewed and certified the Final Environmental Impact Report on the Redevelopment Plans as adequate, complete, and in compliance with CEQA, does hereby find the Bayview Hunters Point Redevelopment Plan, as amended, and the Hunters Point Shipyard Redevelopment Plan, as amended, dated May 6, 2010 respectively, in conformity with the General Plan as it is recommended to be amended by Resolution No. 18101; and

BE IT FURTHER RESOLVED, That the Planning Commission hereby finds that up to 5,000,000 square feet of office development contemplated by the Hunters Point Shipyard Redevelopment Plan and up to 150,000 square feet of office development contemplated in Zone 1 of the Bayview Hunters Point Redevelopment Plans in particular promotes the public welfare, convenience and necessity for the following reasons:

1. The office development is part of the Redevelopment Plans, which would eliminate blighting influences and correct environmental deficiencies in the Hunters Point Redevelopment Project Area and Zone 1 (Candlestick Point) of the Bayview Hunters Point Redevelopment Project Area through a comprehensive plan for redevelopment.
2. The Redevelopment Plans and their supporting documents include a series of detailed design standards and guidelines which will ensure quality design of office development as well as a quality urban design scheme.
3. The Redevelopment Plans provide the important ability to retain and promote, within the City and County of San Francisco, 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.
4. Implementing permitted office uses as part of the Redevelopment Plans enables the achievement of a coordinated mixed-use development plan incorporating many features, such as large open spaces and parks and a new street grid.
5. Implementing the office use contemplated by the Redevelopment Plans 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 approximately 850,000 leasable square feet of various kinds of retail space, and as much as about 5,000,000 leasable square feet of mixed office, research and development and light manufacturing uses depending on the final disposition of the 49ers to building a new stadium at the Shipyards.

6. Build-out, including office uses, of both the Candlestick Point and Hunters Point Shipyards Phase 2 is anticipated to result in significant positive fiscal impacts to the City. This includes \$22 million in net cumulative revenues will accrue to other City funds including the Children's Fund, Library Fund and Open Space Fund
7. The development proposed by the Project will also have significant positive economic impacts on the City. At full build-out, employment in the Project Area is expected to be about 10,700. Direct and indirect job generation is estimated to be about 18,500. About 55% of the direct and indirect jobs are expected to be held by San Francisco residents. Project-related construction employment is projected to total 1,500 annual full-time equivalent jobs over the build-out period, representing a five percent increase in the City's construction job industry base. The employees working at the Project Area are expected to generate total household income of about \$746 million annually. Total direct, indirect and induced economic activity within the City and County of San Francisco is expected to be approximately \$3.7 billion. The Project provides an unprecedented system for diversity and economic development, including good faith efforts to meet goals for hiring minority and women-owned consulting and contracting businesses, hiring of minority and women laborers, compliance with prevailing wage policies, and would include a robust job training and placement program that will include, but not be limited to, almost \$9 million to workforce training and placement programs for local residents. The community benefits package also includes funds for child care and school facilities. Development of office uses will help to create the employment opportunities to achieve such hiring goals.
8. The Project includes the opportunity for substantial new publicly accessible open spaces totaling upwards of approximately 336 acres including a fully realized CPSRA, the dual use sports facility on the stadium's parking lot, ecological restoration areas, and a wide variety of neighborhood parks, plazas and shorefront promenades. Office users will benefit from the conveniently located open space, and the development of office uses will help to finance the provision of such open space and its maintenance.
9. The office uses would be located in an ideal area to take advantage of a wide variety of transit, including a new Bus Rapid Transit (BRT) line, express downtown buses, and extended Muni lines. The Project Area has been designed in consultation with the City, including MUNI, to capitalize on opportunities to coordinate with and expand transit systems to serve the Project. The Project also includes Transportation Management Programs which will be in place throughout the development of the Project Area.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

10. The Plan areas include sites for both a new fire station and a flexible approach to other community facilities including the potential use for a school, so that necessary services and assistance are available near the office uses and so that office uses will not otherwise burden existing services.
11. The Redevelopment Plan and their supporting documents include significant new infrastructure, including a linked program for creation of a comprehensive vehicular, bicycle and pedestrian circulation system. The public infrastructure will include public streets, underground pipes, traffic signals and open space, plus additional substantial infrastructure as described in the Candlestick Point – Hunters Point Shipyards Phase 2 Infrastructure Plan. An emphasis will be placed on sustainable development techniques as outlined in the Sustainability Plan. The office development would be adequately served by the infrastructure and the tax increment generated by office development in the Project Area will also provide a critical component of the financing of such infrastructure.
12. This new infrastructure included in the Plan will be financed through a self-taxing financing device to be imposed upon the Project Area (excluding affordable housing sites and open space).

BE IT FURTHER RESOLVED, That the Planning Commission has considered the factors set forth in Planning Code Section 321(b)(3)(A)-(G) and finds as follows:

- (A) The apportionment of potential office space over the course of many approval periods during the anticipated 20-30 year build-out of the Plan Areas will remain within the limits of Planning Code Section 321 and will maintain a balance between economic growth and housing, transportation and public services, pursuant to the terms of the Plans and their supporting documents which provide for the appropriate construction and provision of housing, roadways, transit and all other necessary public services in accordance with the Infrastructure Plan; and
- (B) As determined in this Resolution, above, and for the additional reasons set forth in Planning Commission Resolution No. 18101, the adoption of the Plan, which includes office uses and contemplates office development, and all of the other implementation actions, are consistent with the objectives and policies of the General Plan and Priority Policies of Planning Code Section 101.1 and will contribute positively to the achievement of City objectives and policies as set forth in the General Plan; and
- (C) The design guidelines for the Project Area are set forth in the respective Design for Development documents for Candlestick Point and Hunters Point Shipyards Phase 2. This Planning Commission has reviewed the design standards and guidelines and finds that such standards and guidelines will ensure quality design of any proposed office

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

development. In addition, the Planning Commission will review any specific office development subject to the terms of Planning Code §§320-325 to confirm that the design of that office development is consistent with the findings set forth herein; and

- (D) The potential office development contemplated in the Plans is suitable for the Project Area where it would be located. As discussed above, transportation, housing and other public services including open space will be provided in the Project Area. The office development would be located in an area which is not currently developed, nor is it heavily developed with other office uses; and
- (E) As noted above, the anticipated uses of the office development will enhance employment opportunities and will serve other Research and Development related uses including potentially those for green technology businesses which wish to locate in the Project Area, where the underdeveloped nature of the area provides a readily available supply of space for potential research and development, light industrial and office uses; and
- (F) While the overall Project is being developed by a master developer, the proposed office development is available to serve a variety of users, including a variety of businesses expected to locate in the area, and could accommodate a multiplicity of owners; and
- (G) The Plan does not provide for the use of transferrable development rights (“TDRs”) and this Planning Commission does not believe that the use of TDRs is useful or appropriate in the Project Area, given the availability of space for development and the fact that only a relatively few number of buildings have been identified as a potential historic resource; and

BE IT FURTHER RESOLVED, That the Planning Commission will review and approve the design of specific office development which may be proposed in the Project Area and subject to the provisions of Planning Code §§320-325, using the design standards and guidelines set forth in the Design for Development, as reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein; and

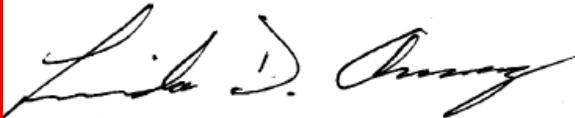
BE IT FURTHER RESOLVED, That upon such determination, the Planning Commission will issue an authorization for the proposed office development project;

BE IT FURTHER RESOLVED, That the Planning Commission does hereby recommend approval of the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Redevelopment Plan to the Board of Supervisors.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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, Moore and Sugaya

NOES: Commissioner Olague

ABSENT: None

ADOPTED: June 3, 2010



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 18102

HEARING DATE: JUNE 3, 2010

Date: March 18, 2010
Case No.: 2007.0946BEMRTUZ
Project: Candlestick Point – Hunters Point Shipyard Phase 2
Finding the Redevelopment Plan Amendments Consistent with
the General Plan, Recommending Approval of Redevelopment
Plan Amendments, and Making Office Allocation Findings
(Planning Code Section 320 – 325)
Block/Lot: Candlestick Point and Hunters Point Shipyard
Staff Contact: Mat Snyder – (415) 575-6891
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Recommendation: Approval

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ESTABLISHING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN OF THE CITY AND COUNTY OF SAN FRANCISCO FOR PROPOSED AMENDMENTS TO THE BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN AND THE HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN, AS PART OF THE CANDLESTICK POINT - HUNTERS POINT SHIPYARD PHASE 2 PROJECT, RECOMMENDING THE APPROVAL OF THE AMENDMENTS TO SUCH REDEVELOPMENT PLANS, AND MAKING OFFICE ALLOCATION FINDINGS PURSUANT TO PLANNING CODE SECTIONS 320 - 325.

WHEREAS, In accordance with California Redevelopment Law, the San Francisco Redevelopment Agency is proposing to amend both the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan.

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 proposed consolidated redevelopment of the Hunters Point Shipyard Phase 2 and

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Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

Candlestick Point ("the Project"). The areas within the Candlestick Activity Node Special Use District and the Hunters Point Shipyards Phase 2 Special Use District together comprise the Project Site ("The Project Site"). As set forth in Proposition G, passed by San Francisco voters on June 3, 2008, the Project is designed to reconnect the Shipyards 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 Shipyards

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.

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.

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.

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.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

In March 2004, the Redevelopment Agency, in cooperation with the City and the Shipyard developer negotiated a comprehensive agreement with the Navy governing the terms and conditions of the hazardous materials remediation and conveyance of the Shipyard by the Navy to the Agency. The Conveyance Agreement obligates the Navy to remediate the hazardous materials on the Shipyard to levels consistent with the land uses designated in the original redevelopment plans for the Shipyard and to convey parcels to the Agency at no cost on a phased basis as the Navy successfully completes the remediation.

In 2005, the Navy conveyed Parcel A to the Agency under the Conveyance Agreement, and the Agency then closed escrow on its transfer of a portion of Parcel A to the Shipyard developer to begin site preparation and infrastructure development for the construction of new housing and parks on Parcel A.

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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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.

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; and

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 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 Shipyard, and a site for a potential new stadium for the 49ers on the Shipyard; and

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.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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.

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 June 3, 2010, by Resolution No.18098, the Planning Commission adopted amendments to the General Plan and recommended to the Board of Supervisors approval of those amendments to the General Plan including amendments to Bayview Hunters Point Area Plan and the Commerce and Industry Element, and the creation of the Candlestick Point Subarea Plan, and the Hunters Point Area Plan.

Pursuant to Sections 33346 and 33354.6 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 or amendment by the Board of Supervisors.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of the Bayview Hunters Point and Hunters Point Shipyards, 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; and

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

The proposed Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans provides 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 Plan as well as the Eight Priority Policies of Section 101.1 of the Planning Code as set forth in Planning Commission Resolution.

The Planning Commission believes that the Bayview Hunters Point Redevelopment Plan as amended and the Hunters Point Shipyard Redevelopment Plan as amended would meet these objectives; and

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 an 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.

The proposed Hunters Point Shipyard Redevelopment Plan provides that to facilitate early job generation within the Project Area during the early phases of redevelopment under this Plan, the first 800,000 square feet of office development within the Project Area is to receive priority under Sections 320-325 over all office development proposed elsewhere in the City, except within (a) the Mission Bay South Project Areas; and (b) the Transbay Transit Tower (proposed for development on Lot 001 of assessors Block 3720) (but not the remainder of the Transbay Redevelopment Project Area)

The Design for Development document contains detailed design standards and guidelines for all proposed development in both the Candlestick Point and Hunters Point Shipyard areas ("the Project Area").

The Candlestick Point area comprises approximately 281 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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

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".

Any office development in the Candlestick Point and Hunters Point Shipyards will be subject to the limitation on the amount of square footage which may be approved, as set forth in Planning Code 321 or as amended by the voters.

Planning Code Sections 320-325 require review of proposed office development, as defined in Planning Code Section 320, by the Planning Commission and consideration of certain factors in approval of any office development.

Based upon the information before the Planning Commission regarding design guidelines for in the Design for Development for Candlestick Point and Hunters Point Shipyards, and the land use designations set out in the respective Redevelopment Plans, the Candlestick Point Subarea Plan and the Hunters Point Shipyards Area Plan, and the goals and objectives of set out in all the relevant documents, the Planning Commission hereby makes the findings set forth below, in accordance with Planning Code Section 321.

The Planning Commission has reviewed and considered the factors set forth in Planning Code Section 321(b) in order to make the determination that the office development contemplated by the Plan in particular would promote the public welfare, convenience and necessity. Those factors include consideration of the balance between economic growth and housing, transportation and public services, the contribution of the office development to the objectives and policies of the General Plan, the quality of the design of the proposed office development, the suitability of the proposed office development for its location, the anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses, the extent to which the proposed development will be owned or occupied by a single entity, and the use of transferable development rights for such office development.

The Planning Commission will review the design and details of individual office developments which are proposed in the Project Area, using the design standards and guidelines set forth in the Design for Development reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein.

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 Shipyards Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyard Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth.

The Planning Commission finds the amended Bayview Hunters Point Redevelopment Plan and the amended Hunters Point Shipyard Redevelopment Plan as described in Exhibit A to this Resolution consistent with the General Plan, as it is proposed to be amended, and to Section 101.1 of the Planning Code as described in Exhibit A to Resolution No. 18101 which findings are hereby incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, BE IT RESOLVED, That the Planning Commission having considered this proposal at a public meeting on June 3, 2010 pursuant to Planning Code Sections 302(b) and 340, having heard and reviewed oral and written testimony and reports, and having reviewed and certified the Final Environmental Impact Report on the Redevelopment Plans as adequate, complete, and in compliance with CEQA, does hereby find the Bayview Hunters Point Redevelopment Plan, as amended, and the Hunters Point Shipyard Redevelopment Plan, as amended, dated May 6, 2010 respectively, in conformity with the General Plan as it is recommended to be amended by Resolution No. 18101; and

BE IT FURTHER RESOLVED, That the Planning Commission hereby finds that up to 5,000,000 square feet of office development contemplated by the Hunters Point Shipyard Redevelopment Plan and up to 150,000 square feet of office development contemplated in Zone 1 of the Bayview Hunters Point Redevelopment Plans in particular promotes the public welfare, convenience and necessity for the following reasons:

1. The office development is part of the Redevelopment Plans, which would eliminate blighting influences and correct environmental deficiencies in the Hunters Point Redevelopment Project Area and Zone 1 (Candlestick Point) of the Bayview Hunters Point Redevelopment Project Area through a comprehensive plan for redevelopment.
2. The Redevelopment Plans and their supporting documents include a series of detailed design standards and guidelines which will ensure quality design of office development as well as a quality urban design scheme.
3. The Redevelopment Plans provide the important ability to retain and promote, within the City and County of San Francisco, 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.
4. Implementing permitted office uses as part of the Redevelopment Plans enables the achievement of a coordinated mixed-use development plan incorporating many features, such as large open spaces and parks and a new street grid.
5. Implementing the office use contemplated by the Redevelopment Plans 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

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
Sections 320-325 of the Planning
Code

through the addition of approximately 850,000 leasable square feet of various kinds of retail space, and as much as about 5,000,000 leasable square feet of mixed office, research and development and light manufacturing uses depending on the final disposition of the 49ers to building a new stadium at the Shipyards.

6. Build-out, including office uses, of both the Candlestick Point and Hunters Point Shipyards Phase 2 is anticipated to result in significant positive fiscal impacts to the City. This includes \$22 million in net cumulative revenues will accrue to other City funds including the Children's Fund, Library Fund and Open Space Fund
7. The development proposed by the Project will also have significant positive economic impacts on the City. At full build-out, employment in the Project Area is expected to be about 10,700. Direct and indirect job generation is estimated to be about 18,500. About 55% of the direct and indirect jobs are expected to be held by San Francisco residents. Project-related construction employment is projected to total 1,500 annual full-time equivalent jobs over the build-out period, representing a five percent increase in the City's construction job industry base. The employees working at the Project Area are expected to generate total household income of about \$746 million annually. Total direct, indirect and induced economic activity within the City and County of San Francisco is expected to be approximately \$3.7 billion. The Project provides an unprecedented system for diversity and economic development, including good faith efforts to meet goals for hiring minority and women-owned consulting and contracting businesses, hiring of minority and women laborers, compliance with prevailing wage policies, and would include a robust job training and placement program that will include, but not be limited to, almost \$9 million to workforce training and placement programs for local residents. The community benefits package also includes funds for child care and school facilities. Development of office uses will help to create the employment opportunities to achieve such hiring goals.
8. The Project includes the opportunity for substantial new publicly accessible open spaces totaling upwards of approximately 336 acres including a fully realized CPSRA, the dual use sports facility on the stadium's parking lot, ecological restoration areas, and a wide variety of neighborhood parks, plazas and shorefront promenades. Office users will benefit from the conveniently located open space, and the development of office uses will help to finance the provision of such open space and its maintenance.
9. The office uses would be located in an ideal area to take advantage of a wide variety of transit, including a new Bus Rapid Transit (BRT) line, express downtown buses, and extended Muni lines. The Project Area has been designed in consultation with the City, including MUNI, to capitalize on opportunities to coordinate with and expand transit systems to serve the Project. The Project also includes Transportation Management Programs which will be in place throughout the development of the Project Area.

Hearing Date: June 3, 2010
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Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
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Office Allocation Findings Under
Sections 320-325 of the Planning
Code

10. The Plan areas include sites for both a new fire station and a flexible approach to other community facilities including the potential use for a school, so that necessary services and assistance are available near the office uses and so that office uses will not otherwise burden existing services.
11. The Redevelopment Plan and their supporting documents include significant new infrastructure, including a linked program for creation of a comprehensive vehicular, bicycle and pedestrian circulation system. The public infrastructure will include public streets, underground pipes, traffic signals and open space, plus additional substantial infrastructure as described in the Candlestick Point – Hunters Point Shipyards Phase 2 Infrastructure Plan. An emphasis will be placed on sustainable development techniques as outlined in the Sustainability Plan. The office development would be adequately served by the infrastructure and the tax increment generated by office development in the Project Area will also provide a critical component of the financing of such infrastructure.
12. This new infrastructure included in the Plan will be financed through a self-taxing financing device to be imposed upon the Project Area (excluding affordable housing sites and open space).

BE IT FURTHER RESOLVED, That the Planning Commission has considered the factors set forth in Planning Code Section 321(b)(3)(A)-(G) and finds as follows:

- (A) The apportionment of potential office space over the course of many approval periods during the anticipated 20-30 year build-out of the Plan Areas will remain within the limits of Planning Code Section 321 and will maintain a balance between economic growth and housing, transportation and public services, pursuant to the terms of the Plans and their supporting documents which provide for the appropriate construction and provision of housing, roadways, transit and all other necessary public services in accordance with the Infrastructure Plan; and
- (B) As determined in this Resolution, above, and for the additional reasons set forth in Planning Commission Resolution No. 18101, the adoption of the Plan, which includes office uses and contemplates office development, and all of the other implementation actions, are consistent with the objectives and policies of the General Plan and Priority Policies of Planning Code Section 101.1 and will contribute positively to the achievement of City objectives and policies as set forth in the General Plan; and
- (C) The design guidelines for the Project Area are set forth in the respective Design for Development documents for Candlestick Point and Hunters Point Shipyards Phase 2. This Planning Commission has reviewed the design standards and guidelines and finds that such standards and guidelines will ensure quality design of any proposed office

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
Recommending Approval of the
Redevelopment Plans, and Making
Office Allocation Findings Under
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development. In addition, the Planning Commission will review any specific office development subject to the terms of Planning Code §§320-325 to confirm that the design of that office development is consistent with the findings set forth herein; and

- (D) The potential office development contemplated in the Plans is suitable for the Project Area where it would be located. As discussed above, transportation, housing and other public services including open space will be provided in the Project Area. The office development would be located in an area which is not currently developed, nor is it heavily developed with other office uses; and
- (E) As noted above, the anticipated uses of the office development will enhance employment opportunities and will serve other Research and Development related uses including potentially those for green technology businesses which wish to locate in the Project Area, where the underdeveloped nature of the area provides a readily available supply of space for potential research and development, light industrial and office uses; and
- (F) While the overall Project is being developed by a master developer, the proposed office development is available to serve a variety of users, including a variety of businesses expected to locate in the area, and could accommodate a multiplicity of owners; and
- (G) The Plan does not provide for the use of transferrable development rights (“TDRs”) and this Planning Commission does not believe that the use of TDRs is useful or appropriate in the Project Area, given the availability of space for development and the fact that only a relatively few number of buildings have been identified as a potential historic resource; and

BE IT FURTHER RESOLVED, That the Planning Commission will review and approve the design of specific office development which may be proposed in the Project Area and subject to the provisions of Planning Code §§320-325, using the design standards and guidelines set forth in the Design for Development, as reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein; and

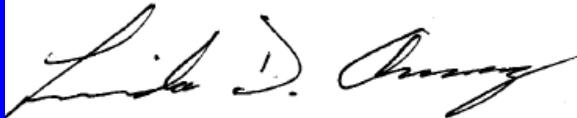
BE IT FURTHER RESOLVED, That upon such determination, the Planning Commission will issue an authorization for the proposed office development project;

BE IT FURTHER RESOLVED, That the Planning Commission does hereby recommend approval of the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Redevelopment Plan to the Board of Supervisors.

Hearing Date: June 3, 2010
Resolution No. 18102

Case No 2007.0946BEMTZRU
Candlestick Point – Hunters Point
Shipyards Phase 2 - Findings of
Consistency with the General Plan,
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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, Moore and Sugaya

NOES: Commissioner Olague

ABSENT: None

ADOPTED: June 3, 2010

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Attachment H - Proposition O (2016)

H-1

Bayview Hunters Point Redevelopment Plan
July 16, 2018

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DEPARTMENT OF ELECTIONS

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

[TITLE]

[SUMMARY]

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

SECTION 1. Title.

This Initiative shall be known and may be cited as the “Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition” (referred to hereinafter as the “Initiative”).

SECTION 2. Findings & Conclusions.

(a) In 2008, San Francisco voters adopted Proposition G, the Bayview Jobs, Park and Housing Initiative, by a 63% to 37% vote. Proposition G sought to revitalize the Bayview Hunters Point area with hundreds of acres of parks, significant jobs and economic development opportunities, and a substantial number of affordable and market-rate homes. Proposition G recognized that the closure of the Hunters Point Shipyard, once a thriving maritime industrial center and leading hub of employment, had resulted in significant job losses, which had profoundly affected the economics of the area. Accordingly, the voters envisioned substantial redevelopment of the area, including office development that was designed to replace the high-quality, permanent jobs lost when the Shipyard closed.

(b) Since 2008, extensive environmental and public review has been undertaken. Redevelopment plans, area plans, zoning ordinances and agreements have been approved and entered into. For the property shown on the maps below (Hunters Point Shipyard Phase 2 and Candlestick Point), various approval documents allow and provide for extensive development, including the following:

- Approximately 330 acres for parks and open space, and approximately 370 acres for housing, research and technology jobs, retail sales, office space, and workspace for artists;
- 10,500 housing units, of which approximately one-third must be priced at below-market prices;
- 5,150,000 square feet of research and development, and office uses;
- 885,000 square feet of retail and entertainment uses.

(c) It has been eight years since Proposition G was passed, and the jobs envisioned in Proposition G have not yet materialized. The office uses, which are a key component of the plan to regenerate jobs lost to the Shipyard closure, face a special hurdle: a 1986 initiative called Proposition M. Among other things, Proposition M imposed a growth management program on office space, generally limiting office development to 950,000 square feet per year. The Bayview Hunters Point office development anticipated in Proposition G and in the subsequent approvals could wait many years before being built because of this program. However, Proposition M was adopted decades ago, when it was assumed office development would be concentrated in the downtown area. Hunters Point Shipyard Phase 2 and Candlestick Point are not located downtown—they are located on and around the site of the decommissioned Hunters Point Shipyard and former Candlestick Park in the southeastern part of the City. If left unamended, the growth management program of Proposition M would thwart the voters’ desire to revitalize the area and expedite development of job-creating uses.

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DEPARTMENT OF ELECTIONS

[TITLE]

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(d) This Initiative amends the provisions of Proposition M and the San Francisco Planning Code that regulate the pace of office development. It removes Hunters Point Shipyard Phase 2 and Candlestick Point from the area within which an allocation or project authorization allowing office development may be required. This Initiative is intended to facilitate a rational development pace for this area, and to implement the voters' desire to realize the revitalization contemplated in Proposition G. To achieve these goals, this Initiative would also establish a policy that development applications shall be processed and decided quickly, and development expedited.

(e) This Initiative would not affect the applicability of the office development controls enacted by Proposition M to other areas of the City. This Initiative also would not affect the applicability of the priority policies adopted by Part 1 of Proposition M, nor would it affect the applicability of the resident placement and training program adopted by Part 3 of Proposition M.

SECTION 3. Part 2 of Proposition M (November 1986) and the Planning Code are hereby amended by adding Section 324.1 to read as follows:

SEC. 324.1. DEVELOPMENT IN HUNTERS POINT SHIPYARD PHASE 2 AND CANDLESTICK POINT.

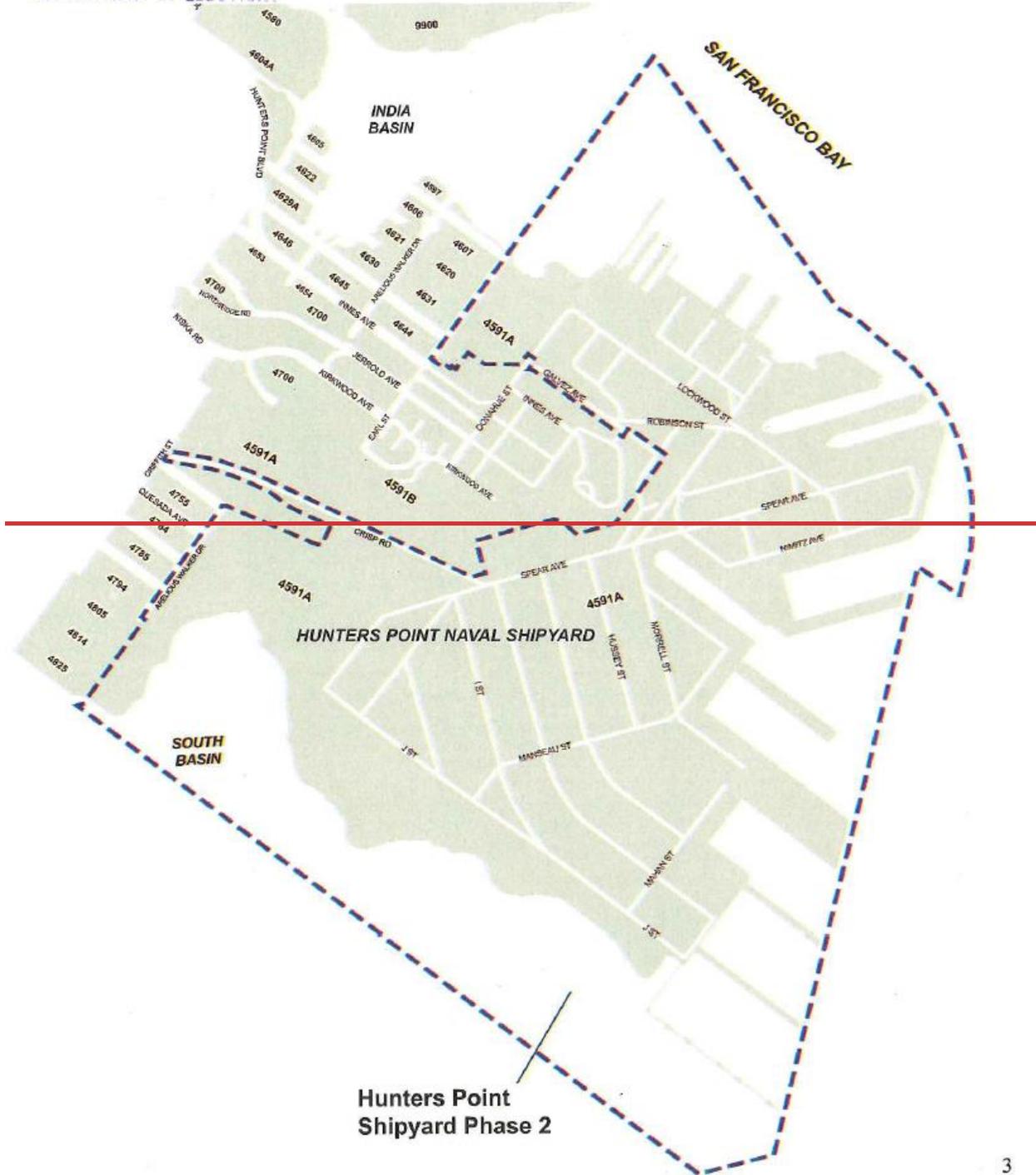
(a) For purposes of this Section 324.1, "Development" includes, without limitation, development, redevelopment, reuse and reoccupancy; and the "Subject Property" is comprised of property within the dotted lines depicted on the following maps:

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(b) Notwithstanding Part 2 – Annual Limit of Proposition M (November 1986) and other provisions of any San Francisco Code, the terms “office development,” “office space,” and “additional office space,” when used in Sections 320-325 of this Planning Code, shall not include Development on the Subject Property.

(c) No project authorization or allocation shall be required for any Development on the Subject Property. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.

(d) Development on the Subject Property shall not affect the annual limit or the unallocated amount referenced in Sections 320-324. The amount of office development for which project authorizations may be granted under Sections 320-324 on properties other than the Subject Property shall be determined without regard to the amount of Development on the Subject Property.

SECTION 4. Section 325 of Proposition M (1986) and the Planning Code are hereby amended to read as follows:

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, ~~323,~~ and 324 and 324.1, as of October 17, 1985, as amended by the voters on November 4, 1986 and November 8, 2016, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

SECTION 5. Declaration of Policy.

The following declaration of policy is approved by the voters as specified in San Francisco Charter Section 14.101:

It shall be the policy of the City and County of San Francisco that applications for Development on the Subject Property shall be processed and decided as quickly as feasible, in implementation of the voters' strong desire and intent that Development on the Subject Property be expedited.

SECTION 6. Interpretation.

This Initiative shall not be interpreted to exempt any development on the Subject Property from paying any fees that such development would otherwise be required to pay but for the adoption of this Initiative.

This Initiative (including the definitions in new Section 321.4) shall not be interpreted to affect the application of Planning Code Sections 321-324 to any property other than the Subject Property.

This Initiative shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. It is the intent of the voters that the provisions of this Initiative be interpreted or implemented in a manner that facilitates the purposes set forth in this Initiative. The title of this Initiative and the captions preceding the sections of this Initiative are for convenience of reference only. Such title and captions shall not define or limit the scope or purpose of any provision of this Initiative. The use of the terms “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The use of the term “or” shall be construed to mean and/or.

This Initiative proposes to add text and maps to the referenced sections of Proposition M (November 1986) and the Planning Code. The new text is indicated above with **bold, underlined text**, and deleted text is shown in **~~bold-strikeout-text~~**. The voters intend to enact only the boundaries shown on the maps included in Section 321.4, and do not enact any other aspects of those maps.

To allow the amendments to be read in context, the following exhibits are attached:

- Exhibit A The text of Sections 320 through 325 of the San Francisco Planning Code, as they exist on May 1, 2016
- Exhibit B The text of Proposition M (November 1986)
- Exhibit C A map demonstrating the location of the Subject Property within the City & County of San Francisco.

These exhibits are attached for informational purposes only, and not enacted by this Initiative. The amendments enacted by this Initiative are those set forth in Sections 3 and 4 of this Initiative.

SECTION 7. Severability.

If any provision of this Initiative, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Initiative are severable. The voters declare that this Initiative, and each word, phrase, sentence, section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any other provision or provisions is found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Initiative that can be given effect without the invalid application. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we, the People of the City and County of San Francisco, indicate our strong desire that: (i) the Board of Supervisors use its best efforts to sustain and provide for the re-enactment of that portion, and (ii) the Board of Supervisors implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including, if necessary, taking the appropriate steps to provide for the adoption or re-enactment of any such portion in a manner consistent with the intent of this Initiative.

SECTION 8. Conflicting Ballot Measures.

In the event that this Initiative and another measure or measures relating to the development of office space on Hunters Point Shipyard Phase 2 or Candlestick Point shall appear on the same municipal election ballot, the provisions of such other measures shall be deemed to be in conflict with this Initiative. In the event that this Initiative shall receive a greater number of affirmative votes, the provisions of this Initiative shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this Initiative shall take effect to the extent permitted by law. If this Initiative is approved by the voters but superseded by law in whole or in part by any other conflicting initiative approved by the voters at the same election, and such conflicting initiative is later held invalid, this Initiative shall be self-executing and given full force of law.

SECTION 9. Effective Date.

In accordance with the provisions of Municipal Elections Code § 380 and California Elections Code § 9217, if a majority of the voters vote in favor of the Initiative, the Initiative shall go into effect ten days after the official vote count is declared by the Board of Supervisors.

SECTION 10. Amendment.

Clerical actions may be taken by staff of the City and County of San Francisco to relocate the maps enacted by this Initiative to a location other than within Section 324.1 of the Planning Code, and to note in Section 324.1 where such maps may be found, provided that doing so effects no substantive change to this Initiative. Pursuant to Municipal Elections Code § 390 and California Elections Code § 9217 no other provision of this Initiative may be amended except by a vote of the People.

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EXHIBIT A (FOR INFORMATIONAL PURPOSES ONLY) San Francisco Planning Code §§ 320-325

SEC. 320. OFFICE DEVELOPMENT: DEFINITIONS.

When used in Sections 320, 321, 322 and 323, the following terms shall each have the meaning indicated. See also Section 102.

(a) "Additional office space" shall mean the number of square feet of gross floor area of office space created by an office development, reduced, in the case of a modification or conversion, by the number of square feet of gross floor area of preexisting office space which is lost.

(b) "Approval period" shall mean the 12-month period beginning on October 17, 1985 and each subsequent 12-month period.

(c) "Approve" shall mean to approve issuance of a project authorization and shall include actions of the Planning Commission, Board of Appeals and Board of Supervisors.

(d) "Completion" shall mean the first issuance of a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy as defined in San Francisco Building Code Section 307.

(e) "Disapprove" shall mean for an appellate administrative agency or court, on review of an office development, to direct that construction shall not proceed, in whole or in part.

(f) "Office space" shall mean space within a structure intended or primarily suitable for occupancy by persons or entities which perform for their own benefit or provide to others services at that location, including but not limited to professional, banking, insurance, management, consulting, technical, sales and design, or the office functions of manufacturing and warehousing businesses, but shall exclude the following: Retail use; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; any facility, other than physicians' or other individuals' offices and uses accessory thereto, customarily used for furnishing medical services, and design showcases or any other space intended and primarily suitable for display of goods. This definition shall include all uses encompassed within Section 102 of this Code.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

(1) Development which will result in less than 25,000 square feet of additional office space;

(2) Development either:

(i) Authorized under San Francisco Redevelopment Agency disposition or owner participation agreements which have been approved by Agency resolution prior to the effective date of this Section, or

(ii) Authorized prior to the effective date of this Section by Agency resolution in anticipation of such agreements with particular developers identified in the same or a subsequent agency resolution;

(3) Any development which is governed by prior law under Section 175.1(b) of this Code, unless modified after the effective date specified in Section 175.1(b) to add more than 15,000 square feet of additional office space. Any addition of office space up to 15,000 square feet shall count against the maximum for the approval period, pursuant to Section 321(a)(2)(B);

(4) Any development including conversion of 50,000 square feet or more of manufacturing space to office space where the manufacturing uses previously located in such space are relocated to another site within the City and County of San Francisco and the acquisition or renovation of the new manufacturing site is funded in whole or part by an Urban Development Action Grant approved by the Board of Supervisors;

(5) Any mixed-residential-commercial development which will be assisted by Community Development Block Grant funds approved by the Board of Supervisors in which all of the housing units shall be affordable to low-income households for a minimum of 40 years and for which an environmental review application and site permit application have been filed prior to the effective date of this ordinance which enacted the provisions of this Section;

(6) Any development authorized pursuant to a Planned Unit Development, as provided for by City Planning Code Section 304, providing for a total of 500 or more additional units of housing, provided such development first received a Planned Unit Development authorization prior to November 4, 1986. Such Planned Unit Development may be amended from time to time by the Planning Commission, but in no event shall any such amendment increase the amount of office space allowed for the development beyond the amount approved by the Planning Commission prior to November 4, 1986.

(h) "Project authorization" shall mean the authorization issued by the Planning Department pursuant to Sections 321 and 322 of this Code.

(i) "Replacement office space" shall mean, with respect to a development exempted by Subsection (g)(6) of this Section, that portion of the additional office space which does not represent a net addition to the amount of office space used by the occupant's employees in San Francisco.

(j) "Retail Use" shall mean supply of commodities on the premises including, but not limited to, stores, shops, Restaurants, Bars, eating and drinking businesses, and Retail Sales and Services uses defined in Planning Code Section 102, except for Hotels and Motels.

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

SEC. 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) **Limit.**

(1) No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

(2) The following amounts of additional office space shall count against the maximum set in Subsection (a)(1):

(A) All additional office space in structures for which the first building or site permit is approved for issuance during the approval period and which will be located on land under the jurisdiction of the San Francisco Port Commission or under the jurisdiction of the San Francisco Redevelopment Agency, provided, however, that no account shall be taken of structures which are exempt under Section 320(g)(2);

(B) The amount of added additional office space approved after the effective date of this ordinance in structures which are exempt under Section 320(g)(3);

(C) All additional office space in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any State, federal or regional government agency, which structures are found to be otherwise exempt from this Section 321 or Section 322 by force of other applicable law;

(D) All additional office space in structures exempt under Section 320(g)(4) or 320(g)(6) or the last sentence of Section 175.1(b), or which satisfy the substantive terms of either of said exemptions but for which the first building or site permit is authorized or conditional use or variance approved by the Planning Commission after June 15, 1985 but before the effective date of this ordinance.

The additional office space described in Subsection (a)(2)(A) shall be taken into account with respect to all proposed office developments which are considered after the first site or building permit is approved for issuance for the described project. The additional office space described in Subsections (a)(2)(B) and (a)(2)(D) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after the project or the added additional office space is first authorized or a conditional use or variance approved by the Planning Commission. The

additional office space described in Subsection (a)(2)(C) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after commencement of construction of the described structures. Modification, appeal or disapproval of a project described in this Section shall affect the amount of office space counted under this Section in the time and manner set forth for office developments in Section 321(c).

- (3) The Planning Department shall maintain and shall make available for reasonable public inspection a list showing:
- (A) All office developments and all projects subject to Section 321(a)(2) for which application has been made for a project authorization or building or site permit and, if applicable, the date(s) of approval and of approval for issuance of any building or site permit;
 - (B) The total amount of additional office space and, if applicable, replacement office space, approved with respect to each listed development;
 - (C) Approved office developments (i) which are subsequently disapproved on appeal; (ii) the permit for which expires or is cancelled or revoked pursuant to Subsection (d)(1) of this Section; or (iii) the approval of which is revoked pursuant to Subsection (d)(2) of this Section; and
 - (D) Such other information as the Department may determine is appropriate.

(4) Not less than six months before the last date of the approval period, the Planning Department shall submit to the Board of Supervisors a written report, which report shall contain the Planning Commission's recommendation with respect to whether, based on the effects of the limitation imposed by this Section on economic growth and job opportunities in the City, the availability of housing and transportation services to support additional office development in the City, office vacancy and rental rates, and such other factors as the Commission shall deem relevant, there should continue to be a quantitative limit on additional office space after the approval period, and as to what amount of additional office space should be permitted under any such limit.

(5) Every holder of a site permit issued on or after July 1, 1982 for any office development, as defined in Section 320(g) without regard to Subsections (g)(2) through (g)(5), shall provide to the Planning Commission reports containing data and information with respect to the following:

- (A) Number of persons hired for employment either in construction of the development or, to the extent such information is available to the permittee, by users of the completed building;
- (B) The age, sex, race and residence, by City, of each such person;
- (C) Compensation of such persons, classified in \$5,000 increments, commencing with annualized compensation of \$10,000;
- (D) The means by which each such person most frequently travels to and from the place of employment.

Such reports shall commence on October 1, 1985 and continue quarterly thereafter during the approved period. A report containing information by quarter for the period between July 1, 1982 and the effective date of the ordinance shall be submitted not later than December 31, 1985. The Planning Commission shall have full access to all books, records and documents utilized by any project sponsor in preparation of the written reports referred to above, and shall inspect such books, records and documents from time to time for purposes of authenticating information contained in such reports.

(b) Guidelines.

(1) During the approval period, the Planning Commission, and the Board of Supervisors and Board of Appeals on appeal from the Planning Commission shall approve, within the allowable limit, subject to Subsection (b)(2) of this Section, only those office developments which they shall determine in particular promote the public welfare, convenience and necessity, and shall be empowered under this Section to disapprove the remainder. The Planning Department shall issue to office developments so approved, in accord with Sections 320 through 323 of this Code, a project authorization.

(2) The following proposed office developments, subject to all other applicable sections of this Code and other applicable law, shall be approved under this Section in preference to all others:

- (A) All proposed developments to the extent approval is required by court order, and, thereafter,
- (B) Subject to Subsection (a)(1) of this Section, all proposed office developments which were approved by the Planning Commission during the approval period, but subsequently disapproved by any administrative appellate body or court, if and when said disapproval is later reversed.

~~(3) In determining which office developments best promote the public welfare, convenience and necessity, the Board of Supervisors, Board of Appeals and Planning Commission shall consider:~~

- (A) Apportionment of office space over the course of the approval period in order to maintain a balance between economic growth, on the one hand, and housing, transportation and public services, on the other;
- (B) The contribution of the office development to, and its effects on, the objectives and policies of the General Plan;
- (C) The quality of the design of the proposed office development;
- (D) The suitability of the proposed office development for its location, and any effects of the proposed office development specific to that location;
- (E) The anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses;
- (F) The extent to which the proposed development will be owned or occupied by a single entity;
- (G) The use, if any, of TDR by the project sponsor.

Payments, other than those provided for under applicable ordinances, which may be made to a transit or housing fund of the City, shall not be considered.

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this Subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

(5) With respect to any office development which shall come before the Board of Supervisors for conditional use review, that Board shall consider, in addition to those criteria made applicable by other provisions of law, the criteria specified in Subsection (b)(3). As to any such office development, the decision of the Board of Supervisors with respect to the criteria specified in Subsection (b)(3) shall be a final administrative determination and shall not be reconsidered by the Planning Commission or Board of Appeals.

(6) The Planning Commission shall establish procedures for coordinating review of project authorization applications under Section 322 with review under Section 309 of this Code. The Commission may hold hearings under Sections 309 and 322 in such sequence as it may deem appropriate, but may not issue any project authorization until the requirements of Section 309 have been satisfied.

(c) Appeal and Modification.

(1) If an approved office development is disapproved, or if a previously unapproved office development is approved, by a court or appellate agency, the list described in Subsection (a)(3) of this Section shall be revised accordingly at the time that the period for rehearing before the appellate body in question shall have lapsed. Approval on appeal of any office development, if conditioned on disapproval of another office development which was previously approved, shall not be effective before the time for rehearing with respect to the disapproval shall have lapsed.

(2) The amount of additional office space of any development shall not count against the maximum for the approval period, beginning from the time the office development loses its approved status on the Planning Department list under Subsection (c)(1); provided, however, that if a decision disapproving an office development permits construction of a part of the project, the permitted additional office space only shall continue to count against the maximum, unless and until all building or site permits for the development expire or are cancelled, revoked or withdrawn.

(3) Any modification of an approved office development, including, without limitation, modification by a court or administrative appellate agency, shall be governed by this Subsection, subject, in the case of a court order, to Subsection (b)(2)(A).

(A) Any office development which is modified for any reason after it is first approved so as to increase its amount of additional office space shall lose its approved status on the list described in Subsection (a)(3) at the time such modification is approved, and may be approved as modified only subject to the limits of Subsection (a)(1). Such a modified development shall not be constructed or carried out based on its initial approval. Approval on appeal of such a modified development, if approval would violate the maximum set forth in Subsection (a)(1) of this Section but for disapproval of another previously approved office development, shall not be effective, nor grounds for reliance, until the time for rehearing with respect to the disapproval shall have lapsed.

(B) An approved office development may be modified so as to reduce the amount of additional office space, subject to all authorizations otherwise required by the City. No additional office space shall become available for any other development during the approval period on account of such a modification, unless the modification is required by any appellate administrative agency or a court, in which case additional office space shall become available when the time for rehearing has lapsed.

(d) Unbuilt Projects; Progress Requirement.

(1) The maximum amount of additional office space for the approval period shall be increased by the amount of such space included in office developments which were previously approved during the period but for which during such period an issued site or building permit has been finally cancelled or revoked, or has expired, with the irrevocable effect of preventing construction of the office development.

(2) Construction of an office development shall commence within 18 months of the date the project is first approved, or, in the case of development in the C-3-O(SD) District the development shall commence within three (3) years. Notwithstanding the above provision, office projects larger than 500,000 gross square feet in the C-3-O(SD) District shall commence construction within five (5) years. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the office development. Neither the Department of Building Inspection nor the Board of Appeals shall grant any extension of time inconsistent with the requirements of this Subsection (d)(2).

(3) The Department of Building Inspection shall notify the Planning Department in writing of its approval for issuance and issuance of a site or building permit for any office development, and for any development under the jurisdiction of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the Port Commission subject to Section 321(a)(2), and of the revocation, cancellation, or expiration of any such permit.

(c) **Rules and Regulations.** The Planning Commission shall have authority to adopt such rules and regulations as it may determine are appropriate to carry out the purposes and provisions of this Section and Sections 320, 322 and 323.

SEC. 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the Planning Commission amended the General Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1st of each subsequent year, the Planning Department shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987 and February 1st of each subsequent year as set out above, the Department shall certify in writing to the Planning Commission at a public hearing the list of all projects enumerated in Subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to Subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

SEC. 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

SEC. 321.3. VOTER APPROVAL OF EXEMPTIONS OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor Section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

SEC. 322. PROCEDURE FOR ADMINISTRATION OF OFFICE DEVELOPMENT LIMIT.

(a) **Project Authorization Required.** During the approval period, every site or building permit application for an office development must, before final action on the permit, include a copy of a project authorization for such office development, certified as accurate by the Planning Department. No such application shall be considered complete and the Department of Building Inspection shall not issue any such site or building permit unless such a certified copy is submitted. No site or building permit shall be issued for an office development except in accordance with the terms of the project authorization for such office development. Any such site or building permit which is inconsistent with the project authorization shall be invalid.

(b) **Application for Project Authorization.** During the approval period, an applicant for approval of an office development shall file an application for a project authorization with the Planning Department contemporaneously with the filing of an application for environmental evaluation for such development. Such application shall state such information as the Planning Department shall require; provided, however, that an application for a project authorization for each office development for which an environmental evaluation application has been filed prior to the effective date of this Section, shall be deemed to have been filed effective as of the date such environmental evaluation application was filed.

(c) Processing of Applications.

(1) The approval period shall be divided into such review periods as the Planning Commission shall provide by rule. The first review period shall commence on the effective date.

(2) Applications for project authorizations shall be considered by the Planning Commission during a specific review period in accordance with the following procedures:

(A) During a specific review period the Planning Commission shall consider all project authorization applications for which, prior to the first day of

such review period, a final Environmental Impact Report has been certified, or a final Negative Declaration has been issued, or other appropriate environmental review has been completed; provided, however, that during the first review period, the Planning Commission shall consider only those office developments for which (i) an environmental evaluation application and a site or building permit application were submitted prior to June 1, 1985, or (ii) a draft environmental impact report or a preliminary negative declaration was published prior to the effective date.

(B) The Planning Commission may hold hearings on all project authorization applications assigned to a specific review period before acting on any such application.

(C) In reviewing project authorization applications, the Planning Commission shall apply the criteria set forth in Section 321, and shall, prior to the end of such a review period, approve, deny, or, with the consent of the applicant, continue to the next subsequent review period each such application based on said criteria.

(D) Notwithstanding any other provisions of this Section or Section 321, the Planning Commission may at any time, after a noticed hearing, deny or take other appropriate action with respect to any application for a project authorization as to which environmental review, in the judgment of the Commission, has not been or will not be completed in sufficient time to allow timely action under applicable law.

(E) Any project authorization application which is denied by the Planning Commission, unless such denial is reversed by the Board of Appeals or Board of Supervisors, shall not be resubmitted for a period of one year after denial.

(d) **Appeal of Project Authorization.** The Planning Commission's determination to approve or deny the issuance of a project authorization may be appealed to the Board of Appeals within 15 days of the Commission's issuance of a dated written decision pursuant to the procedural provisions of Section 308.2 of this Code, except in those instances where a conditional use application was filed. In cases in which a conditional use application was filed, the decision of the Planning Commission may be appealed only to the Board of Supervisors pursuant to Section 308.1 of this Code. The decision on the project authorization by the Board of Appeals or Board of Supervisors shall be the final administrative determination as to all matters relating to the approval of the office development that is the subject of the project authorization, except for matters, not considered in connection with the project authorization, which arise in connection with a subsequent building or site permit application for the development in question.

(c) **Modification of Project Authorization.** The Planning Commission may approve a modified project authorization, after a noticed hearing, during the review period in which the initial project authorization was approved or a subsequent review period. Approval or denial of a modified project authorization shall be subject to appeal in accord with Subsection (d).

(f) **No Right to Construct Conveyed.** Neither approval nor issuance of a project authorization shall convey any right to proceed with construction of an office development, nor any right to approval or issuance of a site or building permit or any other license, permit, approval or authorization which may be required in connection with said office development.

SEC. 323. OFFICE DEVELOPMENT: PREAPPLICATION PROCEDURE.

The Planning Commission may by rule permit such persons as elect to do so, to submit a preliminary application on a proposed office development before submitting any application for a project authorization. Such a preliminary application shall contain such information as the Commission may require. With respect to each proposed office development for which all the information required by the Planning Department is timely submitted to the Department, the Director of Planning or his designee shall, in writing, issue an advisory opinion to the person submitting such information, as to whether he or she at that time intends to recommend, based on the information submitted to him or her, the proposed development for denial by the Planning Commission. The advice and recommendation of the Director shall neither convey, nor foreclose, any right to proceed with a project authorization application or the development and shall constitute neither approval nor denial of the development. The Director's recommendations under this Section shall be governed by Section 321(b) of this Code.

SEC. 324. FINDINGS.

- (a) The Board of Supervisors declares that it is the policy of the City and County of San Francisco to:
- (1) Provide a quality living and working environment for residents and workers;
 - (2) Foster the diversified development of the City, providing a variety of economic and job opportunities;
 - (3) Maintain a balance between economic growth, on the one hand, and housing, transportation and public services in general, on the other, and encourage a rate of growth consistent with transportation and housing capacity;
 - (4) Prevent undesirable effects of development on local air quality and other environmental resources; and
 - (5) Encourage development projects of superior design, optimum location and other desirable characteristics.
- (b) In recent years, office development in the City has increased dramatically. Office development has already affected housing, transportation and parking capacities.
- (c) The City has only limited legal authority to direct or control physical development, whether for office use or not, on land covered by approved redevelopment plans or under the jurisdiction of the Port Commission.
- (d) There are competing legitimate public interests which must be balanced in the planning process. Environmental concerns are of great importance, but must be balanced against the need for continued, healthy economic growth and job creation, maintenance of municipal revenues for the provision of social services, effective preservation of historic buildings and other considerations.
- (e) Based on developments proposed to date, general economic conditions affecting San Francisco, and the trend in recent years of an increasing rate of office development, it is likely that excessive office development will come before City agencies for authorization and approval during the years 1985 through 1988, and possible that excessive development would continue thereafter. It is therefore appropriate to approve during the three years after adoption of this ordinance only particular, proposed developments which serve the public interest, convenience and necessity, and to similarly limit approvals for further periods to the extent excessive development might otherwise continue to occur.
- (f) Sections 320 through 324 of this ordinance are intended to further the policies noted in Subsection (a) and to aid in responding to the effects noted in Subsection (b), with due regard to the factors set forth in Subsections (c) and (d), by authorizing more effective regulation of the rate, distribution, type and quality of office development in the City and County of San Francisco. Control of office development will afford additional time to analyze and meet its effects.

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

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EXHIBIT B (FOR INFORMATIONAL PURPOSES ONLY)
Text of Proposition M (November 1986)

PART 1—MASTER PLAN

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended by adding section 101.1 as follows:

SECTION 101.1. MASTER PLAN CONSISTENCY AND IMPLEMENTATION.

(a) The Master Plan shall be an integrated, internally consistent and compatible statement of policies for San Francisco. To fulfill this requirement, after extensive public participation and hearings, the City Planning Commission shall in one action amend the Master Plan by January 1, 1988.

(b) The following Priority Policies are hereby established. They shall be included in the preamble to the Master Plan and shall be the basis upon which inconsistencies in the Master Plan are resolved:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
3. That the City's supply of affordable housing be preserved and enhanced;
4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
7. That landmarks and historic buildings be preserved; and,
8. That our parks and open space and their access to sunlight and vistas be protected from development.

(c) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after November 4, 1986, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the Priority Policies established above.

(d) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after January 1, 1988, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the City's Master Plan.

(e) Prior to issuing a permit for any project or adopting any legislation which requires an initial study under the California Environmental Quality Act, and prior to issuing a permit for any demolition, conversion or change of use, and prior to taking any action which requires a finding of consistency with the Master Plan, the City shall find that the proposed project or legislation is consistent with the Priority Policies established above. For any such permit issued or legislation adopted after January 1, 1988 the City shall also find that the project is consistent with the City's Master Plan.

PART 2—ANNUAL LIMIT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsections 320(b) and 320(g)(1) are amended as follows:

SECTION 320. OFFICE DEVELOPMENT: DEFINITIONS.

(b) "Approval period" shall mean the twelve month period beginning on October 17, 1985 and each subsequent twelve month period.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

1. Development which will result in less than 25,000 square feet of additional office space.

Subsection 320(g)(5) is deleted and the existing Subsections renumbered.

Subsection 320(k) is added as follows:

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five (5) years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

Subsection 321(a)(1) is amended as follows:

SECTION 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) Limit.

1. No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

A new Subsection 321(b)(4) is added as follows and existing subsections renumbered:

- (4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

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Section 321.1 is added as follows:

SECTION 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the City Planning Commission amended the Master Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1 of each subsequent year the Department of City Planning shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Redevelopment Agency or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the City Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987, and February 1 of each subsequent year as set out above, the Department shall certify in writing to the City Planning Commission at a public hearing the list of all projects enumerated in subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office, development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

Section 321.2 is added as follows:

SECTION 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

(g) The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

Section 321.3 is added as follows:

SECTION 321.3. VOTER APPROVAL OF EXEMPTION OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

Section 325 is amended as follows:

SECTION 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

PART 3—EMPLOYMENT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsection 164(a) is amended as follows:

SECTION 164. SAN FRANCISCO RESIDENT PLACEMENT AND TRAINING PROGRAM.

(a) The City has determined in its certification of the Downtown Plan Environmental Impact Report and in its findings and studies leading to the adoption of Section 313 of the Planning Code that San Francisco and regional traffic and transit problems will become more intolerable as the number of non-resident employees increases in San Francisco as a result of new office development. In order to mitigate those adverse traffic and transit impacts, while protecting the City's residential areas from unwanted increases in density, the people determine that a policy of maximizing resident employment training and placement opportunities is needed.

Subsections 164(d) and (e) are added as follows:

(d) In order to ensure that the maximum number of San Francisco residents are trained and placed in employment opportunities in our City, the Board of Supervisors shall hold public hearings and not later than January 1, 1988 the City shall adopt legislation to establish a program which will coordinate the job training and placement efforts of the San Francisco Unified School District, the San Francisco Community College District, community-based non-profit employment and training programs, and other agencies from the public and private sectors, to assure maximum use of existing federal, state and local training and placement programs, and to develop such additional training and placement programs as deemed necessary.

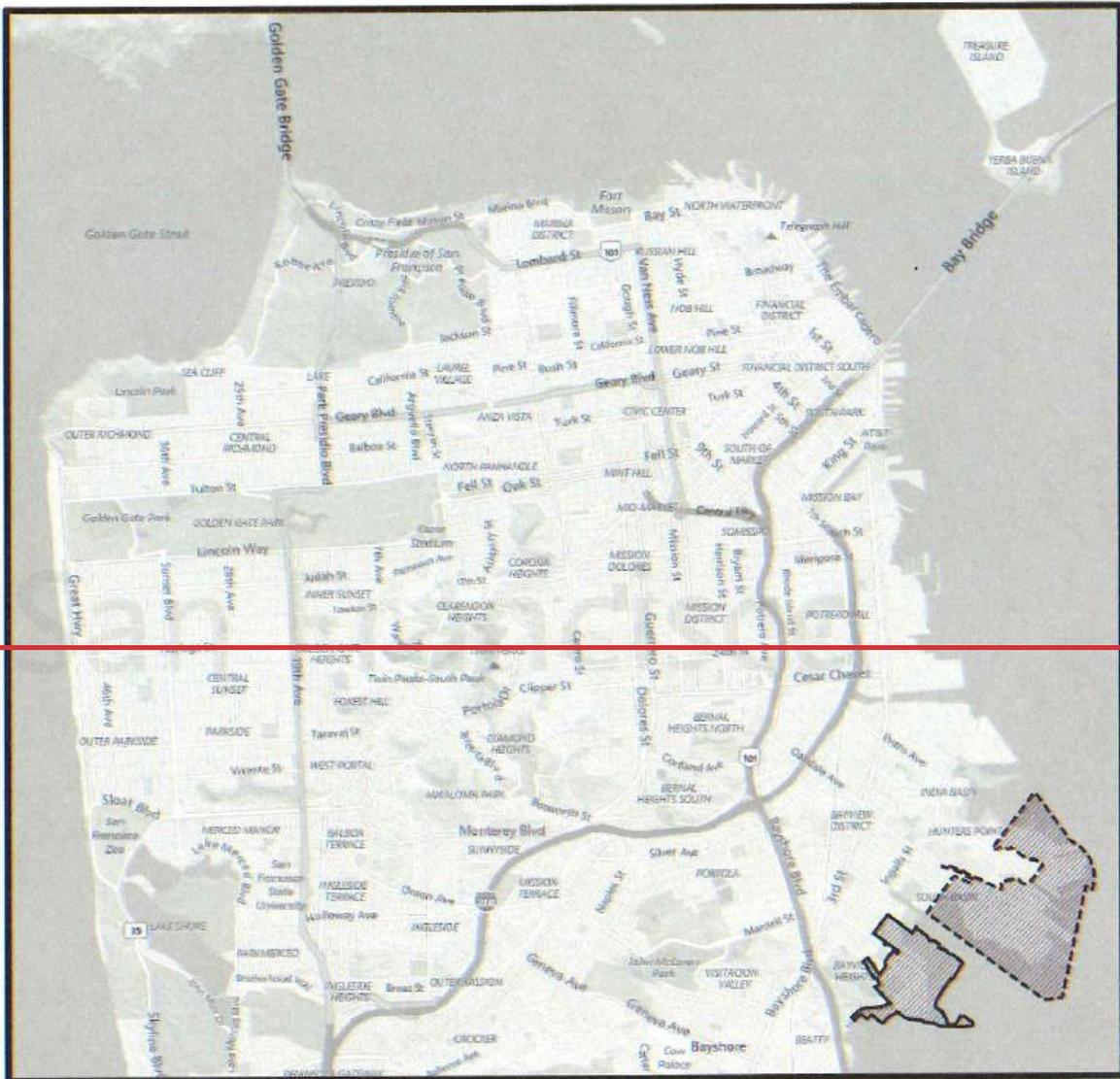
(e) Should the Board of Supervisors determine that additional funds are needed for programs established pursuant to subsection (d) above, it shall consider the adoption of a San Francisco Resident Training and Placement Fee of not less than \$1.50 per square foot as a condition of the approval of any application for an office development project proposing the net addition of 50,000 or more gross square feet of office space.

PART 4—SEVERABILITY CLAUSE

If any part of this initiative is held invalid by a court of law, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other parts of the initiative or applications which can be given effect without the invalid part or application hereof and to this end the sections of this initiative are separable.

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EXHIBIT C
Map Demonstrating the Location of the Subject Property within the City and County of San Francisco (For Informational Purposes Only)



————— **Candlestick Point**

- - - - - **Hunters Point Shipyard Phase 2**

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(d) This Initiative amends the provisions of Proposition M and the San Francisco Planning Code that regulate the pace of office development. It removes Hunters Point Shipyard Phase 2 and Candlestick Point from the area within which an allocation or project authorization allowing office development may be required. This Initiative is intended to facilitate a rational development pace for this area, and to implement the voters' desire to realize the revitalization contemplated in Proposition G. To achieve these goals, this Initiative would also establish a policy that development applications shall be processed and decided quickly, and development expedited.

(e) This Initiative would not affect the applicability of the office development controls enacted by Proposition M to other areas of the City. This Initiative also would not affect the applicability of the priority policies adopted by Part 1 of Proposition M, nor would it affect the applicability of the resident placement and training program adopted by Part 3 of Proposition M.

SECTION 3. Part 2 of Proposition M (November 1986) and the Planning Code are hereby amended by adding Section 324.1 to read as follows:

SEC. 324.1. DEVELOPMENT IN HUNTERS POINT SHIPYARD PHASE 2 AND CANDLESTICK POINT.

(a) For purposes of this Section 324.1, "Development" includes, without limitation, development, redevelopment, reuse and reoccupancy; and the "Subject Property" is comprised of property within the dotted lines depicted on the following maps:

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Hunters Point
Shipyard Phase 2

July 16, 2018

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(b) Notwithstanding Part 2 – Annual Limit of Proposition M (November 1986) and other provisions of any San Francisco Code, the terms “office development,” “office space,” and “additional office space,” when used in Sections 320-325 of this Planning Code, shall not include Development on the Subject Property.

(c) No project authorization or allocation shall be required for any Development on the Subject Property. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.

(d) Development on the Subject Property shall not affect the annual limit or the unallocated amount referenced in Sections 320-324. The amount of office development for which project authorizations may be granted under Sections 320-324 on properties other than the Subject Property shall be determined without regard to the amount of Development on the Subject Property.

SECTION 4. Section 325 of Proposition M (1986) and the Planning Code are hereby amended to read as follows:

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323, and 324.1, as of October 17, 1985, as amended by the voters on November 4, 1986 and November 8, 2016, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

SECTION 5. Declaration of Policy.

The following declaration of policy is approved by the voters as specified in San Francisco Charter Section 14.101:

It shall be the policy of the City and County of San Francisco that applications for Development on the Subject Property shall be processed and decided as quickly as feasible, in implementation of the voters' strong desire and intent that Development on the Subject Property be expedited.

SECTION 6. Interpretation.

This Initiative shall not be interpreted to exempt any development on the Subject Property from paying any fees that such development would otherwise be required to pay but for the adoption of this Initiative.

This Initiative (including the definitions in new Section 321.4) shall not be interpreted to affect the application of Planning Code Sections 321-324 to any property other than the Subject Property.

This Initiative shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. It is the intent of the voters that the provisions of this Initiative be interpreted or implemented in a manner that facilitates the purposes set forth in this Initiative. The title of this Initiative and the captions preceding the sections of this Initiative are for convenience of reference only. Such title and captions shall not define or limit the scope or purpose of any provision of this Initiative. The use of the terms “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The use of the term “or” shall be construed to mean and/or.

This Initiative proposes to add text and maps to the referenced sections of Proposition M (November 1986) and the Planning Code. The new text is indicated above with **bold, underlined text**, and deleted text is shown in **~~bold-strikeout text~~**. The voters intend to enact only the boundaries shown on the maps included in Section 321.4, and do not enact any other aspects of those maps.

To allow the amendments to be read in context, the following exhibits are attached:

- Exhibit A The text of Sections 320 through 325 of the San Francisco Planning Code, as they exist on May 1, 2016
- Exhibit B The text of Proposition M (November 1986)
- Exhibit C A map demonstrating the location of the Subject Property within the City & County of San Francisco.

These exhibits are attached for informational purposes only, and not enacted by this Initiative. The amendments enacted by this Initiative are those set forth in Sections 3 and 4 of this Initiative.

SECTION 7. Severability.

If any provision of this Initiative, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Initiative are severable. The voters declare that this Initiative, and each word, phrase, sentence, section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any other provision or provisions is found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Initiative that can be given effect without the invalid application. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we, the People of the City and County of San Francisco, indicate our strong desire that: (i) the Board of Supervisors use its best efforts to sustain and provide for the re-enactment of that portion, and (ii) the Board of Supervisors implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including, if necessary, taking the appropriate steps to provide for the adoption or re-enactment of any such portion in a manner consistent with the intent of this Initiative.

SECTION 8. Conflicting Ballot Measures.

In the event that this Initiative and another measure or measures relating to the development of office space on Hunters Point Shipyard Phase 2 or Candlestick Point shall appear on the same municipal election ballot, the provisions of such other measures shall be deemed to be in conflict with this Initiative. In the event that this Initiative shall receive a greater number of affirmative votes, the provisions of this Initiative shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this Initiative shall take effect to the extent permitted by law. If this Initiative is approved by the voters but superseded by law in whole or in part by any other conflicting initiative approved by the voters at the same election, and such conflicting initiative is later held invalid, this Initiative shall be self-executing and given full force of law.

SECTION 9. Effective Date.

In accordance with the provisions of Municipal Elections Code § 380 and California Elections Code § 9217, if a majority of the voters vote in favor of the Initiative, the Initiative shall go into effect ten days after the official vote count is declared by the Board of Supervisors.

SECTION 10. Amendment.

Clerical actions may be taken by staff of the City and County of San Francisco to relocate the maps enacted by this Initiative to a location other than within Section 324.1 of the Planning Code, and to note in Section 324.1 where such maps may be found, provided that doing so effects no substantive change to this Initiative. Pursuant to Municipal Elections Code § 390 and California Elections Code § 9217 no other provision of this Initiative may be amended except by a vote of the People.

SAN FRANCISCO
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2016 MAY 11 PM 12:28
DEPARTMENT OF ELECTIONS

EXHIBIT A (FOR INFORMATIONAL PURPOSES ONLY)
San Francisco Planning Code §§ 320-325

SAN FRANCISCO
FILED

SEC. 320. OFFICE DEVELOPMENT: DEFINITIONS.

When used in Sections 320, 321, 322 and 323, the following terms shall each have the meaning indicated. See also Section 102.

- (a) "Additional office space" shall mean the number of square feet of gross floor area of office space created by an office development, reduced, in the case of a modification or conversion, by the number of square feet of gross floor area of preexisting office space which is lost.
- (b) "Approval period" shall mean the 12-month period beginning on October 17, 1985 and each subsequent 12-month period.
- (c) "Approve" shall mean to approve issuance of a project authorization and shall include actions of the Planning Commission, Board of Appeals and Board of Supervisors.
- (d) "Completion" shall mean the first issuance of a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy as defined in San Francisco Building Code Section 307.
- (e) "Disapprove" shall mean for an appellate administrative agency or court, on review of an office development, to direct that construction shall not proceed, in whole or in part.
- (f) "Office space" shall mean space within a structure intended or primarily suitable for occupancy by persons or entities which perform for their own benefit or provide to others services at that location, including but not limited to professional, banking, insurance, management, consulting, technical, sales and design, or the office functions of manufacturing and warehousing businesses, but shall exclude the following: Retail use; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; any facility, other than physicians' or other individuals' offices and uses accessory thereto, customarily used for furnishing medical services, and design showcases or any other space intended and primarily suitable for display of goods. This definition shall include all uses encompassed within Section 102 of this Code.
- (g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:
- (1) Development which will result in less than 25,000 square feet of additional office space;
 - (2) Development either:
 - (i) Authorized under San Francisco Redevelopment Agency disposition or owner participation agreements which have been approved by Agency resolution prior to the effective date of this Section, or
 - (ii) Authorized prior to the effective date of this Section by Agency resolution in anticipation of such agreements with particular developers identified in the same or a subsequent agency resolution;
 - (3) Any development which is governed by prior law under Section 175.1(b) of this Code, unless modified after the effective date specified in Section 175.1(b) to add more than 15,000 square feet of additional office space. Any addition of office space up to 15,000 square feet shall count against the maximum for the approval period, pursuant to Section 321(a)(2)(B);
 - (4) Any development including conversion of 50,000 square feet or more of manufacturing space to office space where the manufacturing uses previously located in such space are relocated to another site within the City and County of San Francisco and the acquisition or renovation of the new manufacturing site is funded in whole or part by an Urban Development Action Grant approved by the Board of Supervisors;
 - (5) Any mixed-residential-commercial development which will be assisted by Community Development Block Grant funds approved by the Board of Supervisors in which all of the housing units shall be affordable to low-income households for a minimum of 40 years and for which an environmental review application and site permit application have been filed prior to the effective date of this ordinance which enacted the provisions of this Section;
 - (6) Any development authorized pursuant to a Planned Unit Development, as provided for by City Planning Code Section 304, providing for a total of 500 or more additional units of housing, provided such development first received a Planned Unit Development authorization prior to November 4, 1986. Such Planned Unit Development may be amended from time to time by the Planning Commission, but in no event shall any such amendment increase the amount of office space allowed for the development beyond the amount approved by the Planning Commission prior to November 4, 1986.
- (h) "Project authorization" shall mean the authorization issued by the Planning Department pursuant to Sections 321 and 322 of this Code.
- (i) "Replacement office space" shall mean, with respect to a development exempted by Subsection (g)(6) of this Section, that portion of the additional office space which does not represent a net addition to the amount of office space used by the occupant's employees in San Francisco.
- (j) "Retail Use" shall mean supply of commodities on the premises including, but not limited to, stores, shops, Restaurants, Bars, eating and drinking businesses, and Retail Sales and Services uses defined in Planning Code Section 102, except for Hotels and Motels.
- (k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

SEC. 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

- (a) **Limit.**
- (1) No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.
 - (2) The following amounts of additional office space shall count against the maximum set in Subsection (a)(1):
 - (A) All additional office space in structures for which the first building or site permit is approved for issuance during the approval period and which will be located on land under the jurisdiction of the San Francisco Port Commission or under the jurisdiction of the San Francisco Redevelopment Agency, provided, however, that no account shall be taken of structures which are exempt under Section 320(g)(2);
 - (B) The amount of added additional office space approved after the effective date of this ordinance in structures which are exempt under Section 320(g)(3);
 - (C) All additional office space in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any State, federal or regional government agency, which structures are found to be otherwise exempt from this Section 321 or Section 322 by force of other applicable law;
 - (D) All additional office space in structures exempt under Section 320(g)(4) or 320(g)(6) or the last sentence of Section 175.1(b), or which satisfy the substantive terms of either of said exemptions but for which the first building or site permit is authorized or conditional use or variance approved by the Planning Commission after June 15, 1985 but before the effective date of this ordinance.
- The additional office space described in Subsection (a)(2)(A) shall be taken into account with respect to all proposed office developments which are considered after the first site or building permit is approved for issuance for the described project. The additional office space described in Subsections (a)(2)(B) and (a)(2)(D) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after the project or the added additional office space is first authorized or a conditional use or variance approved by the Planning Commission. The

additional office space described in Subsection (a)(2)(C) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after commencement of construction of the described structures. Modification, appeal or disapproval of a project described in this Section shall affect the amount of office space counted under this Section in the time and manner set forth for office developments in Section 321(c).

(3) The Planning Department shall maintain and shall make available for reasonable public inspection a list showing:

(A) All office developments and all projects subject to Section 321(a)(2) for which application has been made for a project authorization or building or site permit and, if applicable, the date(s) of approval and of approval for issuance of any building or site permit;

(B) The total amount of additional office space and, if applicable, replacement office space, approved with respect to each listed development;

(C) Approved office developments (i) which are subsequently disapproved on appeal; (ii) the permit for which expires or is cancelled or revoked pursuant to Subsection (d)(1) of this Section; or (iii) the approval of which is revoked pursuant to Subsection (d)(2) of this Section; and

(D) Such other information as the Department may determine is appropriate.

(4) Not less than six months before the last date of the approval period, the Planning Department shall submit to the Board of Supervisors a written report, which report shall contain the Planning Commission's recommendation with respect to whether, based on the effects of the limitation imposed by this Section on economic growth and job opportunities in the City, the availability of housing and transportation services to support additional office development in the City, office vacancy and rental rates, and such other factors as the Commission shall deem relevant, there should continue to be a quantitative limit on additional office space after the approval period, and as to what amount of additional office space should be permitted under any such limit.

(5) Every holder of a site permit issued on or after July 1, 1982 for any office development, as defined in Section 320(g) without regard to Subsections (g)(2) through (g)(5), shall provide to the Planning Commission reports containing data and information with respect to the following:

(A) Number of persons hired for employment either in construction of the development or, to the extent such information is available to the permittee, by users of the completed building;

(B) The age, sex, race and residence, by City, of each such person;

(C) Compensation of such persons, classified in \$5,000 increments, commencing with annualized compensation of \$10,000;

(D) The means by which each such person most frequently travels to and from the place of employment.

Such reports shall commence on October 1, 1985 and continue quarterly thereafter during the approved period. A report containing information by quarter for the period between July 1, 1982 and the effective date of the ordinance shall be submitted not later than December 31, 1985. The Planning Commission shall have full access to all books, records and documents utilized by any project sponsor in preparation of the written reports referred to above, and shall inspect such books, records and documents from time to time for purposes of authenticating information contained in such reports.

(b) Guidelines.

(1) During the approval period, the Planning Commission, and the Board of Supervisors and Board of Appeals on appeal from the Planning Commission shall approve, within the allowable limit, subject to Subsection (b)(2) of this Section, only those office developments which they shall determine in particular promote the public welfare, convenience and necessity, and shall be empowered under this Section to disapprove the remainder. The Planning Department shall issue to office developments so approved, in accord with Sections 320 through 323 of this Code, a project authorization.

(2) The following proposed office developments, subject to all other applicable sections of this Code and other applicable law, shall be approved under this Section in preference to all others:

(A) All proposed developments to the extent approval is required by court order; and, thereafter,

(B) Subject to Subsection (a)(1) of this Section, all proposed office developments which were approved by the Planning Commission during the approval period, but subsequently disapproved by any administrative appellate body or court, if and when said disapproval is later reversed.

(3) In determining which office developments best promote the public welfare, convenience and necessity, the Board of Supervisors, Board of Appeals and Planning Commission shall consider:

(A) Apportionment of office space over the course of the approval period in order to maintain a balance between economic growth, on the one hand, and housing, transportation and public services, on the other;

(B) The contribution of the office development to, and its effects on, the objectives and policies of the General Plan;

(C) The quality of the design of the proposed office development;

(D) The suitability of the proposed office development for its location, and any effects of the proposed office development specific to that location;

(E) The anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses;

(F) The extent to which the proposed development will be owned or occupied by a single entity;

(G) The use, if any, of TDR by the project sponsor.

Payments, other than those provided for under applicable ordinances, which may be made to a transit or housing fund of the City, shall not be considered.

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this Subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

(5) With respect to any office development which shall come before the Board of Supervisors for conditional use review, that Board shall consider, in addition to those criteria made applicable by other provisions of law, the criteria specified in Subsection (b)(3). As to any such office development, the decision of the Board of Supervisors with respect to the criteria specified in Subsection (b)(3) shall be a final administrative determination and shall not be reconsidered by the Planning Commission or Board of Appeals.

(6) The Planning Commission shall establish procedures for coordinating review of project authorization applications under Section 322 with review under Section 309 of this Code. The Commission may hold hearings under Sections 309 and 322 in such sequence as it may deem appropriate, but may not issue any project authorization until the requirements of Section 309 have been satisfied.

(c) Appeal and Modification.

(1) If an approved office development is disapproved, or if a previously unapproved office development is approved, by a court or appellate agency, the list described in Subsection (a)(3) of this Section shall be revised accordingly at the time that the period for rehearing before the appellate body in question shall have lapsed. Approval on appeal of any office development, if conditioned on disapproval of another office development which was previously approved, shall not be effective before the time for rehearing with respect to the disapproval shall have lapsed.

(2) The amount of additional office space of any development shall not count against the maximum for the approval period, beginning from the time the office development loses its approved status on the Planning Department list under Subsection (c)(1); provided, however, that if a decision disapproving an office development permits construction of a part of the project, the permitted additional office space only shall continue to count against the maximum, unless and until all building or site permits for the development expire or are cancelled, revoked or withdrawn.

(3) Any modification of an approved office development, including, without limitation, modification by a court or administrative appellate agency, shall be governed by this Subsection, subject, in the case of a court order, to Subsection (b)(2)(A).

(A) Any office development which is modified for any reason after it is first approved so as to increase its amount of additional office space shall lose its approved status on the list described in Subsection (a)(3) at the time such modification is approved, and may be approved as modified only subject to the limits of Subsection (a)(1). Such a modified development shall not be constructed or carried out based on its initial approval. Approval on appeal of such a modified development, if approval would violate the maximum set forth in Subsection (a)(1) of this Section but for disapproval of another previously approved office development, shall not be effective, nor grounds for reliance, until the time for rehearing with respect to the disapproval shall have lapsed.

(B) An approved office development may be modified so as to reduce the amount of additional office space, subject to all authorizations otherwise required by the City. No additional office space shall become available for any other development during the approval period on account of such a modification, unless the modification is required by any appellate administrative agency or a court, in which case additional office space shall become available when the time for rehearing has lapsed.

(d) Unbuilt Projects; Progress Requirement.

(1) The maximum amount of additional office space for the approval period shall be increased by the amount of such space included in office developments which were previously approved during the period but for which during such period an issued site or building permit has been finally cancelled or revoked, or has expired, with the irrevocable effect of preventing construction of the office development.

(2) Construction of an office development shall commence within 18 months of the date the project is first approved, or, in the case of development in the C-3-O(SD) District the development shall commence within three (3) years. Notwithstanding the above provision, office projects larger than 500,000 gross square feet in the C-3-O(SD) District shall commence construction within five (5) years. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the office development. Neither the Department of Building Inspection nor the Board of Appeals shall grant any extension of time inconsistent with the requirements of this Subsection (d)(2).

(3) The Department of Building Inspection shall notify the Planning Department in writing of its approval for issuance and issuance of a site or building permit for any office development, and for any development under the jurisdiction of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the Port Commission subject to Section 321(a)(2), and of the revocation, cancellation, or expiration of any such permit.

(c) **Rules and Regulations.** The Planning Commission shall have authority to adopt such rules and regulations as it may determine are appropriate to carry out the purposes and provisions of this Section and Sections 320, 322 and 323.

SEC. 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the Planning Commission amended the General Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1st of each subsequent year, the Planning Department shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987 and February 1st of each subsequent year as set out above, the Department shall certify in writing to the Planning Commission at a public hearing the list of all projects enumerated in Subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to Subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

SEC. 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

SEC. 321.3. VOTER APPROVAL OF EXEMPTIONS OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor Section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

SEC. 322. PROCEDURE FOR ADMINISTRATION OF OFFICE DEVELOPMENT LIMIT.

(a) **Project Authorization Required.** During the approval period, every site or building permit application for an office development must, before final action on the permit, include a copy of a project authorization for such office development, certified as accurate by the Planning Department. No such application shall be considered complete and the Department of Building Inspection shall not issue any such site or building permit unless such a certified copy is submitted. No site or building permit shall be issued for an office development except in accordance with the terms of the project authorization for such office development. Any such site or building permit which is inconsistent with the project authorization shall be invalid.

(b) **Application for Project Authorization.** During the approval period, an applicant for approval of an office development shall file an application for a project authorization with the Planning Department contemporaneously with the filing of an application for environmental evaluation for such development. Such application shall state such information as the Planning Department shall require; provided, however, that an application for a project authorization for each office development for which an environmental evaluation application has been filed prior to the effective date of this Section, shall be deemed to have been filed effective as of the date such environmental evaluation application was filed.

(c) Processing of Applications.

(1) The approval period shall be divided into such review periods as the Planning Commission shall provide by rule. The first review period shall commence on the effective date.

(2) Applications for project authorizations shall be considered by the Planning Commission during a specific review period in accordance with the following procedures:

(A) During a specific review period the Planning Commission shall consider all project authorization applications for which, prior to the first day of

such review period, a final Environmental Impact Report has been certified, or a final Negative Declaration has been issued, or other appropriate environmental review has been completed; provided, however, that during the first review period, the Planning Commission shall consider only those office developments for which (i) an environmental evaluation application and a site or building permit application were submitted prior to June 1, 1985, or (ii) a draft environmental impact report or a preliminary negative declaration was published prior to the effective date.

(B) The Planning Commission may hold hearings on all project authorization applications assigned to a specific review period before acting on any such application.

(C) In reviewing project authorization applications, the Planning Commission shall apply the criteria set forth in Section 321, and shall, prior to the end of such a review period, approve, deny, or, with the consent of the applicant, continue to the next subsequent review period each such application based on said criteria.

(D) Notwithstanding any other provisions of this Section or Section 321, the Planning Commission may at any time, after a noticed hearing, deny or take other appropriate action with respect to any application for a project authorization as to which environmental review, in the judgment of the Commission, has not been or will not be completed in sufficient time to allow timely action under applicable law.

(E) Any project authorization application which is denied by the Planning Commission, unless such denial is reversed by the Board of Appeals or Board of Supervisors, shall not be resubmitted for a period of one year after denial.

(d) **Appeal of Project Authorization.** The Planning Commission's determination to approve or deny the issuance of a project authorization may be appealed to the Board of Appeals within 15 days of the Commission's issuance of a dated written decision pursuant to the procedural provisions of Section 308.2 of this Code, except in those instances where a conditional use application was filed. In cases in which a conditional use application was filed, the decision of the Planning Commission may be appealed only to the Board of Supervisors pursuant to Section 308.1 of this Code. The decision on the project authorization by the Board of Appeals or Board of Supervisors shall be the final administrative determination as to all matters relating to the approval of the office development that is the subject of the project authorization, except for matters, not considered in connection with the project authorization, which arise in connection with a subsequent building or site permit application for the development in question.

(e) **Modification of Project Authorization.** The Planning Commission may approve a modified project authorization, after a noticed hearing, during the review period in which the initial project authorization was approved or a subsequent review period. Approval or denial of a modified project authorization shall be subject to appeal in accord with Subsection (d).

(f) **No Right to Construct Conveyed.** Neither approval nor issuance of a project authorization shall convey any right to proceed with construction of an office development, nor any right to approval or issuance of a site or building permit or any other license, permit, approval or authorization which may be required in connection with said office development.

SEC. 323. OFFICE DEVELOPMENT: PREAPPLICATION PROCEDURE.

The Planning Commission may by rule permit such persons as elect to do so, to submit a preliminary application on a proposed office development before submitting any application for a project authorization. Such a preliminary application shall contain such information as the Commission may require. With respect to each proposed office development for which all the information required by the Planning Department is timely submitted to the Department, the Director of Planning or his designee shall, in writing, issue an advisory opinion to the person submitting such information, as to whether he or she at that time intends to recommend, based on the information submitted to him or her, the proposed development for denial by the Planning Commission. The advice and recommendation of the Director shall neither convey, nor foreclose, any right to proceed with a project authorization application or the development and shall constitute neither approval nor denial of the development. The Director's recommendations under this Section shall be governed by Section 321(b) of this Code.

SEC. 324. FINDINGS.

(a) The Board of Supervisors declares that it is the policy of the City and County of San Francisco to:

- (1) Provide a quality living and working environment for residents and workers;
- (2) Foster the diversified development of the City, providing a variety of economic and job opportunities;
- (3) Maintain a balance between economic growth, on the one hand, and housing, transportation and public services in general, on the other, and encourage a rate of growth consistent with transportation and housing capacity;
- (4) Prevent undesirable effects of development on local air quality and other environmental resources; and
- (5) Encourage development projects of superior design, optimum location and other desirable characteristics.

(b) In recent years, office development in the City has increased dramatically. Office development has already affected housing, transportation and parking capacities.

(c) The City has only limited legal authority to direct or control physical development, whether for office use or not, on land covered by approved redevelopment plans or under the jurisdiction of the Port Commission.

(d) There are competing legitimate public interests which must be balanced in the planning process. Environmental concerns are of great importance, but must be balanced against the need for continued, healthy economic growth and job creation, maintenance of municipal revenues for the provision of social services, effective preservation of historic buildings and other considerations.

(e) Based on developments proposed to date, general economic conditions affecting San Francisco, and the trend in recent years of an increasing rate of office development, it is likely that excessive office development will come before City agencies for authorization and approval during the years 1985 through 1988, and possible that excessive development would continue thereafter. It is therefore appropriate to approve during the three years after adoption of this ordinance only particular, proposed developments which serve the public interest, convenience and necessity, and to similarly limit approvals for further periods to the extent excessive development might otherwise continue to occur.

(f) Sections 320 through 324 of this ordinance are intended to further the policies noted in Subsection (a) and to aid in responding to the effects noted in Subsection (b), with due regard to the factors set forth in Subsections (c) and (d), by authorizing more effective regulation of the rate, distribution, type and quality of office development in the City and County of San Francisco. Control of office development will afford additional time to analyze and meet its effects.

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

DEPARTMENT OF ELECTIONS
2018 MAY 11 PM 12:28
SAN FRANCISCO FILED

EXHIBIT B (FOR INFORMATIONAL PURPOSES ONLY)
Text of Proposition M (November 1986)

PART 1—MASTER PLAN

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended by adding section 101.1 as follows:

SECTION 101.1. MASTER PLAN CONSISTENCY AND IMPLEMENTATION.

(a) The Master Plan shall be an integrated, internally consistent and compatible statement of policies for San Francisco. To fulfill this requirement, after extensive public participation and hearings, the City Planning Commission shall in one action amend the Master Plan by January 1, 1988.

(b) The following Priority Policies are hereby established. They shall be included in the preamble to the Master Plan and shall be the basis upon which inconsistencies in the Master Plan are resolved:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
3. That the City's supply of affordable housing be preserved and enhanced;
4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
7. That landmarks and historic buildings be preserved; and,
8. That our parks and open space and their access to sunlight and vistas be protected from development.

(c) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after November 4, 1986, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the Priority Policies established above.

(d) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after January 1, 1988, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the City's Master Plan.

(e) Prior to issuing a permit for any project or adopting any legislation which requires an initial study under the California Environmental Quality Act, and prior to issuing a permit for any demolition, conversion or change of use, and prior to taking any action which requires a finding of consistency with the Master Plan, the City shall find that the proposed project or legislation is consistent with the Priority Policies established above. For any such permit issued or legislation adopted after January 1, 1988 the City shall also find that the project is consistent with the City's Master Plan.

PART 2—ANNUAL LIMIT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsections 320(b) and 320(g)(1) are amended as follows:

SECTION 320. OFFICE DEVELOPMENT: DEFINITIONS.

(b) "Approval period" shall mean the twelve month period beginning on October 17, 1985 and each subsequent twelve month period.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

1. Development which will result in less than 25,000 square feet of additional office space.

Subsection 320(g)(5) is deleted and the existing Subsections renumbered.

Subsection 320(k) is added as follows:

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five (5) years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

Subsection 321(a)(1) is amended as follows:

SECTION 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) Limit.

1. No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

A new Subsection 321(b)(4) is added as follows and existing subsections renumbered:

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

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Section 321.1 is added as follows:

SECTION 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the City Planning Commission amended the Master Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1 of each subsequent year the Department of City Planning shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Redevelopment Agency or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the City Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987, and February 1 of each subsequent year as set out above, the Department shall certify in writing to the City Planning Commission at a public hearing the list of all projects enumerated in subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office, development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

Section 321.2 is added as follows:

SECTION 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

(g) The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

Section 321.3 is added as follows:

SECTION 321.3. VOTER APPROVAL OF EXEMPTION OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

Section 325 is amended as follows:

SECTION 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

PART 3—EMPLOYMENT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsection 164(a) is amended as follows:

SECTION 164. SAN FRANCISCO RESIDENT PLACEMENT AND TRAINING PROGRAM.

(a) The City has determined in its certification of the Downtown Plan Environmental Impact Report and in its findings and studies leading to the adoption of Section 313 of the Planning Code that San Francisco and regional traffic and transit problems will become more intolerable as the number of non-resident employees increases in San Francisco as a result of new office development. In order to mitigate those adverse traffic and transit impacts, while protecting the City's residential areas from unwanted increases in density, the people determine that a policy of maximizing resident employment training and placement opportunities is needed.

Subsections 164(d) and (e) are added as follows:

(d) In order to ensure, that the maximum number of San Francisco residents are trained and placed in employment opportunities in our City, the Board of Supervisors shall hold public hearings and not later than January 1, 1988 the City shall adopt legislation to establish a program which will coordinate the job training and placement efforts of the San Francisco Unified School District, the San Francisco Community College District, community-based non-profit employment and training programs, and other agencies from the public and private sectors, to assure maximum use of existing federal, state and local training and placement programs, and to develop such additional training and placement programs as deemed necessary.

(e) Should the Board of Supervisors determine that additional funds are needed for programs established pursuant to subsection (d) above, it shall consider the adoption of a San Francisco Resident Training and Placement Fee of not less than \$1.50 per square foot as a condition of the approval of any application for an office development project proposing the net addition of 50,000 or more gross square feet of office space.

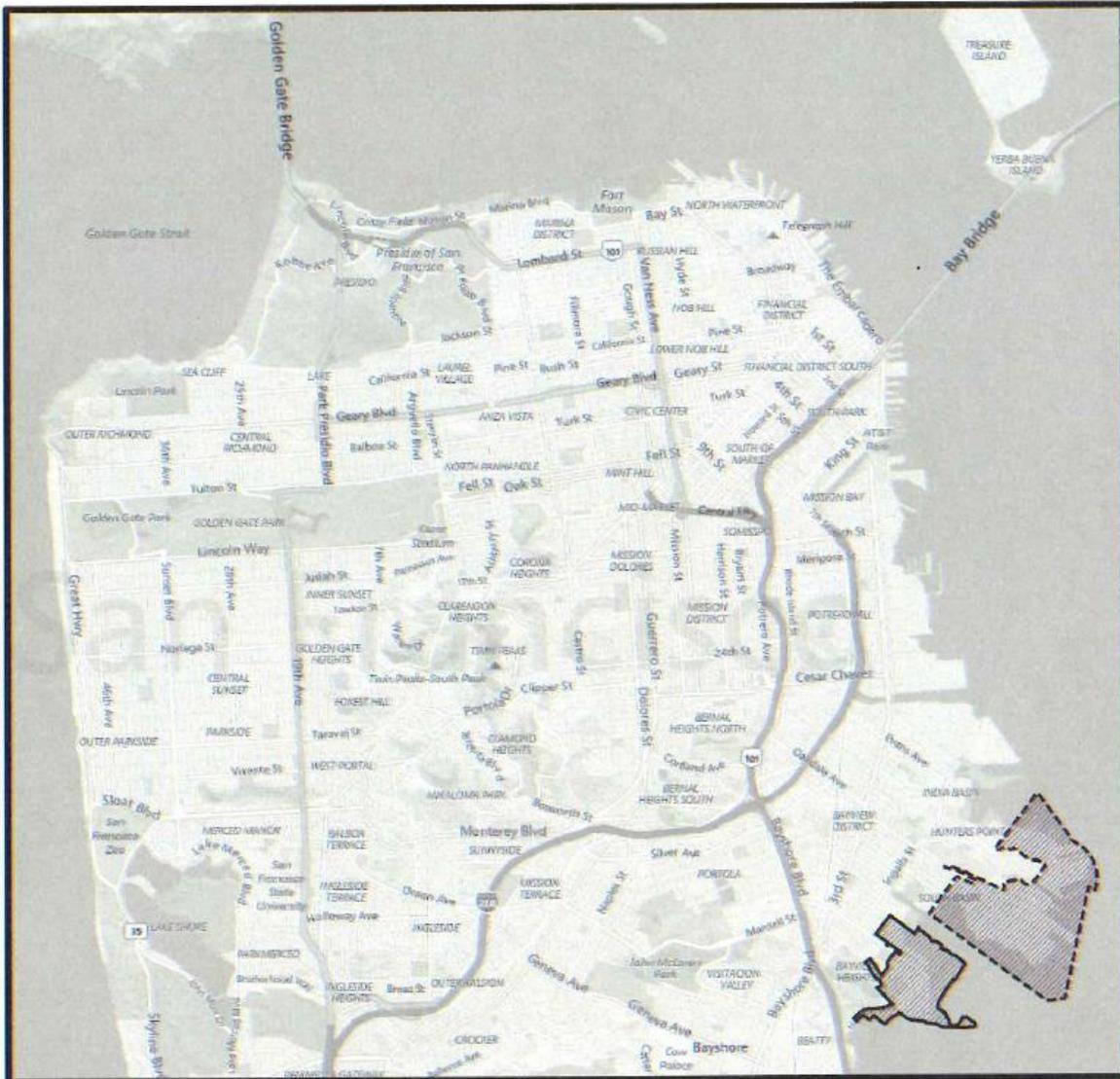
PART 4—SEVERABILITY CLAUSE

If any part of this initiative is held invalid by a court of law, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other parts of the initiative or applications which can be given effect without the invalid part or application hereof and to this end the sections of this initiative are severable.

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EXHIBIT C

Map Demonstrating the Location of the Subject Property within the City and County of San Francisco (For Informational Purposes Only)



— Candlestick Point

- - - Hunters Point Shipyard Phase 2

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INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

[TITLE]

[SUMMARY]

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

SECTION 1. Title.

This Initiative shall be known and may be cited as the “Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition” (referred to hereinafter as the “Initiative”).

SECTION 2. Findings & Conclusions.

(a) In 2008, San Francisco voters adopted Proposition G, the Bayview Jobs, Park and Housing Initiative, by a 63% to 37% vote. Proposition G sought to revitalize the Bayview Hunters Point area with hundreds of acres of parks, significant jobs and economic development opportunities, and a substantial number of affordable and market-rate homes. Proposition G recognized that the closure of the Hunters Point Shipyard, once a thriving maritime industrial center and leading hub of employment, had resulted in significant job losses, which had profoundly affected the economics of the area. Accordingly, the voters envisioned substantial redevelopment of the area, including office development that was designed to replace the high-quality, permanent jobs lost when the Shipyard closed.

(b) Since 2008, extensive environmental and public review has been undertaken. Redevelopment plans, area plans, zoning ordinances and agreements have been approved and entered into. For the property shown on the maps below (Hunters Point Shipyard Phase 2 and Candlestick Point), various approval documents allow and provide for extensive development, including the following:

- Approximately 330 acres for parks and open space, and approximately 370 acres for housing, research and technology jobs, retail sales, office space, and workspace for artists;
- 10,500 housing units, of which approximately one-third must be priced at below-market prices;
- 5,150,000 square feet of research and development, and office uses;
- 885,000 square feet of retail and entertainment uses.

(c) It has been eight years since Proposition G was passed, and the jobs envisioned in Proposition G have not yet materialized. The office uses, which are a key component of the plan to regenerate jobs lost to the Shipyard closure, face a special hurdle: a 1986 initiative called Proposition M. Among other things, Proposition M imposed a growth management program on office space, generally limiting office development to 950,000 square feet per year. The Bayview Hunters Point office development anticipated in Proposition G and in the subsequent approvals could wait many years before being built because of this program. However, Proposition M was adopted decades ago, when it was assumed office development would be concentrated in the downtown area. Hunters Point Shipyard Phase 2 and Candlestick Point are not located downtown—they are located on and around the site of the decommissioned Hunters Point Shipyard and former Candlestick Park in the southeastern part of the City. If left unamended, the growth management program of Proposition M would thwart the voters’ desire to revitalize the area and expedite development of job-creating uses.

(d) This Initiative amends the provisions of Proposition M and the San Francisco Planning Code that regulate the pace of office development. It removes Hunters Point Shipyard Phase 2 and Candlestick Point from the area within which an allocation or project authorization allowing office development may be required. This Initiative is intended to facilitate a rational development pace for this area, and to implement the voters' desire to realize the revitalization contemplated in Proposition G. To achieve these goals, this Initiative would also establish a policy that development applications shall be processed and decided quickly, and development expedited.

(e) This Initiative would not affect the applicability of the office development controls enacted by Proposition M to other areas of the City. This Initiative also would not affect the applicability of the priority policies adopted by Part 1 of Proposition M, nor would it affect the applicability of the resident placement and training program adopted by Part 3 of Proposition M.

SECTION 3. Part 2 of Proposition M (November 1986) and the Planning Code are hereby amended by adding Section 324.1 to read as follows:

SEC. 324.1. DEVELOPMENT IN HUNTERS POINT SHIPYARD PHASE 2 AND CANDLESTICK POINT.

(a) For purposes of this Section 324.1, "Development" includes, without limitation, development, redevelopment, reuse and reoccupancy; and the "Subject Property" is comprised of property within the dotted lines depicted on the following maps:

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Hunters Point
Shipyard Phase 2

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(b) Notwithstanding Part 2 – Annual Limit of Proposition M (November 1986) and other provisions of any San Francisco Code, the terms “office development,” “office space,” and “additional office space,” when used in Sections 320-325 of this Planning Code, shall not include Development on the Subject Property.

(c) No project authorization or allocation shall be required for any Development on the Subject Property. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.

(d) Development on the Subject Property shall not affect the annual limit or the unallocated amount referenced in Sections 320-324. The amount of office development for which project authorizations may be granted under Sections 320-324 on properties other than the Subject Property shall be determined without regard to the amount of Development on the Subject Property.

SECTION 4. Section 325 of Proposition M (1986) and the Planning Code are hereby amended to read as follows:

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323, and 324.1, as of October 17, 1985, as amended by the voters on November 4, 1986 and November 8, 2016, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

SECTION 5. Declaration of Policy.

The following declaration of policy is approved by the voters as specified in San Francisco Charter Section 14.101:

It shall be the policy of the City and County of San Francisco that applications for Development on the Subject Property shall be processed and decided as quickly as feasible, in implementation of the voters' strong desire and intent that Development on the Subject Property be expedited.

SECTION 6. Interpretation.

This Initiative shall not be interpreted to exempt any development on the Subject Property from paying any fees that such development would otherwise be required to pay but for the adoption of this Initiative.

This Initiative (including the definitions in new Section 321.4) shall not be interpreted to affect the application of Planning Code Sections 321-324 to any property other than the Subject Property.

This Initiative shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. It is the intent of the voters that the provisions of this Initiative be interpreted or implemented in a manner that facilitates the purposes set forth in this Initiative. The title of this Initiative and the captions preceding the sections of this Initiative are for convenience of reference only. Such title and captions shall not define or limit the scope or purpose of any provision of this Initiative. The use of the terms “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The use of the term “or” shall be construed to mean and/or.

This Initiative proposes to add text and maps to the referenced sections of Proposition M (November 1986) and the Planning Code. The new text is indicated above with **bold, underlined text**, and deleted text is shown in **~~bold-strikeout text~~**. The voters intend to enact only the boundaries shown on the maps included in Section 321.4, and do not enact any other aspects of those maps.

To allow the amendments to be read in context, the following exhibits are attached:

- Exhibit A The text of Sections 320 through 325 of the San Francisco Planning Code, as they exist on May 1, 2016
- Exhibit B The text of Proposition M (November 1986)
- Exhibit C A map demonstrating the location of the Subject Property within the City & County of San Francisco.

These exhibits are attached for informational purposes only, and not enacted by this Initiative. The amendments enacted by this Initiative are those set forth in Sections 3 and 4 of this Initiative.

SECTION 7. Severability.

If any provision of this Initiative, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Initiative are severable. The voters declare that this Initiative, and each word, phrase, sentence, section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any other provision or provisions is found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Initiative that can be given effect without the invalid application. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we, the People of the City and County of San Francisco, indicate our strong desire that: (i) the Board of Supervisors use its best efforts to sustain and provide for the re-enactment of that portion, and (ii) the Board of Supervisors implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including, if necessary, taking the appropriate steps to provide for the adoption or re-enactment of any such portion in a manner consistent with the intent of this Initiative.

SECTION 8. Conflicting Ballot Measures.

In the event that this Initiative and another measure or measures relating to the development of office space on Hunters Point Shipyard Phase 2 or Candlestick Point shall appear on the same municipal election ballot, the provisions of such other measures shall be deemed to be in conflict with this Initiative. In the event that this Initiative shall receive a greater number of affirmative votes, the provisions of this Initiative shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this Initiative shall take effect to the extent permitted by law. If this Initiative is approved by the voters but superseded by law in whole or in part by any other conflicting initiative approved by the voters at the same election, and such conflicting initiative is later held invalid, this Initiative shall be self-executing and given full force of law.

SECTION 9. Effective Date.

In accordance with the provisions of Municipal Elections Code § 380 and California Elections Code § 9217, if a majority of the voters vote in favor of the Initiative, the Initiative shall go into effect ten days after the official vote count is declared by the Board of Supervisors.

SECTION 10. Amendment.

Clerical actions may be taken by staff of the City and County of San Francisco to relocate the maps enacted by this Initiative to a location other than within Section 324.1 of the Planning Code, and to note in Section 324.1 where such maps may be found, provided that doing so effects no substantive change to this Initiative. Pursuant to Municipal Elections Code § 390 and California Elections Code § 9217 no other provision of this Initiative may be amended except by a vote of the People.

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EXHIBIT A (FOR INFORMATIONAL PURPOSES ONLY)
San Francisco Planning Code §§ 320-325

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SEC. 320. OFFICE DEVELOPMENT: DEFINITIONS.

When used in Sections 320, 321, 322 and 323, the following terms shall each have the meaning indicated. See also Section 102.

(a) "Additional office space" shall mean the number of square feet of gross floor area of office space created by an office development, reduced, in the case of a modification or conversion, by the number of square feet of gross floor area of preexisting office space which is lost.

(b) "Approval period" shall mean the 12-month period beginning on October 17, 1985 and each subsequent 12-month period.

(c) "Approve" shall mean to approve issuance of a project authorization and shall include actions of the Planning Commission, Board of Appeals and Board of Supervisors.

(d) "Completion" shall mean the first issuance of a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy as defined in San Francisco Building Code Section 307.

(e) "Disapprove" shall mean for an appellate administrative agency or court, on review of an office development, to direct that construction shall not proceed, in whole or in part.

(f) "Office space" shall mean space within a structure intended or primarily suitable for occupancy by persons or entities which perform for their own benefit or provide to others services at that location, including but not limited to professional, banking, insurance, management, consulting, technical, sales and design, or the office functions of manufacturing and warehousing businesses, but shall exclude the following: Retail use; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; any facility, other than physicians' or other individuals' offices and uses accessory thereto, customarily used for furnishing medical services, and design showcases or any other space intended and primarily suitable for display of goods. This definition shall include all uses encompassed within Section 102 of this Code.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

(1) Development which will result in less than 25,000 square feet of additional office space;

(2) Development either:

(i) Authorized under San Francisco Redevelopment Agency disposition or owner participation agreements which have been approved by Agency resolution prior to the effective date of this Section, or

(ii) Authorized prior to the effective date of this Section by Agency resolution in anticipation of such agreements with particular developers identified in the same or a subsequent agency resolution;

(3) Any development which is governed by prior law under Section 175.1(b) of this Code, unless modified after the effective date specified in Section 175.1(b) to add more than 15,000 square feet of additional office space. Any addition of office space up to 15,000 square feet shall count against the maximum for the approval period, pursuant to Section 321(a)(2)(B);

(4) Any development including conversion of 50,000 square feet or more of manufacturing space to office space where the manufacturing uses previously located in such space are relocated to another site within the City and County of San Francisco and the acquisition or renovation of the new manufacturing site is funded in whole or part by an Urban Development Action Grant approved by the Board of Supervisors;

(5) Any mixed-residential-commercial development which will be assisted by Community Development Block Grant funds approved by the Board of Supervisors in which all of the housing units shall be affordable to low-income households for a minimum of 40 years and for which an environmental review application and site permit application have been filed prior to the effective date of this ordinance which enacted the provisions of this Section;

(6) Any development authorized pursuant to a Planned Unit Development, as provided for by City Planning Code Section 304, providing for a total of 500 or more additional units of housing, provided such development first received a Planned Unit Development authorization prior to November 4, 1986. Such Planned Unit Development may be amended from time to time by the Planning Commission, but in no event shall any such amendment increase the amount of office space allowed for the development beyond the amount approved by the Planning Commission prior to November 4, 1986.

(h) "Project authorization" shall mean the authorization issued by the Planning Department pursuant to Sections 321 and 322 of this Code.

(i) "Replacement office space" shall mean, with respect to a development exempted by Subsection (g)(6) of this Section, that portion of the additional office space which does not represent a net addition to the amount of office space used by the occupant's employees in San Francisco.

(j) "Retail Use" shall mean supply of commodities on the premises including, but not limited to, stores, shops, Restaurants, Bars, eating and drinking businesses, and Retail Sales and Services uses defined in Planning Code Section 102, except for Hotels and Motels.

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

SEC. 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) **Limit.**

(1) No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

(2) The following amounts of additional office space shall count against the maximum set in Subsection (a)(1):

(A) All additional office space in structures for which the first building or site permit is approved for issuance during the approval period and which will be located on land under the jurisdiction of the San Francisco Port Commission or under the jurisdiction of the San Francisco Redevelopment Agency, provided, however, that no account shall be taken of structures which are exempt under Section 320(g)(2);

(B) The amount of added additional office space approved after the effective date of this ordinance in structures which are exempt under Section 320(g)(3);

(C) All additional office space in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any State, federal or regional government agency, which structures are found to be otherwise exempt from this Section 321 or Section 322 by force of other applicable law;

(D) All additional office space in structures exempt under Section 320(g)(4) or 320(g)(6) or the last sentence of Section 175.1(b), or which satisfy the substantive terms of either of said exemptions but for which the first building or site permit is authorized or conditional use or variance approved by the Planning Commission after June 15, 1985 but before the effective date of this ordinance.

The additional office space described in Subsection (a)(2)(A) shall be taken into account with respect to all proposed office developments which are considered after the first site or building permit is approved for issuance for the described project. The additional office space described in Subsections (a)(2)(B) and (a)(2)(D) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after the project or the added additional office space is first authorized or a conditional use or variance approved by the Planning Commission. The

additional office space described in Subsection (a)(2)(C) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after commencement of construction of the described structures. Modification, appeal or disapproval of a project described in this Section shall affect the amount of office space counted under this Section in the time and manner set forth for office developments in Section 321(c).

(3) The Planning Department shall maintain and shall make available for reasonable public inspection a list showing:

(A) All office developments and all projects subject to Section 321(a)(2) for which application has been made for a project authorization or building or site permit and, if applicable, the date(s) of approval and of approval for issuance of any building or site permit;

(B) The total amount of additional office space and, if applicable, replacement office space, approved with respect to each listed development;

(C) Approved office developments (i) which are subsequently disapproved on appeal; (ii) the permit for which expires or is cancelled or revoked pursuant to Subsection (d)(1) of this Section; or (iii) the approval of which is revoked pursuant to Subsection (d)(2) of this Section; and

(D) Such other information as the Department may determine is appropriate.

(4) Not less than six months before the last date of the approval period, the Planning Department shall submit to the Board of Supervisors a written report, which report shall contain the Planning Commission's recommendation with respect to whether, based on the effects of the limitation imposed by this Section on economic growth and job opportunities in the City, the availability of housing and transportation services to support additional office development in the City, office vacancy and rental rates, and such other factors as the Commission shall deem relevant, there should continue to be a quantitative limit on additional office space after the approval period, and as to what amount of additional office space should be permitted under any such limit.

(5) Every holder of a site permit issued on or after July 1, 1982 for any office development, as defined in Section 320(g) without regard to Subsections (g)(2) through (g)(5), shall provide to the Planning Commission reports containing data and information with respect to the following:

(A) Number of persons hired for employment either in construction of the development or, to the extent such information is available to the permittee, by users of the completed building;

(B) The age, sex, race and residence, by City, of each such person;

(C) Compensation of such persons, classified in \$5,000 increments, commencing with annualized compensation of \$10,000;

(D) The means by which each such person most frequently travels to and from the place of employment.

Such reports shall commence on October 1, 1985 and continue quarterly thereafter during the approved period. A report containing information by quarter for the period between July 1, 1982 and the effective date of the ordinance shall be submitted not later than December 31, 1985. The Planning Commission shall have full access to all books, records and documents utilized by any project sponsor in preparation of the written reports referred to above, and shall inspect such books, records and documents from time to time for purposes of authenticating information contained in such reports.

(b) Guidelines.

(1) During the approval period, the Planning Commission, and the Board of Supervisors and Board of Appeals on appeal from the Planning Commission shall approve, within the allowable limit, subject to Subsection (b)(2) of this Section, only those office developments which they shall determine in particular promote the public welfare, convenience and necessity, and shall be empowered under this Section to disapprove the remainder. The Planning Department shall issue to office developments so approved, in accord with Sections 320 through 323 of this Code, a project authorization.

(2) The following proposed office developments, subject to all other applicable sections of this Code and other applicable law, shall be approved under this Section in preference to all others:

(A) All proposed developments to the extent approval is required by court order; and, thereafter,

(B) Subject to Subsection (a)(1) of this Section, all proposed office developments which were approved by the Planning Commission during the approval period, but subsequently disapproved by any administrative appellate body or court, if and when said disapproval is later reversed.

(3) In determining which office developments best promote the public welfare, convenience and necessity, the Board of Supervisors, Board of Appeals and Planning Commission shall consider:

(A) Apportionment of office space over the course of the approval period in order to maintain a balance between economic growth, on the one hand, and housing, transportation and public services, on the other;

(B) The contribution of the office development to, and its effects on, the objectives and policies of the General Plan;

(C) The quality of the design of the proposed office development;

(D) The suitability of the proposed office development for its location, and any effects of the proposed office development specific to that location;

(E) The anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses;

(F) The extent to which the proposed development will be owned or occupied by a single entity;

(G) The use, if any, of TDR by the project sponsor.

Payments, other than those provided for under applicable ordinances, which may be made to a transit or housing fund of the City, shall not be considered.

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this Subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

(5) With respect to any office development which shall come before the Board of Supervisors for conditional use review, that Board shall consider, in addition to those criteria made applicable by other provisions of law, the criteria specified in Subsection (b)(3). As to any such office development, the decision of the Board of Supervisors with respect to the criteria specified in Subsection (b)(3) shall be a final administrative determination and shall not be reconsidered by the Planning Commission or Board of Appeals.

(6) The Planning Commission shall establish procedures for coordinating review of project authorization applications under Section 322 with review under Section 309 of this Code. The Commission may hold hearings under Sections 309 and 322 in such sequence as it may deem appropriate, but may not issue any project authorization until the requirements of Section 309 have been satisfied.

(c) Appeal and Modification.

(1) If an approved office development is disapproved, or if a previously unapproved office development is approved, by a court or appellate agency, the list described in Subsection (a)(3) of this Section shall be revised accordingly at the time that the period for rehearing before the appellate body in question shall have lapsed. Approval on appeal of any office development, if conditioned on disapproval of another office development which was previously approved, shall not be effective before the time for rehearing with respect to the disapproval shall have lapsed.

(2) The amount of additional office space of any development shall not count against the maximum for the approval period, beginning from the time the office development loses its approved status on the Planning Department list under Subsection (c)(1); provided, however, that if a decision disapproving an office development permits construction of a part of the project, the permitted additional office space only shall continue to count against the maximum, unless and until all building or site permits for the development expire or are cancelled, revoked or withdrawn.

(3) Any modification of an approved office development, including, without limitation, modification by a court or administrative appellate agency, shall be governed by this Subsection, subject, in the case of a court order, to Subsection (b)(2)(A).

(A) Any office development which is modified for any reason after it is first approved so as to increase its amount of additional office space shall lose its approved status on the list described in Subsection (a)(3) at the time such modification is approved, and may be approved as modified only subject to the limits of Subsection (a)(1). Such a modified development shall not be constructed or carried out based on its initial approval. Approval on appeal of such a modified development, if approval would violate the maximum set forth in Subsection (a)(1) of this Section but for disapproval of another previously approved office development, shall not be effective, nor grounds for reliance, until the time for rehearing with respect to the disapproval shall have lapsed.

(B) An approved office development may be modified so as to reduce the amount of additional office space, subject to all authorizations otherwise required by the City. No additional office space shall become available for any other development during the approval period on account of such a modification, unless the modification is required by any appellate administrative agency or a court, in which case additional office space shall become available when the time for rehearing has lapsed.

(d) Unbuilt Projects; Progress Requirement.

(1) The maximum amount of additional office space for the approval period shall be increased by the amount of such space included in office developments which were previously approved during the period but for which during such period an issued site or building permit has been finally cancelled or revoked, or has expired, with the irrevocable effect of preventing construction of the office development.

(2) Construction of an office development shall commence within 18 months of the date the project is first approved, or, in the case of development in the C-3-O(SD) District the development shall commence within three (3) years. Notwithstanding the above provision, office projects larger than 500,000 gross square feet in the C-3-O(SD) District shall commence construction within five (5) years. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the office development. Neither the Department of Building Inspection nor the Board of Appeals shall grant any extension of time inconsistent with the requirements of this Subsection (d)(2).

(3) The Department of Building Inspection shall notify the Planning Department in writing of its approval for issuance and issuance of a site or building permit for any office development, and for any development under the jurisdiction of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the Port Commission subject to Section 321(a)(2), and of the revocation, cancellation, or expiration of any such permit.

(c) **Rules and Regulations.** The Planning Commission shall have authority to adopt such rules and regulations as it may determine are appropriate to carry out the purposes and provisions of this Section and Sections 320, 322 and 323.

SEC. 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the Planning Commission amended the General Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1st of each subsequent year, the Planning Department shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987 and February 1st of each subsequent year as set out above, the Department shall certify in writing to the Planning Commission at a public hearing the list of all projects enumerated in Subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to Subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

SEC. 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

SEC. 321.3. VOTER APPROVAL OF EXEMPTIONS OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor Section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

SEC. 322. PROCEDURE FOR ADMINISTRATION OF OFFICE DEVELOPMENT LIMIT.

(a) **Project Authorization Required.** During the approval period, every site or building permit application for an office development must, before final action on the permit, include a copy of a project authorization for such office development, certified as accurate by the Planning Department. No such application shall be considered complete and the Department of Building Inspection shall not issue any such site or building permit unless such a certified copy is submitted. No site or building permit shall be issued for an office development except in accordance with the terms of the project authorization for such office development. Any such site or building permit which is inconsistent with the project authorization shall be invalid.

(b) **Application for Project Authorization.** During the approval period, an applicant for approval of an office development shall file an application for a project authorization with the Planning Department contemporaneously with the filing of an application for environmental evaluation for such development. Such application shall state such information as the Planning Department shall require; provided, however, that an application for a project authorization for each office development for which an environmental evaluation application has been filed prior to the effective date of this Section, shall be deemed to have been filed effective as of the date such environmental evaluation application was filed.

(c) Processing of Applications.

(1) The approval period shall be divided into such review periods as the Planning Commission shall provide by rule. The first review period shall commence on the effective date.

(2) Applications for project authorizations shall be considered by the Planning Commission during a specific review period in accordance with the following procedures:

(A) During a specific review period the Planning Commission shall consider all project authorization applications for which, prior to the first day of

such review period, a final Environmental Impact Report has been certified, or a final Negative Declaration has been issued, or other appropriate environmental review has been completed; provided, however, that during the first review period, the Planning Commission shall consider only those office developments for which (i) an environmental evaluation application and a site or building permit application were submitted prior to June 1, 1985, or (ii) a draft environmental impact report or a preliminary negative declaration was published prior to the effective date.

(B) The Planning Commission may hold hearings on all project authorization applications assigned to a specific review period before acting on any such application.

(C) In reviewing project authorization applications, the Planning Commission shall apply the criteria set forth in Section 321, and shall, prior to the end of such a review period, approve, deny, or, with the consent of the applicant, continue to the next subsequent review period each such application based on said criteria.

(D) Notwithstanding any other provisions of this Section or Section 321, the Planning Commission may at any time, after a noticed hearing, deny or take other appropriate action with respect to any application for a project authorization as to which environmental review, in the judgment of the Commission, has not been or will not be completed in sufficient time to allow timely action under applicable law.

(E) Any project authorization application which is denied by the Planning Commission, unless such denial is reversed by the Board of Appeals or Board of Supervisors, shall not be resubmitted for a period of one year after denial.

(d) **Appeal of Project Authorization.** The Planning Commission's determination to approve or deny the issuance of a project authorization may be appealed to the Board of Appeals within 15 days of the Commission's issuance of a dated written decision pursuant to the procedural provisions of Section 308.2 of this Code, except in those instances where a conditional use application was filed. In cases in which a conditional use application was filed, the decision of the Planning Commission may be appealed only to the Board of Supervisors pursuant to Section 308.1 of this Code. The decision on the project authorization by the Board of Appeals or Board of Supervisors shall be the final administrative determination as to all matters relating to the approval of the office development that is the subject of the project authorization, except for matters, not considered in connection with the project authorization, which arise in connection with a subsequent building or site permit application for the development in question.

(e) **Modification of Project Authorization.** The Planning Commission may approve a modified project authorization, after a noticed hearing, during the review period in which the initial project authorization was approved or a subsequent review period. Approval or denial of a modified project authorization shall be subject to appeal in accord with Subsection (d).

(f) **No Right to Construct Conveyed.** Neither approval nor issuance of a project authorization shall convey any right to proceed with construction of an office development, nor any right to approval or issuance of a site or building permit or any other license, permit, approval or authorization which may be required in connection with said office development.

SEC. 323. OFFICE DEVELOPMENT: PREAPPLICATION PROCEDURE.

The Planning Commission may by rule permit such persons as elect to do so, to submit a preliminary application on a proposed office development before submitting any application for a project authorization. Such a preliminary application shall contain such information as the Commission may require. With respect to each proposed office development for which all the information required by the Planning Department is timely submitted to the Department, the Director of Planning or his designee shall, in writing, issue an advisory opinion to the person submitting such information, as to whether he or she at that time intends to recommend, based on the information submitted to him or her, the proposed development for denial by the Planning Commission. The advice and recommendation of the Director shall neither convey, nor foreclose, any right to proceed with a project authorization application or the development and shall constitute neither approval nor denial of the development. The Director's recommendations under this Section shall be governed by Section 321(b) of this Code.

SEC. 324. FINDINGS.

(a) The Board of Supervisors declares that it is the policy of the City and County of San Francisco to:

- (1) Provide a quality living and working environment for residents and workers;
- (2) Foster the diversified development of the City, providing a variety of economic and job opportunities;
- (3) Maintain a balance between economic growth, on the one hand, and housing, transportation and public services in general, on the other, and encourage a rate of growth consistent with transportation and housing capacity;
- (4) Prevent undesirable effects of development on local air quality and other environmental resources; and
- (5) Encourage development projects of superior design, optimum location and other desirable characteristics.

(b) In recent years, office development in the City has increased dramatically. Office development has already affected housing, transportation and parking capacities.

(c) The City has only limited legal authority to direct or control physical development, whether for office use or not, on land covered by approved redevelopment plans or under the jurisdiction of the Port Commission.

(d) There are competing legitimate public interests which must be balanced in the planning process. Environmental concerns are of great importance, but must be balanced against the need for continued, healthy economic growth and job creation, maintenance of municipal revenues for the provision of social services, effective preservation of historic buildings and other considerations.

(e) Based on developments proposed to date, general economic conditions affecting San Francisco, and the trend in recent years of an increasing rate of office development, it is likely that excessive office development will come before City agencies for authorization and approval during the years 1985 through 1988, and possible that excessive development would continue thereafter. It is therefore appropriate to approve during the three years after adoption of this ordinance only particular, proposed developments which serve the public interest, convenience and necessity, and to similarly limit approvals for further periods to the extent excessive development might otherwise continue to occur.

(f) Sections 320 through 324 of this ordinance are intended to further the policies noted in Subsection (a) and to aid in responding to the effects noted in Subsection (b), with due regard to the factors set forth in Subsections (c) and (d), by authorizing more effective regulation of the rate, distribution, type and quality of office development in the City and County of San Francisco. Control of office development will afford additional time to analyze and meet its effects.

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

DEPARTMENT OF ELECTIONS
2018 MAY 11 PM 12:28
SAN FRANCISCO FILED

EXHIBIT B (FOR INFORMATIONAL PURPOSES ONLY)
Text of Proposition M (November 1986)

PART 1—MASTER PLAN

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended by adding section 101.1 as follows:

SECTION 101.1. MASTER PLAN CONSISTENCY AND IMPLEMENTATION.

(a) The Master Plan shall be an integrated, internally consistent and compatible statement of policies for San Francisco. To fulfill this requirement, after extensive public participation and hearings, the City Planning Commission shall in one action amend the Master Plan by January 1, 1988.

(b) The following Priority Policies are hereby established. They shall be included in the preamble to the Master Plan and shall be the basis upon which inconsistencies in the Master Plan are resolved:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
3. That the City's supply of affordable housing be preserved and enhanced;
4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
7. That landmarks and historic buildings be preserved; and,
8. That our parks and open space and their access to sunlight and vistas be protected from development.

(c) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after November 4, 1986, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the Priority Policies established above.

(d) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after January 1, 1988, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the City's Master Plan.

(e) Prior to issuing a permit for any project or adopting any legislation which requires an initial study under the California Environmental Quality Act, and prior to issuing a permit for any demolition, conversion or change of use, and prior to taking any action which requires a finding of consistency with the Master Plan, the City shall find that the proposed project or legislation is consistent with the Priority Policies established above. For any such permit issued or legislation adopted after January 1, 1988 the City shall also find that the project is consistent with the City's Master Plan.

PART 2—ANNUAL LIMIT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsections 320(b) and 320(g)(1) are amended as follows:

SECTION 320. OFFICE DEVELOPMENT: DEFINITIONS.

(b) "Approval period" shall mean the twelve month period beginning on October 17, 1985 and each subsequent twelve month period.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

1. Development which will result in less than 25,000 square feet of additional office space.

Subsection 320(g)(5) is deleted and the existing Subsections renumbered.

Subsection 320(k) is added as follows:

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five (5) years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

Subsection 321(a)(1) is amended as follows:

SECTION 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) Limit.

1. No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

A new Subsection 321(b)(4) is added as follows and existing subsections renumbered:

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

ELECTIONS
MAY 11 PM 12:28
SAN FRANCISCO
FILED

Section 321.1 is added as follows:

SECTION 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the City Planning Commission amended the Master Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1 of each subsequent year the Department of City Planning shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Redevelopment Agency or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the City Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987, and February 1 of each subsequent year as set out above, the Department shall certify in writing to the City Planning Commission at a public hearing the list of all projects enumerated in subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office, development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

Section 321.2 is added as follows:

SECTION 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

(g) The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

Section 321.3 is added as follows:

SECTION 321.3. VOTER APPROVAL OF EXEMPTION OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

Section 325 is amended as follows:

SECTION 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

PART 3—EMPLOYMENT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsection 164(a) is amended as follows:

SECTION 164. SAN FRANCISCO RESIDENT PLACEMENT AND TRAINING PROGRAM.

(a) The City has determined in its certification of the Downtown Plan Environmental Impact Report and in its findings and studies leading to the adoption of Section 313 of the Planning Code that San Francisco and regional traffic and transit problems will become more intolerable as the number of non-resident employees increases in San Francisco as a result of new office development. In order to mitigate those adverse traffic and transit impacts, while protecting the City's residential areas from unwanted increases in density, the people determine that a policy of maximizing resident employment training and placement opportunities is needed.

Subsections 164(d) and (e) are added as follows:

(d) In order to ensure, that the maximum number of San Francisco residents are trained and placed in employment opportunities in our City, the Board of Supervisors shall hold public hearings and not later than January 1, 1988 the City shall adopt legislation to establish a program which will coordinate the job training and placement efforts of the San Francisco Unified School District, the San Francisco Community College District, community-based non-profit employment and training programs, and other agencies from the public and private sectors, to assure maximum use of existing federal, state and local training and placement programs, and to develop such additional training and placement programs as deemed necessary.

(e) Should the Board of Supervisors determine that additional funds are needed for programs established pursuant to subsection (d) above, it shall consider the adoption of a San Francisco Resident Training and Placement Fee of not less than \$1.50 per square foot as a condition of the approval of any application for an office development project proposing the net addition of 50,000 or more gross square feet of office space.

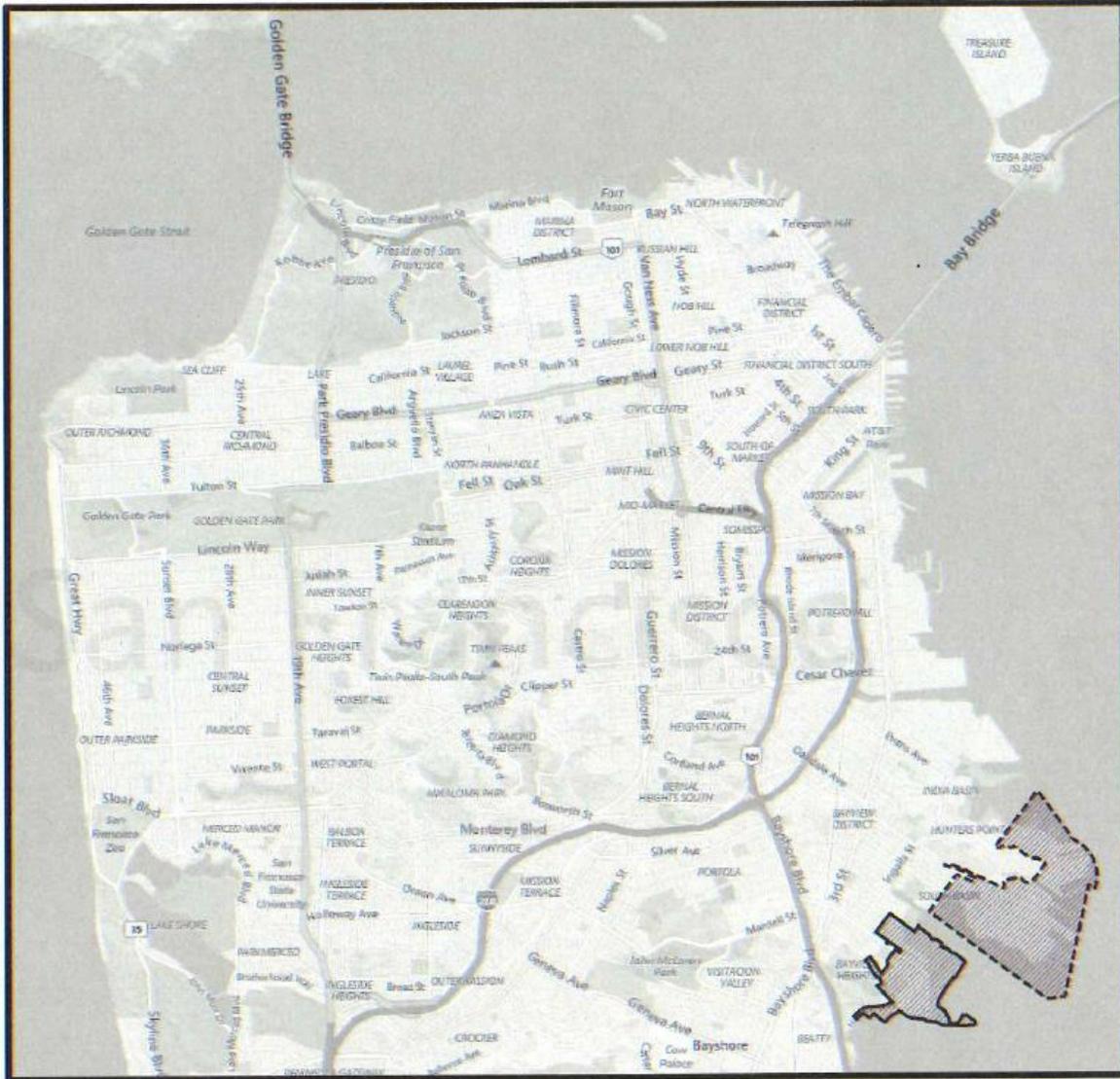
PART 4—SEVERABILITY CLAUSE

If any part of this initiative is held invalid by a court of law, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other parts of the initiative or applications which can be given effect without the invalid part or application hereof and to this end the sections of this initiative are severable.

DEPARTMENT OF ELECTIONS
2016 MAY 11 PM 12:28
FILED
SAN FRANCISCO

EXHIBIT C

Map Demonstrating the Location of the Subject Property within the City and County of San Francisco (For Informational Purposes Only)



— Candlestick Point

- - - Hunters Point Shipyard Phase 2

DEPARTMENT OF ELECTIONS
2016 MAY 11 PM 12:28
FILED
SAN FRANCISCO

Redevelopment Plan Maps

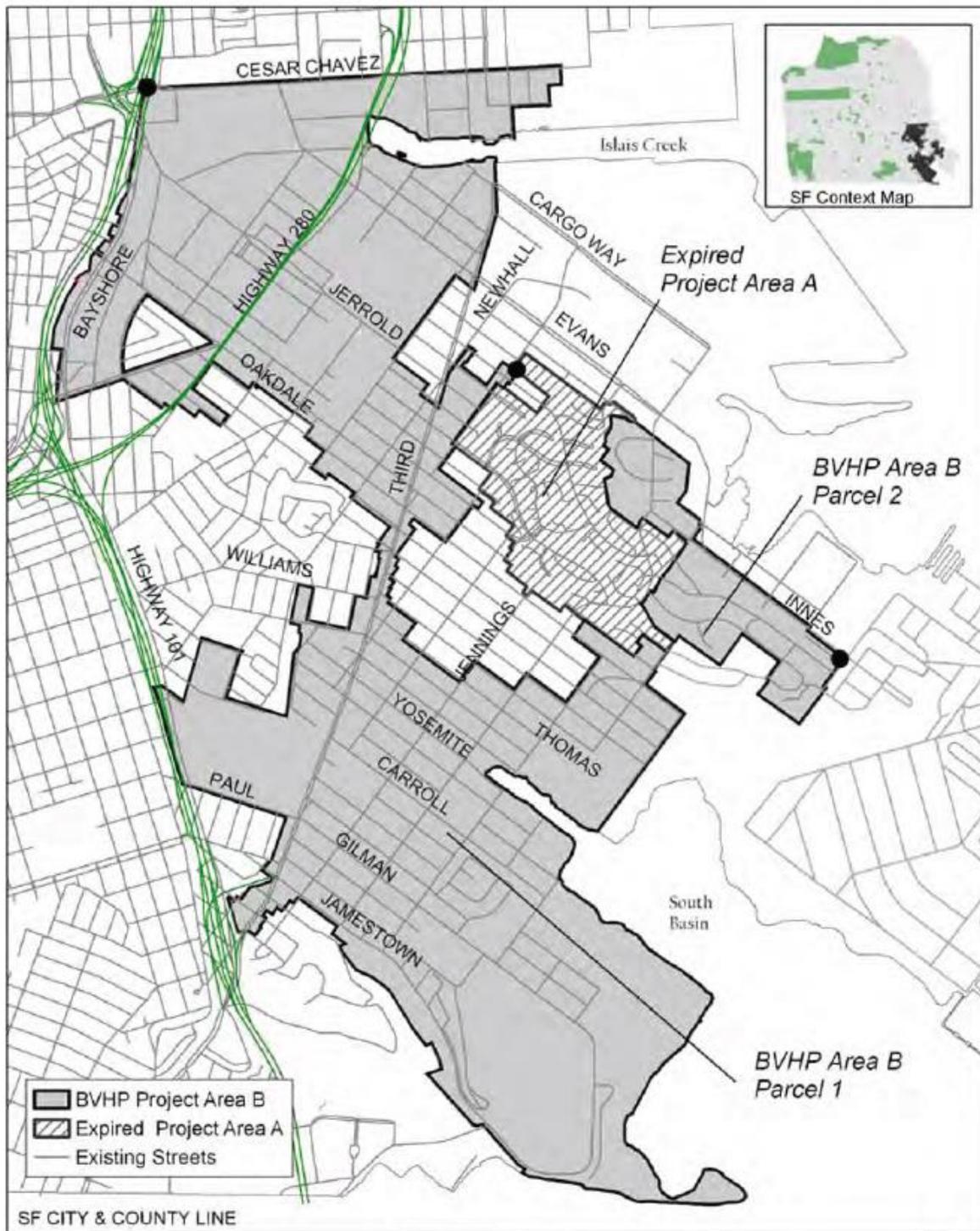
MAP 1 –Project Area Boundary

MAP 2 - Project Area B Redevelopment Zones

MAP 3 – Area B Activity Nodes

MAP 4 – Zone 1 Land Use Districts Map

MAP 5 – Zone 2 Generalized Land Use Map

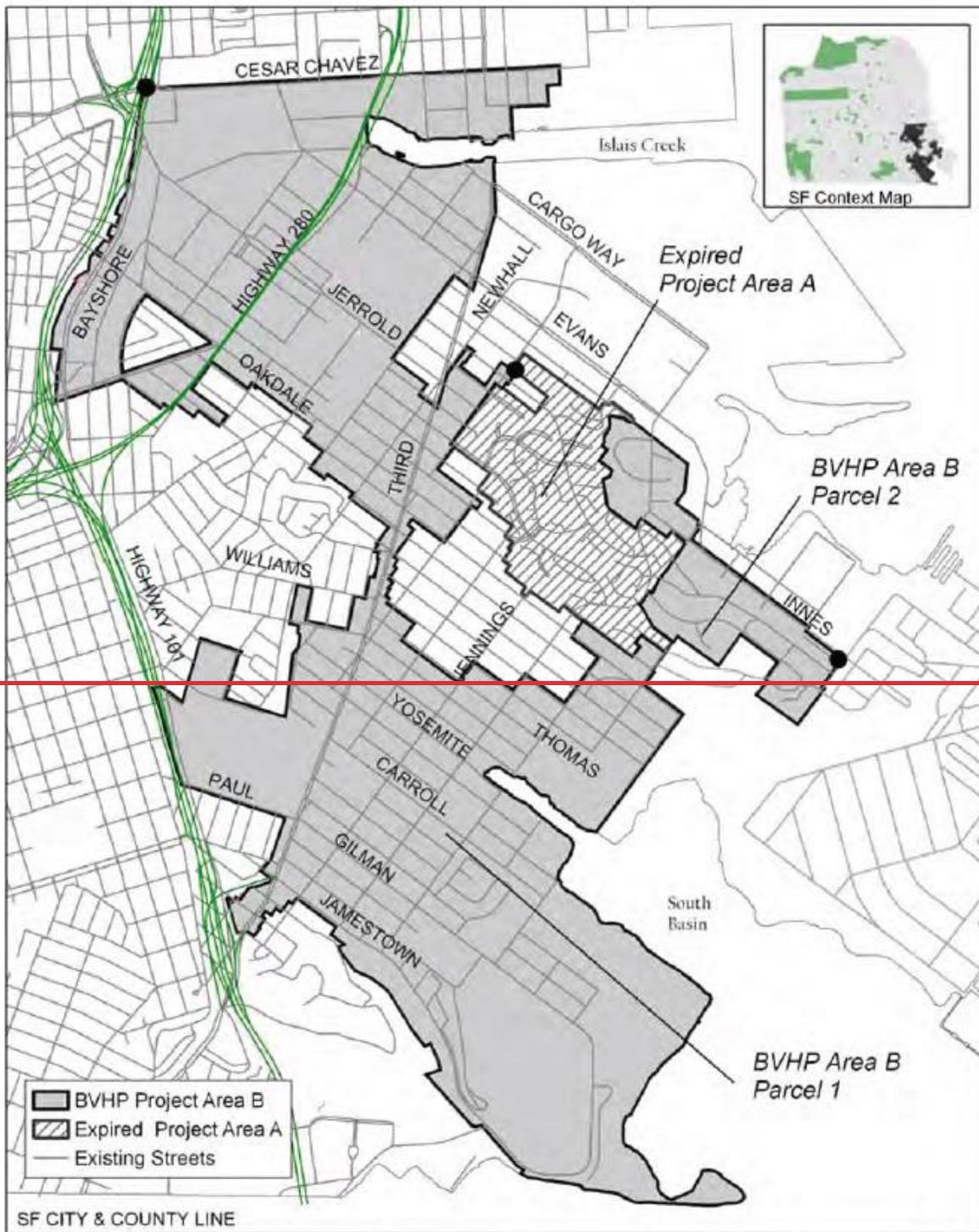


Map 1: Project Area Boundary Map
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

1,000 500 0 1,000 Feet

July 16, 2018

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Map 1: Project Area Boundary Map

Bayview Hunters Point Redevelopment Plan
Office of Community Investment and Infrastructure
2018

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July 16, 2018

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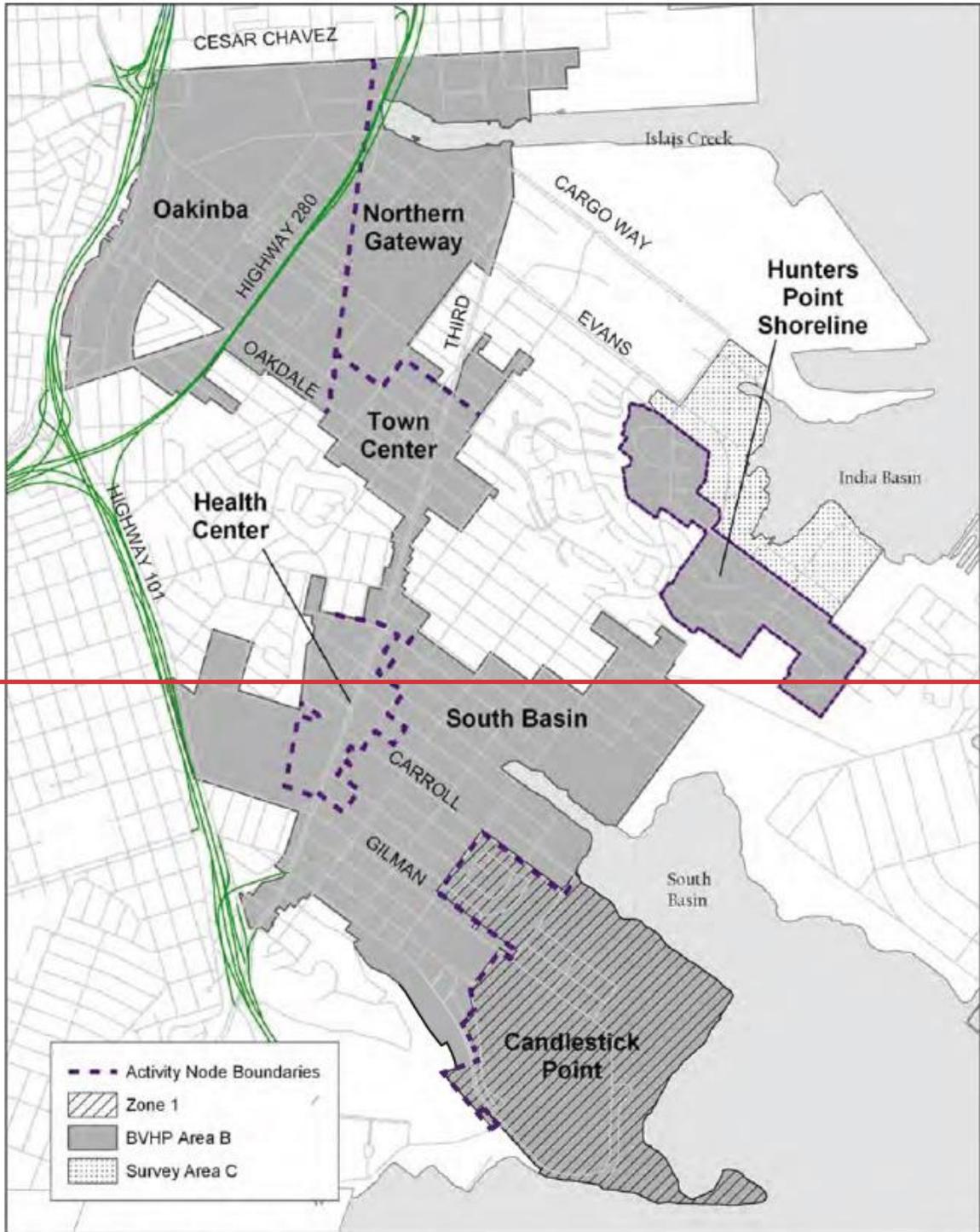


Map 2: Project Area B Redevelopment Zones Map

Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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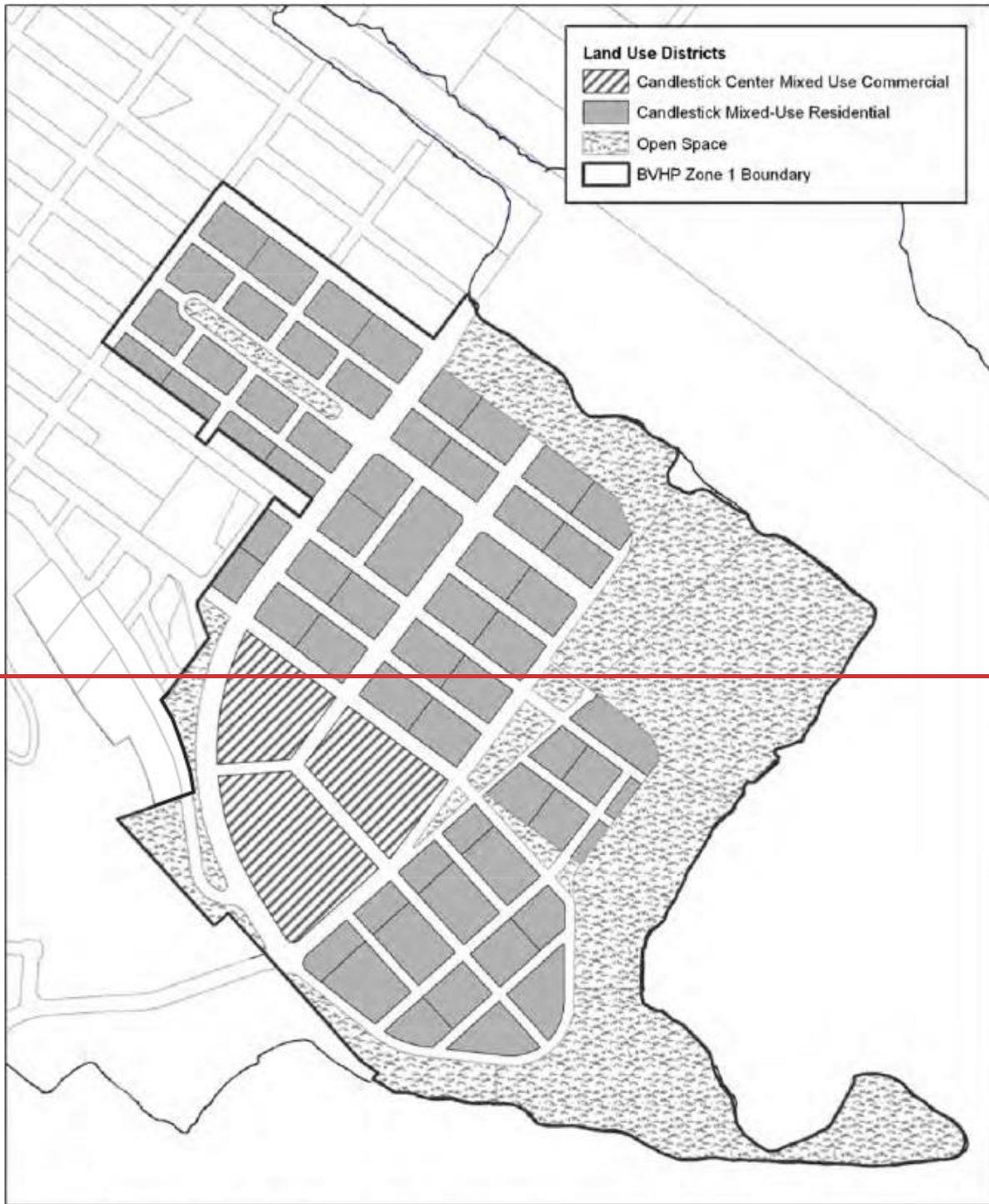


Map 3: Area B Activity Nodes

Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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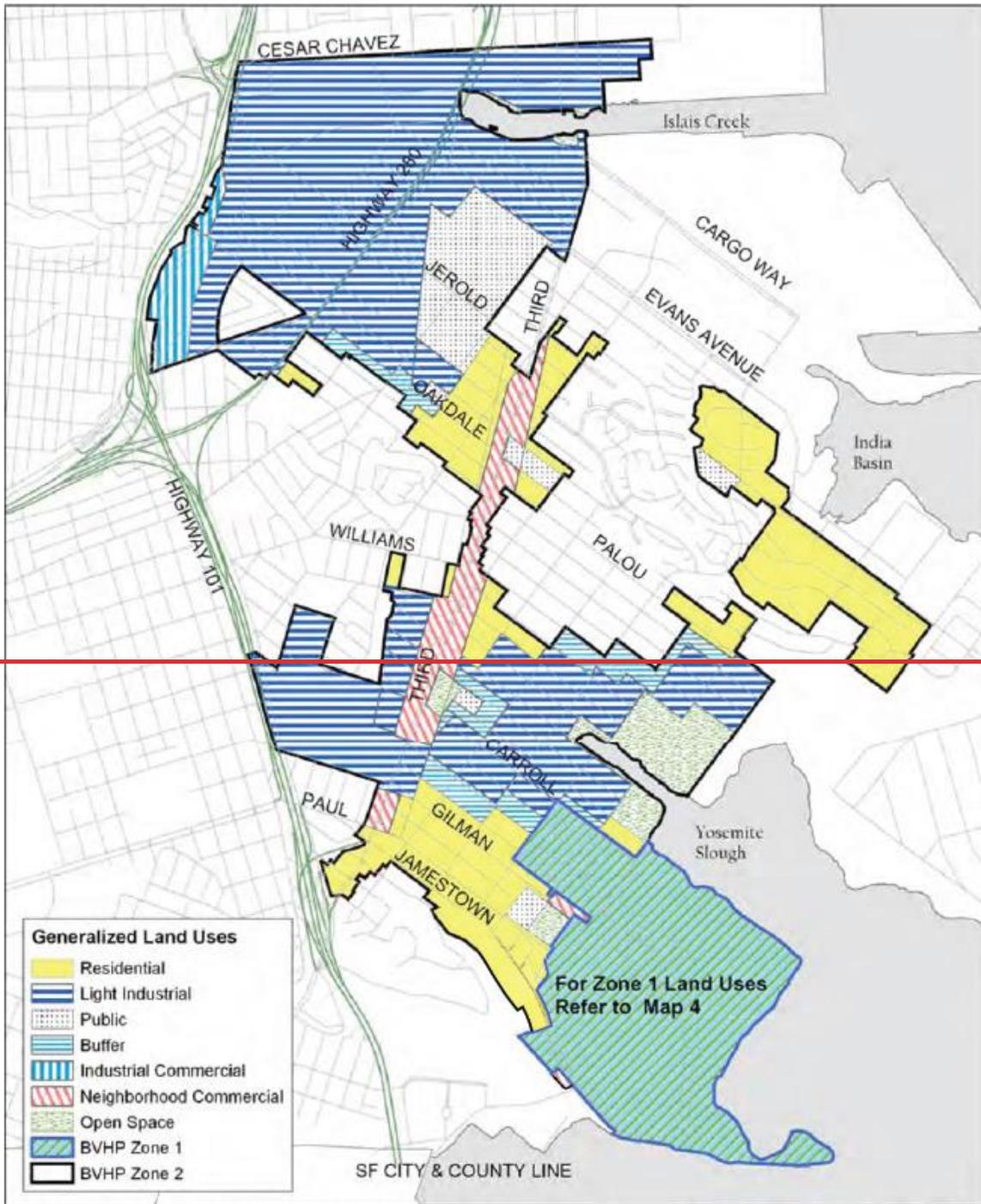


Map 4: Zone 1 Land Use Districts
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018



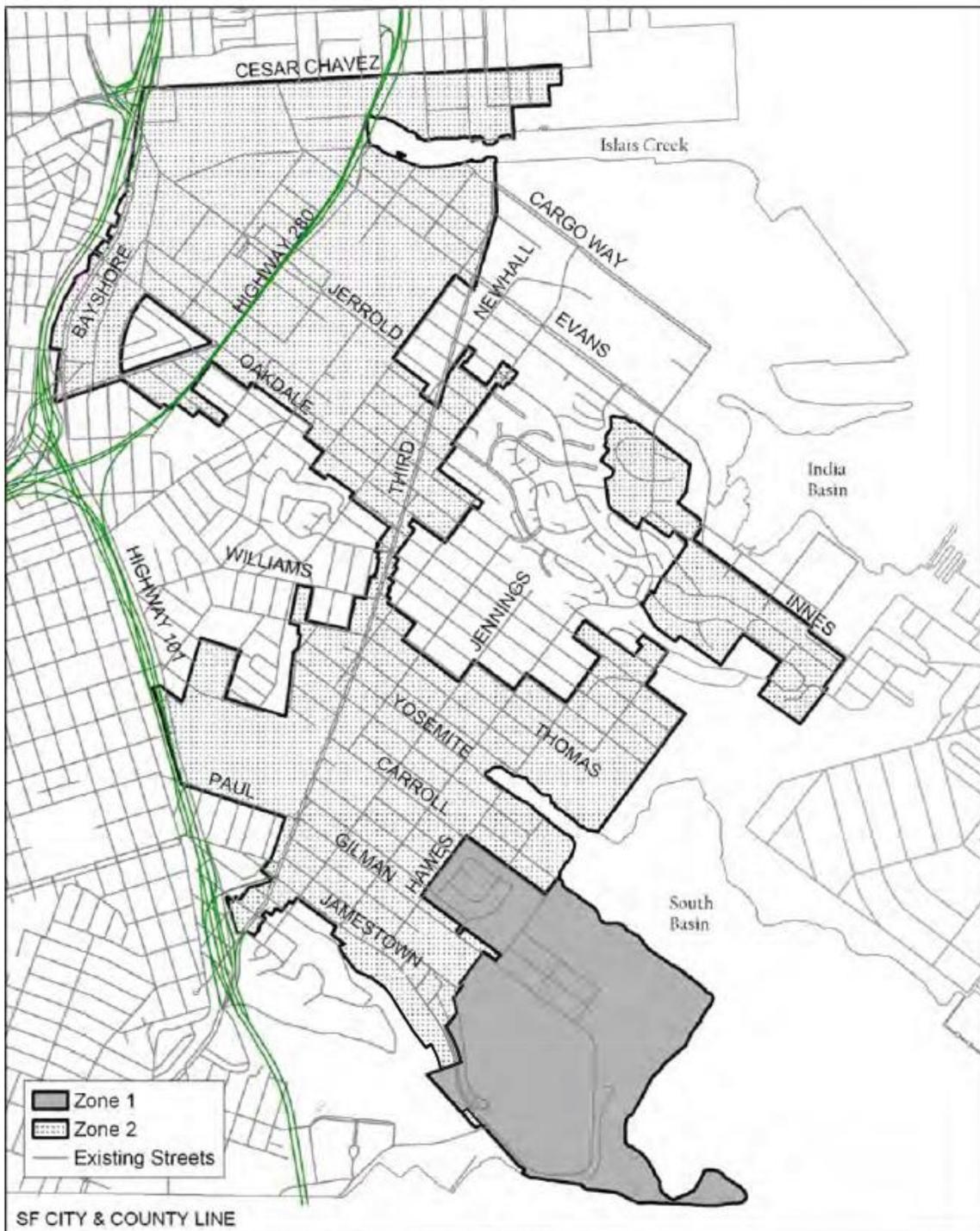
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Map 5 Area B - Zone 2 Generalized Land Use Map *
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

* Based on General Plan BVHP Area Plan Figure 4
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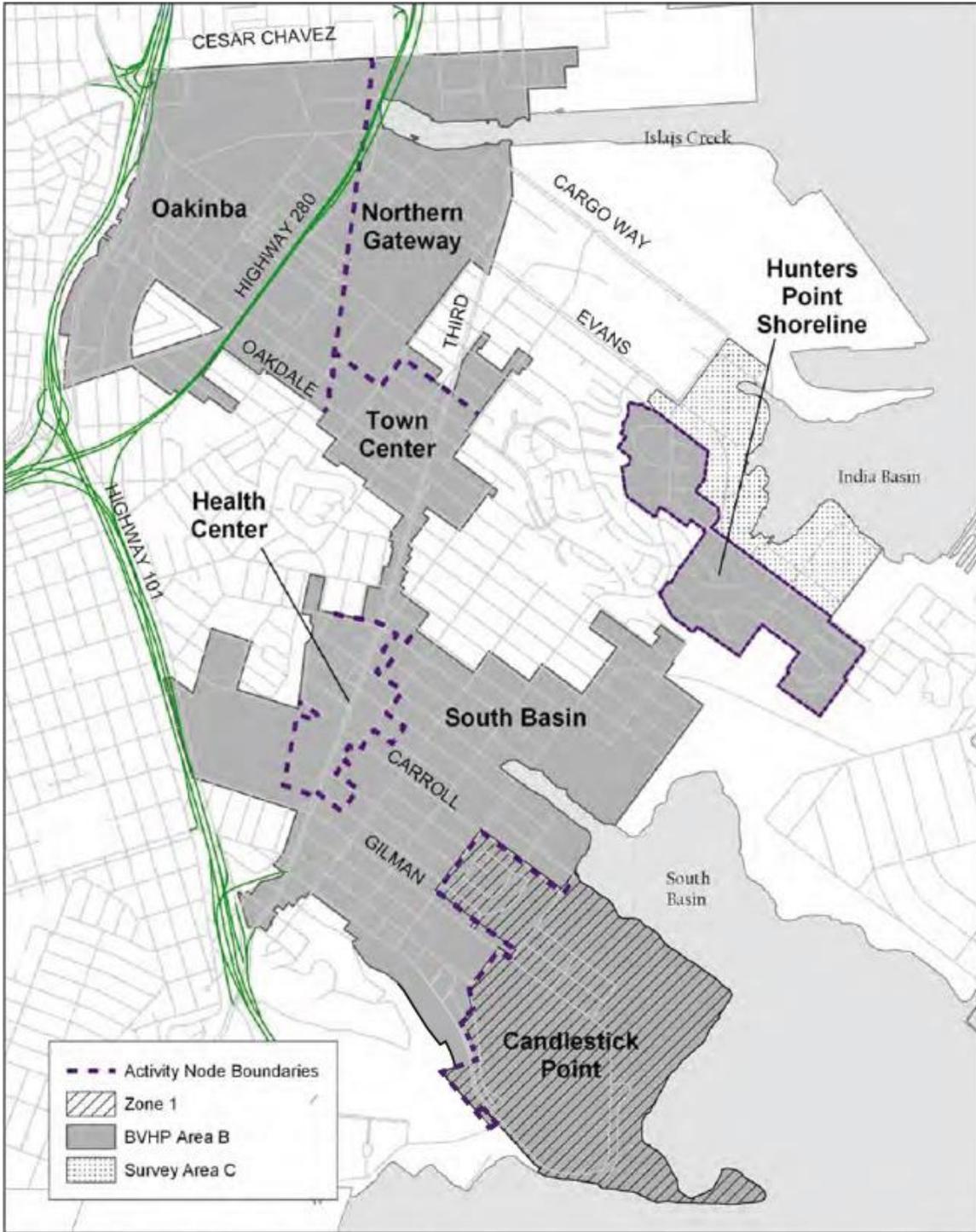


Map 2: Project Area B Redevelopment Zones Map

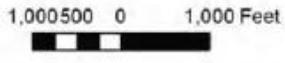
Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

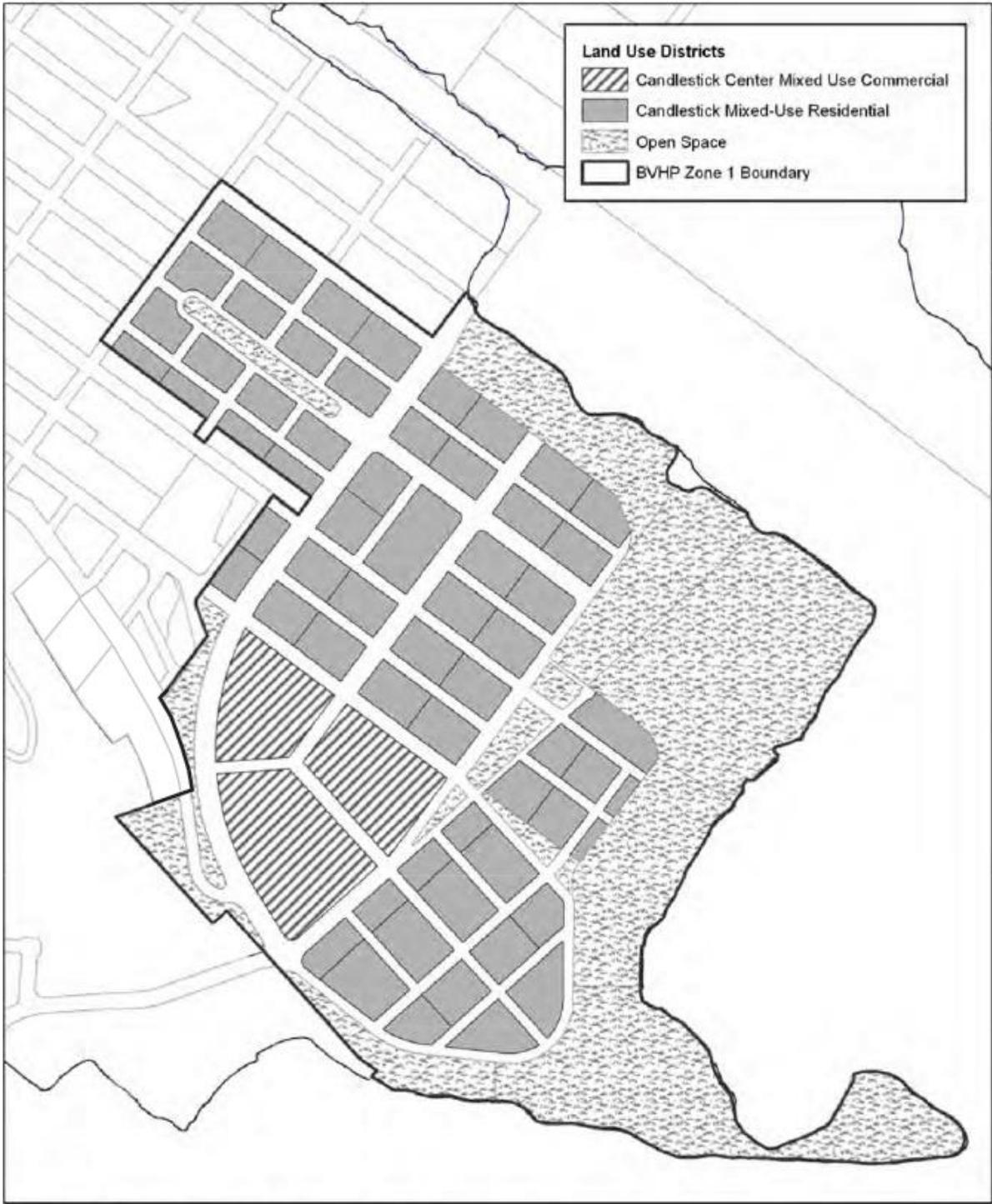
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Map 3: Area B Activity Nodes
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018



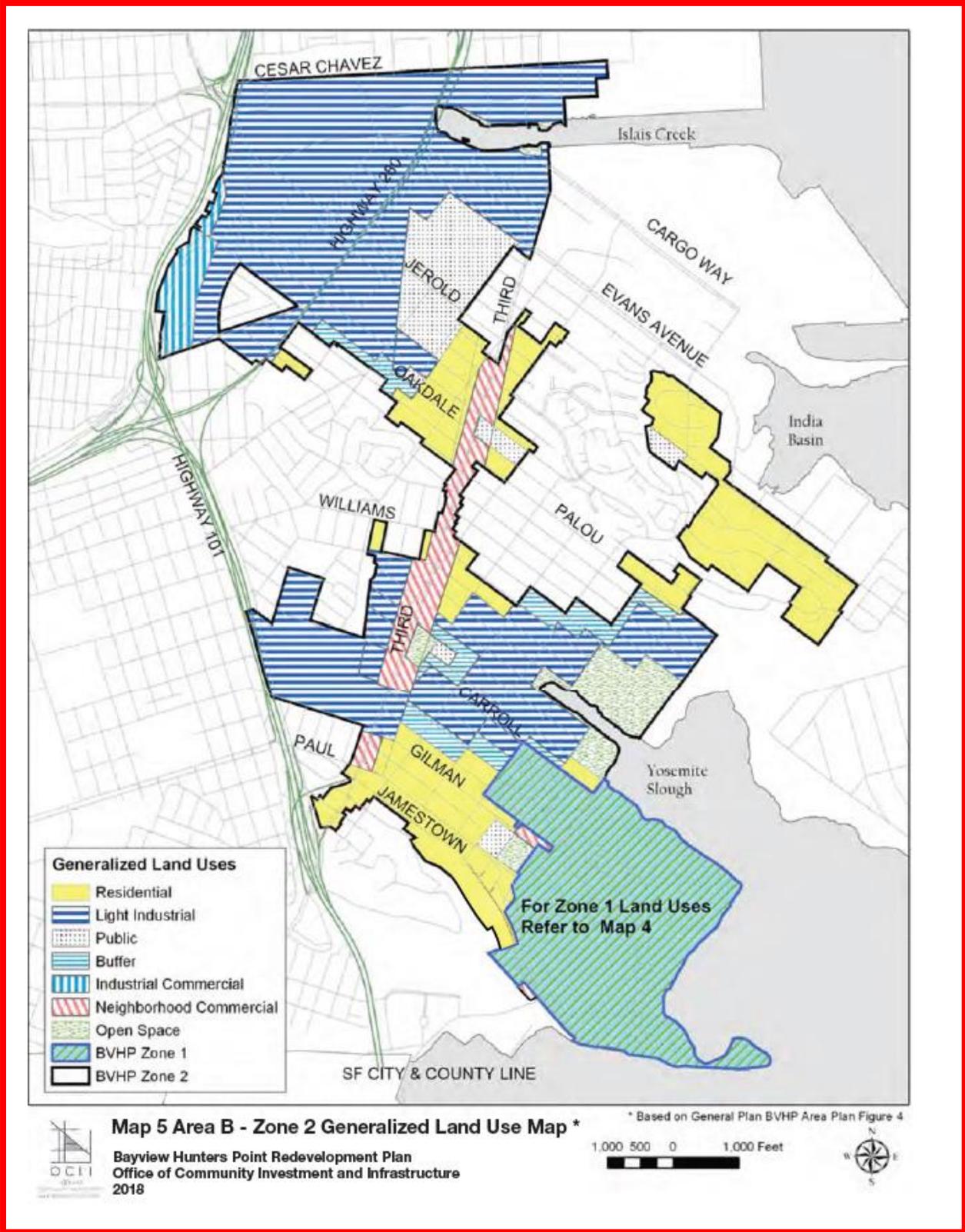


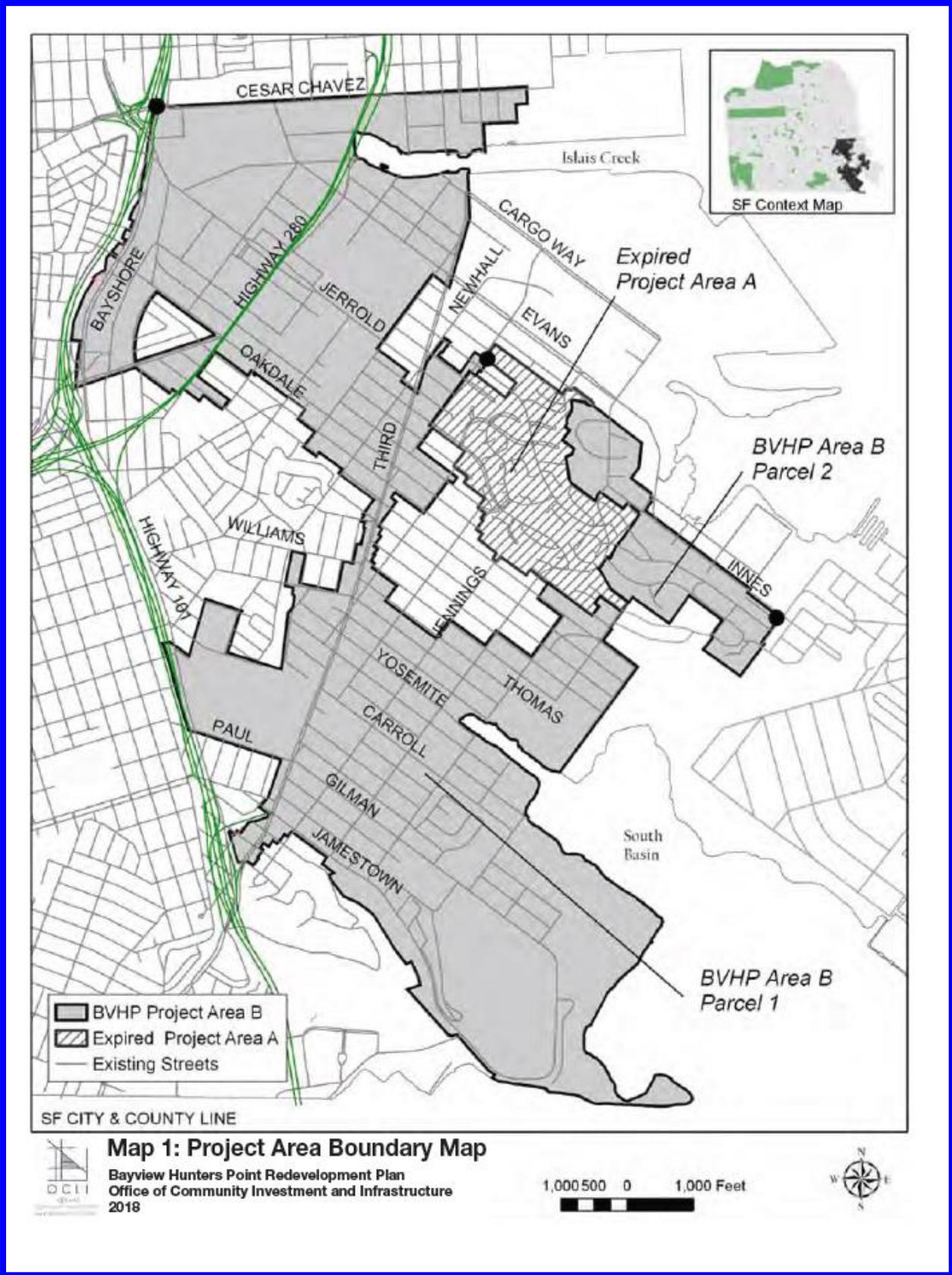
Map 4: Zone 1 Land Use Districts
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018



July 16, 2018

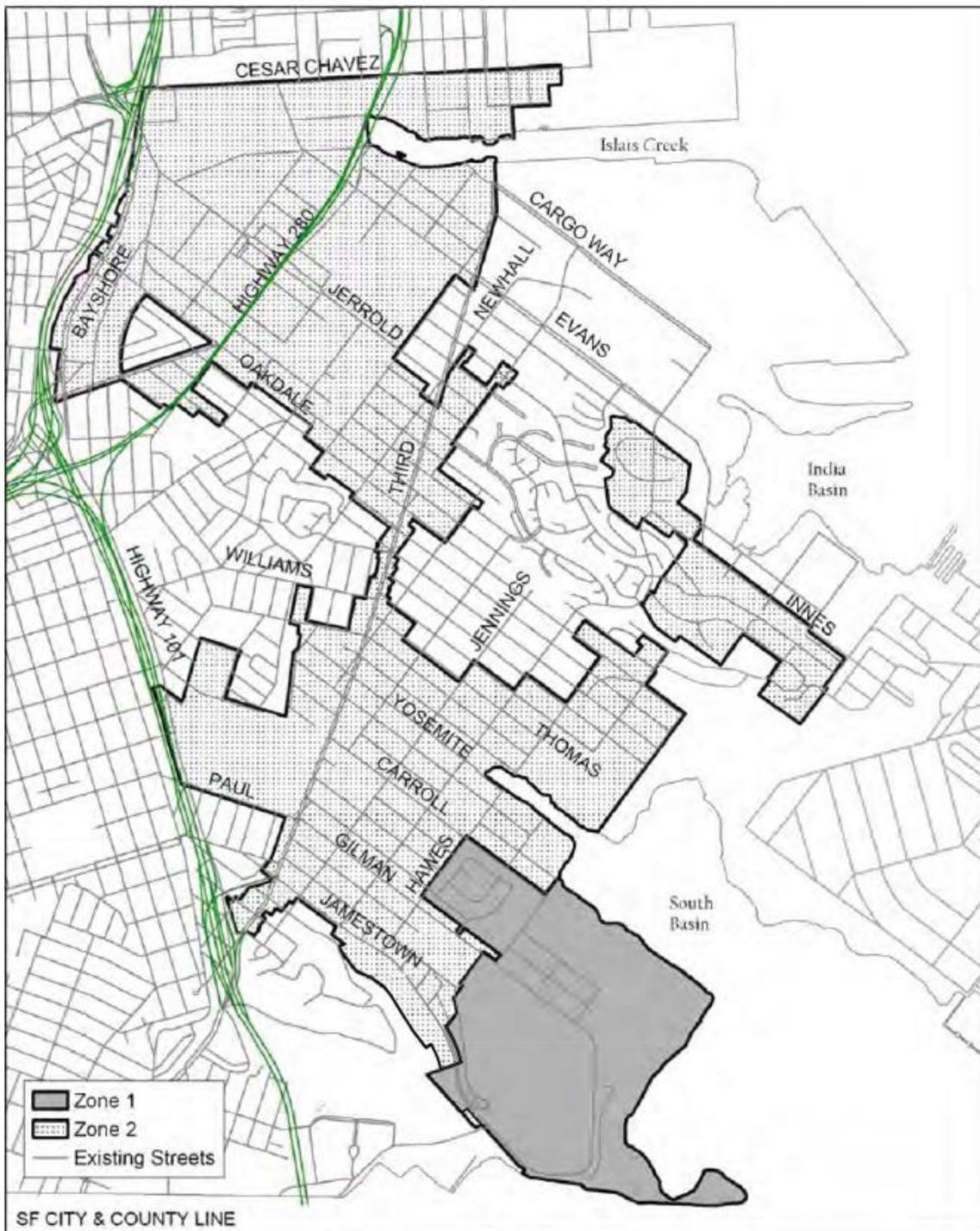
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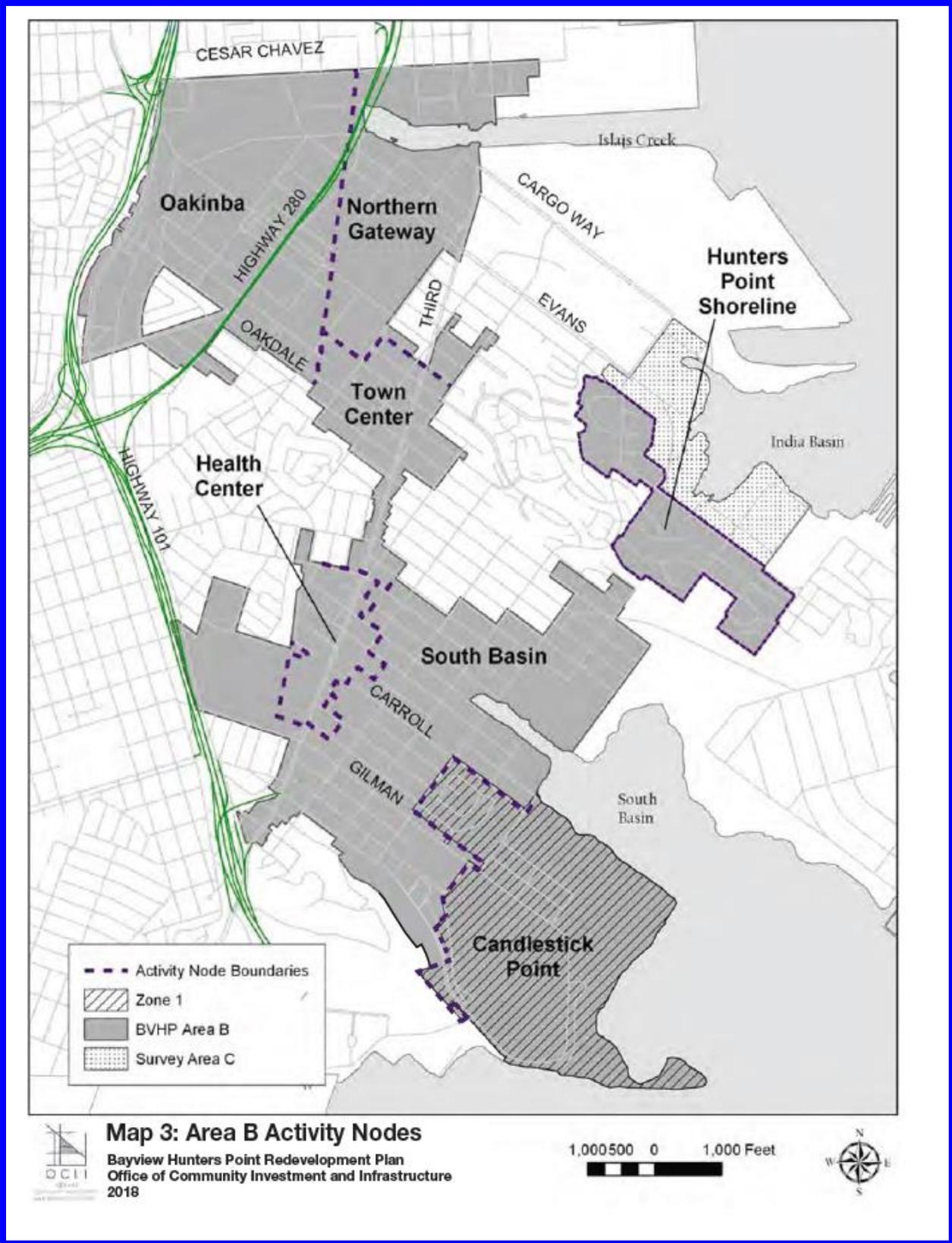
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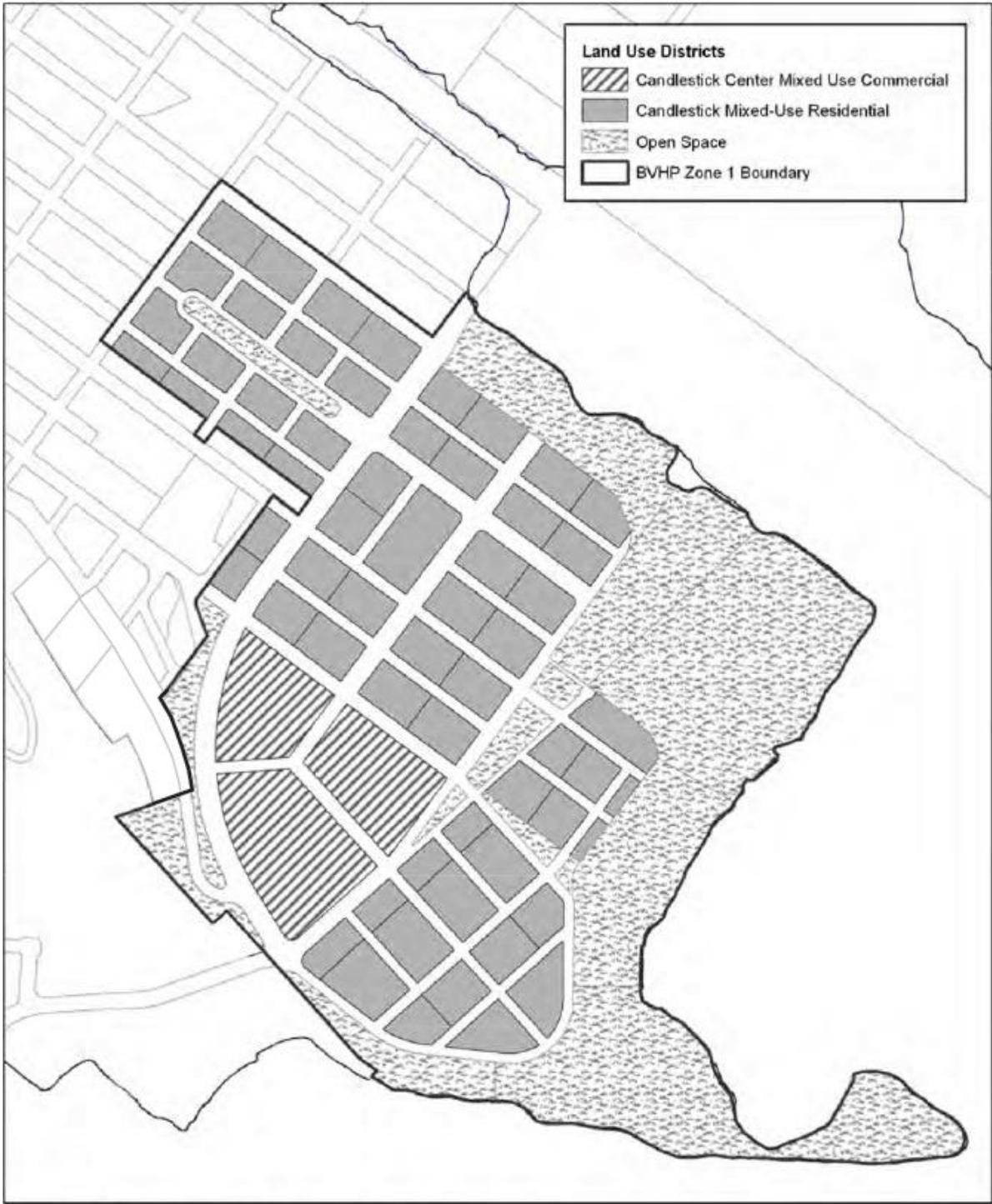
Map 2: Project Area B Redevelopment Zones Map

Bayview Hunters Point Redevelopment Plan
Office of Community Investment and Infrastructure
2018

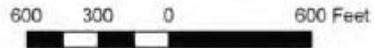


Bayview Hunters Point Redevelopment Plan
 July 16, 2018

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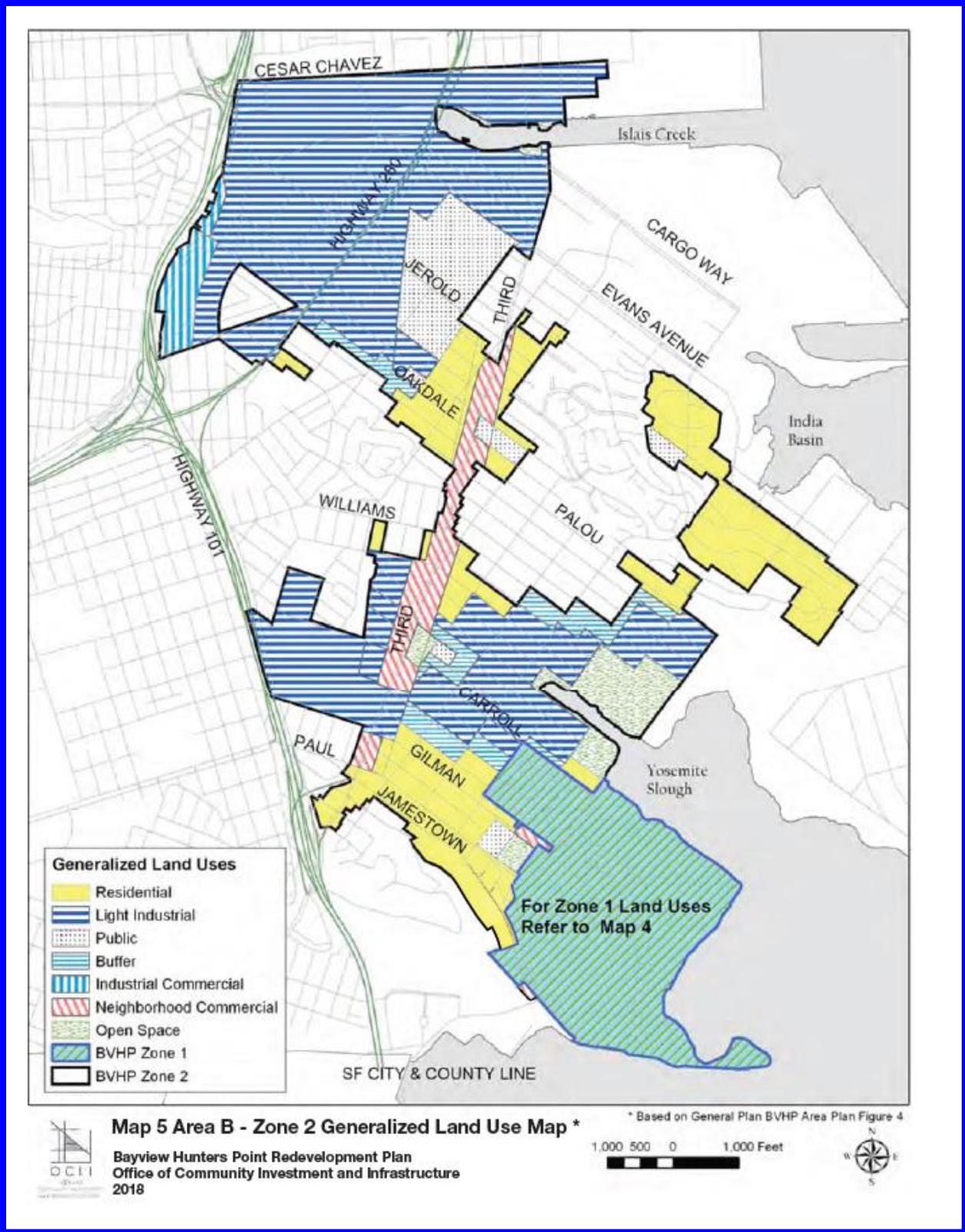


Map 4: Zone 1 Land Use Districts
 Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018



July 16, 2018

[161867879.13](https://www.aecsystems.com/161867879.13)



Bayview Hunters Point Redevelopment Plan
July 16, 2018

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Bayview Hunters Point Redevelopment Plan
July 16, 2018

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COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 26-2024

Adopted September 3, 2024

ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING AMENDMENTS TO THE REDEVELOPMENT PLAN FOR THE HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA, REFERRING THE PLAN AMENDMENTS TO THE PLANNING COMMISSION FOR ITS REPORT ON CONFORMITY WITH THE GENERAL PLAN, AND RECOMMENDING THE PLAN AMENDMENTS TO THE BOARD OF SUPERVISORS FOR ADOPTION; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, Section 33000 et seq. the “**CRL**”), the Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“**City**”), including the Bayview Hunters Point Redevelopment Project Area (“**BVHP Project Area**”) and the Hunters Point Shipyard Redevelopment Project Area (“**HPS Project Area**”); and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco (“**Board of Supervisors**”) adopted the Hunters Point Shipyard Redevelopment Plan (“**HPS Plan**”) on July 14, 1997 by Ordinance No. 285-97 and amended the HPS Plan on August 3, 2010 by Ordinance No. 211-10, on June 22, 2017 by Ordinance No. 122-17, and on July 16, 2018 by Ordinance No. 0166-18; and,

WHEREAS, On May 23, 2006, the Board of Supervisors amended the Bayview Hunters Point Redevelopment Plan (“**BVHP Plan**”) by Ordinance No. 113-06, on August 3, 2010 by Ordinance No. 210-10, on June 22, 2017 by Ordinance No. 123-17, and on July 16, 2018 by Ordinance No. 0167-18; and,

WHEREAS, On June 3, 2010, the Former Agency took several actions approving (or recommending approval of) a program of development for approximately 700 acres of land within the BVHP Plan and HPS Plan areas (“**CP/HPS2 Project**”) including a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) by and between the Former Agency and CP Development Co., LLC (“**Developer**”); and,

WHEREAS, Pursuant to California Health and Safety Code §§ 34170 *et seq.* (the “**Dissolution Law**”), the Former Agency was dissolved as of February 1, 2012; and,

WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure, herein “**Successor Agency**” or “**OCII**”) is completing the enforceable obligations of the Former Agency with regard to the HPS Plan and BVHP Plan areas, including implementation of the CP/HPS2 Project, under the authority of the CRL as amended by the Dissolution Law, and under San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“**Commission**”) and delegating to it state authority under the Dissolution Law); and,

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

WHEREAS, The Successor Agency proposes to adopt amendments to the HPS Plan and the BHVP Plan (“**Plan Amendments**”) to facilitate modifications to the CP/HPS2 Project, which modifications are proposed to be approved by the Commission together with its adoption of the Plan Amendments; and,

WHEREAS, The HPS Plan establishes the land use controls for the HPS Project Area, which consists of two sub-areas, HPS Phase 1 and HPS Phase 2. Proposed amendments to the HPS Plan primarily concern Phase 2 of the HPS Project Area. Proposed amendments to the HPS Plan land use controls consist of the following general changes: (a) allowing the transfer of up to 2,050,000 square feet of research and development and office space from HPS Phase 2 to those portions of BVHP Zone 1 where that use is allowed, subject to Commission approval and any necessary environmental review, with a corresponding reduction in those uses at Phase 2 of the HPS Project Area; and (b) allowing the transfer of residential units from HPS Phase 2 to BVHP Zone 1, subject to Commission approval and any necessary environmental review; and,

WHEREAS, Proposed amendments to the HPS Plan further implement SB 143 and establish the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the HPS Plan, and the time to repay indebtedness and receive property taxes, in connection with Phase 2 of the HPS Plan as follows: (a) the time limit for establishing loans, advances, and indebtedness in connection with Phase 2 shall be 30 years from the date of conveyance to the Developer all Phase 2 parcel(s) required for the completion of development of the first Major Phase (as defined in that certain Disposition and Development Agreement for the CP-HPS2 Project) located within Phase 2 (defined as the “Initial HPS Transfer Date”) plus an additional 15 years which represents the “Anticipated Navy Delay” as further described below; (b) the time limit for the effectiveness of the HPS Plan for Phase 2 shall be 30 years from the Initial HPS Transfer Date plus an additional 15 years which represents the Anticipated Navy Delay; (c) the time limit to repay indebtedness and receive property taxes for Phase 2 shall be 45 years from the Initial HPS Transfer Date plus an additional 15 years which represents the Anticipated Navy Delay; and,

- WHEREAS, The Navy has recently informed OCII that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, to Developer will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy, and which are on file with the Commission Secretary. This estimated delay (defined as the Anticipated Navy Delay in the HPS Plan) warrants the additional 15-year periods referenced in clauses (a) – (c) of the preceding paragraph for purposes of redevelopment activities on the Shipyard Site and related tax increment financing; and,
- WHEREAS, The Plan Amendment further proposes adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by combining the existing \$800 million applicable to Candlestick Point and the existing \$900 million limit applicable to the Shipyard Site into a single limit in the amount of \$5.9 billion applicable to both BVHP Zone 1 and Phase 2 of the HPS Project Area. The limits on bonded indebtedness, which have not been adjusted since the approval of the Project in 2010, is necessary to address increases in project costs and inflation that have occurred since 2010 and future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area B and Phase 2 of the HPS Project Area progress; and,
- WHEREAS, The proposed amendments to the Redevelopment Plans remain consistent with the development envisioned by the Conceptual Framework (Board of Supervisors Resolution No. 264-07 (May 15, 2007); Agency Commission Resolution No. 40-2007 (May 1, 2007), Proposition G, the Jobs Parks and Housing Initiative (June 2008)), and Proposition O, the Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition (November 2016); and,
- WHEREAS, Sections 33450-33458 of the CRL sets forth the process for amending a redevelopment plan. This process includes a publicly noticed hearing of the redevelopment agency; environmental review to the extent required, and adoption of the amendment by the redevelopment agency after the public hearing; preparation of the report to the legislative body, referral of the amendment to any applicable planning entity for a determination of General Plan conformity, if warranted; a publicly noticed hearing of the legislative body, and legislative body consideration after its hearing. Section 33457.1 of the CRL further requires the preparation of a report to the legislative body regarding the plan amendment in order to provide relevant background information in support of the need, purpose and impacts of the plan amendment; and,
- WHEREAS, Pursuant to Section 33457.1 of the CRL, OCII staff has prepared a Report to the Board of Supervisors on the Amendments to the Hunters Point Shipyard Redevelopment Plan that includes the information required by Section 33352 to the extent warranted by the proposed amendment; and,
- WHEREAS, The Commission held a public hearing on September 3, 2024 on adoption of the Plan Amendments, notice of which was duly and regularly published in a newspaper of general circulation in the City once a week for four successive weeks beginning 21 days prior to the date of the hearing, and a copy of that notice and affidavit of publication are on file with the Commission Secretary; and,

- WHEREAS, Copies of the notice of public hearing were mailed by first-class mail to the last known address of each assessee of land in the HPS Project Area and the BVHP Project Area as shown on the last equalized assessment role of the City; and,
- WHEREAS, Copies of the notice of public hearing were mailed by first-class mail to all residential and business occupants in the HPS Project Area and the BVHP Project Area; and,
- WHEREAS, Copies of the notice of public hearing were mailed, by certified mail, return receipt requested, to the governing body of each taxing agency which receives taxes from property in the HPS Project Area and the BVHP Project Area; and,
- WHEREAS, The Commission has provided an opportunity for all persons to be heard and has considered all evidence and testimony presented for or against any and all aspects of the conforming Plan Amendments; and,
- WHEREAS, The Plan Amendments were presented to the Mayor's Hunters Point Shipyard Citizens Advisory Committee Business & Employment, Housing and Planning subcommittee on May 16, 2024, and to its full Committee on June 17, 2024, and received its recommendation for approval; and,
- WHEREAS, OCII staff has reviewed the Plan Amendments, and find them acceptable and recommends approval thereof; and,
- WHEREAS, OCII has provided for appropriate public hearings, and referred them to the City's Planning Commission for determination that the Plan Amendments are consistent with the General Plan and with the Eight Priority Policies of City Planning Code Section 101.1; and,
- WHEREAS, On September 3, 2024, the Commission adopted Resolution No. 22-2024, by which the Commission determined that the Final EIR (therein defined), together with further analysis provided in Addendum No. 1, Addendum No. 4, Addendum No. 5, Addendum No. 6, and Addendum No. 7 remain adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) ("CEQA") and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.); and,
- WHEREAS, The environmental effects of the Redevelopment Plan Amendment have been analyzed in the environmental documents, which are described in Resolution No. 22-2024. Copies of the environmental documents are on file with the Agency; now, therefore, be it:
- RESOLVED, That the Commission hereby finds that the Plan Amendments are included in the actions identified in Resolution No. 22-2024 for purposes of compliance with CEQA; and be it further
- RESOLVED, That in Resolution No. 22-2024, adopted on September 3, 2024, the Commission adopted findings that various actions, including the Plan Amendments, were in compliance with CEQA. Said findings are on file with the Commission Secretary and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein; and be it

RESOLVED, That the Commission approves the Plan Amendments attached hereto as Exhibit A and recommends forwarding the Plan Amendments to the San Francisco Board of Supervisors for its approval; and be it

RESOLVED, That the Commission authorizes the OCII Executive Director to take all actions as may be necessary or appropriate, to the extent permitted under applicable law and the Redevelopment Plans, to effectuate OCII's performance thereunder.

I hereby certify that the foregoing resolution was adopted by the Successor Agency Commission at its meeting of September 3, 2024.



Commission Secretary

EXHIBIT A: Amendments to the Redevelopment Plan for the Hunters Point Shipyard.

HPS Redevelopment Plan Amendment – Description of Changes

The HPS Plan establishes land use controls for development on the Shipyard Site (referred to as Phase 2 of the HPS Project Area in the HPS Plan).

Land Use and Development Program Modifications. The proposed amendments to the HPS Plan: would

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.
- Clarify that certain commercial and retail uses are permitted within Phase 2 of the HPS Project Area.

Redevelopment Plan Time Limits. The proposed amendments to the HPS Plan would implement SB 143 by establishing the following time limits in connection with Phase 2 of the HPS Project Area:

- **Time Limit to Incur Debt.** Establish that the time limit for establishing loans, advances, and indebtedness in connection with Phase 2 of the HPS Project Area shall be a) 30 years from the date of conveyance to the Developer of all Phase 2 parcel(s) required for the completion of development of the first Major Phase located within Phase 2 (“Initial HPS Transfer Date”), b) plus 15 years which represents the “Anticipated Navy Delay” (as defined in the HPS Plan).
- **Effectiveness of the Plan.** Establish that the time limit for the effectiveness of the HPS Plan for Phase 2 of the HPS Project Area shall be a) 30 years from the Initial HPS Transfer Date, b) plus 15 years which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Phase 2 of the HPS Project Area shall be a) 45 years from the Initial HPS Transfer Date, b) plus 15 years which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit. Consistent with SB 143’s authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the Plan Amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The proposed amendment to the HPS Plan establishes that the aggregate total amount of bonded indebtedness

of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

SUMMARY OF PLAN AMENDMENTS

The following summarizes the proposed amendments to the HPS Plan:

Overview. Addition of language describing the dissolution of redevelopment agencies and the recent passage of Senate Bill 143 which established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 do not apply to the Project.

Section II.D.3 Limitation on Number of Dwelling Units. Authorize transfer of Dwelling Units from Phase 2 of the Project Area to Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review.

Section II.D.4 Limitation on Type, Size, and Height of Buildings. Adjustments to development program square footage to reflect updated development program. Language authorizing transfer of up to 2,050,000 square feet of R&D/office from Phase 2 of the Hunters Point Shipyard Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. Authorize any unused R&D/office square footage transferred from the Shipyard Site to Candlestick Point, following Commission approval, to be transferred back to the Shipyard Site subject to Commission approval of applicable Major Phase Application.

Section IV.A Methods for Project Financing. Language implementing SB 143 authorizing tax increment revenues to flow between Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Project Area.

Section IV.B Tax Allocation.

- Language establishing that the aggregate total amount of bonded indebtedness for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area is \$5.9 billion.
- Establish that the time limit for establishing loans, advances, and indebtedness in connection with Phase 2 of the HPS Project Area shall be a) 30 years from Initial HPS Transfer Date, b) plus 15 years which represents the Anticipated Navy Delay.
- Establish that the time limit to repay indebtedness and receive property taxes for Phase 2 of the HPS Project Area shall be a) 45 years from the Initial HPS Transfer Date, b) plus 15 years which represents the Anticipated Navy Delay.

Section VII. Duration of Plan. Establish that the time limit for the effectiveness of the HPS Plan for Phase 2 of the HPS Project Area shall be a) 30 years from the Initial HPS Transfer Date, b) plus 15 years which represents the Anticipated Navy Delay.

Exhibit A

HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN

JULY 14, 1997
Amended August 3, 2010
Amended June 22, 2017
Amended July 16, 2018



Amended [DATE], 2024



**SUCCESSOR AGENCY TO THE SAN FRANCISCO
REDEVELOPMENT AGENCY**

July 16, 2018 [DATE], 2024

**REDEVELOPMENT PLAN
for the**

**HUNTERS POINT SHIPYARD
PROJECT AREA**

HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT

REDEVELOPMENT PLAN

C O N T E N T S

I.	DESCRIPTION OF PROJECT.....	<u>21</u>
A.	Project Boundaries	<u>21</u>
B.	The Citizens Advisory Committee Planning Guidelines - A Statement of General Principles.....	<u>2</u>
1.	Create Jobs for Economic Vitality	<u>32</u>
2.	Support Existing Businesses and Artists’ Community	<u>32</u>
3.	Create Appropriate Mix of New Businesses.....	<u>32</u>
4.	Balance Development and Environmental Conservation	<u>32</u>
5.	Facilitate Appropriate Immediate Access	<u>3</u>
6.	Integrate Land Uses	<u>3</u>
7.	Acknowledge History	<u>43</u>
C.	Existing Conditions.....	<u>43</u>
D.	Summary of Proposed Actions	<u>43</u>
II.	PROJECT PLAN	<u>54</u>
A.	Objectives	<u>54</u>
B.	Land Uses.....	<u>65</u>
1.	Land Use Districts.....	<u>65</u>
2.	Hunters Point Hill Residential District	<u>87</u>
3.	North Shoreline District.....	<u>98</u>
4.	Village Center District	<u>1140</u>
5.	Wharf District	<u>1312</u>
6.	Warehouse District.....	<u>1514</u>
7.	Parks and Open Space District.....	<u>1816</u>
8.	Environmental Restrictions.....	<u>1817</u>
C.	Temporary and Interim Uses	<u>1917</u>
1.	Temporary Uses	<u>1917</u>
2.	Interim Uses	<u>1918</u>
D.	Standards for Development.....	<u>2019</u>
1.	Applicability of City Regulations; City’s Duty to Protect Public Health and Safety.....	<u>2019</u>
2.	Limitation on the Number of Buildings.....	<u>2322</u>
3.	Limitation on the Number of Dwelling Units.....	<u>2322</u>
4.	Limitation on Type, Size and Height of Buildings.....	<u>2422</u>
5.	Office Development Limitations	<u>2523</u>
6.	Development Fees and Exactions	<u>2523</u>
7.	Shadow on Recreation and Park Property	<u>2625</u>
E.	Retention-Rehabilitation	<u>2625</u>
F.	Density Bonus.....	<u>2725</u>
G.	Streets Plan.....	<u>2725</u>

III.	PROJECT PROPOSALS	2826
A.	Rehabilitation and New Development	2826
B.	Owner and Tenant Preference	2927
C.	Acquisition of Real Property	2927
D.	Acquisition of Personal Property	2927
E.	Property Management	2927
F.	Payment of Taxes	2927
G.	Relocation	3028
H.	Demolition and Clearance	3028
I.	Public Improvements and Public Facilities	3028
J.	Preparation of Building Sites	3028
K.	Disposition of Real Property	3029
L.	Disposition and Development Documents	3129
M.	Disposition of Personal Property	3230
N.	Replacement Housing	3230
O.	Redeveloper’s Obligations	3230
IV.	METHODS FOR PROJECT FINANCING	3334
A.	General	3334
B.	Tax Allocation	3334
V.	ACTIONS BY THE CITY	3633
VI.	PROCEDURE FOR AMENDMENT	3734
VII.	PROCEDURE FOR VARIANCE	3734
VIII.	DURATION OF PLAN	3835
IX.	ENFORCEMENT OF PLAN	3835
X.	SEVERABILITY	3835
XI.	DEFINITIONS	3835

Exhibits:

Map 1: Boundary Map

Map 2: Land Use Districts Map

Map 2A: Private Infrastructure

Map 3: Existing Buildings

Map 4: Street Plan

Attachments:

Attachment A: Legal Description of the Project Area

Attachment B: Authorized Public Improvements

Attachment C: Planning Code Section 314

Attachment D: Planning Code Section 295

Attachment E: Planning Commission Resolution 18102

Attachment F: Proposition O (2016)

HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT

REDEVELOPMENT PLAN

This Redevelopment Plan (this “**Plan**”) for the Hunters Point Shipyard Redevelopment Project Area (the “**Project Area**”) consists of the following text, maps and attachments: (a) the maps are: Map 1: Boundary Map; Map 2: Land Use Districts Map; Map 2a: Private Infrastructure; Map 3: Existing Buildings; and Map 4: Street Plan; and (b) the attachments are: Attachment A: Legal Description of the Project Area; Attachment B: List of Public Improvements; Attachment C: Planning Code Section 314; Attachment D: Planning Code Section 295; Attachment E: Planning Commission Resolution 18102 (subject to Section II.D.5 below), and Attachment F: Proposition O.

This Plan was adopted on July 14, 1997 (Ordinance No. 285-97) and amended on August 3, 2010 (Ordinance No. 211-10), on June 22, 2017 (Ordinance No. 122-17), ~~and~~ on July 16, 2018 (Ordinance No. 0166-18-), ~~and on [DATE], 2024 (Ordinance No. _____).~~ This Plan was prepared in accordance with the California Community Redevelopment Law (as amended from time to time, the “**CRL**”) and pursuant to Chapter 4.5 therein, which governs the redevelopment of closed military bases. During the preparation of this Plan, the Redevelopment Agency of the City and County of San Francisco (the “**Agency**”) consulted with the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (the “**CAC**”), the San Francisco Planning Commission, and with other departments and offices of the City and County of San Francisco (the “**City**”). This Plan conforms with the General Plan of the City insofar as the General Plan applies to the Project. Any development within the jurisdiction of the Bay Conservation and Development Commission shall conform to the San Francisco Bay Plan.

The proposed redevelopment of the Project Area as described in this Plan is consistent with the San Francisco General Plan, the Bayview Hunters Point Area Plan, and the Hunters Point Shipyard Sub-Area Plan as of the 20~~18~~²⁴ Plan Amendment Date, and is in conformity with the eight Priority Policies of Section 101.1 of the San Francisco Planning Code (the “**Planning Code**”).

This Plan sets forth the objectives and the basic land use controls within which specific redevelopment activities in the Project Area will be pursued. It is consistent with provisions of the CRL in effect at the date of adoption of this Plan and as of the 20~~18~~²⁴ Plan Amendment Date.

On February 1, 2012, the State of California dissolved all redevelopment agencies, including the Agency, and established successor agencies to assume certain rights and obligations of the former redevelopment agencies, Cal. Health & Safety Code § 34170 et seq. (the “Redevelopment Dissolution Law”). As a result, the Agency ceased to exist and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or “OCII”), was established by operation of law and assumed certain obligations of the Agency, primarily those “enforceable obligations” that were entered into prior to the suspension of redevelopment agencies’ activities and were approved by the State of California, through its Department of Finance. On December 14, 2012, the Department of Finance finally and conclusively determined that the following

agreements associated with the Project Area are enforceable obligations that survived redevelopment dissolution: the Disposition and Development Agreement for Hunters Point Shipyard Phase 1, the Disposition and Development Agreement for Candlestick Point-Hunters Point Shipyard Phase 2 (“CP-HPS2 DDA”), the Tax Increment Pledge Agreement for CP-HPS2, including those portions funding affordable housing in CP-HPS2. Accordingly, the Successor Agency continues to have authority to implement the above-referenced enforceable obligations in the Project Area.

In 2023, amendments to State law established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 shall not apply to the CP-HPS2 project, which is located within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area and Phase 2 of this Project Area. Stats. 2023, chapter 196, section 14 (Sep. 13, 2023) (codified at Health & Safety Code section 34177.7(i)). Consistent with Section 34177.7(j), the 2024 amendments to this Redevelopment Plan incorporate the new limitations referenced in the preceding sentence, which were approved by the Oversight Board of the City and County of San Francisco and the California Department of Finance in the amended CP-HPS 2 project agreements.

I. DESCRIPTION OF PROJECT

A. Project Boundaries

The boundaries of the Project Area are indicated on Map 1: Boundary Map and the legal description of the Project Area is provided in Attachment A: Legal Description of the Project Area. The Project Area consists of Real Property within the City and County of San Francisco, State of California.

B. The Citizens Advisory Committee Planning Guidelines - A Statement of General Principles

The planning process for the reuse of the Project Area is complex, involving the Mayor’s Hunters Point Shipyard Citizens Advisory Committee and a host of citizen groups and government agencies. The planning process establishes the roles of these various entities, as well as the timeframe during which certain actions must occur. The process began in earnest in 1993 when the CAC convened to formulate goals and preferred uses for the Shipyard site. The CAC adopted a set of planning guidelines to frame their ideas for the development and reintegration of the Shipyard into the social, economic and physical fabric of Bayview Hunters Point and the City of San Francisco at an intensive conference and public workshop that they sponsored in February 1994. The CAC guidelines represent a strong group consensus and the CAC feels that they should set the tone for the renewal of the Project Area. These planning guidelines are outlined below:

1. Create Jobs for Economic Vitality

Encourage land uses that will foster employment, business and entrepreneurial opportunities, cultural and other public benefits for residents of San Francisco. South Bayshore residents and businesses should be given priority. Legislative and administrative regulation mandating preference to South Bayshore residents and businesses in the course of the environmental remediation, redevelopment and reuse of the property should be used to facilitate this objective. Existing training and educational programs will be supported and new programs created as needed.

2. Support Existing Businesses and Artists' Community

New uses should be compatible with existing South Bayshore businesses, Shipyard businesses and artists, and other sectors of San Francisco's economy. Maintain the large community of artists and artisans on the Shipyard, providing for their need for flexible low-cost space, while accommodating the full diversity of arts and culture in the South Bayshore community. Expand the scope of activities to accommodate the full range of arts and culture.

3. Create Appropriate Mix of New Businesses

Encourage diversity with a mix of large, medium and small businesses to generate revenues for the City's general fund and stimulate the economy of the South Bayshore community. Diversify San Francisco's economic base by restoring its industrial sector with uses based on futuristic technologies tied to regional, national and international markets and economics. Target industries and businesses with a likelihood for long-term growth, such as multimedia, biotech and video-film.

4. Balance Development and Environmental Conservation

Balance development with reclamation of the natural ecology of the southeast waterfront with targeted uses that are environmentally appropriate for the San Francisco Bay. Use the toxic cleanup process to develop training, employment and business opportunities consistent with Guideline #1.

5. Facilitate Appropriate Immediate Access

Incorporate an action program to enable immediate access to existing Shipyard facilities, giving preference to South Bayshore businesses and organizations. Transitional uses in the Shipyard should be consistent with, and not deter, long-term development of the Shipyard in accordance with these Master Plan Guidelines.

6. Integrate Land Uses

Integrate new uses at the Shipyard into current plans for the Bayview area. Plan for the integration of passive and active open space, affordable housing, transportation and traffic circulation, while minimizing land use conflicts between housing and industry.

7. Acknowledge History

Include uses that acknowledge the history of the original Native American inhabitants of the Hunters Point area and historic relationship of Bayview Hunters Point's African-American community to the Shipyard.

C. Existing Conditions

The Project Area is characterized by conditions of blight. Physical conditions include buildings in which it is unsafe or unhealthy for persons to live or work, and the existence of factors that prevent or substantially hinder the economically viable reuse of buildings and areas. Economic conditions include depreciated or stagnant property values, properties containing hazardous wastes, abnormally high business vacancies, abandoned buildings, and excessive vacant lots within an area formerly used as a military base.

D. Summary of Proposed Actions

The Agency, in accordance with and pursuant to applicable Federal and State laws as well as those local laws that are applicable pursuant to this Plan, will remedy, or cause to be remedied, the conditions causing blight presently existing in the Project Area by some or all of the following measures:

1. Rehabilitation, alteration, modernization, general improvement or any combination thereof (hereinafter called "**rehabilitation**") of certain existing structures.
2. Acquisition of real property by purchase, gift, devise, exchange, condemnation, lease, or any other lawful means.
3. Relocation of certain commercial and industrial occupants presently located in structures that may be subject to acquisition or rehabilitation.
4. Demolition, removal, or clearance of certain existing buildings structures, and improvements.
5. Installation, construction, or reconstruction of streets, utilities, and other public improvements or facilities.
6. Disposition of all land acquired by the Agency for reuse in accordance with this Plan, the Hunters Point Shipyard Phase 1 Design for Development, the Hunters Point Shipyard Phase 2 Design for Development, and such additional conditions as may be established by the Agency in any manner authorized by law in order to carry out the purposes of redevelopment.

7. Formulation and administration of rules governing reasonable preference to owners or tenants of business, or other types of real property who are displaced from the Project Area to reenter the Project Area.

II. PROJECT PLAN

A. Objectives

The objectives of the actions proposed by this Plan are to:

1. Foster employment, business, and entrepreneurial opportunities in the rehabilitation, construction, operations, and maintenance of facilities in the Project Area.
2. Stimulate and attract private investments, thereby improving the City's economic health, tax base, and employment opportunities.
3. Provide for the development of economically vibrant and environmentally sound districts for mixed use; cultural, educational and arts activities; research, industrial and training activities; and housing.
4. Provide for the development of mixed-income housing:
 - With regard to this objective, the project-wide aggregate income-mix goal includes that at least 15% of the housing be affordable to persons and families of low or moderate income.
 - The term “persons and families of low or moderate income” has the same meaning as defined in Section 50093 of the California Health and Safety Code.
5. Provide public parks, open space, and other community facilities.
6. Administer lands granted to the Agency by the State of California consistent with the Public Trust and reconfigure those lands in a manner that enhances their value for Public Trust purposes, in accordance with Chapter 203 of the Statutes of 2009 (as amended from time to time, the “**Granting Act**”).
7. Retain, improve, and re-use historic structures, where feasible, as part of a program to feature the history of people, buildings, and uses at the Shipyard.
8. Provide for infrastructure improvements, including: streets and transportation facilities; open space and recreation areas; and utilities for water, sewer, gas, and electricity.
9. Remove conditions of blight in the form of buildings, site improvements, and infrastructure systems that are substandard and serve as impediments to land development.

10. Encourage use of the most cost-effective, energy efficient, and environmentally sustainable development techniques feasible.
11. Retain those existing viable industries and businesses currently located in the Project Area.
12. Position the Project Area at the vanguard of technology development and production as well as associated labor markets. Accommodate new, emerging, and unforeseen uses not specifically identified herein.
13. Provide sufficient flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions and innovations.
14. Provide opportunities and support for privately owned “eco-district” utility infrastructure that helps achieve community and ecological priorities within the Project Area.

B. Land Uses

Map 1: Boundary Map, Map 2: Land Use Districts Map, Map 2a: Private Infrastructure; Map 3: Existing Buildings, and Map 4: Street Plan illustrates the location of the Project Area boundaries, existing buildings, major streets in the Project Area and land uses permitted in the Project Area.

1. Land Use Districts

The Project Area consists of several mixed-use districts (each referred to as a “**District**” or “**Land Use District**”) as shown on Map 2: Land Use Districts Map. The map shows the general boundaries of the Districts; precise boundaries of the Districts are to be interpreted in light of the objectives of this Plan at the time specific parcels are subdivided in accordance with City and State subdivision laws.

Allowable land uses within each District will be all those that are consistent with the character of the District as described in this Plan. The specific uses identified below and on Map 2 for each District illustrate the appropriate scope and nature of permitted uses.

Principal Uses. Within each District, “**Principal Uses**” shall be allowed as of right.

Secondary Uses. Within each District, “**Secondary Uses**” shall be allowed through the determination of the Agency Commission or its designee, provided that such use: (a) generally conforms with the redevelopment objectives of this Plan, the objectives of the District as set forth in this Plan and applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2); (b) is compatible with the District’s Principal Uses, nearby public facilities, and broader community; (c) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts; and (d) does not at the proposed size and location materially impede the planned uses and development of the District or Project Area. The Agency Commission or its

designee may place conditions on the Secondary Use as necessary to make the findings in clauses (a) through (d) above.

Non-Designated Uses. Uses that are proposed but are not specifically defined herein (~~“are “Non-Designated Uses””~~) may be classified by the Executive Director as Principal Uses, Secondary Uses, Temporary Uses, Interim Uses, or Prohibited Uses. The Executive Director or his or her designee may allow a Non-Designated Use as a Principal Use subject to approval by the Agency Commission, provided the Executive Director or his or her designee finds that such Non-Designated Use: (a) is consistent with the other Principal Uses allowed in the applicable District; (b) is consistent with the objectives for the applicable District; (c) generally conforms with the applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2); and (d) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts.

For Temporary or Interim Uses, the Executive Director shall in addition make the findings required for such uses as set forth in Sections C.1 and C.2 below.

In the event the Executive Director determines that a Non-Designated Use should be evaluated as a potential Secondary Use rather than a Principal Use, the Executive Director shall require that the proposed use be considered by the Agency Commission pursuant to the Secondary Use process set forth above.

Prohibited Uses. Within most Districts, certain land uses are expressly prohibited in order to maintain the intended character of the District, avoid conflicts of land uses, or maintain public welfare in response to specific conditions of the District (“**Prohibited Uses**”). The following uses will be Prohibited Uses in all Districts within the Project Area: Mortuary; and Adult Entertainment uses.

Provisions Applicable Generally.

Certain lands within the Project Area are or may be subject to the Public Trust. The Public Trust doctrine limits the uses that are permitted on Public Trust lands. A Principal Use or Secondary Use shall be permitted on Public Trust land only to the extent the use is permitted under the Public Trust and is consistent with the Agency’s management of those lands on behalf of the State for Public Trust purposes. Thus, even though a particular use or uses may be shown as a permitted Principal Use or Secondary Use within the Project Area, that use or uses may nevertheless not be permitted on lands subject to the Public Trust within the Project Area.

In all cases below, the height, bulk, setback, parking and open space requirements will be established in the Hunters Point Shipyard Phase 1 Design for Development and Hunters Point Shipyard Phase 2 Design for Development, provided that development thereunder shall not exceed the limits established in Section II.D.4.

Parking is a permitted Accessory Use to every Principal Use and Secondary Use permitted in each Land Use District. The design and location of parking is controlled by the applicable Design for Development.

Infrastructure elements that are required to provide access, utilities, and public services to the development described in this Section II.B, as described in or consistent with the Infrastructure Plan for the Hunters Point Shipyard Phase 2-Candlestick Point Project, are permitted provided they are consistent with the Mitigation Measures and subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR (including any subsequent analysis).

Additional “eco-district” and other privately owned utility infrastructure is encouraged in the Project Area, provided such infrastructure does not conflict with elements identified in the Infrastructure Plan, and is consistent with the Mitigation Measures and the Candlestick Point/Hunters Point Shipyard Phase 2 EIR (including any subsequent analysis), each as determined by the Executive Director. Such infrastructure (including components thereof) is encouraged, but not required, to be located within future public or private rights of way, and such infrastructure (including components thereof) is permitted as follows under this Plan (but remain subject to review under other applicable Plan Documents and City review). Privately owned utility infrastructure includes individual stand-alone structures as well as Accessory infrastructure components listed below. Individual structures are permitted as specifically identified in Sections II.B.2-B.7, below, or otherwise as Secondary Uses throughout Phase 2 of the Project area.

Accessory infrastructure components (those constructed together with otherwise permitted Uses) are permitted under this Plan (but remain subject to review for consistency with other applicable Plan Documents, including the applicable Design for Development). Such Accessory infrastructure components include:

- District Heating and Cooling Facility, including central energy plant (CEPs), water return and supply distribution system components, and water-to-air and water-to-water heat exchanger including components thereof (but excluding Geothermal Borefields, which are individual structures permitted as discussed above)
- Battery Storage System (including distribution system components thereof)
- Rooftop solar photovoltaic (PV) system (including components thereof)
- Recycled water collection, treatment and distribution system components
- Telecommunications/Fiber System and components
- Automated trash collection system and components
- Stormwater collection and treatment system (including Stormwater BMPs and other components thereof)
- Other Accessory infrastructure facilities and components that, as determined by the Executive Director, do not conflict with the objectives of the Plan, the Plan Documents or other applicable laws and regulations.

2. Hunters Point Hill Residential District

Objectives for this District: This District will accommodate residential uses with lower densities than the surrounding portion of the Project Area, given its hilltop and hillside position. Complementary neighborhood-serving commercial uses will be allowed, but are expected to be less prevalent than in the flatter North Shoreline District, which sits below

this District. This District will include Hillpoint Park, a regional Park that will be impressed with the Public Trust and will include recreational and sports uses, special view areas with framed views of the Shipyard and the Bay beyond, public art, terraced sitting areas that take advantage of hilltop and hillside topography and stunning views of the Bay, and public access for visitors, residents, and employees in surrounding Districts.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Supportive Housing
- Home Office

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services
- Commercial Wireless Transmitting Facilities

Parks and Recreation Uses:

- Parks
- Open Space
- Public Recreation

(b) *Prohibited Uses*: Cannabis-Related Uses and all other uses that are incompatible with the Principal Uses shall be Prohibited Uses in this Land Use District.

3. North Shoreline District

Objectives for this District: This District will accommodate a waterfront-oriented residential neighborhood with higher densities and a greater range of housing types than those on the adjacent hillside. The principal land use is Dwelling Units ranging from townhomes to multi-family high-rise residential apartment or condominium towers. Related uses also include local-serving businesses, family child care services, small professional offices, and recreation facilities. Parks in this District may include a range of uses such as basketball, volleyball, tennis courts, children’s playgrounds, restrooms, and concessionaires. They may also include picnic/barbecue areas, pathways, and shade shelters. The Parks in this District may also include open air marketplace uses.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing

- Home Office

Institutional Uses:

- Residential Care Facility
- Child-Care Facility
- Elementary School
- Post-Secondary Institution
- Religious Institution

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (up to 10,000 sq. ft. per tenant)
- Restaurants
- Bars
- Dry Cleaning Facility
- Health clubs, fitness, gymnasium, or exercise facilities
- Commercial Wireless Transmitting Facilities

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Open air marketplaces

(b) *Secondary Uses*: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

Institutional Uses:

- Secondary School
- Vocational/Job Training Facility

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (over 10,000 sq. ft. per tenant)
- Nighttime Entertainment
- Maker Space

Office Uses

Civic, Arts & Entertainment Uses:

- Performance Arts
- Amusement Enterprise

(c) *Prohibited Uses*: The following Uses are Prohibited Uses in this Land Use District:

- Drive-through facilities
- Automotive Repair and service stations
- Cannabis-Related Uses

4. **Village Center District**

Objectives for this District: This District will accommodate a mixed-use community with a range of housing types, retail uses, and cultural and educational facilities designed to comprise a village that will serve the community in the surrounding Districts.

Neighborhood-serving retail uses are proposed to be located on the ground floors along major commercial streets of the area with residential uses or office uses on the upper floors. This District will provide space dedicated for artists and arts-related uses as well as community-serving retail, business, service, and office uses. The arts-related, recreational, and grocery store uses in this District are intended to attract visitors from areas beyond the Project Area.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Institutional Uses:

- Residential Care Facility
- Child-Care Facility
- Elementary School
- Secondary School
- Post-Secondary Institutions
- Religious Institution
- Vocational/Job Training Facility

Retail Sales & Services Uses:

- Neighborhood Retail Sales and Services

- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Grocery Store (up to 60,000 sq. ft.)
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Maker Space

Office Uses:

- Office
- Conference facilities/meeting rooms

Hotel Uses

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Performance Arts
- Arts Education
- Art Production
- Amusement Enterprise

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open air marketplace
- Open Space

(b) Secondary Uses: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in this Section II.B.1 are met:

Retail Sales & Services Uses:

- Grocery Store (between 60,000 and 80,000 sq. ft.)
- Animal Services
- Medical Services

Office and Industrial Uses:

- Light Industrial (not including uses that include chemical processing of materials or heavy machinery use)
- Industrial kitchen
- Internet Service Exchange

(c) Prohibited Uses: The following Uses are Prohibited Uses in this Land Use District:

- Drive-through facilities
- Automotive Repair and service stations

5. Wharf District

Objectives for this District: This District will provide a diverse array of commercial and institutional operations for new research and development firms in a dynamic urban campus. This District will allow an integration of various uses suitable for evolving market conditions and for an innovative business or institutional environment ranging from office to laboratory activities including light industrial and manufacturing operations. It will also support Neighborhood Retail Sales and Services and Community Uses to complement the research and development uses.

For Laboratory, Life Science, Light Industrial, and Green Technology Uses within this District, any Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures.

(a) *Principal Uses:* The following Uses are Principal Uses in this Land Use District:

Research & Development, Office & Industrial Uses:

- Office
- Light Industrial
- Life Science
- Laboratory
- Green Technology
- Transportation and transit service facilities

Multi-media and Digital Arts Uses:

- Motion picture production
- Animation studios
- Printing and publishing
- Education and classroom facilities
- Galleries and exhibit space
- Recording studios
- Artist and artisan studios

Hotel Uses

Institutional Uses:

- Religious Institution
- Vocational/Job Training Facility
- Child-Care Facility (subject to Section II.B.8)

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (up to 12,000 sq. ft. per tenant)
- Regional Retail Sales and Services
- Non-Retail Sales and Services
- Animal Services
- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Grocery Store
- Maker Space

Residential Uses:

Residential Uses in this District shall be allowed only in the blocks of the District that are adjacent to either Fisher Avenue or Drydock 4 (These blocks are indicated on Map 2). The following Residential Uses are Principal Uses in this Land Use District:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Marina-related facilities

Within the Wharf District, any Laboratory, Life Science, Light Industrial, and/or Green Technology Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures. In addition, no Laboratory, Life Science, Light Industrial and/or Green Technology Uses containing a facility that emits regulated toxic air contaminants shall be permitted within three hundred fifty (350) feet of any Child-

Care Facility, Elementary or Secondary School, or Residential Use in the Wharf District.

(b) *Secondary Uses*: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

Institutional Uses:

- Post-Secondary Institutions

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (over 12,000 sq. ft. per tenant)
- Automotive Repair and Service station

Office and Industrial Uses:

- Enclosed processing of raw materials for production
- Small boat repair facilities and workshop areas
- Automotive storage
- Commercial Storage
- Internet Service Exchange

(c) *Prohibited Uses*: The following Uses are Prohibited Uses in this Land Use District:

- Dwelling Units (except in the area described above and shown on Map 2)
- Elementary School
- Secondary School
- Drive-through facilities

6. **Warehouse District**

Objectives for this District. This District will include research and development, office, and light industrial uses similar in scale and character to those in the adjacent Wharf District. This District would include a mix of uses including neighborhood-serving retail, business, research and development and office uses comparable in scale and intensity to, and complementary of, those in the adjacent Wharf District, and potentially, Child-Care, Elementary and Secondary Schools and residential units (subject to Section II.B.8).

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Research & Development, Office & Industrial Uses:

- Office
- Light Industrial
- Life Science
- Laboratory
- Green Technology
- Non-Retail Sales and Services

Hotel Uses

Multi-media and Digital Arts Uses:

- Motion picture production
- Animation studios
- Printing and publishing
- Education and classroom facilities
- Galleries and exhibit space
- Recording studios
- Artist and artisan studios

Institutional Uses:

- Religious Institution
- Vocational/Job Training Facility

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services
- Regional Retail Sales and Services
- Animal Services
- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Grocery Store
- Maker Space

Civic, Arts and Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production
- Amusement Enterprise
- Performance Arts

Infrastructure/Utility Uses

- Recycled Water Treatment Facility*
- Geothermal Borefields for vertical-bore geothermal heating exchange system*

* As located consistent with Private Infrastructure Map 2a (except that Geothermal Borefields may not be located beneath property to be provided to the Agency for use as affordable housing without approval by the Agency Commission in its sole discretion).

- Internet Service Exchange

The following Uses would be Principal Uses in this Land Use District, subject to a finding adopted by the Agency Commission that these uses are not subject to any applicable Environmental Restriction described in Section II.B.8.

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Institutional Uses

- Child-Care Facility
- Elementary School
- Secondary School
- Post-Secondary Institutions

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Marina-related facilities

Within the Warehouse District, any Laboratory, Life Science, Light Industrial, and/or Green Technology Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures. In addition, no Laboratory, Life Science, Light Industrial and/or Green Technology Uses containing a facility that emits regulated toxic air contaminants shall be permitted within three hundred fifty (350) feet of any Child-Care Facility, Elementary or Secondary School, or Residential Use in the Warehouse District.

(b) Secondary Uses:

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

- Commercial Storage
- Drive-through facilities
- Automotive Repair and service station

(c) Prohibited Uses: The following Uses are Prohibited Uses in this Land Use District:

- Large scale chemical handling and stationary emission sources within two hundred (200) feet of existing or planned residential uses or primary school facilities.

7. **Parks and Open Space District**

Objectives for this District. This District will provide public recreation access to the San Francisco Bay waterfront along the eastern and southern waterfront of the Shipyard, consistent with the Public Trust, including regional serving open spaces, viewing area of the water and historic Shipyard facilities, the San Francisco Bay Trail, and restorative habitat areas. Recreational sports facilities will be limited to areas not subject to the Public Trust. Only Principal Uses will be permitted in this District.

(a) *Principal Uses:* The following Uses are Principal Uses in this Land Use District:

- Parks
- Open Space
- Public Recreation
- Open-air marketplace
- Recreational Facility
- Museum and environmental education centers
- Commercial recreational uses serving visitors to the waterfront
- Small boat marina, watercraft launches and ancillary boating facilities
- Retail uses in existing, rehabilitated historic buildings
- Community Use
- Performance Arts
- Geothermal Borefields for vertical-bore geothermal heating exchange system (located consistent with Private Infrastructure Map 2a)

In areas not subject to the Public Trust, the full range of Uses allowed in Parks, open air marketplaces, and similar active recreational Uses shall be allowed in addition to the Permitted Uses listed above.

8. **Environmental Restrictions**

As of the 2018 Plan Amendment Date, the Navy has issued Final Records of Decisions for Parcels B, C, D-1, E, E-2, UC-1, UC-2, UC-3 & G selecting environmental remedies that will impose land use and activity restrictions on these parcels in the Project Area and is expected to issue additional Records of Decisions selecting environmental remedies that will impose land use and activity restrictions applicable to other locations. Such land use and activity restrictions are referred to in this Plan as “**Environmental Restrictions**”. Notwithstanding any other provision of this Plan, the Uses allowed by this Plan are subject to any applicable Environmental Restrictions contained in quitclaim deeds from the United States Navy or in other enforceable restrictions imposed on the property through the

environmental cleanup process under the Federal Facilities Agreement executed by the United States Navy, United States Environmental Protection Agency, California Department of Toxic Substances Control, and San Francisco Bay Area Regional Water Quality Control Board (the “**Regulating Agencies**”) unless and until such Environmental Restrictions are waived or removed by the appropriate Regulating Agencies.

C. **Temporary and Interim Uses**

Pending the ultimate development of land consistent with the land use program, certain interim and temporary uses are authorized as follows:

1. **Temporary Uses**

“**Temporary Uses**” are short-term, transitory uses that may be proposed either prior to or following development of land within a Land Use District consistent with this Plan. The Executive Director or his or her designee may allow Temporary Uses for such period of time as he or she determines to be reasonable provided the Executive Director or his or her designee finds that such Temporary Use is consistent with the objectives of the this Plan and the applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2). Permissible Temporary Uses include:

- Booth for charitable, patriotic or welfare purposes
- Exhibition, celebration, festival, circus or neighborhood carnival
- Open air sales of agriculturally-produced seasonal decorations, including Christmas trees and Halloween pumpkins
- Convention staging
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses listed above
- Other Temporary Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

2. **Interim Uses**

“**Interim Uses**” are uses proposed during the time prior to or concurrent with development of land within a Land Use District consistent with this Plan. Interim Uses may be authorized in all areas not subject to the Public Trust for an initial time period to be determined by the Executive Director, upon a determination by the Executive Director that the authorized uses will not impede the orderly development of the Project Area as contemplated in this Plan. Where approved, Interim Uses will be permitted for a defined period of time not to exceed five (5) years. Permissible Interim Uses include:

- Rental or sales office incidental to a new development, provided that it is located in the development or a temporary structure
- Structures and uses incidental to environmental cleanup and staging

- Temporary structures and uses incidental to the demolition or construction of a structure, building, infrastructure, group of buildings, or open space, including construction staging of materials and equipment
- Commercial Storage
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses above
- Other Interim Uses that do not impede the orderly development of the Project Area as contemplated in this Plan, as determined by the Executive Director

Interim Uses of areas subject to the Public Trust shall be authorized only if the authorized uses are determined to be consistent with, necessary and convenient for, or incidental or ancillary to, the purposes of the Public Trust, or if the following criteria are met:

- There are no immediate trust-related needs for the property,
- The proposed lease for the use prohibits construction of new structure or improvements that, as a practical matter, could prevent or inhibit the property from being converted to a permissible trust use if necessary,
- The proposed lease for the use provides that the Agency has the right to terminate the lease in favor of trust uses as trust needs arise, and
- The proposed use of the leased property would not interfere with commerce, navigation, fisheries, or any other existing trust use or purpose.

Extensions of the above approval periods may be authorized by the Executive Director in increments of up to five (5) year periods, subject to the same determinations as required for the initial period.

D. Standards for Development

This Plan and the other Plan Documents, including the Hunters Point Shipyard Phase 1 Design for Development and Hunters Point Shipyard Phase 2 Design for Development, establish the standards for development in the Project Area and supersede the San Francisco Planning Code in its entirety, except as otherwise expressly provided herein. The only sections of the Planning Code that shall apply, pursuant to the provisions of this Plan, are: (a) Sections 101.1, 295, and 314, as such sections are in effect as of the 2010 Plan Amendment Date; (b) as to Phase 1 of the Project Area only, Sections 320-325 as such sections are in effect as of the 2010 Plan Amendment Date; (c) as to Phase 2 of the Project Area only, Section 324.1 as that section is in effect as of the 2017 Plan Amendment Date; and (d) as to Phase 2 of the Project, Section 202.2 as provided in Section II.D.1(c) below. Both the Agency Commission and the Planning Commission must approve any amendment to the Hunters Point Phase 1 Design for Development or the Hunters Point Phase 2 Design for Development.

1. Applicability of City Regulations; City’s Duty to Protect Public Health and Safety

- (a) *General.* Regardless of any future action by the City or the Agency, whether by ordinance, resolution, initiative or otherwise, the rules, regulations, and official policies

applicable to and governing the overall design, construction, fees, use or other aspect of development of the Project Area will be (i) this Plan and the other Plan Documents, (ii) to the extent not inconsistent therewith or not superseded by this Plan, the Existing City Regulations (including all provisions of the Building Construction Codes, which are not inconsistent with or superseded by this Plan), (iii) New City Regulations to the extent permitted in this Plan; (iv) new or changed Development Fees and Exactions to the extent permitted under Section II.D.6 of this Plan; (v) any disposition and development agreement or owner participation agreement related to development in the Project Area; and (vi) the Mitigation Measures (collectively, the “**Applicable City Regulations**”).

(b) *Protection of Public Health and Safety; Federal or State Law.* Notwithstanding any other provision of this Plan to the contrary, the Agency and any City Agency having jurisdiction shall exercise its sole discretion under this Plan and the applicable Plan Documents in a manner that is consistent with the public health and safety and shall at all times retain their respective authority to take any action that is necessary to protect the physical health and safety of the public (the “**Public Health and Safety Exception**”) or to comply with changes in Federal or State law, including applicable Federal and State regulations (the “**Federal or State Law Exception**”), including the authority to condition or deny a permit approval agreement or other entitlement or to adopt a New City Regulation, but subject, in all events, to any rights to terminate between an owner or developer and the Agency as set forth in either the Plan Documents or any disposition and development agreement or owner participation agreement related to development within the Project Area. Except for emergency measures, any City Agency or the Agency, as the case may be, will meet and confer with the owner of the affected Real Property and/or any affected party under any disposition and development agreement or owner participation agreement related to development within the Project Area in advance of the adoption of any New City Regulations or New Construction Requirements to the extent feasible.

(c) *Permitted New City Regulations.* The City Agencies and the Agency reserve the right to impose any New City Regulations (except for the Planning Code sections superseded by this Plan) provided that (i) they are imposed on a Citywide Basis and (ii) they do not conflict with the development permitted or contemplated within the Project Area by this Plan, the Plan Documents or any disposition and development agreement or owner participation agreement related to development within the Project Area or any portion of such development (unless such conflict is waived by the owners and developers of affected property). As used in this paragraph (c), a New City Regulation “conflicts with the development permitted or contemplated” if it would change the aforementioned development regulations to:

- (1) limit or reduce the density or intensity of development, or otherwise require any reduction in the square footage or number of proposed buildings (including number of Dwelling Units) or other improvements;
- (2) limit or reduce the height or bulk of development within the Project Area, or any part thereof, or of individual proposed buildings or other improvements;

- (3) materially change, restrict, or condition any land uses, including permitted or conditional uses, of development within the Project Area;
- (4) materially limit or control the rate, timing, phasing, or sequencing of approval, development, or construction (including demolition);
- (5) require the issuance of additional land use-related permits or approvals by the City or the Agency;
- (6) materially limit or control the availability of public utilities, services or facilities or any privileges or rights to public utilities, services or facilities for the Project Area, including but not limited to water rights, water connections, sewage capacity rights and sewer connections;
- (7) control or limit commercial or residential rents or purchase prices (excluding property owned or controlled by the Agency or the City during the period of Agency or City ownership and only to the extent such controls or limits would not survive transfer to a successive owner);
- (8) materially limit the processing or procuring of applications and approvals for any subsequent City or Agency approvals;
- (9) subject to Section II.D.6, impose any new Development Fees and Exactions or expand or increase Development Fees and Exactions;
- (10) subject to Section II.D.1(d) (New Construction Requirements), materially increase the cost of construction or maintenance of all or any development contemplated or permitted in the Project Area or of compliance with any provision of this Plan, the Plan Documents, any disposition and development agreement or owner participation agreement related to development within the Project Area or Existing City Regulations;
- (11) materially decrease the value of any land in the Project Area;
- (12) materially reduce, limit the availability of or delay the amount or timing of tax increment or Mello-Roos Community Facilities District funding; or
- (13) limit the Agency's ability to timely satisfy its obligations under any disposition and development agreement or owner participation agreement related to development within the Project Area or the City's ability to timely satisfy its obligations under any cooperation agreement or tax allocation agreement related to development within the Project Area.

Nothing in this Plan or other applicable Plan Documents shall be deemed to limit any City Agency's or the Agency's ability to comply with the California Environmental Quality Act ("CEQA") or the CRL.

Nothing in this section shall limit the authority of the Agency or any City Agency to exercise its discretion under the Public Health and Safety Exception, or to make changes under the Federal or State Law Exception, as described in Section II.D.1.b (Protection of Public Health and Safety).

The City Municipal Code (excluding the Planning Code with the exception of conditions for cannabis-related uses specified in Section 202.2 thereof (as may be amended or superseded)) and related regulations (as such Code Sections and regulations may be amended from time to time consistent with this Plan) establishing a permitting program for Cannabis-Related Uses are Permitted New City Regulations applicable to and enforceable against Cannabis-Related Uses within the Project Area.

The City's Municipal Code and related regulations establishing a permitting program for Short-Term Rentals (as such Code Sections and regulations may be amended from time to time consistent with this Plan) are Permitted New City Regulations applicable to and enforceable against Short-Term Rentals within the Project Area.

(d) *New Construction Requirements.* In addition to the Public Health and Safety Exception and the Federal or State Law Exception, the City may change construction requirements for Infrastructure and other Improvements (“**New Construction Requirements**”) if the changes: (i) would not materially increase costs or accelerate the payment of costs of developing the Project Area consistent with this Plan; (ii) are imposed by the Board of Supervisors on a Citywide Basis; and (iii) would not: (a) materially adversely affect Net Available Increment; (b) delay development; (c) materially limit or restrict the availability of Infrastructure; or (d) impose limits or controls on the timing, phasing, or sequencing of development permitted under this Plan. In addition, from and after the 10th anniversary of the issuance of the first Building Permit for a project in Phase 2 of the Project Area (as shown on Map 2), the City may impose New Construction Requirements in response to technological advances in construction if the New Construction Requirements: (1) would materially decrease the City's operation and maintenance costs and would not materially interfere with the uses, heights, density, and intensity of development described in the Plan Documents; (2) will apply on a Citywide Basis for similar land uses; (3) do not conflict with the Mitigation Measures (provided, this requirement may be satisfied with an exemption for specific Mitigation Measures as needed); and (4) do not increase by more than twenty percent (20%) the unit cost of any single component that is the subject of the New Construction Requirement.

2. Limitation on the Number of Buildings

The number of buildings in the Project Area may not exceed 1,125.

3. Limitation on the Number of Dwelling Units

The maximum number of Dwelling Units in the Project Area is approximately 5,875. [The 2024 amendments to the Redevelopment authorize the Commission to approve, without amendment to](#)

this Redevelopment Plan but subject to any necessary environmental review, the transfer of Dwelling Units from Phase 2 of the Project Area to Zone 1 of Bayview Hunters Point Redevelopment Plan Project Area B, provided that the total Dwelling Units constructed within both the Project Area and Zone 1 of the Bayview Hunters Point Redevelopment Plan Area may not exceed 12,100 Dwelling Units without Commission approval (including attendant environmental review).

4. Limitation on Type, Size and Height of Buildings

The size and type of buildings constructed in the Project Area may be as permitted in the Plan, Plan Documents, and Applicable City Regulations, which is approximately 5,501,0003,332,500 square feet of non-residential development, including approximately 255,000 square feet of artists space, 50,000 square feet of community use space,[†] 401,000 square feet of retail space (including up to 100,000 square feet of Regional Retail)[‡], 120,000 square feet of hotel and hotel related use space, 410,000 square feet of institutional use space, and 4,265,0002,096,500 square feet of research and development and office space.

The Commission may approve, without amendment to this Plan but subject to any necessary environmental review, adjustment of the foregoing square footages over time (except for artists or community use space), including conversion to other non-residential uses allowed by this Plan, provided the total square footage of non-residential uses within Phase 2 of the Project Area does not materially exceed 5,501,0003,332,500 square feet.

In addition, to the extent the Bayview Hunters Point Redevelopment Plan allows for a transfer of non-residential-use square footage from the Hunters Point Shipyard Project Area to commercially-zoned areas of the Bayview Hunters Point Project Area or from the Bayview Hunters Point Project Area to commercially-zoned areas of the Hunters Point Shipyard Project Area, the foregoing limitations shall be reduced/adjusted commensurately upon such transfer.

Accessory parking facilities for these uses, and infrastructure components Accessory to the foregoing, are not included as part of or subject to these square footage limitations.

The maximum building heights within the Project Area will be prescribed in the Hunters Point Shipyard Phase 1 Design for Development and the Hunters Point Shipyard Phase 2 Design for Development. No building may exceed 370 feet in height. Other size limitations for buildings are set in the Hunters Point Shipyard Phase 1 Design for Development and the Hunters Point Shipyard Phase 2 Design for Development by development controls including block patterns, bulk controls, prescribed setbacks, and open space requirements. Height and other size limitations shall maintain and protect view corridors from Hillpoint Park so that visitors can enjoy substantial vistas of San Francisco Bay, consistent with the requirements of the Granting Act for exchanging the park and adjacent hillside open space into the Public Trust.

[†] In addition to 52,000 square feet of Community Uses already identified within Phase 1 of the Plan Area.

[‡] In addition to 9,000 square feet of Neighborhood Retail Uses already identified within Phase 1 of the Plan Area.

5. Office Development Limitations

On November 8, 2016, voters enacted Proposition O (Planning Code Section 324.1), which exempts Phase 2 of the Project Area from the office development limits set forth in Planning Code Sections 320-325. Planning Code Sections 320 – 325 (Proposition M) shall apply to office development in Phase 1 of the Project Area, and Planning Code Section 324.1 shall apply to office development in Phase 2 of the Project Area. Accordingly, the cap on the annual amount of office development permitted in the City shall apply to Phase 1 but not Phase 2 of the Project Area.

By Resolution No. 18102, the Planning Commission adopted findings pursuant to Planning Code Section 321(b)(1) that the up to 5,000,000 square feet of office development contemplated in this Plan in particular promotes the public welfare, convenience and necessity, and in so doing considered the criteria of Planning Code Section 321(b)(3)(A)-(G). Proposition O states in part that “No project authorization or allocation shall be required for any Development on the Subject Property [Candlestick Point and Hunter’s Shipyard Phase 2]. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.” Proposition O (2016) supersedes, as to Phase 2 of the Project Area, any part of Resolution No. 18102 (Attachment E) that would require an office authorization or allocation, compliance with Planning Code sections 320-325, or Planning Commission review or approval of office developments.

6. Development Fees and Exactions

The following provisions will apply to all property in the Project Area except parcels used for the development of affordable housing by Agency-sponsored entities. Development Fees and Exactions shall apply to the Project in the manner described below. Except as provided in this section and except as required by the Mitigation Measures, the School Facilities Impact Fee, the Child-Care Requirements, and the Art Requirement shall be the only Development Fees and Exactions that apply to the Project Area for the duration of this Plan. Water Capacity Charges and Wastewater Capacity Charges are Administrative Fees and not Development Fees and Exactions, and shall apply in the Project Area.

The School Facilities Impact Fee shall apply for the duration of this Plan, shall be administered as required by State law, and shall be increased for the duration of this Plan in accordance with State law but only to the extent permitted by State law.

The Art Requirement shall apply for the duration of this Plan and requires that any new office building in excess of 25,000 square feet constructed within the Project Area include one-half of one percent (0.5%) of the hard costs of initial construction (excluding costs of infrastructure and tenant improvements) (the “**Art Fee Amount**”) for the installation and maintenance of works of art in the public realm within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area. In the event that public spaces are not available at the time the Art Requirement is due, then the Art Fee Amount shall be paid to a fund

administered by the Agency to be used for public art within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area. The public realm within which art may be installed so as to comply with the Art Requirement includes: any areas on the site of the building and clearly visible from the public sidewalk or open space feature, on the site of any open space feature, or in any adjacent public property. The type and location of artwork proposed shall be reviewed by the Executive Director for consistency with the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development and other Plan Documents.

The Child-Care Requirements shall apply for the duration of this Plan only to all commercial development over 50,000 square feet per Planning Code Section 314, as it existed on the 2010 Plan Amendment Date (attached and incorporated hereto as Attachment C). The Child-Care Requirements will be administered by the Agency to provide for these public benefits within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area.

The Child-Care Requirements provide for compliance either by constructing Child-Care Facilities or, alternatively, payment of an in-lieu fee. For the duration of this Plan, development within the Project Area shall not be subject to any change to the provisions of the Child-Care Requirements that permit compliance through the construction of Child-Care Facilities. In addition, no new in lieu fee or increase in the existing in lieu fee related to the Child-Care Requirement shall apply to the Project Area for twelve (12) years following the date the first Building Permit is issued for a project in Phase 2 of the Project Area (as shown in Map 2) and, thereafter, will only be applicable if the new or increased in lieu fee relating to Child-Care Requirements is: (i) not increased at a rate greater than the annual increase in the Consumer Price Index commencing at the end of the 12-year period during which the fee has been frozen as described above; (ii) generally applicable on a Citywide Basis to similar land uses; and (iii) not redundant of a fee, dedication, program, requirement, or facility described in the Plan Documents or in any applicable disposition and development agreement related to development within the Project Area.

Notwithstanding the foregoing, new or increased Development Fees and Exactions may be imposed to the extent required under the Public Health and Safety Exception and the Federal or State Law Exception.

7. Shadow on Recreation and Park Property

Section 295 of the Planning Code (Proposition K) shall apply to development in the Project Area in the form in which Section 295 was in effect as of the 2010 Plan Amendment Date (and as attached hereto as Attachment D). Section 295 (Proposition K) shall not continue to apply to development in the Project Area in the event it is repealed by legislation or voter initiative.

E. Retention-Rehabilitation

Existing buildings in the Project Area, as of the 2010 Plan Amendment Date, are identified by the Navy's building numbers, on Map 3: Existing Buildings.

1. Historic buildings and other facilities proposed for retention, rehabilitation or adaptive reuse include:

Buildings 101,140, 204, 205, 207, and 208; and

Dry Docks 2, 3, and 4.

2. Four additional buildings identified as historic; Buildings 211, 224, 231 and 253 will be further evaluated for retention, preservation and reuse.

F. Density Bonus

Under State law, the Agency may grant, as a form of local public subsidy, residential density bonuses. These bonuses, if granted, shall insure that additional low- or moderate-income Dwelling Units will actually be produced within the Project Area. In Hunters Point Shipyard Phase 1 (consisting of the Hunters Point Hill Residential District), the Agency will grant such bonuses only after a developer has demonstrated to the Agency's satisfaction that the developer has utilized its best effort to provide such low- or moderate-income Dwelling Units. Hunters Point Shipyard Phase 2 consists of all Land Use Districts other than the Hunters Point Hill Residential District. A density bonus is not proposed to increase the total maximum number of residential units in Phase 2 above those levels described in Section II.D.3.

G. Streets Plan

The Street Plan for the Hunters Point Shipyard Project Area is identified on Map 4: Street Plan, which indicates generally the public rights-of-way. The categories of streets include the following:

1. Primary Arterial
2. Retail Street
3. Boulevard Park Street
4. Local Street

The Project Area's street pattern contributes to the establishment of its fundamental land use patterns, and in doing so, becomes an integral element of the overall urban design for the Project. It is, however, recognized that there is a need for some degree of adaptability and flexibility in locating and configuring some of the Project's local streets and alleys at the time of actual physical development. Accordingly, the alignment and classification of these streets are subject to adjustment by the Agency and the City at the time of detailed engineering studies.

Certain streets in the Project Area will be impressed with the Public Trust. These streets will provide key vehicular, bicycle and pedestrian access ways to the waterfront, providing a connection between the various parts of the waterfront, and between the waterfront and other Public Trust lands within the Project Area.

In order to accommodate vehicle traffic and transit serving the various uses planned for the Project Area, this Plan also provides for street, lighting, utility, and related improvements to Innes Avenue and Hunters Point Boulevard, outside the northwestern boundary of the Project Area.

III. PROJECT PROPOSALS

A. Rehabilitation and New Development

All new development and all rehabilitation of existing structures must conform to this Plan, and to all applicable Federal and State laws and to those local laws that are applicable pursuant to this Plan.

1. Utilities: Stormwater detention, stormwater treatment, and similar facilities may include above-ground features such as bioswales and channels. New permanent utility lines must be placed underground. Above ground pump stations control rooms and sub-stations are permitted however their visual impact must be minimized per requirements either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate. Temporary utility poles and wires may be installed during the project build out.
2. Signage: With the exception of temporary marketing and sales signs pertaining to developments within the Project Area (which will be permitted), permanent or temporary billboards (excluding kiosks, streetscape commercial signage, and street furniture-related commercial signage), are prohibited within all Land Use Districts (including any park or street area). Permanent signage for residential, commercial and open space development is subject to the development controls and guidelines of either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate. The Agency Commission shall review for consistency with the objectives of this Plan any proposed signage not permitted by the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate and any signage master plan.
3. Development Project: Plans for rehabilitation and new development shall be submitted to the Agency for architectural review and approval, consistent with the Agency's Design Review and Document Approval Process (DRDAP) for the Project Area or as attached to any disposition and development agreement related to development within the Project Area.
4. Agency Sponsored Improvements: To the extent now or hereafter permitted by law, the Agency may pay for, develop, or construct any building, facility, element of infrastructure, structure or other improvement either within or outside the Project Area, for itself or for any public body or entity, provided that such building, facility, element of infrastructure, structure or other improvement would be of benefit to the Project Area and conform to the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate.

B. Owner and Tenant Preference

Persons who are either owners or tenants of businesses, or other types of real property within the Project Area being displaced by rehabilitation, Agency property acquisition, or other Agency action occasioned by the implementation of this Plan will be afforded certain preferences. The Agency shall extend preferences to such persons in order that they may re-enter the redeveloped Project Area. The Agency will adopt a business relocation program to implement these preferences. Participants in this program necessarily will be subject to and limited by the requirements of this Plan.

C. Acquisition of Real Property

Any real property located within the Project Area may be acquired by the Agency by purchase, gift, devise, exchange, lease, or any other lawful method. The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than full fee title.

D. Acquisition of Personal Property

Where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means except eminent domain.

E. Property Management

During such time as any property in the Project Area is owned or leased by the Agency, such property will be under the management and control of the Agency and may be leased or subleased.

F. Payment of Taxes

The Agency may in any year during which it owns property in the Project Area pay directly to the City or any district, including a school district or other public corporation for whose benefit a tax would have been levied upon such property had it not been exempt, an amount of money in lieu of taxes.

A proportionate share of any amount of money paid by the Agency to the City will be disbursed by the City to any school district with territory located within the Project Area in the City. **“Proportionate share”** means the ratio of the school district tax rate that is included in the total tax rate of the City to the total tax rate of the City.

The Agency may also pay to any taxing agency with territory located within a project area other than the community that has adopted the Project, any amount of money that in the Agency’s determination is appropriate to alleviate any financial burden or detriment caused to any taxing agency by this Plan.

G. Relocation

The Agency will provide relocation assistance and benefits as required under applicable Federal and State law. A review of the current Project Area indicates that there are no persons currently residing therein. Accordingly, relocation activities would relate solely to businesses.

To the extent required under applicable State or Federal law, the Agency shall: (1) assist or cause to be assisted all eligible persons displaced by redevelopment activities undertaken or assisted by the Agency in finding new locations in accordance with applicable law, and where possible, shall relocate businesses to a location of similar size within the Project Area; and (2) make or cause to be made relocation payments to eligible persons displaced by redevelopment activities undertaken or assisted by the Agency as may be required by applicable State or Federal law. The Agency may make such other payments as it determines to be appropriate and for which funds are available.

Pursuant to Section 33339.5 of the California Health and Safety Code, the Agency shall extend reasonable preferences to persons who are engaged in business within the Project Area to reenter in business within the redeveloped Project Area, if they otherwise meet the requirements of this Plan. In order to extend reasonable preferences to businesses to reenter into business within the redeveloped Project Area, the Agency has promulgated, by Agency Resolution No. 93097, rules for the Business Occupant Re-Entry Program within the redeveloped Project Area.

H. Demolition and Clearance

The Agency is authorized to demolish and clear buildings, structures, and other improvements from real property owned by the Agency in the Project Area as necessary to carry out the purposes of this Plan.

I. Public Improvements and Public Facilities

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, on any parcel within or outside the Project Area, appropriate or necessary to carry out this Plan. Such public improvements and public facilities are described in Attachment B, Authorized Public Improvements.

J. Preparation of Building Sites

The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Project Area owned or leased by the Agency.

K. Disposition of Real Property

For the purpose of this Plan, the Agency is authorized to sell, lease, sublease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest of real property, except to the extent prohibited by the Granting Act.

Any real or personal property acquired by the Agency in the Project Area will be sold or leased for development in accordance with this Plan and for consideration. However, the Agency may convey real property to the City or to any other public body with or without consideration.

Property containing buildings or structures rehabilitated by the Agency will be offered for resale within one year after completion of rehabilitation or an annual report concerning such property will be published by the Agency as required by law.

The Agency will reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan.

All purchasers or lessees of property will be obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time that the Agency fixes as reasonable, and to comply with other conditions that the Agency deems necessary to carry out the purposes of this Plan.

L. Disposition and Development Documents

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or otherwise conveyed by the Agency will be made subject to the provisions of this Plan by lease, deed, contract, agreement, declaration of restrictions, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof will be recorded in the Office of the Recorder of the County of San Francisco.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants running with the land, rights of reverter, powers of termination, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

All property in the Project Area sold, leased or conveyed by the Agency will be made subject by appropriate documents to the restriction that there will be no discrimination or segregation on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, or on the basis of race, color, creed, religion, national origin or ancestry, sexual orientation, gender, identity, marital or domestic partner status, age, or disability, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. In addition, such property will be made subject to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area shall contain such nondiscrimination and non-segregation clauses as are required by law and this Plan.

M. Disposition of Personal Property

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property that has been acquired by the Agency.

N. Replacement Housing

Whenever Dwelling Units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of this redevelopment project, the Agency shall, within four (4) years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low or moderate income an equal number of replacement Dwelling Units at affordable rents within the Project Area or within the territorial jurisdiction of the Agency.

O. Redeveloper's Obligations

In order to provide adequate safeguards that the process of redevelopment will be carried out pursuant to this Plan, agreements for the disposition of land by the Agency shall include provisions recognizing and requiring that:

1. The purchase of land is for redevelopment and not for speculation and reserving to the Agency such powers and controls as may be necessary to prevent transfer, retention or use of the property for speculative purposes.
2. The land shall be built upon and/or improved in conformity with the development standards of this Plan and any applicable Agency regulations, the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, and the Declaration of Restrictions.
3. All developers and owner participants shall submit phasing plans, schematic architectural plans, site and landscape plans and final plans including landscaping and sign plans, and specifications of the improvements proposed to be constructed on the land for architectural review and approval by the Agency in order to ensure that development and construction will be carried out in a manner that will effectuate the purposes of this Plan. To the extent required in disposition and development agreements or agreements with owner participants, as a part of such plans and specifications, developers and, if required by the Agency, owner participants shall submit time schedules for the commencement and completion of such improvements. All such plans and schedules shall be submitted to the extent required by, and within the time specified in, the respective agreements with such developers and owner participants.
4. By and for the contracting parties, their heirs, executors, administrators, and assigns, there may be no discrimination against or segregation of any person or group of

persons on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, or on the basis of race, color, religion, national origin, gender, sexual orientation, gender identity, marital or domestic partner status, age, disability, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises therein described, nor may the contracting parties, or any person claiming under or through them establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subleases, or vendees in the premises described. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of any land shall contain the nondiscrimination and non-segregation clauses specified in the CRL (Section 33436 of the California Health and Safety Code) and this Plan.

IV. METHODS FOR PROJECT FINANCING

A. General

Upon adoption of this Plan by the Board of Supervisors, the Agency is authorized to finance projects consistent with this Plan with assistance from the United States Government,

including the Department of Housing and Urban Development (HUD), the Department of Defense (Office of Economic Adjustment) as well as from other Federal programs, from the State, from the City, from Agency bonds, and from other available sources.

The Agency is hereby authorized to issue bonds, obtain advances, borrow funds and create indebtedness in carrying out this Plan. The principal and interest of such advances, funds, and indebtedness may be repaid from any funds that may appropriately be available to the Agency.

Any other loans, grants, or financial assistance from the United States, or any other public or private sources will also be utilized, if available.

As permitted under Section 34177.7(j)(2) of California Health and Safety Code and amendments to the CP-HPS2 project agreements, the 2024 amendments to the Redevelopment Plan authorize the application of the allocated property tax revenues generated from Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to both such project areas for the purpose of implementing the Candlestick-Point Hunters Point Shipyard Phase 2 project regardless of location of the projects financed within Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area.

B. Tax Allocation

Taxes, if any, levied upon the taxable property in the Project Area each year by or for the benefit of the State, the City, any district, or other public corporation, after the Effective Date, shall be divided as follows, in accordance with the CRL (Section 33670 of the Health and Safety Code):

(a) That portion of the taxes that would be produced by the rate upon which the taxes levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the redevelopment project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for said Taxing Agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies that did not include the territory in a redevelopment project on the effective date of such ordinance but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the county last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the project on said effective date); and

(b) That portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project. Unless and until the total assessed valuation of the taxable property in a redevelopment project exceeds the total assessed value of the taxable property in that project as shown by the last equalized assessment roll referred to in paragraph (a) hereof, all of the taxes levied and collected upon the taxable property in the redevelopment project shall be paid to the respective Taxing Agencies. When the loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the redevelopment project shall be paid to the respective Taxing Agencies as taxes on all other property are paid.”

Not less than twenty percent (20%) of all taxes that are allocated to the Agency pursuant to Health and Safety Code Section 33670 and Section IV.B.(b) of this Plan shall be used by the Agency for the purposes of increasing, improving and preserving the community’s supply of low- and moderate-income housing available at affordable housing cost, as defined by Section 50052.5 of the California Health and Safety Code, to persons and families of low or moderate income, as defined in Section 50093, to lower income households, as defined in Section 50079.5, and to very low income households, as defined in Section 50105.

In the proceedings for the advance of moneys, making loans or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance, in whole or in part, the Hunters Point Shipyard Redevelopment Project, the portion of taxes set forth in the CRL and the California Constitution (as the same may exist on the date of the making of said advances or loans or the incurring of indebtedness) as available to the Agency for such purposes may be irrevocably pledged for the payment of the principal of and interest on such loans, advances, or indebtedness.

~~It is anticipated that the amount of taxes to be produced by the method described in Subsections (a) and (b) above may be sufficient to support a bond(s) issue in the range of \$900 million. In~~

~~addition, it may become necessary and appropriate to issue bonds to be partially repaid from taxes allocated pursuant to Subsections (a) and (b) above. Therefore, the amount of bonded indebtedness that can be outstanding at any one time from the issuance of bonds to be repaid in whole or in part from the allocation of taxes pursuant to Section 33670 of the California Health and Safety Code will be limited to \$900 million. In order to adequately fund the repayment of such bonds (including principal, interest, and issuance cost), the number of dollars of taxes that may be divided and allocated to the Agency pursuant to Section 33670 of the California Health and Safety Code will be limited to \$4.2 billion.~~

For Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the aggregate total amount of bonded indebtedness of the Agency to be repaid from the allocation of taxes to the Agency for both Zone 1 of the BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area pursuant to CRL Section 33670, which can be outstanding at one time, may not exceed \$5.9 billion

No loans, advances, or indebtedness to finance Phase 1 of the redevelopment projectProject Area in whole or in part and to be repaid from the allocation of taxes pursuant to Section 33670 of the California Health and Safety Code may be established or incurred by the Agency twenty (20) years after the Agency begins collecting substantial tax increment funds in the Project Area, meaning a total allocation of tax increment funds exceeding \$100,000.

The Agency may not establish loans, advances, or indebtedness to finance in whole or in part its activities in Phase 2 of the Project Area beyond thirty (30) years from the date of the conveyance, to the Shipyard Phase 2 master developer, of all Phase 2 parcel(s) required for the completion of development of the first Major Phase (as defined in that certain CP-HPS2 DDA) located within Phase 2 (“Initial HPS Transfer Date”)), plus an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional extension of the redevelopment timelines to be established pursuant to Section 34177.7(j) to include fifteen (15) additional years for purposes of those redevelopment activities on Phase 2 of the Project Area and related tax increment financing.

The Agency may not pay indebtedness or receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Phase 1 of the Project Area forty five (45) years after the Agency begins collecting substantial tax increment funds in the Project Area; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).

The Agency may not pay indebtedness or receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Phase 2 of the Project Area forty-five (45) years after ~~the Agency begins collecting substantial tax increment funds in the Project Area; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).~~Initial HPS

Transfer Date plus an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

Bond issues, the principal and interest of which the Agency proposes to pay with tax allocations under Health and Safety Code 33670, are subject to Board of Supervisors approvals, as are all bond issues of the Agency; where the Agency proposes to utilize tax allocations for other than repaying principal and interest on bond issues or other existing indebtedness, the Agency shall prepare, for the approval of the Board of Supervisors, an annual Project Work Program, which program shall outline in detail the activities to be undertaken by the Agency, the loans and/or advances to be received and/or the indebtedness to be incurred.

V. ACTIONS BY THE CITY

The City, by the adoption of this Plan, agrees to aid and cooperate with the Agency in carrying out this Plan and shall take any further action necessary to ensure the continued fulfillment of the various objectives and purposes of this Plan and to prevent the recurrence or spread in the Project Area of conditions causing blight. Such actions include the following:

- A. Prior to termination of this Plan, revision of zoning within the Project Area (to be effective as of this Plan expiration date) to conform to the land uses authorized by this Plan and the development standards and design guidelines set forth in the Hunters Point Shipyard Design for Development documents, as they have been amended from time to time as of the expiration date of this Plan.
- B. Institution and completion of proceedings necessary for changes and improvements in publicly-owned utilities within or affecting the Project Area.
- C. Performance of the above and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule that will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
- D. Referral will be made to the Agency prior to approval by the City of each building permit application in the Project Area. No building permit will be issued unless it conforms to this Plan.
- E. The City is authorized, but not obligated to provide funds to ensure the completion of the Project as a whole in accordance with this Plan.
- F. The City shall review, consider, and approve, without unnecessary delay, tentative subdivision maps and parcel maps as necessary to develop the Project Area, provided maps and public infrastructure agreements are found to be consistent with the objectives of this Plan, approved environmental mitigations, and the development standards and design guidelines set forth in the Hunters Point Shipyard Phase 1

Design for Development and Hunters Point Shipyard Phase 2 Design for Development.

- G. The undertaking and completing of any other proceedings necessary to carry out the Project.

In order to facilitate the implementation of this Plan, the City and the Agency have entered into Interagency Cooperation Agreements (each, an “ICA”). Each ICA is intended to provide the framework for cooperation among various City Agencies and the Agency in accordance with this Plan, the other applicable Plan Documents and disposition and development agreements entered into in accordance with this Plan with respect to the review and approval of development authorizations in the Project Area and, where appropriate, to facilitate cooperation of the City Agencies in issuance of those permits, approvals, agreements and entitlements at each applicable stage of development. The City shall perform all of its obligations under each ICA.

VI. PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in Section 33450-33458 of the California Health and Safety Code, or by any other procedure hereafter established by law.

VII. PROCEDURE FOR VARIANCE

The owner or developer of any property in the Project Area may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and the Agency Commission may, in its sole discretion at a duly noticed public hearing, grant a variance from the development controls in this Plan and either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate, under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Plan; and
- The granting of a variance would be in harmony with the goals of this Plan, and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Plan and the Design for Development.

The Agency’s determination to grant or deny a variance will be final and will not be appealable to the Planning Department. In no instance will any variance be granted that will substantially change the allowable land uses of this Plan. Procedures for the evaluation of Secondary Uses are described above in Section II.B.1.

In addition, for certain development controls specified in the Phase 2 Design for Development, the Executive Director may approve deviations (minor modifications no greater than ten percent of the numerical development control), in accordance with the standards and processes set forth therein.

VIII. DURATION OF PLAN

Phase 1 of Project Area

This Plan as it relates to Phase 1 of the Project Area will be effective until thirty (30) years from the date the Controller of the City and County of San Francisco certifies, pursuant to Section 33492.9, as the final day of the first fiscal year in which one hundred thousand dollars (\$100,000) or more of tax increment from the Project Area are paid to the Agency pursuant to Section 33675(d); provided, however, that the nondiscrimination and non-segregation provisions will continue in perpetuity. Any Declaration of Restrictions formulated pursuant to this Plan may contain provisions for the extension of such Declaration of Restrictions for successive periods. The Agency may receive property taxes pursuant to Section 33670 of the California Health and Safety Code for up to forty five (45) years after the Agency begins collecting substantial tax increment funds; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).

Phase 2 of Project Area

This Plan as it relates to Phase 2 of the Project Area will be effective for thirty (30) years from the Initial HPS Phase Transfer Date plus an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

IX. ENFORCEMENT OF PLAN

The provisions of this Plan and other documents formulated pursuant thereto may be enforced by the Agency in any manner authorized by law.

X. SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid or unconstitutional, such decision will not affect the validity of the remaining portion or portions of this Plan.

XI. DEFINITIONS

Following are definitions for certain words and terms used in this Plan. All words used in the present tense include the future. All words in the plural number include the singular number and all words in the singular number include the plural number, unless the natural construction of the wording indicates otherwise. The word “shall” is mandatory and not directory; and the term

“may not” is prohibitory and not permissive. The words “including”, “such as” or words of similar import when following any general term may not be construed to limit the general term to the specific terms that follow, whether or not language of non-limitation is used; rather, these terms will be deemed to refer to all other terms that could reasonably fall within the broadest possible scope of the term.

2010 Plan Amendment Date means the date on which Ordinance No. 211-10 adopting amendments to this Plan, approved on August 3, 2010, became effective.

2017 Plan Amendment Date means the date on which Ordinance No. 122-17 adopting amendments to this Plan, approved on June 22, 2017, became effective.

2018 Plan Amendment Date means the date on which Ordinance No. 0166-18 adopting amendments to this Plan, approved on July 16, 2018, became effective.

2024 Plan Amendment Date means the date on which Ordinance No. _____ adopting amendments to this Plan, approved on [DATE], became effective.

Accessory Use means uses that are related to and subservient to another use, and serve that use only (with the exception of Parking, which may serve several lawfully permitted uses). For purposes of private infrastructure, accessory means utility systems and/or a component thereof, located within, on or beneath a lawful permitted Use on the same Assessor’s lot.

Administrative Fee means any fee charged by any City Agency or the Agency in effect on a Citywide Basis, including fees associated with Article 31, at the time of submission for the processing of any application for building or other permits, subdivision maps, or other City or Agency regulatory actions or approvals for any development in the Project Area.

Adult Entertainment means a use that includes any of the following: adult bookstore, adult theater, and encounter studio, as defined by Section 1072.1 of the San Francisco Police Code.

Agency Commission means the Commission for the Redevelopment Agency of the City and County of San Francisco.

Amusement Enterprise means enterprises such as billiard halls, bowling alleys, skating rinks, and similar uses when conducted within a completely enclosed building.

Animal Services means an animal care use that provides medical care and/or boarding services for animals.

Arts Education means schools of any of the following for professionals, credentialed individuals, or amateurs: dance, music, dramatic art, film, video, graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel, and other visual, performance, industrial and product-design and sound arts and craft.

Art Production means commercial arts and art-related business service uses including, but not limited to, recording and editing services, small-scale film and video developing and printing; titling; video and film libraries; special effects production; fashion and photo stylists; production, sale and rental of theatrical wardrobes; and studio property production and rental companies. Arts spaces may include studios, workshops, galleries, museums, archives and small theaters, and other similar spaces customarily used principally for production and post-production of graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel and other visual, performance and sound arts and craft.

Automotive Repair means a retail automotive service use that provides any of the following automotive repair services, whether outdoors or in an enclosed building: minor auto repair, engine repair, rebuilding, or installation of power train components, reconditioning of badly worn or damaged motor vehicles, collision service, or full body paint spraying.

Bar means a principal retail use not located in a Restaurant that provides on-site alcoholic beverage sales for drinking on the premises, including bars serving beer, wine and/or liquor to the customer where no person under twenty one (21) years of age is admitted (with Alcoholic Beverage Control [ABC] license 42, 48, or 61) and drinking establishments serving liquor (with ABC license 47 or 49) in conjunction with other uses that admit minors, such as theaters, and other entertainment. Restaurants with ABC licenses are not considered bars under this definition.

Battery Storage System means a component of the utility electricity system which stores energy.

Board of Supervisors means the Board of Supervisors of the City and County of San Francisco, California.

Building Construction Codes means the City's (or if applicable, the Port's) Building Code, Electrical Code, Mechanical Code and Plumbing Code and any construction requirements in the Housing Code and the Fire Code.

Business Occupant Re-Entry Policy means a document approved by the Agency Commission in relation to this Plan that establishes, to the extent required by State or Federal law, how the extension of reasonable preferences to business occupants will be implemented within the Project Area.

Cannabis-Related Use means any Use that is required to obtain a permit, and has obtained such permit, from the San Francisco Office of Cannabis (or its successor). For the avoidance of doubt, a Cannabis-Related Use is any category of Use otherwise permitted herein that cultivates, manufactures, distributes, tests, sells, delivers or in any other way uses cannabis or cannabis-derived materials, including for legal adult use or medical use.

Child-Care Facility means a use that provides less than 24-hour care for children by licensed personnel and that meets all the requirements of the State and other authorities for such a facility.

Child-Care Requirements means the requirements set forth in City Planning Code Section 314, as it exists on the 2010 Plan Amendment Date.

City Agency means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any portion of the Project Area, including but not limited to the Port Authority, Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Agency, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency designated by or under law.

City Regulations means ordinances, resolutions, initiatives, rules, regulations, and other official City and Agency policies applicable to and governing the overall design, construction, fees, use or other aspects of development within the Project Area. City Regulations includes City municipal codes, the General Plan, Building Construction Codes, Subdivision Code, and all ordinances, rules, regulations and official policies adopted to implement those City Regulations, except to the extent such regulations are Administrative Fees.

Citywide Basis means all privately-owned property within (a) the City's jurisdictional limits or (b) any designated use classification or use district of the City so long as (1) any such use classification or use district includes a substantial amount of affected private property other than affected private property within the Project Area, (2) the use classification or use district includes all private property that receives the general or special benefits of, or causes the burdens that occasion the need for, the New City Regulation, Development Fees and Exactions, or New Construction Requirements, and (3) the cost of compliance with the New City Regulation, Development Fees and Exactions, or New Construction Requirements applicable to the same type of use in the Project Area (or portion thereof) does not exceed the proportional benefits to, or the proportional burdens caused by private development of that type of use in the Project Area (or portion thereof).

Commercial Storage means a commercial use that stores, within an enclosed building, household goods, contractors' equipment, building materials or goods or materials used by other businesses at other locations and that may include self-storage facilities for members of the public. Commercial storage does not include the storage of waste, salvaged materials, automobiles, inflammable or highly combustible materials, and wholesale goods or commodities.

Commercial Wireless Transmitting Facility means equipment for the transmission, reception, or relay of radio, television, or other electronic signals, and may include towers, antennae, and related equipment.

Community Use means a publicly or privately owned use that provides public services to the community, whether conducted within a building or on an open lot. This use may include, by way of example and not limitation, museums, post offices, public libraries, police or fire stations, transit and transportation facilities, utility installations, building-integrated sustainable energy

generation facilities, neighborhood-serving community recycling centers, and wireless transmission facilities.

Consumer Price Index means the All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor.

Declaration of Restrictions means a recorded declaration that provides notice that properties in the Project Area are subject to restrictions, reservations and covenants for the benefit of the Project Area and this Plan.

Development Fees and Exactions means a monetary or other exaction including in-kind contributions, other than a tax or special assessment or Administrative Fee, that is charged by the Agency or any City Agency in connection with any permit, approval, agreement or entitlement or any requirement for the provision of land for construction of public facilities or Infrastructure or any requirement to provide or contribute to any public amenity or services. Development Fees and Exactions does not include Building Construction Codes in effect from time to time and generally applicable on a Citywide Basis to similar land uses.

District Heating and Cooling Facility means a plant (including geothermal powered) with hot water (or steam) and chilled water distributed from the district plant to individual buildings via a pipe distribution network.

Dry-Cleaning Facility means dry-cleaning establishment, including pressing and other miscellaneous processing of clothes.

Dwelling Units means a residential use that consists of a suite of one or more rooms and includes sleeping, bathing, cooking, and eating facilities.

Effective Date means the date the ordinance passed by the Board of Supervisors approving this Plan (Ordinance No. 211-10) became effective.

Elementary School means an institution that provides K-8 education and that may be either public or private.

Executive Director means the Executive Director of the Agency.

Existing City Regulations means City Regulations as they are in effect on the 2010 Plan Amendment Date.

General Plan means the General Plan for the City and County of San Francisco.

Green Technology means a use or several uses that involves the research, development, and fabrication of innovative methods, materials, and technology to improve environmental quality, increase energy and/or resource efficiency, reduce greenhouse gas emissions, reduce waste and pollution, and increase resource sustainability. Green Technology uses may utilize office,

laboratory, light manufacturing, or other types of use. Green technology can include office, laboratory, and light-manufacturing uses.

Grocery Store means a retail use of medium or large scale providing sales of food, produce, prepared food, beverages, toiletries, pharmaceutical products and services, and household items to the general public. This includes neighborhood-serving stores, supermarkets, festival market places, or other large format tenants providing primarily food sales up.

Group Housing means a residential use that provides lodging or both meals and lodging without individual cooking facilities. Group Housing may include housing specifically designed for and occupied by seniors, students or disabled residents.

Home Office means the accessory use of a dwelling for office purposes, provided that the principal user of such office resides in that dwelling.

Hotel means a use that provides overnight accommodations including guest rooms or suites and ancillary services to serve hotel guests. Hotels shall be designed to include all lobbies, offices and internal circulation to guest rooms and suites within and integral to the same enclosed building or buildings as the guest rooms or suites.

Hunters Point Shipyard Phase 1 Design for Development means the Design for Development document that sets development standards and design guidelines for Phase 1 of the Project, which consists of the Hunters Point Hill Residential District, as amended from time to time in accordance with its provisions.

Hunters Point Shipyard Phase 2 Design for Development means the Design for Development document that sets development standards and design guidelines for Phase 2 of the Project, which consists of all of the Project Area except for the Hunters Point Hill Residential District, as amended from time to time in accordance with its provisions.

Implementation Plan means a plan adopted periodically by the Agency Commission relating to the implementation of goals and objectives within this Plan, in accordance with the requirements of the CRL.

Internet Service Exchange means a use that provides a location for: switching equipment (whether wireline or wireless) that joins or connects customers, or subscribers to enable them to transmit data, voice, or video signals; one or more computer systems and related equipment used to build, maintain or process data, voice or video signals or provide other data processing services; or a group of network servers.

Institutional Use means Residential Care Facility, Child-Care Facility, Elementary School, Religious Institution, Secondary School, Post-Secondary Institution, or Vocational/Job Training Facility.

Laboratory means a use that provides for space within any structure intended or primarily suitable for scientific research. This includes industrial, chemical, and digital work stations for

the purpose of design, developing, and testing product development. The space requirements of uses within this category include specialized facilities or built accommodations that distinguish the space from office uses and light industrial uses.

Life Science means a use that involves the integration of natural and engineering sciences and advanced biological techniques using organisms, cells, and parts thereof for products and services. Life Science uses may utilize office, laboratory, light manufacturing, or other types of uses.

Light Industrial means a non-retail use that provides for the fabrication or production of goods, by hand or machinery, for distribution to retailers or wholesalers for resale off the premises, primarily involving the assembly, packaging, repairing, or processing of previously prepared materials.

Live/Work Units means a structure or portion of a structure combining a residential living space for a household or group of persons with an integrated work space principally used by one or more of the residents of that unit. Work spaces uses in a Live/Work Unit must comply with the other non-residential uses allowed within the respective land use District.

Maker Space means uses for contemporary forms of small-scale manufacturing, repair, and post-manufacturing activities. Maker space should typically include a retail component, and may include several other uses within a single space, including but not limited to, Light Industrial (for example, craft, industrial arts and design, robotics, woodworking, jewelry manufacture, clothing and apparel manufacture, and food and beverage production), office and research and development (e.g., digital technologies and electronics, 3D printing, graphic design), and Neighborhood Retail Sales and Services associated with the foregoing (e.g., food and beverage tasting and sale, arts and crafts sales, jewelry sales), among many others. For the purposes of size limitations established in Section II.D.4, Maker Space is considered Neighborhood Retail Sales and Service or research and development and office space.

Mitigation Measures means those mitigation measures from the Candlestick Point/Hunters Point Shipyard Phase 2 Project EIR imposed as conditions of approval of the amendments to this Plan as set forth in Resolution No. 347-2010, as amended or modified from time to time consistent with CEQA.

Neighborhood Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live or work nearby and who can access the establishment directly from the street on a walk-in basis. This use may provide goods and/or services to the business community, provided that it also serves the general public. This use would include those that sell, for example, groceries, personal toiletries, magazines, smaller scale comparison shopping; personal services such as laundromats, health clubs, formula retail outlets, hair or nail salons; medical services including, but not limited to, urgent care facilities and standalone emergency rooms, but excluding hospitals; and uses designed to attract customers from the surrounding neighborhood. Retail uses can also include outdoor activity areas, open air sales areas, and walk-up facilities (such as ATMs or window

service) related to the retail sale or service use and need not be granted separate approvals for such features. Retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

New City Regulations means both City Regulations adopted after the 2010 Plan Amendment Date or a change in Existing City Regulations, including any amendment to this Plan or the Plan Documents, effective after the 2010 Plan Amendment Date.

Nighttime Entertainment means entertainment activities such as dance halls, discotheques, nightclubs, and similar evening-oriented entertainment activities generally involving amplified music, either live or recorded, as well as restaurants and bars, and other venues or spaces used for different uses during the day that present such activities. It excludes Adult Entertainment.

Non-Retail Sales and Services means a commercial or office use that provides goods and/or services primarily to other businesses rather than to the general public and that may include by way of example and not limitation, wholesale sales, sale, rental, installation, servicing and/or repair of business goods and equipment.

Office means a use within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities that perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following: professional; medical; banking; insurance; management; consulting; technical; sales; artificial intelligence; technology, and design; and the non-accessory office functions of manufacturing and warehousing businesses; multimedia and digital arts, software development, hardware development, web design, electronic commerce, and information technology; administrative services; and professional services. This use does not include retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; or wholesale shipping, receiving and storage.

OPA Rules means rules established by the Agency Commission for property owner participation in redevelopment activities consistent with the provisions of this Plan within the Project Area and consistent with the CRL.

Open Space means space that is retained primarily in an unimproved, natural state. Open Space may be used for passive recreational activities, such as hiking and picnicking, and may include facilities related to such passive recreational uses.

Owner Participation Agreement or OPA means a binding agreement between a property owner and the Agency by which the participant agrees to rehabilitate, develop, use and maintain the property in conformance with this Plan.

Parking means the storage of vehicles Accessory to a principal or secondary residential or commercial use. Such storage can be in the form of independently accessible parking spaces, non-independently accessible parking spaces including those accessed on parking lifts or through the use of valet. Parking spaces need not be on the same lot or block to the use it serves.

Parks means publicly owned, or privately owned and publicly accessible, open space improved with either active recreational amenities such as playing fields, sporting courts, and small performance spaces and/or passive recreational amenities such as trails, picnic areas, and fields.

Performance Arts means a use that includes performance, exhibition, rehearsal, production, or post-production of any of the following: dance, music, dramatic art, film, video, and other visual, performance and sound arts and craft.

Plan Documents means the Business Occupant Re-Entry Policy, Implementation Plan, Hunters Point Shipyard Phase 1 Design for Development, Hunters Point Shipyard Phase 2 Design for Development, Relocation Plan and OPA Rules.

Planning Commission means the Planning Commission of the City and County of San Francisco, California.

Planning Department means the Planning Department of the City and County of San Francisco.

Post-Secondary Institutions means a use that is certified by the Western Association of Schools and Colleges that provides post-secondary educational services such as a school, college or university.

Priority Policies means the eight priority policies stated in Section 101.1, Master Plan Consistency and Implementation, of the City’s Planning Code.

Public Recreation means privately owned recreational areas that are open to the general public. This use may include may include hiking trails, playgrounds, public parks, sports fields, community gardens, golf courses, marinas, and tennis courts as well as accessory uses such as maintenance facilities, parking, and concession areas.

Public Trust means collectively the common law public trust for commerce, navigation and fisheries and the statutory trust imposed by the Granting Act.

Real Property means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

Recreational Facility means a use that provides social, fraternal, counseling, athletic or other recreational gathering services to the community.

Recycled Water Treatment Facility is a centralized facility for treating wastewater to be used for non-potable uses in the Project Area and that abides by odor control measures established in the Phase 2 Design for Development. Passive square footage (i.e., non-administrative office space) within such facility shall not be not included as part of or subject to square footage limitations in Section II.D.4.

Regional Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live throughout the surrounding region and may include both small and large format tenants up to 120,000 square feet. This use would include those who sell apparel, electronics, furniture, durable goods, specialty items, formula retail outlets, and other more expensive, and less frequently purchased items; beyond the surrounding neighborhood. Regional Retail sales and services can include counter and other walk-up facilities as well as adjacent outdoor activity areas accessory to such uses. Includes movie theaters and related or similar uses. Regional retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

Religious Institution means a use that provides religious services to the community such as a church, temple or synagogue.

Relocation Plan means a document approved by the Agency Commission that establishes how the Agency and/or developers shall assist persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with applicable State and Federal law.

Research and Development means a use compatible with adjacent uses that includes the study, testing, engineering, design, analysis, or experimental development of products, processes, or services related to current, emerging, or new technologies, including but not limited to artificial intelligence, clean energy, communications, 3-D production and printing. Research and development may include, but is not limited to, light manufacturing, fabricating, processing, assembling or storage of products or materials, or similarly related activities that includes, but is not limited to, Laboratory, Life Science, Light Industrial, Green Technology, and Office uses.

Residential Care Facility means medical use that provides lodging, board, and care for one day or more to persons in need of specialized aid by personnel licensed by the State but does not provide outpatient services.

Residential Use means a use that includes for sale and rental housing units, including Dwelling Units, Live/Work Units, and Group Housing

Restaurant means a full service or self-service retail facility primarily for eating use that provides ready-to-eat food to customers for consumption on or off the premises, which may or

may not provide seating, and that may include service of liquor under ABC licenses [those explicitly for any alcoholic service in association with a restaurant]. Food may be cooked or otherwise prepared on the premises.

School Facilities Impact Fee means the sum payable to the San Francisco Unified School District pursuant to Government Code Section 65995.

Short-Term Rental has the meaning established in Article 41A of the Administrative Code (as it may be amended from time to time), and, subject to compliance with regulations of the City’s Office of Short-Term Rentals (or its successor), is allowed within Residential Uses unless otherwise prohibited by applicable private covenants or similar restrictions.

Secondary School means a use that provides grade 9-12 education and may be either public or private.

State means the State of California.

Stormwater Best Management Practice (BMP) means constructed facilities or measures to help protect receiving water quality and control stormwater quantity, also referred to as stormwater controls.

Supportive Housing means affordable housing developments with integrated services that are not required as a condition of occupancy and that serve high needs populations including but not limited to low income senior citizens, youth transitioning out of foster care, adults with developmental disabilities, individuals and families who are homeless or at risk of homelessness, and persons with AIDS.

Taxing Agencies means all public entities that have the authority to tax property within the Project Area, including the State, the City, BART, San Francisco Unified School District, City College of San Francisco, Bay Area Air Quality Management District and any district or other public corporation.

Telecommunication/Fiber System means equipment for the transmission, reception or relay of analogue, digital and optical fiber signals.

Use means the purpose for which land or a structure, or both, are designed, constructed, arranged or intended, or for which they are occupied or maintained, let or leased.

Vocational/Job Training Facility means a use that provides job training, and may also provide vocational counseling and job referrals and or office or light industrial activities for education purposes.

REDEVELOPMENT PLAN MAPS

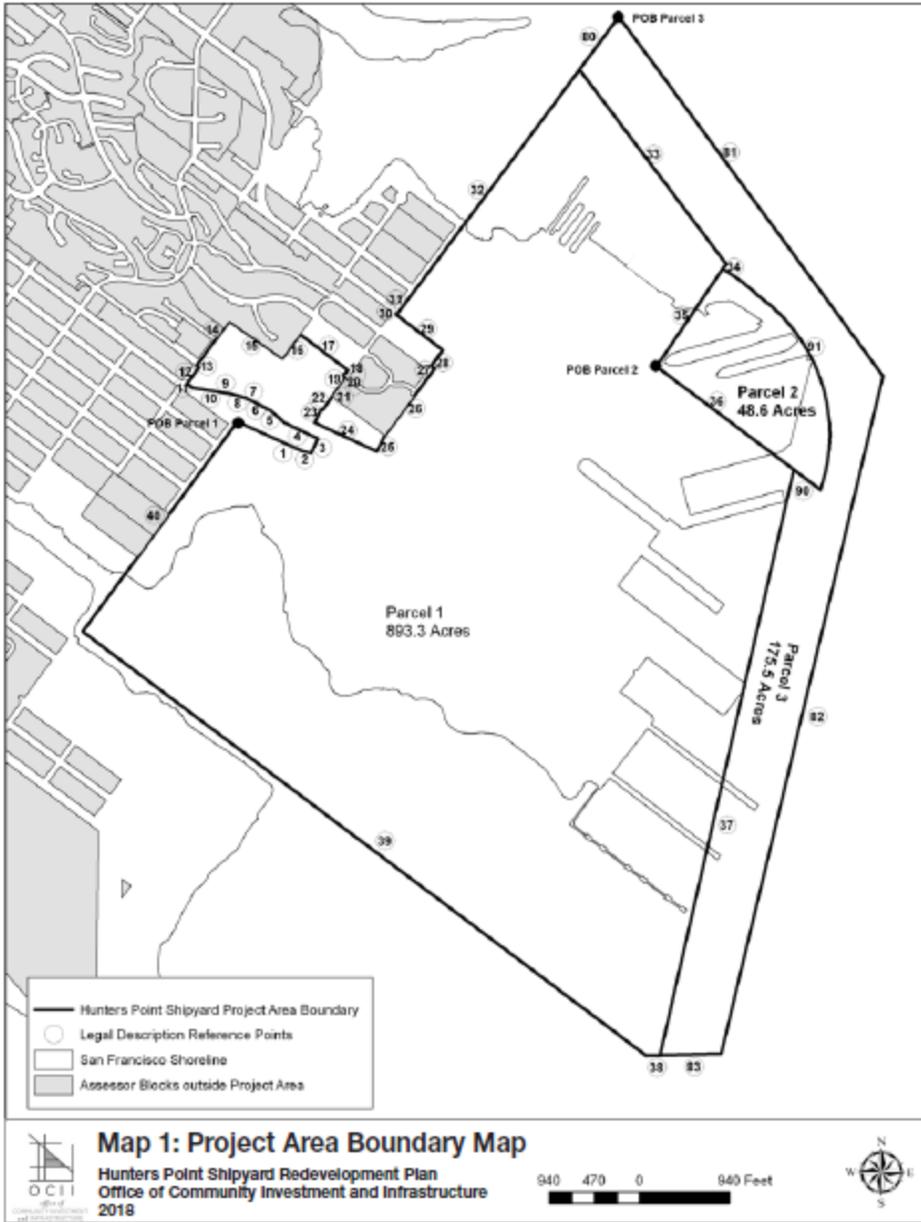
Map 1: Boundary Map

Map 2: Land Use Districts Map

Map 2A: Private Infrastructure Map

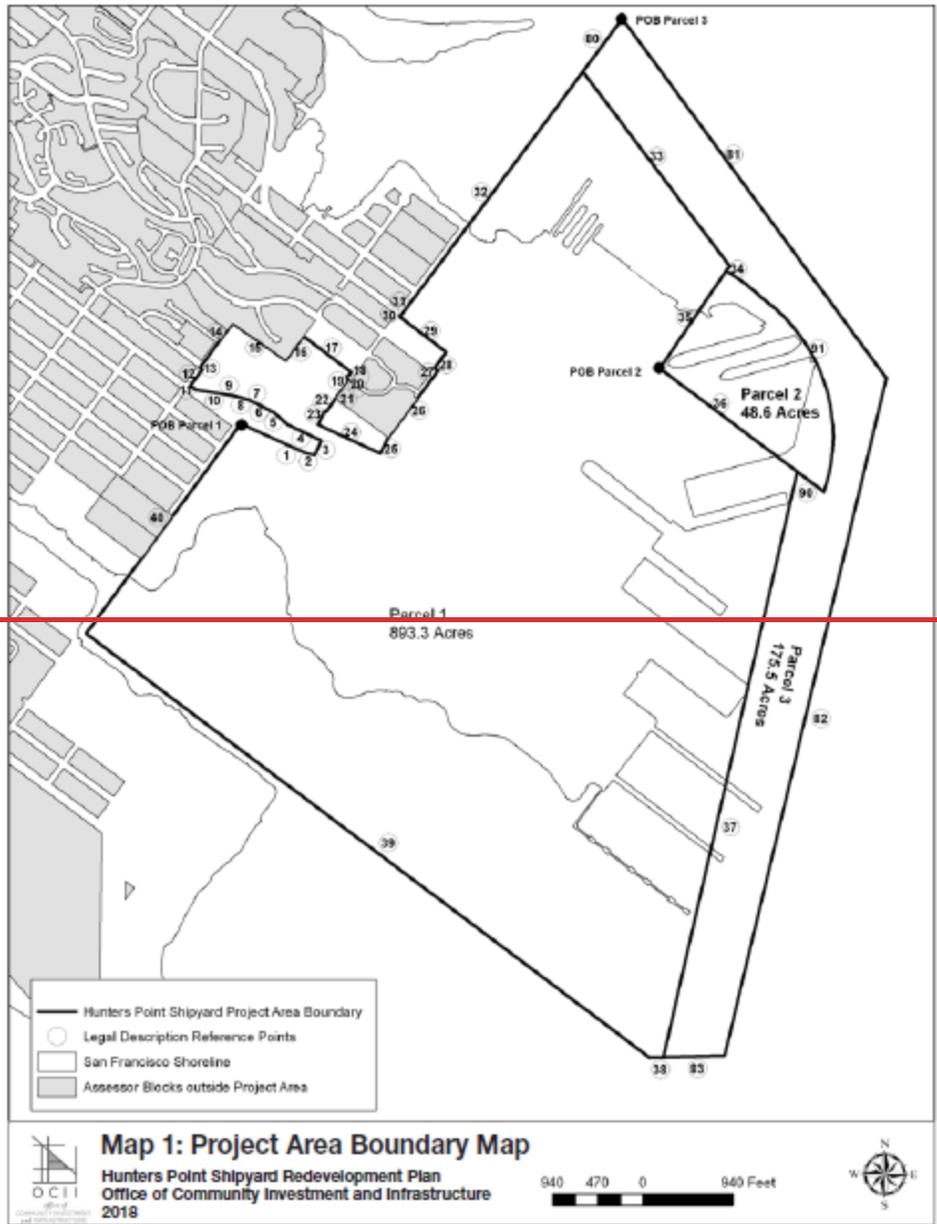
Map 3: Existing Buildings

Map 4: Street Plans



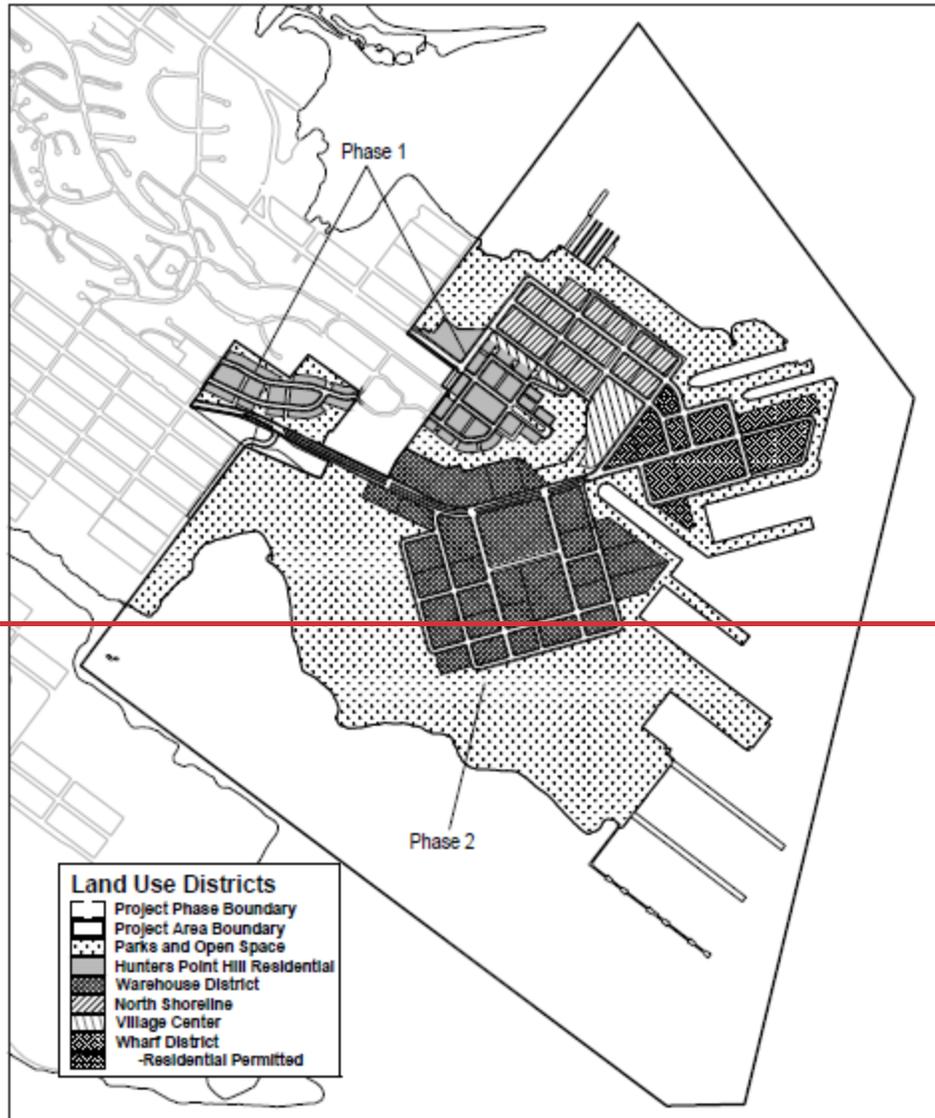
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 July 16, 2018

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Hunters Point Shipyard Redevelopment Plan
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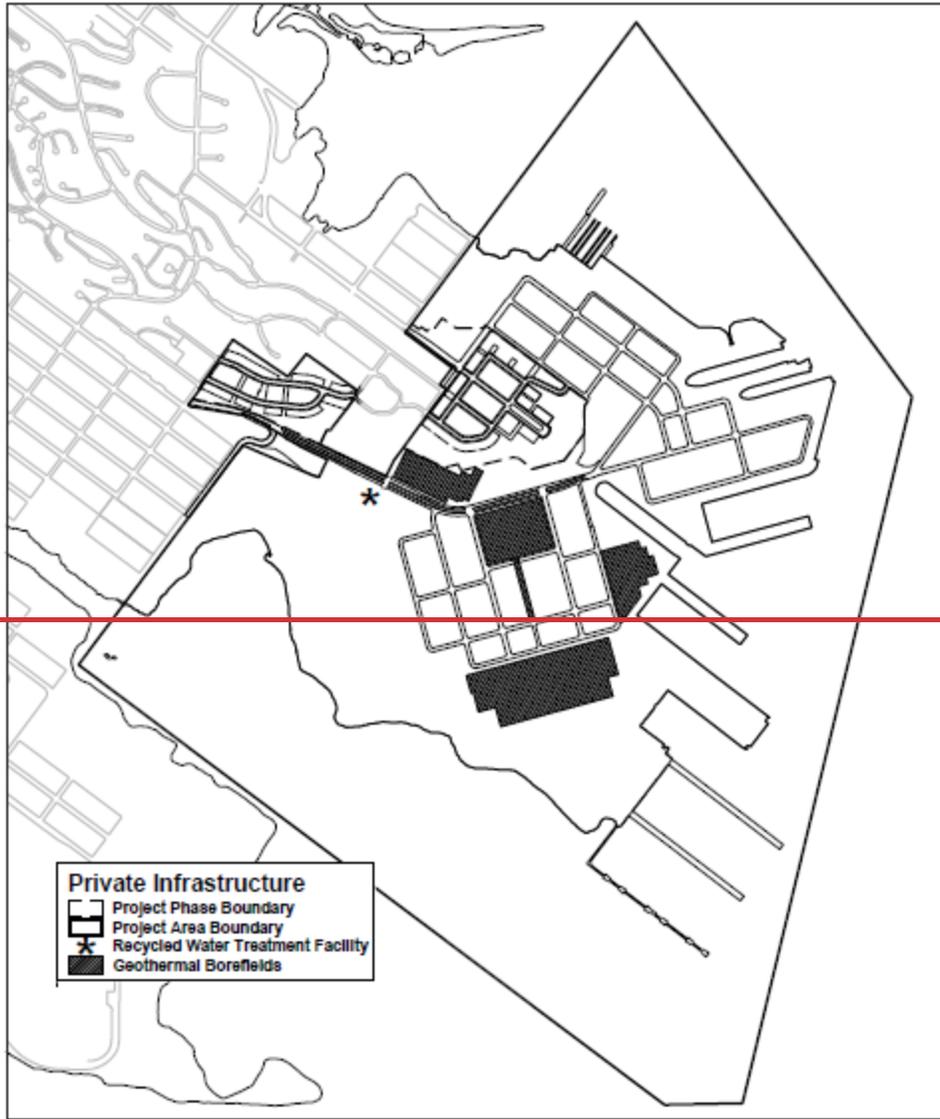


Map 2: Land Use Districts Map
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

1,000 500 0 1,000 Feet

Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Private Infrastructure	
	Project Phase Boundary
	Project Area Boundary
	Recycled Water Treatment Facility
	Geothermal Borefields

Map 2A: Private Infrastructure
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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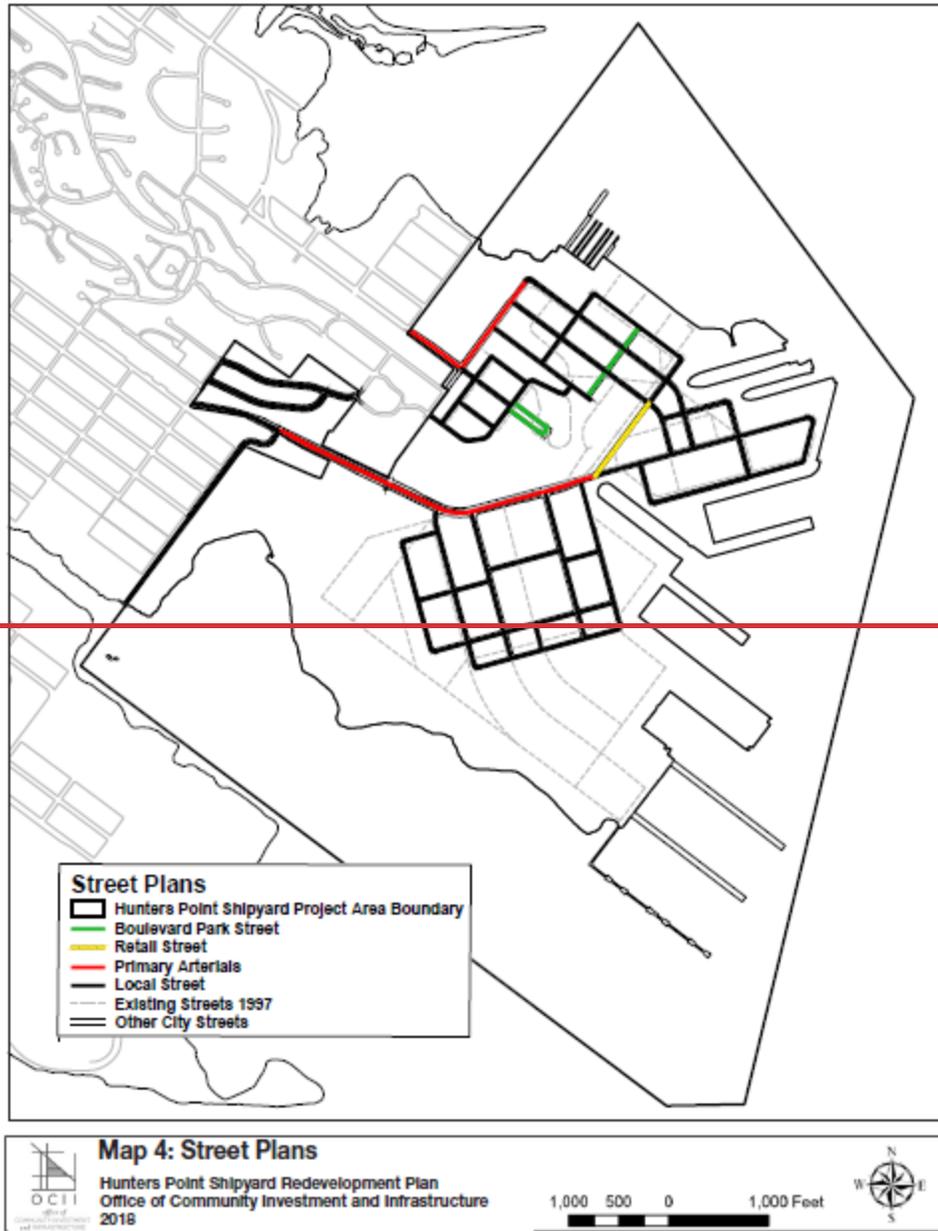
Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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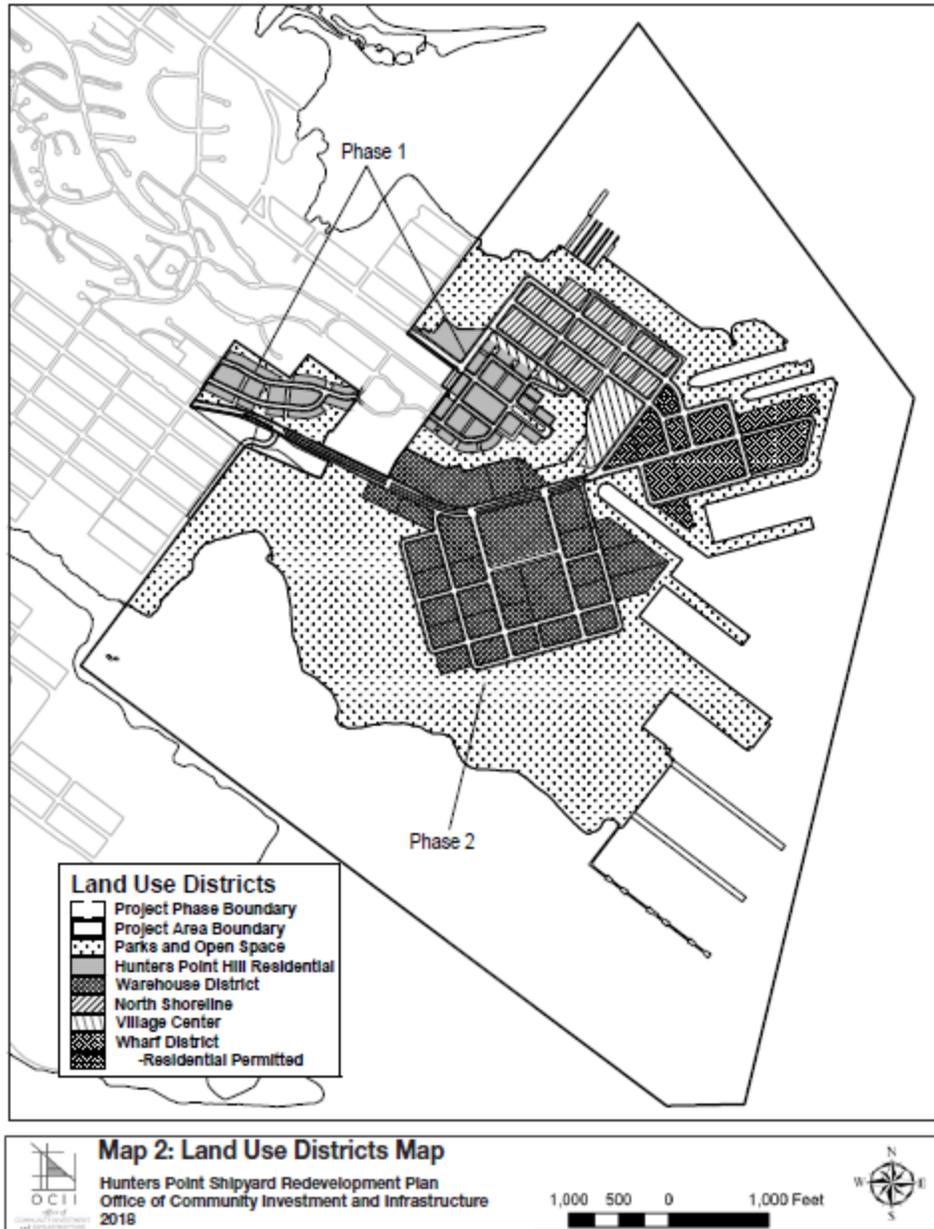
Hunters Point Shipyard Redevelopment Plan
July 16, 2018

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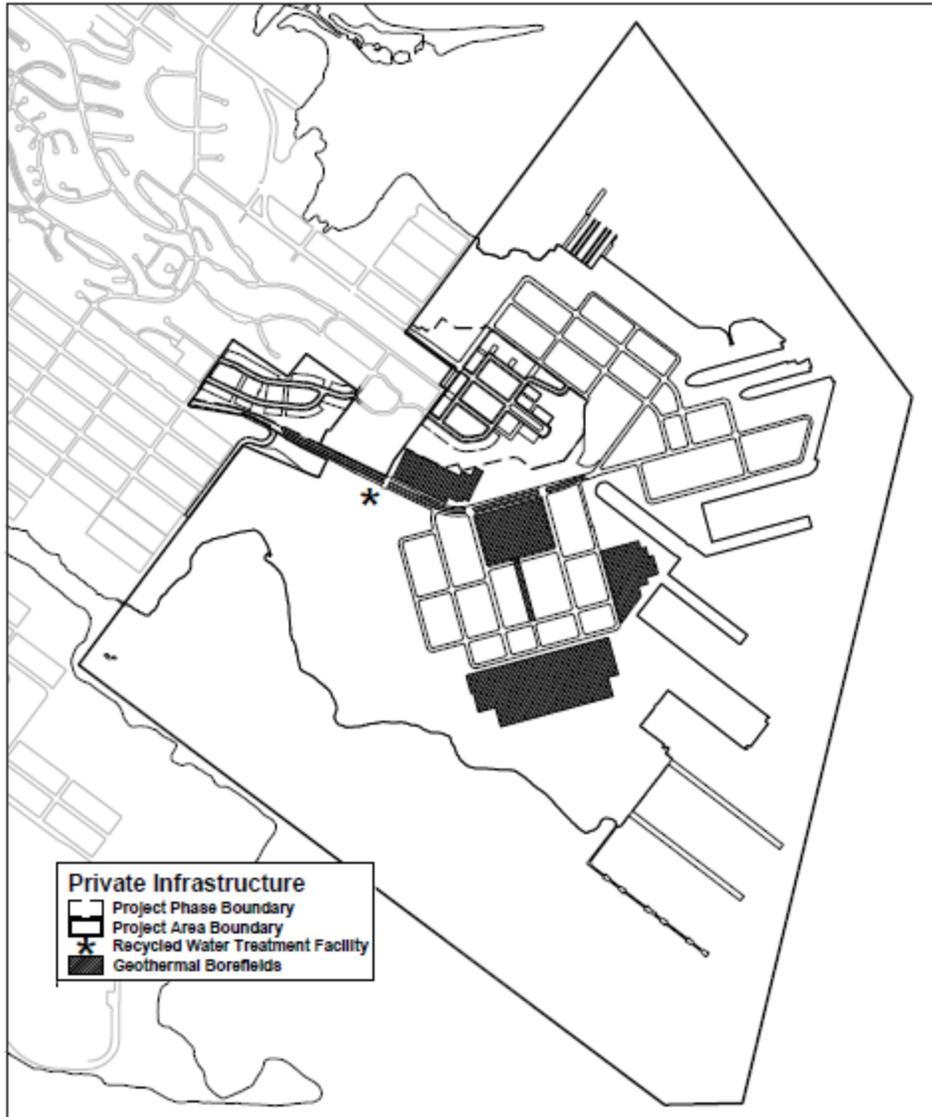
Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Private Infrastructure

-  Project Phase Boundary
-  Project Area Boundary
-  Recycled Water Treatment Facility
-  Geothermal Borefields

Map 2A: Private Infrastructure
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

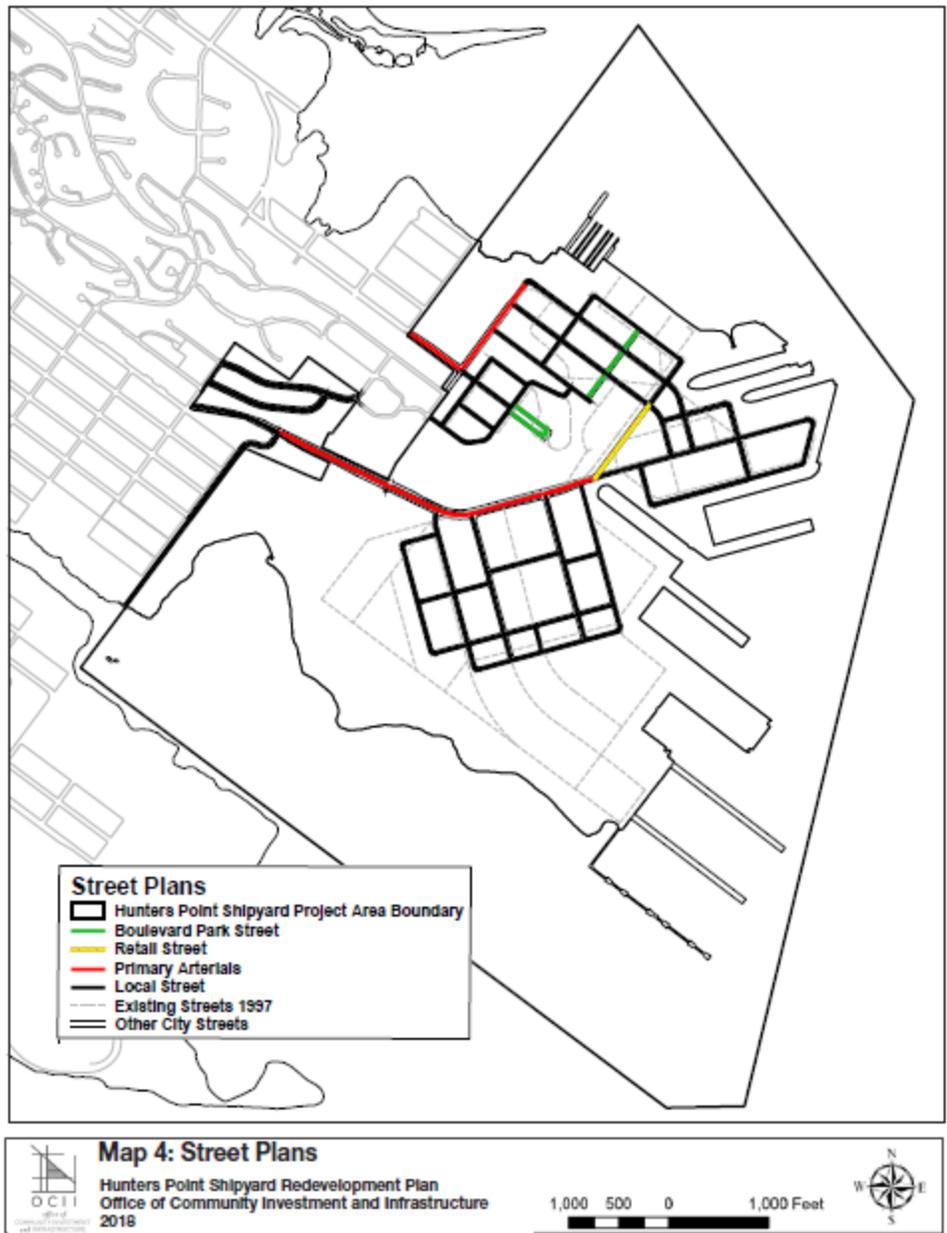
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Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Attachment A: Legal Description of the Project Area

The area consists of real property within the City and County of San Francisco, State of California, more particularly described as follows:

PARCEL ONE

Beginning at the point of intersection of the southeasterly line of Fitch Street and the northeasterly line of Palou Avenue as said streets are shown upon the “Map of the property of the South San Francisco Homestead and Railroad Association”, filed April 15, 1867, in Book 2, “A” and “B” of Maps, Page 39, in the County Recorder’s Office of the City and County of San Francisco, said point having California Coordinate values: N.452,070.23 E.1,457,299.61 (Zone III); and and running thence from said Point of Beginning easterly, northerly and westerly along the following series of courses and distances:

- #1 S.66°24’34”E. 774.37 feet;
- #2 S.74°08’24”E. 68.77 feet;
- #3 N.25°47’36”E. 177.17 feet;
- #4 N.65°00’41”W. 377.67 feet;
- #5 N.51°35’29”W. 202.50 feet;
- #6 N.65°31’39”W 227.49 feet;
- #7 N.67°43’50”W. 60.90 feet;
- #8 N.69°21’07”W. 156.62 feet;
- #9 N.74°41’13”W. 78.46 feet;
- #10 N.79°19’57”W. 383.85 feet to the above referenced northeasterly line of Palou Avenue; thence along said northeasterly line
- #11 N.53°17’47”W. 25.88 feet to the southeasterly line of Griffith Street; thence along said southeasterly line
- #12 N.36°42’13”E. 200.00 feet to the southwesterly line of Oakdale Avenue; thence along said southwesterly line
- #13 N.53°17’47”W. 32.00 feet to the centerline of Griffith Street; thence along said centerline
- #14 N.36°42’13”E. 600.00 feet to the centerline of McKinnon Avenue; thence along said centerline
- #15 S.53°17’47”E. 664.00 feet to the centerline of Fitch Street; thence along said centerline
- #16 N.36°42’13”E. 319.20 feet to the northeasterly line of LaSalle Avenue; thence along said northeasterly line
- #17 S.53°17’47”E. 632.06 feet to a point in the northwesterly
- #18 line of Earl Street; thence southwesterly 69.24 feet along the arc of a curve to the right whose radial bearing is N.53°17’47”W. having a radius of 105.00 feet, through a central angle of 37°47’02””; thence southeasterly along the radial bearing produced
- #19 S.15°30’45”E. 50.00 feet to a point on a curve to the right

- #20 having a radial bearing S.15°30'45"E. and having a radius of 20.00 feet, through a central angle of 48°28'07" and an arc distance of 16.92 feet, said point also being located on the centerline of Earl Street, thence along said centerline
- #21 S.36°42'13"W. 398.94 feet; thence southerly, easterly and northerly the following series of courses and distances:
- #22 N.64°12'01"W. 22.16 feet;
- #23 S.24°37'25"W. 158.00 feet;
- #24 S.64°12'01"E. 727.00 feet;
- #25 N.25°47'59"E. 174.85 feet;
- #26 N.36°42'13"E. 890.12 feet;
- #27 N.53°17'47"W. 48.00 feet;
- #28 N.36°42'13"E. 206.90 feet to the southwesterly line of Innes Avenue, thence along said southwesterly line
- #29 N.53°17'47"W. 640.93 feet to the centerline of Earl Street; thence along said centerline
- #30 N.36°42'13"E 40.00 feet to the centerline of Innes Avenue; thence along said centerline
- #31 S.53°17'47"E. 32.00 feet to the southeasterly line of Earl Street; thence along said southeasterly line
- #32 N.36°42'13"E. 3,151.02 feet to the 1948 Bulkhead Line as shown on the map entitled "Real Estate Summary Map Navfac Drwg No. 1045757" on WestDiv, San Bruno, California; thence southeasterly along said 1948 Bulkhead Line
- #33 S.35°56'38"E. 2,533.02 feet; thence leaving said Bulkhead line
- #34 S.30°50'40"W. 50.69 feet to the most northerly point on the parcel of land described in the deed recorded in Volume 3677, Official Records of the City and County of San Francisco, at Page 349, thence southwesterly and southeasterly around said parcel of land
- #35 S.36°42'09"W. 1,179.13 feet;
- #36 S.53°17'47"E. 1,826.56 feet to the aforementioned 1948 Bulkhead Line; thence southwesterly along said 1948 Bulkhead Line
- #37 S.12°07'46"W. 6,384.03 feet to a point on the County line dividing the County of San Mateo and the County of San Francisco; thence northwesterly along said County line
- #38 N.88°54'38"W. 127.35 feet to the northeasterly line of Bancroft Avenue extended; thence along said northeasterly line extended
- #39 N.53°17'47"W 7,483.89 feet to the southeasterly line of Fitch Street; thence along said southeasterly line
- #40 N.36°42'13"E. 2,800.00 feet to the Point of Beginning of this description.

Containing 893.3 acres of land more or less.

P A R C E L T W O

(The original 48-acre more or less shipyard in the northeast corner of the Naval Base)

Beginning at a point on the northeasterly line of Evans Avenue extended, distant thereon 450 feet southeasterly from the southeasterly line of Boalt Street extended, as said streets are shown on the “map of the property of the South San Francisco Homestead and Railroad Association”, filed April 15, 1867, in Book 2, “A” and “B” of maps, page 39, in the County Recorder’s Office of the City and County of San Francisco; and running thence northeasterly on a line drawn parallel with said southeasterly line of Boalt Street

#35 N.36°42’09”E. 1,179.13 feet to a point on a curve to the right
#91 with a radius of 1,800 feet, whose center is a point on the northeasterly line of Galvez Avenue, distant thereon 250 feet southeasterly from the southeasterly line of Alvord Street extended, and the radial bearing to said centerpoint being S.21°45’52”W.; thence southeasterly, southerly, and southwesterly along said curve to the right with a radius of 1,800 feet through a central angle of 86°48’43”, a distance of 2,727.28 feet to a point on the northeasterly line of Evans Avenue extended, said point having a radial bearing S.71°25’25”E. to the centerpoint of said curve; thence northwesterly along said line of Evans Avenue and the extension thereof the following two courses:

- #90 N.53°17’47”W. 348.11 feet;
- #36 N.53°17’47”W. 1,826.56 feet to the Point of Beginning

Containing 48.6 acres of land more or less.

P A R C E L T H R E E

(The strip of underwater land lying between the Pierhead and Bulkhead lines)

Beginning at the point of intersection of the direct extension northeasterly of the southeasterly line of Earl Street as shown on the map referenced in Parcel Two above, with the United States Pierhead Line as shown on the map entitled “Hunters Point Naval Shipyard, General Development Map. Key Map No. 1174922” on file at the Department of the Navy, Western Division, in San Bruno, California; thence southeasterly and southwesterly along said Pierhead Line the following courses and distances:

- #81 S.35°56’38”E. 4,619.53 feet more or less;
- #82 S.13°41’06”W. 7,542.33 feet more or less to the point of intersection with the line dividing the City and County of San Francisco and San Mateo County, thence northwesterly along said boundary line
- #83 N.88°54’38”W. 543.06 feet more or less to the easterly line of Parcel One above described; thence northeasterly, easterly and northwesterly along the easterly and northeasterly lines of Parcels One and Two above described to the

southeasterly line of Earl Street extended, thence northeasterly along the direct extension of the southeasterly line of Earl Street
#80 N.36°42'13"E. 838.14 feet more or less to the Point of Beginning.

Containing 175.5 acres of land more or less.

Notes:

1. Numbers (#'s) indicate course numbers as referenced on the Hunters Point Shipyard Redevelopment Project Area Boundary Map.
2. Bearings shown above are referenced to the California Coordinate System Zone III.

Attachment B: Authorized Public Improvements

- Public open spaces including parks, plazas, habitat restoration, sports facilities and playgrounds
- Facilities in parks such as tables, waste receptacles, signage, landscaping, market stalls and maintenance facilities
- Public roadways and other walkways, roadways, lanes, and connectors
- Medians, curbs, bulb-outs and gutters
- Sidewalks, street trees, landscaping, and street furnishings
- Street, sidewalk, street lights, and park lighting
- Traffic signals, control centers, street signage, and pavement striping
- Parking meters
- Potable water distribution and fire suppression facilities
- Reclaimed water facilities and irrigation distribution
- Sanitary sewer facilities and pump stations
- Storm drains, storm water sewer, treatment and conveyance facilities
- Natural gas, electric, telephone and telecommunication facilities
- Utilities and utility relocation
- MUNI light rail/bus/transit facilities, cantenary wires, communication facilities, transit stops and markings, poles, eyebolts and substations as needed and related improvements
- Arts facilities and community centers
- Bridges, trails, and staircases
- Seawall upgrades, small boat harbor, piers, railings, and other shoreline improvements
- Retaining walls, remediation caps, and permanent grading
- Public art installations and interpretive signage
- Education and job training centers
- Libraries
- Improvements to existing roadways, streetscapes and utilities
- Improvements to historic buildings
- Police and fire stations
- School facilities
- Erosion control features
- Street, lighting, utility, and related improvements to Innes Avenue and Hunters Point Boulevard outside the Project Area
- Any public improvements to be accepted by the City or the Agency (including, without limitation, distribution pipes for recycled water facility) in connection with any private sustainability infrastructure such as recycled water facilities, solar energy facilities, geothermal heating and cooling systems, and decentralized stormwater facilities.
- Additional temporary, interim and/or permanent facilities and improvements to the foregoing

Attachment C: Planning Code Section 314

SEC. 314. - CHILD-CARE REQUIREMENTS FOR OFFICE AND HOTEL DEVELOPMENT PROJECTS.

When the words “this Section” appear in Sections 314.1 through 314.8, they shall be construed to mean “Sections 314.1 through 314.8.”

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.1. - DEFINITIONS.

The following definitions shall govern interpretation of this Section:

- (a) “Child-care facility” shall mean a child day-care facility as defined in California Health and Safety Code Section 1596.750.
- (b) “Child care provider” shall mean a provider as defined in California Health and Safety Code Section 1596.791.
- (c) “Commission” shall mean the City Planning Commission.
- (d) “DBI” shall mean the Department of Building Inspection.
- (e) “Department” shall mean the Department of City Planning.
- (f) “First certificate of occupancy” shall mean either a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy, as defined in San Francisco Building Code Section 109, whichever is issued first.
- (g) “Hotel” shall mean a building containing six or more guest rooms as defined in San Francisco Housing Code Section 401 intended or designed to be used, or which are used, rented, or hired out to be occupied, or which are occupied for sleeping purposes and dwelling purposes by guests, whether rent is paid in money, goods, or services, including motels as defined in San Francisco Housing Code Section 401.
- (h) “Hotel use” shall mean space within a structure or portion thereof intended or primarily suitable for the operation of a hotel, including all office and other uses accessory to the renting of guest rooms, but excluding retail uses and office uses not accessory to the hotel use.
- (i) “Household of low income” shall mean a household composed of one or more persons with a combined annual net income for all adult members which does not exceed the qualifying limit for a lower-income family of a size equivalent to the number of persons residing in such household, as set forth for the County of San Francisco in California Administrative Code Section 6932.

(j) “Household of moderate income” shall mean a household composed of one or more persons with a combined annual net income for all adult members which does not exceed the qualifying limit for a median-income family of a size equivalent to the number of persons residing in such household, as set forth for the County of San Francisco in California Administrative Code Section 6932.

(k) “Licensed child-care facility” shall mean a child-care facility which has been issued a valid license by the California Department of Social Services pursuant to California Health and Safety Code Sections 1596.80—1596.875, 1596.95—1597.09, or 1597.30— 1597.61.

(l) “Net addition of gross square feet of hotel space” shall mean gross floor area as defined in Planning Code Section 102.9 to be occupied by, or primarily serving, hotel use, less the gross floor area in any structure demolished or rehabilitated as part of the proposed hotel development project space used primarily and continuously for office or hotel use and not accessory to any use other than office or hotel use for five years prior to Planning Commission approval of the hotel development project subject to this Section, or for the life of the structure demolished or rehabilitated, whichever is shorter.

(m) “Net addition of gross square feet of office space” shall mean gross floor area as defined in Planning Code Section 102.9 to be occupied by, or primarily serving, office use, less the gross floor area in any structure demolished or rehabilitated as part of the proposed office development project space used primarily and continuously for office or hotel use and not accessory to any use other than office or hotel use for five years prior to Planning Commission approval of the office development project subject to this Section, or for the life of the structure demolished or rehabilitated, whichever is shorter.

(n) “Nonprofit child-care provider” shall mean a child-care provider that is an organization organized and operated for nonprofit purposes within the provisions of California Revenue and Taxation Code Sections 23701—23710, inclusive, as demonstrated by a written determination from the California Franchise Tax Board exempting the organization from taxes under Revenue and Taxation Code Section 23701.

(o) “Nonprofit organization” shall mean an organization organized and operated for nonprofit purposes within the provisions of California Revenue and Taxation Code Sections 23701—23710, inclusive, as demonstrated by a written determination from the California Franchise Tax Board exempting the organization from taxes under Revenue and Taxation Code Section 23701.

(p) “Office development project” shall mean any new construction, addition, extension, conversion or enlargement, or combination thereof, of an existing structure which includes any gross square feet of office space.

(q) “Office use” shall mean space within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities which perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following: Professional, banking, insurance, management, consulting, technical, sales and design, or

the office functions of manufacturing and warehousing businesses, but excluding retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; design showcases or any other space intended and primarily suitable for display of goods; and child-care facilities. This definition shall include all uses encompassed within the meaning of Planning Code Section 219.

(r) “Retail use” shall mean space within any structure or portion thereof intended or primarily suitable for occupancy by persons or entities which supply commodities to customers on the premises including, but not limited to, stores, shops, restaurants, bars, eating and drinking businesses, and the uses defined in Planning Code Sections 218 and 220 through 225, and also including all space accessory to such retail use.

(s) “Sponsor” shall mean an applicant seeking approval for construction of an office or hotel development project subject to this Section and such applicant’s successors and assigns.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 22-00, File No. 991877, App. 2/18/2000; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.2. - FINDINGS.

The Board hereby finds and declares as follows:

Large-scale office and hotel developments in the City and County of San Francisco (hereinafter “City”) have attracted and continue to attract additional employees to the City, and there is a causal connection between such developments and the need for additional child-care facilities in the City, particularly child-care facilities affordable to households of low and moderate income.

Office and hotel uses in the City are benefitted by the availability of child care for persons employed in such offices and hotels close to their place of employment. However, the supply of child care in the City has not kept pace with the demand for child care created by these new employees. Due to this shortage of child care, employers will have difficulty in securing a labor force, and employees unable to find accessible and affordable quality child care will be forced either to work where such services are available outside of San Francisco, or leave the work force entirely, in some cases seeking public assistance to support their children. In either case, there will be a detrimental effect on San Francisco’s economy and its quality of life.

Projections from the EIR for the Downtown Plan indicate that between 1984 and 2000 there will be a significant increase of nearly 100,000 jobs in the C-3 District under the Downtown Plan. Most of that employment growth will occur in office and hotel work, which consist of a predominantly female work force.

According to the survey conducted of C-3 District workers in 1981, 65 percent of the work force was between the ages of 25—44. These are the prime childbearing years for women, and the prime fathering years for men. The survey also indicated that only 12 percent of the C-3 District jobs were part-time, leaving up to 88 percent of the positions occupied by full-time workers. All

of these factors point to the inevitable increase in the number of working parents in the C-3 District and the concomitant increase in need for accessible, quality child-care.

Presently, there exists a scarcity of child care in the C-3 District and citywide for all income groups, but the scarcity is more acutely felt by households of low and moderate income. Hearings held on April 25, 1985 before the Human Services Committee of the San Francisco Board of Supervisors documented the scarcity of child care available in the C-3 District, the impediments to child-care program startup and expansion, the increase in the numbers of children needing care, and the acute shortage of supply throughout the Bay Area. The Board of Supervisors also takes legislative notice of the existing and projected shortage of child-care services in the City as documented by the Child-Care Information Kit prepared by the California Child-Care Resources and Referral Network located in San Francisco.

The scarcity of child care in the City is due in great part to large office and hotel development, both within the C-3 District and elsewhere in the City, which has attracted and will continue to attract additional employees and residents to the City. Some of the employees attracted to large office and hotel developments are competing with present residents for the few openings in child-care programs available in the City. Competition for child care generates the greatest pressure on households of low and moderate income. At the same time that large office and hotel development is generating an increased demand for child care, it is improbable that factors inhibiting increased supply of child care will be mitigated by the marketplace; hence, the supply of child care will become increasingly scarce.

The Master Plan encourages “continued growth of prime downtown office activities so long as undesirable consequences of such growth can be avoided” and requires that there be the provision of “adequate amenities for those who live, work and use downtown.” In light of these provisions, the City should impose requirements on developers of office and hotel projects designed to mitigate the adverse effects of the expanded employment facilitated by such projects. To that end, the City Planning Commission is authorized to promote affirmatively the policies of the San Francisco Master Plan through the imposition of special child-care development or assessment requirements. It is desirable to impose the costs of the increased burden of providing child care necessitated by such office and hotel development projects directly upon the sponsors of new development generating the need. This is to be done through a requirement that the sponsor construct child-care facilities or pay a fee into a fund used to foster the expansion of and to ease access to affordable child care as a condition of the privilege of development.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.3. - APPLICATION.

(a) This Section shall apply to office and hotel development projects proposing the net addition of 50,000 or more gross square feet of office or hotel space.

(b) This Section shall not apply to:

(1) Any development project other than an office or hotel development project, including that portion of an office or hotel development project consisting of a retail use;

- (2) That portion of an office or hotel development project located on property owned by the United States or any of its agencies;
- (3) That portion of an office or hotel development project located on property owned by the State of California or any of its agencies, with the exception of such property not used exclusively for a governmental purpose;
- (4) That portion of an office or hotel development project located on property under the jurisdiction of the Port of San Francisco or the San Francisco Redevelopment Agency where the application of this Section is prohibited by State or local law; and
- (5) Any office or hotel development project approved by the Planning Commission prior to the effective date of this Section.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.4. - IMPOSITION OF CHILD CARE REQUIREMENT.

(a) (1) The Department or the Commission shall impose conditions on the approval of building or site permit applications for office or hotel development projects covered by this Section in order to mitigate the impact on the availability of child-care facilities which will be caused by the employees attracted to the proposed development project. The conditions shall require that the sponsor construct or provide a child-care facility on or near the site of the development project, either singly or in conjunction with the sponsors of other office or hotel development projects, or arrange with a nonprofit organization to provide a child-care facility at a location within the City, or pay an in-lieu fee to the City Treasurer which shall thereafter be used exclusively to foster the expansion of and ease access to child-care facilities affordable to households of low or moderate income.

(2) Prior to either the Department's or the Commission's approval of a building or site permit for a development project subject to this Section, the Department shall issue a notice complying with Planning Code Section 306.3 setting forth its initial determination of the net addition of gross square feet of office or hotel space subject to this Section.

(3) Any person may appeal the initial determination by delivering an appeal in writing to the Department within 15 days of such notice. If the initial determination is not appealed within the time allotted, the initial determination shall become a final determination. If the initial determination is appealed, the Commission shall schedule a public hearing prior to the approval of the development project by the Commission or the Department to determine the net addition of gross square feet of office or hotel space subject to this Section. The public hearing may be scheduled separately or simultaneously with a hearing under City Planning Code Sections 139, 306.2, 309(h), 313.4, 315.3 or a Discretionary Review hearing under San Francisco Business and Tax Regulations Code Section 26. The Commission shall make a final determination of the net addition of gross square feet at the hearing.

(4) The final determination of the net addition of gross square feet of office or hotel space subject to this Section shall be set forth in the conditions of approval relating to the child-care requirement in any building or site permit application approved by the Department or the Commission. The Department shall notify the Treasurer of the final determination of the net addition of gross square feet of office or hotel space subject to this ordinance within 30 days of the date of the final determination. The Department shall notify the Treasurer and DBI that the development project is subject to this Section prior to the time the Department or the Commission approves the permit application.

(b) (1) The sponsor of a development project subject to this (1) Section may elect to provide a child-care facility on the premises of the development project for the life of the project to meet the requirements of this Section. The sponsor shall, prior to the issuance of the first certificate of occupancy by DBI for the development project, provide proof to the Treasurer and the Department that:

- (A) A space on the premises of the development project has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a

lease and an operating agreement between the sponsor and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Net add. gross sq. ft. off. or hotel space</i>	<i>X .01 =</i>	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel of the development project is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A notice of special restriction has been recorded stating that the development project is subject to this Section and is in compliance herewith by providing a child-care facility on the premises.

(2) The sponsor of a development project subject to this Section in conjunction with the sponsors of one or more other development projects subject to this Section located within 1/2 mile of one another may elect to provide a single child-care facility on the premises of one of their development projects for the life of the project to meet the requirements of this Section. The sponsors shall, prior to the issuance of the first certificate of occupancy by DBI for any one of the development projects complying with this part, provide proof to the Treasurer and the Planning Department that:

(A) A space on the premises of one of their development projects has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease and an operating agreement between the sponsor in whose project the facility will be located and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Combined net add. gross sq. ft. office or hotel space of all participating dev. projects</i>	<i>X .01 =</i>	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A written agreement binding each of the participating project sponsors guaranteeing that the child-care facility will be provided for the life of the development project in which it is located, or for as long as there is a demonstrated demand, as determined under Subsection (h) of this Section 314.4, has been executed and recorded in the chain of title of each participating building.

(3) The sponsor of a development project subject to this Section, either singly or in conjunction with the sponsors of one or more other development projects subject to this Section located within 1/2 mile of one another, may elect to provide a single child-care facility to be located within one mile of the development project(s) to meet the requirements of this Section. Subject to the discretion of the Department, the child-care facility shall be located so that it is reasonably accessible to public transportation or transportation provided by the sponsor(s). The sponsor(s) shall, prior to the issuance of the first certificate of occupancy by DBI for any development project complying with this part, provide proof to the Treasurer and the Planning Department that:

(A) A space has been provided to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease or sublease and an operating agreement between the sponsor(s) and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Combined net add. gross sq. ft. office or hotel space of all participating dev. projects</i>	<i>x .01 =</i>	<i>sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the child-care facility may have a minimum gross floor area of 2,000 square feet or the area determined according to the above formula, whichever is greater; and

(D) A written agreement binding each of the participating project sponsors, with a term of 20 years from the date of issuance of the first certificate of occupancy for any development project complying with this part, guaranteeing that a child-care facility will be leased or subleased to one or more nonprofit child-care providers for as long as there is a demonstrated demand under Subsection (h) of this Section 314.4 has been executed and recorded in the chain of title of each participating building.

(4) The sponsor of a development project subject to this Section may elect to pay a fee in lieu of providing a child-care facility. The fee shall be computed as follows:

<i>Net add. gross sq. ft. office or hotel space</i>	<i>X \$1.00 = Total Fee</i>
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Upon payment of the fee in full to the Treasurer and upon request of the sponsor, the Treasurer shall issue a certification that the fee has been paid. The sponsor shall present such certification

to the Department prior to the issuance by DBI of the first certificate of occupancy for the development project.

(5) The sponsor of a development project subject to this Section may elect to satisfy its child-care requirement by combining payment of an in-lieu fee to the Child Care Capital Fund with construction of a child-care facility on the premises or providing child-care facilities near the premises, either singly or in conjunction with other sponsors. The child-care facility to be constructed on-site or provided near-site under this election shall be subject to all of the requirements of whichever of Parts (b)(1), (2) and (3) of this Section 314.4 is applicable, and shall have a minimum floor area of 3,000 gross square feet. If the net addition of gross square feet of office or hotel space of all participating projects is less than 300,000 square feet, the minimum gross floor area of the facility shall be 2,000 square feet. The in-lieu fee to be paid under this election shall be subject to all of the requirements of Part (b)(4) of this Section 314.4 and shall be determined by the Commission according to the following formula:

<i>Net. add. gross sq. ft. space - subject project</i>	[	<i>Net. add. gross sq. ft. space subject project</i>	X	<i>Sq. ft. child-care facility</i>	X100	X\$1.00	]	=	<i>Total Fee for Subject Project</i>
		<i>Net. add. gross sq. ft. space all participating projects</i>							

(6) The sponsor of a development project subject to this Section may elect to satisfy its child-care requirement by entering into an arrangement pursuant to which a nonprofit organization will provide a child-care facility at a site within the City. The sponsor shall, prior to the issuance of the first certificate of occupancy by the Director of the Department of Building Inspection for the development project, provide proof to the Director of Planning that:

(A) A space for a child-care facility has been provided by the nonprofit organization, either for its own use if the organization will provide child-care services, or to a nonprofit child-care provider without charge for rent, utilities, property taxes, building services, repairs, or any other charges of any nature, as evidenced by a lease or sublease and an operating agreement between the nonprofit organization and the provider with minimum terms of three years;

(B) The child-care facility is a licensed child-care facility;

(C) The child-care facility has a minimum gross floor area of 3,000 square feet or an area determined according to the following formula, whichever is greater:

<i>Net add. gross sq. ft. office or hotel space</i>	X .01 =	<i>Sq. ft. of child-care facility</i>
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In the event that the net addition of gross square feet of office or hotel space is less than 300,000 square feet, the child-care facility may have a minimum gross floor of 2,000 square feet or the area determined according to the above formula, whichever is greater;

(D) The nonprofit organization has executed and recorded a binding written agreement, with a term of 20 years from the date of issuance of the first certificate of occupancy for the development project, pursuant to which the nonprofit organization guarantees that it will operate a child-care facility or it will lease or

sublease a child-care facility to one or more nonprofit child-care providers for as long as there is a demonstrated need under Subsection (h) of this Section 314.4, and that it will comply with all of the requirements imposed on the nonprofit organization under this Paragraph (b)(6) and imposed on a sponsor under Subsections (g), (h) and (i) of Section 314.4.

(E) To support the provision of a child-care facility in accordance with the foregoing requirements, the sponsor has paid to the nonprofit organization a sum which equals or exceeds the amount of the in-lieu fee which would have been applicable to the project under Section 314.4(b)(4).

(F) The Department of Children, Youth and Their Families has determined that the proposed child-care facility will help meet the needs identified in the San Francisco Child Care Needs Assessment and will be consistent with the City Wide Child Care Plan; provided, however, that this Paragraph (F) shall not apply to any office or hotel development project approved by the Planning Commission prior to December 31, 1999.

Upon compliance with the requirements of this Part, the nonprofit organization shall enjoy all of the rights and be subject to all of the obligations of the sponsor, and the sponsor shall have no further rights or obligations under this Section.

(c) The Director of the Department of Building Inspections shall provide notice in writing to the Director of Planning at least five business days prior to issuing the first certificate of occupancy for any development project subject to this Section. If the Director of Planning notifies the Director of the Department of Building Inspections within such time that the sponsor has not complied with the provisions of this Section, the Director of the Department of Building Inspections shall deny any and all certificates of occupancy. If the Director of Planning notifies the Director of the Department of Building Inspections that the sponsor has complied with this Section or fails to respond within five business days, a certificate of occupancy shall not be disapproved pursuant to this Section. Any failure of the Director of the Department of Building Inspections or the Director of Planning to give any notice under this Subsection shall not relieve a sponsor from compliance with this Section.

(d) In the event that the Department or the Commission takes action affecting any development project subject to this Section and such action is thereafter modified, superseded, vacated, or reversed by the Department or the Commission, Board of Appeals, the Board of Supervisors, or by court action, the permit application for such office development project shall be remanded to the Department or Commission within 60 days following the date on which such action is final to determine whether the proposed project has been changed in a manner which affects the area of the child-care facility or the amount of the in-lieu fee to be provided under this Section 314.4 and, if so, the Department or the Commission shall revise the child-care requirement imposed on the permit application in compliance with this Section, and shall promptly notify the Treasurer and DBI of that revision.

(e) The sponsor shall supply all information to the Treasurer, the Department, and the Commission necessary to make a determination as to the applicability of this Section and the number of gross square feet of office or hotel space subject to this Section.

(f) Within nine months of the effective date of this Section, the Commission shall, after public notice and a hearing pursuant to Charter Section 4.104, adopt rules and regulations by which compliance with this Subsection shall be determined.

(g) In the event that a sponsor elects to satisfy its child-care requirement under Section 314(b)(1), (2), (3) or (5) by providing an on-site or near-site child-care facility, the sponsor shall submit a report to the Department in January of each year for the life of the child-care facility. The report shall have attached thereto a copy of the license issued by the California Department of Social Services permitting operation of the child-care facility, and shall state:

- (1) The address of the child-care facility;
- (2) The name and address of the child-care provider operating the facility;

- (3) The size of the center in terms of floor area;
- (4) The capacity of the child-care facility in terms of the maximum number of children for which the facility is authorized to care under the license;
- (5) The number and ages of children cared for at the facility during the previous year; and
- (6) The fees charged parents for use of the facility during the previous year.

(h) In the event that a sponsor elects to satisfy its child-care requirement under Paragraphs 314.4 (b)(1), (2), (3) or (5) by providing an on-site or near-site child-care facility, or under Paragraph 314.4(b)(6) by agreement with a non-profit organization, the sponsor, or in the case of a facility created pursuant to Paragraph 314.4(b)(6) the non-profit organization, may apply to the Department to eliminate the facility or to reduce the floor area of the facility in any amount, providing, however, that the gross floor area of a reduced facility is at least 2,000 square feet. The Department shall schedule a public hearing on any such application before the Commission and provide notice pursuant to City Planning Code Section 306.3(a) at least two months prior to the hearing. The application may be granted only where the sponsor has demonstrated that there is insufficient demand for the amount of floor area then devoted to the on-site or near-site child-care facility. The actual reduction in floor area or elimination of the child-care facility shall not be permitted in any case until six months after the application is granted. Such application may be made only five years or more after the issuance of the first certificate of occupancy for the project. Prior to the reduction in floor area or elimination of the child care facility, the sponsor shall pay an in-lieu fee to the City's Treasurer to be computed as follows:

(20 - No. of years since issuance of first <u>certificate of occupancy</u>) 20	X	Net reduction gross sq. ft. child-care facility	= \$100 X	Total Fee
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Upon payment of the fee in full to the Treasurer and upon request of the sponsor, the Treasurer shall issue a certification that the fee has been paid. The sponsor shall present such certification to the Director prior to the reduction in the floor area or elimination of the child care facility.

(i) The child care provider operating any child care facility pursuant to Sections 314.4(b)(1), (2), (3) or (5) shall reserve at least 10 percent of the maximum capacity of the child care facility as determined by the license for the facility issued by the California Department of Social Services to be affordable to children of households of low income. The Department shall adopt rules and regulations to determine the rates to be charged to such households at the same time and following the procedures for the adoption of rules and regulations under Section 314.5.

(j) The fee required by this ordinance is due and payable to the Treasurer prior to issuance of the first certificate of occupancy for the office development project. Except in the case of a reduction in space of the child care facility pursuant to Subsection (h), if the fee remains unpaid following issuance of the certificate, any amount due shall accrue interest at the rate of one and one-half percent per month, or fraction thereof, from the date of issuance of the certificate until the date of final payment. Where the amount due is as a result of a reduction in space of the child care facility pursuant to subsection (h), such interest shall accrue from the date on which the available space is reduced until the date of final payment.

(k) In the event that a development project for which an in-lieu fee imposed under this Section has been fully paid is demolished or converted to a use or uses not subject to this ordinance prior to the expiration of its estimated useful life, the City shall refund to the sponsor a portion of the amount of an in-lieu fee paid. The portion of the fee refunded shall be determined on a pro rata basis according to the ratio of the remaining useful life of the project at the time of demolition or conversion in relation to its total useful life. For purposes of this ordinance, the useful life of a development project shall be 50 years.

(l) A sponsor's failure to pay the fee imposed pursuant to (1) this Section shall constitute cause for the City to record a lien against the development project in the sum of the in-lieu fee required under this ordinance, as adjusted under this Section.

(2) If, for any reason, the fee imposed pursuant to this ordinance remains unpaid following issuance of the certificate, the Treasurer shall initiate proceedings in accordance with the procedures set forth in Article XX of Chapter 10, of the San Francisco Administrative Code to make the entire unpaid balance of the fee, including interest, a lien against all parcels used for the development project. The Treasurer shall send all notices required by that Article to the owner of the property as well as the sponsor. The Treasurer shall also prepare a preliminary report notifying the sponsor of a hearing to confirm such report by the Board of Supervisors at least 10 days before the date of the hearing. The report to the sponsor shall contain the sponsor's name, a description of the sponsor's development project, a description of the parcels of real property to be encumbered as set forth in the Assessor's Map Books for the current year, a description of the alleged violation of this ordinance, and shall fix a time, date, and place for hearing. The Treasurer shall cause this report to be mailed to the sponsor and each owner of record of the parcels of real property subject to lien. Except for the release of lien recording fee authorized by Administrative Code Section 10.237, all sums collected by the Tax Collector pursuant to this ordinance shall be held in trust by the Treasurer and deposited in the Child Care Capital Fund established in Section 314.5.

(3) Any notice required to be given to a sponsor or owner shall be sufficiently given or served upon the sponsor or owner for all purposes hereunder if personally served upon the sponsor or owner or if deposited, postage prepaid, in a post office letterbox addressed in the name of the sponsor or owner at the official address of the sponsor or owner maintained by the Tax Collector for the mailing of tax bills or, if no such address is available, to the sponsor at the address of the development project, and to the applicant for the site or building permit at the address on the permit application.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 409-87, App. 10/9/87; Ord. 22-00, File No. 991877, App. 2/18/2000; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.5. - CHILD CARE CAPITAL FUND.

There is hereby established a separate fund set aside for a special purpose called the Child Care Capital Fund ("Fund"). All monies contributed pursuant to the provisions of this Section, and all other monies from the City's General Fund or from contributions from third parties designated for the fund shall be deposited in the fund. For a period of three years from the date of final adoption of this ordinance, no more than 25 percent of the money deposited in the fund shall be paid to providers operating child care facilities subject to Sections 314.4(b)(1), (2), (3) and (5) to reduce the cost of providing affordable child care services to children from households of low income as required in Section 314.4(i). The remaining monies deposited in the fund during such three-year period, and all monies in the fund following expiration of such three-year period, shall be used solely to increase and/or improve the supply of child care facilities affordable to households of low and moderate income; except that monies from the fund shall be used by the

Director to fund in a timely manner a nexus study to demonstrate the relationship between commercial development projects and child care demand as described in San Francisco Planning Code Section 314.4. In the event that no child care facility is in operation under Sections 314.4(b)(1), (2), (3) or (5) during such three-year period, the maximum of 25 percent of the fund reserved for households of low income shall be spent solely to increase and/or improve the supply of child care facilities affordable to households of low and moderate income. The fund shall be administered by the Director, who shall adopt rules and regulations governing the disposition of the fund which are consistent with this Section. Such rules and regulations shall be subject to approval by resolution of the Board of Supervisors.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86; Ord. 409-87, App. 10/9/87; Ord. 263-98, App. 8/21/98; Ord. 76-03, File No. 020592, App. 5/2/2003)

SEC. 314.6. - PARTIAL INVALIDITY AND SEVERABILITY.

If any provision of this Section, or its application to any development project or to any geographical area of the City, is held invalid, the remainder of the Section, or the application of such provision to other office or hotel development projects or to any other geographical areas of the City, shall not be affected thereby.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.7. - ANNUAL EVALUATION.

Commencing one year after the effective date of this Section and each year thereafter, the Director shall report to the Commission at a public hearing and to the Planning, Housing and Development Committee of the Board of Supervisors at a separate public hearing, on the status of compliance with this Section and the efficacy of this Section in mitigating the City's shortage of child care facilities generated by the office and hotel development projects subject to this Section. Five years after the effective date of this Section, the Commission shall review the formulae set forth in Section 314.4. In such report, the Director shall recommend any changes in the formulae.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

SEC. 314.8. - DECREASE IN CHILD CARE FORMULAE AFTER STUDY.

If the Commission determines after review of an empirical study that the formulae set forth in Section 314.4 impose a greater requirement for child care facilities than is necessary to provide child care for the number of employees attracted to office and hotel development projects subject to this Section, the Commission shall, within three years of making such determination, refund that portion of any fee paid or permit a reduction of the space dedicated for child care by a sponsor consistent with the conclusions of such study. The Commission shall adjust any sponsor's requirement and the formulae set forth in Section 314.4 so that the amount of the exaction is set at the level necessary to provide child care for the employees attracted to office and hotel development projects subject to this Section.

(Added by Ord. 411-85, App. 9/6/85; amended by Ord. 441-86, App. 11/13/86)

Attachment D: Planning Code Section 295

SEC. 295 – HEIGHT RESTRICTIONS ON STRUCTURES SHADOWING PROPERTY UNDER THE JURISDICTION OF THE RECREATION AND PARK COMMISSION.

(a) No building permit authorizing the construction of any structure that will cast any shade or shadow upon any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission may be issued except upon prior action of the City Planning Commission pursuant to the provisions of this Section; provided, however, that the provisions of this Section shall not apply to building permits authorizing:

- (1) Structures which do not exceed 40 feet in height;
- (2) Structures which cast a shade or shadow upon property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission only during the first hour after sunrise and/or the last hour before sunset;
- (3) Structures to be constructed on property under the jurisdiction of the Recreation and Park Commission for recreational and park-related purposes;
- (4) Structures of the same height and in the same location as structures in place on June 6, 1984;
- (5) Projects for which a building permit application has been filed and either (i) a public hearing has been held prior to March 5, 1984 on a draft environmental impact report published by the Department of City Planning, or (ii) a Negative Declaration has been published by the Department of City Planning prior to July 3, 1984;
- (6) Projects for which a building permit application and an application for environmental evaluation have been filed prior to March 5, 1984 and which involve physical integration of new construction with rehabilitation of a building designated as historic either by the San Francisco Board of Supervisors as a historical landmark or by the State Historic Preservation Officer as a State Historic Landmark, or placed by the United States Department of the Interior on the National Register of Historic Places and which are located on sites that, but for separation by a street or alley, are adjacent to such historic building.

(b) The City Planning Commission shall conduct a hearing and shall disapprove the issuance of any building permit governed by the provisions of this Section if it finds that the proposed project will have any adverse impact on the use of the property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission because of the shading or shadowing that it will cause, unless it is determined that the impact would be insignificant. The City Planning Commission shall not make the determination required by the provisions of this Subsection until the general manager of the Recreation and Park Department in consultation with the Recreation and Park Commission has had an opportunity to review and comment to the City Planning Commission upon the proposed project.

(c) The City Planning Commission and the Recreation and Park Commission, after a joint meeting, shall adopt criteria for the implementation of the provisions of this Section.

(d) The Zoning Administrator shall determine which applications for building permits propose structures which will cast a shade or shadow upon property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. As used in this Section, “property designated for acquisition by the Recreation and Park Commission” shall mean property which a majority of each of the Recreation and Park Commission and the City Planning Commission, meeting jointly, with the concurrence of the Board of Supervisors, have recommended for acquisition from the Open Space Acquisition and Park Renovation Fund, which property is to be placed under the jurisdiction of the Recreation and Park Commission.

(Added Ord. 62-85, App. 1/31/1985)

Attachment E: Planning Commission Resolution 18102





SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 18102 HEARING DATE: JUNE 3, 2010

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Date: **March 18, 2010**
Case No.: **2007.0946BEMRTUZ**
Project: **Candlestick Point - Hunters Point Shipyard Phase 2
Finding the Redevelopment Plan Amendments
Consistent with the General Plan, Recommending
Approval of Redevelopment Plan Amendments, and
Making Office Allocation Findings (Planning Code
Section 320 - 325)**
Block/Lot: **Candlestick Point and Hunters Point Shipyard**
Staff Contact: **Matt Snyder - (415) 575-6891
matthew.snyder@sfgov.org**
Recommendation: **Approval**

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

ESTABLISHING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN OF THE CITY AND COUNTY OF SAN FRANCISCO FOR PROPOSED AMENDMENTS TO THE BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN AND THE HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN, AS PART OF THE CANDLESTICK POINT - HUNTERS POINT SHIPYARD PHASE 2 PROJECT, RECOMMENDING THE APPROVAL OF THE AMENDMENTS TO SUCH REDEVELOPMENT PLANS, AND MAKING OFFICE ALLOCATION FINDINGS PURSUANT TO PLANNING CODE SECTIONS 320 - 325.

WHEREAS, In accordance with California Redevelopment Law, the San Francisco Redevelopment Agency is proposing to amend both the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan.

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 proposed consolidated redevelopment of the Hunters Point Shipyard Phase 2 and Candlestick Point ("the Project"). The areas within the Candlestick Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District together comprise the Project Site ("The Project Site"). 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 Shipyards

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.

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.

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.

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.

In March 2004, the Redevelopment Agency, in cooperation with the City and the Shipyards developer negotiated a comprehensive agreement with the Navy governing the terms and conditions of the hazardous materials remediation and conveyance of the Shipyards by the Navy to the Agency. The Conveyance Agreement obligates the Navy to remediate the hazardous materials on the Shipyards to levels consistent with the land uses designated in the original redevelopment plans for the Shipyards and to convey parcels to the Agency at no cost on a phased basis as the Navy successfully completes the remediation.

In 2005, the Navy conveyed Parcel A to the Agency under the Conveyance Agreement, and the Agency then closed escrow on its transfer of a portion of Parcel A to the Shipyards developer to begin site preparation and infrastructure development for the construction of new housing and parks on Parcel A.

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 Shipyards and Candlestick Point.

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 revitalisation of both areas; and

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 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; and

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.

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 June 3, 2010, by Resolution No.18098, the Planning Commission adopted amendments to the General Plan and recommended to the Board of Supervisors approval of those amendments to the General Plan including amendments to Bayview Hunters Point Area Plan and the Commerce and Industry Element, and the creation of the Candlestick Point Subarea Plan, and the Hunters Point Area Plan.

Pursuant to Sections 33346 and 33354.6 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 or amendment by the Board of Supervisors.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of the Bayview Hunters Point and Hunters Point Shipyards, 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; and

The proposed Bayview Hunters Point and Hunters Point Shipyards Redevelopment Plans provides 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 Plan as well as the Eight Priority Policies of Section 101.1 of the Planning Code as set forth in Planning Commission Resolution.

The Planning Commission believes that the Bayview Hunters Point Redevelopment Plan as amended and the Hunters Point Shipyards Redevelopment Plan as amended would meet these objectives; and

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 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 Shipyards 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 an alternative uses that either shift some residential uses from Candlestick Point to the Shipyards and expands by up to 500,000 square feet commercial uses on some of the areas of the Shipyards currently reserved for stadium uses or expand research and development uses by 2,500,000 square feet on the Shipyards if the 49ers do not avail themselves of the opportunity to build a new stadium on the Shipyards, (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.

The proposed Hunters Point Shipyards Redevelopment Plan provides that to facilitate early job generation within the Project Area during the early phases of redevelopment under this Plan, the first 800,000 square feet of office development within the Project Area is to receive priority under Sections 320-325 over all office development proposed elsewhere in the City, except within (a) the Mission Bay South Project Areas; and (b) the Transbay Transit Tower (proposed for development on Lot 001 of assessors Block 3720) (but not the remainder of the Transbay Redevelopment Project Area)

The Design for Development document contains detailed design standards and guidelines for all proposed development in both the Candlestick Point and Hunters Point Shipyards areas (“the Project Area”).

The Candlestick Point area comprises approximately 281 and Hunters Point Shipyards 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”.

Any office development in the Candlestick Point and Hunters Point Shipyards will be subject to the limitation on the amount of square footage which may be approved, as set forth in Planning Code 321 or as amended by the voters.

Planning Code Sections 320-325 require review of proposed office development, as defined in Planning Code Section 320, by the Planning Commission and consideration of certain factors in approval of any office development.

Based upon the information before the Planning Commission regarding design guidelines for in the Design for Development for Candlestick Point and Hunters Point Shipyards, and the land use designations set out in the

respective Redevelopment Plans, the Candlestick Point Subarea Plan and the Hunters Point Shipyards Area Plan, and the goals and objectives of set out in all the relevant documents, the Planning Commission hereby makes the findings set forth below, in accordance with Planning Code Section 321.

The Planning Commission has reviewed and considered the factors set forth in Planning Code Section 321(b) in order to make the determination that the office development contemplated by the Plan in particular would promote the public welfare, convenience and necessity. Those factors include consideration of the balance between economic growth and housing, transportation and public services, the contribution of the office development to the objectives and policies of the General Plan, the quality of the design of the proposed office development, the suitability of the proposed office development for its location, the anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses, the extent to which the proposed development will be owned or occupied by a single entity, and the use of transferable development rights for such office development.

The Planning Commission will review the design and details of individual office developments which are proposed in the Project Area, using the design standards and guidelines set forth in the Design for Development reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein.

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 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.

The Planning Commission finds the amended Bayview Hunters Point Redevelopment Plan and the amended Hunters Point Shipyards Redevelopment Plan as described in Exhibit A to this Resolution consistent with the General Plan, as it is proposed to be amended, and to Section 101.1 of the Planning Code as described in Exhibit A to Resolution No. 18101 which findings are hereby incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, BE IT RESOLVED, That the Planning Commission having considered this proposal at a public meeting on June 3, 2010 pursuant to Planning Code Sections 302(b) and 340, having heard and reviewed oral and written testimony and reports, and having reviewed and certified the Final Environmental Impact Report on the Redevelopment Plans as adequate, complete, and in compliance with CEQA, does hereby find the Bayview Hunters Point Redevelopment Plan, as amended, and the Hunters Point Shipyards Redevelopment Plan, as amended, dated May 6, 2010 respectively, in conformity with the General Plan as it is recommended to be amended by Resolution No. 18101; and

BE IT FURTHER RESOLVED, That the Planning Commission hereby finds that up to 5,000,000 square feet of office development contemplated by the Hunters Point Shipyards Redevelopment Plan and up to 150,000 square feet of office development contemplated in Zone 1 of the Bayview Hunters Point Redevelopment Plans in particular promotes the public welfare, convenience and necessity for the following reasons:

1. The office development is part of the Redevelopment Plans, which would eliminate blighting influences and correct environmental deficiencies in the Hunters Point Redevelopment Project Area and Zone 1 (Candlestick

Point) of the Bayview Hunters Point Redevelopment Project Area through a comprehensive plan for redevelopment.

2. The Redevelopment Plans and their supporting documents include a series of detailed design standards and guidelines which will ensure quality design of office development as well as a quality urban design scheme.
3. The Redevelopment Plans provide the important ability to retain and promote, within the City and County of San Francisco, 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.
4. Implementing permitted office uses as part of the Redevelopment Plans enables the achievement of a coordinated mixed-use development plan incorporating many features, such as large open spaces and parks and a new street grid,.
5. Implementing the office use contemplated by the Redevelopment Plans 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 approximately 850,000 leasable square feet of various kinds of retail space, and as much as about 5,000,000 leasable square feet of mixed office, research and development and light manufacturing uses depending on the final disposition of the 49ers to building a new stadium at the Shipyards.
6. Build-out, including office uses, of both the Candlestick Point and Hunters Point Shipyards Phase 2 is anticipated to result in significant positive fiscal impacts to the City. This includes \$22 million in net cumulative revenues will accrue to other City funds including the Children's Fund, Library Fund and Open Space Fund
7. The development proposed by the Project will also have significant positive economic impacts on the City. At full build-out, employment in the Project Area is expected to be about 10,700. Direct and indirect job generation is estimated to be about 18,500. About 55% of the direct and indirect jobs are expected to be held by San Francisco residents. Project-related construction employment is projected to total 1,500 annual full-time equivalent jobs over the build-out period, representing a five percent increase in the City's construction job industry base. The employees working at the Project Area are expected to generate total household income of about \$746 million annually. Total direct, indirect and induced economic activity within the City and County of San Francisco is expected to be approximately \$3.7 billion. The Project provides an unprecedented system for diversity and economic development, including good faith efforts to meet goals for hiring minority and women-owned consulting and contracting businesses, hiring of minority and women laborers, compliance with prevailing wage policies, and would include a robust job training and placement program that will include, but not be limited to, almost \$9 million to workforce training and placement programs for local residents. . The community benefits package also includes funds for child care and school facilities. Development of office uses will help to create the employment opportunities to achieve such hiring goals.
8. The Project includes the opportunity for substantial new publicly accessible open spaces totaling upwards of approximately 336 acres including a fully realized CPSRA, the dual use sports facility on the stadium's parking lot, ecological restoration areas, and a wide variety of neighborhood parks, plazas and shorefront promenades. Office users will benefit from the conveniently located open space, and the development of office uses will help to finance the provision of such open space and its maintenance.

9. The office uses would be located in an ideal area to take advantage of a wide variety of transit, including a new Bus Rapid Transit (BRT) line, express downtown buses, and extended Muni lines. The Project Area has been designed in consultation with the City, including MUNI, to capitalize on opportunities to coordinate with and expand transit systems to serve the Project. The Project also includes Transportation Management Programs which will be in place throughout the development of the Project Area.
10. The Plan areas include sites for both a new fire station and a flexible approach to other community facilities including the potential use for a school, so that necessary services and assistance are available near the office uses and so that office uses will not otherwise burden existing services.
11. The Redevelopment Plan and their supporting documents include significant new infrastructure, including a linked program for creation of a comprehensive vehicular, bicycle and pedestrian circulation system. The public infrastructure will include public streets, underground pipes, traffic signals and open space, plus additional substantial infrastructure as described in the Candlestick Point — Hunters Point Shipyard Phase 2 Infrastructure Plan. An emphasis will be placed on sustainable development techniques as outlined in the Sustainability Plan. The office development would be adequately served by the infrastructure and the tax increment generated by office development in the Project Area will also provide a critical component of the financing of such infrastructure.
12. This new infrastructure included in the Plan will be financed through a self-taxing financing device to be imposed upon the Project Area (excluding affordable housing sites and open space).

BE IT FURTHER RESOLVED, That the Planning Commission has considered the factors set forth in Planning Code Section 321(b)(3)(A)-(G) and finds as follows:

- (A) The apportionment of potential office space over the course of many approval periods during the anticipated 20-30 year build-out of the Plan Areas will remain within the limits of Planning Code Section 321 and will maintain a balance between economic growth and housing, transportation and public services, pursuant to the terms of the Plans and their supporting documents which provide for the appropriate construction and provision of housing, roadways, transit and all other necessary public services in accordance with the Infrastructure Plan; and
- (B) As determined in this Resolution, above, and for the additional reasons set forth in Planning Commission Resolution No. 18101, the adoption of the Plan, which includes office uses and contemplates office development, and all of the other implementation actions, are consistent with the objectives and policies of the General Plan and Priority Policies of Planning Code Section 101.1 and will contribute positively to the achievement of City objectives and policies as set forth in the General Plan; and
- (C) The design guidelines for the Project Area are set forth in the respective Design for Development documents for Candlestick Point and Hunters Point Shipyard Phase 2. This Planning Commission has reviewed the design standards and guidelines and finds that such standards and guidelines will ensure quality design of any proposed office development. In addition, the Planning Commission will review any specific office development subject to the terms of Planning Code §§320-325 to confirm that the design of that office development is consistent with the findings set forth herein; and

- (D) The potential office development contemplated in the Plans is suitable for the Project Area where it would be located. As discussed above, transportation, housing and other public services including open space will be provided in the Project Area. The office development would be located in an area which is not currently developed, nor is it heavily developed with other office uses; and
- (E) As noted above, the anticipated uses of the office development will enhance employment opportunities and will serve other Research and Development related uses including potentially those for green technology businesses which wish to locate in the Project Area, where the underdeveloped nature of the area provides a readily available supply of space for potential research and development, light industrial and office uses; and
- (F) While the overall Project is being developed by a master developer, the proposed office development is available to serve a variety of users, including a variety of businesses expected to locate in the area, and could accommodate a multiplicity of owners; and
- (G) The Plan does not provide for the use of transferrable development rights (“TDRs”) and this Planning Commission does not believe that the use of TDRs is useful or appropriate in the Project Area, given the availability of space for development and the fact that only a relatively few number of buildings have been identified as a potential historic resource; and

BE IT FURTHER RESOLVED, That the Planning Commission will review and approve the design of specific office development which may be proposed in the Project Area and subject to the provisions of Planning Code §§320-325, using the design standards and guidelines set forth in the Design for Development, as reviewed by this Planning Commission, to confirm that the specific office development continues to be consistent with the findings set forth herein; and

BE IT FURTHER RESOLVED, That upon such determination, the Planning Commission will issue an authorization for the proposed office development project;

BE IT FURTHER RESOLVED, That the Planning Commission does hereby recommend approval of the amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Redevelopment Plan to the Board of Supervisors.

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, Moore and Sugaya

NOES: Commissioner Olague

ABSENT: None

ADOPTED: June 3, 2010

Attachment F: Proposition O (2016)

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

[TITLE]

[SUMMARY]

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

SECTION 1. Title.

This Initiative shall be known and may be cited as the “Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition” (referred to hereinafter as the “Initiative”).

SECTION 2. Findings & Conclusions.

(a) In 2008, San Francisco voters adopted Proposition G, the Bayview Jobs, Park and Housing Initiative, by a 63% to 37% vote. Proposition G sought to revitalize the Bayview Hunters Point area with hundreds of acres of parks, significant jobs and economic development opportunities, and a substantial number of affordable and market-rate homes. Proposition G recognized that the closure of the Hunters Point Shipyard, once a thriving maritime industrial center and leading hub of employment, had resulted in significant job losses, which had profoundly affected the economics of the area. Accordingly, the voters envisioned substantial redevelopment of the area, including office development that was designed to replace the high-quality, permanent jobs lost when the Shipyard closed.

(b) Since 2008, extensive environmental and public review has been undertaken. Redevelopment plans, area plans, zoning ordinances and agreements have been approved and entered into. For the property shown on the maps below (Hunters Point Shipyard Phase 2 and Candlestick Point), various approval documents allow and provide for extensive development, including the following:

- Approximately 330 acres for parks and open space, and approximately 370 acres for housing, research and technology jobs, retail sales, office space, and workspace for artists;
- 10,500 housing units, of which approximately one-third must be priced at below-market prices;
- 5,150,000 square feet of research and development, and office uses;
- 885,000 square feet of retail and entertainment uses.

(c) It has been eight years since Proposition G was passed, and the jobs envisioned in Proposition G have not yet materialized. The office uses, which are a key component of the plan

to regenerate jobs lost to the Shipyard closure, face a special hurdle: a 1986 initiative called Proposition M. Among other things, Proposition M imposed a growth management program on office space, generally limiting office development to 950,000 square feet per year. The Bayview Hunters Point office development anticipated in Proposition G and in the subsequent approvals could wait many years before being built because of this program. However, Proposition M was adopted decades ago, when it was assumed office development would be concentrated in the downtown area. Hunters Point Shipyard Phase 2 and Candlestick Point are not located downtown—they are located on and around the site of the decommissioned Hunters Point Shipyard and former Candlestick Park in the southeastern part of the City. If left unamended, the growth management program of Proposition M would thwart the voters’ desire to revitalize the area and expedite development of job-creating uses.

(d) This Initiative amends the provisions of Proposition M and the San Francisco Planning Code that regulate the pace of office development. It removes Hunters Point Shipyard Phase 2 and Candlestick Point from the area within which an allocation or project authorization allowing office development may be required. This Initiative is intended to facilitate a rational development pace for this area, and to implement the voters’ desire to realize the revitalization contemplated in Proposition G. To achieve these goals, this Initiative would also establish a policy that development applications shall be processed and decided quickly, and development expedited.

(e) This Initiative would not affect the applicability of the office development controls enacted by Proposition M to other areas of the City. This Initiative also would not affect the applicability of the priority policies adopted by Part 1 of Proposition M, nor would it affect the applicability of the resident placement and training program adopted by Part 3 of Proposition M.

SECTION 3. Part 2 of Proposition M (November 1986) and the Planning Code are hereby amended by adding Section 324.1 to read as follows:

SEC. 324.1. DEVELOPMENT IN HUNTERS POINT SHIPYARD PHASE 2 AND CANDLESTICK POINT.

(a) For purposes of this Section 324.1, “Development” includes, without limitation, development, redevelopment, reuse and reoccupancy; and the “Subject Property” is comprised of property within the dotted lines depicted on the following maps:





(b) Notwithstanding Part 2 — Annual Limit of Proposition M (November 1986) and other provisions of any San Francisco Code, the terms “office development,” “office space,” and “additional office space,” when used in Sections 320-325 of this Planning Code, shall not include Development on the Subject Property.

(c) No project authorization or allocation shall be required for any Development on the Subject Property. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.

(d) Development on the Subject Property shall not affect the annual limit or the unallocated amount referenced in Sections 320-324. The amount of office development for which project authorizations may be granted under Sections 320-324 on properties other than the Subject Property shall be determined without regard to the amount of Development on the Subject Property.

SECTION 4. Section 325 of Proposition M (1986) and the Planning Code are hereby amended to read as follows:

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323, **and 324 and 324.1**, as of October 17, 1985, as amended by the voters on November 4, 1986 **and November 8, 2016**, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

SECTION 5. Declaration of Policy.

The following declaration of policy is approved by the voters as specified in San Francisco Charter Section 14.101:

It shall be the policy of the City and County of San Francisco that applications for Development on the Subject Property shall be processed and decided as quickly as feasible, in implementation of the voters’ strong desire and intent that Development on the Subject Property be expedited.

SECTION 6. Interpretation.

This Initiative shall not be interpreted to exempt any development on the Subject Property from paying any fees that such development would otherwise be required to pay but for the adoption of this Initiative.

This Initiative (including the definitions in new Section 321.4) shall not be interpreted to affect the application of Planning Code Sections 321-324 to any property other than the Subject Property.

This Initiative shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. It is the intent of the voters that the provisions of this Initiative be

interpreted or implemented in a manner that facilitates the purposes set forth in this Initiative. The title of this Initiative and the captions preceding the sections of this Initiative are for convenience of reference only. Such title and captions shall not define or limit the scope or purpose of any provision of this Initiative. The use of the terms “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The use of the term “or” shall be construed to mean and/or.

This Initiative proposes to add text and maps to the referenced sections of Proposition M (November 1986) and the Planning Code. The new text is indicated above with **bold, underlined text**, and deleted text is shown in ~~**bold-strikeout-text**~~. The voters intend to enact only the boundaries shown on the maps included in Section 321.4, and do not enact any other aspects of those maps.

To allow the amendments to be read in context, the following exhibits are attached:

- Exhibit A The text of Sections 320 through 325 of the San Francisco Planning Code, as they exist on May 1, 2016
- Exhibit B The text of Proposition M (November 1986)
- Exhibit C A map demonstrating the location of the Subject Property within the City & County of San Francisco.

These exhibits are attached for informational purposes only, and not enacted by this Initiative. The amendments enacted by this Initiative are those set forth in Sections 3 and 4 of this Initiative.

SECTION 7. Severability.

If any provision of this Initiative, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Initiative are severable. The voters declare that this Initiative, and each word, phrase, sentence, section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any other provision or provisions is found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Initiative that can be given effect without the invalid application. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we, the People of the City and County of San Francisco, indicate our strong desire that: (i) the Board of Supervisors use its best efforts to sustain and provide for the re-enactment of that portion, and (ii) the Board of Supervisors implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including, if necessary, taking the appropriate steps to provide for the adoption or re-enactment of any such portion in a manner consistent with the intent of this Initiative.

SECTION 8. Conflicting Ballot Measures.

In the event that this Initiative and another measure or measures relating to the development of office space on Hunters Point Shipyard Phase 2 or Candlestick Point shall appear on the same municipal election ballot, the provisions of such other measures shall be deemed to be in conflict with this Initiative. In the event that this Initiative shall receive a greater number of affirmative votes, the provisions of this Initiative shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this Initiative shall take effect to the extent permitted by law. If this Initiative is approved by the voters but superseded by law in whole or in part by any other conflicting initiative approved by the voters at the same election, and such conflicting initiative is later held invalid, this Initiative shall be self-executing and given full force of law.

SECTION 9. Effective Date.

In accordance with the provisions of Municipal Elections Code § 380 and California Elections Code § 9217, if a majority of the voters vote in favor of the Initiative, the Initiative shall go into effect ten days after the official vote count is declared by the Board of Supervisors.

SECTION 10. Amendment.

Clerical actions may be taken by staff of the City and County of San Francisco to relocate the maps enacted by this Initiative to a location other than within Section 324.1 of the Planning Code, and to note in Section 324.1 where such maps may be found, provided that doing so effects no substantive change to this Initiative. Pursuant to Municipal Elections Code § 390 and California Elections Code § 9217 no other provision of this Initiative may be amended except by a vote of the People.

EXHIBIT A (FOR INFORMATIONAL PURPOSES ONLY)
San Francisco Planning Code §§ 320-325

SEC. 320. OFFICE DEVELOPMENT: DEFINITIONS.

When used in Sections 320, 321, 322 and 323, the following terms shall each have the meaning indicated. See also Section 102.

(a) "Additional office space" shall mean the number of square feet of gross floor area of office space created by an office development, reduced, in the case of a modification or conversion, by the number of square feet of gross floor area of preexisting office space which is lost.

(b) "Approval period" shall mean the 12-month period beginning on October 17, 1985 and each subsequent 12-month period.

(c) "Approve" shall mean to approve issuance of a project authorization and shall include actions of the Planning Commission, Board of Appeals and Board of Supervisors.

(d) "Completion" shall mean the first issuance of a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy as defined in San Francisco Building Code Section 307.

(e) "Disapprove" shall mean for an appellate administrative agency or court, on review of an office development, to direct that construction shall not proceed, in whole or in part.

(f) "Office space" shall mean space within a structure intended or primarily suitable for occupancy by persons or entities which perform for their own benefit or provide to others services at that location, including but not limited to professional, banking, insurance, management, consulting, technical, sales and design, or the office functions of manufacturing and warehousing businesses, but shall exclude the following: Retail use; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; wholesale shipping, receiving and storage; any facility, other than physicians' or other individuals' offices and uses accessory thereto, customarily used for furnishing medical services, and design showcases or any other space intended and primarily suitable for display of goods. This definition shall include all uses encompassed within Section 102 of this Code.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

(1) Development which will result in less than 25,000 square feet of additional office space;

(2) Development either:

(i) Authorized under San Francisco Redevelopment Agency disposition or owner participation agreements which have been approved by Agency resolution prior to the effective date of this Section, or

(ii) Authorized prior to the effective date of this Section by Agency resolution in anticipation of such agreements with particular developers identified in the same or a subsequent agency resolution;

(3) Any development which is governed by prior law under Section 175.1(b) of this Code, unless modified after the effective date specified in Section 175.1(b) to add more than 15,000 square feet of additional office space. Any addition of office space up to 15,000 square feet shall count against the maximum for the approval period, pursuant to Section 321(a)(2)(B);

(4) Any development including conversion of 50,000 square feet or more of manufacturing space to office space where the manufacturing uses previously located in such space are relocated to another site within the City and County of San Francisco and the acquisition or renovation of the new manufacturing site is funded in whole or part by an Urban Development Action Grant approved by the Board of Supervisors;

(5) Any mixed-residential-commercial development which will be assisted by Community Development Block Grant funds approved by the Board of Supervisors in which all of the housing units shall be affordable to low-income households for a minimum of 40 years and for which an environmental review application and site permit application have been filed prior to the effective date of this ordinance which enacted the provisions of this Section;

(6) Any development authorized pursuant to a Planned Unit Development, as provided for by City Planning Code Section 304, providing for a total of 500 or more additional units of housing, provided such development first received a Planned Unit Development authorization prior to November 4, 1986. Such Planned Unit Development may be amended from time to time by the Planning Commission, but in no event shall any such amendment increase the amount of office space allowed for the development beyond the amount approved by the Planning Commission prior to November 4, 1986.

(h) "Project authorization" shall mean the authorization issued by the Planning Department pursuant to Sections 321 and 322 of this Code.

(i) "Replacement office space" shall mean, with respect to a development exempted by Subsection (g)(6) of this Section, that portion of the additional office space which does not represent a net addition to the amount of office space used by the occupant's employees in San Francisco.

(j) "Retail Use" shall mean supply of commodities on the premises including, but not limited to, stores, shops, Restaurants, Bars, eating and drinking businesses, and Retail Sales and Services uses defined in Planning Code Section 102, except for Hotels and Motels.

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

SEC. 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

(a) **Limit.**

(1) No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

(2) The following amounts of additional office space shall count against the maximum set in Subsection (a)(1):

(A) All additional office space in structures for which the first building or site permit is approved for issuance during the approval period and which will be located on land under the jurisdiction of the San Francisco Port Commission or under the jurisdiction of the San Francisco Redevelopment Agency; provided, however, that no account shall be taken of structures which are exempt under Section 320(g)(2);

(B) The amount of added additional office space approved after the effective date of this ordinance in structures which are exempt under Section 320(g)(3);

(C) All additional office space in structures owned or otherwise under the jurisdiction of the State of California, the federal government or any State, federal or regional government agency, which structures are found to be otherwise exempt from this Section 321 or Section 322 by force of other applicable law;

(D) All additional office space in structures exempt under Section 320(g)(4) or 320(g)(6) or the last sentence of Section 175.1(b), or which satisfy the substantive terms of either of said exemptions but for which the first building or site permit is authorized or conditional use or variance approved by the Planning Commission after June 15, 1985 but before the effective date of this ordinance.

The additional office space described in Subsection (a)(2)(A) shall be taken into account with respect to all proposed office developments which are considered after the first site or building permit is approved for issuance for the described project. The additional office space described in Subsections (a)(2)(B) and (a)(2)(D) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after the project or the added additional office space is first authorized or a conditional use or variance approved by the Planning Commission. The additional office space described in Subsection (a)(2)(C) shall be taken into account with respect to all proposed office developments which are considered during the approval period and after commencement of construction of the described structures. Modification, appeal or disapproval of a project described in this Section shall affect the amount of office space counted under this Section in the time and manner set forth for office developments in Section 321(c).

(3) The Planning Department shall maintain and shall make available for reasonable public inspection a list showing:

(A) All office developments, and all projects subject to Section 321(a)(2) for which application has been made for a project authorization or building or site permit and, if applicable, the date(s) of approval and of approval for issuance of any building or site permit;

(B) The total amount of additional office space and, if applicable, replacement office space, approved with respect to each listed development;

(C) Approved office developments (i) which are subsequently disapproved on appeal; (ii) the permit for which expires or is cancelled or revoked pursuant to Subsection (d)(1) of this Section; or (iii) the approval of which is revoked pursuant to Subsection (d)(2) of this Section; and

(D) Such other information as the Department may determine is appropriate.

(4) Not less than six months before the last date of the approval period, the Planning Department shall submit to the Board of Supervisors a written report, which report shall contain the Planning Commission's recommendation with respect to whether, based on the effects of the limitation imposed by this Section on economic growth and job opportunities in the City, the availability of housing and transportation services to support additional office development in the City, office vacancy and rental rates, and such other factors as the Commission shall deem relevant, there should continue to be a quantitative limit on additional office space after the approval period, and as to what amount of additional office space should be permitted under any such limit.

(5) Every holder of a site permit issued on or after July 1, 1982 for any office development, as defined in Section 320(g) without regard to Subsections (g)(2) through (g)(5), shall provide to the Planning Commission reports containing data and information with respect to the following:

- (A) Number of persons hired for employment either in construction of the development or, to the extent such information is available to the permittee, by users of the completed building;
- (B) The age, sex, race and residence, by City, of each such person;
- (C) Compensation of such persons, classified in \$5,000 increments, commencing with annualized compensation of \$10,000;
- (D) The means by which each such person most frequently travels to and from the place of employment.

Such reports shall commence on October 1, 1985 and continue quarterly thereafter during the approved period. A report containing information by quarter for the period between July 1, 1982 and the effective date of the ordinance shall be submitted not later than December 31, 1985. The Planning Commission shall have full access to all books, records and documents utilized by any project sponsor in preparation of the written reports referred to above, and shall inspect such books, records and documents from time to time for purposes of authenticating information contained in such reports.

(b) **Guidelines.**

(1) During the approval period, the Planning Commission, and the Board of Supervisors and Board of Appeals on appeal from the Planning Commission shall approve, within the allowable limit, subject to Subsection (b)(2) of this Section, only those office developments which they shall determine in particular promote the public welfare, convenience and necessity, and shall be empowered under this Section to disapprove the remainder. The Planning Department shall issue to office developments so approved, in accord with Sections 320 through 323 of this Code, a project authorization.

(2) The following proposed office developments, subject to all other applicable sections of this Code and other applicable law, shall be approved under this Section in preference to all others:

(A) All proposed developments to the extent approval is required by court order; and, thereafter,

(B) Subject to Subsection (a)(1) of this Section, all proposed office developments which were approved by the Planning Commission during the approval period, but subsequently disapproved by any administrative appellate body or court, if and when said disapproval is later reversed.

(3) In determining which office developments best promote the public welfare, convenience and necessity, the Board of Supervisors, Board of Appeals and Planning Commission shall consider:

(A) Apportionment of office space over the course of the approval period in order to maintain a balance between economic growth, on the one hand, and housing, transportation and public services, on the other;

(B) The contribution of the office development to, and its effects on, the objectives and policies of the General Plan;

(C) The quality of the design of the proposed office development;

(D) The suitability of the proposed office development for its location, and any effects of the proposed office development specific to that location;

(E) The anticipated uses of the proposed office development, in light of employment opportunities to be provided, needs of existing businesses, and the available supply of space suitable for such anticipated uses;

(F) The extent to which the proposed development will be owned or occupied by a single entity;

(G) The use, if any, of TDR by the project sponsor.

Payments, other than those provided for under applicable ordinances, which may be made to a transit or housing fund of the City, shall not be considered.

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this Subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

(5) With respect to any office development which shall come before the Board of Supervisors for conditional use review, that Board shall consider, in addition to those criteria made applicable by other provisions of law, the criteria specified in Subsection (b)(3). As to any such office development, the decision of the Board of Supervisors with respect to the criteria specified in Subsection (b)(3) shall be a final administrative determination and shall not be reconsidered by the Planning Commission or Board of Appeals.

(6) The Planning Commission shall establish procedures for coordinating review of project authorization applications under Section 322 with review under Section 309 of this Code. The Commission may hold hearings under Sections 309 and 322 in such sequence as it may deem appropriate, but may not issue any project authorization until the requirements of Section 309 have been satisfied.

(c) **Appeal and Modification.**

(1) If an approved office development is disapproved, or if a previously unapproved office development is approved, by a court or appellate agency, the list described in Subsection (a)(3) of this Section shall be revised accordingly at the time that the period for rehearing before the appellate body in question shall have lapsed. Approval on appeal of any office development,

if conditioned on disapproval of another office development which was previously approved, shall not be effective before the time for rehearing with respect to the disapproval shall have lapsed.

(2) The amount of additional office space of any development shall not count against the maximum for the approval period, beginning from the time the office development loses its approved status on the Planning Department list under Subsection (c)(1); provided, however, that if a decision disapproving an office development permits construction of a part of the project, the permitted additional office space only shall continue to count against the maximum, unless and until all building or site permits for the development expire or are cancelled, revoked or withdrawn.

(3) Any modification of an approved office development, including, without limitation, modification by a court or administrative appellate agency, shall be governed by this Subsection, subject, in the case of a court order, to Subsection (b)(2)(A).

(A) Any office development which is modified for any reason after it is first approved so as to increase its amount of additional office space shall lose its approved status on the list described in Subsection (a)(3) at the time such modification is approved, and may be approved as modified only subject to the limits of Subsection (a)(1). Such a modified development shall not be constructed or carried out based on its initial approval. Approval on appeal of such a modified development, if approval would violate the maximum set forth in Subsection (a)(1) of this Section but for disapproval of another previously approved office development, shall not be effective, nor grounds for reliance, until the time for rehearing with respect to the disapproval shall have lapsed.

(B) An approved office development may be modified so as to reduce the amount of additional office space, subject to all authorizations otherwise required by the City. No additional office space shall become available for any other development during the approval period on account of such a modification, unless the modification is required by any appellate administrative agency or a court, in which case additional office space shall become available when the time for rehearing has lapsed.

(d) Unbuilt Projects; Progress Requirement.

(1) The maximum amount of additional office space for the approval period shall be increased by the amount of such space included in office developments which were previously approved during the period but for which during such period an issued site or building permit has been finally cancelled or revoked, or has expired, with the irrevocable effect of preventing construction of the office development.

(2) Construction of an office development shall commence within 18 months of the date the project is first approved, or, in the case of development in the C-3-O(SD) District the development shall commence within three (3) years. Notwithstanding the above provision, office projects larger than 500,000 gross square feet in the C-3-O(SD) District shall commence construction within five (5) years. Failure to begin work within that period, or thereafter to carry the development diligently to completion, shall be grounds to revoke approval of the office development. Neither the Department of Building Inspection nor the Board of Appeals shall grant any extension of time inconsistent with the requirements of this Subsection (d)(2).

(3) The Department of Building Inspection shall notify the Planning Department in writing of its approval for issuance and issuance of a site or building permit for any office development, and for any development under the jurisdiction of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the Port Commission subject to Section 321(a)(2), and of the revocation, cancellation, or expiration of any such permit.

(e) **Rules and Regulations.** The Planning Commission shall have authority to adopt such rules and regulations as it may determine are appropriate to carry out the purposes and provisions of this Section and Sections 320, 322 and 323.

SEC. 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the Planning Commission amended the General Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1st of each subsequent year, the Planning Department shall survey the records of the Central Permit Bureau and an other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987 and February 1st of each subsequent year as set out above, the Department shall certify in writing to the Planning Commission at a public hearing the list of all projects enumerated in Subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to Subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

SEC. 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

SEC. 321.3. VOTER APPROVAL OF EXEMPTIONS OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor Section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

SEC. 322. PROCEDURE FOR ADMINISTRATION OF OFFICE DEVELOPMENT LIMIT.

(a) **Project Authorization Required.** During the approval period, every site or building permit application for an office development must, before final action on the permit, include a copy of a project authorization for such office development, certified as accurate by the Planning Department. No such application shall be considered complete and the Department of Building Inspection shall not issue any such site or building permit unless such a certified copy is submitted. No site or building permit shall be issued for an office development except in accordance with the terms of the project authorization for such office development. Any such site or building permit which is inconsistent with the project authorization shall be invalid.

(b) **Application for Project Authorization.** During the approval period, an applicant for approval of an office development shall file an application for a project authorization with the Planning Department contemporaneously with the filing of an application for environmental evaluation for such development. Such application shall state such information as the Planning Department shall require; provided, however, that an application for a project authorization for each office development for which an environmental evaluation application has been filed prior to the effective date of this Section, shall be deemed to have been filed effective as of the date such environmental evaluation application was filed.

(c) Processing of Applications.

(1) The approval period shall be divided into such review periods as the Planning Commission shall provide by rule. The first review period shall commence on the effective date.

(2) Applications for project authorizations shall be considered by the Planning Commission during a specific review period in accordance with the following procedures:

(A) During a specific review period the Planning Commission shall consider all project authorization applications for which, prior to the first day of such review period, a final Environmental Impact Report has been certified, or a final Negative Declaration has been issued, or other appropriate environmental review has been completed; provided, however, that during the first review period, the Planning Commission shall consider only those office developments for which (i) an environmental evaluation application and a site or building permit application were submitted prior to June 1, 1985, or (ii) a draft environmental impact report or a preliminary negative declaration was published prior to the effective date.

(B) The Planning Commission may hold hearings on all project authorization applications assigned to a specific review period before acting on any such application.

(C) In reviewing project authorization applications, the Planning Commission shall apply the criteria set forth in Section 321, and shall, prior to the end of such a review period, approve, deny, or, with the consent of the applicant, continue to the next subsequent review period each such application based on said criteria.

(D) Notwithstanding any other provisions of this Section or Section 321, the Planning Commission may at any time, after a noticed hearing, deny or take other appropriate action with respect to any application for a project authorization as to which environmental review, in the judgment of the Commission, has not been or will not be completed in sufficient time to allow timely action under applicable law.

(E) Any project authorization application which is denied by the Planning Commission, unless such denial is reversed by the Board of Appeals or Board of Supervisors, shall not be resubmitted for a period of one year after denial.

(d) **Appeal of Project Authorization.** The Planning Commission's determination to approve or deny the issuance of a project authorization may be appealed to the Board of Appeals within 15 days of the Commission's issuance of a dated written decision pursuant to the procedural provisions of Section 308.2 of this Code, except in those instances where a conditional use application was filed. In cases in which a conditional use application was filed, the decision of the Planning Commission may be appealed only to the Board of Supervisors pursuant to Section 308.1 of this Code. The decision on the project authorization by the Board of Appeals or Board of Supervisors shall be the final administrative determination as to all matters relating to the

approval of the office development that is the subject of the project authorization, except for matters, not considered in connection with the project authorization, which arise in connection with a subsequent building or site permit application for the development in question.

(e) **Modification of Project Authorization.** The Planning Commission may approve a modified project authorization, after a noticed hearing, during the review period in which the initial project authorization was approved or a subsequent review period. Approval or denial of a modified project authorization shall be subject to appeal in accord with Subsection (d).

(f) **No Right to Construct Conveyed.** Neither approval nor issuance of a project authorization shall convey any right to proceed with construction of an office development, nor any right to approval or issuance of a site or building permit or any other license, permit, approval or authorization which may be required in connection with said office development.

SEC. 323. OFFICE DEVELOPMENT: PREAPPLICATION PROCEDURE.

The Planning Commission may by rule permit such persons as elect to do so, to submit a preliminary application on a proposed office development before submitting any application for a project authorization. Such a preliminary application shall contain such information as the Commission may require. With respect to each proposed office development for which all the information required by the Planning Department is timely submitted to the Department, the Director of Planning or his designee shall, in writing, issue an advisory opinion to the person submitting such information, as to whether he or she at that time intends to recommend, based on the information submitted to him or her, the proposed development for denial by the Planning Commission. The advice and recommendation of the Director shall neither convey, nor foreclose, any right to proceed with a project authorization application or the development and shall constitute neither approval nor denial of the development. The Director's recommendations under this Section shall be governed by Section 321(b) of this Code.

SEC. 324. FINDINGS.

(a) The Board of Supervisors declares that it is the policy of the City and County of San Francisco to:

- (1) Provide a quality living and working environment for residents and workers;
- (2) Foster the diversified development of the City, providing a variety of economic and job opportunities;
- (3) Maintain a balance between economic growth, on the one hand, and housing, transportation and public services in general, on the other, and encourage a rate of growth consistent with transportation and housing capacity;
- (4) Prevent undesirable effects of development on local air quality and other environmental resources; and
- (5) Encourage development projects of superior design, optimum location and other desirable characteristics.

(b) In recent years, office development in the City has increased dramatically. Office development has already affected housing, transportation and parking capacities.

(c) The City has only limited legal authority to direct or control physical development, whether for office use or not, on land covered by approved redevelopment plans or under the jurisdiction of the Port Commission.

(d) There are competing legitimate public interests which must be balanced in the planning process. Environmental concerns are of great importance, but must be balanced against the need for continued, healthy economic growth and job creation, maintenance of municipal revenues for the provision of social services, effective preservation of historic buildings and other considerations.

(e) Based on developments proposed to date, general economic conditions affecting San Francisco, and the trend in recent years of an increasing rate of office development, it is likely that excessive office development will come before City agencies for authorization and approval during the years 1985 through 1988, and possible that excessive development would continue thereafter. It is therefore appropriate to approve during the three years after adoption of this ordinance only particular, proposed developments which serve the public interest, convenience and necessity, and to similarly limit approvals for further periods to the extent excessive development might otherwise continue to occur.

(f) Sections 320 through 324 of this ordinance are intended to further the policies noted in Subsection (a) and to aid in responding to the effects noted in Subsection (b), with due regard to the factors set forth in Subsections (c) and (d), by authorizing more effective regulation of the rate, distribution, type and quality of office development in the City and County of San Francisco. Control of office development will afford additional time to analyze and meet its effects.

SEC. 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code Sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

EXHIBIT B (FOR INFORMATIONAL PURPOSES ONLY)
Text of Proposition M (November 1986)

PART 1—MASTER PLAN

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended by adding section 101.1 as follows:

SECTION 101.1. MASTER PLAN CONSISTENCY AND IMPLEMENTATION.

(a) The Master Plan shall be an integrated, internally consistent and compatible statement of policies for San Francisco. To fulfill this requirement, after extensive public participation and hearings, the City Planning Commission shall in one action amend the Master Plan by January 1, 1988.

(b) The following Priority Policies are hereby established. They shall be included in the preamble to the Master Plan and shall be the basis upon which inconsistencies in the Master Plan are resolved:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
3. That the City's supply of affordable housing be preserved and enhanced;
4. That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;
6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
7. That landmarks and historic buildings be preserved; and,
8. That our parks and open space and their access to sunlight and vistas be protected from development.

(c) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after November 4, 1986, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the Priority Policies established above.

(d) The City may not adopt any zoning ordinance or development agreement authorized pursuant to Government Code Section 65865 after January 1, 1988, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the City's Master Plan.

(e) Prior to issuing a permit for any project or adopting any legislation which requires an initial study under the California Environmental Quality Act, and prior to issuing a permit for any demolition, conversion or change of use, and prior to taking any action which requires a finding of consistency with the Master Plan, the City shall find that the proposed project or legislation is consistent with the Priority Policies established above. For any such permit issued or legislation adopted after January 1, 1988 the City shall also find that the project is consistent with the City's Master Plan.

PART 2—ANNUAL LIMIT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsections 320(b) and 320(g)(1) are amended as follows:

SECTION 320. OFFICE DEVELOPMENT: DEFINITIONS.

(b) "Approval period" shall mean the twelve month period beginning on October 17, 1985 and each subsequent twelve month period.

(g) "Office development" shall mean construction, modification or conversion of any structure or structures or portion of any structure or structures, with the effect of creating additional office space, excepting only:

1. Development which will result in less than 25,000 square feet of additional office space.

Subsection 320(g)(5) is deleted and the existing Subsections renumbered.

Subsection 320(k) is added as follows:

(k) "Preexisting office space" shall mean office space used primarily and continuously for office use and not accessory to any use other than office use for five (5) years prior to Planning Commission approval of an office development project which office use was fully legal under the terms of San Francisco law.

Subsection 321(a)(1) is amended as follows:

SECTION 321. OFFICE DEVELOPMENT: ANNUAL LIMIT.

- (a) Limit.

1. No office development may be approved during any approval period if the additional office space in that office development, when added to the additional office space in all other office developments previously approved during that approval period, would exceed 950,000 square feet or any lesser amount resulting from the application of Section 321.1. To the extent the total square footage allowed in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period.

A new Subsection 321(b)(4) is added as follows and existing subsections renumbered:

(4) Reserve for Smaller Buildings. In each approval period at least 75,000 square feet of office development shall be reserved for buildings between 25,000 and 49,999 square feet in gross floor area of office development. To the extent the total square footage allowed under this subsection in any approval period is not allocated, the unallocated amount shall be carried over to the next approval period and added only to the Reserve for Smaller Buildings.

Section 321.1 is added as follows:

SECTION 321.1. ANNUAL LIMIT ADJUSTMENT.

(a) It is the intention of the people of San Francisco that the annual limit on office development be reduced to account for the square footage resulting from the excessive number of building, alteration and site permits that were issued after November 29, 1984, the date the City Planning Commission amended the Master Plan to include the Downtown Plan.

(b) Not later than January 1, 1987 and January 1 of each subsequent year the Department of City Planning shall survey the records of the Central Permit Bureau and any other necessary records to develop a list of the square footage of all office development projects for which building, alteration or site permits were issued after November 29, 1984 that have not lapsed or otherwise been revoked, and all office development projects reapproved by the City, the Redevelopment Agency or the San Francisco Port Commission after November 29, 1984. Reapproval specifically includes any project reconsidered by any agency pursuant to a Court decision. This process shall continue until the Department is able to certify that all projects with approval dates on or before November 4, 1986 have received permits, have been abandoned or are no longer subject to litigation challenging their approval. Notwithstanding any other provision of the City Planning Code or the former provisions of Subsection 320(g), all projects in excess of 24,999 square feet of additional office space shall be included in the survey. The list shall not include permits for projects authorized pursuant to the office development competition set out in Subsection 321(b) and Section 322.

(c) Not later than February 1, 1987, and February 1 of each subsequent year as set out above, the Department shall certify in writing to the City Planning Commission at a public hearing the list of all projects enumerated in subsection (b) above, including the square footage of each project and the total of all such projects.

(d) Within 30 days of receipt of the Department's certification, the Commission shall reduce the 950,000 square foot annual limit established in Subsection 321(a)(1) by 475,000 square feet per approval period until the amount of square footage remaining on the Department's list is reduced to zero.

(e) If the City has authorized more than 475,000 square feet as part of the office, development competition set out in Subsection 321(b) and Section 322 prior to November 4, 1986, any amount exceeding 475,000 square feet shall be separately deducted from otherwise allowable square feet calculated pursuant to subsection (d) above for the approval period and for subsequent approval periods until the total amount of square footage is reduced to zero.

Section 321.2 is added as follows:

SECTION 321.2. LEGISLATIVE REDUCTION OF ANNUAL LIMIT.

(g) The Board of Supervisors is permitted to reduce the annual limit defined in Subsection 321(a)(1).

Section 321.3 is added as follows:

SECTION 321.3. VOTER APPROVAL OF EXEMPTION OF OFFICE PROJECTS AUTHORIZED BY DEVELOPMENT AGREEMENTS.

Any office development approved pursuant to a development agreement under Government Code Section 65865 or any successor section may only be exempted from the annual limit set forth in Subsection 321(a)(1) after the exemption for such office development has been approved by the voters at a regularly scheduled election.

Section 325 is amended as follows:

SECTION 325. SUNSET CLAUSE.

The limit on office development set out in Planning Code sections 320, 321, 322, 323 and 324 as of October 17, 1985, as amended by the voters on November 4, 1986, shall remain in effect until amended or repealed by the voters of San Francisco at a regularly scheduled election.

PART 3—EMPLOYMENT

Be it ordained by the people of the City and County of San Francisco that Part II, Chapter II, of the San Francisco Municipal Code (City Planning Code) is hereby amended as follows:

Subsection 164(a) is amended as follows:

SECTION 164. SAN FRANCISCO RESIDENT PLACEMENT AND TRAINING PROGRAM.

(a) The City has determined in its certification of the Downtown Plan Environmental Impact Report and in its findings and studies leading to the adoption of Section 313 of the Planning Code that San Francisco and regional traffic and transit problems will become more intolerable as the number of non-resident employees increases in San Francisco as a result of new office development. In order to mitigate those adverse traffic and transit impacts, while protecting the City’s residential areas from unwanted increases in density, the people determine that a policy of maximizing resident employment training and placement opportunities is needed.

Subsections 164(d) and (e) are added as follows:

(d) In order to ensure, that the maximum number of San Francisco residents are trained and placed in employment opportunities in our City, the Board of Supervisors shall hold public hearings and not later than January 1, 1988 the City shall adopt legislation to establish a program which will coordinate the job training and placement efforts of the San Francisco Unified School District, the San Francisco Community College District, community-based non-profit employment and training programs, and other agencies from the public and private sectors, to assure maximum use of existing federal, state and local training and placement programs, and to develop such additional training and placement programs as deemed necessary.

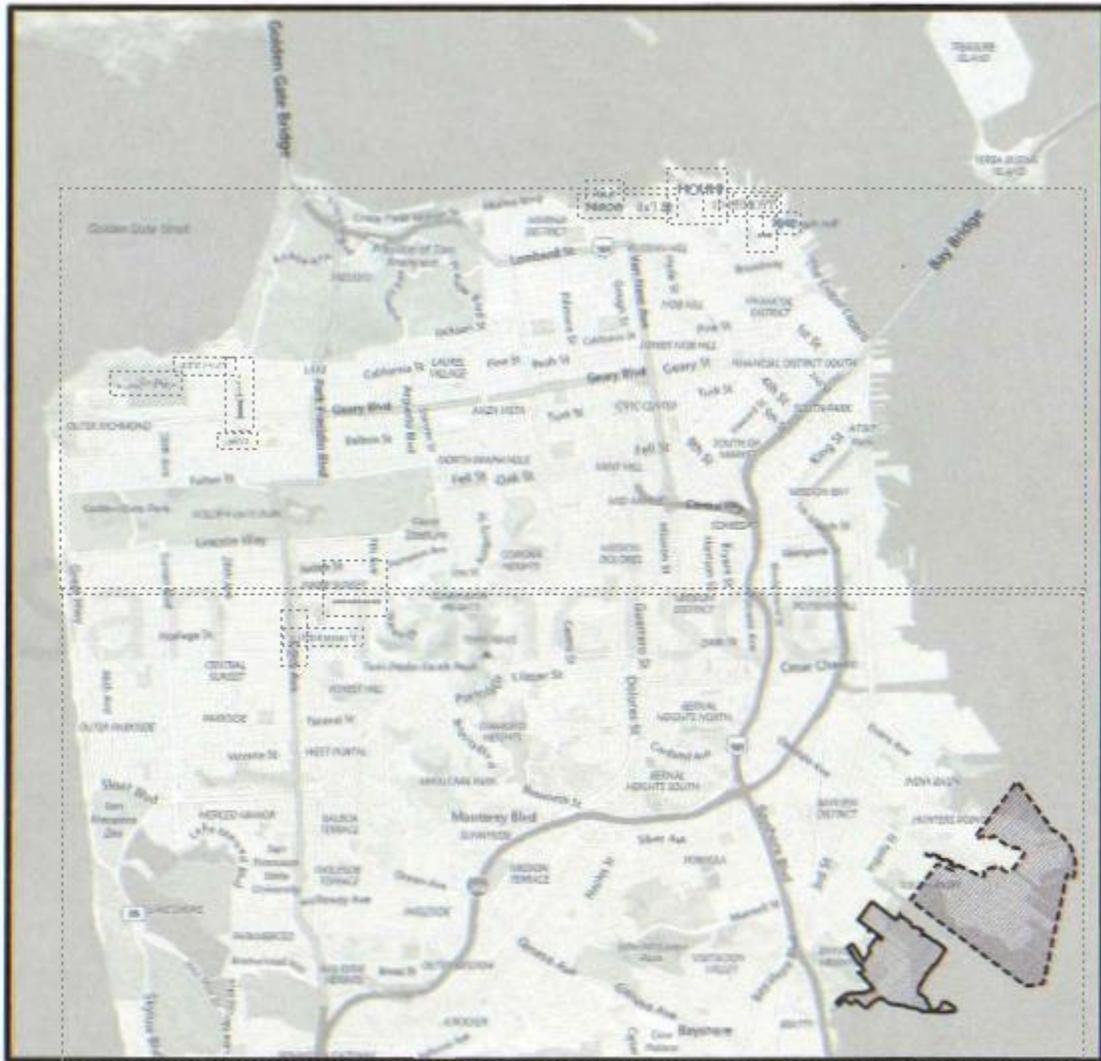
(e) Should the Board of Supervisors determine that additional funds are needed for programs established pursuant to subsection (d) above, it shall consider the adoption of a San Francisco Resident Training and Placement Fee of not less than \$1.50 per square foot as a condition of the approval of any application for an office development project proposing the net addition of 50,000 or more gross square feet of office space.

PART 4—SEVERABILITY CLAUSE

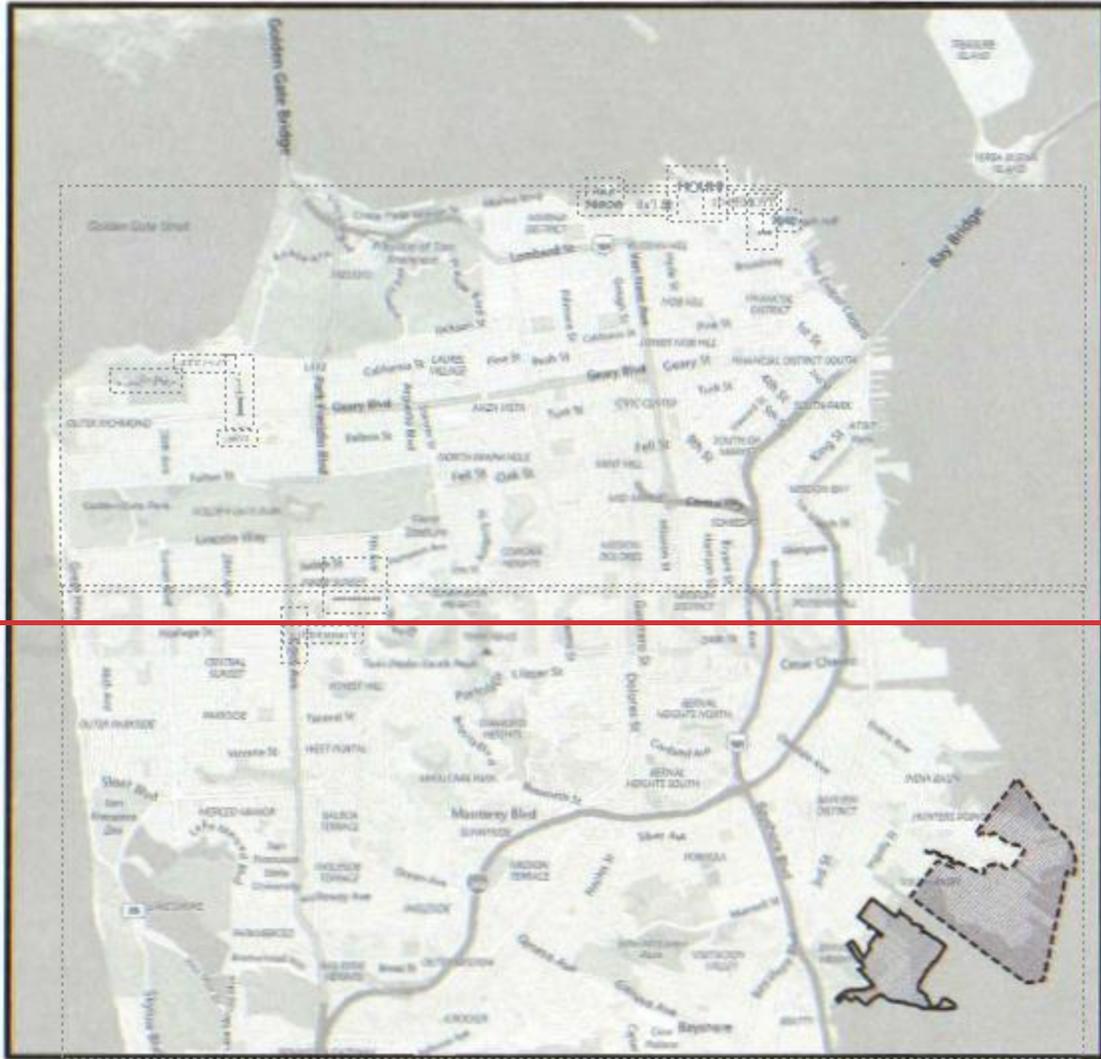
If any part of this initiative is held invalid by a court of law, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other parts of the initiative or applications which can be given effect without the invalid part or application hereof and to this end the sections of this initiative are separable.

EXHIBIT C

Map Demonstrating the Location of the Subject Property within the City and County of San Francisco (For Informational Purposes Only)



- Candlestick Point
- - - Hunters Point Shipyard Phase 2



- Candlestick Point
- - - Hunters Point Shipyard Phase 2

161862194.12

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 29-2024

September 3, 2024

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FIRST AMENDMENT TO THE TAX ALLOCATION PLEDGE AGREEMENT BETWEEN THE AGENCY AND THE CITY AND COUNTY OF SAN FRANCISCO FOR THE DEVELOPMENT OF CANDLESTICK POINT AND PHASE 2 OF THE HUNTERS POINT SHIPYARD; BAYVIEW HUNTERS POINT AND HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREAS

- WHEREAS, In furtherance of the objectives of the California Community Redevelopment Law (Health and Safety Code, section 33000 et seq. the “**CRL**”), the Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”) undertook programs for the reconstruction and construction of blighted areas in the City and County of San Francisco (“**City**”), including the Bayview Hunters Point Redevelopment Project Area (“**BVHP Project Area**”) and the Hunters Point Shipyard Redevelopment Project Area (“**HPS Project Area**”); and,
- WHEREAS, The Board of Supervisors of the City and County of San Francisco (“**Board of Supervisors**”) adopted the Hunters Point Shipyard Redevelopment Plan (“**HPS Plan**”) on July 14, 1997 by Ordinance No. 285-97 and amended the HPS Plan on August 3, 2010 by Ordinance No. 211-10, on June 22, 2017 by Ordinance No. 122-17, and on July 16, 2018 by Ordinance No. 0166-18; and,
- WHEREAS, On May 23, 2006, the Board of Supervisors amended the Bayview Hunters Point Redevelopment Plan (“**BVHP Plan**”) by Ordinance No. 113-06, on August 3, 2010 by Ordinance No. 210-10, on June 22, 2017 by Ordinance No. 123-17, and on July 16, 2018 by Ordinance No. 0166-18; and,
- WHEREAS, On June 3, 2010, the former Redevelopment Agency Commission of the City and County of San Francisco (the “**Former Agency**”) took several actions approving (or recommending for approval of) a program of development for approximately 700 acres of land within the BVHP Plan and HPS Plan areas (“**CP/HPS2 Project**”) including a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) by and between the Former Agency and CP Development Co., LLC (“**Developer**”); and,
- WHEREAS, The Disposition and Development Agreement, was amended by the First Amendment, dated as of December 19, 2012, the Second Amendment, dated as of December 1, 2014, the Third Amendment, dated as of August 10, 2018, and the Fourth Amendment, dated as of September 3, 2024 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “**DDA**”); and,

WHEREAS, In connection with the execution of the DDA, the Redevelopment Agency and the City executed and delivered the Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated for reference purposes only as of June 3, 2010, as attached as Exhibit A (the “**Original Pledge Agreement**”); and,

WHEREAS, The purpose of the Original Pledge Agreement is to provide for: 1) the irrevocable pledge of all net available tax increment from the Project Site for the purposes of financing or refinancing the construction of public infrastructure and certain other public improvements on the Project Site; and 2) the irrevocable pledge of housing increment for affordable housing. As set forth in the Financing Plan attached to the DDA, the Agency will incur specific obligations to finance certain costs of the Project, including the pledge of tax increment from the Project Site for public improvements and affordable housing purposes, subject to the approval of the Board of Supervisors. Tax increment from the Project Site or the proceeds of bonds secured by a pledge of tax increment will be used to make payments on indebtedness of the Agency to pay or otherwise reimburse directly the costs of public infrastructure or other public improvements; and,

WHEREAS, Pursuant to California Health and Safety Code §§ 34170 et seq. (the “**Dissolution Law**”), the Former Agency was dissolved as of February 1, 2012; and,

WHEREAS, The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure, herein “**Successor Agency**” or “**OCII**”) is completing the enforceable obligations of the Former Agency with regard to the HPS and BVHP Project Areas, including implementation of the CP/HPS2 Project, under the authority of the CRL as amended by the Dissolution Law, and under San Francisco Ordinance No. 215- 12 (Oct. 4, 2012) (establishing the Successor Agency Commission (“**Commission**”) and delegating to it state authority under the Dissolution Law); and,

WHEREAS, On December 14, 2012, the California Department of Finance determined “finally and conclusively” that the DDA and tax allocation pledge agreements, including the affordable housing programs, are enforceable obligations under the Dissolution Law; and,

WHEREAS, On September 13, 2023, the Governor signed into law Senate Bill 143 (2023) (“**SB 143**”) which amended Health & Safety Code section 34177.7 to add subdivision (j) which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the Project. SB 143 provides that the applicable time limits for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness and receive property taxes will be established in the Project agreements. SB 143 further clarified that

Redevelopment Dissolution Law does not “limit the receipt and use of property tax revenues generated from the HPS Redevelopment Plan project area or Zone 1 of the BVHP Redevelopment Plan project area” in connection with the Project; and,

WHEREAS, The parties now propose a first amendment to the Original Pledge Agreement (“**First Amendment**”) to implement the provisions of SB 143; and,

WHEREAS, As authorized by SB 143, the First Amendment authorizes the Successor Agency to use tax increment funds from Zone 1 of the BVHP Redevelopment Plan Area and Phase 2 of the Shipyard Redevelopment Plan Area to finance the Qualified Project Costs and other costs necessary for the Project throughout both Zone 1 of Project Area B of the BVHP Redevelopment Plan Area and Phase 2 of the Shipyard Redevelopment Plan Area, including the issuance of tax allocation debt secured by a pledge of property tax increment from the BVHP Redevelopment Plan Area and the Shipyard Redevelopment Plan Area, subject to the time limits in the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan on incurring indebtedness; and,

WHEREAS, To implement SB 143, the First Amendment provides that the Successor Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Phase 2 of the Shipyard Redevelopment Plan Area beyond thirty (30) years from the Initial HPS Transfer Date (as defined in the HPS Plan) plus an additional fifteen (15) years which represents the “Anticipated Navy Delay” (as defined in the First Amendment and further described below). The Agency may not pay indebtedness or receive property taxes from Phase 2 of the Shipyard Redevelopment Plan Area after forty-five (45) years after the Initial HPS Transfer Date plus an additional fifteen (15) years which represents the Anticipated Navy Delay. The Navy has recently informed OCII that completion of remediation and conveyance of all portions of Phase 2 of the Shipyard Redevelopment Plan Area, excluding Parcel F, to Developer will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. As shown in the correspondence from the Navy attached as Exhibit 1 to this Resolution, this estimated delay (defined as the Anticipated Navy Delay in the First Amendment) warrants an additional extension of the redevelopment timelines referenced in this paragraph established pursuant to SB 143 to include fifteen (15) additional years for purposes redevelopment activities on the Shipyard Site and related tax increment financing; and,

WHEREAS, To implement SB 143, the First Amendment provides that the Successor Agency may not incur or establish loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond thirty (30) years from the 2024 Plan Amendment Date (as defined in the BVHP Plan). The Successor Agency may not pay indebtedness or receive property taxes pursuant Health & Safety Code section 33670 from Zone 1 of Project Area B after forty-five (45) years from the 2024 Plan Amendment Date. Solely for the purpose of incurring or establishing loans, advances or indebtedness, or using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other costs

necessary to complete the enforceable obligations in Phase 2 of the Shipyard Redevelopment Plan Area, the time limits referenced in this paragraph shall include an additional fifteen (15) years which represents the Anticipated Navy Delay as described in the preceding paragraph; and,

WHEREAS, Consistent with the BVHP Plan and HPS Plan, which set forth the maximum bonded indebtedness that can be outstanding at any one time for both Zone 1 of the BVHP Project Area and Phase 2 of the HPS Project Area, the First Amendment establishes that the collective, single limit on the amount of bonded indebtedness that can be outstanding at one time for both the for both Zone 1 of the BVHP Project Area and Phase 2 of the HPS Project Area is \$5.9 billion in the aggregate; and,

WHEREAS, The Pledge Agreement will increase the amount of revenues to the taxing entities by enhancing and promoting the development of the CP/HPS2 Project, facilitate the revitalization of the community and encourage further investment in the area, and generate employment opportunities throughout the CP/HPS2 Project area; and,

RESOLVED, That the Commission hereby finds that the First Amendment is included in the actions identified in Resolution No. 22-2024 for purposes of compliance with CEQA; and be it further

RESOLVED, That in Resolution No. 22-2024, adopted on September 3, 2024, the Commission adopted findings that various actions facilitating modification of the CP/HPS2 Project, including the First Amendment, were in compliance with CEQA. Said findings are on file with the Commission Secretary and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein; and be it

RESOLVED, That the Commission approves the First Amendment substantially in the form lodged with the Commission Secretary, subject to Oversight Board and DOF approval as required under the Dissolution Law; and be it further

RESOLVED, That the Commission authorizes the OCII Executive Director, prior to execution, to make changes and take any and all steps, including but not limited to the attachment of exhibits and the making of corrections, as necessary or appropriate to consummate the First Amendment, provided, however, such changes and steps do not materially increase the burdens and responsibilities of OCII or materially decrease the benefits to OCII from the First Amendment; and be it further

RESOLVED, That the Commission authorizes the OCII Executive Director to take all actions as may be necessary or appropriate, to the extent permitted under applicable law and under the First Amendment, to effectuate OCII's performance thereunder.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of September 3, 2024.



Commission Secretary

EXHIBIT 1: Email correspondence from Danielle Janda to the Office of Community Investment and Infrastructure dated July 30, 2024, with accompanying Attachment “Hunters Point Naval Shipyard” schedule dated 5/10/2024.

From: [Janda, Danielle L CIV USN \(USA\)](#)
To: [Hussain, Lila \(CII\)](#)
Cc: [Pound, Michael J CIV USN NAVFAC WASHINGTON DC \(USA\)](#); [Moss, Curtis M CIV USN \(USA\)](#)
Subject: HPNS Updated FFS Schedule
Date: Tuesday, July 30, 2024 12:33:07 PM
Attachments: [REVISED TAB B HPNS Schedule Revised Final May 10 2024.pdf](#)

Good Afternoon Lila,

In May, the Secretary of the Navy provided a letter to Speaker Emerita Pelosi that laid out our current schedule. In that letter we had updated the FFA schedule to account for the objects found in Parcels B and C.

I attached a modified version of the table. Will this work for your purposes of updating the FFA schedule? I don't want to do something different and risk mistakenly providing dates that do not match what we gave Speaker Emerita Pelosi.

V/r,

Danielle Janda
Base Closure Manager
NAVFAC HQ
Navy BRAC PMO West
33000 Nixie Way
Bldg 50, 2nd Floor
San Diego, CA 92147
Phone: 619-524-5683

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN**

Prepared by:

**The Office of Community Investment and Infrastructure,
as the Successor Agency to the San Francisco Redevelopment Agency**

**September 3, 2024
As updated September 6, 2024**

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN**

I. INTRODUCTION

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), has prepared this report (“Report”) to the Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) on an amendment (“Plan Amendment”) to the Bayview Hunters Point Redevelopment Plan (“BVHP Plan” or “Redevelopment Plan”), in accordance with the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (“CRL”). On September 3, 2024, by Resolution No. 25-2024, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure, (“Commission”) approved the Plan Amendment and, by Resolution No. 23-2025, approved this Report and authorized its transmittal to the Board of Supervisors.

OCII is simultaneously proposing to amend the BVHP Plan and the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”) to facilitate the development of the Candlestick Point-Hunters Point Shipyard Phase 2 project (“CP-HPS2 Project” or “Project”) and to ensure the financial and economic feasibility of the CP-HPS2 Project.

The BVHP Plan establishes land use controls for development in the Bayview Hunters Point Redevelopment Project Area (“BVHP Project Area”). The Plan Amendments, which are further described in Section III, are intended to advance the development and revitalization of Zone 1 of the BVHP Project Area (also referred to as “Candlestick Point”), which includes the development of the CP-HPS2 Project, which was approved in 2010. The CP-HPS2 Project is located within Zone 1 of the BVHP Project Area and Phase 2 of the HPS Plan Project Area.

The CP-HPS2 Project will provide up to 10,672 new homes, approximately 32% of which will be affordable, millions of square feet of commercial uses, over 300 acres of parks and open space, and significant jobs and community benefits. As originally conceived, the CP-HPS2 Project was intended to be developed in a cohesive manner where phases of development within portions of Candlestick Point and Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”) would occur simultaneously. While the CP-HPS2 Project has progressed since 2010, there have been challenges that have impeded the timely implementation of the CP-HPS2 Project. Since 2010, the clean-up of the Shipyard Site has faced unprecedented and extraordinary delays due to the fraud committed by the United States Navy’s contractor and the ongoing additional investigation, testing, and remedial activities resulting from such fraud, substantially delaying the overall development of the CP-HPS2 Project. In addition, the initial development program contemplated for the CP-HPS2 Project contemplated a new stadium at the Shipyard Site for the San Francisco 49ers (“49ers”). However, in 2011, the 49ers announced that they would build a new football stadium in the City of Santa Clara, vacating the former stadium located on the Candlestick Site in 2014. The newly vacant 49ers stadium therefore needed to be demolished, which was completed by the end of 2015. Furthermore, in 2012, the State of California dissolved the former Redevelopment Agency of the City and County of San Francisco (“SFRA”). These unique challenges impeded the timely implementation of the Project, and as a result of these

delays, Candlestick Point and the Shipyard Site can no longer be developed in concert as originally conceived.

As further detailed in this Report, the purpose of the Plan Amendment is to advance the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project by: 1) authorizing the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area with a corresponding reduction in those uses at Phase 2 of the HPS Project Area; 2) clarifying that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B; 3) implement SB 143 (defined in Section III.D) by extending the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B; 4) authorizing property tax increment revenues from Phase 2 of the HPS Project Area and Zone 1 of the BVHP Project Area to be combined to fund costs under the Project agreements; and 5) adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area.

II. OVERVIEW OF THE REPORT ON THE PLAN AMENDMENT

This Report is prepared pursuant to CRL Sections 33457.1 and 33352, which delineate the information that the Successor Agency must provide to the Board of Supervisors for its consideration of an amendment to a redevelopment plan. The Report is an integral step in the process to consider the proposed Plan Amendment and is a public document designed to provide comprehensive information the Board of Supervisors must consider when determining whether or not to adopt the Plan Amendment.

The contents of this Report provide the information required for redevelopment plan amendment “to the extent warranted” by the proposed amendment pursuant to Health & Safety Code Section 33457.1. The contents of this Report, as described below, are consistent with the CRL, and include the following:

- Description of the Plan Amendment;
- Reason for the Plan Amendment (subsection (a) of Section 33352 of the CRL);
- Description of how the Plan Amendment will improve or alleviate blighting conditions (subsection (b) of Section 33352 of the CRL);
- Proposed method of financing the redevelopment of the Project Area as applicable to the Plan Amendment (subsection (e) of Section 33352 of the CRL);
- Discussion of the Planning Commission’s forthcoming report and recommendation regarding conformity of the Plan Amendment to the General Plan, as required (subsection (h) of Section 33352 of the CRL and Section 4.105 of the San Francisco Charter);

- Consultation with the community;
- Report on the environmental review required by Section 21151 of the Public Resources Code as applicable to the Plan Amendment (subsection (k) of Section 33352 of the CRL); and
- The neighborhood impact report (subsection (m) of Section 33352 of the CRL).

III. DESCRIPTION OF THE PLAN AMENDMENT

A. Background

On May 23, 2006, the Board of Supervisors amended, by Ordinance No. 113-06, the Hunters Point Redevelopment Plan to add approximately 1,575 acres and rename it as the Redevelopment Plan for the Bayview Hunters Point Project Area. On August 3, 2010, the Board of Supervisors approved, by Ordinance No. 210-10, amendments to the BVHP Plan that divided Subarea B of the BVHP Project Area into two zones, Zone 1 (or “Candlestick Point”) and Zone 2. OCII retains land use authority within Zone 1 and the BVHP Plan supersedes the Planning Code for Zone 1 unless otherwise provided. The San Francisco Planning Department retains jurisdiction over Zone 2, which is subject to the San Francisco Planning Code. Maps delineating the BVHP Project Area Boundary and Redevelopment Zones are included in Exhibit A.

In 2010, the SFRA and the City and County of San Francisco (“City”) undertook a series of actions to approve the development of the CP-HPS2 Project. At Candlestick Point, the CP-HPS2 Project proposed two development alternatives, primarily distinguished by the presence or absence of a football stadium. Subsequent to the 2010 actions, the San Francisco 49ers football team elected to construct a new football stadium outside of San Francisco, and as a result, the Successor Agency and CP Development Co. LLC, the master developer of the CP-HPS2 Project (“**Developer**”), have been focused on implementation of the non-stadium development alternative.

B. CP-HPS2 Project

The SFRA and the Developer entered into the Disposition and Development Agreement for the Candlestick Point-Hunters Point Shipyard Phase 2 Project, as amended by the First Amendment to DDA, dated as of December 19, 2012, as amended by the Second Amendment to DDA, dated as of December 1, 2014, and as amended by the Third Amendment to DDA, dated as of August 10, 2018 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “DDA”). Following the Project’s approval in 2010, the State of California enacted legislation in 2011 that dissolved redevelopment agencies in the State, including the SFRA.

Redevelopment Dissolution Law became effective on February 1, 2012. The Oversight Board and California Department of Finance have recognized and approved the DDA and the Original Pledge Agreement as enforceable obligations that survived redevelopment dissolution, and approved recognized obligation payment schedules that include various obligations and commitments relating to these enforceable obligations.

The Project's initial development program included a new stadium at the Shipyard Site for the San Francisco 49ers. In 2014, the 49ers moved to a new stadium in the City of Santa Clara and the Developer proceeded with the Project under the Project's non-stadium alternative. In 2015, the Developer completed the demolition of the former 49ers' stadium, and the City transferred the land to the Developer. From 2014 to 2016, the Developer performed groundwork and utility work around Candlestick Center (neighborhood located within the southwest quadrant of Candlestick Site) to facilitate additional development within the area.

The Developer has funded over \$116 million of community benefits and investment associated with the development program, which includes contributions to the Southeast Health Center, scholarship funds, and infrastructure and housing investments for the new Alice Griffith development. In 2019, the Developer delivered infrastructure related to the development of 337 units as part of the Alice Griffith Replacement Project, including 226 Alice Griffith Replacement Units and 111 Agency Affordable Units.

Commencing in May 2018, the Excusable Delay provisions of the DDA became applicable to all dates in the Schedule of Performance for the Shipyard Site because of ongoing Navy parcel transfer delays that were not in the control of the Developer. As a result, all dates in the Schedule of Performance for the Shipyard Site are no longer applicable given the severity of the ongoing delays.

C. Prior Plan Amendments

Following the approval of the CP-HPS2 Project in 2010, the Board of Supervisors approved amendments to the BVHP Plan on June 22, 2017, by Ordinance No. 121-17.

On July 16, 2018, the Board of Supervisors approved amendments to the BVHP Plan by Ordinance No. 0167-18.

These amendments in 2017 and 2018 amended the land use regulations of the BVHP Plan to facilitate the development of the CP-HPS2 Project in a manner that best responds to market demands, maximizes economic development and employment generation within Candlestick Point and the surrounding community, consistent with the objectives of the BVHP Plan and HPS Plan.

D. Senate Bill 143

On September 13, 2023, the Governor signed Senate Bill 143 (2023) (codified at Section 34177.7(j) of the California Health and Safety Code) ("SB 143") into law. SB 143 amends Health & Safety Code section 34177.7 to add subdivision (j), which states that "the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply" to the CP-HPS2 Project. SB 143 provides that the applicable time limits referenced in the preceding sentence will be established in the CP-HPS2 Project agreements, including the DDA. SB 143 further clarified that Redevelopment Dissolution Law does not "limit the receipt and use of property tax revenues generated from the HPS Redevelopment Plan

project area or Zone 1 of the BVHP Redevelopment Plan project area” in connection with the CP-HPS2 Project.

E. 2024 Plan Amendment

The primary purpose of the Plan Amendment is to facilitate the successful implementation of the CP-HPS2 Project and realize the CP-HPS2 Project’s vision of bringing significant housing, jobs, and community benefits to Candlestick Point and the Shipyard Site. As with the adoption of the 2010 Plan Amendment, the fundamental purpose of the Plan Amendment is to provide the Successor Agency with the necessary financial and legal resources and tools to complete the needed program of redevelopment in Zone 1 of Project Area B in order to:

- Eliminate the significant blight identified in Project Area B;
- Facilitate the economic development of Project Area B including the provision of additional job opportunities for local residents;
- Provide additional quality affordable housing for residents of the Bayview and the entire community;
- Implement the objectives of voter-approved Proposition G.

Specifically, the Plan Amendment would, if adopted:

Land Use and Development Program Modifications

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.
- Clarify that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B.

Redevelopment Plan Time Limits

Implement SB 143 by establishing the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B as follows:

- **Time Limit to Incur Debt.** Establish that the time limit for establishing loans, advances, and indebtedness in connection with Zone 1 of Project Area B shall be 30 years from the 2024

Plan Amendment Date¹. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the above-referenced time limit for establishing loans, advances, and indebtedness shall be a) thirty (30) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional 15-year extension of the redevelopment timelines for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing.

- **Effectiveness of the Plan.** Establish that the time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the effectiveness of the BVHP Plan for Zone 1 shall be a) thirty (30) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the above-referenced time limit for repayment of indebtedness and receipt of property taxes shall be a) forty-five (45) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit

- Consistent with SB 143’s authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the Plan Amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The Plan Amendment establishes that

¹ The “2024 Plan Amendment Date” is defined in the BVHP Plan to mean the date on which the Board of Supervisors ordinance adopting the Plan Amendments becomes effective.

the aggregate total amount of bonded indebtedness of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

Table 1 summarizes the current and proposed time and fiscal limits.

**Table 1
Summary of Existing and Proposed Time and Fiscal Limits
Bayview Hunters Point Redevelopment Project Area**

	Project Area B	
	Current	Proposed
Time Limits (Zone 2 of Project Area B)		
Eminent Domain	6/1/2018	No change
Incurring Debt	6/1/2026	No change
Plan Effectiveness (Project Activities)	6/1/2036	No change
Tax Increment Collection/Repayment of Project Area Debt	6/1/2051	No change
Time Limits (Zone 1 of Project Area B)		
Incurring Debt	6/1/2026	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit got incurring debt shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Plan Effectiveness	6/1/2036	30 years from the 2024 Plan Amendment Date.

		Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the effectiveness of the BVHP Plan for Zone 1 shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Repay Indebtedness and Receive Property Taxes	6/1/2051	45 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Fiscal Limit		
Limit on Bonded Indebtedness	\$800 million	\$5.9 billion (combined limit on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of HPS Project Area)

The proposed amendments to the time limits described above and the limit on the amount of bonded indebtedness will also be set forth in applicable Project agreements, including the DDA, which the Oversight Board of the City and County of San Francisco and State of California Department of Finance will have the opportunity to review and approve.

IV. DESCRIPTION OF AGENCY'S REDEVELOPMENT PROGRAM

The proposed Plan Amendment is intended to support the Agency's Redevelopment Program (Agency's Affordable Housing Program and Non-Housing Redevelopment Program) within Zone 1 of Project Area B and to enable the Agency to continue meeting its redevelopment mission in the City. The presence of blighting conditions in the Project Area warrants continued redevelopment activities and the Agency's Redevelopment Program is organized broadly into two categories that reflect the division of tax increment revenues into funds that can be used specifically to the Agency's affordable housing efforts and all other development and redevelopment activities. The CP-HPS2 Project, which includes redevelopment activities in Zone 1 of BVHP Project Area B and Phase 2 of the HPS Project Area will alleviate blight in the Project Area and stimulate additional economic development, community enhancements, and affordable housing opportunities in the Bayview.

V. REASONS FOR PLAN AMENDMENTS

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(a) The reasons for the selection of the project area, a description of the specific projects then proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b).

A. Introduction

CRL Sections 33352(a) and 33457.1 require that to the extent necessary, the Report include the reasons for selecting a redevelopment project area. As Zone 1 of Project Area B was previously selected and established, and the Plan Amendment does not propose the addition of any new territory, the summary of the reasons the Project Area was selected and established are set forth in the Report to the Board of Supervisors for the 2010 Plan Amendment and remain unchanged in connection with the Plan Amendments.

B. Reasons for 2024 Plan Amendments

The Plan Amendments provide the mechanisms to facilitate and finance the development of the CP-HPS2 Project in Candlestick Point. Many of the blighting conditions identified in Project Area B in the Report to the Board of Supervisors for the 2010 Plan Amendment remain. Without the Plan Amendments, the redevelopment activities proposed for Candlestick Point in connection with the CP-HPS2 Project would not be feasible.

1. Amendment to Redevelopment Plan Time Limits

a. Without the Plan Amendments the Existing Statutory Time Limits Will Expire Starting in 2026

The BVHP Plan currently establishes the following time limits: 1) a 30-year time limit on the effectiveness of the BVHP Plan; 2) a 20-year time limit on establishing loans, advances and indebtedness; and 3) a 45-year time limit to repay indebtedness. The DDA and Tax Allocation Agreement, both enforceable obligations, specifically refer to and implement certain of these time limits. As shown in Table 1 above, certain of these time limits are quickly approaching, with the earliest time limit – the time limit for establishing loans, advances, and indebtedness – set to expire on June 1, 2026.

Since 2010, the clean-up of the Hunters Point Shipyard site has faced unprecedented delays due to the ongoing investigation, re-testing, and litigation related to the fraudulent work by the Navy’s contractor. When the Project was approved in 2010, the Navy was anticipated to complete the environmental remediation in 2015. Since that time, the Navy’s completion of the environmental remediation of the Shipyard property has been further delayed. The Navy has recently informed the Successor Agency that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy. These Navy delays have impeded the timely implementation of the CP-HPS2 Project, adversely impacting the Developer’s redevelopment activities on both Candlestick Point and the Shipyard Site and substantially delaying the overall CP-HPS2 Project. Given the significant delays facing the CP-HPS2 Project, imposing the statutory time limits described above means that the amount of tax increment financing that the Successor Agency can receive will be severely impacted, and would imperil the viability and financial feasibility of the CP-HPS2 Project. The expiration of the 20-year time limit on establishing loans, advances and indebtedness on June 1, 2026 would prevent the Successor Agency from entering into new bonded indebtedness that would be necessary to carry out its redevelopment activities within Zone 1 of Project Area B. In addition, given the extraordinary delays facing the CP-HPS2 Project caused by the fraud committed by the Navy’s contractor, the Developer and Successor Agency would not be able to complete all project activities within Zone 1 of Project Area B by June 1, 2036.

Therefore, extending the time limit on establishing loans, advances, and indebtedness is necessary for the Successor Agency to access tax increment financing and associated bonding capacity as the cost of the CP-HPS2 Project’s infrastructure, park and open space development, and community benefits will far exceed projected revenues. The extension of the time limits as proposed by the Plan Amendments is therefore critical to ensuring there are adequate funding sources to finance the construction of public infrastructure, parks and open space, and other community benefits contemplated by the CP-HPS2 Project and ensuring that the effectiveness of the BVHP Plan provides adequate time for the completion of the CP-HPS2 Project and other redevelopment activities within Zone 1 of Project Area B.

b. Plan Amendments Implement SB 143

Recognizing the significant adverse impact of the expiration of the above-referenced time limits, the State Legislature adopted, and the Governor signed into law, SB 143, which amended Health & Safety Code section 34177.7 to add subdivision (j), which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the CP-HPS2 Project. Accordingly, the CRL’s 30-year time limit on the effectiveness of the BVHP Plan, 20-year time limit on establishing loans, advances and indebtedness, and the 45-year time limit to repay indebtedness and receive property taxes, do not apply to Zone 1 of Project Area B.

Consistent with SB 143, the Plan Amendments include the following amended time limits which are set forth in the CP-HPS2 Project agreements, including the DDA and Pledge Agreement:

Table 2 Time Limits (Zone 1 of Project Area B)		
	Current	Proposed
Incurring Debt	6/1/2026	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for incurring debt shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Plan Effectiveness	6/1/2036	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the

		effectiveness of the BVHP Plan for Zone 1 shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Repay Indebtedness and Receive Property Taxes	6/1/2051	45 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.

c. Plan Amendments Advance the CP-HPS2 Financing Plan Funding Goals

The Plan Amendments advance the Funding Goals identified in the Financing Plan for the CP-HPS2 Project. In particular, the Plan Amendments further the Financing Plan’s Funding Goals of maximizing funding sources available to finance Qualified Project Costs, community benefits, and affordable housing. The Financing Plan, which was approved in 2010, identified Funding Goals for the CP-HPS2 Project which included promoting “financial self-sufficiency in the development of the Project by encouraging substantial private capital investment, contributing public land in the Project Site to facilitate the provision of public benefits of the Project, and using Funding Sources to finance Qualified Project Costs[.]” The Funding Sources identified in the Financing Plan include tax increment financing.

The CP-HPS2 Project is financially infeasible without public financing through tax increment financing. The time limits proposed by the Plan Amendments for incurring debt and repaying indebtedness and receiving property taxes are necessary to ensure there is sufficient time to access tax increment financing in order to finance Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the DDA) of the CP-HPS2 Project. In addition, the extension of the time limit for the effectiveness of the BVHP Plan is needed to ensure that the Successor Agency retains land use authority within Zone 1 of the BVHP Plan during the buildout of the CP-HPS2 Project.

As set forth in Table 1 above, solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limits include an additional 15 years for Anticipated Navy Delay. The additional 15-years provided for the Anticipated Navy Delay is consistent with the Project’s Funding Goals for the following reasons:

- 30-year bonds are the most effective and cost-efficient financing tools – and are most consistent with the Project’s adopted “Funding Goals” as reflected in the Financing Plan.
- For 30-year bonds secured by Candlestick Point tax increment financing to remain available to finance 2054 development activities at the Shipyard Site, it is necessary for repayment of Shipyard indebtedness through Candlestick Point tax increment financing to be authorized through 2084, or 60 years (45 plus 15) from the 2024 Plan Amendment Date.
- Reliance on 15-year bonds instead of 30-year bonds, which would be required absent the additional 15 years for Anticipated Navy Delay, would result in a nearly 45% reduction in bonded amounts, as shown below:

	Full	Reduced	Change
Bond Term	30 Yrs	15 Yrs	-15 Yrs
Rate	5.50%	5.50%	0%
Payment	\$1	\$1	\$0
Bond PV	\$14.53	\$10.04	-44.8%

- Shorter 15-year bond terms, as would be required absent the additional 15 years for Anticipated Navy Delay, do not merely affect the Developer’s delivery of Project infrastructure, parks, and community benefits, it would also negatively impact the Agency’s ability to maximize leverage of its 20% affordable housing set-aside.
- Making 30-year bond instruments unavailable to the final stages of development would be inconsistent with the Funding Goals adopted by the Agency when the Project was originally approved. Those Funding Goals include:
 - To “maximize Funding Source available to finance Qualified Project Costs by among other things, to the extent reasonably feasible and consistent with this Financing Plan, using tax-exempt debt...” (Section 1.1(a)(iii));
 - To “promote financial self-sufficiency in the development of the Project by encouraging substantial private capital investment . . . ”
- Ensuring availability of 30-year bonds in the final stages of development encourages private investment by demonstrating a robust set of public financing tools.

d. Plan Amendments Are Necessary to Address Navy Delays and to Advance Development on the Shipyard Site

The extraordinary Navy delays at the Shipyard Site and the substantial cost increases during the period of delay have resulted in significantly increased CP-HPS2 Project costs overall, which has deepened the need for cross-funding and extended timelines for the recovery of Qualified Project Costs. The additional 15-years provided for the Anticipated Navy Delay will allow tax increment from Zone 1 of the BVHP Project Area to be used to help finance and advance the development of Phase 2 of the HPS Project Area. Assuming currently anticipated Navy delays in final land delivery of 2036-2038, which includes time needed for a Finding of Suitability for Transfer and associated conveyance documentation, it is estimated that redevelopment activities would still be occurring at the Shipyard Site in 2054 that will require cross-funding from Candlestick Point tax increment financing. Since the Project’s inception, development of infrastructure on the Shipyard Site has depended significantly on cross-funding from Candlestick Point through Community Facilities District (“CFD”) proceeds.

While the redevelopment timelines would be extended, the Project’s Fiscal Impact Analysis demonstrates that Candlestick Point, upon its build-out, will generate a net surplus in revenues from other taxes (sales tax, etc.) of \$23.3M per year, which will flow to the City’s General Fund.

e. Plan Amendments Bridge the Gap Between Revenues and Costs

While it may be possible legally to further increase CFD rates on existing and future CP-HPS2 residents (up to the very maximum allowed under the City’s code), such increases would not be competitive with other comparable projects and would therefore make development parcels in the CP-HPS2 Project unmarketable. Increased CFD rates also would overburden Bayview residents and would still be far inadequate to make up for the currently projected shortfall between Project revenues and costs.

Tax increment financing has always been essential to the financial viability of the CP-HPS2 Project. The time extensions described above – which ensure availability of tax increment financing to pay for affordable housing, community benefits, and Qualified Project Costs – are therefore essential for the Project to achieve goals and objectives of both the BVHP Plan and the City’s 2022 Housing Element. In addition, extended timelines protecting tax increment financing availability will accelerate development of the Shipyard Site, which will result in earlier and greater tax revenues to the taxing entities as well as earlier funding for affordable housing.

2. Amendment to Limit on Bonded Indebtedness

The Plan Amendment will adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of Project Area B and Phase 2 of the HPS Project Area. The adjusted single limit on bonded indebtedness proposed by the Plan Amendment is \$5.9 billion. Of this combined single limit on bonded indebtedness, it is estimated that approximately \$3.3 billion in bonded indebtedness may be required for Zone 1 of Project Area B and up to \$2.6 billion in

bonded indebtedness may be required for Phase 2 of the HPS Project Area. These estimates are informational and shall not operate as limits upon bonded indebtedness within Zone 1 of Project Area B and Phase 2 of the HPS Project Area, respectively.

In 2010, the aggregate total limit on bonded indebtedness between Candlestick Point and the Shipyard Site was \$1.7 billion, with the limit set at \$800 million at Candlestick Point and \$900 million at the Shipyard Site. The limits on bonded indebtedness have not been adjusted since the Project's approval in 2010. Therefore, while the costs related to the construction of residential and commercial property have increased significantly since the Project's approval in 2010, the limit on bonded indebtedness has not been adjusted to reflect the significant increases in project costs and inflation over the past fourteen years.

The proposed Plan Amendment to establish a single limit on bonded indebtedness is necessary to address increases in project costs and inflation since 2010, and to reflect projected future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area B and Phase 2 of the HPS Project Area progress over the life of the Redevelopment Plan as reflected in the proposed Plan Amendments.

Establishing a single limit on bonded indebtedness is also consistent with SB 143's authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B. Further, as detailed in this Report, the remaining adverse conditions in Zone 1 of Project Area B are substantial and prevalent and continue to represent a significant burden on the community that cannot be eliminated under the current \$800 million limit. To maintain the Successor Agency's ability to alleviate blight and promote economic growth in Candlestick Point, including facilitating the development of the CP-HPS2 Project, an increase in the limit on bonded indebtedness for both Project Areas in the amount of \$5.9 billion is needed.

The method for calculating the adjusted limit of bonded indebtedness is further described in Section VII and summarized in Exhibit B and Exhibit C.

3. Land Use and Development Program Amendments

The Plan Amendments would authorize the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. The Plan Amendments would further clarify that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B. In addition, the Plan Amendments would allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

These Plan Amendments support redevelopment of the Candlestick Point in a manner that responds to changes in market conditions to provide for economically feasible development. The Plan Amendment would provide certainty as to overall maximum development under the BVHP Plan, while allowing flexibility in development over the anticipated buildout of Candlestick Point. This flexibility will maximize the potential for long-term economically successful development within Candlestick Point.

The following objectives and goals, as described in Section 1.2 of the BVHP Plan would be further advanced by the adoption of the Plan Amendment:

- Strengthening the economic base of the Project Area and the community by strengthening retail and other commercial functions within the Project Area through the facilitation of new retail space, and as appropriate, new commercial and light industrial uses.
- Providing public parks and open space.
- Encouraging participation of area residents in the economic development that will occur.
- Removing structurally substandard buildings, removing impediments to land development, and facilitating modern, integrated development with improved pedestrian and vehicular circulation within the Project Area and vicinity.
- Redesigning and developing undeveloped and underdeveloped areas, which are improperly utilized.
- Eliminate blighting influences and correcting environmental deficiencies within the Project Area, including, abnormally high vacancies, abandoned, deteriorated and dilapidated buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities, and utilities.
- Providing flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

VI. DESCRIPTION OF HOW THE PLAN AMENDMENT WILL IMPROVE OR ALLEVIATE BLIGHT

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(b) A description of the physical and economic conditions specified in Section 33031 that exist in the area that cause the project area to be blighted. The description shall include a list of the physical and economic conditions described in Section 33031 that exist within the project area and a map showing where in the project the conditions exist. The description shall contain specific, quantifiable evidence that documents both of the following:

(1) The physical and economic conditions specified in Section 33031.

(2) That the described physical and economic conditions are so prevalent and substantial that, collectively, they seriously harm the entire project area.

The physical and economic conditions of blight existing in the BVHP Project Area at the time of adoption of the 2010 Plan Amendment and described in the Report to the Board of Supervisors for the 2010 Plan Amendment remain substantially the same. The Project Area continues to be characterized by vacant and underutilized land, stagnant property values, and inadequate public improvements.

Since 2010, the Developer has made progress on the development of the CP-HPS Project. The Developer completed the construction of 337 affordable residential units, which includes 226 Alice Griffith Replacement Units and 111 additional affordable units. The master developer has also acquired fee title from the City of the property that included the 49ers stadium and completed the demolition of the stadium in 2015. The Developer also performed preliminary groundwork and utility work around Candlestick Center to facilitate additional development within the area.

The Plan Amendment will continue to improve or alleviate the adverse conditions in the BVHP Project Area through the development of under-utilized land, economic development activities, community enhancement efforts, affordable housing activities, and the delivery of public parks and open space. Allowing for the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to those portions of Zone 1 of the BVHP Project where such uses are permitted will strengthen the achievement of an economically vibrant mixed-use development and improve the economic base of the BVHP Project Area by facilitating a diversity of land uses, including job-generating uses.

As detailed in this Report, the Plan Amendments will further improve or alleviate the adverse conditions in Zone 1 of Project Area B by establishing CP-HPS2 Project-specific time limits for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B. As discussed in Section V, the extension of these time limits is required in light of the extraordinary Navy delays which have impacted the timely implementation of the Project, and to protect the financial feasibility of the CP-HPS2 Project which rely on tax increment financing to fund Qualified Project Costs.

(d) An explanation of why the elimination of blight and the redevelopment of the project area cannot reasonably be expected to be accomplished by private enterprise acting alone or by the legislative body's use of financing alternatives other than tax increment financing.

The elimination of blight cannot be borne solely by the private sector and private funds. The private sector's ability to alleviate blight is limited by the same factors that were identified in the Report to the Board of Supervisors for the 2010 Plan Amendment.

As set forth in the Financing Plan for the CP-HPS2 Project, the financial feasibility of the CP-HPS2 Project requires various public Funding Sources. Section VII describes the need for the increased bonded indebtedness cap proposed in the Plan Amendment in order to fund the redevelopment of Zone 1 of Project Area B to alleviate the remaining adverse physical and economic conditions in the Project Area.

VII. PROPOSED METHOD OF FINANCING AND FEASIBILITY OF PLAN AMENDMENT

(e) The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

This Section explains why tax increment financing is the primary source of funding and why the Plan Amendment to increase the limit on bonded indebtedness is necessary to accomplish and

complete the goals set forth in the BVHP Plan and to alleviate the remaining blight in the Project Area. As summarized in Section V, blighting conditions in the Project Area continue to be substantial and require tax increment in order to be alleviated.

1. Potential Funding Sources

The proposed Plan Amendment authorizes the Agency to finance its Redevelopment Program using all available funding sources, including local, state and federal sources, and the Agency will make every effort to obtain alternative funding sources as a means to accelerate its Redevelopment Program. However, tax increment financing is the most reliable source of long-term funding available to the Agency.

This section describes funding sources that will likely be available to assist in financing the Agency's Redevelopment Program, which primarily includes the CP-HPS2 Project in Zone 1 of BVHP Project Area B. Some sources described below may generate more funds than estimated, while other sources may generate less. On balance, the estimates of alternative revenues provide an initial assessment of funding availability to determine the need for tax increment revenue to fill the funding gap in the Agency's Redevelopment Program costs.

Tax increment, CFDs, and developer participation are the sources of funding that are most likely to be available to provide funding for the Agency's Redevelopment Program, while private capital will provide funding for upfront costs and initial expenses in order to get the program started. Secondary funding sources are less likely to be available. Complementary sources would not provide direct funding for the Agency's Redevelopment Program. However, they could be used for economic development, business support and expansion, neighborhood improvements, and community enhancement, which would enhance the effectiveness of the Agency's Redevelopment Program.

Table 3 summarizes the potential funding sources other than tax increment that could be available to assist in financing the Agency's Redevelopment Program.

a. Primary Funding Sources

The primary sources of funding that are expected to generate substantial revenues to finance the Agency's Redevelopment Program are tax increment, CFDs, and developer participation and will provide the backbone of funding for the CP-HPS2 Project.

Tax Increment Financing

Tax increment revenue generated by the increase in property values within Zone 1 of Project Area B will continue to be one of three primary sources of funding to support the completion of the CP-HPS2 Project. Section VII.2 details the Agency's projection of tax increment resources that will be available to finance its redevelopment activities in Zone 1 of Project Area B.

Mello Roos Act

A common method for imposing special taxes in California is through a special tax levied pursuant to the Mello-Roos Community Facilities Act of 1982 (the Mello-Roos Act), which

authorizes certain public entities to form a Community Facilities District (CFD). The Mello-Roos Act authorizes the formation of a special tax district to finance capital improvement projects and pay for certain services. Revenues generated through the formation of a CFD are expected to provide significant funding for the redevelopment of Candlestick Point and will be key to the timely implementation of infrastructure improvements necessary for further development.

Developer Participation

Developer participation has been used to help fund redevelopment activities in many communities. The DDA for the CP-HPS2 Project includes a Financing Plan that describes the Developer Return in connection with the CP-HPS2 Project.

b. Secondary Funding Sources

While less significant or less likely to be available than primary funding sources, secondary sources, such as federal, state, and other local funds have helped, and are anticipated to help the Agency in meeting its redevelopment goals and objectives. The level of funding provided by these funding sources will not be sufficient to fully fund the cost of redevelopment activities. Furthermore, many grant programs offer one-time funding allocations and are not a reliable source of funding for future years. Table 3 identifies potential secondary funding sources that the Agency may use to help fund its redevelopment activities.

Table 3

	FY 2024-25 Dollars (a)
Primary Funding Sources	
CP Project Mello-Roos Community Facilities Districts	\$230,000,000
CP Project Developer Participation (b)	\$490,000,000
Total Primary Funding Sources Other than Tax Increment	\$720,000,000
Secondary Funding Sources	
RAISE Grant	\$20,000,000
Federal Grant Opportunities	TBD
MTC State/Regional Transportation Improvement Program	TBD
MTC Transportation for Livable Communities	TBD
CTCAC Low Income Housing Tax Credits DPW/MTC Fuel Tax	TBD
Total Secondary Funding Sources	TBD

Footnotes:

- (a) Figures rounded to the nearest \$10,000,000. Calculations may not precisely match due to rounding.
- (b) The estimates shall not limit the reimbursement of Qualified Project Costs.

2. Tax Increment Projections and Plan Amendments

The BVHP Plan currently imposes specific time and fiscal limits that will affect the amount of tax increment revenue the Agency can receive, as follows:

- **Time Limit to Incur Debt.** The Agency’s ability to enter into new bonded indebtedness is limited to 20 years from the 2006 Plan Amendment Date.
- **Time Limit to Carry Out Projects.** The Agency must complete all project activities within 30 years after adoption of the Redevelopment Plan. This is also referred to as the limit for plan effectiveness.
- **Time Limit to Receive Tax Increment and Repay Debt.** The Agency can collect tax increment for 45 years after the adoption of the Plan to repay debt.
- **Limit on Amount of Outstanding Bonded Indebtedness.** The Redevelopment Plan currently includes a limit of \$800 million on the total amount of outstanding bonded indebtedness secured by tax increment revenue.

Table 1 presents the current limits and the proposed changes to the redevelopment plan time limits and bond limit. As authorized by SB 143, the Plan Amendment will extend the time limits to incur debt, plan effectiveness, and repay debt and receive tax increment for Zone 1 of Project Area B. The Plan Amendments further propose extending the limit on the amount of bonded indebtedness. These Plan Amendments are necessary in order to provide the financing necessary to implement the CP-HPS2 Project and to provide for additional time for the Agency to complete all project activities within Zone 1 of Project Area B.

Table 4 summarizes the total tax increment revenues available to the Agency over the tax increment collection period of the Redevelopment Plan for Zone 1 of Project Area B in both nominal and constant FY 2024/25 dollars under the proposed Plan Amendment. Exhibit B provides a more detailed summary of the tax increment projections over the tax increment collection period under the proposed Plan Amendment. The tax increment projections for tax increment revenues will accrue over time, with limited revenues in the early years of implementation that will grow as the assessed value of Zone 1 of Project Area B increases.

The tax increment projections are intended only as estimates for financial feasibility purposes. Actual tax increment revenues may be higher or lower. The development projections shown in Exhibit B are not intended to predict future development, but rather to provide a reasonable estimate of potential tax increment growth on an average annualized basis. The tax increment projections are based on the best available information and analysis techniques, and actual tax increment generated in each year will likely vary.

The Project Area is projected to generate approximately \$10.5 billion in nominal dollars in gross incremental tax revenues over the life of the Redevelopment Plan under the proposed Plan Amendment. Table 4 shows how the gross tax increment will be distributed to the taxing entities via pass-through payments, and to the Agency for its Housing Redevelopment Program, Non-Housing Redevelopment Program and redevelopment administration.

As required by the CRL, the Agency will deposit 20 percent of gross tax increment revenues from Project Area B into the Affordable Housing Fund over the life of the Redevelopment Plan, equal to about \$2.1 billion in nominal dollars. The tax increment available for the Agency’s Non-

Housing Redevelopment Program projects and activities is projected to be approximately \$5.6 billion in nominal dollars.

Table 4

Tax Increment (TI) Projections	Total (a),(b)
<i>In Nominal (Future) Dollars</i>	
Incremental Tax Revenues	\$10,490,000,000
Less: County Admin Fee	\$0
Subtotal: TI Remitted to Agency	\$10,490,000,000
Agency Obligations	
Less: 20% Housing Set-Aside	\$2,090,000,000
Less: Additional TI for Housing	\$0
Less: Pass-Through Payments	\$2,820,000,000
Subtotal: TI Available for Non-Housing Program and Agency Administration	\$5,580,000,000
Projected Use of Funds:	
Agency Administration (Non-CP)	(a)
<i>In Constant FY 2024-25 Dollars</i>	(a)
Housing Redevelopment Program	\$2,090,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$430,000,000
Non-Housing Redevelopment Program (c),(d)	\$5,580,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$1,170,000,000
Total Redevelopment Program	\$7,670,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$1,600,000,000

Footnotes:

- (a) Zone 1 Only. Project Area B (Non-CP) not included.
- (b) Figures rounded to the nearest \$10,000,000. Calculations may not precisely match due to rounding
- (c) Includes \$5,275,867 in Non-Housing Redevelopment Program prior to FY 2024-25.
- (d) Per Exhibit A of the Acquisition and Reimbursement Agreement, Acquisition Facilities and Authorized Payments for Non-Housing include, but are not limited to:
 - A. Acquisition Facilities:
 - 1. Acquisition
 - 2. Abatement
 - 3. Demolition
 - 4. Auxiliary Water Supply System
 - 5. Low Pressure Water
 - 6. Reclaimed Water
 - 7. Storm Drainage System
 - 8. Separated Sanitary Sewer
 - 9. Combined Sanitary Sewer
 - 10. Joint Trench
 - 11. Earthwork
 - 12. Retaining Walls
 - 13. Roadways, Curb, and Gutter
 - 14. Traffic and Transit
 - 15. Streetscape

16. Parks & Open Space
 17. Shoreline Improvements
 18. Sea Level Rise Adaptations
 19. Hazardous Soil Removal
 20. Any other amounts specifically identified in the DDA or specified in the Candlestick Point and Hunters Point Shipyard Infrastructure Plans, as amended from time to time, as a Project Cost or Additional Community Facilities.
- B. Authorized Payments:
1. Pre-Agreement Costs
 2. Community Benefits Costs
 3. Any other amounts specifically identified in the DDA or specified in the Candlestick Point and Hunters Point Shipyard Infrastructure Plans, as amended from time to time, as a Project Cost.
 4. Any Facility authorized to be financed hereunder may be financed through the payment or reimbursement of fees for such Facility.

3. Increase in Limit on Amount of Outstanding Bonded Indebtedness

The Plan Amendment proposes to merge the existing limits on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of the HPS Project Area into a single limit on bonded indebtedness in the amount of \$5.9 billion.

This section generally describes the methodology used to determine the proposed combined bonded indebtedness cap of \$5.9 billion. Exhibit C includes details of the methodology and calculation described in this Section with a direct comparison to the analogous 2010 calculation by the Successor Agency.

To determine the new proposed combined bonded indebtedness cap for Candlestick Point, the Developer used the same methodology relied on by the Successor Agency in 2010. The 2010 methodology used three calculations to inform the estimated bonded indebtedness limit for Candlestick Point: 1) bonding capacity (Method 1) which yielded a bonded debt need of \$732.5 million; 2) present value of tax increment (Method 2) which yielded a bonded debt need of \$625 million; and 3) tax increment in nominal dollars (Method 3) which yielded a bonded debt need of \$1 billion. Based on the range established by these three calculations (\$625 million to \$1 billion), the Agency determined that a bonded indebtedness limit of \$800 million was needed to fund the BVHP Redevelopment Plan programs and projects.

Using the same three methodologies that the Agency relied on in 2010, the Developer proposes a combined bonded indebtedness cap of \$5.9 billion, which was calculated as follows:

- Under the bonding capacity method (Method 1), the estimated combined total debt for Candlestick Point, as updated with 2024 inputs, is approximately \$2.9 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.5 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$4.5 billion. In 2010, the Agency's consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$3.3 billion for Candlestick Point.

- For the Shipyard Site, under the bonding capacity method (Method 1), the estimated combined total debt, as updated with 2024 inputs, is approximately \$2.3 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.4 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$3.2 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$2.6 billion for the Shipyard Site. This results in the overall combined total of \$5.9 billion (\$3.3B for CP and \$2.6B for HPS = \$5.9B combined).
- The method for calculating the adjusted limit of bonded indebtedness of \$5.9 billion is described in Exhibits B and C and assumes an annual interest rate of five percent (5%) and application of a fifty percent (50%) contingency factor. The industry standard for tax-exempt municipal bonds is to pay an annual interest rate of 5% of the bond principal amount. Investors’ willingness to pay more than 100 cents for each dollar of bond principal depends on whether alternative investments are yielding lower than a 5% interest rate. Based on historical borrowing rate indices and OCII’s prior borrowing rates relative to those indices, OCII’s future bond borrowing rate is expected to be close to 5%. Therefore, using a 5% rate to compute the bonded indebtedness limit principal amount generates an appropriate estimate of the funds OCII would be able to raise from bond investors for this project area. The adjusted limit on bonded indebtedness reflects projected property tax increment plus a contingency factor of 50% to account for variables such as higher assessed values of taxable property, more frequent reassessments due to resales, and the time it takes to buildout the CP-HPS2 Project.

VIII. METHOD OF PLAN FOR RELOCATION

(f) A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which method or plan shall include the provision required by Section 33411.1 that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by the displaced person or family at rents comparable to those at the time of their displacement.

The Plan Amendment does not displace any residents in Zone 1 of Project Area B. Since 2010, the Developer for the CP-HPS2 Project completed the construction of 337 affordable residential units, which includes 226 Alice Griffith Replacement Units and 111 additional affordable units.

IX. REPORT OF THE PLANNING COMMISSION

(h) The report and recommendations of the planning commission.

On September 3, 2024, the Commission approved the Plan Amendment, and by Resolution No. 25-2024, referred it to the Planning Commission for its report and recommendation, and findings of conformity with the General Plan.

The Planning Commission is scheduled on September 12, 2024, to make its finding and determine that the Plan Amendment is in conformity with the General Plan, as amended, and consistent with Planning Code Section 101.1.

X. CONSULTATION WITH THE COMMUNITY

The Successor Agency has provided extensive opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Citizens Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. The following outlines the various community events in connection with the Plan Amendment:

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood Association	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024
San Francisco Housing Action Coalition	June 20, 2024
Community Outreach Workshop (in-person and virtual using Slido)	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Upcoming meetings as of the date of this Report:	
Local contractors	August 27, 2024

Council of Community Housing Organizations	August 28, 2024
Taste of Bayview – Renaissance Entrepreneurship Center event	August 29, 2024
Youth outreach	November 2025 and ongoing

XI. ENVIRONMENTAL REVIEW

(k) The report required by Section 21151 of the Public Resources Code

On June 3, 2010, the Commission of the former Redevelopment Agency of the City and County of San Francisco (“Redevelopment Commission”) by Resolution No. 58-2010 and the Planning Commission by Motion No. 18096, acting as co-lead agencies, certified the Final Environmental Impact Report (“FEIR”) under the California Environmental Quality Act (“CEQA”) for the CP-HPS2 Project. On July 14, 2010, the Board of Supervisors affirmed the Planning Commission’s certification of the FEIR by Resolution No. 347-10 and that various actions related to the Project complied with CEQA. Subsequent to the certification of the FEIR, OCII and the Planning Department prepared Addenda 1 through 6 to the FEIR analyzing certain Project modifications.

On September 3, 2024, OCII, as Lead Agency, approved Addendum 7 to the FEIR, which evaluated the updated land use program of the Plan Amendment and determined that the analyses conducted and the conclusions reached in the FEIR remain valid and no supplemental environmental review is required beyond Addendum 7. With assistance from the Planning Department, OCII has reviewed Addendum 7, the FEIR and the Plan Amendment and determined that development facilitated by the Plan Amendment will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts that would alter the conclusions reached in the FEIR. Accordingly, no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.

XII. NEIGHBORHOOD IMPACT REPORT

(m) If the project area contains low- or moderate-income housing, a neighborhood impact report which describes in detail the impact of the project upon the residents of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood.

The Plan Amendment does not impact or alter the existing affordable housing obligations articulated in the BVHP Plan. Under the CRL, at least 15 percent of all new and substantially rehabilitated dwelling units developed within the BVHP Project Area by private or public entities other than OCII must be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income. Under the CP-HPS2 Project, approximately 32% of the housing developed by parties other than OCII will be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income.

The Plan Amendment will not cause the destruction or removal of housing units from the low and moderate-income housing market and no persons will be displaced, temporarily or permanently, from dwelling units as a result of the Plan Amendment.

The means of financing the low- and moderate-income housing units in Candlestick Point are tax increment financing, revenue from the sales of public properties within the Project (if any), and development fees. The Plan Amendment does not change OCII's tax increment financing committed to affordable housing.

The process and requirements for the development of housing within Zone 1 is designed to provide new housing opportunities for households of diverse income, ages, lifestyles and family size. OCII will continue to promote the development of a wide variety of affordable housing including mixed-use development, development of new rental and ownership units and development and rehabilitation of existing rental and ownership units, infill development, and the possibility of senior housing. The housing opportunities within the Zone 1 address the demand for housing suitable for families, seniors, young adults, and others with special needs. The amount and timing of this development is dependent on the amount and pace of the overall development in the CP-HPS2 Project.

XIII. CONSULTATION WITH TAXING ENTITIES

Under Assembly Bill No. IX 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) ("AB 26") and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, No. S194861, all redevelopment agencies in the State of California, including the Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State's budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) ("AB 1484"), and the Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (1) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (2) the successor agency has its own name and the capacity to sue and be sued, (3) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

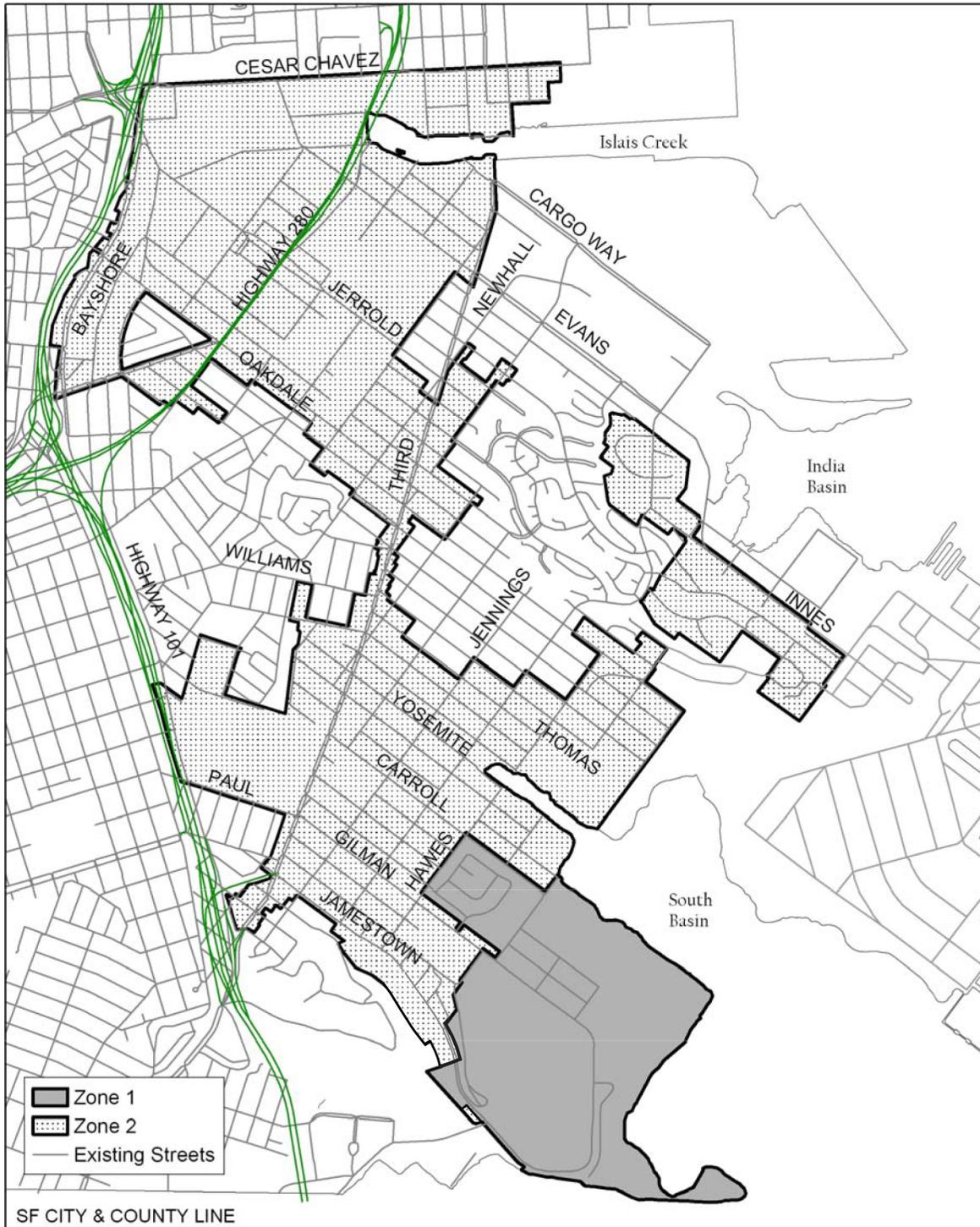
On October 2, 2012, the City's Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating the Commission as a policy body of the Agency and delegating to the Commission the authority to implement certain projects, including the CP-HPS2 Project.

Following the public hearing before the Commission on September 3, 2024, the Oversight Board will consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation

Agreement which set forth the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with the CP-HPS2 Project. These Project agreements were then forwarded to the Department of Finance which will review and consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement.

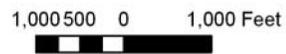
Exhibit A

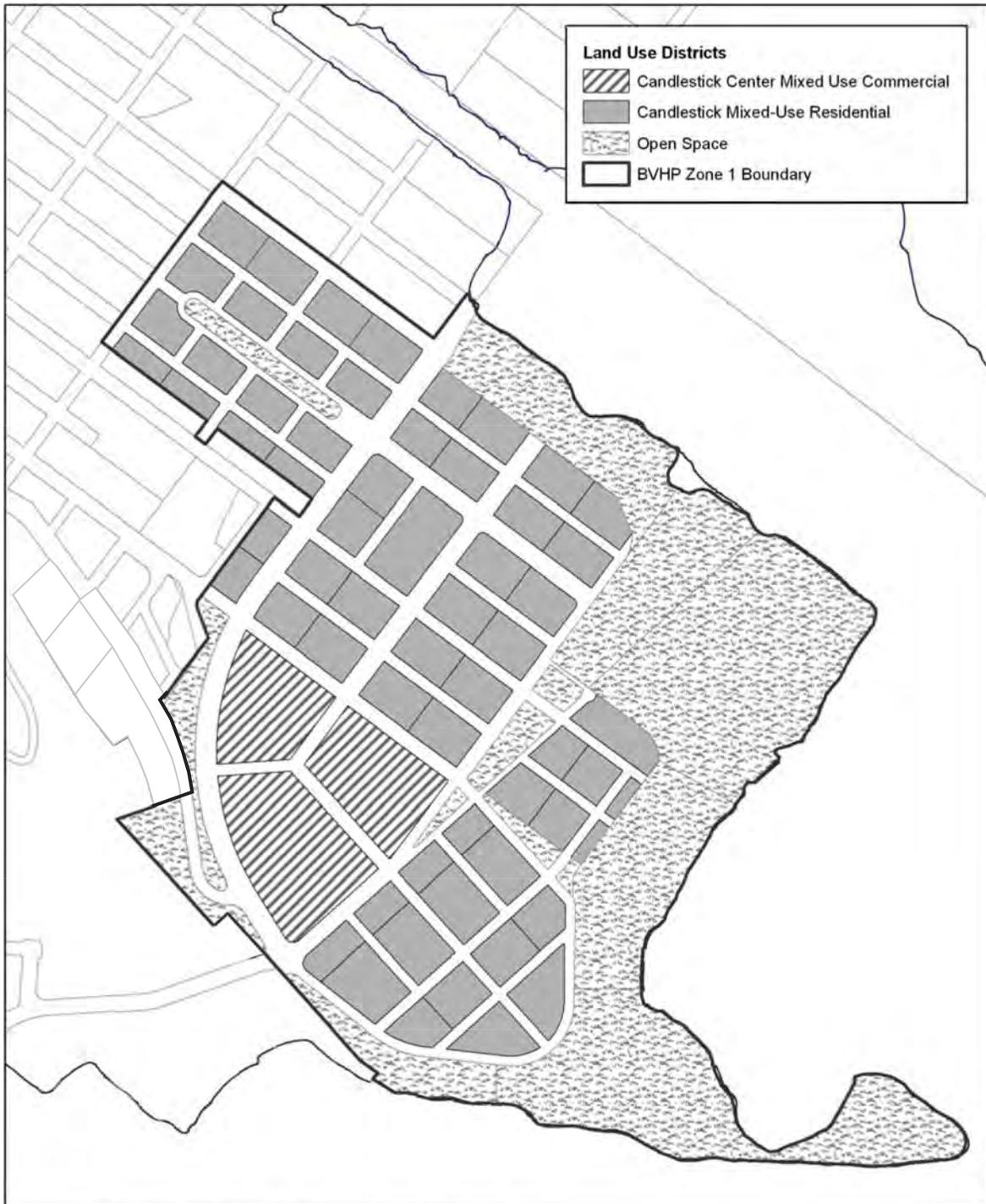
Maps



Map 1: Project Area B Redevelopment Zones Map

Office of Community Investment and Infrastructure
2024





Map 2: Zone 1 Land Use Districts

Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2024

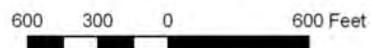


Exhibit B

Tax Increment Projections

Tax Increment Projections
BVHP Candlestick Point Activity Node (Zone 1)
(In Nominal/Future Dollars)

Plan Year	Fiscal Year	Beginning of the Year Assessed Value		Adjustment for Stadium Demolition (3)	New Development Value (4)	Incremental Tax Revenues				Agency Obligations				
		Secured Assessed Value (1)	Total Beginning of Year Assessed Value (2)			Beginning of Year Incremental AV over Base (5)	Basic Incremental Revenue (6)	Supplemental Revenue from New Development (7)	Gross Incremental Tax Revenues (8)	County Admin (9)	20% Housing Set Aside (10)	Pass Through Payments (11)	Housing Redevelopment Program (12)	Non-Housing Redevelopment Program (13)
	Prior Years	182,043,747	182,043,747		0	182,043,747	8,793,112	0	8,793,112	0	1,758,622	1,758,622	1,758,622	5,275,867
7	2024 - 2025	186,495,329	186,495,329		0	186,495,329	1,864,953	0	1,864,953	0	372,991	372,991	372,991	1,118,972
8	2025 - 2026	191,055,767	191,055,767		0	191,055,767	1,910,558	0	1,910,558	0	382,112	382,112	382,112	1,146,335
9	2026 - 2027	195,727,723	195,727,723		0	195,727,723	1,957,277	0	1,957,277	0	391,455	391,455	391,455	1,174,366
10	2027 - 2028	200,513,924	200,513,924		64,800,590	200,513,924	2,005,139	648,006	2,653,145	0	530,629	530,629	530,629	1,591,887
11	2028 - 2029	271,802,346	271,802,346		73,262,971	271,802,346	2,718,023	732,630	3,450,653	0	690,131	737,576	690,131	2,022,947
12	2029 - 2030	353,503,324	353,503,324		83,956,454	353,503,324	3,535,033	839,565	4,374,598	0	874,920	977,332	874,920	2,522,346
13	2030 - 2031	448,157,141	448,157,141		212,398,745	448,157,141	4,481,571	2,123,987	6,605,559	0	1,321,112	1,556,248	1,321,112	3,728,199
14	2031 - 2032	676,708,699	676,708,699		720,631,612	676,708,699	6,767,087	7,206,316	13,973,403	0	2,794,681	3,468,143	2,794,681	7,710,579
15	2032 - 2033	1,431,509,980	1,431,509,980		1,073,929,449	1,431,509,980	14,315,100	10,739,294	25,054,394	0	5,010,879	6,343,570	5,010,879	13,699,946
16	2033 - 2034	2,566,705,849	2,566,705,849		2,041,195,393	2,566,705,849	25,667,058	20,411,954	46,079,012	0	9,215,802	11,799,286	9,215,802	25,063,924
17	2034 - 2035	4,720,579,923	4,720,579,923		1,426,420,254	4,720,579,923	47,205,799	14,264,203	61,470,002	0	12,294,000	15,793,122	12,294,000	33,382,880
18	2035 - 2036	6,297,315,002	6,297,315,002		1,590,018,008	6,297,315,002	62,973,150	15,900,180	78,873,330	0	15,774,666	20,309,143	15,774,666	42,789,521
19	2036 - 2037	8,080,204,825	8,080,204,825		1,219,826,359	8,080,204,825	80,802,048	12,198,264	93,000,312	0	18,600,062	23,974,979	18,600,062	50,425,270
20	2037 - 2038	9,527,448,220	9,527,448,220		1,099,841,586	9,527,448,220	95,274,482	10,998,416	106,272,898	0	21,254,580	27,419,107	21,254,580	57,599,212
21	2038 - 2039	10,887,162,779	10,887,162,779		2,235,270,313	10,887,162,779	108,871,628	22,352,703	131,224,331	0	26,244,866	33,893,799	26,244,866	71,085,665
22	2039 - 2040	13,443,320,709	13,443,320,709		482,052,782	13,443,320,709	134,433,207	4,820,528	139,253,735	0	27,850,747	35,977,364	27,850,747	75,422,624
23	2040 - 2041	14,265,895,701	14,265,895,701		101,557,380	14,265,895,701	142,658,957	1,015,574	143,674,531	0	28,734,906	37,124,524	28,734,906	77,815,100
24	2041 - 2042	14,718,785,623	14,718,785,623		2,362,615,816	14,718,785,623	147,187,856	23,626,158	170,814,014	0	34,162,803	44,166,998	34,162,803	92,484,213
25	2042 - 2043	17,499,099,145	17,499,099,145		423,949,907	17,499,099,145	174,990,991	4,234,949	179,225,941	0	35,845,188	46,349,824	35,845,188	97,030,928
26	2043 - 2044	18,360,861,746	18,360,861,746		129,410,023	18,360,861,746	183,608,617	1,294,100	184,902,718	0	36,980,544	47,822,901	36,980,544	100,099,273
27	2044 - 2045	18,942,421,093	18,942,421,093		104,079,976	18,942,421,093	189,424,211	1,040,800	190,465,011	0	38,093,002	49,266,271	38,093,002	103,105,738
28	2045 - 2046	19,512,252,069	19,512,252,069		0	19,512,252,069	195,122,521	0	195,122,521	0	39,024,504	50,474,856	39,024,504	105,623,160
29	2046 - 2047	19,989,392,247	19,989,392,247		0	19,989,392,247	199,893,922	0	199,893,922	0	39,978,784	51,712,996	39,978,784	108,202,142
30	2047 - 2048	20,478,200,108	20,478,200,108		0	20,478,200,108	204,782,001	0	204,782,001	0	40,956,400	52,981,413	40,956,400	110,844,188
31	2048 - 2049	20,978,960,964	20,978,960,964		0	20,978,960,964	209,789,610	0	209,789,610	0	41,957,922	54,479,454	41,957,922	113,352,234
32	2049 - 2050	21,491,967,107	21,491,967,107		0	21,491,967,107	214,919,671	0	214,919,671	0	42,983,934	56,014,127	42,983,934	115,921,610
33	2050 - 2051	22,017,517,975	22,017,517,975		0	22,017,517,975	220,175,180	0	220,175,180	0	44,035,036	57,586,328	44,035,036	118,553,815
34	2051 - 2052	22,555,920,329	22,555,920,329		0	22,555,920,329	225,559,203	0	225,559,203	0	45,111,841	59,196,975	45,111,841	121,250,387
35	2052 - 2053	23,107,488,432	23,107,488,432		0	23,107,488,432	231,074,884	0	231,074,884	0	46,214,977	60,847,008	46,214,977	124,012,899
36	2053 - 2054	23,672,544,229	23,672,544,229		0	23,672,544,229	236,725,442	0	236,725,442	0	47,345,088	62,537,390	47,345,088	126,842,964
37	2054 - 2055	24,251,417,541	24,251,417,541		0	24,251,417,541	242,514,175	0	242,514,175	0	48,502,835	64,269,107	48,502,835	129,742,234
38	2055 - 2056	24,844,446,252	24,844,446,252		0	24,844,446,252	248,444,463	0	248,444,463	0	49,688,893	66,043,170	49,688,893	132,712,400
39	2056 - 2057	25,451,976,509	25,451,976,509		0	25,451,976,509	254,519,765	0	254,519,765	0	50,903,953	67,860,615	50,903,953	135,755,197
40	2057 - 2058	26,074,362,923	26,074,362,923		0	26,074,362,923	260,743,629	0	260,743,629	0	52,148,726	69,722,503	52,148,726	138,872,401
41	2058 - 2059	26,711,968,779	26,711,968,779		0	26,711,968,779	267,119,688	0	267,119,688	0	53,423,938	71,629,920	53,423,938	142,066,830
42	2059 - 2060	27,365,166,242	27,365,166,242		0	27,365,166,242	273,651,662	0	273,651,662	0	54,730,332	73,583,980	54,730,332	145,337,350
43	2060 - 2061	28,034,336,579	28,034,336,579		0	28,034,336,579	280,343,366	0	280,343,366	0	56,068,673	75,585,823	56,068,673	148,688,869
44	2061 - 2062	28,719,870,381	28,719,870,381		0	28,719,870,381	287,198,704	0	287,198,704	0	57,439,741	77,636,618	57,439,741	152,122,345
45	2062 - 2063	29,422,167,790	29,422,167,790		0	29,422,167,790	294,221,678	0	294,221,678	0	58,844,336	79,737,562	58,844,336	155,639,780
46	2063 - 2064	30,141,638,733	30,141,638,733		0	30,141,638,733	301,416,387	0	301,416,387	0	60,283,277	81,889,881	60,283,277	159,243,229
47	2064 - 2065	30,878,703,159	30,878,703,159		0	30,878,703,159	308,787,032	0	308,787,032	0	61,757,406	84,094,832	61,757,406	162,934,793
48	2065 - 2066	31,633,791,290	31,633,791,290		0	31,633,791,290	316,337,913	0	316,337,913	0	63,267,583	86,353,701	63,267,583	166,716,630
49	2066 - 2067	32,407,343,864	32,407,343,864		0	32,407,343,864	324,073,439	0	324,073,439	0	64,814,688	88,667,807	64,814,688	170,590,944
50	2067 - 2068	33,199,812,400	33,199,812,400		0	33,199,812,400	331,998,124	0	331,998,124	0	66,399,625	91,038,500	66,399,625	174,559,999
51	2068 - 2069	34,011,659,456	34,011,659,456		0	34,011,659,456	340,116,595	0	340,116,595	0	68,023,319	93,467,165	68,023,319	178,626,110
52	2069 - 2070	34,843,358,903	34,843,358,903		0	34,843,358,903	348,433,589	0	348,433,589	0	69,686,718	95,955,219	69,686,718	182,791,652
53	2070 - 2071	35,695,396,199	35,695,396,199		0	35,695,396,199	356,953,962	0	356,953,962	0	71,390,792	98,504,115	71,390,792	187,059,055
54	2071 - 2072	36,568,268,671	36,568,268,671		0	36,568,268,671	365,682,687	0	365,682,687	0	73,136,537	101,115,339	73,136,537	191,430,810
55	2072 - 2073	37,462,485,811	37,462,485,811		0	37,462,485,811	374,624,858	0	374,624,858	0	74,924,972	103,790,417	74,924,972	195,909,470
56	2073 - 2074	38,378,569,566	38,378,569,566		0	38,378,569,566	383,785,696	0	383,785,696	0	76,757,139	106,530,909	76,757,139	200,497,648
57	2074 - 2075	39,317,054,651	39,317,054,651		0	39,317,054,651	393,170,547	0	393,170,547	0	78,634,109	109,338,415	78,634,109	205,198,022
58	2075 - 2076	40,278,488,851	40,278,488,851		0	40,278,488,851	402,784,889	0	402,784,889	0	80,556,978	112,214,575	80,556,978	210,013,336
Total				0	15,444,762,619		10,336,411,141	154,447,626	10,490,858,767	0	2,098,171,753	2,815,276,716	2,098,171,753	5,577,410,298
Present Value (a)							2,105,786,584	82,550,056	2,188,336,640	0	437,667,328	577,868,641	437,667,328	1,172,800,671

Notes for each column included on next page.

(a) Discounted to constant FY 2024-2025 dollars at 5.0%

Source: Land use plan provided by EPS, August 2024. Pass-Through years provided by OCIL, August 2023

Notes on Candlestick Point Tax Increment Projections

- (1) Includes prior year's new development value plus prior year's beginning of year assessed value escalated at 2% annually due to inflation and an additional 0.45% starting FY 2024-25 to reflect reassessments due to property turnover and establishment of master planned community.
- (2) Includes secured- assessed value.
- (3) Candlestick Stadium demolition is included in base year value. .
- (4) Based on new development value additions from Proposed Scenario, reviewed by OCII's consultants.
- (5) Total beginning of the year assessed value (column 2).
- (6) Equals 1% of beginning of year incremental AV over base value (column 5).
- (7) Equals 1% of the new development supplemental roll value assessed during the year (column 4).
- (8) Sum of columns (6) and (7). Also equals Gross Tax Increment to Agency.
- (9) Assumed to equal 0% of gross tax increment as the County does not currently charge a fee.
- (10) CRL mandated housing set aside.
- (11) AB 1290 statutory pass through payments timelines provided by OCII. . Assumes City takes Tier 1 pass through. Assumes City's Tier 2 and 3 pass throughs are retained by the Agency.
- (12) Total tax increment available for housing-related redevelopment activities.
- (13) Total tax increment available for non-housing related redevelopment activities.

Exhibit C

Limit on Bonded Indebtedness

	CP	HPS2	Total
A. Summary/Reconciliation			
Method 1 at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000
Method 2 at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817
Method 3 at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

B. Average of 3 Methods (rounded)

Contingency	50%	\$3,300,000,000	\$2,600,000,000	\$5,900,000,000
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	CP	HPS2	Total
Method 1 - Present Value of Average Bonding Capacity			
Average Annual Future Gross TI (net of pass-throughs)	\$159,103,033	\$125,168,285	\$284,271,318
DSCR	1.25	1.25	
Payment	\$127,282,426	\$100,134,628	\$193,974,628
Periods	30	30	
Int Rate	5.0%	5.0%	
PV of Average TI	\$1,956,600,000	\$1,539,300,000	
Estimated Principal of Outstanding Bonded Indebtedness	\$0	\$0	
Subtotal	\$1,956,600,000	\$1,539,300,000	
Contingency	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000

Method 2 - Present Value of Projected Tax Increment

	FY 2024-25	FY 2037-38	
Discounted to			
Discount Rate	5.0%	5.0%	
NPV of Projected Tax Increment	\$1,671,211,588	\$1,604,704,957	
Outstanding Bond	\$0	\$0	
Subtotal	\$1,671,211,588	\$1,604,704,957	\$3,275,916,545
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817

Method 3 - Tax Increment in Nominal Dollars

Future Tax Increment (net of pass-throughs)	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Tax increment Collected through FY 2008/09	\$0	\$0	
Subtotal	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Divide by Three	3.00	3.00	
Subtotal	\$3,025,200,000	\$2,124,800,000	\$5,150,000,000
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN**

Prepared by:

**The Office of Community Investment and Infrastructure,
as the Successor Agency to the San Francisco Redevelopment Agency**

**September 3, 2024
As updated September 6, 2024**

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN**

I. INTRODUCTION

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), has prepared this report (“Report”) to the Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) on an amendment (“Plan Amendment”) to the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”), in accordance with the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (“CRL”). On September 3, 2024, by Resolution No. 26-2024, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure, (“Commission”) approved the Plan Amendment and, by Resolution No. 24-2025, approved this Report and authorized its transmittal to the Board of Supervisors.

The HPS Plan establishes land use controls for development in the Hunters Point Shipyard Project Area (“HPS Project Area”). The Plan Amendments, which are further described in Section III, are intended to advance the development and revitalization of Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”), which includes the development of the Candlestick Point-Hunters Point Shipyard Phase 2 project (“CP-HPS2 Project” or “Project”), which was approved in 2010. The CP-HPS2 Project will provide up to 10,672 new homes, approximately 32% of which will be affordable, millions of square feet of commercial uses, over 300 acres of parks and open space, and significant jobs and community benefits.

OCII is simultaneously proposing to amend the HPS Plan and the Bayview Hunters Point Redevelopment Plan (“BVHP Plan”) to facilitate the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project.

As originally conceived, the CP-HPS2 Project was intended to be developed in a cohesive manner where phases of development within portions of Candlestick Point and Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”) would occur simultaneously. While the CP-HPS2 Project has progressed since 2010, there have been challenges that have impeded the timely implementation of the CP-HPS2 Project. Since 2010, the clean-up of the Shipyard Site has faced unprecedented and extraordinary delays due to the fraud committed by the United States Navy’s contractor and the ongoing additional investigation, testing, and remedial activities resulting from such fraud, substantially delaying the overall development of the CP-HPS2 Project. In addition, the initial development program contemplated for the CP-HPS2 Project contemplated a new stadium at the Shipyard Site for the San Francisco 49ers (“49ers”). However, in 2011, the 49ers announced that they would build a new football stadium in the City of Santa Clara, vacating the former stadium located on the Candlestick Site in 2014. The newly vacant 49ers stadium therefore needed to be demolished, which was completed by the end of 2015. Furthermore, in 2012, the State of California dissolved the former Redevelopment Agency of the City and County of San Francisco (“SFRA”). These unique challenges impeded the timely implementation of the Project, and as a result of these delays, Candlestick Point and the Shipyard Site can no longer be developed in concert as originally conceived.

As further detailed in this Report, the purpose of the Plan Amendment is to advance the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project by: 1) authorizing the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area with a corresponding reduction in those uses at Phase 2 of the HPS Project Area; 2) clarifying that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B; 3) implement SB 143 (defined in Section III.D) by extending the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B; 4) authorizing property tax increment revenues from Phase 2 of the HPS Project Area and Zone 1 of the BVHP Project Area to be combined to fund costs under the Project agreements; and 5) adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area.

II. OVERVIEW OF THE REPORT ON THE PLAN AMENDMENT

This Report is prepared pursuant to CRL Sections 33457.1 and 33352, which delineate the information that the Successor Agency must provide to the Board of Supervisors for its consideration of an amendment to a redevelopment plan. The Report is an integral step in the process to consider the proposed Plan Amendment and is a public document designed to provide comprehensive information the Board of Supervisors must consider when determining whether or not to adopt the Plan Amendment.

The contents of this Report provide the information required for redevelopment plan amendment “to the extent warranted” by the proposed amendment pursuant to Health & Safety Code Section 33457.1. The contents of this Report, as described below, are consistent with the CRL, and include the following:

- Description of the Plan Amendment;
- Reason for the Plan Amendment (subsection (a) of Section 33352 of the CRL);
- Description of how the Plan Amendment will improve or alleviate blighting conditions (subsection (b) of Section 33352 of the CRL);
- Proposed method of financing the redevelopment of the Project Area as applicable to the Plan Amendment (subsection (e) of Section 33352 of the CRL);
- Discussion of the Planning Commission’s forthcoming report and recommendation regarding conformity of the Plan Amendment to the General Plan, as required (subsection (h) of Section 33352 of the CRL and Section 4.105 of the San Francisco Charter);
- Consultation with the community;

- Report on the environmental review required by Section 21151 of the Public Resources Code as applicable to the Plan Amendment (subsection (k) of Section 33352 of the CRL); and
- The neighborhood impact report (subsection (m) of Section 33352 of the CRL).

III. DESCRIPTION OF THE PLAN AMENDMENT

A. Background

On July 14, 1997, the Board of Supervisors adopted the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”) by Ordinance No. 285-97 and amended the HPS Plan on August 3, 2010, by Ordinance No. 211-10 and on June 22, 2017, by Ordinance No. 122-17. The HPS Plan calls for redevelopment of United States Navy lands constituting the former Hunters Point Naval Shipyard, proceeding on a multi-phased timeframe determined by the Navy’s environmental remediation and ultimate transfer of remediated land to the Redevelopment Agency of the City and County of San Francisco.

In 2010, the Former Redevelopment Agency of the City and County of San Francisco (“Former Agency”) and the City and County of San Francisco (“City”) undertook a series of actions to approve the development of Phase 2 as part of a 702-acre development project—the “CP-HPS2 Project”—that includes both HPS Phase 2 and Candlestick Point. Within Phase 2 of the HPS Project Area, the CP-HPS2 Project proposed two development alternatives, primarily distinguished by the presence or absence of a football stadium. Subsequent to the 2010 actions, the San Francisco 49ers football team elected to construct a new football stadium outside of San Francisco, and as a result, the Successor Agency and CP Development Co. LLC, the master developer of the CP-HPS2 Project (“Developer”), have focused on implementation of the non-stadium development alternative.

B. CP-HPS2 Project

The SFRA and the Developer entered into the Disposition and Development Agreement for the Candlestick Point-Hunters Point Shipyard Phase 2 Project, as amended by the First Amendment to DDA, dated as of December 19, 2012, as amended by the Second Amendment to DDA, dated as of December 1, 2014, and as amended by the Third Amendment to DDA, dated as of August 10, 2018 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “DDA”). Following the Project’s approval in 2010, the State of California enacted legislation in 2011 that dissolved redevelopment agencies in the State, including the SFRA.

Redevelopment Dissolution Law became effective on February 1, 2012. The Oversight Board and California Department of Finance have recognized and approved the DDA and the Original Pledge Agreement as enforceable obligations that survived redevelopment dissolution, and approved recognized obligation payment schedules that include various obligations and commitments relating to these enforceable obligations.

The Project's initial development program included a new stadium at the Shipyard Site for the San Francisco 49ers. In 2014, the 49ers moved to a new stadium in the City of Santa Clara and the Developer proceeded with the Project under the Project's non-stadium alternative. In 2015, the Developer completed the demolition of the former 49ers' stadium, and the City transferred the land to the Developer. From 2014 to 2016, the Developer performed groundwork and utility work around Candlestick Center (neighborhood located within the southwest quadrant of Candlestick Site) to facilitate additional development within the area.

The Developer has funded over \$116 million of community benefits and investment associated with the development program, which includes contributions to the Southeast Health Center, scholarship funds, and infrastructure and housing investments for the new Alice Griffith development. In 2019, the Developer delivered infrastructure related to the development of 337 units as part of the Alice Griffith Replacement Project, including 226 Alice Griffith Replacement Units and 111 Agency Affordable Units.

Commencing in May 2018, the Excusable Delay provisions of the DDA became applicable to all dates in the Schedule of Performance for the Shipyard Site because of ongoing Navy parcel transfer delays that were not in the control of the Developer. As a result, all dates in the Schedule of Performance for the Shipyard Site are no longer applicable given the severity of the ongoing delays.

C. Prior Plan Amendments

Following the approval of the CP-HPS2 Project in 2010, the Board of Supervisors approved amendments to the HPS Plan on June 22, 2017, by Ordinance No. 122-17.

On July 16, 2018, the Board of Supervisors approved amendments to the HPS Plan by Ordinance No. 0166-18.

These amendments in 2017 and 2018 amended the land use regulations of the HPS Plan to facilitate the development of the CP-HPS2 Project in a manner that best responds to market demands, maximizes economic development and employment generation within Candlestick Point and the surrounding community, consistent with the objectives of the BVHP Plan and HPS Plan.

D. Senate Bill 143

On September 13, 2023, the Governor signed Senate Bill 143 (2023) (codified at Section 34177.7(j) of the California Health and Safety Code) ("SB 143") into law. SB 143 amends Health & Safety Code section 34177.7 to add subdivision (j), which states that "the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply" to the CP-HPS2 Project. SB 143 provides that the applicable time limits referenced in the preceding sentence will be established in the CP-HPS2 Project agreements, including the DDA. SB 143 further clarified that Redevelopment Dissolution Law does not "limit the receipt and use of property tax revenues generated from the HPS Redevelopment Plan

project area or Zone 1 of the BVHP Redevelopment Plan project area” in connection with the CP-HPS2 Project.

E. 2024 Plan Amendment

The primary purpose of the Plan Amendment is to facilitate the successful implementation of the CP-HPS2 Project and realize the CP-HPS2 Project’s vision of bringing significant housing, jobs, and community benefits to Candlestick Point and the Shipyard Site. As with the adoption of the 2010 Plan Amendment, the fundamental purpose of the Plan Amendment is to provide the Successor Agency with the necessary financial and legal resources and tools to complete the needed program of redevelopment in Phase 2 of the HPS Project Area in order to:

- Eliminate the significant blight identified in Project Area B;
- Facilitate the economic development of Project Area B including the provision of additional job opportunities for local residents;
- Provide additional quality affordable housing for residents of the Bayview and the entire community;
- Implement the objectives of voter-approved Proposition G.

Specifically, the Plan Amendment would, if adopted:

Land Use and Development Program Modifications

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

Redevelopment Plan Time Limits

Implement SB 143 by establishing the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the HPS Plan, and the time to repay indebtedness and receive property taxes, in connection with Phase 2 of the HPS Project Area as follows:

- **Time Limit to Incur Debt.** Establish that the time limit for establishing loans, advances, and indebtedness in connection with Phase 2 of the HPS Project Area shall be a) 30 years from the date of conveyance to the Developer all Phase 2 parcel(s) required for the completion of development of the first Major Phase (as defined in that certain Disposition and Development Agreement for the CP-HPS2 Project) located within Phase 2 (“Initial HPS Transfer Date”), b) plus an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The

“Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional 15-year extension of the redevelopment timelines for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing.

- **Effectiveness of the Plan.** Establish that the time limit for the effectiveness of the HPS Plan for Phase 2 of the HPS Project Area shall be a) 30 years from the Initial HPS Transfer Date, b) plus an additional fifteen (15) years which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Phase 2 of the HPS Project Area shall be a) 45 years from the Initial HPS Transfer Date, b) plus fifteen (15) years which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit

- Consistent with SB 143’s authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the Plan Amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The Plan Amendment establishes that the aggregate total amount of bonded indebtedness of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

Table 1 summarizes the current and proposed time and fiscal limits.

**Table 1
Summary of Existing and Proposed Time and Fiscal Limits
Hunters Point Shipyard Redevelopment Project Area**

	Current	Proposed
Time Limits (Phase 2 of HPS Project Area)		
Incurring Debt	20 years after first \$100,000 in increment received (2033)	30 years from the date of conveyance to the Developer of all Phase 2 parcel(s) required for the completion of development of the first Major Phase located within Phase 2 (“Initial HPS Transfer Date”) plus 15 years which represents the Anticipated Navy Delay

Plan Effectiveness	30 years from the date the SF Controller certifies as the final day of the first fiscal year in which \$100,000 or more of tax increment from the Project Area are paid to the Agency (2043)	30 years from Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay
Repay Indebtedness and Receive Property Taxes	45 years after first \$100,000 increment received (2058)	45 years from the Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay
Fiscal Limit		
Limit on Bonded Indebtedness	\$900 million	\$5.9 billion (combined limit on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of HPS Project Area)

The proposed amendments to the time limits described above and the limit on the amount of bonded indebtedness will also be set forth in applicable Project agreements, including the DDA, which the Oversight Board of the City and County of San Francisco and State of California Department of Finance will have the opportunity to review and approve.

IV. DESCRIPTION OF AGENCY’S REDEVELOPMENT PROGRAM

The proposed Plan Amendment is intended to support the Agency’s Redevelopment Program (Agency’s Affordable Housing Program and Non-Housing Redevelopment Program) within Phase 2 of the HPS Project Area and to enable the Agency to continue meeting its redevelopment mission in the City. The presence of blighting conditions in the Project Area warrants continued redevelopment activities and the Agency’s Redevelopment Program is organized broadly into two categories that reflect the division of tax increment revenues into funds that can be used specifically for the Agency’s affordable housing efforts and all other development and redevelopment activities. The CP-HPS2 Project, which includes redevelopment activities in Zone 1 of BVHP Project Area B and Phase 2 of the HPS Project Area will alleviate blight in the Project Area and stimulate additional economic development, community enhancements, and affordable housing opportunities in the Bayview.

V. REASONS FOR PLAN AMENDMENTS

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(a) *The reasons for the selection of the project area, a description of the specific projects then proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b).*

A. Introduction

CRL Sections 33352(a) and 33457.1 require that to the extent necessary, the Report include the reasons for selecting a redevelopment project area. As Phase 2 of the HPS Project Area was previously selected and established, and the Plan Amendment does not propose the addition of any new territory, the summary of the reasons the Project Area was selected and established are set forth in the Report to the Board of Supervisors for the 2010 Plan Amendment and remain unchanged in connection with the Plan Amendments.

B. Reasons for 2024 Plan Amendments

The Plan Amendments provide the mechanisms to facilitate and finance the development of the CP-HPS2 Project in Candlestick Point. Many of the blighting conditions identified in Project Area B in the Report to the Board of Supervisors for the 2010 Plan Amendment remain. Without the Plan Amendments, which are further described below, the redevelopment activities proposed for Candlestick Point in connection with the CP-HPS2 Project would not be feasible.

1. Amendment to Redevelopment Plan Time Limits

a. Without the Plan Amendments the Existing Statutory Time Limits Will Expire Starting in 2033

The HPS Plan currently establishes the following time limits: 1) a 30-year time limit on the effectiveness of the HPS Plan; 2) a 20-year time limit on establishing loans, advances and indebtedness; and 3) a 45-year time limit to repay indebtedness. The DDA and Tax Allocation Agreement, both enforceable obligations, specifically refer to and implement certain of these time limits. As shown in Table 1 above, certain of these time limits are quickly approaching, with the earliest time limit – the time limit for establishing loans, advances, and indebtedness – set to expire in 2033.

Since 2010, the clean-up of the Hunters Point Shipyard site has faced unprecedented delays due to the ongoing investigation, re-testing, and litigation related to the fraudulent work by the Navy’s contractor. When the Project was approved in 2010, the Navy was anticipated to complete the environmental remediation in 2015. Since that time, the Navy’s completion of the environmental remediation of the Shipyard property has been further delayed. The Navy has recently informed the Successor Agency that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy. These Navy delays have impeded the timely implementation of the CP-HPS2 Project, adversely impacting the Developer’s redevelopment activities on both Candlestick Point and the Shipyard Site and substantially delaying the overall CP-HPS2 Project. Given the significant delays facing the CP-HPS2 Project, imposing the statutory time limits described above means that the amount of tax increment financing that the Successor Agency

can receive will be severely impacted, and would imperil the viability and financial feasibility of the CP-HPS2 Project. Specifically, given the extraordinary delays facing the CP-HPS2 Project caused by the fraud committed by the Navy’s contractor, the Developer and Successor Agency would not be able to complete all project activities within Phase 2 of the HPS Project Area by 2043. In addition, the expiration of the 20-year time limit on establishing loans, advances and indebtedness in 2033 would prevent the Successor Agency from entering into new bonded indebtedness that would be necessary to carry out its redevelopment activities within Phase 2 of the HPS Project Area.

Without extending the time limit on establishing loans, advances, and indebtedness for the Successor Agency to access tax increment financing and associated bonding capacity, the cost of the CP-HPS2 Project’s infrastructure, park and open space development, and community benefits will far exceed projected revenues. The extension of the time limits as proposed by the Plan Amendments are therefore critical to ensuring there are adequate funding sources to finance the construction of public infrastructure, parks and open space, and other community benefits contemplated by the CP-HPS2 Project.

b. Plan Amendments Implement SB 143

Recognizing the significant adverse impact of the expiration of the above-referenced time limits, the State Legislature adopted, and the Governor signed into law, SB 143, which amended Health & Safety Code section 34177.7 to add subdivision (j), which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the CP-HPS2 Project. Accordingly, the 30-year time limit on the effectiveness of the HPS Plan; the 20-year time limit on establishing loans, advances and indebtedness; and the 45-year time limit to repay indebtedness and receive property taxes, do not apply to Phase 2 of the HPS Project Area.

Consistent with SB 143, the Plan Amendments include the following amended time limits which are set forth in the CP-HPS2 Project agreements:

	Current	Proposed
Time Limits (Phase 2 of HPS Project Area)		
Incurring Debt	20 years after first \$100,000 in increment received (2033)	30 years from the date of conveyance to the Developer of all Phase 2 parcel(s) required for the completion of development of the first Major Phase located within Phase 2 (“Initial HPS Transfer Date”) plus 15 years which represents the Anticipated Navy Delay
Plan Effectiveness	30 years from the date the SF Controller certifies as the final day of the first	30 years from Initial HPS Transfer Date plus 15 years

	fiscal year in which \$100,000 or more of tax increment from the Project Area are paid to the Agency (2043)	which represents the Anticipated Navy Delay
Repay Indebtedness and Receive Property Taxes	45 years after first \$100,000 increment received (2058)	45 years from the Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay

c. Plan Amendments Advance CP-HPS2 Financing Plan Funding Goals

The Plan Amendments advance the Funding Goals identified in the Financing Plan for the CP-HPS2 Project. In particular, the Plan Amendments further the Financing Plan’s Funding Goals of maximizing funding sources available to finance Qualified Project Costs, community benefits, and affordable housing.

The Financing Plan, which was approved in 2010 for the CP-HPS2 Project, identified Funding Goals for the CP-HPS2 Project which included promoting “financial self-sufficiency in the development of the Project by encouraging substantial private capital investment, contributing public land in the Project Site to facilitate the provision of public benefits of the Project, and using Funding Sources to finance Qualified Project Costs[.]” The Funding Sources identified in the Financing Plan include tax increment financing. The CP-HPS2 Project is financially infeasible without public financing through tax increment financing. The extension of the time limits proposed by the Plan Amendments for incurring debt and repaying indebtedness and receiving property taxes is necessary to ensure there is sufficient time to access tax increment financing in order to finance Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the DDA) of the CP-HPS2 Project. In addition, the extension of the time limit for the effectiveness of the HPS Plan is needed to ensure that the Successor Agency retains land use authority within Phase 2 of the HPS Project Area during the buildout of the CP-HPS2 Project.

As set forth in Table 1 above, solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limits include an additional 15 years for Anticipated Navy Delay. The additional 15-years provided for the Anticipated Navy Delay is consistent with the Project’s Funding Goals for the following reasons:

- 30-year bonds are the most effective and cost-efficient financing tools – and are most consistent with the Project’s adopted “Funding Goals” as reflected in the Financing Plan.

- For 30-year bonds secured by Candlestick Point tax increment financing to remain available to finance 2054 development activities at the Shipyard Site, it is necessary for repayment of Shipyard indebtedness through Candlestick Point tax increment financing to be authorized through 2084, or 60 years (45 plus 15) from the 2024 Plan Amendment Date.
- Reliance on 15-year bonds instead of 30-year bonds, which would be required absent the additional 15 years for Anticipated Navy Delay, would result in a nearly 45% reduction in bonded amounts, as shown below:

	Full	Reduced	Change
Bond Term	30 Yrs	15 Yrs	-15 Yrs
Rate	5.50%	5.50%	0%
Payment	\$1	\$1	\$0
Bond PV	\$14.53	\$10.04	-44.8%

- Shorter 15-year bond terms, as would be required absent the additional 15 years for Anticipated Navy Delay, do not merely affect the Developer’s delivery of Project infrastructure, parks, and community benefits, it would also negatively impact the Agency’s ability to maximize leverage of its 20% affordable housing set-aside.
- Making 30-year bond instruments unavailable to the final stages of development would be inconsistent with the Funding Goals adopted by the Agency when the Project was originally approved. Those Funding Goals include:
 - To “maximize Funding Source available to finance Qualified Project Costs by among other things, to the extent reasonably feasible and consistent with this Financing Plan, using tax-exempt debt...” (Section 1.1(a)(iii);
 - To “promote financial self-sufficiency in the development of the Project by encouraging substantial private capital investment . . . ”
- Ensuring availability of 30-year bonds in the final stages of development encourages private investment by demonstrating a robust set of public financing tools.

d. Navy Delays Require Extended Timelines

The extraordinary Navy delays at the Shipyard Site and the substantial cost increases during the period of delay have resulted in significantly increased CP-HPS2 Project costs overall, which has deepened the need for cross-funding and lengthier timelines for recovery of Qualified Project Costs.

While the redevelopment timelines would be extended, the Project’s Fiscal Impact Analysis demonstrates that Candlestick Point, upon its build-out, will generate a net surplus in revenues from other taxes (sales tax, etc.) of \$23.3M per year, which will flow to the City’s General Fund.

e. Plan Amendments Bridge the Gap Between Revenues and Costs

While it may be possible legally to further increase Community Facilities District (“CFD”) rates on existing and future CP-HPS2 residents (up to the very maximum allowed under the City’s code), such increases would not be competitive with other comparable projects and would therefore make development parcels in the CP-HPS2 Project unmarketable. Increased CFD rates also would overburden Bayview residents and would still be far inadequate to make up for the currently projected shortfall between Project revenues and costs.

Tax increment financing has always been essential to the financial viability of the CP-HPS2 Project. The time extensions described above – which ensure availability of tax increment financing to pay for affordable housing, community benefits, and Qualified Project Costs – are therefore essential for the Project to achieve goals and objectives of both the HPS Plan and the City’s 2022 Housing Element. In addition, extended timelines protecting tax increment financing availability will accelerate development of the Shipyard Site, which will result in earlier and greater tax revenues to the taxing entities as well as earlier funding for affordable housing.

2. Amendment to Limit on Bonded Indebtedness

The Plan Amendment will adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of Project Area B and Phase 2 of the HPS Project Area. The adjusted single limit on bonded indebtedness proposed by the Plan Amendment is \$5.9 billion. Of this combined single limit on bonded indebtedness, it is estimated that approximately \$3.3 billion in bonded indebtedness may be required for Zone 1 of Project Area B and up to \$2.6 billion in bonded indebtedness may be required for Phase 2 of the HPS Project Area. These estimates are informational and shall not operate as limits upon bonded indebtedness within Zone 1 of Project Area B and Phase 2 of the HPS Project Area, respectively.

In 2010, the aggregate total limit on bonded indebtedness between Candlestick Point and the Shipyard Site was \$1.7 billion, with the limit set at \$800 million at Candlestick Point and \$900 million at the Shipyard Site. The limits on bonded indebtedness have not been adjusted since the Project’s approval in 2010. Therefore, while the costs related to the construction of residential and commercial property have increased significantly since the Project’s approval in 2010, the limit on bonded indebtedness has not been adjusted to reflect the significant increases in project costs and inflation over the past fourteen years.

The proposed Plan Amendment to establish a single limit on bonded indebtedness is necessary to address increases in project costs and inflation since 2010, and to reflect projected future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area

B and Phase 2 of the HPS Project Area progress over the life of the Redevelopment Plan as reflected in the proposed Plan Amendments.

Establishing a single limit on bonded indebtedness is also consistent with SB 143's authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B. Further, as detailed in this Report, the remaining adverse conditions in Phase 2 of the HPS Project Area are substantial and prevalent and continue to represent a significant burden on the community that cannot be eliminated under the current \$900 million limit. To maintain the Successor Agency's ability to alleviate blight and promote economic growth in Hunters Point Shipyard, including facilitating the development of the CP-HPS2 Project, an increase in the limit on bonded indebtedness for both Project Areas in the amount of \$5.9 billion is needed.

The method for calculating the adjusted limit of bonded indebtedness is further described in Section VII and summarized in Exhibit B and Exhibit C.

3. Land Use and Development Program Amendments

The Plan Amendments would authorize the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. In addition, the Plan Amendments would allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

These Plan Amendments support redevelopment of the Shipyard Site in a manner that responds to changes in market conditions to provide for economically feasible development. The Plan Amendment will maximize the potential for long-term economically successful development within the Shipyard Site.

The following objectives and goals, as described in Section II of the HPS Plan would be further advanced by the adoption of the Plan Amendment:

- Foster employment, business, and entrepreneurial opportunities in the rehabilitation, construction, operations and maintenance of facilities in the Project Area.
- Stimulate and attract private investments, thereby improving the City's economic health, tax base, and employment opportunities.
- Provide for the development of economically vibrant and environmentally sound districts for mixed use; cultural, educational and arts activities; research, industrial and training activities; and housing.
- Provide public parks, open space, and other community facilities.
- Provide for infrastructure improvements, including: streets and transportation facilities, open space and recreation areas; and utilities for water, sewer, gas and electricity.

- Provide sufficient flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

VI. DESCRIPTION OF HOW THE PLAN AMENDMENT WILL IMPROVE OR ALLEVIATE BLIGHT

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(b) A description of the physical and economic conditions specified in Section 33031 that exist in the area that cause the project area to be blighted. The description shall include a list of the physical and economic conditions described in Section 33031 that exist within the project area and a map showing where in the project the conditions exist. The description shall contain specific, quantifiable evidence that documents both of the following:

(1) The physical and economic conditions specified in Section 33031.

(2) That the described physical and economic conditions are so prevalent and substantial that, collectively, they seriously harm the entire project area.

The physical and economic conditions of blight existing at the time of adoption of the 2010 HPS Plan Amendment remain substantially the same. The HPS Project Area is characterized by adverse physical conditions including buildings in which it is unsafe or unhealthy for persons to live or work, and the existence of factors that prevent or substantially hinder the economically viable reuse of buildings and areas. Adverse economic conditions include depreciated and stagnant property values, properties containing hazardous wastes, abnormally high business vacancies, abandoned buildings, and excessive vacant lots within an area formerly used as a military base.

The Plan Amendment will continue to improve or alleviate the adverse conditions in the HPS Project Area through the development of under-utilized land, economic development activities, community enhancement efforts, affordable housing activities, and the delivery of public parks and open space. As detailed in this Report, the Plan Amendments will further improve or alleviate the adverse conditions in Phase 2 of the HPS Project Area by establishing CP-HPS2 Project-specific time limits for establishing loans, advances, and indebtedness, the effectiveness of the HPS Plan, and the time to repay indebtedness and receive property taxes, in connection with Phase 2 of the HPS Project Area. As discussed in Section V, the extension of these time limits is required in light of the extraordinary Navy delays which have impacted the timely implementation of the Project, and to protect the financial feasibility of the CP-HPS2 Project which rely on tax increment financing to fund Qualified Project Costs.

(d) An explanation of why the elimination of blight and the redevelopment of the project area cannot reasonably be expected to be accomplished by private enterprise acting alone or by the legislative body's use of financing alternatives other than tax increment financing.

The elimination of blight cannot be borne solely by the private sector and private funds. The private sector's ability to alleviate blight is limited by the same factors that were identified in the Report to the Board of Supervisors for the 2010 Plan Amendment.

As set forth in the Financing Plan for the CP-HPS2 Project, the financial feasibility of the CP-HPS2 Project requires various public Funding Sources. Section VII describes the need for the increased bonded indebtedness cap proposed in the Plan Amendment in order to fund the redevelopment of Phase 2 of the HPS Project Area to alleviate the remaining adverse physical and economic conditions in the Project Area.

VII. PROPOSED METHOD OF FINANCING AND FEASIBILITY OF PLAN AMENDMENT

(e) The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

This Section explains why tax increment financing is the primary source of funding and why the Plan Amendment to increase the limit on bonded indebtedness is necessary to accomplish and complete the goals set forth in the HPS Plan and to alleviate the remaining blight in the Project Area. As summarized in Section V, blighting conditions in the Project Area continue to be substantial and require tax increment in order to be alleviated.

1. Potential Funding Sources

The proposed Plan Amendment authorizes the Agency to finance its Redevelopment Program using all available funding sources, including local, state and federal sources, and the Agency will make every effort to obtain alternative funding sources as a means to accelerate its Redevelopment Program. However, tax increment financing is the most reliable source of long-term funding available to the Agency.

This section describes funding sources that will likely be available to assist in financing the Agency's Redevelopment Program, which primarily includes the CP-HPS2 Project in Zone 1 of BVHP Project Area B. Some sources described below may generate more funds than estimated, while other sources may generate less. On balance, the estimates of alternative revenues provide an initial assessment of funding availability to determine the need for tax increment revenue to fill the funding gap in the Agency's Redevelopment Program costs.

Tax increment, CFDs, and developer participation are the sources of funding that are most likely to be available to provide funding for the Agency's Redevelopment Program, while private capital will provide funding for upfront costs and initial expenses in order to get the program started. Secondary funding sources are less likely to be available. Complementary sources would not provide direct funding for the Agency's Redevelopment Program. However, they could be used for economic development, business support and expansion, neighborhood improvements, and community enhancement, which would enhance the effectiveness of the Agency's Redevelopment Program.

a. Primary Funding Sources

The primary sources of funding that are expected to generate substantial revenues to finance the Agency's Redevelopment Program are tax increment, CFDs, and developer participation and will provide the backbone of funding for the CP-HPS2 Project.

Tax Increment Financing

Tax increment revenue generated by the increase in property values within Phase 2 of the HPS Project Area will continue to be one of three primary sources of funding to support the completion of the CP-HPS2 Project. Section VII.3 details the Agency's projection of tax increment resources that will be available to finance its redevelopment activities in Zone 1 of Project Area B and Phase 2 of the HPS Project Area.

Mello Roos Act

A common method for imposing special taxes in California is through a special tax levied pursuant to the Mello-Roos Community Facilities Act of 1982 (the Mello-Roos Act), which authorizes certain public entities to form a Community Facilities District (CFD). The Mello-Roos Act authorizes the formation of a special tax district to finance capital improvement projects and pay for certain services. Revenues generated through the formation of a CFD are expected to provide significant funding for the redevelopment of Candlestick Point and will be key to the timely implementation of infrastructure improvements necessary for further development.

Developer Participation

Developer participation has been used to help fund redevelopment activities in many communities. The DDA for the CP-HPS2 Project includes a Financing Plan that describes the Developer Return in connection with the CP-HPS2 Project.

b. Secondary Funding Sources

While less significant or less likely to be available than primary funding sources, secondary sources, such as federal, state, and other local funds have helped, and are anticipated to help the Agency in meeting its redevelopment goals and objectives. The level of funding provided by these funding sources will not be sufficient to fully fund the cost of redevelopment activities. Furthermore, many grant programs offer one-time funding allocations and are not a reliable source of funding for future years.

2. Tax Increment Projections and Plan Amendments

The HPS Plan currently imposes specific time and fiscal limits that will affect the amount of tax increment revenue the Agency can receive, as follows:

- **Time Limit to Incur Debt.** The Agency's ability to enter into new bonded indebtedness is limited to 20 years after the first \$100,000 in increment is received.
- **Time Limit to Carry Out Projects.** The Agency must complete all project activities within 30 years after the first \$100,000 in increment is received.

- **Time Limit to Receive Tax Increment and Repay Debt.** The Agency can collect tax increment for 45 years after the first \$100,000 in increment is received.
- **Limit on Amount of Outstanding Bonded Indebtedness.** The Redevelopment Plan currently includes a limit of \$900 million on the total amount of outstanding bonded indebtedness secured by tax increment revenue.

Table 1 presents the current limits and the proposed changes to the redevelopment plan time limits and bond limit. As authorized by SB 143, the Plan Amendment will extend the time limits to incur debt, plan effectiveness, and repay debt and receive tax increment for Phase 2 of the HPS Project Area. The Plan Amendments further propose extending the limit on the amount of bonded indebtedness. These Plan Amendments are necessary in order to provide the financing necessary to implement the CP-HPS2 Project and to provide for additional time for the Agency to complete all project activities within Phase 2 of the HPS Project Area.

Exhibit B provides a more detailed summary of the tax increment projections over the tax increment collection period under the proposed Plan Amendment.¹ The tax increment projections are intended only as estimates for financial feasibility purposes. Actual tax increment revenues may be higher or lower. The development projections shown in Exhibit B are not intended to predict future development, but rather to provide a reasonable estimate of potential tax increment growth on an average annualized basis. The tax increment projections are based on the best available information and analysis techniques, and actual tax increment generated in each year will likely vary.

3. Increase in Limit on Amount of Outstanding Bonded Indebtedness

The Plan Amendment proposes to merge the existing limits on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of the HPS Project Area into a single limit on bonded indebtedness in the amount of \$5.9 billion.

This section generally describes the methodology used to determine the proposed combined bonded indebtedness cap of \$5.9 billion. Exhibit C includes details of the methodology and calculation described in this Section with a direct comparison to the analogous 2010 calculation by the Successor Agency.

To determine the new proposed combined bonded indebtedness cap for Hunters Point Shipyard, the Developer used the same methodology relied on by the Successor Agency in 2010. The 2010 methodology used three calculations to inform the estimated bonded indebtedness limit for Hunters Point Shipyard: 1) bonding capacity (Method 1) which yielded a bonded debt need of \$767.3 million; 2) present value of tax increment (Method 2) which yielded a bonded debt need of \$737.5 million; and 3) tax increment in nominal dollars (Method 3) which yielded a bonded debt need of \$1.2 billion. Based on the range established by these three calculations (\$737.5

¹ The tax increment projections identified in Exhibit B are estimates that are provided solely for the purpose of this Report. The Shipyard Site is currently under Excusable Delay and all amounts shown for the Shipyard Site on the Summary Proforma are based on the Summary Proforma provided in 2018 and such amounts will need to be updated once Excusable Delay no longer exists at the Shipyard Site.

million to \$1.2 billion), the Agency determined that a bonded indebtedness limit of \$900 million was needed to fund the HPS Redevelopment Plan programs and projects.

Using the same three methodologies that the Agency relied on in 2010, the Developer proposes a combined bonded indebtedness cap of \$5.9 billion, which was calculated as follows:

- Under the bonding capacity method (Method 1), the estimated combined total debt for Candlestick Point, as updated with 2024 inputs, is approximately \$2.9 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.5 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$4.5 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$3.3 billion for Candlestick Point.
- For the Shipyard Site, under the bonding capacity method (Method 1), the estimated combined total debt, as updated with 2024 inputs, is approximately \$2.3 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.4 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$3.2 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$2.6 billion for the Shipyard Site. This results in the overall combined total of \$5.9 billion (\$3.3B for CP and \$2.6B for HPS = \$5.9B combined).
- The method for calculating the adjusted limit of bonded indebtedness of \$5.9 billion is described in Exhibits B and C and assumes an annual interest rate of five percent (5%) and application of a fifty percent (50%) contingency factor. The industry standard for tax-exempt municipal bonds is to pay an annual interest rate of 5% of the bond principal amount. Investors’ willingness to pay more than 100 cents for each dollar of bond principal depends on whether alternative investments are yielding lower than a 5% interest rate. Based on historical borrowing rate indices and OCII’s prior borrowing rates relative to those indices, OCII’s future bond borrowing rate is expected to be close to 5%. Therefore, using a 5% rate to compute the bonded indebtedness limit principal amount generates an appropriate estimate of the funds OCII would be able to raise from bond investors for this project area. The adjusted limit on bonded indebtedness reflects projected property tax increment plus a contingency factor of 50% to account for variables such as higher assessed values of taxable property, more frequent reassessments due to resales, and the time it takes to buildout the CP-HPS2 Project.

VIII. METHOD OF PLAN FOR RELOCATION

(f) A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which method or plan shall include the provision required by Section 33411.1 that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for

occupancy by the displaced person or family at rents comparable to those at the time of their displacement.

The Plan Amendment does not displace any residents in Phase 2 of the HPS Project Area.

IX. REPORT OF THE PLANNING COMMISSION

(h) The report and recommendations of the planning commission.

On September 3, 2024, the Commission approved the Plan Amendment, and by Resolution No. 26-2024, referred it to the Planning Commission for its report and recommendation, and findings of conformity with the General Plan.

The Planning Commission is scheduled on September 12, 2024, to make its finding and determine that the Plan Amendment is in conformity with the General Plan, as amended, and consistent with Planning Code Section 101.1.

X. CONSULTATION WITH THE COMMUNITY

The Successor Agency has provided extensive opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Citizens Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. The following outlines the various community events in connection with the Plan Amendment:

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood Association	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024
San Francisco Housing Action Coalition	June 20, 2024

Community Outreach Workshop (in-person and virtual using Slido)	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Upcoming meetings as of the date of this Report:	
Local contractors	August 27, 2024
Council of Community Housing Organizations	August 28, 2024
Taste of Bayview – Renaissance Entrepreneurship Center event	August 29, 2024
Youth outreach	November 2025 and ongoing

XI. ENVIRONMENTAL REVIEW

(k) The report required by Section 21151 of the Public Resources Code

On June 3, 2010, the Commission of the former Redevelopment Agency of the City and County of San Francisco (“Redevelopment Commission”) by Resolution No. 58-2010 and the Planning Commission by Motion No. 18096, acting as co-lead agencies, certified the Final Environmental Impact Report (“FEIR”) under the California Environmental Quality Act (“CEQA”) for the CP-

HPS2 Project. On July 14, 2010, the Board of Supervisors affirmed the Planning Commission's certification of the FEIR by Resolution No. 347-10 and that various actions related to the Project complied with CEQA. Subsequent to the certification of the FEIR, OCII and the Planning Department prepared Addenda 1 through 6 to the FEIR analyzing certain Project modifications.

On September 3, 2024, OCII, as Lead Agency, approved Addendum 7 to the FEIR, which evaluated the updated land use program of the Plan Amendment and determined that the analyses conducted and the conclusions reached in the FEIR remain valid and no supplemental environmental review is required beyond Addendum 7. With assistance from the Planning Department, OCII has reviewed Addendum 7, the FEIR and the Plan Amendment and determined that development facilitated by the Plan Amendment will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts that would alter the conclusions reached in the FEIR. Accordingly, no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.

XII. NEIGHBORHOOD IMPACT REPORT

(m) If the project area contains low- or moderate-income housing, a neighborhood impact report which describes in detail the impact of the project upon the residents of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood.

The Plan Amendment does not impact or alter the existing affordable housing obligations articulated in the HPS Plan. Under the CRL, at least 15 percent of all new and substantially rehabilitated dwelling units developed within Phase 2 of the HPS Project Area by private or public entities other than OCII must be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income. Under the CP-HPS2 Project, approximately 32% of the housing developed by parties other than OCII will be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income.

The Plan Amendment will not cause the destruction or removal of housing units from the low and moderate-income housing market and no persons will be displaced, temporarily or permanently, from dwelling units as a result of the Plan Amendment.

The means of financing the low- and moderate-income housing units in Hunters Point Shipyard are tax increment financing, revenue from the sales of public properties within the Project (if any), and development fees. The Plan Amendment does not change OCII's tax increment financing committed to affordable housing.

The process and requirements for the development of housing within the HPS Project Area is designed to provide new housing opportunities for households of diverse income, ages, lifestyles and family size. OCII will continue to promote the development of a wide variety of affordable housing including mixed-use development, development of new rental and ownership units and development and rehabilitation of existing rental and ownership units, infill development, and

the possibility of senior housing. The housing opportunities within the HPS Project Area address the demand for housing suitable for families, seniors, young adults, and others with special needs. The amount and timing of this development is dependent on the amount and pace of the overall development in the HPS Project Area.

XIII. CONSULTATION WITH TAXING ENTITIES

Under Assembly Bill No. IX 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”) and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, No. S194861, all redevelopment agencies in the State of California, including the Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

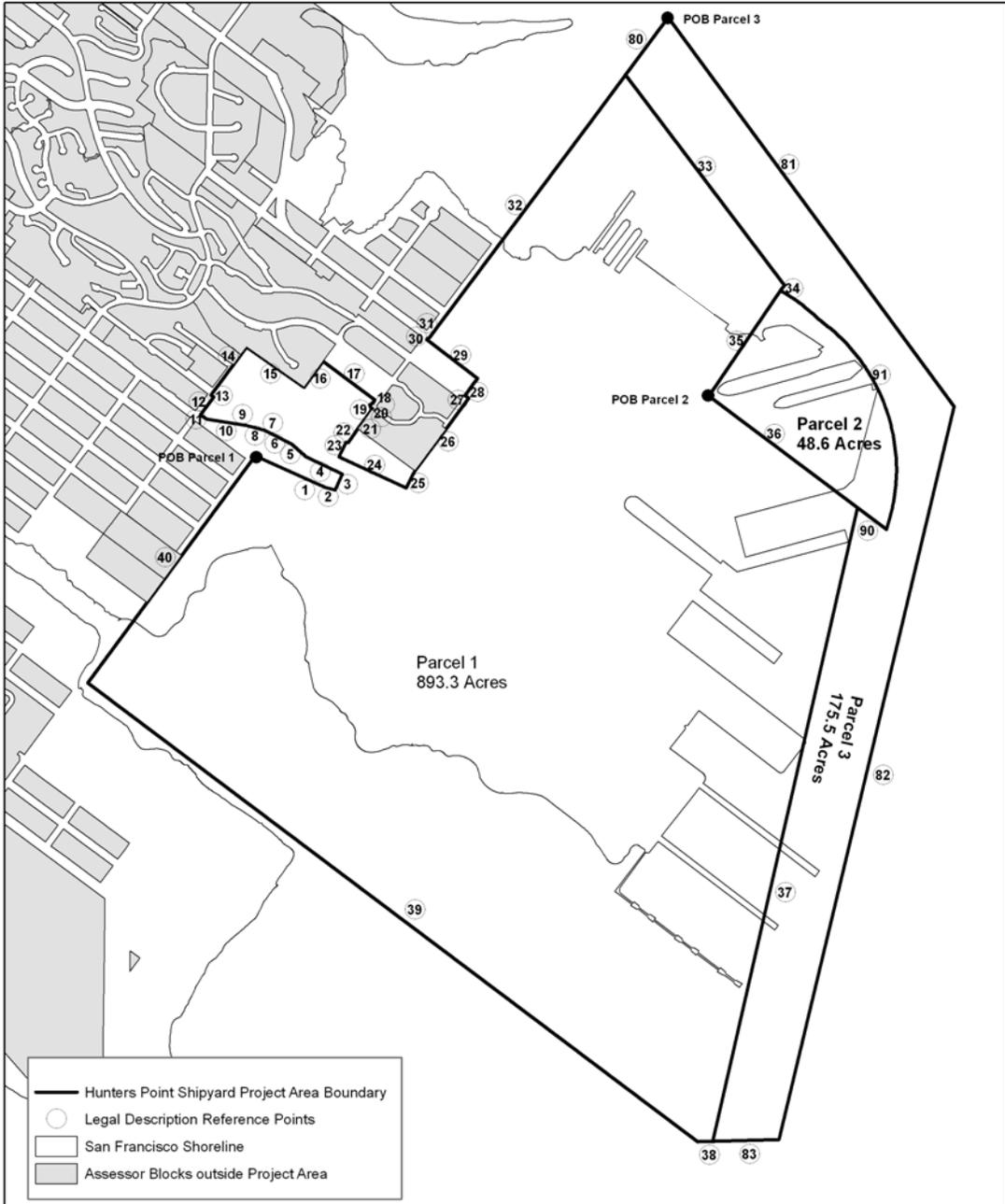
In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State’s budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) (“AB 1484”), and the Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (1) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (2) the successor agency has its own name and the capacity to sue and be sued, (3) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

On October 2, 2012, the City’s Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating the Commission as a policy body of the Agency and delegating to the Commission the authority to implement certain projects, including the CP-HPS2 Project.

Following the public hearing before the Commission on September 3, 2024, the Oversight Board will consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement which set forth the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with the CP-HPS2 Project. These Project agreements were then forwarded to the Department of Finance which will review and consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement.

Exhibit A

Maps

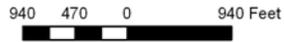


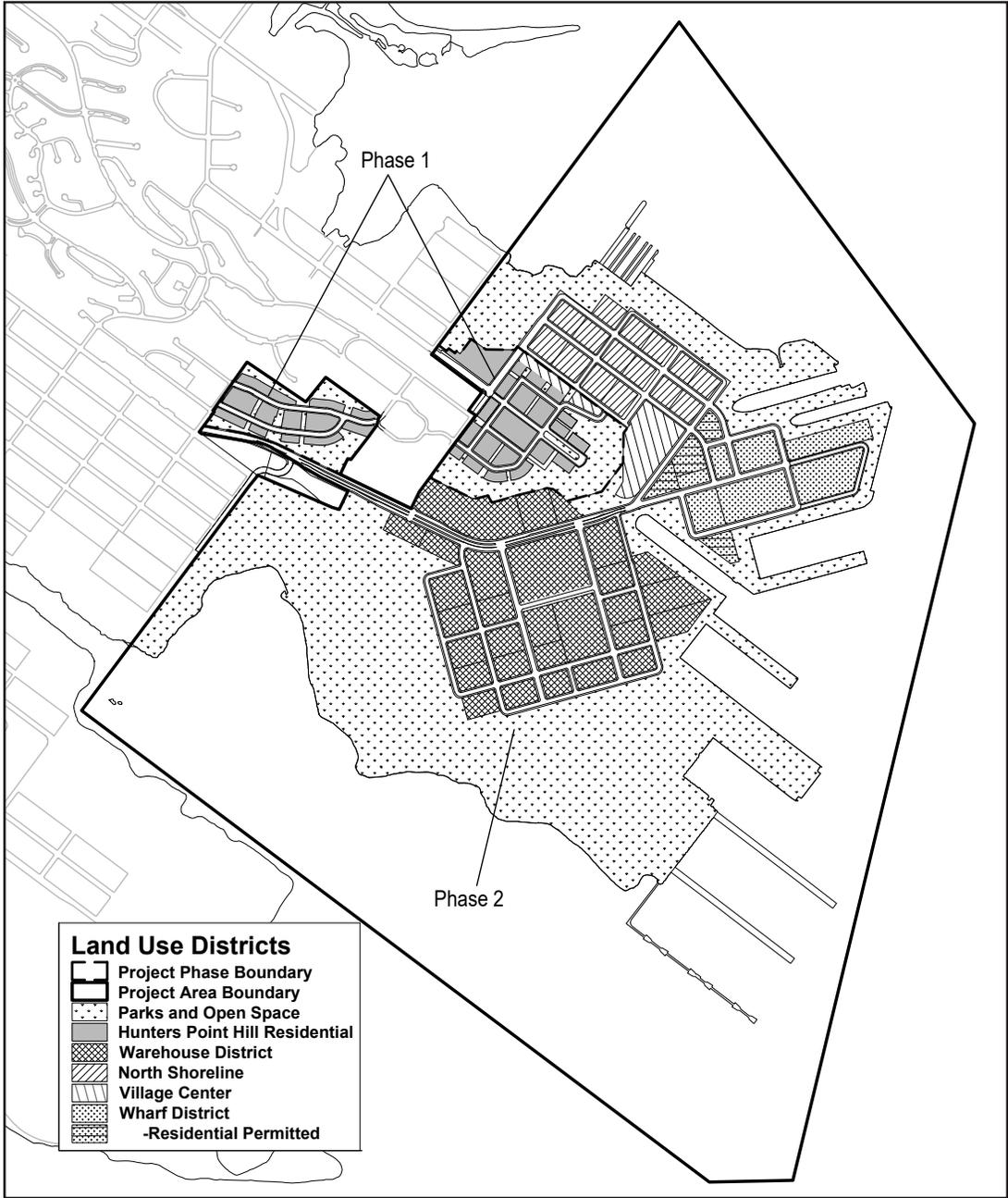
- Hunters Point Shipyard Project Area Boundary
- Legal Description Reference Points
- San Francisco Shoreline
- Assessor Blocks outside Project Area

Map 1: Project Area Boundary Map



Office of Community Investment and Infrastructure





- Land Use Districts**
- Project Phase Boundary
 - Project Area Boundary
 - Parks and Open Space
 - Hunters Point Hill Residential
 - Warehouse District
 - North Shoreline
 - Village Center
 - Wharf District
 - Residential Permitted

Map 2: Land Use Districts Map



Office of Community Investment and Infrastructure

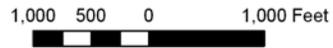


Exhibit B

Tax Increment Projections

**Tax Increment Projections
Hunters Point Shipyard Phase II
(In Nominal/Future Dollars)**

Plan Year	Fiscal Year	Beginning of the Year Assessed Value			New Development Value (4)	Incremental Tax Revenues				Agency Obligations				
		Secured Assessed Value (1)	Other Assessed Value (2)	Total Beginning of Year Assessed Value (3)		Beginning of Year Incremental AV over Base (5)	Basic Incremental Revenue (6)	Supplemental Revenue from New Development (7)	Gross Incremental Tax Revenues (8)	County Admin (9)	20% Housing Set Aside (10)	Pass Through Payments (11)	Housing Redevelopment Program (12)	Non-Housing Redevelopment Program (13)
	Prior Years													
7	2024 - 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2025 - 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
9	2026 - 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
10	2027 - 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
11	2028 - 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2029 - 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
13	2030 - 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2031 - 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
15	2032 - 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
16	2033 - 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
17	2034 - 2035	0	0	0	0	0	0	0	0	0	0	0	0	0
18	2035 - 2036	0	0	0	147,143,994	0	0	1,471,440	1,471,440	0	294,288	381,827	294,288	795,325
19	2036 - 2037	150,511,709	0	150,511,709	0	150,511,709	1,505,117	1,505,117	1,505,117	0	301,023	390,566	301,023	813,528
20	2037 - 2038	153,956,502	0	153,956,502	182,763,019	153,956,502	1,539,565	1,827,630	3,367,195	0	673,439	873,760	673,439	1,819,997
21	2038 - 2039	344,426,091	0	344,426,091	1,019,186,235	344,426,091	3,444,261	10,191,862	13,636,123	0	2,727,225	3,538,462	2,727,225	7,370,436
22	2039 - 2040	1,394,821,607	0	1,394,821,607	54,308,046	1,394,821,607	13,948,216	543,080	14,491,297	0	2,898,259	3,760,373	2,898,259	7,832,664
23	2040 - 2041	1,482,296,186	0	1,482,296,186	1,359,194,744	1,482,296,186	14,822,962	13,591,947	28,414,909	0	5,682,982	7,373,436	5,682,982	15,358,491
24	2041 - 2042	2,906,524,727	0	2,906,524,727	562,748,402	2,906,524,727	29,065,247	5,627,484	34,692,731	0	6,938,546	9,002,480	6,938,546	18,751,705
25	2042 - 2043	3,548,675,109	0	3,548,675,109	368,745,940	3,548,675,109	35,486,751	3,687,459	39,174,210	0	7,834,842	10,165,387	7,834,842	21,173,981
26	2043 - 2044	4,007,079,885	0	4,007,079,885	1,642,182,627	4,007,079,885	40,070,799	16,421,826	56,492,625	0	11,298,525	14,659,374	11,298,525	30,534,726
27	2044 - 2045	5,778,558,364	0	5,778,558,364	170,005,649	5,778,558,364	57,785,584	1,700,056	59,485,640	0	11,897,128	15,436,037	11,897,128	32,152,475
28	2045 - 2046	6,084,710,043	0	6,084,710,043	2,444,591,920	6,084,710,043	60,847,100	24,445,919	85,293,020	0	17,058,604	22,132,840	17,058,604	46,101,575
29	2046 - 2047	8,724,513,881	0	8,724,513,881	775,786,499	8,724,513,881	87,245,139	7,757,865	95,003,004	0	19,000,601	24,652,502	19,000,601	51,349,901
30	2047 - 2048	9,717,735,743	0	9,717,735,743	979,526,104	9,717,735,743	97,177,357	9,795,261	106,972,618	0	21,394,524	27,758,519	21,394,524	57,819,576
31	2048 - 2049	10,942,092,317	0	10,942,092,317	64,768,096	10,942,092,317	109,420,923	647,681	110,068,604	0	22,013,721	28,684,692	22,013,721	59,370,191
32	2049 - 2050	11,258,776,731	0	11,258,776,731	1,975,390,860	11,258,776,731	112,587,767	19,753,909	132,341,676	0	26,468,335	35,347,749	26,468,335	70,525,592
33	2050 - 2051	13,537,060,753	0	13,537,060,753	75,984,499	13,537,060,753	135,370,608	759,845	136,130,453	0	27,226,091	36,481,173	27,226,091	72,423,189
34	2051 - 2052	13,924,609,868	0	13,924,609,868	78,264,034	13,924,609,868	139,246,099	782,640	140,028,739	0	28,005,748	37,647,357	28,005,748	74,675,634
35	2052 - 2053	14,323,360,607	0	14,323,360,607	58,700,964	14,323,360,607	143,233,606	587,010	143,820,616	0	28,764,123	38,781,709	28,764,123	76,274,784
36	2053 - 2054	14,711,226,824	0	14,711,226,824	38,836,106	14,711,226,824	147,112,268	388,361	147,500,629	0	29,500,126	39,882,596	29,500,126	78,117,908
37	2054 - 2055	15,087,650,706	0	15,087,650,706	40,001,189	15,087,650,706	150,876,507	400,012	151,276,519	0	30,255,304	41,012,165	30,255,304	80,009,051
38	2055 - 2056	15,473,881,630	0	15,473,881,630	0	15,473,881,630	154,738,816	0	154,738,816	0	30,947,763	42,047,921	30,947,763	81,743,132
39	2056 - 2057	15,828,035,597	0	15,828,035,597	0	15,828,035,597	158,280,356	0	158,280,356	0	31,656,071	43,107,384	31,656,071	83,516,901
40	2057 - 2058	16,190,295,160	0	16,190,295,160	0	16,190,295,160	161,902,952	0	161,902,952	0	32,380,590	44,191,094	32,380,590	85,331,267
41	2058 - 2059	16,560,845,833	0	16,560,845,833	0	16,560,845,833	165,608,458	0	165,608,458	0	33,121,692	45,299,608	33,121,692	87,187,159
42	2059 - 2060	16,939,877,377	0	16,939,877,377	0	16,939,877,377	169,398,774	0	169,398,774	0	33,879,755	46,433,492	33,879,755	89,085,527
43	2060 - 2061	17,327,583,896	0	17,327,583,896	0	17,327,583,896	173,275,839	0	173,275,839	0	34,655,168	47,593,328	34,655,168	91,027,344
44	2061 - 2062	17,724,163,934	0	17,724,163,934	0	17,724,163,934	177,241,639	0	177,241,639	0	35,448,328	48,779,709	35,448,328	93,013,603
45	2062 - 2063	18,129,820,583	0	18,129,820,583	0	18,129,820,583	181,298,206	0	181,298,206	0	36,259,641	49,993,243	36,259,641	95,045,322
46	2063 - 2064	18,544,761,581	0	18,544,761,581	0	18,544,761,581	185,447,616	0	185,447,616	0	37,089,523	51,234,552	37,089,523	97,123,541
47	2064 - 2065	18,969,199,420	0	18,969,199,420	0	18,969,199,420	189,691,994	0	189,691,994	0	37,938,399	52,504,270	37,938,399	99,249,325
48	2065 - 2066	19,403,351,457	0	19,403,351,457	0	19,403,351,457	194,033,515	0	194,033,515	0	38,806,703	53,803,049	38,806,703	101,423,763
49	2066 - 2067	19,847,440,022	0	19,847,440,022	0	19,847,440,022	198,474,400	0	198,474,400	0	39,694,880	55,131,553	39,694,880	103,647,967
50	2067 - 2068	20,301,692,535	0	20,301,692,535	0	20,301,692,535	203,016,925	0	203,016,925	0	40,603,385	56,490,464	40,603,385	105,923,077
51	2068 - 2069	20,766,341,620	0	20,766,341,620	0	20,766,341,620	207,663,416	0	207,663,416	0	41,532,683	57,880,475	41,532,683	108,250,258
52	2069 - 2070	21,241,625,227	0	21,241,625,227	0	21,241,625,227	212,416,252	0	212,416,252	0	42,483,250	59,302,301	42,483,250	110,630,701
53	2070 - 2071	21,727,786,748	0	21,727,786,748	0	21,727,786,748	217,277,867	0	217,277,867	0	43,455,573	60,756,668	43,455,573	113,065,626
54	2071 - 2072	22,225,075,150	0	22,225,075,150	0	22,225,075,150	222,250,752	0	222,250,752	0	44,450,150	62,244,321	44,450,150	115,556,280
55	2072 - 2073	22,733,745,096	0	22,733,745,096	0	22,733,745,096	227,337,451	0	227,337,451	0	45,467,490	63,766,022	45,467,490	118,103,938
56	2073 - 2074	23,254,057,077	0	23,254,057,077	0	23,254,057,077	232,540,571	0	232,540,571	0	46,508,114	65,322,551	46,508,114	120,709,905
57	2074 - 2075	23,786,277,548	0	23,786,277,548	0	23,786,277,548	237,862,775	0	237,862,775	0	47,572,555	66,914,705	47,572,555	123,375,515
58	2075 - 2076	24,330,679,060	0	24,330,679,060	0	24,330,679,060	243,306,791	0	243,306,791	0	48,661,358	68,543,299	48,661,358	126,102,134
59	2076 - 2077	24,887,540,403	0	24,887,540,403	0	24,887,540,403	248,875,404	0	248,875,404	0	49,775,081	70,209,166	49,775,081	128,891,157
60	2077 - 2078	25,457,146,748	0	25,457,146,748	0	25,457,146,748	254,571,467	0	254,571,467	0	50,914,293	71,913,161	50,914,293	131,744,013
61	2078 - 2079	26,039,789,793	0	26,039,789,793	0	26,039,789,793	260,397,898	0	260,397,898	0	52,079,580	73,656,155	52,079,580	134,662,163
62	2079 - 2080	26,635,767,911	0	26,635,767,911	0	26,635,767,911	266,357,679	0	266,357,679	0	53,271,536	75,439,042	53,271,536	137,647,102
63	2080 - 2081	27,245,386,305	0	27,245,386,305	0	27,245,386,305	272,453,863	0	272,453,863	0	54,490,773	77,262,733	54,490,773	140,700,357
64	2081 - 2082	27,868,957,163	0	27,868,957,163	0	27,868,957,163	278,689,572	0	278,689,572	0	55,737,914	79,128,164	55,737,914	143,823,493
65	2082 - 2083	28,506,799,818	0	28,506,799,818	0	28,506,799,818	285,067,998	0	285,067,998	0	57,013,600	81,036,290	57,013,600	147,018,108
Total					12,038,128,924		7,360,265,123	120,381,289	7,480,646,413	0	1,496,129,283	2,067,947,720	1,496,129,283	3,916,569,410
Present Value (a)							1,048,320,182	43,811,248	1,092,131,430	0	218,426,286	297,450,661	218,426,286	576,254,483

Notes for each column included on next page.

(a) Discounted to constant FY 2037-2038 dollars at 5.0%.

Source: Land use plan provided by EPS, November 2023. Pass-Through years provided by OCIL, August 2023.

Notes on Hunters Point Shipyard Phase II Tax Increment Projections

- (1) Includes prior year's new development value plus prior years beginning of year assessed value escalated at 2% annually due to inflation and an additional 0.29% starting FY 2024-25 to reflect reassessments due to property turnover and establishment of master planned community.
- (2) Provided for consistency, amounts were zero in 2010 Plan Amendment
- (3) Sum of columns (1) and (2).
- (4) Based on new development value additions from Proposed Scenario, reviewed by OCII's consultants.
- (5) Total beginning of the year assessed value (column 3) less base year assessed value.
- (6) Equals 1 % of beginning of year incremental AV over base value (column 5).
- (7) Equals 1 % of the new development supplemental roll value assessed during the year (column 4).
- (8) Sum of columns (6) and (7). Also equals Gross Tax Increment to Agency.
- (9) Assumed to equal 0% of gross tax increment as the County does not currently charge a fee.
- (10) CRL mandated housing set aside.
- (11) AB 1290 statutory pass through payments timelines provided by OCII. Assumes City takes Tier 1 pass through. Assumes City's Tier 2 and 3 pass throughs are retained by the Agency.
- (12) Total tax increment available for housing-related redevelopment activities.
- (13) Total tax increment available for non-housing related redevelopment activities.

Exhibit C

Limit on Bonded Indebtedness

	CP	HPS2	Total
A. Summary/Reconciliation			
Method 1 at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000
Method 2 at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817
Method 3 at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

B. Average of 3 Methods (rounded)

Contingency	50%	\$3,300,000,000	\$2,600,000,000	\$5,900,000,000
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	CP	HPS2	Total
Method 1 - Present Value of Average Bonding Capacity			
Average Annual Future Gross TI (net of pass-throughs)	\$159,103,033	\$125,168,285	\$284,271,318
DSCR	1.25	1.25	
Payment	\$127,282,426	\$100,134,628	\$193,974,628
Periods	30	30	
Int Rate	5.0%	5.0%	
PV of Average TI	\$1,956,600,000	\$1,539,300,000	
Estimated Principal of Outstanding Bonded Indebtedness	\$0	\$0	
Subtotal	\$1,956,600,000	\$1,539,300,000	
Contingency	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000

Method 2 - Present Value of Projected Tax Increment

	FY 2024-25	FY 2037-38	
Discounted to			
Discount Rate	5.0%	5.0%	
NPV of Projected Tax Increment	\$1,671,211,588	\$1,604,704,957	
Outstanding Bond	\$0	\$0	
Subtotal	\$1,671,211,588	\$1,604,704,957	\$3,275,916,545
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817

Method 3 - Tax Increment in Nominal Dollars

Future Tax Increment (net of pass-throughs)	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Tax increment Collected through FY 2008/09	\$0	\$0	
Subtotal	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Divide by Three	3.00	3.00	
Subtotal	\$3,025,200,000	\$2,124,800,000	\$5,150,000,000
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN**

Prepared by:

**The Office of Community Investment and Infrastructure,
as the Successor Agency to the San Francisco Redevelopment Agency**

**September 3, 2024
As updated September 18, 2024**

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN**

I. INTRODUCTION

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), has prepared this report (“Report”) to the Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) on an amendment (“Plan Amendment”) to the Bayview Hunters Point Redevelopment Plan (“BVHP Plan” or “Redevelopment Plan”), in accordance with the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (“CRL”). On September 3, 2024, by Resolution No. 25-2024, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure, (“Commission”) approved the Plan Amendment and, by Resolution No. 23-2025, approved this Report and authorized its transmittal to the Board of Supervisors.

OCII is simultaneously proposing to amend the BVHP Plan and the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”) to facilitate the development of the Candlestick Point-Hunters Point Shipyard Phase 2 project (“CP-HPS2 Project” or “Project”) and to ensure the financial and economic feasibility of the CP-HPS2 Project.

The BVHP Plan establishes land use controls for development in the Bayview Hunters Point Redevelopment Project Area (“BVHP Project Area”). The Plan Amendments, which are further described in Section III, are intended to advance the development and revitalization of Zone 1 of the BVHP Project Area (also referred to as “Candlestick Point”), which includes the development of the CP-HPS2 Project, which was approved in 2010. The CP-HPS2 Project is located within Zone 1 of the BVHP Project Area and Phase 2 of the HPS Plan Project Area.

The CP-HPS2 Project will provide up to 10,672 new homes, approximately 32% of which will be affordable, millions of square feet of commercial uses, over 300 acres of parks and open space, and significant jobs and community benefits. As originally conceived, the CP-HPS2 Project was intended to be developed in a cohesive manner where phases of development within portions of Candlestick Point and Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”) would occur simultaneously. While the CP-HPS2 Project has progressed since 2010, there have been challenges that have impeded the timely implementation of the CP-HPS2 Project. Since 2010, the clean-up of the Shipyard Site has faced unprecedented and extraordinary delays due to the fraud committed by the United States Navy’s contractor and the ongoing additional investigation, testing, and remedial activities resulting from such fraud, substantially delaying the overall development of the CP-HPS2 Project. In addition, the initial development program contemplated for the CP-HPS2 Project contemplated a new stadium at the Shipyard Site for the San Francisco 49ers (“49ers”). However, in 2011, the 49ers announced that they would build a new football stadium in the City of Santa Clara, vacating the former stadium located on the Candlestick Site in 2014. The newly vacant 49ers stadium therefore needed to be demolished, which was completed by the end of 2015. Furthermore, in 2012, the State of California dissolved the former Redevelopment Agency of the City and County of San Francisco (“SFRA”). These unique challenges impeded the timely implementation of the Project, and as a result of these

delays, Candlestick Point and the Shipyard Site can no longer be developed in concert as originally conceived.

As further detailed in this Report, the purpose of the Plan Amendment is to advance the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project by: 1) authorizing the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area with a corresponding reduction in those uses at Phase 2 of the HPS Project Area; 2) clarifying that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B; 3) implement SB 143 (defined in Section III.D) by extending the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B; 4) authorizing property tax increment revenues from Phase 2 of the HPS Project Area and Zone 1 of the BVHP Project Area to be combined to fund costs under the Project agreements; and 5) adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area.

II. OVERVIEW OF THE REPORT ON THE PLAN AMENDMENT

This Report is prepared pursuant to CRL Sections 33457.1 and 33352, which delineate the information that the Successor Agency must provide to the Board of Supervisors for its consideration of an amendment to a redevelopment plan. The Report is an integral step in the process to consider the proposed Plan Amendment and is a public document designed to provide comprehensive information the Board of Supervisors must consider when determining whether or not to adopt the Plan Amendment.

The contents of this Report provide the information required for redevelopment plan amendment “to the extent warranted” by the proposed amendment pursuant to Health & Safety Code Section 33457.1. The contents of this Report, as described below, are consistent with the CRL, and include the following:

- Description of the Plan Amendment;
- Reason for the Plan Amendment (subsection (a) of Section 33352 of the CRL);
- Description of how the Plan Amendment will improve or alleviate blighting conditions (subsection (b) of Section 33352 of the CRL);
- Proposed method of financing the redevelopment of the Project Area as applicable to the Plan Amendment (subsection (e) of Section 33352 of the CRL);
- Discussion of the Planning Commission’s forthcoming report and recommendation regarding conformity of the Plan Amendment to the General Plan, as required (subsection (h) of Section 33352 of the CRL and Section 4.105 of the San Francisco Charter);

- Consultation with the community;
- Report on the environmental review required by Section 21151 of the Public Resources Code as applicable to the Plan Amendment (subsection (k) of Section 33352 of the CRL); and
- The neighborhood impact report (subsection (m) of Section 33352 of the CRL).

III. DESCRIPTION OF THE PLAN AMENDMENT

A. Background

On May 23, 2006, the Board of Supervisors amended, by Ordinance No. 113-06, the Hunters Point Redevelopment Plan to add approximately 1,575 acres and rename it as the Redevelopment Plan for the Bayview Hunters Point Project Area. On August 3, 2010, the Board of Supervisors approved, by Ordinance No. 210-10, amendments to the BVHP Plan that divided Subarea B of the BVHP Project Area into two zones, Zone 1 (or “Candlestick Point”) and Zone 2. OCII retains land use authority within Zone 1 and the BVHP Plan supersedes the Planning Code for Zone 1 unless otherwise provided. The San Francisco Planning Department retains jurisdiction over Zone 2, which is subject to the San Francisco Planning Code. Maps delineating the BVHP Project Area Boundary and Redevelopment Zones are included in Exhibit A.

In 2010, the SFRA and the City and County of San Francisco (“City”) undertook a series of actions to approve the development of the CP-HPS2 Project. At Candlestick Point, the CP-HPS2 Project proposed two development alternatives, primarily distinguished by the presence or absence of a football stadium. Subsequent to the 2010 actions, the San Francisco 49ers football team elected to construct a new football stadium outside of San Francisco, and as a result, the Successor Agency and CP Development Co. LLC, the master developer of the CP-HPS2 Project (“**Developer**”), have been focused on implementation of the non-stadium development alternative.

B. CP-HPS2 Project

The SFRA and the Developer entered into the Disposition and Development Agreement for the Candlestick Point-Hunters Point Shipyard Phase 2 Project, as amended by the First Amendment to DDA, dated as of December 19, 2012, as amended by the Second Amendment to DDA, dated as of December 1, 2014, and as amended by the Third Amendment to DDA, dated as of August 10, 2018 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “DDA”). Following the Project’s approval in 2010, the State of California enacted legislation in 2011 that dissolved redevelopment agencies in the State, including the SFRA.

Redevelopment Dissolution Law became effective on February 1, 2012. The Oversight Board and California Department of Finance have recognized and approved the DDA and the Original Pledge Agreement as enforceable obligations that survived redevelopment dissolution, and approved recognized obligation payment schedules that include various obligations and commitments relating to these enforceable obligations.

The Project's initial development program included a new stadium at the Shipyard Site for the San Francisco 49ers. In 2014, the 49ers moved to a new stadium in the City of Santa Clara and the Developer proceeded with the Project under the Project's non-stadium alternative. In 2015, the Developer completed the demolition of the former 49ers' stadium, and the City transferred the land to the Developer. From 2014 to 2016, the Developer performed groundwork and utility work around Candlestick Center (neighborhood located within the southwest quadrant of Candlestick Site) to facilitate additional development within the area.

The Developer has funded over \$116 million of community benefits and investment associated with the development program, which includes contributions to the Southeast Health Center, scholarship funds, and infrastructure and housing investments for the new Alice Griffith development. In 2019, the Developer delivered infrastructure related to the development of 337 units as part of the Alice Griffith Replacement Project, including 226 Alice Griffith Replacement Units and 111 Agency Affordable Units.

Commencing in May 2018, the Excusable Delay provisions of the DDA became applicable to all dates in the Schedule of Performance for the Shipyard Site because of ongoing Navy parcel transfer delays that were not in the control of the Developer. As a result, all dates in the Schedule of Performance for the Shipyard Site are no longer applicable given the severity of the ongoing delays.

C. Prior Plan Amendments

Following the approval of the CP-HPS2 Project in 2010, the Board of Supervisors approved amendments to the BVHP Plan on June 22, 2017, by Ordinance No. 121-17.

On July 16, 2018, the Board of Supervisors approved amendments to the BVHP Plan by Ordinance No. 0167-18.

These amendments in 2017 and 2018 amended the land use regulations of the BVHP Plan to facilitate the development of the CP-HPS2 Project in a manner that best responds to market demands, maximizes economic development and employment generation within Candlestick Point and the surrounding community, consistent with the objectives of the BVHP Plan and HPS Plan.

D. Senate Bill 143

On September 13, 2023, the Governor signed Senate Bill 143 (2023) (codified at Section 34177.7(j) of the California Health and Safety Code) ("SB 143") into law. SB 143 amends Health & Safety Code section 34177.7 to add subdivision (j), which states that "the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply" to the CP-HPS2 Project. SB 143 provides that the applicable time limits referenced in the preceding sentence will be established in the CP-HPS2 Project agreements, including the DDA. SB 143 further clarified that Redevelopment Dissolution Law does not "limit the receipt and use of property tax revenues generated from the HPS Redevelopment Plan

project area or Zone 1 of the BVHP Redevelopment Plan project area” in connection with the CP-HPS2 Project.

E. 2024 Plan Amendment

The primary purpose of the Plan Amendment is to facilitate the successful implementation of the CP-HPS2 Project and realize the CP-HPS2 Project’s vision of bringing significant housing, jobs, and community benefits to Candlestick Point and the Shipyard Site. As with the adoption of the 2010 Plan Amendment, the fundamental purpose of the Plan Amendment is to provide the Successor Agency with the necessary financial and legal resources and tools to complete the needed program of redevelopment in Zone 1 of Project Area B in order to:

- Eliminate the significant blight identified in Project Area B;
- Facilitate the economic development of Project Area B including the provision of additional job opportunities for local residents;
- Provide additional quality affordable housing for residents of the Bayview and the entire community;
- Implement the objectives of voter-approved Proposition G.

Specifically, the Plan Amendment would, if adopted:

Land Use and Development Program Modifications

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.
- Clarify that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B.

Redevelopment Plan Time Limits

Implement SB 143 by establishing the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B as follows:

- **Time Limit to Incur Debt.** Establish that the time limit for establishing loans, advances, and indebtedness in connection with Zone 1 of Project Area B shall be 30 years from the 2024

Plan Amendment Date¹. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the above-referenced time limit for establishing loans, advances, and indebtedness shall be a) thirty (30) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional 15-year extension of the redevelopment timelines for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing.

- **Effectiveness of the Plan.** Establish that the time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the effectiveness of the BVHP Plan for Zone 1 shall be a) thirty (30) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date. The Plan Amendment further provides that solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the above-referenced time limit for repayment of indebtedness and receipt of property taxes shall be a) forty-five (45) years from the 2024 Plan Amendment Date, plus b) an additional fifteen (15) years, which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit

- Consistent with SB 143’s authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the Plan Amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The Plan Amendment establishes that

¹ The “2024 Plan Amendment Date” is defined in the BVHP Plan to mean the date on which the Board of Supervisors ordinance adopting the Plan Amendments becomes effective.

the aggregate total amount of bonded indebtedness of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

Table 1 summarizes the current and proposed time and fiscal limits.

**Table 1
Summary of Existing and Proposed Time and Fiscal Limits
Bayview Hunters Point Redevelopment Project Area**

	Project Area B	
	Current	Proposed
Time Limits (Zone 2 of Project Area B)		
Eminent Domain	6/1/2018	No change
Incurring Debt	6/1/2026	No change
Plan Effectiveness (Project Activities)	6/1/2036	No change
Tax Increment Collection/Repayment of Project Area Debt	6/1/2051	No change
Time Limits (Zone 1 of Project Area B)		
Incurring Debt	6/1/2026	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit got incurring debt shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Plan Effectiveness	6/1/2036	30 years from the 2024 Plan Amendment Date.

		Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the effectiveness of the BVHP Plan for Zone 1 shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Repay Indebtedness and Receive Property Taxes	6/1/2051	45 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Fiscal Limit		
Limit on Bonded Indebtedness	\$800 million	\$5.9 billion (combined limit on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of HPS Project Area)

The proposed amendments to the time limits described above and the limit on the amount of bonded indebtedness will also be set forth in applicable Project agreements, including the DDA, which the Oversight Board of the City and County of San Francisco and State of California Department of Finance will have the opportunity to review and approve.

IV. DESCRIPTION OF AGENCY'S REDEVELOPMENT PROGRAM

The proposed Plan Amendment is intended to support the Agency's Redevelopment Program (Agency's Affordable Housing Program and Non-Housing Redevelopment Program) within Zone 1 of Project Area B and to enable the Agency to continue meeting its redevelopment mission in the City. The presence of blighting conditions in the Project Area warrants continued redevelopment activities and the Agency's Redevelopment Program is organized broadly into two categories that reflect the division of tax increment revenues into funds that can be used specifically to the Agency's affordable housing efforts and all other development and redevelopment activities. The CP-HPS2 Project, which includes redevelopment activities in Zone 1 of BVHP Project Area B and Phase 2 of the HPS Project Area will alleviate blight in the Project Area and stimulate additional economic development, community enhancements, and affordable housing opportunities in the Bayview.

V. REASONS FOR PLAN AMENDMENTS

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(a) The reasons for the selection of the project area, a description of the specific projects then proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b).

A. Introduction

CRL Sections 33352(a) and 33457.1 require that to the extent necessary, the Report include the reasons for selecting a redevelopment project area. As Zone 1 of Project Area B was previously selected and established, and the Plan Amendment does not propose the addition of any new territory, the summary of the reasons the Project Area was selected and established are set forth in the Report to the Board of Supervisors for the 2010 Plan Amendment and remain unchanged in connection with the Plan Amendments.

B. Reasons for 2024 Plan Amendments

The Plan Amendments provide the mechanisms to facilitate and finance the development of the CP-HPS2 Project in Candlestick Point. Many of the blighting conditions identified in Project Area B in the Report to the Board of Supervisors for the 2010 Plan Amendment remain. Without the Plan Amendments, the redevelopment activities proposed for Candlestick Point in connection with the CP-HPS2 Project would not be feasible.

1. Amendment to Redevelopment Plan Time Limits

a. Without the Plan Amendments the Existing Statutory Time Limits Will Expire Starting in 2026

The BVHP Plan currently establishes the following time limits: 1) a 30-year time limit on the effectiveness of the BVHP Plan; 2) a 20-year time limit on establishing loans, advances and indebtedness; and 3) a 45-year time limit to repay indebtedness. The DDA and Tax Allocation Agreement, both enforceable obligations, specifically refer to and implement certain of these time limits. As shown in Table 1 above, certain of these time limits are quickly approaching, with the earliest time limit – the time limit for establishing loans, advances, and indebtedness – set to expire on June 1, 2026.

Since 2010, the clean-up of the Hunters Point Shipyard site has faced unprecedented delays due to the ongoing investigation, re-testing, and litigation related to the fraudulent work by the Navy’s contractor. When the Project was approved in 2010, the Navy was anticipated to complete the environmental remediation in 2015. Since that time, the Navy’s completion of the environmental remediation of the Shipyard property has been further delayed. The Navy has recently informed the Successor Agency that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy. These Navy delays have impeded the timely implementation of the CP-HPS2 Project, adversely impacting the Developer’s redevelopment activities on both Candlestick Point and the Shipyard Site and substantially delaying the overall CP-HPS2 Project. Given the significant delays facing the CP-HPS2 Project, imposing the statutory time limits described above means that the amount of tax increment financing that the Successor Agency can receive will be severely impacted, and would imperil the viability and financial feasibility of the CP-HPS2 Project. The expiration of the 20-year time limit on establishing loans, advances and indebtedness on June 1, 2026 would prevent the Successor Agency from entering into new bonded indebtedness that would be necessary to carry out its redevelopment activities within Zone 1 of Project Area B. In addition, given the extraordinary delays facing the CP-HPS2 Project caused by the fraud committed by the Navy’s contractor, the Developer and Successor Agency would not be able to complete all project activities within Zone 1 of Project Area B by June 1, 2036.

Therefore, extending the time limit on establishing loans, advances, and indebtedness is necessary for the Successor Agency to access tax increment financing and associated bonding capacity as the cost of the CP-HPS2 Project’s infrastructure, park and open space development, and community benefits will far exceed projected revenues. The extension of the time limits as proposed by the Plan Amendments is therefore critical to ensuring there are adequate funding sources to finance the construction of public infrastructure, parks and open space, and other community benefits contemplated by the CP-HPS2 Project and ensuring that the effectiveness of the BVHP Plan provides adequate time for the completion of the CP-HPS2 Project and other redevelopment activities within Zone 1 of Project Area B.

b. Plan Amendments Implement SB 143

Recognizing the significant adverse impact of the expiration of the above-referenced time limits, the State Legislature adopted, and the Governor signed into law, SB 143, which amended Health & Safety Code section 34177.7 to add subdivision (j), which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the CP-HPS2 Project. Accordingly, the CRL’s 30-year time limit on the effectiveness of the BVHP Plan, 20-year time limit on establishing loans, advances and indebtedness, and the 45-year time limit to repay indebtedness and receive property taxes, do not apply to Zone 1 of Project Area B.

Consistent with SB 143, the Plan Amendments include the following amended time limits which are set forth in the CP-HPS2 Project agreements, including the DDA and Pledge Agreement:

Table 2 Time Limits (Zone 1 of Project Area B)		
	Current	Proposed
Incurring Debt	6/1/2026	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for incurring debt shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Plan Effectiveness	6/1/2036	30 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for the

		effectiveness of the BVHP Plan for Zone 1 shall be a) 30 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.
Repay Indebtedness and Receive Property Taxes	6/1/2051	45 years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limit for repayment of indebtedness and receipt of property taxes shall be a) 45 years from the 2024 Plan Amendment Date, plus b) an additional 15 years which represents Anticipated Navy Delay.

c. Plan Amendments Advance the CP-HPS2 Financing Plan Funding Goals

The Plan Amendments advance the Funding Goals identified in the Financing Plan for the CP-HPS2 Project. In particular, the Plan Amendments further the Financing Plan’s Funding Goals of maximizing funding sources available to finance Qualified Project Costs, community benefits, and affordable housing. The Financing Plan, which was approved in 2010, identified Funding Goals for the CP-HPS2 Project which included promoting “financial self-sufficiency in the development of the Project by encouraging substantial private capital investment, contributing public land in the Project Site to facilitate the provision of public benefits of the Project, and using Funding Sources to finance Qualified Project Costs[.]” The Funding Sources identified in the Financing Plan include tax increment financing.

The CP-HPS2 Project is financially infeasible without public financing through tax increment financing. The time limits proposed by the Plan Amendments for incurring debt and repaying indebtedness and receiving property taxes are necessary to ensure there is sufficient time to access tax increment financing in order to finance Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the DDA) of the CP-HPS2 Project. In addition, the extension of the time limit for the effectiveness of the BVHP Plan is needed to ensure that the Successor Agency retains land use authority within Zone 1 of the BVHP Plan during the buildout of the CP-HPS2 Project.

As set forth in Table 1 above, solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limits include an additional 15 years for Anticipated Navy Delay. The additional 15-years provided for the Anticipated Navy Delay is consistent with the Project’s Funding Goals for the following reasons:

- 30-year bonds are the most effective and cost-efficient financing tools – and are most consistent with the Project’s adopted “Funding Goals” as reflected in the Financing Plan.
- For 30-year bonds secured by Candlestick Point tax increment financing to remain available to finance 2054 development activities at the Shipyard Site, it is necessary for repayment of Shipyard indebtedness through Candlestick Point tax increment financing to be authorized through 2084, or 60 years (45 plus 15) from the 2024 Plan Amendment Date.
- Reliance on 15-year bonds instead of 30-year bonds, which would be required absent the additional 15 years for Anticipated Navy Delay, would result in a nearly 45% reduction in bonded amounts, as shown below:

	Full	Reduced	Change
Bond Term	30 Yrs	15 Yrs	-15 Yrs
Rate	5.50%	5.50%	0%
Payment	\$1	\$1	\$0
Bond PV	\$14.53	\$10.04	-44.8%

- Shorter 15-year bond terms, as would be required absent the additional 15 years for Anticipated Navy Delay, do not merely affect the Developer’s delivery of Project infrastructure, parks, and community benefits, it would also negatively impact the Agency’s ability to maximize leverage of its 20% affordable housing set-aside.
- Making 30-year bond instruments unavailable to the final stages of development would be inconsistent with the Funding Goals adopted by the Agency when the Project was originally approved. Those Funding Goals include:
 - To “maximize Funding Source available to finance Qualified Project Costs by among other things, to the extent reasonably feasible and consistent with this Financing Plan, using tax-exempt debt...” (Section 1.1(a)(iii));
 - To “promote financial self-sufficiency in the development of the Project by encouraging substantial private capital investment . . . ”
- Ensuring availability of 30-year bonds in the final stages of development encourages private investment by demonstrating a robust set of public financing tools.

d. Plan Amendments Are Necessary to Address Navy Delays and to Advance Development on the Shipyard Site

The extraordinary Navy delays at the Shipyard Site and the substantial cost increases during the period of delay have resulted in significantly increased CP-HPS2 Project costs overall, which has deepened the need for cross-funding and extended timelines for the recovery of Qualified Project Costs. The additional 15-years provided for the Anticipated Navy Delay will allow tax increment from Zone 1 of the BVHP Project Area to be used to help finance and advance the development of Phase 2 of the HPS Project Area. Assuming currently anticipated Navy delays in final land delivery of 2036-2038, which includes time needed for a Finding of Suitability for Transfer and associated conveyance documentation, it is estimated that redevelopment activities would still be occurring at the Shipyard Site in 2054 that will require cross-funding from Candlestick Point tax increment financing. Since the Project’s inception, development of infrastructure on the Shipyard Site has depended significantly on cross-funding from Candlestick Point through Community Facilities District (“CFD”) proceeds.

While the redevelopment timelines would be extended, the Project’s Fiscal Impact Analysis demonstrates that Candlestick Point, upon its build-out, will generate a net surplus in revenues from other taxes (sales tax, etc.) of \$23.3M per year, which will flow to the City’s General Fund.

e. Plan Amendments Bridge the Gap Between Revenues and Costs

While it may be possible legally to further increase CFD rates on existing and future CP-HPS2 residents (up to the very maximum allowed under the City’s code), such increases would not be competitive with other comparable projects and would therefore make development parcels in the CP-HPS2 Project unmarketable. Increased CFD rates also would overburden Bayview residents and would still be far inadequate to make up for the currently projected shortfall between Project revenues and costs.

Tax increment financing has always been essential to the financial viability of the CP-HPS2 Project. The time extensions described above – which ensure availability of tax increment financing to pay for affordable housing, community benefits, and Qualified Project Costs – are therefore essential for the Project to achieve goals and objectives of both the BVHP Plan and the City’s 2022 Housing Element. In addition, extended timelines protecting tax increment financing availability will accelerate development of the Shipyard Site, which will result in earlier and greater tax revenues to the taxing entities as well as earlier funding for affordable housing.

2. Amendment to Limit on Bonded Indebtedness

The Plan Amendment will adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of Project Area B and Phase 2 of the HPS Project Area. The adjusted single limit on bonded indebtedness proposed by the Plan Amendment is \$5.9 billion. Of this combined single limit on bonded indebtedness, it is estimated that approximately \$3.3 billion in bonded indebtedness may be required for Zone 1 of Project Area B and up to \$2.6 billion in

bonded indebtedness may be required for Phase 2 of the HPS Project Area. These estimates are informational and shall not operate as limits upon bonded indebtedness within Zone 1 of Project Area B and Phase 2 of the HPS Project Area, respectively.

In 2010, the aggregate total limit on bonded indebtedness between Candlestick Point and the Shipyard Site was \$1.7 billion, with the limit set at \$800 million at Candlestick Point and \$900 million at the Shipyard Site. The limits on bonded indebtedness have not been adjusted since the Project's approval in 2010. Therefore, while the costs related to the construction of residential and commercial property have increased significantly since the Project's approval in 2010, the limit on bonded indebtedness has not been adjusted to reflect the significant increases in project costs and inflation over the past fourteen years.

The proposed Plan Amendment to establish a single limit on bonded indebtedness is necessary to address increases in project costs and inflation since 2010, and to reflect projected future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area B and Phase 2 of the HPS Project Area progress over the life of the Redevelopment Plan as reflected in the proposed Plan Amendments.

Establishing a single limit on bonded indebtedness is also consistent with SB 143's authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B. Further, as detailed in this Report, the remaining adverse conditions in Zone 1 of Project Area B are substantial and prevalent and continue to represent a significant burden on the community that cannot be eliminated under the current \$800 million limit. To maintain the Successor Agency's ability to alleviate blight and promote economic growth in Candlestick Point, including facilitating the development of the CP-HPS2 Project, an increase in the limit on bonded indebtedness for both Project Areas in the amount of \$5.9 billion is needed.

The method for calculating the adjusted limit of bonded indebtedness is further described in Section VII and summarized in Exhibit B and Exhibit C.

3. Land Use and Development Program Amendments

The Plan Amendments would authorize the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. The Plan Amendments would further clarify that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B. In addition, the Plan Amendments would allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

These Plan Amendments support redevelopment of the Candlestick Point in a manner that responds to changes in market conditions to provide for economically feasible development. The Plan Amendment would provide certainty as to overall maximum development under the BVHP Plan, while allowing flexibility in development over the anticipated buildout of Candlestick Point. This flexibility will maximize the potential for long-term economically successful development within Candlestick Point.

The following objectives and goals, as described in Section 1.2 of the BVHP Plan would be further advanced by the adoption of the Plan Amendment:

- Strengthening the economic base of the Project Area and the community by strengthening retail and other commercial functions within the Project Area through the facilitation of new retail space, and as appropriate, new commercial and light industrial uses.
- Providing public parks and open space.
- Encouraging participation of area residents in the economic development that will occur.
- Removing structurally substandard buildings, removing impediments to land development, and facilitating modern, integrated development with improved pedestrian and vehicular circulation within the Project Area and vicinity.
- Redesigning and developing undeveloped and underdeveloped areas, which are improperly utilized.
- Eliminate blighting influences and correcting environmental deficiencies within the Project Area, including, abnormally high vacancies, abandoned, deteriorated and dilapidated buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities, and utilities.
- Providing flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

VI. DESCRIPTION OF HOW THE PLAN AMENDMENT WILL IMPROVE OR ALLEVIATE BLIGHT

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(b) A description of the physical and economic conditions specified in Section 33031 that exist in the area that cause the project area to be blighted. The description shall include a list of the physical and economic conditions described in Section 33031 that exist within the project area and a map showing where in the project the conditions exist. The description shall contain specific, quantifiable evidence that documents both of the following:

(1) The physical and economic conditions specified in Section 33031.

(2) That the described physical and economic conditions are so prevalent and substantial that, collectively, they seriously harm the entire project area.

The physical and economic conditions of blight existing in the BVHP Project Area at the time of adoption of the 2010 Plan Amendment and described in the Report to the Board of Supervisors for the 2010 Plan Amendment remain substantially the same. The Project Area continues to be characterized by vacant and underutilized land, stagnant property values, and inadequate public improvements.

Since 2010, the Developer has made progress on the development of the CP-HPS Project. The Developer completed the construction of 337 affordable residential units, which includes 226 Alice Griffith Replacement Units and 111 additional affordable units. The master developer has also acquired fee title from the City of the property that included the 49ers stadium and completed the demolition of the stadium in 2015. The Developer also performed preliminary groundwork and utility work around Candlestick Center to facilitate additional development within the area.

The Plan Amendment will continue to improve or alleviate the adverse conditions in the BVHP Project Area through the development of under-utilized land, economic development activities, community enhancement efforts, affordable housing activities, and the delivery of public parks and open space. Allowing for the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to those portions of Zone 1 of the BVHP Project where such uses are permitted will strengthen the achievement of an economically vibrant mixed-use development and improve the economic base of the BVHP Project Area by facilitating a diversity of land uses, including job-generating uses.

As detailed in this Report, the Plan Amendments will further improve or alleviate the adverse conditions in Zone 1 of Project Area B by establishing CP-HPS2 Project-specific time limits for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B. As discussed in Section V, the extension of these time limits is required in light of the extraordinary Navy delays which have impacted the timely implementation of the Project, and to protect the financial feasibility of the CP-HPS2 Project which rely on tax increment financing to fund Qualified Project Costs.

(d) An explanation of why the elimination of blight and the redevelopment of the project area cannot reasonably be expected to be accomplished by private enterprise acting alone or by the legislative body's use of financing alternatives other than tax increment financing.

The elimination of blight cannot be borne solely by the private sector and private funds. The private sector's ability to alleviate blight is limited by the same factors that were identified in the Report to the Board of Supervisors for the 2010 Plan Amendment.

As set forth in the Financing Plan for the CP-HPS2 Project, the financial feasibility of the CP-HPS2 Project requires various public Funding Sources. Section VII describes the need for the increased bonded indebtedness cap proposed in the Plan Amendment in order to fund the redevelopment of Zone 1 of Project Area B to alleviate the remaining adverse physical and economic conditions in the Project Area.

VII. PROPOSED METHOD OF FINANCING AND FEASIBILITY OF PLAN AMENDMENT

(e) The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

This Section explains why tax increment financing is the primary source of funding and why the Plan Amendment to increase the limit on bonded indebtedness is necessary to accomplish and

complete the goals set forth in the BVHP Plan and to alleviate the remaining blight in the Project Area. As summarized in Section V, blighting conditions in the Project Area continue to be substantial and require tax increment in order to be alleviated.

1. Potential Funding Sources

The proposed Plan Amendment authorizes the Agency to finance its Redevelopment Program using all available funding sources, including local, state and federal sources, and the Agency will make every effort to obtain alternative funding sources as a means to accelerate its Redevelopment Program. However, tax increment financing is the most reliable source of long-term funding available to the Agency.

This section describes funding sources that will likely be available to assist in financing the Agency's Redevelopment Program, which primarily includes the CP-HPS2 Project in Zone 1 of BVHP Project Area B. Some sources described below may generate more funds than estimated, while other sources may generate less. On balance, the estimates of alternative revenues provide an initial assessment of funding availability to determine the need for tax increment revenue to fill the funding gap in the Agency's Redevelopment Program costs.

Tax increment, CFDs, and developer participation are the sources of funding that are most likely to be available to provide funding for the Agency's Redevelopment Program, while private capital will provide funding for upfront costs and initial expenses in order to get the program started. Secondary funding sources are less likely to be available. Complementary sources would not provide direct funding for the Agency's Redevelopment Program. However, they could be used for economic development, business support and expansion, neighborhood improvements, and community enhancement, which would enhance the effectiveness of the Agency's Redevelopment Program.

Table 3 summarizes the potential funding sources other than tax increment that could be available to assist in financing the Agency's Redevelopment Program.

a. Primary Funding Sources

The primary sources of funding that are expected to generate substantial revenues to finance the Agency's Redevelopment Program are tax increment, CFDs, and developer participation and will provide the backbone of funding for the CP-HPS2 Project.

Tax Increment Financing

Tax increment revenue generated by the increase in property values within Zone 1 of Project Area B will continue to be one of three primary sources of funding to support the completion of the CP-HPS2 Project. Section VII.2 details the Agency's projection of tax increment resources that will be available to finance its redevelopment activities in Zone 1 of Project Area B.

Mello Roos Act

A common method for imposing special taxes in California is through a special tax levied pursuant to the Mello-Roos Community Facilities Act of 1982 (the Mello-Roos Act), which

authorizes certain public entities to form a Community Facilities District (CFD). The Mello-Roos Act authorizes the formation of a special tax district to finance capital improvement projects and pay for certain services. Revenues generated through the formation of a CFD are expected to provide significant funding for the redevelopment of Candlestick Point and will be key to the timely implementation of infrastructure improvements necessary for further development.

Developer Participation

Developer participation has been used to help fund redevelopment activities in many communities. The DDA for the CP-HPS2 Project includes a Financing Plan that describes the Developer Return in connection with the CP-HPS2 Project.

b. Secondary Funding Sources

While less significant or less likely to be available than primary funding sources, secondary sources, such as federal, state, and other local funds have helped, and are anticipated to help the Agency in meeting its redevelopment goals and objectives. The level of funding provided by these funding sources will not be sufficient to fully fund the cost of redevelopment activities. Furthermore, many grant programs offer one-time funding allocations and are not a reliable source of funding for future years. Table 3 identifies potential secondary funding sources that the Agency may use to help fund its redevelopment activities.

Table 3

	FY 2024-25 Dollars (a)
Primary Funding Sources	
CP Project Mello-Roos Community Facilities Districts	\$230,000,000
CP Project Developer Participation (b)	\$490,000,000
Total Primary Funding Sources Other than Tax Increment	\$720,000,000
Secondary Funding Sources	
RAISE Grant	\$20,000,000
Federal Grant Opportunities	TBD
MTC State/Regional Transportation Improvement Program	TBD
MTC Transportation for Livable Communities	TBD
CTCAC Low Income Housing Tax Credits DPW/MTC Fuel Tax	TBD
Total Secondary Funding Sources	TBD

Footnotes:

- (a) Figures rounded to the nearest \$10,000,000. Calculations may not precisely match due to rounding.
- (b) The estimates shall not limit the reimbursement of Qualified Project Costs.

2. Tax Increment Projections and Plan Amendments

The BVHP Plan currently imposes specific time and fiscal limits that will affect the amount of tax increment revenue the Agency can receive, as follows:

- **Time Limit to Incur Debt.** The Agency’s ability to enter into new bonded indebtedness is limited to 20 years from the 2006 Plan Amendment Date.
- **Time Limit to Carry Out Projects.** The Agency must complete all project activities within 30 years after adoption of the Redevelopment Plan. This is also referred to as the limit for plan effectiveness.
- **Time Limit to Receive Tax Increment and Repay Debt.** The Agency can collect tax increment for 45 years after the adoption of the Plan to repay debt.
- **Limit on Amount of Outstanding Bonded Indebtedness.** The Redevelopment Plan currently includes a limit of \$800 million on the total amount of outstanding bonded indebtedness secured by tax increment revenue.

Table 1 presents the current limits and the proposed changes to the redevelopment plan time limits and bond limit. As authorized by SB 143, the Plan Amendment will extend the time limits to incur debt, plan effectiveness, and repay debt and receive tax increment for Zone 1 of Project Area B. The Plan Amendments further propose extending the limit on the amount of bonded indebtedness. These Plan Amendments are necessary in order to provide the financing necessary to implement the CP-HPS2 Project and to provide for additional time for the Agency to complete all project activities within Zone 1 of Project Area B.

Table 4 summarizes the total tax increment revenues available to the Agency over the tax increment collection period of the Redevelopment Plan for Zone 1 of Project Area B in both nominal and constant FY 2024/25 dollars under the proposed Plan Amendment. Exhibit B provides a more detailed summary of the tax increment projections over the tax increment collection period under the proposed Plan Amendment. The tax increment projections for tax increment revenues will accrue over time, with limited revenues in the early years of implementation that will grow as the assessed value of Zone 1 of Project Area B increases.

The tax increment projections are intended only as estimates for financial feasibility purposes. Actual tax increment revenues may be higher or lower. The development projections shown in Exhibit B are not intended to predict future development, but rather to provide a reasonable estimate of potential tax increment growth on an average annualized basis. The tax increment projections are based on the best available information and analysis techniques, and actual tax increment generated in each year will likely vary.

The Project Area is projected to generate approximately \$10.5 billion in nominal dollars in gross incremental tax revenues over the life of the Redevelopment Plan under the proposed Plan Amendment. Table 4 shows how the gross tax increment will be distributed to the taxing entities via pass-through payments, and to the Agency for its Housing Redevelopment Program, Non-Housing Redevelopment Program and redevelopment administration.

As required by the CRL, the Agency will deposit 20 percent of gross tax increment revenues from Project Area B into the Affordable Housing Fund over the life of the Redevelopment Plan, equal to about \$2.1 billion in nominal dollars. The tax increment available for the Agency’s Non-

Housing Redevelopment Program projects and activities is projected to be approximately \$5.6 billion in nominal dollars.

Table 4

Tax Increment (TI) Projections	Total (a),(b)
<i>In Nominal (Future) Dollars</i>	
Incremental Tax Revenues	\$10,490,000,000
Less: County Admin Fee	\$0
Subtotal: TI Remitted to Agency	\$10,490,000,000
Agency Obligations	
Less: 20% Housing Set-Aside	\$2,090,000,000
Less: Additional TI for Housing	\$0
Less: Pass-Through Payments	\$2,820,000,000
Subtotal: TI Available for Non-Housing Program and Agency Administration	\$5,580,000,000
Projected Use of Funds:	
Agency Administration (Non-CP)	(a)
<i>In Constant FY 2024-25 Dollars</i>	(a)
Housing Redevelopment Program	\$2,090,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$430,000,000
Non-Housing Redevelopment Program (c),(d)	\$5,580,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$1,170,000,000
Total Redevelopment Program	\$7,670,000,000
<i>In Constant FY 2024-25 Dollars</i>	\$1,600,000,000

Footnotes:

- (a) Zone 1 Only. Project Area B (Non-CP) not included.
- (b) Figures rounded to the nearest \$10,000,000. Calculations may not precisely match due to rounding
- (c) Includes \$5,275,867 in Non-Housing Redevelopment Program prior to FY 2024-25.
- (d) Per Exhibit A of the Acquisition and Reimbursement Agreement, Acquisition Facilities and Authorized Payments for Non-Housing include, but are not limited to:
 - A. Acquisition Facilities:
 - 1. Acquisition
 - 2. Abatement
 - 3. Demolition
 - 4. Auxiliary Water Supply System
 - 5. Low Pressure Water
 - 6. Reclaimed Water
 - 7. Storm Drainage System
 - 8. Separated Sanitary Sewer
 - 9. Combined Sanitary Sewer
 - 10. Joint Trench
 - 11. Earthwork
 - 12. Retaining Walls
 - 13. Roadways, Curb, and Gutter
 - 14. Traffic and Transit
 - 15. Streetscape

16. Parks & Open Space
 17. Shoreline Improvements
 18. Sea Level Rise Adaptations
 19. Hazardous Soil Removal
 20. Any other amounts specifically identified in the DDA or specified in the Candlestick Point and Hunters Point Shipyard Infrastructure Plans, as amended from time to time, as a Project Cost or Additional Community Facilities.
- B. Authorized Payments:
1. Pre-Agreement Costs
 2. Community Benefits Costs
 3. Any other amounts specifically identified in the DDA or specified in the Candlestick Point and Hunters Point Shipyard Infrastructure Plans, as amended from time to time, as a Project Cost.
 4. Any Facility authorized to be financed hereunder may be financed through the payment or reimbursement of fees for such Facility.

3. Increase in Limit on Amount of Outstanding Bonded Indebtedness

The Plan Amendment proposes to merge the existing limits on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of the HPS Project Area into a single limit on bonded indebtedness in the amount of \$5.9 billion.

This section generally describes the methodology used to determine the proposed combined bonded indebtedness cap of \$5.9 billion. Exhibit C includes details of the methodology and calculation described in this Section with a direct comparison to the analogous 2010 calculation by the Successor Agency.

To determine the new proposed combined bonded indebtedness cap for Candlestick Point, the Developer used the same methodology relied on by the Successor Agency in 2010. The 2010 methodology used three calculations to inform the estimated bonded indebtedness limit for Candlestick Point: 1) bonding capacity (Method 1) which yielded a bonded debt need of \$732.5 million; 2) present value of tax increment (Method 2) which yielded a bonded debt need of \$625 million; and 3) tax increment in nominal dollars (Method 3) which yielded a bonded debt need of \$1 billion. Based on the range established by these three calculations (\$625 million to \$1 billion), the Agency determined that a bonded indebtedness limit of \$800 million was needed to fund the BVHP Redevelopment Plan programs and projects.

Using the same three methodologies that the Agency relied on in 2010, the Developer proposes a combined bonded indebtedness cap of \$5.9 billion, which was calculated as follows:

- Under the bonding capacity method (Method 1), the estimated combined total debt for Candlestick Point, as updated with 2024 inputs, is approximately \$2.9 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.5 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$4.5 billion. In 2010, the Agency's consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$3.3 billion for Candlestick Point.

- For the Shipyard Site, under the bonding capacity method (Method 1), the estimated combined total debt, as updated with 2024 inputs, is approximately \$2.3 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.4 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$3.2 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$2.6 billion for the Shipyard Site. This results in the overall combined total of \$5.9 billion (\$3.3B for CP and \$2.6B for HPS = \$5.9B combined).
- The method for calculating the adjusted limit of bonded indebtedness of \$5.9 billion is described in Exhibits B and C and assumes an annual interest rate of five percent (5%) and application of a fifty percent (50%) contingency factor. The industry standard for tax-exempt municipal bonds is to pay an annual interest rate of 5% of the bond principal amount. Investors’ willingness to pay more than 100 cents for each dollar of bond principal depends on whether alternative investments are yielding lower than a 5% interest rate. Based on historical borrowing rate indices and OCII’s prior borrowing rates relative to those indices, OCII’s future bond borrowing rate is expected to be close to 5%. Therefore, using a 5% rate to compute the bonded indebtedness limit principal amount generates an appropriate estimate of the funds OCII would be able to raise from bond investors for this project area. The adjusted limit on bonded indebtedness reflects projected property tax increment plus a contingency factor of 50% to account for variables such as higher assessed values of taxable property, more frequent reassessments due to resales, and the time it takes to buildout the CP-HPS2 Project.

VIII. METHOD OF PLAN FOR RELOCATION

(f) A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which method or plan shall include the provision required by Section 33411.1 that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by the displaced person or family at rents comparable to those at the time of their displacement.

The Plan Amendment does not displace any residents in Zone 1 of Project Area B. Since 2010, the Developer for the CP-HPS2 Project completed the construction of 337 affordable residential units, which includes 226 Alice Griffith Replacement Units and 111 additional affordable units.

IX. REPORT OF THE PLANNING COMMISSION

(h) The report and recommendations of the planning commission.

On September 3, 2024, the Commission approved the Plan Amendment, and by Resolution No. 25-2024, referred it to the Planning Commission for its report and recommendation, and findings of conformity with the General Plan.

On September 12, 2024, the Planning Commission, by Motion No. 21607, found the proposed Plan Amendment to be consistent with the General Plan and the Priority Policies outlined in Planning Code Section 101.1. On the same date, the Planning Commission, by Motion No. 21608, approved amendments to the Candlestick Point Design for Development and affirmed findings of consistency with the General Plan and the eight Priority Policies in Planning Code Section 101.1

X. CONSULTATION WITH THE COMMUNITY

The Successor Agency has provided extensive opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Citizens Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. The following outlines the various community events in connection with the Plan Amendment:

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood Association	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024
San Francisco Housing Action Coalition	June 20, 2024
Community Outreach Workshop (in-person and virtual using Slido)	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Upcoming meetings as of the date of this Report:	
Local contractors	August 27, 2024

Council of Community Housing Organizations	August 28, 2024
Taste of Bayview – Renaissance Entrepreneurship Center event	August 29, 2024
Youth outreach	November 2025 and ongoing

XI. ENVIRONMENTAL REVIEW

(k) The report required by Section 21151 of the Public Resources Code

On June 3, 2010, the Commission of the former Redevelopment Agency of the City and County of San Francisco (“Redevelopment Commission”) by Resolution No. 58-2010 and the Planning Commission by Motion No. 18096, acting as co-lead agencies, certified the Final Environmental Impact Report (“FEIR”) under the California Environmental Quality Act (“CEQA”) for the CP-HPS2 Project. On July 14, 2010, the Board of Supervisors affirmed the Planning Commission’s certification of the FEIR by Resolution No. 347-10 and that various actions related to the Project complied with CEQA. Subsequent to the certification of the FEIR, OCII and the Planning Department prepared Addenda 1 through 6 to the FEIR analyzing certain Project modifications.

On September 3, 2024, OCII, as Lead Agency, approved Addendum 7 to the FEIR, which evaluated the updated land use program of the Plan Amendment and determined that the analyses conducted and the conclusions reached in the FEIR remain valid and no supplemental environmental review is required beyond Addendum 7. With assistance from the Planning Department, OCII has reviewed Addendum 7, the FEIR and the Plan Amendment and determined that development facilitated by the Plan Amendment will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts that would alter the conclusions reached in the FEIR. Accordingly, no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.

XII. NEIGHBORHOOD IMPACT REPORT

(m) If the project area contains low- or moderate-income housing, a neighborhood impact report which describes in detail the impact of the project upon the residents of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood.

The Plan Amendment does not impact or alter the existing affordable housing obligations articulated in the BVHP Plan. Under the CRL, at least 15 percent of all new and substantially rehabilitated dwelling units developed within the BVHP Project Area by private or public entities other than OCII must be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income. Under the CP-HPS2 Project, approximately 32% of the housing developed by parties other than OCII will be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income.

The Plan Amendment will not cause the destruction or removal of housing units from the low and moderate-income housing market and no persons will be displaced, temporarily or permanently, from dwelling units as a result of the Plan Amendment.

The means of financing the low- and moderate-income housing units in Candlestick Point are tax increment financing, revenue from the sales of public properties within the Project (if any), and development fees. The Plan Amendment does not change OCII's tax increment financing committed to affordable housing.

The process and requirements for the development of housing within Zone 1 is designed to provide new housing opportunities for households of diverse income, ages, lifestyles and family size. OCII will continue to promote the development of a wide variety of affordable housing including mixed-use development, development of new rental and ownership units and development and rehabilitation of existing rental and ownership units, infill development, and the possibility of senior housing. The housing opportunities within the Zone 1 address the demand for housing suitable for families, seniors, young adults, and others with special needs. The amount and timing of this development is dependent on the amount and pace of the overall development in the CP-HPS2 Project.

XIII. CONSULTATION WITH TAXING ENTITIES

Under Assembly Bill No. IX 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) ("AB 26") and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, No. S194861, all redevelopment agencies in the State of California, including the Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State's budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) ("AB 1484"), and the Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (1) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (2) the successor agency has its own name and the capacity to sue and be sued, (3) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

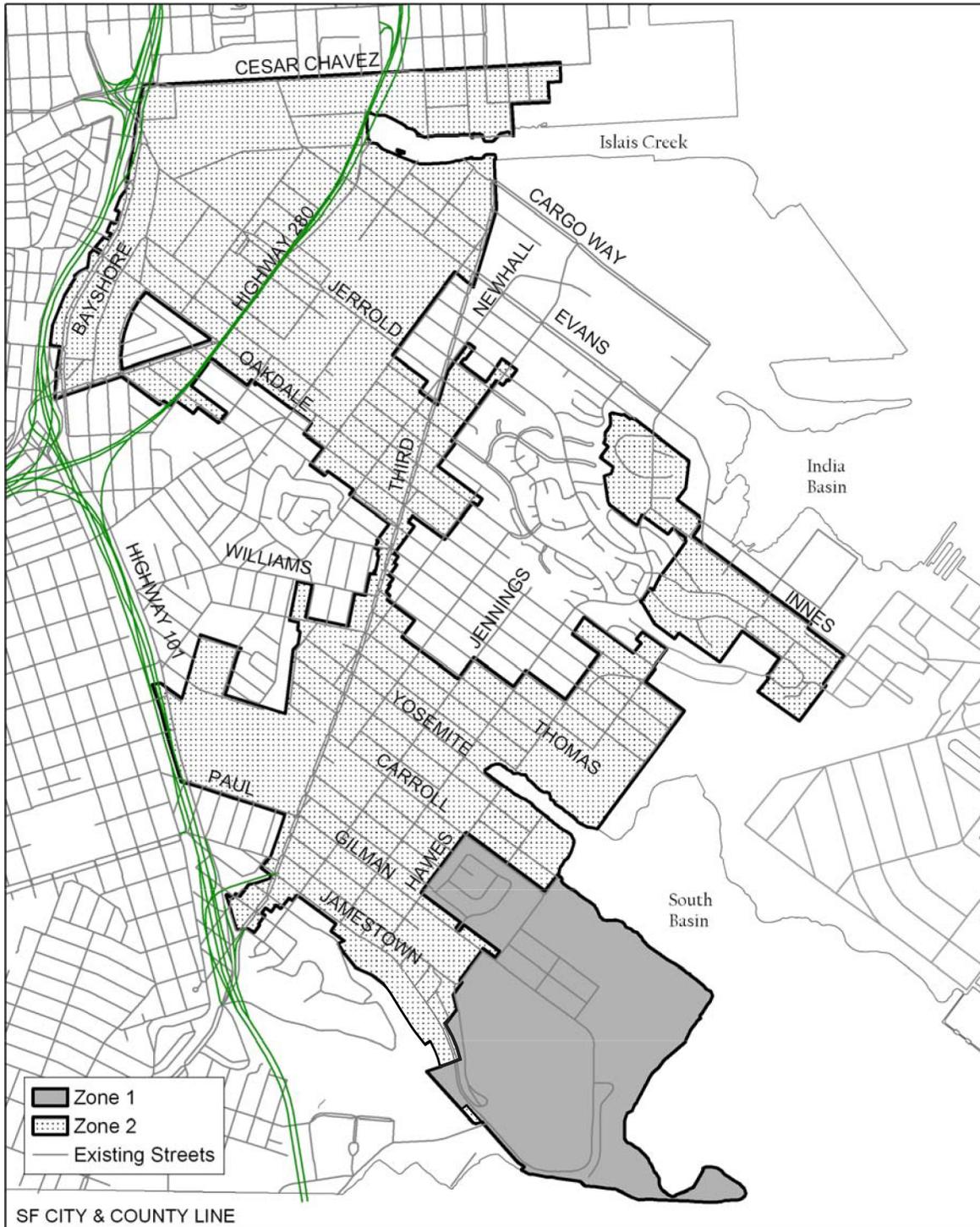
On October 2, 2012, the City's Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating the Commission as a policy body of the Agency and delegating to the Commission the authority to implement certain projects, including the CP-HPS2 Project.

Following the public hearing before the Commission on September 3, 2024, the Oversight Board will consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation

Agreement which set forth the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with the CP-HPS2 Project. These Project agreements were then forwarded to the Department of Finance which will review and consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement.

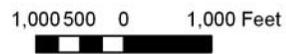
Exhibit A

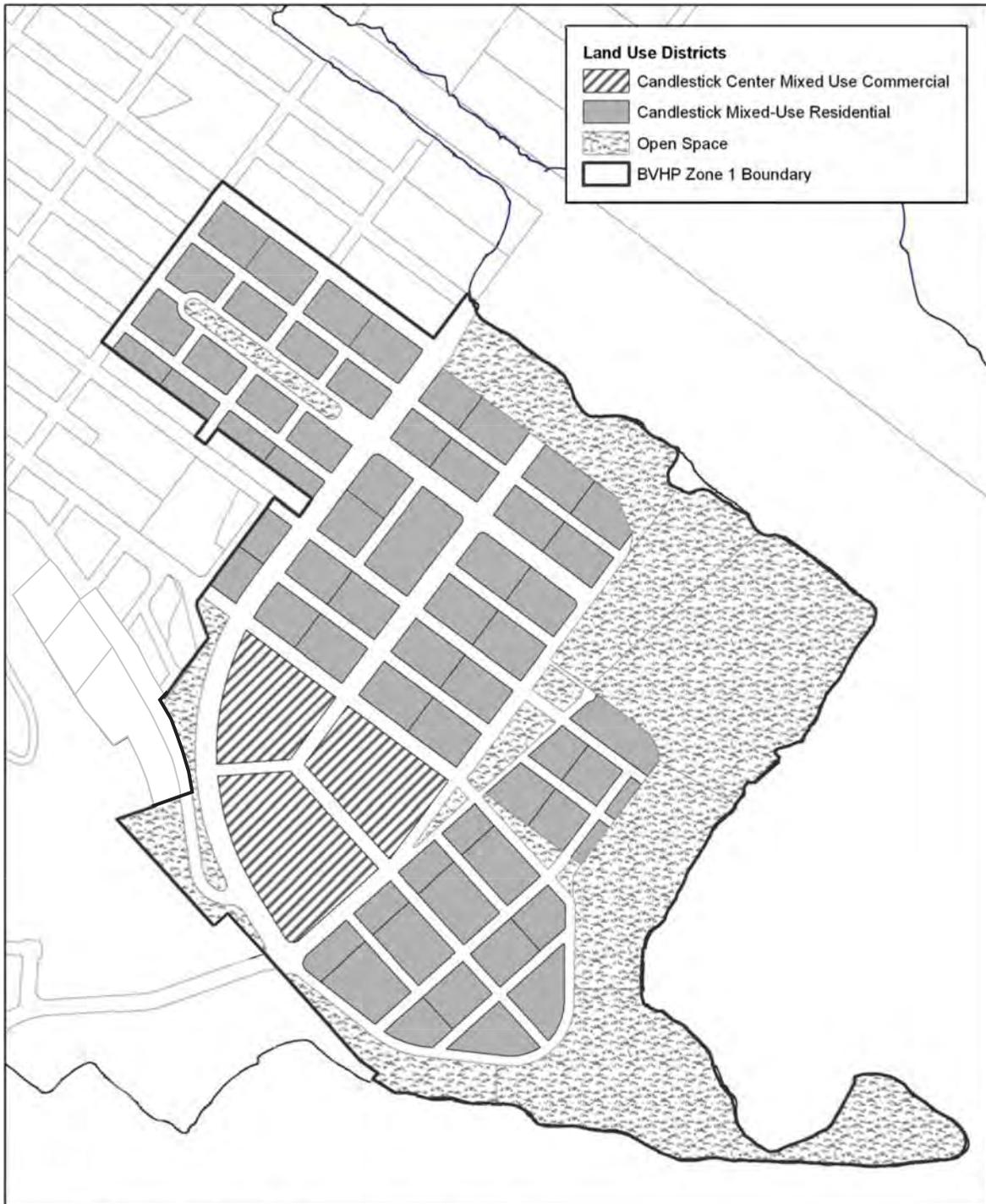
Maps



Map 1: Project Area B Redevelopment Zones Map

Office of Community Investment and Infrastructure
2024





Map 2: Zone 1 Land Use Districts

Bayview Hunters Point Redevelopment Plan
 Office of Community Investment and Infrastructure
 2024

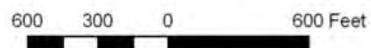


Exhibit B

Tax Increment Projections

Tax Increment Projections
BVHP Candlestick Point Activity Node (Zone 1)
(In Nominal/Future Dollars)

Plan Year	Fiscal Year	Beginning of the Year Assessed Value		Adjustment for Stadium Demolition (3)	New Development Value (4)	Incremental Tax Revenues				Agency Obligations				
		Secured Assessed Value (1)	Total Beginning of Year Assessed Value (2)			Beginning of Year Incremental AV over Base (5)	Basic Incremental Revenue (6)	Supplemental Revenue from New Development (7)	Gross Incremental Tax Revenues (8)	County Admin (9)	20% Housing Set Aside (10)	Pass Through Payments (11)	Housing Redevelopment Program (12)	Non-Housing Redevelopment Program (13)
	Prior Years	182,043,747	182,043,747		0	182,043,747	8,793,112	0	8,793,112	0	1,758,622	1,758,622	1,758,622	5,275,867
7	2024 - 2025	186,495,329	186,495,329		0	186,495,329	1,864,953	0	1,864,953	0	372,991	372,991	372,991	1,118,972
8	2025 - 2026	191,055,767	191,055,767		0	191,055,767	1,910,558	0	1,910,558	0	382,112	382,112	382,112	1,146,335
9	2026 - 2027	195,727,723	195,727,723		0	195,727,723	1,957,277	0	1,957,277	0	391,455	391,455	391,455	1,174,366
10	2027 - 2028	200,513,924	200,513,924		64,800,590	200,513,924	2,005,139	648,006	2,653,145	0	530,629	530,629	530,629	1,591,887
11	2028 - 2029	271,802,346	271,802,346		73,262,971	271,802,346	2,718,023	732,630	3,450,653	0	690,131	737,576	690,131	2,022,947
12	2029 - 2030	353,503,324	353,503,324		83,956,454	353,503,324	3,535,033	839,565	4,374,598	0	874,920	977,332	874,920	2,522,346
13	2030 - 2031	448,157,141	448,157,141		212,398,745	448,157,141	4,481,571	2,123,987	6,605,559	0	1,321,112	1,556,248	1,321,112	3,728,199
14	2031 - 2032	676,708,699	676,708,699		720,631,612	676,708,699	6,767,087	7,206,316	13,973,403	0	2,794,681	3,468,143	2,794,681	7,710,579
15	2032 - 2033	1,431,509,980	1,431,509,980		1,073,929,449	1,431,509,980	14,315,100	10,739,294	25,054,394	0	5,010,879	6,343,570	5,010,879	13,699,946
16	2033 - 2034	2,566,705,849	2,566,705,849		2,041,195,393	2,566,705,849	25,667,058	20,411,954	46,079,012	0	9,215,802	11,799,286	9,215,802	25,063,924
17	2034 - 2035	4,720,579,923	4,720,579,923		1,426,420,254	4,720,579,923	47,205,799	14,264,203	61,470,002	0	12,294,000	15,793,122	12,294,000	33,382,880
18	2035 - 2036	6,297,315,002	6,297,315,002		1,590,018,008	6,297,315,002	62,973,150	15,900,180	78,873,330	0	15,774,666	20,309,143	15,774,666	42,789,521
19	2036 - 2037	8,080,204,825	8,080,204,825		1,219,826,359	8,080,204,825	80,802,048	12,198,264	93,000,312	0	18,600,062	23,974,979	18,600,062	50,425,270
20	2037 - 2038	9,527,448,220	9,527,448,220		1,099,841,586	9,527,448,220	95,274,482	10,998,416	106,272,898	0	21,254,580	27,419,107	21,254,580	57,599,212
21	2038 - 2039	10,887,162,779	10,887,162,779		2,235,270,313	10,887,162,779	108,871,628	22,352,703	131,224,331	0	26,244,866	33,893,799	26,244,866	71,085,665
22	2039 - 2040	13,443,320,709	13,443,320,709		482,052,782	13,443,320,709	134,433,207	4,820,528	139,253,735	0	27,850,747	35,977,364	27,850,747	75,422,624
23	2040 - 2041	14,265,895,701	14,265,895,701		101,557,380	14,265,895,701	142,658,957	1,015,574	143,674,531	0	28,734,906	37,124,524	28,734,906	77,815,100
24	2041 - 2042	14,718,785,623	14,718,785,623		2,362,615,816	14,718,785,623	147,187,856	23,626,158	170,814,014	0	34,162,803	44,166,998	34,162,803	92,484,213
25	2042 - 2043	17,499,099,145	17,499,099,145		423,949,907	17,499,099,145	174,990,991	4,234,949	179,225,941	0	35,845,188	46,349,824	35,845,188	97,030,928
26	2043 - 2044	18,360,861,746	18,360,861,746		129,410,023	18,360,861,746	183,608,617	1,294,100	184,902,718	0	36,980,544	47,822,901	36,980,544	100,099,273
27	2044 - 2045	18,942,421,093	18,942,421,093		104,079,976	18,942,421,093	189,424,211	1,040,800	190,465,011	0	38,093,002	49,266,271	38,093,002	103,105,738
28	2045 - 2046	19,512,252,069	19,512,252,069		0	19,512,252,069	195,122,521	0	195,122,521	0	39,024,504	50,474,856	39,024,504	105,623,160
29	2046 - 2047	19,989,392,247	19,989,392,247		0	19,989,392,247	199,893,922	0	199,893,922	0	39,978,784	51,712,996	39,978,784	108,202,142
30	2047 - 2048	20,478,200,108	20,478,200,108		0	20,478,200,108	204,782,001	0	204,782,001	0	40,956,400	52,981,413	40,956,400	110,844,188
31	2048 - 2049	20,978,960,964	20,978,960,964		0	20,978,960,964	209,789,610	0	209,789,610	0	41,957,922	54,479,454	41,957,922	113,352,324
32	2049 - 2050	21,491,967,107	21,491,967,107		0	21,491,967,107	214,919,671	0	214,919,671	0	42,983,934	56,014,127	42,983,934	115,921,610
33	2050 - 2051	22,017,517,975	22,017,517,975		0	22,017,517,975	220,175,180	0	220,175,180	0	44,035,036	57,586,328	44,035,036	118,553,815
34	2051 - 2052	22,555,920,329	22,555,920,329		0	22,555,920,329	225,559,203	0	225,559,203	0	45,111,841	59,196,975	45,111,841	121,250,387
35	2052 - 2053	23,107,488,432	23,107,488,432		0	23,107,488,432	231,074,884	0	231,074,884	0	46,214,977	60,847,008	46,214,977	124,012,899
36	2053 - 2054	23,672,544,229	23,672,544,229		0	23,672,544,229	236,725,442	0	236,725,442	0	47,345,088	62,537,390	47,345,088	126,842,964
37	2054 - 2055	24,251,417,541	24,251,417,541		0	24,251,417,541	242,514,175	0	242,514,175	0	48,502,835	64,269,107	48,502,835	129,742,234
38	2055 - 2056	24,844,446,252	24,844,446,252		0	24,844,446,252	248,444,463	0	248,444,463	0	49,688,893	66,043,170	49,688,893	132,712,400
39	2056 - 2057	25,451,976,509	25,451,976,509		0	25,451,976,509	254,519,765	0	254,519,765	0	50,903,953	67,860,615	50,903,953	135,755,197
40	2057 - 2058	26,074,362,923	26,074,362,923		0	26,074,362,923	260,743,629	0	260,743,629	0	52,148,726	69,722,503	52,148,726	138,872,401
41	2058 - 2059	26,711,968,779	26,711,968,779		0	26,711,968,779	267,119,688	0	267,119,688	0	53,423,938	71,629,920	53,423,938	142,066,830
42	2059 - 2060	27,365,166,242	27,365,166,242		0	27,365,166,242	273,651,662	0	273,651,662	0	54,730,332	73,583,980	54,730,332	145,337,350
43	2060 - 2061	28,034,336,579	28,034,336,579		0	28,034,336,579	280,343,366	0	280,343,366	0	56,068,673	75,585,823	56,068,673	148,688,869
44	2061 - 2062	28,719,870,381	28,719,870,381		0	28,719,870,381	287,198,704	0	287,198,704	0	57,439,741	77,636,618	57,439,741	152,122,345
45	2062 - 2063	29,422,167,790	29,422,167,790		0	29,422,167,790	294,221,678	0	294,221,678	0	58,844,336	79,737,562	58,844,336	155,639,780
46	2063 - 2064	30,141,638,733	30,141,638,733		0	30,141,638,733	301,416,387	0	301,416,387	0	60,283,277	81,889,881	60,283,277	159,243,229
47	2064 - 2065	30,878,703,159	30,878,703,159		0	30,878,703,159	308,787,032	0	308,787,032	0	61,757,406	84,094,832	61,757,406	162,934,793
48	2065 - 2066	31,633,791,290	31,633,791,290		0	31,633,791,290	316,337,913	0	316,337,913	0	63,267,583	86,353,701	63,267,583	166,716,630
49	2066 - 2067	32,407,343,864	32,407,343,864		0	32,407,343,864	324,073,439	0	324,073,439	0	64,814,688	88,667,807	64,814,688	170,590,944
50	2067 - 2068	33,199,812,400	33,199,812,400		0	33,199,812,400	331,998,124	0	331,998,124	0	66,399,625	91,038,500	66,399,625	174,559,999
51	2068 - 2069	34,011,659,456	34,011,659,456		0	34,011,659,456	340,116,595	0	340,116,595	0	68,023,319	93,467,165	68,023,319	178,626,110
52	2069 - 2070	34,843,358,903	34,843,358,903		0	34,843,358,903	348,433,589	0	348,433,589	0	69,686,718	95,955,219	69,686,718	182,791,652
53	2070 - 2071	35,695,396,199	35,695,396,199		0	35,695,396,199	356,953,962	0	356,953,962	0	71,390,792	98,504,115	71,390,792	187,059,055
54	2071 - 2072	36,568,268,671	36,568,268,671		0	36,568,268,671	365,682,687	0	365,682,687	0	73,136,537	101,115,339	73,136,537	191,430,810
55	2072 - 2073	37,462,485,811	37,462,485,811		0	37,462,485,811	374,624,858	0	374,624,858	0	74,924,972	103,790,417	74,924,972	195,909,470
56	2073 - 2074	38,378,569,566	38,378,569,566		0	38,378,569,566	383,785,696	0	383,785,696	0	76,757,139	106,530,909	76,757,139	200,497,648
57	2074 - 2075	39,317,054,651	39,317,054,651		0	39,317,054,651	393,170,547	0	393,170,547	0	78,634,109	109,338,415	78,634,109	205,198,022
58	2075 - 2076	40,278,488,851	40,278,488,851		0	40,278,488,851	402,784,889	0	402,784,889	0	80,556,978	112,214,575	80,556,978	210,013,336
Total				0	15,444,762,619		10,336,411,141	154,447,626	10,490,858,767	0	2,098,171,753	2,815,276,716	2,098,171,753	5,577,410,298
Present Value (a)							2,105,786,584	82,550,056	2,188,336,640	0	437,667,328	577,868,641	437,667,328	1,172,800,671

Notes for each column included on next page.

(a) Discounted to constant FY 2024-2025 dollars at 5.0%

Source: Land use plan provided by EPS, August 2024. Pass-Through years provided by OCIL, August 2023

Notes on Candlestick Point Tax Increment Projections

- (1) Includes prior year's new development value plus prior year's beginning of year assessed value escalated at 2% annually due to inflation and an additional 0.45% starting FY 2024-25 to reflect reassessments due to property turnover and establishment of master planned community.
- (2) Includes secured- assessed value.
- (3) Candlestick Stadium demolition is included in base year value. .
- (4) Based on new development value additions from Proposed Scenario, reviewed by OCII's consultants.
- (5) Total beginning of the year assessed value (column 2).
- (6) Equals 1% of beginning of year incremental AV over base value (column 5).
- (7) Equals 1% of the new development supplemental roll value assessed during the year (column 4).
- (8) Sum of columns (6) and (7). Also equals Gross Tax Increment to Agency.
- (9) Assumed to equal 0% of gross tax increment as the County does not currently charge a fee.
- (10) CRL mandated housing set aside.
- (11) AB 1290 statutory pass through payments timelines provided by OCII. . Assumes City takes Tier 1 pass through. Assumes City's Tier 2 and 3 pass throughs are retained by the Agency.
- (12) Total tax increment available for housing-related redevelopment activities.
- (13) Total tax increment available for non-housing related redevelopment activities.

Exhibit C

Limit on Bonded Indebtedness

	CP	HPS2	Total
A. Summary/Reconciliation			
Method 1 at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000
Method 2 at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817
Method 3 at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

B. Average of 3 Methods (rounded)

Contingency	50%	\$3,300,000,000	\$2,600,000,000	\$5,900,000,000
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	CP	HPS2	Total
Method 1 - Present Value of Average Bonding Capacity			
Average Annual Future Gross TI (net of pass-throughs)	\$159,103,033	\$125,168,285	\$284,271,318
DSCR	1.25	1.25	
Payment	\$127,282,426	\$100,134,628	\$193,974,628
Periods	30	30	
Int Rate	5.0%	5.0%	
PV of Average TI	\$1,956,600,000	\$1,539,300,000	
Estimated Principal of Outstanding Bonded Indebtedness	\$0	\$0	
Subtotal	\$1,956,600,000	\$1,539,300,000	
Contingency	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000

Method 2 - Present Value of Projected Tax Increment

	FY 2024-25	FY 2037-38	
Discounted to			
Discount Rate	5.0%	5.0%	
NPV of Projected Tax Increment	\$1,671,211,588	\$1,604,704,957	
Outstanding Bond	\$0	\$0	
Subtotal	\$1,671,211,588	\$1,604,704,957	\$3,275,916,545
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817

Method 3 - Tax Increment in Nominal Dollars

Future Tax Increment (net of pass-throughs)	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Tax increment Collected through FY 2008/09	\$0	\$0	
Subtotal	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Divide by Three	3.00	3.00	
Subtotal	\$3,025,200,000	\$2,124,800,000	\$5,150,000,000
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN**

Prepared by:

**The Office of Community Investment and Infrastructure,
as the Successor Agency to the San Francisco Redevelopment Agency**

**September 3, 2024
As updated September 18, 2024**

**REPORT TO THE BOARD OF SUPERVISORS
ON THE AMENDMENT TO THE
HUNTERS POINT SHIPYARD REDEVELOPMENT PLAN**

I. INTRODUCTION

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure (“Successor Agency” or “OCII”), has prepared this report (“Report”) to the Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) on an amendment (“Plan Amendment”) to the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”), in accordance with the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (“CRL”). On September 3, 2024, by Resolution No. 26-2024, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure, (“Commission”) approved the Plan Amendment and, by Resolution No. 24-2025, approved this Report and authorized its transmittal to the Board of Supervisors.

The HPS Plan establishes land use controls for development in the Hunters Point Shipyard Project Area (“HPS Project Area”). The Plan Amendments, which are further described in Section III, are intended to advance the development and revitalization of Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”), which includes the development of the Candlestick Point-Hunters Point Shipyard Phase 2 project (“CP-HPS2 Project” or “Project”), which was approved in 2010. The CP-HPS2 Project will provide up to 10,672 new homes, approximately 32% of which will be affordable, millions of square feet of commercial uses, over 300 acres of parks and open space, and significant jobs and community benefits.

OCII is simultaneously proposing to amend the HPS Plan and the Bayview Hunters Point Redevelopment Plan (“BVHP Plan”) to facilitate the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project.

As originally conceived, the CP-HPS2 Project was intended to be developed in a cohesive manner where phases of development within portions of Candlestick Point and Phase 2 of the HPS Project Area (also referred to as “Shipyard Site”) would occur simultaneously. While the CP-HPS2 Project has progressed since 2010, there have been challenges that have impeded the timely implementation of the CP-HPS2 Project. Since 2010, the clean-up of the Shipyard Site has faced unprecedented and extraordinary delays due to the fraud committed by the United States Navy’s contractor and the ongoing additional investigation, testing, and remedial activities resulting from such fraud, substantially delaying the overall development of the CP-HPS2 Project. In addition, the initial development program contemplated for the CP-HPS2 Project contemplated a new stadium at the Shipyard Site for the San Francisco 49ers (“49ers”). However, in 2011, the 49ers announced that they would build a new football stadium in the City of Santa Clara, vacating the former stadium located on the Candlestick Site in 2014. The newly vacant 49ers stadium therefore needed to be demolished, which was completed by the end of 2015. Furthermore, in 2012, the State of California dissolved the former Redevelopment Agency of the City and County of San Francisco (“SFRA”). These unique challenges impeded the timely implementation of the Project, and as a result of these delays, Candlestick Point and the Shipyard Site can no longer be developed in concert as originally conceived.

As further detailed in this Report, the purpose of the Plan Amendment is to advance the development of the CP-HPS2 Project and to ensure the financial and economic feasibility of the CP-HPS2 Project by: 1) authorizing the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area with a corresponding reduction in those uses at Phase 2 of the HPS Project Area; 2) clarifying that certain commercial uses currently authorized within the HPS Project Area are also allowed within Zone 1 of Project Area B; 3) implement SB 143 (defined in Section III.D) by extending the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B; 4) authorizing property tax increment revenues from Phase 2 of the HPS Project Area and Zone 1 of the BVHP Project Area to be combined to fund costs under the Project agreements; and 5) adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area.

II. OVERVIEW OF THE REPORT ON THE PLAN AMENDMENT

This Report is prepared pursuant to CRL Sections 33457.1 and 33352, which delineate the information that the Successor Agency must provide to the Board of Supervisors for its consideration of an amendment to a redevelopment plan. The Report is an integral step in the process to consider the proposed Plan Amendment and is a public document designed to provide comprehensive information the Board of Supervisors must consider when determining whether or not to adopt the Plan Amendment.

The contents of this Report provide the information required for redevelopment plan amendment “to the extent warranted” by the proposed amendment pursuant to Health & Safety Code Section 33457.1. The contents of this Report, as described below, are consistent with the CRL, and include the following:

- Description of the Plan Amendment;
- Reason for the Plan Amendment (subsection (a) of Section 33352 of the CRL);
- Description of how the Plan Amendment will improve or alleviate blighting conditions (subsection (b) of Section 33352 of the CRL);
- Proposed method of financing the redevelopment of the Project Area as applicable to the Plan Amendment (subsection (e) of Section 33352 of the CRL);
- Discussion of the Planning Commission’s forthcoming report and recommendation regarding conformity of the Plan Amendment to the General Plan, as required (subsection (h) of Section 33352 of the CRL and Section 4.105 of the San Francisco Charter);
- Consultation with the community;

- Report on the environmental review required by Section 21151 of the Public Resources Code as applicable to the Plan Amendment (subsection (k) of Section 33352 of the CRL); and
- The neighborhood impact report (subsection (m) of Section 33352 of the CRL).

III. DESCRIPTION OF THE PLAN AMENDMENT

A. Background

On July 14, 1997, the Board of Supervisors adopted the Hunters Point Shipyard Redevelopment Plan (“HPS Plan”) by Ordinance No. 285-97 and amended the HPS Plan on August 3, 2010, by Ordinance No. 211-10 and on June 22, 2017, by Ordinance No. 122-17. The HPS Plan calls for redevelopment of United States Navy lands constituting the former Hunters Point Naval Shipyard, proceeding on a multi-phased timeframe determined by the Navy’s environmental remediation and ultimate transfer of remediated land to the Redevelopment Agency of the City and County of San Francisco.

In 2010, the Former Redevelopment Agency of the City and County of San Francisco (“Former Agency”) and the City and County of San Francisco (“City”) undertook a series of actions to approve the development of Phase 2 as part of a 702-acre development project—the “CP-HPS2 Project”—that includes both HPS Phase 2 and Candlestick Point. Within Phase 2 of the HPS Project Area, the CP-HPS2 Project proposed two development alternatives, primarily distinguished by the presence or absence of a football stadium. Subsequent to the 2010 actions, the San Francisco 49ers football team elected to construct a new football stadium outside of San Francisco, and as a result, the Successor Agency and CP Development Co. LLC, the master developer of the CP-HPS2 Project (“Developer”), have focused on implementation of the non-stadium development alternative.

B. CP-HPS2 Project

The SFRA and the Developer entered into the Disposition and Development Agreement for the Candlestick Point-Hunters Point Shipyard Phase 2 Project, as amended by the First Amendment to DDA, dated as of December 19, 2012, as amended by the Second Amendment to DDA, dated as of December 1, 2014, and as amended by the Third Amendment to DDA, dated as of August 10, 2018 (collectively, including all attached and incorporated exhibits and as amended from time to time, the “DDA”). Following the Project’s approval in 2010, the State of California enacted legislation in 2011 that dissolved redevelopment agencies in the State, including the SFRA.

Redevelopment Dissolution Law became effective on February 1, 2012. The Oversight Board and California Department of Finance have recognized and approved the DDA and the Original Pledge Agreement as enforceable obligations that survived redevelopment dissolution, and approved recognized obligation payment schedules that include various obligations and commitments relating to these enforceable obligations.

The Project's initial development program included a new stadium at the Shipyard Site for the San Francisco 49ers. In 2014, the 49ers moved to a new stadium in the City of Santa Clara and the Developer proceeded with the Project under the Project's non-stadium alternative. In 2015, the Developer completed the demolition of the former 49ers' stadium, and the City transferred the land to the Developer. From 2014 to 2016, the Developer performed groundwork and utility work around Candlestick Center (neighborhood located within the southwest quadrant of Candlestick Site) to facilitate additional development within the area.

The Developer has funded over \$116 million of community benefits and investment associated with the development program, which includes contributions to the Southeast Health Center, scholarship funds, and infrastructure and housing investments for the new Alice Griffith development. In 2019, the Developer delivered infrastructure related to the development of 337 units as part of the Alice Griffith Replacement Project, including 226 Alice Griffith Replacement Units and 111 Agency Affordable Units.

Commencing in May 2018, the Excusable Delay provisions of the DDA became applicable to all dates in the Schedule of Performance for the Shipyard Site because of ongoing Navy parcel transfer delays that were not in the control of the Developer. As a result, all dates in the Schedule of Performance for the Shipyard Site are no longer applicable given the severity of the ongoing delays.

C. Prior Plan Amendments

Following the approval of the CP-HPS2 Project in 2010, the Board of Supervisors approved amendments to the HPS Plan on June 22, 2017, by Ordinance No. 122-17.

On July 16, 2018, the Board of Supervisors approved amendments to the HPS Plan by Ordinance No. 0166-18.

These amendments in 2017 and 2018 amended the land use regulations of the HPS Plan to facilitate the development of the CP-HPS2 Project in a manner that best responds to market demands, maximizes economic development and employment generation within Candlestick Point and the surrounding community, consistent with the objectives of the BVHP Plan and HPS Plan.

D. Senate Bill 143

On September 13, 2023, the Governor signed Senate Bill 143 (2023) (codified at Section 34177.7(j) of the California Health and Safety Code) ("SB 143") into law. SB 143 amends Health & Safety Code section 34177.7 to add subdivision (j), which states that "the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply" to the CP-HPS2 Project. SB 143 provides that the applicable time limits referenced in the preceding sentence will be established in the CP-HPS2 Project agreements, including the DDA. SB 143 further clarified that Redevelopment Dissolution Law does not "limit the receipt and use of property tax revenues generated from the HPS Redevelopment Plan

project area or Zone 1 of the BVHP Redevelopment Plan project area” in connection with the CP-HPS2 Project.

E. 2024 Plan Amendment

The primary purpose of the Plan Amendment is to facilitate the successful implementation of the CP-HPS2 Project and realize the CP-HPS2 Project’s vision of bringing significant housing, jobs, and community benefits to Candlestick Point and the Shipyard Site. As with the adoption of the 2010 Plan Amendment, the fundamental purpose of the Plan Amendment is to provide the Successor Agency with the necessary financial and legal resources and tools to complete the needed program of redevelopment in Phase 2 of the HPS Project Area in order to:

- Eliminate the significant blight identified in Project Area B;
- Facilitate the economic development of Project Area B including the provision of additional job opportunities for local residents;
- Provide additional quality affordable housing for residents of the Bayview and the entire community;
- Implement the objectives of voter-approved Proposition G.

Specifically, the Plan Amendment would, if adopted:

Land Use and Development Program Modifications

- Allow the transfer of up to 2,050,000 square feet of research and development and office space from Phase 2 of the HPS Project Area to commercially-zoned areas of Zone 1 of the BVHP Project Area, subject to Commission approval and any necessary environmental review. There would be a corresponding reduction in those uses at Phase 2 of the HPS Project Area.
- Allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

Redevelopment Plan Time Limits

Implement SB 143 by establishing the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the HPS Plan, and the time to repay indebtedness and receive property taxes, in connection with Phase 2 of the HPS Project Area as follows:

- **Time Limit to Incur Debt.** Establish that the time limit for establishing loans, advances, and indebtedness in connection with Phase 2 of the HPS Project Area shall be a) 30 years from the date of conveyance to the Developer all Phase 2 parcel(s) required for the completion of development of the first Major Phase (as defined in that certain Disposition and Development Agreement for the CP-HPS2 Project) located within Phase 2 (“Initial HPS Transfer Date”), b) plus an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The

“Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional 15-year extension of the redevelopment timelines for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing.

- **Effectiveness of the Plan.** Establish that the time limit for the effectiveness of the HPS Plan for Phase 2 of the HPS Project Area shall be a) 30 years from the Initial HPS Transfer Date, b) plus an additional fifteen (15) years which represents the Anticipated Navy Delay.
- **Repayment of Debt/Receive Property Taxes.** Establish that the time limit to repay indebtedness and receive property taxes for Phase 2 of the HPS Project Area shall be a) 45 years from the Initial HPS Transfer Date, b) plus fifteen (15) years which represents the Anticipated Navy Delay.

Increase in Indebtedness Limit

- Consistent with SB 143’s authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B, the Plan Amendments also adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of the BVHP Plan and Phase 2 of the HPS Project Area. The Plan Amendment establishes that the aggregate total amount of bonded indebtedness of OCII to be repaid from the allocation of taxes to OCII for both Zone 1 of Project Area B and Phase 2 of the HPS Project Area that can be outstanding at one time may not exceed \$5.9 billion.

Table 1 summarizes the current and proposed time and fiscal limits.

**Table 1
Summary of Existing and Proposed Time and Fiscal Limits
Hunters Point Shipyard Redevelopment Project Area**

	Current	Proposed
Time Limits (Phase 2 of HPS Project Area)		
Incurring Debt	20 years after first \$100,000 in increment received (2033)	30 years from the date of conveyance to the Developer of all Phase 2 parcel(s) required for the completion of development of the first Major Phase located within Phase 2 (“Initial HPS Transfer Date”) plus 15 years which represents the Anticipated Navy Delay

Plan Effectiveness	30 years from the date the SF Controller certifies as the final day of the first fiscal year in which \$100,000 or more of tax increment from the Project Area are paid to the Agency (2043)	30 years from Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay
Repay Indebtedness and Receive Property Taxes	45 years after first \$100,000 increment received (2058)	45 years from the Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay
Fiscal Limit		
Limit on Bonded Indebtedness	\$900 million	\$5.9 billion (combined limit on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of HPS Project Area)

The proposed amendments to the time limits described above and the limit on the amount of bonded indebtedness will also be set forth in applicable Project agreements, including the DDA, which the Oversight Board of the City and County of San Francisco and State of California Department of Finance will have the opportunity to review and approve.

IV. DESCRIPTION OF AGENCY’S REDEVELOPMENT PROGRAM

The proposed Plan Amendment is intended to support the Agency’s Redevelopment Program (Agency’s Affordable Housing Program and Non-Housing Redevelopment Program) within Phase 2 of the HPS Project Area and to enable the Agency to continue meeting its redevelopment mission in the City. The presence of blighting conditions in the Project Area warrants continued redevelopment activities and the Agency’s Redevelopment Program is organized broadly into two categories that reflect the division of tax increment revenues into funds that can be used specifically for the Agency’s affordable housing efforts and all other development and redevelopment activities. The CP-HPS2 Project, which includes redevelopment activities in Zone 1 of BVHP Project Area B and Phase 2 of the HPS Project Area will alleviate blight in the Project Area and stimulate additional economic development, community enhancements, and affordable housing opportunities in the Bayview.

V. REASONS FOR PLAN AMENDMENTS

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(a) *The reasons for the selection of the project area, a description of the specific projects then proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b).*

A. Introduction

CRL Sections 33352(a) and 33457.1 require that to the extent necessary, the Report include the reasons for selecting a redevelopment project area. As Phase 2 of the HPS Project Area was previously selected and established, and the Plan Amendment does not propose the addition of any new territory, the summary of the reasons the Project Area was selected and established are set forth in the Report to the Board of Supervisors for the 2010 Plan Amendment and remain unchanged in connection with the Plan Amendments.

B. Reasons for 2024 Plan Amendments

The Plan Amendments provide the mechanisms to facilitate and finance the development of the CP-HPS2 Project in Candlestick Point. Many of the blighting conditions identified in Project Area B in the Report to the Board of Supervisors for the 2010 Plan Amendment remain. Without the Plan Amendments, which are further described below, the redevelopment activities proposed for Candlestick Point in connection with the CP-HPS2 Project would not be feasible.

1. Amendment to Redevelopment Plan Time Limits

a. Without the Plan Amendments the Existing Statutory Time Limits Will Expire Starting in 2033

The HPS Plan currently establishes the following time limits: 1) a 30-year time limit on the effectiveness of the HPS Plan; 2) a 20-year time limit on establishing loans, advances and indebtedness; and 3) a 45-year time limit to repay indebtedness. The DDA and Tax Allocation Agreement, both enforceable obligations, specifically refer to and implement certain of these time limits. As shown in Table 1 above, certain of these time limits are quickly approaching, with the earliest time limit – the time limit for establishing loans, advances, and indebtedness – set to expire in 2033.

Since 2010, the clean-up of the Hunters Point Shipyard site has faced unprecedented delays due to the ongoing investigation, re-testing, and litigation related to the fraudulent work by the Navy's contractor. When the Project was approved in 2010, the Navy was anticipated to complete the environmental remediation in 2015. Since that time, the Navy's completion of the environmental remediation of the Shipyard property has been further delayed. The Navy has recently informed the Successor Agency that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, will occur between 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays are described in correspondence provided to OCII by the Navy. These Navy delays have impeded the timely implementation of the CP-HPS2 Project, adversely impacting the Developer's redevelopment activities on both Candlestick Point and the Shipyard Site and substantially delaying the overall CP-HPS2 Project. Given the significant delays facing the CP-HPS2 Project, imposing the statutory time limits described above means that the amount of tax increment financing that the Successor Agency

can receive will be severely impacted, and would imperil the viability and financial feasibility of the CP-HPS2 Project. Specifically, given the extraordinary delays facing the CP-HPS2 Project caused by the fraud committed by the Navy’s contractor, the Developer and Successor Agency would not be able to complete all project activities within Phase 2 of the HPS Project Area by 2043. In addition, the expiration of the 20-year time limit on establishing loans, advances and indebtedness in 2033 would prevent the Successor Agency from entering into new bonded indebtedness that would be necessary to carry out its redevelopment activities within Phase 2 of the HPS Project Area.

Without extending the time limit on establishing loans, advances, and indebtedness for the Successor Agency to access tax increment financing and associated bonding capacity, the cost of the CP-HPS2 Project’s infrastructure, park and open space development, and community benefits will far exceed projected revenues. The extension of the time limits as proposed by the Plan Amendments are therefore critical to ensuring there are adequate funding sources to finance the construction of public infrastructure, parks and open space, and other community benefits contemplated by the CP-HPS2 Project.

b. Plan Amendments Implement SB 143

Recognizing the significant adverse impact of the expiration of the above-referenced time limits, the State Legislature adopted, and the Governor signed into law, SB 143, which amended Health & Safety Code section 34177.7 to add subdivision (j), which states that “the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the redevelopment plans, the time to repay indebtedness, the time for applying tax increment, the number of tax dollars, or any other matters set forth in Section 33333.2 and Section 33492.13 shall not apply” to the CP-HPS2 Project. Accordingly, the 30-year time limit on the effectiveness of the HPS Plan; the 20-year time limit on establishing loans, advances and indebtedness; and the 45-year time limit to repay indebtedness and receive property taxes, do not apply to Phase 2 of the HPS Project Area.

Consistent with SB 143, the Plan Amendments include the following amended time limits which are set forth in the CP-HPS2 Project agreements:

	Current	Proposed
Time Limits (Phase 2 of HPS Project Area)		
Incurring Debt	20 years after first \$100,000 in increment received (2033)	30 years from the date of conveyance to the Developer of all Phase 2 parcel(s) required for the completion of development of the first Major Phase located within Phase 2 (“Initial HPS Transfer Date”) plus 15 years which represents the Anticipated Navy Delay
Plan Effectiveness	30 years from the date the SF Controller certifies as the final day of the first	30 years from Initial HPS Transfer Date plus 15 years

	fiscal year in which \$100,000 or more of tax increment from the Project Area are paid to the Agency (2043)	which represents the Anticipated Navy Delay
Repay Indebtedness and Receive Property Taxes	45 years after first \$100,000 increment received (2058)	45 years from the Initial HPS Transfer Date plus 15 years which represents the Anticipated Navy Delay

c. Plan Amendments Advance CP-HPS2 Financing Plan Funding Goals

The Plan Amendments advance the Funding Goals identified in the Financing Plan for the CP-HPS2 Project. In particular, the Plan Amendments further the Financing Plan’s Funding Goals of maximizing funding sources available to finance Qualified Project Costs, community benefits, and affordable housing.

The Financing Plan, which was approved in 2010 for the CP-HPS2 Project, identified Funding Goals for the CP-HPS2 Project which included promoting “financial self-sufficiency in the development of the Project by encouraging substantial private capital investment, contributing public land in the Project Site to facilitate the provision of public benefits of the Project, and using Funding Sources to finance Qualified Project Costs[.]” The Funding Sources identified in the Financing Plan include tax increment financing. The CP-HPS2 Project is financially infeasible without public financing through tax increment financing. The extension of the time limits proposed by the Plan Amendments for incurring debt and repaying indebtedness and receiving property taxes is necessary to ensure there is sufficient time to access tax increment financing in order to finance Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the DDA) of the CP-HPS2 Project. In addition, the extension of the time limit for the effectiveness of the HPS Plan is needed to ensure that the Successor Agency retains land use authority within Phase 2 of the HPS Project Area during the buildout of the CP-HPS2 Project.

As set forth in Table 1 above, solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limits include an additional 15 years for Anticipated Navy Delay. The additional 15-years provided for the Anticipated Navy Delay is consistent with the Project’s Funding Goals for the following reasons:

- 30-year bonds are the most effective and cost-efficient financing tools – and are most consistent with the Project’s adopted “Funding Goals” as reflected in the Financing Plan.

- For 30-year bonds secured by Candlestick Point tax increment financing to remain available to finance 2054 development activities at the Shipyard Site, it is necessary for repayment of Shipyard indebtedness through Candlestick Point tax increment financing to be authorized through 2084, or 60 years (45 plus 15) from the 2024 Plan Amendment Date.
- Reliance on 15-year bonds instead of 30-year bonds, which would be required absent the additional 15 years for Anticipated Navy Delay, would result in a nearly 45% reduction in bonded amounts, as shown below:

	Full	Reduced	Change
Bond Term	30 Yrs	15 Yrs	-15 Yrs
Rate	5.50%	5.50%	0%
Payment	\$1	\$1	\$0
Bond PV	\$14.53	\$10.04	-44.8%

- Shorter 15-year bond terms, as would be required absent the additional 15 years for Anticipated Navy Delay, do not merely affect the Developer’s delivery of Project infrastructure, parks, and community benefits, it would also negatively impact the Agency’s ability to maximize leverage of its 20% affordable housing set-aside.
- Making 30-year bond instruments unavailable to the final stages of development would be inconsistent with the Funding Goals adopted by the Agency when the Project was originally approved. Those Funding Goals include:
 - To “maximize Funding Source available to finance Qualified Project Costs by among other things, to the extent reasonably feasible and consistent with this Financing Plan, using tax-exempt debt...” (Section 1.1(a)(iii);
 - To “promote financial self-sufficiency in the development of the Project by encouraging substantial private capital investment . . . ”
- Ensuring availability of 30-year bonds in the final stages of development encourages private investment by demonstrating a robust set of public financing tools.

d. Navy Delays Require Extended Timelines

The extraordinary Navy delays at the Shipyard Site and the substantial cost increases during the period of delay have resulted in significantly increased CP-HPS2 Project costs overall, which has deepened the need for cross-funding and lengthier timelines for recovery of Qualified Project Costs.

While the redevelopment timelines would be extended, the Project’s Fiscal Impact Analysis demonstrates that Candlestick Point, upon its build-out, will generate a net surplus in revenues from other taxes (sales tax, etc.) of \$23.3M per year, which will flow to the City’s General Fund.

e. Plan Amendments Bridge the Gap Between Revenues and Costs

While it may be possible legally to further increase Community Facilities District (“CFD”) rates on existing and future CP-HPS2 residents (up to the very maximum allowed under the City’s code), such increases would not be competitive with other comparable projects and would therefore make development parcels in the CP-HPS2 Project unmarketable. Increased CFD rates also would overburden Bayview residents and would still be far inadequate to make up for the currently projected shortfall between Project revenues and costs.

Tax increment financing has always been essential to the financial viability of the CP-HPS2 Project. The time extensions described above – which ensure availability of tax increment financing to pay for affordable housing, community benefits, and Qualified Project Costs – are therefore essential for the Project to achieve goals and objectives of both the HPS Plan and the City’s 2022 Housing Element. In addition, extended timelines protecting tax increment financing availability will accelerate development of the Shipyard Site, which will result in earlier and greater tax revenues to the taxing entities as well as earlier funding for affordable housing.

2. Amendment to Limit on Bonded Indebtedness

The Plan Amendment will adjust the limit on the amount of bonded indebtedness that can be outstanding at one time by establishing a single limit on the amount of bonded indebtedness applicable to both Zone 1 of Project Area B and Phase 2 of the HPS Project Area. The adjusted single limit on bonded indebtedness proposed by the Plan Amendment is \$5.9 billion. Of this combined single limit on bonded indebtedness, it is estimated that approximately \$3.3 billion in bonded indebtedness may be required for Zone 1 of Project Area B and up to \$2.6 billion in bonded indebtedness may be required for Phase 2 of the HPS Project Area. These estimates are informational and shall not operate as limits upon bonded indebtedness within Zone 1 of Project Area B and Phase 2 of the HPS Project Area, respectively.

In 2010, the aggregate total limit on bonded indebtedness between Candlestick Point and the Shipyard Site was \$1.7 billion, with the limit set at \$800 million at Candlestick Point and \$900 million at the Shipyard Site. The limits on bonded indebtedness have not been adjusted since the Project’s approval in 2010. Therefore, while the costs related to the construction of residential and commercial property have increased significantly since the Project’s approval in 2010, the limit on bonded indebtedness has not been adjusted to reflect the significant increases in project costs and inflation over the past fourteen years.

The proposed Plan Amendment to establish a single limit on bonded indebtedness is necessary to address increases in project costs and inflation since 2010, and to reflect projected future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area

B and Phase 2 of the HPS Project Area progress over the life of the Redevelopment Plan as reflected in the proposed Plan Amendments.

Establishing a single limit on bonded indebtedness is also consistent with SB 143's authorization for tax increment revenues to flow between Phase 2 of the HPS Project Area and Zone 1 of Project Area B. Further, as detailed in this Report, the remaining adverse conditions in Phase 2 of the HPS Project Area are substantial and prevalent and continue to represent a significant burden on the community that cannot be eliminated under the current \$900 million limit. To maintain the Successor Agency's ability to alleviate blight and promote economic growth in Hunters Point Shipyard, including facilitating the development of the CP-HPS2 Project, an increase in the limit on bonded indebtedness for both Project Areas in the amount of \$5.9 billion is needed.

The method for calculating the adjusted limit of bonded indebtedness is further described in Section VII and summarized in Exhibit B and Exhibit C.

3. Land Use and Development Program Amendments

The Plan Amendments would authorize the transfer of up to 2,050,000 square feet of commercial uses from Phase 2 of the HPS Project Area to Candlestick Point, subject to Commission approval and any necessary environmental review. In addition, the Plan Amendments would allow the transfer of residential units from Phase 2 of the HPS Project Area to Zone 1 of Project Area B, subject to Commission approval and any necessary environmental review.

These Plan Amendments support redevelopment of the Shipyard Site in a manner that responds to changes in market conditions to provide for economically feasible development. The Plan Amendment will maximize the potential for long-term economically successful development within the Shipyard Site.

The following objectives and goals, as described in Section II of the HPS Plan would be further advanced by the adoption of the Plan Amendment:

- Foster employment, business, and entrepreneurial opportunities in the rehabilitation, construction, operations and maintenance of facilities in the Project Area.
- Stimulate and attract private investments, thereby improving the City's economic health, tax base, and employment opportunities.
- Provide for the development of economically vibrant and environmentally sound districts for mixed use; cultural, educational and arts activities; research, industrial and training activities; and housing.
- Provide public parks, open space, and other community facilities.
- Provide for infrastructure improvements, including: streets and transportation facilities, open space and recreation areas; and utilities for water, sewer, gas and electricity.

- Provide sufficient flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

VI. DESCRIPTION OF HOW THE PLAN AMENDMENT WILL IMPROVE OR ALLEVIATE BLIGHT

Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(b) A description of the physical and economic conditions specified in Section 33031 that exist in the area that cause the project area to be blighted. The description shall include a list of the physical and economic conditions described in Section 33031 that exist within the project area and a map showing where in the project the conditions exist. The description shall contain specific, quantifiable evidence that documents both of the following:

(1) The physical and economic conditions specified in Section 33031.

(2) That the described physical and economic conditions are so prevalent and substantial that, collectively, they seriously harm the entire project area.

The physical and economic conditions of blight existing at the time of adoption of the 2010 HPS Plan Amendment remain substantially the same. The HPS Project Area is characterized by adverse physical conditions including buildings in which it is unsafe or unhealthy for persons to live or work, and the existence of factors that prevent or substantially hinder the economically viable reuse of buildings and areas. Adverse economic conditions include depreciated and stagnant property values, properties containing hazardous wastes, abnormally high business vacancies, abandoned buildings, and excessive vacant lots within an area formerly used as a military base.

The Plan Amendment will continue to improve or alleviate the adverse conditions in the HPS Project Area through the development of under-utilized land, economic development activities, community enhancement efforts, affordable housing activities, and the delivery of public parks and open space. As detailed in this Report, the Plan Amendments will further improve or alleviate the adverse conditions in Phase 2 of the HPS Project Area by establishing CP-HPS2 Project-specific time limits for establishing loans, advances, and indebtedness, the effectiveness of the HPS Plan, and the time to repay indebtedness and receive property taxes, in connection with Phase 2 of the HPS Project Area. As discussed in Section V, the extension of these time limits is required in light of the extraordinary Navy delays which have impacted the timely implementation of the Project, and to protect the financial feasibility of the CP-HPS2 Project which rely on tax increment financing to fund Qualified Project Costs.

(d) An explanation of why the elimination of blight and the redevelopment of the project area cannot reasonably be expected to be accomplished by private enterprise acting alone or by the legislative body's use of financing alternatives other than tax increment financing.

The elimination of blight cannot be borne solely by the private sector and private funds. The private sector's ability to alleviate blight is limited by the same factors that were identified in the Report to the Board of Supervisors for the 2010 Plan Amendment.

As set forth in the Financing Plan for the CP-HPS2 Project, the financial feasibility of the CP-HPS2 Project requires various public Funding Sources. Section VII describes the need for the increased bonded indebtedness cap proposed in the Plan Amendment in order to fund the redevelopment of Phase 2 of the HPS Project Area to alleviate the remaining adverse physical and economic conditions in the Project Area.

VII. PROPOSED METHOD OF FINANCING AND FEASIBILITY OF PLAN AMENDMENT

(e) The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

This Section explains why tax increment financing is the primary source of funding and why the Plan Amendment to increase the limit on bonded indebtedness is necessary to accomplish and complete the goals set forth in the HPS Plan and to alleviate the remaining blight in the Project Area. As summarized in Section V, blighting conditions in the Project Area continue to be substantial and require tax increment in order to be alleviated.

1. Potential Funding Sources

The proposed Plan Amendment authorizes the Agency to finance its Redevelopment Program using all available funding sources, including local, state and federal sources, and the Agency will make every effort to obtain alternative funding sources as a means to accelerate its Redevelopment Program. However, tax increment financing is the most reliable source of long-term funding available to the Agency.

This section describes funding sources that will likely be available to assist in financing the Agency's Redevelopment Program, which primarily includes the CP-HPS2 Project in Zone 1 of BVHP Project Area B. Some sources described below may generate more funds than estimated, while other sources may generate less. On balance, the estimates of alternative revenues provide an initial assessment of funding availability to determine the need for tax increment revenue to fill the funding gap in the Agency's Redevelopment Program costs.

Tax increment, CFDs, and developer participation are the sources of funding that are most likely to be available to provide funding for the Agency's Redevelopment Program, while private capital will provide funding for upfront costs and initial expenses in order to get the program started. Secondary funding sources are less likely to be available. Complementary sources would not provide direct funding for the Agency's Redevelopment Program. However, they could be used for economic development, business support and expansion, neighborhood improvements, and community enhancement, which would enhance the effectiveness of the Agency's Redevelopment Program.

a. Primary Funding Sources

The primary sources of funding that are expected to generate substantial revenues to finance the Agency's Redevelopment Program are tax increment, CFDs, and developer participation and will provide the backbone of funding for the CP-HPS2 Project.

Tax Increment Financing

Tax increment revenue generated by the increase in property values within Phase 2 of the HPS Project Area will continue to be one of three primary sources of funding to support the completion of the CP-HPS2 Project. Section VII.3 details the Agency's projection of tax increment resources that will be available to finance its redevelopment activities in Zone 1 of Project Area B and Phase 2 of the HPS Project Area.

Mello Roos Act

A common method for imposing special taxes in California is through a special tax levied pursuant to the Mello-Roos Community Facilities Act of 1982 (the Mello-Roos Act), which authorizes certain public entities to form a Community Facilities District (CFD). The Mello-Roos Act authorizes the formation of a special tax district to finance capital improvement projects and pay for certain services. Revenues generated through the formation of a CFD are expected to provide significant funding for the redevelopment of Candlestick Point and will be key to the timely implementation of infrastructure improvements necessary for further development.

Developer Participation

Developer participation has been used to help fund redevelopment activities in many communities. The DDA for the CP-HPS2 Project includes a Financing Plan that describes the Developer Return in connection with the CP-HPS2 Project.

b. Secondary Funding Sources

While less significant or less likely to be available than primary funding sources, secondary sources, such as federal, state, and other local funds have helped, and are anticipated to help the Agency in meeting its redevelopment goals and objectives. The level of funding provided by these funding sources will not be sufficient to fully fund the cost of redevelopment activities. Furthermore, many grant programs offer one-time funding allocations and are not a reliable source of funding for future years.

2. Tax Increment Projections and Plan Amendments

The HPS Plan currently imposes specific time and fiscal limits that will affect the amount of tax increment revenue the Agency can receive, as follows:

- **Time Limit to Incur Debt.** The Agency's ability to enter into new bonded indebtedness is limited to 20 years after the first \$100,000 in increment is received.
- **Time Limit to Carry Out Projects.** The Agency must complete all project activities within 30 years after the first \$100,000 in increment is received.

- **Time Limit to Receive Tax Increment and Repay Debt.** The Agency can collect tax increment for 45 years after the first \$100,000 in increment is received.
- **Limit on Amount of Outstanding Bonded Indebtedness.** The Redevelopment Plan currently includes a limit of \$900 million on the total amount of outstanding bonded indebtedness secured by tax increment revenue.

Table 1 presents the current limits and the proposed changes to the redevelopment plan time limits and bond limit. As authorized by SB 143, the Plan Amendment will extend the time limits to incur debt, plan effectiveness, and repay debt and receive tax increment for Phase 2 of the HPS Project Area. The Plan Amendments further propose extending the limit on the amount of bonded indebtedness. These Plan Amendments are necessary in order to provide the financing necessary to implement the CP-HPS2 Project and to provide for additional time for the Agency to complete all project activities within Phase 2 of the HPS Project Area.

Exhibit B provides a more detailed summary of the tax increment projections over the tax increment collection period under the proposed Plan Amendment.¹ The tax increment projections are intended only as estimates for financial feasibility purposes. Actual tax increment revenues may be higher or lower. The development projections shown in Exhibit B are not intended to predict future development, but rather to provide a reasonable estimate of potential tax increment growth on an average annualized basis. The tax increment projections are based on the best available information and analysis techniques, and actual tax increment generated in each year will likely vary.

3. Increase in Limit on Amount of Outstanding Bonded Indebtedness

The Plan Amendment proposes to merge the existing limits on bonded indebtedness for Zone 1 of Project Area B and Phase 2 of the HPS Project Area into a single limit on bonded indebtedness in the amount of \$5.9 billion.

This section generally describes the methodology used to determine the proposed combined bonded indebtedness cap of \$5.9 billion. Exhibit C includes details of the methodology and calculation described in this Section with a direct comparison to the analogous 2010 calculation by the Successor Agency.

To determine the new proposed combined bonded indebtedness cap for Hunters Point Shipyard, the Developer used the same methodology relied on by the Successor Agency in 2010. The 2010 methodology used three calculations to inform the estimated bonded indebtedness limit for Hunters Point Shipyard: 1) bonding capacity (Method 1) which yielded a bonded debt need of \$767.3 million; 2) present value of tax increment (Method 2) which yielded a bonded debt need of \$737.5 million; and 3) tax increment in nominal dollars (Method 3) which yielded a bonded debt need of \$1.2 billion. Based on the range established by these three calculations (\$737.5

¹ The tax increment projections identified in Exhibit B are estimates that are provided solely for the purpose of this Report. The Shipyard Site is currently under Excusable Delay and all amounts shown for the Shipyard Site on the Summary Proforma are based on the Summary Proforma provided in 2018 and such amounts will need to be updated once Excusable Delay no longer exists at the Shipyard Site.

million to \$1.2 billion), the Agency determined that a bonded indebtedness limit of \$900 million was needed to fund the HPS Redevelopment Plan programs and projects.

Using the same three methodologies that the Agency relied on in 2010, the Developer proposes a combined bonded indebtedness cap of \$5.9 billion, which was calculated as follows:

- Under the bonding capacity method (Method 1), the estimated combined total debt for Candlestick Point, as updated with 2024 inputs, is approximately \$2.9 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.5 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$4.5 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$3.3 billion for Candlestick Point.
- For the Shipyard Site, under the bonding capacity method (Method 1), the estimated combined total debt, as updated with 2024 inputs, is approximately \$2.3 billion. Under the present value of tax increment method (Method 2), the estimated combined total debt need is approximately \$2.4 billion. Under the tax increment in nominal dollars method (Method 3), the estimated combined total debt need is \$3.2 billion. In 2010, the Agency’s consultant averaged the estimates from Methods 1 and 3 to determine the appropriate point within the range. Applying this same methodology to the updated 2024 estimates results in a combined bonded indebtedness cap of \$2.6 billion for the Shipyard Site. This results in the overall combined total of \$5.9 billion (\$3.3B for CP and \$2.6B for HPS = \$5.9B combined).
- The method for calculating the adjusted limit of bonded indebtedness of \$5.9 billion is described in Exhibits B and C and assumes an annual interest rate of five percent (5%) and application of a fifty percent (50%) contingency factor. The industry standard for tax-exempt municipal bonds is to pay an annual interest rate of 5% of the bond principal amount. Investors’ willingness to pay more than 100 cents for each dollar of bond principal depends on whether alternative investments are yielding lower than a 5% interest rate. Based on historical borrowing rate indices and OCII’s prior borrowing rates relative to those indices, OCII’s future bond borrowing rate is expected to be close to 5%. Therefore, using a 5% rate to compute the bonded indebtedness limit principal amount generates an appropriate estimate of the funds OCII would be able to raise from bond investors for this project area. The adjusted limit on bonded indebtedness reflects projected property tax increment plus a contingency factor of 50% to account for variables such as higher assessed values of taxable property, more frequent reassessments due to resales, and the time it takes to buildout the CP-HPS2 Project.

VIII. METHOD OF PLAN FOR RELOCATION

(f) A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which method or plan shall include the provision required by Section 33411.1 that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for

occupancy by the displaced person or family at rents comparable to those at the time of their displacement.

The Plan Amendment does not displace any residents in Phase 2 of the HPS Project Area.

IX. REPORT OF THE PLANNING COMMISSION

(h) The report and recommendations of the planning commission.

On September 3, 2024, the Commission approved the Plan Amendment, and by Resolution No. 26-2024, referred it to the Planning Commission for its report and recommendation, and findings of conformity with the General Plan.

On September 12, 2024, the Planning Commission, by Motion No. 21607, found the proposed Plan Amendment to be consistent with the General Plan and the Priority Policies outlined in Planning Code Section 101.1.

X. CONSULTATION WITH THE COMMUNITY

The Successor Agency has provided extensive opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Citizens Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. The following outlines the various community events in connection with the Plan Amendment:

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood Association	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024
San Francisco Housing Action Coalition	June 20, 2024

Community Outreach Workshop (in-person and virtual using Slido)	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Upcoming meetings as of the date of this Report:	
Local contractors	August 27, 2024
Council of Community Housing Organizations	August 28, 2024
Taste of Bayview – Renaissance Entrepreneurship Center event	August 29, 2024
Youth outreach	November 2025 and ongoing

XI. ENVIRONMENTAL REVIEW

(k) The report required by Section 21151 of the Public Resources Code

On June 3, 2010, the Commission of the former Redevelopment Agency of the City and County of San Francisco (“Redevelopment Commission”) by Resolution No. 58-2010 and the Planning Commission by Motion No. 18096, acting as co-lead agencies, certified the Final Environmental Impact Report (“FEIR”) under the California Environmental Quality Act (“CEQA”) for the CP-

HPS2 Project. On July 14, 2010, the Board of Supervisors affirmed the Planning Commission's certification of the FEIR by Resolution No. 347-10 and that various actions related to the Project complied with CEQA. Subsequent to the certification of the FEIR, OCII and the Planning Department prepared Addenda 1 through 6 to the FEIR analyzing certain Project modifications.

On September 3, 2024, OCII, as Lead Agency, approved Addendum 7 to the FEIR, which evaluated the updated land use program of the Plan Amendment and determined that the analyses conducted and the conclusions reached in the FEIR remain valid and no supplemental environmental review is required beyond Addendum 7. With assistance from the Planning Department, OCII has reviewed Addendum 7, the FEIR and the Plan Amendment and determined that development facilitated by the Plan Amendment will not result in any new significant impacts or a substantial increase in the severity of previously identified significant impacts that would alter the conclusions reached in the FEIR. Accordingly, no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162, and 15163.

XII. NEIGHBORHOOD IMPACT REPORT

(m) If the project area contains low- or moderate-income housing, a neighborhood impact report which describes in detail the impact of the project upon the residents of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood.

The Plan Amendment does not impact or alter the existing affordable housing obligations articulated in the HPS Plan. Under the CRL, at least 15 percent of all new and substantially rehabilitated dwelling units developed within Phase 2 of the HPS Project Area by private or public entities other than OCII must be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income. Under the CP-HPS2 Project, approximately 32% of the housing developed by parties other than OCII will be available at affordable housing cost to, and occupied by persons and families of extremely low, very low, low, or moderate income.

The Plan Amendment will not cause the destruction or removal of housing units from the low and moderate-income housing market and no persons will be displaced, temporarily or permanently, from dwelling units as a result of the Plan Amendment.

The means of financing the low- and moderate-income housing units in Hunters Point Shipyard are tax increment financing, revenue from the sales of public properties within the Project (if any), and development fees. The Plan Amendment does not change OCII's tax increment financing committed to affordable housing.

The process and requirements for the development of housing within the HPS Project Area is designed to provide new housing opportunities for households of diverse income, ages, lifestyles and family size. OCII will continue to promote the development of a wide variety of affordable housing including mixed-use development, development of new rental and ownership units and development and rehabilitation of existing rental and ownership units, infill development, and

the possibility of senior housing. The housing opportunities within the HPS Project Area address the demand for housing suitable for families, seniors, young adults, and others with special needs. The amount and timing of this development is dependent on the amount and pace of the overall development in the HPS Project Area.

XIII. CONSULTATION WITH TAXING ENTITIES

Under Assembly Bill No. IX 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”) and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, No. S194861, all redevelopment agencies in the State of California, including the Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

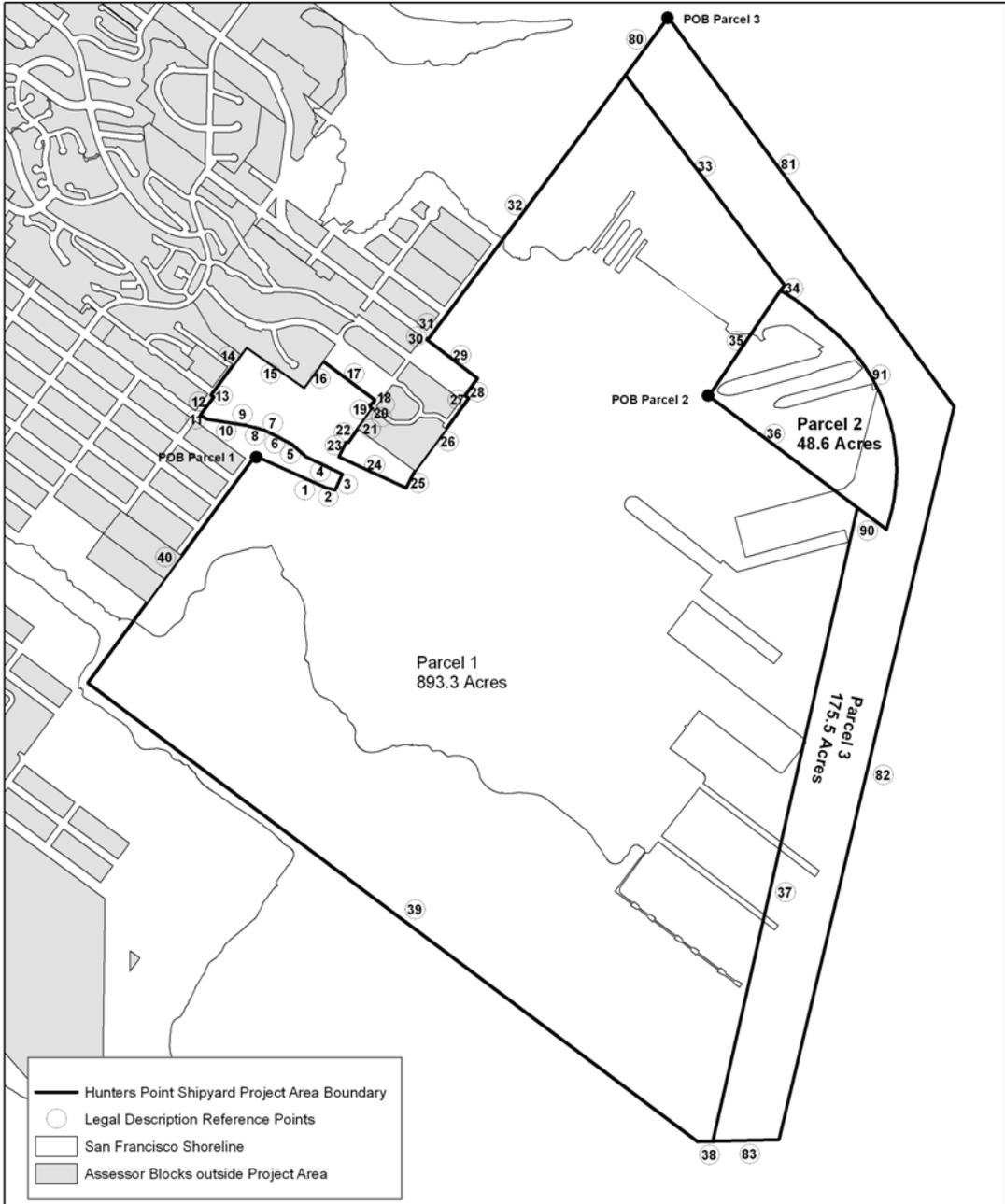
In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State’s budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) (“AB 1484”), and the Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (1) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (2) the successor agency has its own name and the capacity to sue and be sued, (3) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

On October 2, 2012, the City’s Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating the Commission as a policy body of the Agency and delegating to the Commission the authority to implement certain projects, including the CP-HPS2 Project.

Following the public hearing before the Commission on September 3, 2024, the Oversight Board will consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement which set forth the applicable limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with the CP-HPS2 Project. These Project agreements were then forwarded to the Department of Finance which will review and consider the 4th Amendment to the DDA and First Amendment to the Tax Allocation Agreement.

Exhibit A

Maps



- Hunters Point Shipyard Project Area Boundary
- Legal Description Reference Points
- San Francisco Shoreline
- Assessor Blocks outside Project Area

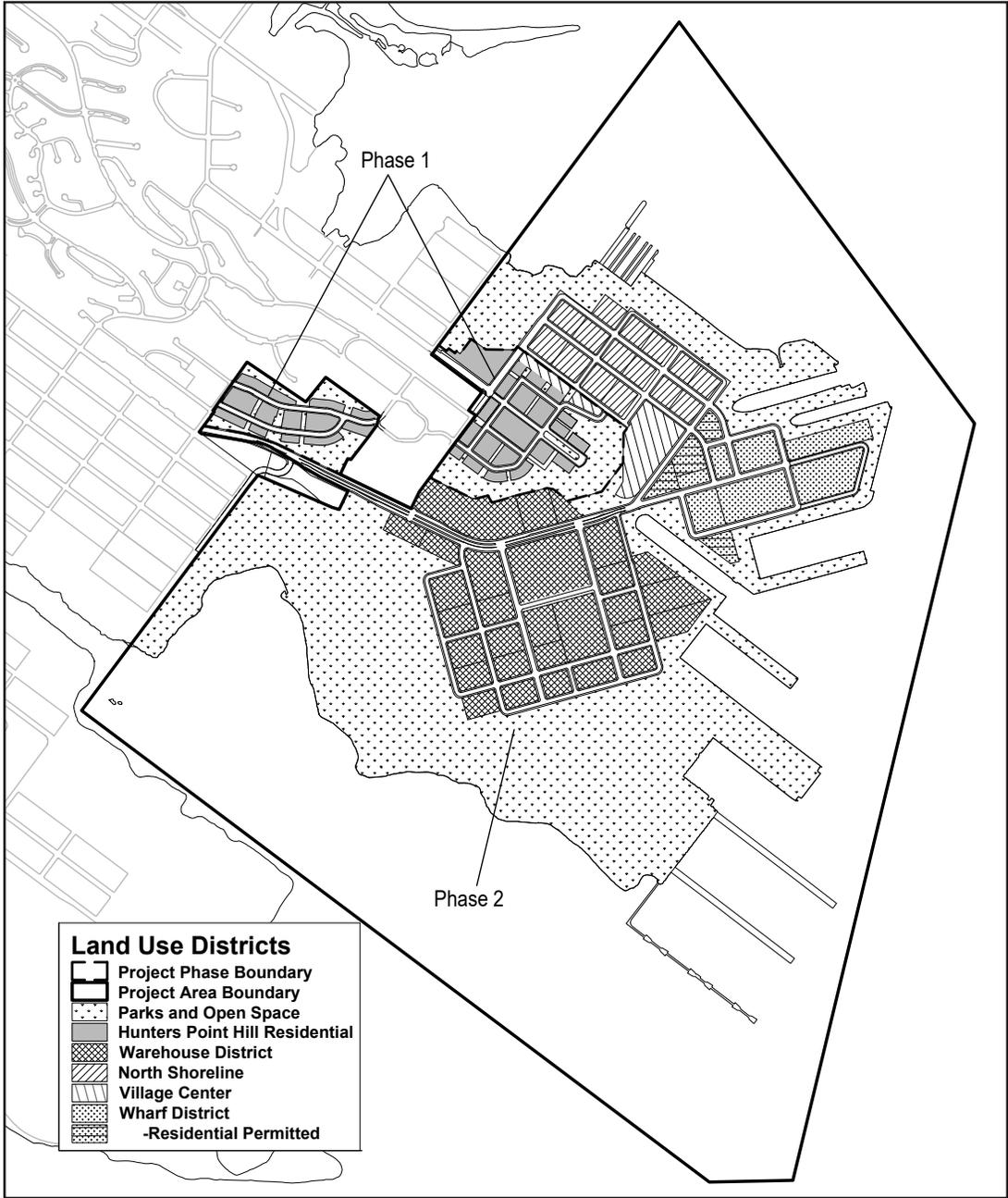
Map 1: Project Area Boundary Map



Office of Community Investment and Infrastructure

940 470 0 940 Feet





Map 2: Land Use Districts Map

Office of Community Investment and Infrastructure

1,000 500 0 1,000 Feet

Exhibit B

Tax Increment Projections

**Tax Increment Projections
Hunters Point Shipyard Phase II
(In Nominal/Future Dollars)**

Plan Year	Fiscal Year	Beginning of the Year Assessed Value			New Development Value (4)	Incremental Tax Revenues				Agency Obligations				
		Secured Assessed Value (1)	Other Assessed Value (2)	Total Beginning of Year Assessed Value (3)		Beginning of Year Incremental AV over Base (5)	Basic Incremental Revenue (6)	Supplemental Revenue from New Development (7)	Gross Incremental Tax Revenues (8)	County Admin (9)	20% Housing Set Aside (10)	Pass Through Payments (11)	Housing Redevelopment Program (12)	Non-Housing Redevelopment Program (13)
	Prior Years													
7	2024 - 2025	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2025 - 2026	0	0	0	0	0	0	0	0	0	0	0	0	0
9	2026 - 2027	0	0	0	0	0	0	0	0	0	0	0	0	0
10	2027 - 2028	0	0	0	0	0	0	0	0	0	0	0	0	0
11	2028 - 2029	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2029 - 2030	0	0	0	0	0	0	0	0	0	0	0	0	0
13	2030 - 2031	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2031 - 2032	0	0	0	0	0	0	0	0	0	0	0	0	0
15	2032 - 2033	0	0	0	0	0	0	0	0	0	0	0	0	0
16	2033 - 2034	0	0	0	0	0	0	0	0	0	0	0	0	0
17	2034 - 2035	0	0	0	0	0	0	0	0	0	0	0	0	0
18	2035 - 2036	0	0	0	147,143,994	0	0	1,471,440	1,471,440	0	294,288	381,827	294,288	795,325
19	2036 - 2037	150,511,709	0	150,511,709	0	150,511,709	1,505,117	1,505,117	1,505,117	0	301,023	390,566	301,023	813,528
20	2037 - 2038	153,956,502	0	153,956,502	182,763,019	153,956,502	1,539,565	1,827,630	3,367,195	0	673,439	873,760	673,439	1,819,997
21	2038 - 2039	344,426,091	0	344,426,091	1,019,186,235	344,426,091	3,444,261	10,191,862	13,636,123	0	2,727,225	3,538,462	2,727,225	7,370,436
22	2039 - 2040	1,394,821,607	0	1,394,821,607	54,308,046	1,394,821,607	13,948,216	543,080	14,491,297	0	2,898,259	3,760,373	2,898,259	7,832,664
23	2040 - 2041	1,482,296,186	0	1,482,296,186	1,359,194,744	1,482,296,186	14,822,962	13,591,947	28,414,909	0	5,682,982	7,373,436	5,682,982	15,358,491
24	2041 - 2042	2,906,524,727	0	2,906,524,727	562,748,402	2,906,524,727	29,065,247	5,627,484	34,692,731	0	6,938,546	9,002,480	6,938,546	18,751,705
25	2042 - 2043	3,548,675,109	0	3,548,675,109	368,745,940	3,548,675,109	35,486,751	3,687,459	39,174,210	0	7,834,842	10,165,387	7,834,842	21,173,981
26	2043 - 2044	4,007,079,885	0	4,007,079,885	1,642,182,627	4,007,079,885	40,070,799	16,421,826	56,492,625	0	11,298,525	14,659,374	11,298,525	30,534,726
27	2044 - 2045	5,778,558,364	0	5,778,558,364	170,005,649	5,778,558,364	57,785,584	1,700,056	59,485,640	0	11,897,128	15,436,037	11,897,128	32,152,475
28	2045 - 2046	6,084,710,043	0	6,084,710,043	2,444,591,920	6,084,710,043	60,847,100	24,445,919	85,293,020	0	17,058,604	22,132,840	17,058,604	46,101,575
29	2046 - 2047	8,724,513,881	0	8,724,513,881	775,786,499	8,724,513,881	87,245,139	7,757,865	95,003,004	0	19,000,601	24,652,502	19,000,601	51,349,901
30	2047 - 2048	9,717,735,743	0	9,717,735,743	979,526,104	9,717,735,743	97,177,357	9,795,261	106,972,618	0	21,394,524	27,758,519	21,394,524	57,819,576
31	2048 - 2049	10,942,092,317	0	10,942,092,317	64,768,096	10,942,092,317	109,420,923	647,681	110,068,604	0	22,013,721	28,684,692	22,013,721	59,370,191
32	2049 - 2050	11,258,776,731	0	11,258,776,731	1,975,390,860	11,258,776,731	112,587,767	19,753,909	132,341,676	0	26,468,335	35,347,749	26,468,335	70,525,592
33	2050 - 2051	13,537,060,753	0	13,537,060,753	75,984,499	13,537,060,753	135,370,608	759,845	136,130,453	0	27,226,091	36,481,173	27,226,091	72,423,189
34	2051 - 2052	13,924,609,868	0	13,924,609,868	78,264,034	13,924,609,868	139,246,099	782,640	140,028,739	0	28,005,748	37,647,357	28,005,748	74,675,634
35	2052 - 2053	14,323,360,607	0	14,323,360,607	58,700,964	14,323,360,607	143,233,606	587,010	143,820,616	0	28,764,123	38,781,709	28,764,123	76,274,784
36	2053 - 2054	14,711,226,824	0	14,711,226,824	38,836,106	14,711,226,824	147,112,268	388,361	147,500,629	0	29,500,126	39,882,596	29,500,126	78,117,908
37	2054 - 2055	15,087,650,706	0	15,087,650,706	40,001,189	15,087,650,706	150,876,507	400,012	151,276,519	0	30,255,304	41,012,165	30,255,304	80,009,051
38	2055 - 2056	15,473,881,630	0	15,473,881,630	0	15,473,881,630	154,738,816	0	154,738,816	0	30,947,763	42,047,921	30,947,763	81,743,132
39	2056 - 2057	15,828,035,597	0	15,828,035,597	0	15,828,035,597	158,280,356	0	158,280,356	0	31,656,071	43,107,384	31,656,071	83,516,901
40	2057 - 2058	16,190,295,160	0	16,190,295,160	0	16,190,295,160	161,902,952	0	161,902,952	0	32,380,590	44,191,094	32,380,590	85,331,267
41	2058 - 2059	16,560,845,833	0	16,560,845,833	0	16,560,845,833	165,608,458	0	165,608,458	0	33,121,692	45,299,608	33,121,692	87,187,159
42	2059 - 2060	16,939,877,377	0	16,939,877,377	0	16,939,877,377	169,398,774	0	169,398,774	0	33,879,755	46,433,492	33,879,755	89,085,527
43	2060 - 2061	17,327,583,896	0	17,327,583,896	0	17,327,583,896	173,275,839	0	173,275,839	0	34,655,168	47,593,328	34,655,168	91,027,344
44	2061 - 2062	17,724,163,934	0	17,724,163,934	0	17,724,163,934	177,241,639	0	177,241,639	0	35,448,328	48,779,709	35,448,328	93,013,603
45	2062 - 2063	18,129,820,583	0	18,129,820,583	0	18,129,820,583	181,298,206	0	181,298,206	0	36,259,641	49,993,243	36,259,641	95,045,322
46	2063 - 2064	18,544,761,581	0	18,544,761,581	0	18,544,761,581	185,447,616	0	185,447,616	0	37,089,523	51,234,552	37,089,523	97,123,541
47	2064 - 2065	18,969,199,420	0	18,969,199,420	0	18,969,199,420	189,691,994	0	189,691,994	0	37,938,399	52,504,270	37,938,399	99,249,325
48	2065 - 2066	19,403,351,457	0	19,403,351,457	0	19,403,351,457	194,033,515	0	194,033,515	0	38,806,703	53,803,049	38,806,703	101,423,763
49	2066 - 2067	19,847,440,022	0	19,847,440,022	0	19,847,440,022	198,474,400	0	198,474,400	0	39,694,880	55,131,553	39,694,880	103,647,967
50	2067 - 2068	20,301,692,535	0	20,301,692,535	0	20,301,692,535	203,016,925	0	203,016,925	0	40,603,385	56,490,464	40,603,385	105,923,077
51	2068 - 2069	20,766,341,620	0	20,766,341,620	0	20,766,341,620	207,663,416	0	207,663,416	0	41,532,683	57,880,475	41,532,683	108,250,258
52	2069 - 2070	21,241,625,227	0	21,241,625,227	0	21,241,625,227	212,416,252	0	212,416,252	0	42,483,250	59,302,301	42,483,250	110,630,701
53	2070 - 2071	21,727,786,748	0	21,727,786,748	0	21,727,786,748	217,277,867	0	217,277,867	0	43,455,573	60,756,668	43,455,573	113,065,626
54	2071 - 2072	22,225,075,150	0	22,225,075,150	0	22,225,075,150	222,250,752	0	222,250,752	0	44,450,150	62,244,321	44,450,150	115,556,280
55	2072 - 2073	22,733,745,096	0	22,733,745,096	0	22,733,745,096	227,337,451	0	227,337,451	0	45,467,490	63,766,022	45,467,490	118,103,938
56	2073 - 2074	23,254,057,077	0	23,254,057,077	0	23,254,057,077	232,540,571	0	232,540,571	0	46,508,114	65,322,551	46,508,114	120,709,905
57	2074 - 2075	23,786,277,548	0	23,786,277,548	0	23,786,277,548	237,862,775	0	237,862,775	0	47,572,555	66,914,705	47,572,555	123,375,515
58	2075 - 2076	24,330,679,060	0	24,330,679,060	0	24,330,679,060	243,306,791	0	243,306,791	0	48,661,358	68,543,299	48,661,358	126,102,134
59	2076 - 2077	24,887,540,403	0	24,887,540,403	0	24,887,540,403	248,875,404	0	248,875,404	0	49,775,081	70,209,166	49,775,081	128,891,157
60	2077 - 2078	25,457,146,748	0	25,457,146,748	0	25,457,146,748	254,571,467	0	254,571,467	0	50,914,293	71,913,161	50,914,293	131,744,013
61	2078 - 2079	26,039,789,793	0	26,039,789,793	0	26,039,789,793	260,397,898	0	260,397,898	0	52,079,580	73,656,155	52,079,580	134,662,163
62	2079 - 2080	26,635,767,911	0	26,635,767,911	0	26,635,767,911	266,357,679	0	266,357,679	0	53,271,536	75,439,042	53,271,536	137,647,102
63	2080 - 2081	27,245,386,305	0	27,245,386,305	0	27,245,386,305	272,453,863	0	272,453,863	0	54,490,773	77,262,733	54,490,773	140,700,357
64	2081 - 2082	27,868,957,163	0	27,868,957,163	0	27,868,957,163	278,689,572	0	278,689,572	0	55,737,914	79,128,164	55,737,914	143,823,493
65	2082 - 2083	28,506,799,818	0	28,506,799,818	0	28,506,799,818	285,067,998	0	285,067,998	0	57,013,600	81,036,290	57,013,600	147,018,108
Total					12,038,128,924		7,360,265,123	120,381,289	7,480,646,413	0	1,496,129,283	2,067,947,720	1,496,129,283	3,916,569,410
Present Value (a)							1,048,320,182	43,811,248	1,092,131,430	0	218,426,286	297,450,661	218,426,286	576,254,483

Notes for each column included on next page.

(a) Discounted to constant FY 2037-2038 dollars at 5.0%.

Source: Land use plan provided by EPS, November 2023. Pass-Through years provided by OCIL, August 2023.

Notes on Hunters Point Shipyard Phase II Tax Increment Projections

- (1) Includes prior year's new development value plus prior years beginning of year assessed value escalated at 2% annually due to inflation and an additional 0.29% starting FY 2024-25 to reflect reassessments due to property turnover and establishment of master planned community.
- (2) Provided for consistency, amounts were zero in 2010 Plan Amendment
- (3) Sum of columns (1) and (2).
- (4) Based on new development value additions from Proposed Scenario, reviewed by OCII's consultants.
- (5) Total beginning of the year assessed value (column 3) less base year assessed value.
- (6) Equals 1 % of beginning of year incremental AV over base value (column 5).
- (7) Equals 1 % of the new development supplemental roll value assessed during the year (column 4).
- (8) Sum of columns (6) and (7). Also equals Gross Tax Increment to Agency.
- (9) Assumed to equal 0% of gross tax increment as the County does not currently charge a fee.
- (10) CRL mandated housing set aside.
- (11) AB 1290 statutory pass through payments timelines provided by OCII. Assumes City takes Tier 1 pass through. Assumes City's Tier 2 and 3 pass throughs are retained by the Agency.
- (12) Total tax increment available for housing-related redevelopment activities.
- (13) Total tax increment available for non-housing related redevelopment activities.

Exhibit C

Limit on Bonded Indebtedness

	CP	HPS2	Total
A. Summary/Reconciliation			
Method 1 at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000
Method 2 at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817
Method 3 at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000

B. Average of 3 Methods (rounded)

Contingency	50%	\$3,300,000,000	\$2,600,000,000	\$5,900,000,000
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	CP	HPS2	Total
Method 1 - Present Value of Average Bonding Capacity			
Average Annual Future Gross TI (net of pass-throughs)	\$159,103,033	\$125,168,285	\$284,271,318
DSCR	1.25	1.25	
Payment	\$127,282,426	\$100,134,628	\$193,974,628
Periods	30	30	
Int Rate	5.0%	5.0%	
PV of Average TI	\$1,956,600,000	\$1,539,300,000	
Estimated Principal of Outstanding Bonded Indebtedness	\$0	\$0	
Subtotal	\$1,956,600,000	\$1,539,300,000	
Contingency	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,934,900,000	\$2,308,950,000	\$5,243,850,000

Method 2 - Present Value of Projected Tax Increment

	FY 2024-25	FY 2037-38	
Discounted to			
Discount Rate	5.0%	5.0%	
NPV of Projected Tax Increment	\$1,671,211,588	\$1,604,704,957	
Outstanding Bond	\$0	\$0	
Subtotal	\$1,671,211,588	\$1,604,704,957	\$3,275,916,545
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$2,506,817,382	\$2,407,057,435	\$4,913,874,817

Method 3 - Tax Increment in Nominal Dollars

Future Tax Increment (net of pass-throughs)	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Tax increment Collected through FY 2008/09	\$0	\$0	
Subtotal	\$9,075,549,565	\$6,374,317,787	\$15,449,867,352
Divide by Three	3.00	3.00	
Subtotal	\$3,025,200,000	\$2,124,800,000	\$5,150,000,000
Contingency Factor	1.50	1.50	
Total Future Bond Principal Amount at 50% Cont	\$4,537,800,000	\$3,187,200,000	\$7,725,000,000



PLANNING COMMISSION MOTION NO. 21607

HEARING DATE: SEPTEMBER 12, 2024

Record No. 2007.0946GPR-04

Project: Candlestick Center – Amendments to the Bayview Hunters Point Redevelopment Plan, the Hunters Point Shipyard Redevelopment Plan, and the Candlestick Point Design-for-Development

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

Block/Lot: 5000/002 and 042

Project Sponsor: CP Development Co., LLC
One Sansome Street, Suite 3500
San Francisco, CA 94104

Property Owner: [same as Project Sponsor]

Staff Contact: Mat Snyder – (628) 652-7460
Mathew.snyder@sfgov.org

Reviewed By: Joshua Switzky
Joshua.switzky@sfgov.org

ADOPTING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND WITH THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 FOR THE PROPOSED AMENDMENTS TO THE REDEVELOPMENT PLANS FOR BOTH THE BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA AND THE HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA TO ENABLE THE TRANSFER OF UP TO 2,050,000 OF ENTITLED SQUARE FEET OF OFFICE / RESEARCH AND DEVELOPMENT (“R&D”) USE FROM PHASE 2 OF HUNTERS POINT SHIPYARD TO CANDLESTICK POINT, AMONGST OTHER REVISIONS, TO ACCOMMODATE REVISIONS TO THE DESIGN AND REGULATORY FRAMEWORK FOR CANDLESTICK POINT AND ADOPTING ENVIRONMENTAL FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

WHEREAS, Section 4.105 of the City Charter and 2A.53 of Administrative Code require General Plan referrals to the Planning Commission (hereinafter “Commission”) for certain matters, including changes to redevelopment project plans within the City and County of San Francisco, to determine conformity of the proposed redevelopment plan with the General Plan prior to consideration by the Board of Supervisors.

WHEREAS, Sections 33346 and 33354.6 of the California Health and Safety Code regarding California Redevelopment Law require that the planning policies and objectives and land uses and densities of the Redevelopment Plans be found consistent with the General Plan prior to Redevelopment Plan approval or amendment by the Board of Supervisors.

WHEREAS, The Planning Department (“Department”), the Office of Community Investment and Infrastructure (“OCII”), the successor to the San Francisco Redevelopment Agency among many other City Departments have been working to transform Candlestick Point (“CP”) and Phase 2 of Hunters Point Shipyard (“HPS”) from their current underutilized nature into a vibrant high-density, mixed-use, and transit-oriented neighborhoods that will provide public benefits to both the existing residents and the City as a whole (the “CP/HPS2 Project”). Candlestick Point is within the Bayview Hunters Point Redevelopment Project Area and is identified as “Zone 1”, within the Redevelopment Project Area. OCII is charged with implementing the Redevelopment Plan for Zone 1 of the Bayview Hunters Point Redevelopment Plan, along with the Hunters Point Shipyard Redevelopment Plan.

WHEREAS, On June 3, 2010, the Planning Commission and the Redevelopment Commission made the following actions (“Original Approvals”) regarding the CP-HPS Project: (1) Certification of the Final Environmental Impact Report (Planning Commission Motion No. 18096); (2) adoption of CEQA Findings (Planning Commission Motion No. 18097); adoption of master General Plan Finding and Planning Code Section 101.1 Finding (Planning Commission Motion No. 18101); (4) approval of General Plan amendments including the establishment of the Candlestick Point Sub-Area Plan (Motion No. 18098); (5) approval of Planning Code Text and Map amendments creating the Candlestick Point Activity Node SUD and allowed greater height per the Redevelopment Plan (Motion Nos. 18099 and 18100); (6) approval of amendments to the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans and adoption of office allocation findings for the office component of the Project (Resolution No. 18102); and (7) approving the Candlestick Point Design for Development Documents (Motion No. 18104). At the same hearing, the Redevelopment Commission also approved the following: (1) Interagency Cooperation Agreements (ICA) for interagency review of horizontal improvements; (2) Health Code, Public Works Code, Building Code, and Subdivision Code amendments; (3) Disposition and Development Agreement (DDA), which included (among other documents) as attachments a Project Phasing Plan, a Transportation Plan and an Infrastructure Plan; (4) Real Property Transfer Agreement; (5) Public Trust Exchange Agreement; (6) Park Reconfiguration Agreement; and (7) Tax Increment Allocation Pledge Agreement.

WHEREAS, After several amendments, the CP/HPS2 Project approvals currently accommodate the following land uses: up to 10,672 residential units, of which approximately 32% will be below market rate; approximately 327-336 acres of improved open space and recreational areas; approximately 360,000 square feet of retail space; approximately 4,900,000 million square feet of research and development (R&D) and office space, 150,000 square feet of community services; and two hotels, among other uses.

WHEREAS, Originally, CP and HPS were intended to be developed cohesively with coordinated phasing between the two; the phasing was to integrate the two components’ financing and to enable the coordinated delivery of CP and HPS’ land uses, infrastructure and community benefits. Most of the office / R&D uses had been planned for HPS. However, delayed environmental clean-up at HPS has stopped all development from moving at Hunters Point Shipyard Phase 2 for the foreseeable future, including the delivery of office/R&D. As such, CP and HPS are no longer proposed to be implemented in the same time sequence as originally planned. In response to the delays at HPS, the Project Sponsor is proposing changes to the Project to transfer 2,050,000 square feet of office / R&D land uses from HPS to CP – specifically to Candlestick Center -- since the area is available for development. The revised Candlestick Center (“Project”) is being described as an R&D Innovation District (“Innovation District”) with the intention of attracting office, R&D, laboratory and similar job creating uses.

WHEREAS, On June 12, 2024, CP Development Co., LLC (“Project Sponsor”) submitted a General Plan Referral application for the Redevelopment Plan Amendments for both the Bayview Hunters Point (“BVHP”) Redevelopment Plan and the Hunters Point Shipyard (“HPS”) Redevelopment Plan (together, “Plan Amendments”). The Plan Amendments are being proposed to largely enable revisions to the development proposal at Candlestick Center (“Project”), one of the four neighborhoods at CP.

WHEREAS, 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.

WHEREAS, On June 3, 2010, the Planning Commission and Former Redevelopment Agency acting as lead agencies under the California Environmental Quality Act (“CEQA”) (California Public Resources Code sections 21000 et seq.) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.), certified a Final Environmental Impact Report (hereinafter “FEIR”) for the CP/HPS2 Project by Motion No. 18096 and Resolution No. 58-2010, respectively. At the same hearing the Former Redevelopment Agency and Planning Commission also adopted findings pursuant to the California Environmental Quality Act, including a Mitigation Monitoring and Reporting Program (“MMRP”) and a Statement of Overriding Considerations for the Project by Motion No. 18097 and Resolution No. 59-2010, respectively. On July 14, 2010, the San Francisco Board of Supervisors affirmed the Planning Commission’s certification of the FEIR (Motion No. M10-110).

WHEREAS, Since the certification of the FEIR, OCII, in consultation with the Planning Department, has issued several addenda to the FEIR to address project changes. Most recently, OCII, in consultation with Planning, has prepared Addendum No. 7, which evaluates the potential environmental effects of the Project and required actions, thereto. In addition, Addendum No. 7 also recommends modifications to six adopted mitigation measures for reasons set out in Addendum No. 7. Based on the analysis in Addendum No. 7, OCII concludes that the analyses conducted, and the conclusions reached in the FEIR on June 3, 2010, remain valid and the proposed Project, including the proposed amendments to the mitigation measures, will not cause new significant impacts not identified in the FEIR, or substantially increase the severity of previously identified significant impacts. Further, as described in Addendum No. 7, no Project changes have occurred, and no changes have occurred with respect to circumstances surrounding the proposed Project that will require major revisions of the FEIR due to involvement of new significant effects or a substantial increase in the severity of previously identified significant effects, and no new information has become available that shows that the Project will cause new or more severe significant environmental impacts. Therefore, no subsequent or supplemental environmental review is required under CEQA beyond Addendum No. 7 to approve the Project.

WHEREAS, On September 3, 2024, the Commission on Community Investment and Infrastructure (“CCII” or “Successor Agency Commission”) adopted CCII Resolution No. 22-2024, by which the Successor Agency Commission determined that the analysis conducted and the conclusions reached in the FEIR as to the environmental effects of the Project, together with further analysis provided in Addendum No. 1, Addendum No. 4, Addendum No. 5, Addendum No. 6, and Addendum No. 7 to the FEIR, remain valid and can be relied upon for approval of the Project in compliance with the CEQA.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. The above recitals are accurate and constitute findings of this Commission.**
- 2. Project Description.** The Plan Amendments would enable the proposed revisions to Candlestick Center (“Project”), one of four proposed neighborhoods at Candlestick Point, which has been envisioned as the largest non-residential component at Candlestick, initially as a retail mall. Candlestick Center’s new vision calls for the creation of an “Innovation District” that would principally include office, R&D, and other similar job-creating uses in urban design framework that would encourage synergies across the site’s businesses and community users. The revisions include but are not limited to (1) allowing the addition of 2,050,000 square feet of office / R&D use (transferred from the Shipyard Site) for a total 2,800,000 square feet, (2) increasing the maximum heights from the previous maximum of 120 feet to a new maximum of 180 feet, with allowed heights and bulk of buildings increased throughout; (3) revising the site plan to require a new central promenade and other pedestrian and open space amenities; (4) revising ground floor use and active frontage requirements; and (5) increasing the allowed parking ratio for the first 1,700,000 square feet from 1.3 spaces : 1,000 square feet to 2 spaces : 1,000 square feet to align with the R&D / office use contemplated at Candlestick Center.

At its completion, the approximately 22-acre Candlestick Center site would be divided into parcels, with each parcel containing one or more buildings with a height between 85 to 180 feet. The parcels would be bordered by internal privately owned publicly accessible streets, curb less shared streets and paseos, and a central promenade. Ground floor space bordering Harney Avenue and Ingerson Way (Candlestick Point’s planned two main public streets), and the central promenade would be bordered by active uses and frontages. Uses that were previously proposed at Candlestick Center including residential, hotel and entertainment uses -- and are no longer being pursued to the same extent -- would still be permitted. However, use provisions in the other Candlestick neighborhoods would be amended to accommodate these uses at those locations.

- 3. Redevelopment Plan Amendments.** To enable this, the following amendments to the Redevelopment Plans would be required: (1) transferring up to 2,050,000 square feet of office / laboratory / R&D uses from Phase 2 of the Shipyard Site to commercially-zoned areas of Zone 1 of the BVHP Project Area (the Candlestick Site) with a corresponding reduction in those uses at the Shipyard Site; (2) allowing hotel and visitor-serving land uses, currently primary uses within the Candlestick Center, to be allowed within the Candlestick neighborhoods; (3) clarifying that certain commercial uses, such as “maker space” currently authorized within the HPS Project Area are also allowed within the BVHP Project Area; (4) authorizing the transfer of residential units from HPS to CP subject to the Commission on Community Investment and Infrastructure approval (5) extending the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plans, and the time to repay indebtedness and receive property tax increment, in connection with the Project; and (6) authorizing property tax increment revenues from Phase 2 of the HPS Project Area and Zone 1 of the BVHP Project Area to be combined to fund costs under the Project agreements.
- 4. Amendments to the Candlestick Center Design-for-Development (“D4D”)** also would be

required. These amendments will be considered separately by the Planning Commission at the same hearing.

5. **Public Outreach and Comments.** The Developer has provided the following opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Community Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. On June 17, 2024, the HPSCAC voted unanimously to support the Plan Amendments.

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024,
Community Outreach Workshop	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Local contractors	August 27, 2024
Taste of Bayview event	August 29, 2024
Youth outreach	November 2025 and ongoing

6. **General Plan Compliance.** The Project, on balance, consistent with the following Objective and Policies of the General Plan:

BAYVIEW HUNTERS POINT AREA PLAN

OBJECTIVE 1

STIMULATE BUSINESS, EMPLOYMENT, AND HOUSING GROWTH WITHIN THE EXISTING GENERAL LAND USE PATTERN BY RESOLVING CONFLICTS BETWEEN ADJACENT INDUSTRIAL AND RESIDENTIAL AREAS.

The Redevelopment Plan Amendments will enable the Project, which in turn will allow the construction of up to 2,800,000 square feet of job creating uses. This job intensive center would be constructed adjacent to Candlestick North and Candlestick South, two planned high density mixed-use predominately-residential neighborhoods that would include up to 7,218 new residential units. Together, Candlestick Center and the two predominantly residential neighborhoods would provide a synergistic mix of uses.

OBJECTIVE 4

DEVELOP AND MAINTAIN A SYSTEM FOR THE EASY MOVEMENT OF PEOPLE AND GOODS, TAKING INTO ACCOUNT ANTICIPATED NEEDS OF BOTH LOCAL AND THROUGH TRAFFIC.

Policy 4.1

Develop a comprehensive network and schedule of roadway improvements to assure that Bayview maintains an adequate level of service at key intersections as the residential and work force population in the district increases.

Policy 4.5

Create a comprehensive system for pedestrian and bicycle circulation.

Candlestick Center would be constructed in accordance with the CP/HPS2 Transportation Plan and CP/HPS2 Infrastructure Plan, which together lay out CP/HPS2's streets, transit lines, and bike network creating a robust multimodal transportation network. Candlestick Center would feature a network of privately owned but publicly accessible streets, mid-block breaks, and paseos that would provide porous accessibility into the site and tie the Candlestick North and Candlestick South street networks together.

OBJECTIVE 6

ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATIONS AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

Policy 6.1

Encourage development of new moderate density affordable ownership units, appropriately designed and located and especially targeted for existing Bayview Hunters Point residents.

The Plan Amendments do not result in a reduction of the number of residential units at Candlestick Point or to the overall Project. The anticipated next phase of development includes a portion of Candlestick Center and residential blocks adjacent to Candlestick Center that will result in the development of significant affordable housing. While housing would not be a main component of Candlestick Center, over 675 units (of which 41% would be affordable) have been approved adjacent to Candlestick Center and would be constructed within the same phase as the initial phase for Candlestick Center. The Developer has completed the construction of 337 affordable residential units, which includes 226 Alice Griffith Replacement Units and 111 additional affordable units. Candlestick Point is envisioned to include upwards of 7,218 units, and the overall Project envisions up to 10,672

residential units, of which 32% would be affordable. The Plan Amendments encourage development of new housing by extending redevelopment timelines to maintain the Project's feasibility.

OBJECTIVE 11

IMPROVE DEFINITION OF THE OVERALL URBAN PATTERN OF BAYVIEW HUNTERS POINT

Policy 11.2

Increase awareness and use of the pedestrian/bicycle trail system that links subareas in Bayview Hunters Point with the rest of the City.

The CP/HPS2 Transportation Plan calls for a robust system of pedestrian and bike trails that include grade separated bike facilities along Harney Way. The Redevelopment Plan Amendments would enable the revised Candlestick Center Project, which would implement a part of that network, but more importantly, would spur the overall project to move forward.

CANDLESTICK POINT SUB-AREA PLAN

OBJECTIVE 1

REALIZE THE FULL POTENTIAL OF THE UNDERUTILIZED CANDLESTICK POINT BY CREATING A COMPLETE AND THRIVING NEW NEIGHBORHOOD INTIMATELY CONNECTED TO THE BAYVIEW AND THE REST OF THE CITY, IN A WAY THAT FULLY REALIZES ITS SHORELINE LOCATION AND ACTS AS AN ECONOMIC CATALYST FOR THE REST OF THE BAYVIEW

POLICY 1.1

Create a balanced and complete mix of land uses.

POLICY 1.2

Take full advantage of the underutilized site by providing high density sustainable development.

POLICY 1.3

Create a distinctive destination for the Bayview, the City, and the region.

OBJECTIVE 3

CREATE A DIVERSE AND EXCITING URBAN NEIGHBORHOOD THAT IS ENGAGING, COMFORTABLE, AND HAS CONVENIENT ACCESS TO AMENITIES, OPTIMIZES ITS WATERFRONT SETTING AND REFLECTS SAN FRANCISCO BUILT FORM AND CHARACTER IN A CONTEMPORARY WAY

POLICY 3.2

Ensure a block pattern and street network that is tied to the adjacent neighborhood, is coherent, and provides the development with organization and orientation.

POLICY 3.3

Create a street system where streets are clearly an element of the public realm.

POLICY 3.6

Assure high quality architecture of individual buildings that work together to create a coherent and identifiable place while being individually distinguishable.

The Redevelopment Plan Amendments would enable the revisions at Candlestick Center creating a high intensity job center, and spur planned development for the rest of Candlestick. Plans for Candlestick Center call for an “Innovation District” that features active ground floors with expressive architecture at key intersections, providing a new destination in the Bayview that will be well integrated with the rest of the neighborhood.

OBJECTIVE 4

INCLUDE TRANSPORTATION IMPROVEMENTS THAT ARE INHERENTLY MULTI-MODAL, ARE SEAMLESSLY CONNECTED TO THE BAYVIEW AND THE REST OF THE CITY, AND PROVIDE RESIDENTS WITH THE ABILITY TO MEET DAILY NEEDS WITHOUT HAVING TO DRIVE

Candlestick Center will be constructed consistent with, and will partially implement, the CP/HPS2 Transportation Plan, which calls for robust pedestrian, bike, and transit facilities.

OBJECTIVE 5

IN CREATING A NEW NEIGHBORHOOD, PRODUCE TANGIBLE ECONOMIC COMMUNITY BENEFITS, AND ENSURE THAT THE NEW DEVELOPMENT ACTS AS A CATALYST FOR FURTHER ECONOMIC AND COMMUNITY DEVELOPMENT THROUGHOUT THE BAYVIEW AND THE CITY.

POLICY 5.2

Include commercial uses that will provide jobs at both a wide range of fields, and at a wide range of income levels.

Candlestick Center will include upwards of 2,800,000 square feet of research and development/office uses that will generate a wide range of jobs in various industries and sectors. In addition to the jobs generated by the R&D/office uses, the Project contemplates retail uses, hotel uses, and entertainment uses on Candlestick Point. These diverse land uses will generate additional jobs across a broad range of fields and income levels. The Plan Amendments will enable the Project, and spur the rest of the CP/HPS2 Project to move forward.

HOUSING

OBJECTIVE 1.B

ADVANCE EQUITABLE HOUSING ACCESS.

Policy 5

Improve access to the available Affordable Rental and Homeownership units especially for disproportionately underserved racial and social groups.

OBJECTIVE 4.A

SUBSTANTIALLY EXPAND THE AMOUNT OF PERMANENTLY AFFORDABLE HOUSING FOR EXTREMELY LOW- TO MODERATE-INCOME HOUSEHOLDS

Policy 15

Expand permanently affordable housing investments in Priority Equity Geographies to better serve American Indian, Black, and other People of color within income ranges underserved, including extremely-, very low-, and moderate-income households.

Candlestick Center and the CP/HPS2 Project is within a Priority Equity Geography. A key goal for CP/HPS2 is to serve the Bayview Community, a historically Black community, and provide housing opportunities for its residents. Through the implementation of the CP/HPS2 Project - which the revised Candlestick Center proposal would help spur - the City and the Project Sponsor look to deliver a significant number of affordable units provided at different affordability levels for Bayview and other City residents. The Plan Amendments do not change the number of residential units contemplated for Candlestick Point. Consistent with City policy to advance housing, the Plan Amendments allow the transfer of residential units for Phase 2 of the Shipyard Site to Candlestick Point, subject to OCII Commission approval and subsequent environmental review, to spur housing development in the event development on the Shipyard Site continues to be delayed.

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

The Project would include up to 2,800,000 square feet of job-creating office / R&D uses in an Innovation District that is designed to attract new businesses to the Bayview and San Francisco. The Innovation District looks to create an attractive environment that will both be well integrated into the surrounding neighborhoods and to Bayview, while creating a new hub for businesses activity. Candlestick Center also includes a Central Promenade that is envisioned to be the central open space and connecting spine of Candlestick Center and serve as a vibrant community gathering space that is privately maintained but open to the public. The Central Promenade is intended to serve as an activating element at Candlestick Center and will include programming, such as performances (music, art), farmers markets, and outdoor fitness activities, to attract employees, residents, and visitors which will enhance the attractiveness of Candlestick Center as a social and cultural destination.

OBJECTIVE 3

PROVIDE EXPANDED EMPLOYMENT OPPORTUNITIES FOR CITY RESIDENTS, PARTICULARLY THE UNEMPLOYED AND ECONOMICALLY DISADVANTAGED.

Policy 3.1

Promote the attraction, retention and expansion of commercial and industrial firms which provide employment improvement opportunities for unskilled and semi-skilled workers.

Policy 3.4

Assist newly emerging economic activities.

The CP/HPS2 Project was approved under a Disposition and Development Agreement, which includes a robust Workforce Development Plan., that targets local residents for both construction and end-user employment.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS

Policy 6.2

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

POLICY 6.7

Promote high quality urban design on commercial streets.

Candlestick Point is envisioned as a high-density mixed-use development with synergistic uses that would enable its residents, workers, and visitors to meet day-to-day needs by walking, bicycling and using transit. Key to this vision, is the provision of retail. The Candlestick Center proposal includes building out the west side of Ingerson Avenue, which would be Candlestick's main shopping street. Associated with the Plan Amendments are revisions to the Candlestick Center D4D, which would require retail along Ingerson and within its Central Promenade plaza as a way to meet this goal.

RECREATION AND OPEN SPACE

OBJECTIVE 1

ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM

Policy 1.11

Encourage private recreational facilities on private land that provide a community benefit, particularly to low and moderate-income residents.

OBJECTIVE 2

INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BAY REGION

Policy 2.5

Encourage the development of region-serving open spaces in opportunity areas: Treasure Island, Yerba Buena Island, Candlestick and Hunters Point Shipyard.

The Candlestick Center revisions would help restart the CP/HPS2 Project which envisions more than 300 acres of open space. Moreover, the Candlestick Center proposal would include a new privately-owned publicly-accessible open space, The Central Promenade, which will both provide a unifying element for Candlestick Center, and provide a great open space amenity for the surrounding community.

TRANSPORTATION

OBJECTIVE 1

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

POLICY 1.2

Ensure the safety and comfort of pedestrians throughout the city.

The Candlestick Center proposal will be constructed in accordance with the CP/HPS2 Transportation Plan, which calls for a robust pedestrian network. It will feature an internal network of privately-owned publicly accessible streets that will break the site down into small blocks providing porosity into the site and easy access through it.

OBJECTIVE 9

IMPROVE BICYCLE ACCESS TO SAN FRANCISCO FROM ALL OUTLYING CORRIDORS.

POLICY 9.2

Where bicycles are prohibited on roadway segments, provide parallel routes accessible to bicycles or shuttle services that transport bicycles.

The Candlestick Center proposal will be constructed in accordance with the CP/HPS2 Transportation Plan, as amended, which calls for a robust bicycle network. The construction of Candlestick Center will include the construction of a portion of Harney, which features a grade separated bike facility.

URBAN DESIGN

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.2

Recognize, protect and reinforce the existing street pattern, especially as it is related to topography.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.

Policy 1.6

Make centers of activity more prominent through design of street features and by other means.

The Candlestick Center Innovation District Urban Design framework looks to accommodate large floorplate buildings with heights between 85 feet and 180 feet. A revised Candlestick Point Design-for-Development (D4D) would include a new chapter for the Innovation District, which would require specific active use treatments at the ground plane. The D4D calls for special larger scale architectural treatment Candlestick Center's entry points. As envisioned, Candlestick Center would both be well integrated into the surrounding neighborhood, while providing new architecturally iconic moments for Bayview and the City.

7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The existing neighborhood-serving retail uses would be preserved and enhanced as the refinements to the land use program would promote the development of an economically vibrant mixed-use project that will promote employment opportunities in the local community. As an example, the CP/HPS2 Projects plans for include up to 360,500 square feet of retail and 75,000 square feet of maker space. This retail and maker space will enhance future opportunities for BVHP residents and businesses by fostering employment, business, and entrepreneurial opportunities and stimulating the local economy. The first unbuilt phase of Candlestick includes Developer's Community Facilities Spaces, which will provide free and otherwise affordable retail and maker space for Bayview residents and businesses. The proposed project would not impact the amount of neighborhood-serving retail anticipated for development at Candlestick Point.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The proposed project will not affect existing housing. The Developer has completed approximately 337 units at Alice Griffith as part of the first phase of development at Candlestick Site, with an additional 667 units approved through site permits. While the revisions at Candlestick Center do not currently call for residential development, housing would be permitted and accommodated by revisions to the Redevelopment Plans and the D4D. The amendments to the CP D4D will enhance neighborhood character through design standards and principles that promote an active, urban environment. Planned community facilities spaces and maker space, planned as a part of the next phase at Candlestick in conjunction with the first phase of Candlestick Center will be specifically marketed to BVHP residents and businesses and provides rent free space to serve as business launching

opportunities. The combination of market rate commercial spaces and rent-free spaces in a mixed-use environment will allow for cultural and economic diversity by including small, newer businesses alongside established major employers.

- C. That the City's supply of affordable housing be preserved and enhanced,

The proposed project retains its commitment to affordable housing and does not propose changes to the Project's affordable housing requirements. The CP/HPS2 Project will enhance the City's supply of housing stock by providing up to 10,672 housing units, of which approximately 32% will be provided at below-market rate. In addition to direct investments in affordable housing, the CP/HPS2 Project will generate substantial property tax increment revenues for affordable housing in the City.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project will not impede existing MUNI transit service. The CP/HPS2 Transportation Plan includes robust plans for new and improved transit over time, which include a BRT line and shuttles. There are no changes to the transportation commitments as last approved in 2019. The proposed project will continue to provide a street grid that will be consistent with the existing street network and facilitate a more logical sequence of development, such as connecting the existing Alice Griffith Phase 1 homes to Arelious Walker Drive with more direct access to Harney Way and 101. Existing MUNI bus lines will be extended to serve Candlestick, and additional transportation infrastructure, such as BRT lanes would increase public physical access through new infrastructure such as complete streets with sidewalks, bike lanes and mid-block breaks. An off-street parking strategy would reduce existing parking challenges by using a phased approach to create adequate parking and continue to create multi-modal splits, reducing vehicle miles traveled while increasing choices, as more robust transit options are phased in with shorter headways.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The proposed project would not displace existing industrial and service uses or change the existing economic base in the area beyond what was anticipated in the development and adoption of the Redevelopment Plans in 2010. The Project would provide a high intensity of job-creating uses at Candlestick, that could include office, research and development, retail, and other potential neighborhood serving uses. The Project would enable the larger development to move forward, which could also include hotel, entertainment, and other community / institutional uses. Therefore, the Project will advance the potential for long-term economically successful development of the CP/HPS2 Project area by fostering employment, business, and entrepreneurial opportunities through a 50% local hire goal and rent-free small business space.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of

life in an earthquake.

Development of the project will comply with the current building code and seismic standards. Furthermore, the City's earthquake preparedness will be improved as seismic upgrades will be provided as part of the adaptive re- use of historic buildings.

- G. That landmarks and historic buildings be preserved.

There are no historic buildings at Candlestick where the 49ers stadium was previously located.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The proposed project would not significantly affect sunlight or vistas on public open space beyond what was anticipated in the development and adoption of the Redevelopment Plans in 2010 and what was analyzed in the 2010 Project EIR. The proposed standards in the CP D4D.

- 8. OCII Housing Production Report.** At the September 12, 2024 hearing, OCII staff committed to providing the Planning Commissioners with OCII's Annual Housing Production Report.

NOW THEREFORE BE IT RESOLVED, That the Planning Commission has reviewed and considered the CEQA Findings, including the statement of overriding considerations that it previously adopted in Motion No. 18097, the findings in Addendum No. 7, and the findings in CCII Resolution No. 22-2024. The Planning Commission finds that the actions contemplated by this Motion are included in the actions identified in CCII Resolution 22-2024 for purposes of compliance with CEQA. The Planning Commission hereby adopts the additional CEQA Findings in CCII Resolution 22-2024 as its own, including approving the modifications to the six adopted mitigation measures recommended for modification in Addendum No. 7.

NOW THEREFORE BE IT FURTHER RESOLVED, that the that the Commission hereby finds the proposed amendments to the BVHP and HPS Redevelopment Plans, as described above, to be consistent with the General Plan of the City and County of San Francisco, including, but not limited to the Bayview Hunters Point Area Plan, Candlestick Sub-Area Plan, Housing Element, Commerce and Industry Element, and Urban Design Element, and are consistent with the eight Priority Policies in Planning Code Section 101.1 for reasons set forth in this motion.

I hereby certify that the foregoing motion was adopted by the Commission at its meeting on September 12, 2024.



Jonas Ionin
Planning Commission Secretary

AYES: Campbell, McGarry, So, Williams, Braun, Imperial, Moore
NOES: None
ABSENT: None
ADOPTED: September 12, 2024

**HUNTERS POINT SHIPYARD
REDEVELOPMENT PLAN**

JULY 14, 1997
Amended August 3, 2010
Amended June 22, 2017
Amended July 16, 2018



Amended [DATE], 2024



**SUCCESSOR AGENCY TO THE SAN FRANCISCO
REDEVELOPMENT AGENCY**

July 16, 2018[DATE], 2024

**REDEVELOPMENT PLAN
for the**

**HUNTERS POINT SHIPYARD
PROJECT AREA**

HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT

REDEVELOPMENT PLAN

C O N T E N T S

I.	DESCRIPTION OF PROJECT.....	<u>21</u>
A.	Project Boundaries	<u>21</u>
B.	The Citizens Advisory Committee Planning Guidelines - A Statement of General Principles.....	<u>2</u>
1.	Create Jobs for Economic Vitality	<u>32</u>
2.	Support Existing Businesses and Artists' Community	<u>32</u>
3.	Create Appropriate Mix of New Businesses.....	<u>32</u>
4.	Balance Development and Environmental Conservation	<u>32</u>
5.	Facilitate Appropriate Immediate Access	<u>3</u>
6.	Integrate Land Uses	<u>3</u>
7.	Acknowledge History	<u>43</u>
C.	Existing Conditions.....	<u>43</u>
D.	Summary of Proposed Actions	<u>43</u>
II.	PROJECT PLAN	<u>54</u>
A.	Objectives	<u>54</u>
B.	Land Uses.....	<u>65</u>
1.	Land Use Districts.....	<u>65</u>
2.	Hunters Point Hill Residential District	<u>87</u>
3.	North Shoreline District.....	<u>98</u>
4.	Village Center District	<u>1140</u>
5.	Wharf District	<u>1312</u>
6.	Warehouse District.....	<u>1514</u>
7.	Parks and Open Space District.....	<u>1816</u>
8.	Environmental Restrictions.....	<u>1817</u>
C.	Temporary and Interim Uses	<u>1917</u>
1.	Temporary Uses	<u>1917</u>
2.	Interim Uses	<u>1918</u>
D.	Standards for Development.....	<u>2019</u>
1.	Applicability of City Regulations; City's Duty to Protect Public Health and Safety.....	<u>2019</u>
2.	Limitation on the Number of Buildings.....	<u>2322</u>
3.	Limitation on the Number of Dwelling Units.....	<u>2322</u>
4.	Limitation on Type, Size and Height of Buildings.....	<u>2422</u>
5.	Office Development Limitations	<u>2523</u>
6.	Development Fees and Exactions	<u>2523</u>
7.	Shadow on Recreation and Park Property	<u>2625</u>
E.	Retention-Rehabilitation	<u>2625</u>
F.	Density Bonus.....	<u>2725</u>
G.	Streets Plan.....	<u>2725</u>

III.	PROJECT PROPOSALS	2826
A.	Rehabilitation and New Development	2826
B.	Owner and Tenant Preference.....	2927
C.	Acquisition of Real Property	2927
D.	Acquisition of Personal Property	2927
E.	Property Management.....	2927
F.	Payment of Taxes.....	2927
G.	Relocation	3028
H.	Demolition and Clearance.....	3028
I.	Public Improvements and Public Facilities.....	3028
J.	Preparation of Building Sites	3028
K.	Disposition of Real Property.....	3029
L.	Disposition and Development Documents.....	3129
M.	Disposition of Personal Property	3230
N.	Replacement Housing	3230
O.	Redeveloper’s Obligations.....	3230
IV.	METHODS FOR PROJECT FINANCING.....	3334
A.	General	3334
B.	Tax Allocation	3334
V.	ACTIONS BY THE CITY.....	3633
VI.	PROCEDURE FOR AMENDMENT	3734
VII.	PROCEDURE FOR VARIANCE	3734
VIII.	DURATION OF PLAN	3835
IX.	ENFORCEMENT OF PLAN	3835
X.	SEVERABILITY	3835
XI.	DEFINITIONS.....	3835

Exhibits:

Map 1: Boundary Map

Map 2: Land Use Districts Map

Map 2A: Private Infrastructure

Map 3: Existing Buildings

Map 4: Street Plan

Attachments:

Attachment A: Legal Description of the Project Area

Attachment B: Authorized Public Improvements

Attachment C: Planning Code Section 314

Attachment D: Planning Code Section 295

Attachment E: Planning Commission Resolution 18102

Attachment F: Proposition O (2016)

HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT

REDEVELOPMENT PLAN

This Redevelopment Plan (this “**Plan**”) for the Hunters Point Shipyard Redevelopment Project Area (the “**Project Area**”) consists of the following text, maps and attachments: (a) the maps are: Map 1: Boundary Map; Map 2: Land Use Districts Map; Map 2a: Private Infrastructure; Map 3: Existing Buildings; and Map 4: Street Plan; and (b) the attachments are: Attachment A: Legal Description of the Project Area; Attachment B: List of Public Improvements; Attachment C: Planning Code Section 314; Attachment D: Planning Code Section 295; Attachment E: Planning Commission Resolution 18102 (subject to Section II.D.5 below), and Attachment F: Proposition O.

This Plan was adopted on July 14, 1997 (Ordinance No. 285-97) and amended on August 3, 2010 (Ordinance No. 211-10), on June 22, 2017 (Ordinance No. 122-17), ~~and~~ on July 16, 2018 (Ordinance No. 0166-18-), ~~and on [DATE], 2024 (Ordinance No. _____).~~ This Plan was prepared in accordance with the California Community Redevelopment Law (as amended from time to time, the “**CRL**”) and pursuant to Chapter 4.5 therein, which governs the redevelopment of closed military bases. During the preparation of this Plan, the Redevelopment Agency of the City and County of San Francisco (the “**Agency**”) consulted with the Mayor’s Hunters Point Shipyard Citizens Advisory Committee (the “**CAC**”), the San Francisco Planning Commission, and with other departments and offices of the City and County of San Francisco (the “**City**”). This Plan conforms with the General Plan of the City insofar as the General Plan applies to the Project. Any development within the jurisdiction of the Bay Conservation and Development Commission shall conform to the San Francisco Bay Plan.

The proposed redevelopment of the Project Area as described in this Plan is consistent with the San Francisco General Plan, the Bayview Hunters Point Area Plan, and the Hunters Point Shipyard Sub-Area Plan as of the 20~~18~~²⁴ Plan Amendment Date, and is in conformity with the eight Priority Policies of Section 101.1 of the San Francisco Planning Code (the “**Planning Code**”).

This Plan sets forth the objectives and the basic land use controls within which specific redevelopment activities in the Project Area will be pursued. It is consistent with provisions of the CRL in effect at the date of adoption of this Plan and as of the 20~~18~~²⁴ Plan Amendment Date.

On February 1, 2012, the State of California dissolved all redevelopment agencies, including the Agency, and established successor agencies to assume certain rights and obligations of the former redevelopment agencies, Cal. Health & Safety Code § 34170 et seq. (the “Redevelopment Dissolution Law”). As a result, the Agency ceased to exist and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or “OCII”), was established by operation of law and assumed certain obligations of the Agency, primarily those “enforceable obligations” that were entered into prior to the suspension of redevelopment agencies’ activities and were approved by the State of California, through its Department of Finance. On December 14, 2012, the Department of Finance finally and conclusively determined that the following

agreements associated with the Project Area are enforceable obligations that survived redevelopment dissolution: the Disposition and Development Agreement for Hunters Point Shipyard Phase 1, the Disposition and Development Agreement for Candlestick Point-Hunters Point Shipyard Phase 2 (“CP-HPS2 DDA”), the Tax Increment Pledge Agreement for CP-HPS2, including those portions funding affordable housing in CP-HPS2. Accordingly, the Successor Agency continues to have authority to implement the above-referenced enforceable obligations in the Project Area.

In 2023, amendments to State law established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 shall not apply to the CP-HPS2 project, which is located within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area and Phase 2 of this Project Area. Stats. 2023, chapter 196, section 14 (Sep. 13, 2023) (codified at Health & Safety Code section 34177.7(i)). Consistent with Section 34177.7(j), the 2024 amendments to this Redevelopment Plan incorporate the new limitations referenced in the preceding sentence, which were approved by the Oversight Board of the City and County of San Francisco and the California Department of Finance in the amended CP-HPS 2 project agreements.

I. DESCRIPTION OF PROJECT

A. Project Boundaries

The boundaries of the Project Area are indicated on Map 1: Boundary Map and the legal description of the Project Area is provided in Attachment A: Legal Description of the Project Area. The Project Area consists of Real Property within the City and County of San Francisco, State of California.

B. The Citizens Advisory Committee Planning Guidelines - A Statement of General Principles

The planning process for the reuse of the Project Area is complex, involving the Mayor’s Hunters Point Shipyard Citizens Advisory Committee and a host of citizen groups and government agencies. The planning process establishes the roles of these various entities, as well as the timeframe during which certain actions must occur. The process began in earnest in 1993 when the CAC convened to formulate goals and preferred uses for the Shipyard site. The CAC adopted a set of planning guidelines to frame their ideas for the development and reintegration of the Shipyard into the social, economic and physical fabric of Bayview Hunters Point and the City of San Francisco at an intensive conference and public workshop that they sponsored in February 1994. The CAC guidelines represent a strong group consensus and the CAC feels that they should set the tone for the renewal of the Project Area. These planning guidelines are outlined below:

1. Create Jobs for Economic Vitality

Encourage land uses that will foster employment, business and entrepreneurial opportunities, cultural and other public benefits for residents of San Francisco. South Bayshore residents and businesses should be given priority. Legislative and administrative regulation mandating preference to South Bayshore residents and businesses in the course of the environmental remediation, redevelopment and reuse of the property should be used to facilitate this objective. Existing training and educational programs will be supported and new programs created as needed.

2. Support Existing Businesses and Artists' Community

New uses should be compatible with existing South Bayshore businesses, Shipyard businesses and artists, and other sectors of San Francisco's economy. Maintain the large community of artists and artisans on the Shipyard, providing for their need for flexible low-cost space, while accommodating the full diversity of arts and culture in the South Bayshore community. Expand the scope of activities to accommodate the full range of arts and culture.

3. Create Appropriate Mix of New Businesses

Encourage diversity with a mix of large, medium and small businesses to generate revenues for the City's general fund and stimulate the economy of the South Bayshore community. Diversify San Francisco's economic base by restoring its industrial sector with uses based on futuristic technologies tied to regional, national and international markets and economics. Target industries and businesses with a likelihood for long-term growth, such as multimedia, biotech and video-film.

4. Balance Development and Environmental Conservation

Balance development with reclamation of the natural ecology of the southeast waterfront with targeted uses that are environmentally appropriate for the San Francisco Bay. Use the toxic cleanup process to develop training, employment and business opportunities consistent with Guideline #1.

5. Facilitate Appropriate Immediate Access

Incorporate an action program to enable immediate access to existing Shipyard facilities, giving preference to South Bayshore businesses and organizations. Transitional uses in the Shipyard should be consistent with, and not deter, long-term development of the Shipyard in accordance with these Master Plan Guidelines.

6. Integrate Land Uses

Integrate new uses at the Shipyard into current plans for the Bayview area. Plan for the integration of passive and active open space, affordable housing, transportation and traffic circulation, while minimizing land use conflicts between housing and industry.

7. Acknowledge History

Include uses that acknowledge the history of the original Native American inhabitants of the Hunters Point area and historic relationship of Bayview Hunters Point's African-American community to the Shipyard.

C. Existing Conditions

The Project Area is characterized by conditions of blight. Physical conditions include buildings in which it is unsafe or unhealthy for persons to live or work, and the existence of factors that prevent or substantially hinder the economically viable reuse of buildings and areas. Economic conditions include depreciated or stagnant property values, properties containing hazardous wastes, abnormally high business vacancies, abandoned buildings, and excessive vacant lots within an area formerly used as a military base.

D. Summary of Proposed Actions

The Agency, in accordance with and pursuant to applicable Federal and State laws as well as those local laws that are applicable pursuant to this Plan, will remedy, or cause to be remedied, the conditions causing blight presently existing in the Project Area by some or all of the following measures:

1. Rehabilitation, alteration, modernization, general improvement or any combination thereof (hereinafter called "**rehabilitation**") of certain existing structures.
2. Acquisition of real property by purchase, gift, devise, exchange, condemnation, lease, or any other lawful means.
3. Relocation of certain commercial and industrial occupants presently located in structures that may be subject to acquisition or rehabilitation.
4. Demolition, removal, or clearance of certain existing buildings structures, and improvements.
5. Installation, construction, or reconstruction of streets, utilities, and other public improvements or facilities.
6. Disposition of all land acquired by the Agency for reuse in accordance with this Plan, the Hunters Point Shipyard Phase 1 Design for Development, the Hunters Point Shipyard Phase 2 Design for Development, and such additional conditions as may be established by the Agency in any manner authorized by law in order to carry out the purposes of redevelopment.

7. Formulation and administration of rules governing reasonable preference to owners or tenants of business, or other types of real property who are displaced from the Project Area to reenter the Project Area.

II. PROJECT PLAN

A. Objectives

The objectives of the actions proposed by this Plan are to:

1. Foster employment, business, and entrepreneurial opportunities in the rehabilitation, construction, operations, and maintenance of facilities in the Project Area.
2. Stimulate and attract private investments, thereby improving the City's economic health, tax base, and employment opportunities.
3. Provide for the development of economically vibrant and environmentally sound districts for mixed use; cultural, educational and arts activities; research, industrial and training activities; and housing.
4. Provide for the development of mixed-income housing:
 - With regard to this objective, the project-wide aggregate income-mix goal includes that at least 15% of the housing be affordable to persons and families of low or moderate income.
 - The term “persons and families of low or moderate income” has the same meaning as defined in Section 50093 of the California Health and Safety Code.
5. Provide public parks, open space, and other community facilities.
6. Administer lands granted to the Agency by the State of California consistent with the Public Trust and reconfigure those lands in a manner that enhances their value for Public Trust purposes, in accordance with Chapter 203 of the Statutes of 2009 (as amended from time to time, the “**Granting Act**”).
7. Retain, improve, and re-use historic structures, where feasible, as part of a program to feature the history of people, buildings, and uses at the Shipyard.
8. Provide for infrastructure improvements, including: streets and transportation facilities; open space and recreation areas; and utilities for water, sewer, gas, and electricity.
9. Remove conditions of blight in the form of buildings, site improvements, and infrastructure systems that are substandard and serve as impediments to land development.

10. Encourage use of the most cost-effective, energy efficient, and environmentally sustainable development techniques feasible.
11. Retain those existing viable industries and businesses currently located in the Project Area.
12. Position the Project Area at the vanguard of technology development and production as well as associated labor markets. Accommodate new, emerging, and unforeseen uses not specifically identified herein.
13. Provide sufficient flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions and innovations.
14. Provide opportunities and support for privately owned “eco-district” utility infrastructure that helps achieve community and ecological priorities within the Project Area.

B. Land Uses

Map 1: Boundary Map, Map 2: Land Use Districts Map, Map 2a: Private Infrastructure; Map 3: Existing Buildings, and Map 4: Street Plan illustrates the location of the Project Area boundaries, existing buildings, major streets in the Project Area and land uses permitted in the Project Area.

1. Land Use Districts

The Project Area consists of several mixed-use districts (each referred to as a “**District**” or “**Land Use District**”) as shown on Map 2: Land Use Districts Map. The map shows the general boundaries of the Districts; precise boundaries of the Districts are to be interpreted in light of the objectives of this Plan at the time specific parcels are subdivided in accordance with City and State subdivision laws.

Allowable land uses within each District will be all those that are consistent with the character of the District as described in this Plan. The specific uses identified below and on Map 2 for each District illustrate the appropriate scope and nature of permitted uses.

Principal Uses. Within each District, “**Principal Uses**” shall be allowed as of right.

Secondary Uses. Within each District, “**Secondary Uses**” shall be allowed through the determination of the Agency Commission or its designee, provided that such use: (a) generally conforms with the redevelopment objectives of this Plan, the objectives of the District as set forth in this Plan and applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2); (b) is compatible with the District’s Principal Uses, nearby public facilities, and broader community; (c) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts; and (d) does not at the proposed size and location materially impede the planned uses and development of the District or Project Area. The Agency Commission or its

designee may place conditions on the Secondary Use as necessary to make the findings in clauses (a) through (d) above.

Non-Designated Uses. Uses that are proposed but are not specifically defined herein (~~“are “Non-Designated Uses””~~) may be classified by the Executive Director as Principal Uses, Secondary Uses, Temporary Uses, Interim Uses, or Prohibited Uses. The Executive Director or his or her designee may allow a Non-Designated Use as a Principal Use subject to approval by the Agency Commission, provided the Executive Director or his or her designee finds that such Non-Designated Use: (a) is consistent with the other Principal Uses allowed in the applicable District; (b) is consistent with the objectives for the applicable District; (c) generally conforms with the applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2); and (d) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts.

For Temporary or Interim Uses, the Executive Director shall in addition make the findings required for such uses as set forth in Sections C.1 and C.2 below.

In the event the Executive Director determines that a Non-Designated Use should be evaluated as a potential Secondary Use rather than a Principal Use, the Executive Director shall require that the proposed use be considered by the Agency Commission pursuant to the Secondary Use process set forth above.

Prohibited Uses. Within most Districts, certain land uses are expressly prohibited in order to maintain the intended character of the District, avoid conflicts of land uses, or maintain public welfare in response to specific conditions of the District (“**Prohibited Uses**”). The following uses will be Prohibited Uses in all Districts within the Project Area: Mortuary; and Adult Entertainment uses.

Provisions Applicable Generally.

Certain lands within the Project Area are or may be subject to the Public Trust. The Public Trust doctrine limits the uses that are permitted on Public Trust lands. A Principal Use or Secondary Use shall be permitted on Public Trust land only to the extent the use is permitted under the Public Trust and is consistent with the Agency’s management of those lands on behalf of the State for Public Trust purposes. Thus, even though a particular use or uses may be shown as a permitted Principal Use or Secondary Use within the Project Area, that use or uses may nevertheless not be permitted on lands subject to the Public Trust within the Project Area.

In all cases below, the height, bulk, setback, parking and open space requirements will be established in the Hunters Point Shipyard Phase 1 Design for Development and Hunters Point Shipyard Phase 2 Design for Development, provided that development thereunder shall not exceed the limits established in Section II.D.4.

Parking is a permitted Accessory Use to every Principal Use and Secondary Use permitted in each Land Use District. The design and location of parking is controlled by the applicable Design for Development.

Infrastructure elements that are required to provide access, utilities, and public services to the development described in this Section II.B, as described in or consistent with the Infrastructure Plan for the Hunters Point Shipyard Phase 2-Candlestick Point Project, are permitted provided they are consistent with the Mitigation Measures and subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR (including any subsequent analysis).

Additional “eco-district” and other privately owned utility infrastructure is encouraged in the Project Area, provided such infrastructure does not conflict with elements identified in the Infrastructure Plan, and is consistent with the Mitigation Measures and the Candlestick Point/Hunters Point Shipyard Phase 2 EIR (including any subsequent analysis), each as determined by the Executive Director. Such infrastructure (including components thereof) is encouraged, but not required, to be located within future public or private rights of way, and such infrastructure (including components thereof) is permitted as follows under this Plan (but remain subject to review under other applicable Plan Documents and City review). Privately owned utility infrastructure includes individual stand-alone structures as well as Accessory infrastructure components listed below. Individual structures are permitted as specifically identified in Sections II.B.2-B.7, below, or otherwise as Secondary Uses throughout Phase 2 of the Project area.

Accessory infrastructure components (those constructed together with otherwise permitted Uses) are permitted under this Plan (but remain subject to review for consistency with other applicable Plan Documents, including the applicable Design for Development). Such Accessory infrastructure components include:

- District Heating and Cooling Facility, including central energy plant (CEPs), water return and supply distribution system components, and water-to-air and water-to-water heat exchanger including components thereof (but excluding Geothermal Borefields, which are individual structures permitted as discussed above)
- Battery Storage System (including distribution system components thereof)
- Rooftop solar photovoltaic (PV) system (including components thereof)
- Recycled water collection, treatment and distribution system components
- Telecommunications/Fiber System and components
- Automated trash collection system and components
- Stormwater collection and treatment system (including Stormwater BMPs and other components thereof)
- Other Accessory infrastructure facilities and components that, as determined by the Executive Director, do not conflict with the objectives of the Plan, the Plan Documents or other applicable laws and regulations.

2. Hunters Point Hill Residential District

Objectives for this District: This District will accommodate residential uses with lower densities than the surrounding portion of the Project Area, given its hilltop and hillside position. Complementary neighborhood-serving commercial uses will be allowed, but are expected to be less prevalent than in the flatter North Shoreline District, which sits below

this District. This District will include Hillpoint Park, a regional Park that will be impressed with the Public Trust and will include recreational and sports uses, special view areas with framed views of the Shipyard and the Bay beyond, public art, terraced sitting areas that take advantage of hilltop and hillside topography and stunning views of the Bay, and public access for visitors, residents, and employees in surrounding Districts.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Supportive Housing
- Home Office

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services
- Commercial Wireless Transmitting Facilities

Parks and Recreation Uses:

- Parks
- Open Space
- Public Recreation

(b) *Prohibited Uses*: Cannabis-Related Uses and all other uses that are incompatible with the Principal Uses shall be Prohibited Uses in this Land Use District.

3. North Shoreline District

Objectives for this District: This District will accommodate a waterfront-oriented residential neighborhood with higher densities and a greater range of housing types than those on the adjacent hillside. The principal land use is Dwelling Units ranging from townhomes to multi-family high-rise residential apartment or condominium towers. Related uses also include local-serving businesses, family child care services, small professional offices, and recreation facilities. Parks in this District may include a range of uses such as basketball, volleyball, tennis courts, children’s playgrounds, restrooms, and concessionaires. They may also include picnic/barbecue areas, pathways, and shade shelters. The Parks in this District may also include open air marketplace uses.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing

- Home Office

Institutional Uses:

- Residential Care Facility
- Child-Care Facility
- Elementary School
- Post-Secondary Institution
- Religious Institution

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (up to 10,000 sq. ft. per tenant)
- Restaurants
- Bars
- Dry Cleaning Facility
- Health clubs, fitness, gymnasium, or exercise facilities
- Commercial Wireless Transmitting Facilities

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Open air marketplaces

(b) *Secondary Uses*: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

Institutional Uses:

- Secondary School
- Vocational/Job Training Facility

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (over 10,000 sq. ft. per tenant)
- Nighttime Entertainment
- Maker Space

Office Uses

Civic, Arts & Entertainment Uses:

- Performance Arts
- Amusement Enterprise

(c) *Prohibited Uses*: The following Uses are Prohibited Uses in this Land Use District:

- Drive-through facilities
- Automotive Repair and service stations
- Cannabis-Related Uses

4. **Village Center District**

Objectives for this District: This District will accommodate a mixed-use community with a range of housing types, retail uses, and cultural and educational facilities designed to comprise a village that will serve the community in the surrounding Districts.

Neighborhood-serving retail uses are proposed to be located on the ground floors along major commercial streets of the area with residential uses or office uses on the upper floors. This District will provide space dedicated for artists and arts-related uses as well as community-serving retail, business, service, and office uses. The arts-related, recreational, and grocery store uses in this District are intended to attract visitors from areas beyond the Project Area.

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Institutional Uses:

- Residential Care Facility
- Child-Care Facility
- Elementary School
- Secondary School
- Post-Secondary Institutions
- Religious Institution
- Vocational/Job Training Facility

Retail Sales & Services Uses:

- Neighborhood Retail Sales and Services

- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Grocery Store (up to 60,000 sq. ft.)
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Maker Space

Office Uses:

- Office
- Conference facilities/meeting rooms

Hotel Uses

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Performance Arts
- Arts Education
- Art Production
- Amusement Enterprise

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open air marketplace
- Open Space

(b) Secondary Uses: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in this Section II.B.1 are met:

Retail Sales & Services Uses:

- Grocery Store (between 60,000 and 80,000 sq. ft.)
- Animal Services
- Medical Services

Office and Industrial Uses:

- Light Industrial (not including uses that include chemical processing of materials or heavy machinery use)
- Industrial kitchen
- Internet Service Exchange

(c) Prohibited Uses: The following Uses are Prohibited Uses in this Land Use District:

- Drive-through facilities
- Automotive Repair and service stations

5. Wharf District

Objectives for this District: This District will provide a diverse array of commercial and institutional operations for new research and development firms in a dynamic urban campus. This District will allow an integration of various uses suitable for evolving market conditions and for an innovative business or institutional environment ranging from office to laboratory activities including light industrial and manufacturing operations. It will also support Neighborhood Retail Sales and Services and Community Uses to complement the research and development uses.

For Laboratory, Life Science, Light Industrial, and Green Technology Uses within this District, any Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures.

(a) *Principal Uses:* The following Uses are Principal Uses in this Land Use District:

Research & Development, Office & Industrial Uses:

- Office
- Light Industrial
- Life Science
- Laboratory
- Green Technology
- Transportation and transit service facilities

Multi-media and Digital Arts Uses:

- Motion picture production
- Animation studios
- Printing and publishing
- Education and classroom facilities
- Galleries and exhibit space
- Recording studios
- Artist and artisan studios

Hotel Uses

Institutional Uses:

- Religious Institution
- Vocational/Job Training Facility
- Child-Care Facility (subject to Section II.B.8)

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (up to 12,000 sq. ft. per tenant)
- Regional Retail Sales and Services
- Non-Retail Sales and Services
- Animal Services
- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Grocery Store
- Maker Space

Residential Uses:

Residential Uses in this District shall be allowed only in the blocks of the District that are adjacent to either Fisher Avenue or Drydock 4 (These blocks are indicated on Map 2). The following Residential Uses are Principal Uses in this Land Use District:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Civic, Arts & Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Marina-related facilities

Within the Wharf District, any Laboratory, Life Science, Light Industrial, and/or Green Technology Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures. In addition, no Laboratory, Life Science, Light Industrial and/or Green Technology Uses containing a facility that emits regulated toxic air contaminants shall be permitted within three hundred fifty (350) feet of any Child-

Care Facility, Elementary or Secondary School, or Residential Use in the Wharf District.

(b) *Secondary Uses*: The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

Institutional Uses:

- Post-Secondary Institutions

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services (over 12,000 sq. ft. per tenant)
- Automotive Repair and Service station

Office and Industrial Uses:

- Enclosed processing of raw materials for production
- Small boat repair facilities and workshop areas
- Automotive storage
- Commercial Storage
- Internet Service Exchange

(c) *Prohibited Uses*: The following Uses are Prohibited Uses in this Land Use District:

- Dwelling Units (except in the area described above and shown on Map 2)
- Elementary School
- Secondary School
- Drive-through facilities

6. **Warehouse District**

Objectives for this District. This District will include research and development, office, and light industrial uses similar in scale and character to those in the adjacent Wharf District. This District would include a mix of uses including neighborhood-serving retail, business, research and development and office uses comparable in scale and intensity to, and complementary of, those in the adjacent Wharf District, and potentially, Child-Care, Elementary and Secondary Schools and residential units (subject to Section II.B.8).

(a) *Principal Uses*: The following Uses are Principal Uses in this Land Use District:

Research & Development, Office & Industrial Uses:

- Office
- Light Industrial
- Life Science
- Laboratory
- Green Technology
- Non-Retail Sales and Services

Hotel Uses

Multi-media and Digital Arts Uses:

- Motion picture production
- Animation studios
- Printing and publishing
- Education and classroom facilities
- Galleries and exhibit space
- Recording studios
- Artist and artisan studios

Institutional Uses:

- Religious Institution
- Vocational/Job Training Facility

Retail Sales and Services Uses:

- Neighborhood Retail Sales and Services
- Regional Retail Sales and Services
- Animal Services
- Restaurants
- Bars
- Health clubs, fitness, gymnasium, or exercise facilities
- Nighttime Entertainment
- Dry Cleaning Facility
- Commercial Wireless Transmitting Facilities
- Grocery Store
- Maker Space

Civic, Arts and Entertainment Uses:

- Community Use
- Recreational Facility
- Arts Education
- Art Production
- Amusement Enterprise
- Performance Arts

Infrastructure/Utility Uses

- Recycled Water Treatment Facility*
- Geothermal Borefields for vertical-bore geothermal heating exchange system*

* As located consistent with Private Infrastructure Map 2a (except that Geothermal Borefields may not be located beneath property to be provided to the Agency for use as affordable housing without approval by the Agency Commission in its sole discretion).

- Internet Service Exchange

The following Uses would be Principal Uses in this Land Use District, subject to a finding adopted by the Agency Commission that these uses are not subject to any applicable Environmental Restriction described in Section II.B.8.

Residential Uses:

- Dwelling Units
- Live/Work Units
- Group Housing
- Supportive Housing
- Home Office

Institutional Uses

- Child-Care Facility
- Elementary School
- Secondary School
- Post-Secondary Institutions

Parks and Recreation Uses:

- Parks
- Public Recreation
- Open Space
- Marina-related facilities

Within the Warehouse District, any Laboratory, Life Science, Light Industrial, and/or Green Technology Use containing a facility that emits regulated toxic air contaminants must show that the facility does not exceed the risk thresholds identified in the Mitigation Measures. In addition, no Laboratory, Life Science, Light Industrial and/or Green Technology Uses containing a facility that emits regulated toxic air contaminants shall be permitted within three hundred fifty (350) feet of any Child-Care Facility, Elementary or Secondary School, or Residential Use in the Warehouse District.

(b) Secondary Uses:

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section II.B.1 are met:

- Commercial Storage
- Drive-through facilities
- Automotive Repair and service station

(c) Prohibited Uses: The following Uses are Prohibited Uses in this Land Use District:

- Large scale chemical handling and stationary emission sources within two hundred (200) feet of existing or planned residential uses or primary school facilities.

7. **Parks and Open Space District**

Objectives for this District. This District will provide public recreation access to the San Francisco Bay waterfront along the eastern and southern waterfront of the Shipyard, consistent with the Public Trust, including regional serving open spaces, viewing area of the water and historic Shipyard facilities, the San Francisco Bay Trail, and restorative habitat areas. Recreational sports facilities will be limited to areas not subject to the Public Trust. Only Principal Uses will be permitted in this District.

(a) *Principal Uses:* The following Uses are Principal Uses in this Land Use District:

- Parks
- Open Space
- Public Recreation
- Open-air marketplace
- Recreational Facility
- Museum and environmental education centers
- Commercial recreational uses serving visitors to the waterfront
- Small boat marina, watercraft launches and ancillary boating facilities
- Retail uses in existing, rehabilitated historic buildings
- Community Use
- Performance Arts
- Geothermal Borefields for vertical-bore geothermal heating exchange system (located consistent with Private Infrastructure Map 2a)

In areas not subject to the Public Trust, the full range of Uses allowed in Parks, open air marketplaces, and similar active recreational Uses shall be allowed in addition to the Permitted Uses listed above.

8. **Environmental Restrictions**

As of the 2018 Plan Amendment Date, the Navy has issued Final Records of Decisions for Parcels B, C, D-1, E, E-2, UC-1, UC-2, UC-3 & G selecting environmental remedies that will impose land use and activity restrictions on these parcels in the Project Area and is expected to issue additional Records of Decisions selecting environmental remedies that will impose land use and activity restrictions applicable to other locations. Such land use and activity restrictions are referred to in this Plan as “**Environmental Restrictions**”. Notwithstanding any other provision of this Plan, the Uses allowed by this Plan are subject to any applicable Environmental Restrictions contained in quitclaim deeds from the United States Navy or in other enforceable restrictions imposed on the property through the

environmental cleanup process under the Federal Facilities Agreement executed by the United States Navy, United States Environmental Protection Agency, California Department of Toxic Substances Control, and San Francisco Bay Area Regional Water Quality Control Board (the “**Regulating Agencies**”) unless and until such Environmental Restrictions are waived or removed by the appropriate Regulating Agencies.

C. **Temporary and Interim Uses**

Pending the ultimate development of land consistent with the land use program, certain interim and temporary uses are authorized as follows:

1. **Temporary Uses**

“**Temporary Uses**” are short-term, transitory uses that may be proposed either prior to or following development of land within a Land Use District consistent with this Plan. The Executive Director or his or her designee may allow Temporary Uses for such period of time as he or she determines to be reasonable provided the Executive Director or his or her designee finds that such Temporary Use is consistent with the objectives of the this Plan and the applicable Hunters Point Shipyard Design for Development (Phase 1 or Phase 2). Permissible Temporary Uses include:

- Booth for charitable, patriotic or welfare purposes
- Exhibition, celebration, festival, circus or neighborhood carnival
- Open air sales of agriculturally-produced seasonal decorations, including Christmas trees and Halloween pumpkins
- Convention staging
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses listed above
- Other Temporary Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

2. **Interim Uses**

“**Interim Uses**” are uses proposed during the time prior to or concurrent with development of land within a Land Use District consistent with this Plan. Interim Uses may be authorized in all areas not subject to the Public Trust for an initial time period to be determined by the Executive Director, upon a determination by the Executive Director that the authorized uses will not impede the orderly development of the Project Area as contemplated in this Plan. Where approved, Interim Uses will be permitted for a defined period of time not to exceed five (5) years. Permissible Interim Uses include:

- Rental or sales office incidental to a new development, provided that it is located in the development or a temporary structure
- Structures and uses incidental to environmental cleanup and staging

- Temporary structures and uses incidental to the demolition or construction of a structure, building, infrastructure, group of buildings, or open space, including construction staging of materials and equipment
- Commercial Storage
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses above
- Other Interim Uses that do not impede the orderly development of the Project Area as contemplated in this Plan, as determined by the Executive Director

Interim Uses of areas subject to the Public Trust shall be authorized only if the authorized uses are determined to be consistent with, necessary and convenient for, or incidental or ancillary to, the purposes of the Public Trust, or if the following criteria are met:

- There are no immediate trust-related needs for the property,
- The proposed lease for the use prohibits construction of new structure or improvements that, as a practical matter, could prevent or inhibit the property from being converted to a permissible trust use if necessary,
- The proposed lease for the use provides that the Agency has the right to terminate the lease in favor of trust uses as trust needs arise, and
- The proposed use of the leased property would not interfere with commerce, navigation, fisheries, or any other existing trust use or purpose.

Extensions of the above approval periods may be authorized by the Executive Director in increments of up to five (5) year periods, subject to the same determinations as required for the initial period.

D. Standards for Development

This Plan and the other Plan Documents, including the Hunters Point Shipyard Phase 1 Design for Development and Hunters Point Shipyard Phase 2 Design for Development, establish the standards for development in the Project Area and supersede the San Francisco Planning Code in its entirety, except as otherwise expressly provided herein. The only sections of the Planning Code that shall apply, pursuant to the provisions of this Plan, are: (a) Sections 101.1, 295, and 314, as such sections are in effect as of the 2010 Plan Amendment Date; (b) as to Phase 1 of the Project Area only, Sections 320-325 as such sections are in effect as of the 2010 Plan Amendment Date; (c) as to Phase 2 of the Project Area only, Section 324.1 as that section is in effect as of the 2017 Plan Amendment Date; and (d) as to Phase 2 of the Project, Section 202.2 as provided in Section II.D.1(c) below. Both the Agency Commission and the Planning Commission must approve any amendment to the Hunters Point Phase 1 Design for Development or the Hunters Point Phase 2 Design for Development.

1. Applicability of City Regulations; City’s Duty to Protect Public Health and Safety

- (a) *General.* Regardless of any future action by the City or the Agency, whether by ordinance, resolution, initiative or otherwise, the rules, regulations, and official policies

applicable to and governing the overall design, construction, fees, use or other aspect of development of the Project Area will be (i) this Plan and the other Plan Documents, (ii) to the extent not inconsistent therewith or not superseded by this Plan, the Existing City Regulations (including all provisions of the Building Construction Codes, which are not inconsistent with or superseded by this Plan), (iii) New City Regulations to the extent permitted in this Plan; (iv) new or changed Development Fees and Exactions to the extent permitted under Section II.D.6 of this Plan; (v) any disposition and development agreement or owner participation agreement related to development in the Project Area; and (vi) the Mitigation Measures (collectively, the “**Applicable City Regulations**”).

(b) *Protection of Public Health and Safety; Federal or State Law.* Notwithstanding any other provision of this Plan to the contrary, the Agency and any City Agency having jurisdiction shall exercise its sole discretion under this Plan and the applicable Plan Documents in a manner that is consistent with the public health and safety and shall at all times retain their respective authority to take any action that is necessary to protect the physical health and safety of the public (the “**Public Health and Safety Exception**”) or to comply with changes in Federal or State law, including applicable Federal and State regulations (the “**Federal or State Law Exception**”), including the authority to condition or deny a permit approval agreement or other entitlement or to adopt a New City Regulation, but subject, in all events, to any rights to terminate between an owner or developer and the Agency as set forth in either the Plan Documents or any disposition and development agreement or owner participation agreement related to development within the Project Area. Except for emergency measures, any City Agency or the Agency, as the case may be, will meet and confer with the owner of the affected Real Property and/or any affected party under any disposition and development agreement or owner participation agreement related to development within the Project Area in advance of the adoption of any New City Regulations or New Construction Requirements to the extent feasible.

(c) *Permitted New City Regulations.* The City Agencies and the Agency reserve the right to impose any New City Regulations (except for the Planning Code sections superseded by this Plan) provided that (i) they are imposed on a Citywide Basis and (ii) they do not conflict with the development permitted or contemplated within the Project Area by this Plan, the Plan Documents or any disposition and development agreement or owner participation agreement related to development within the Project Area or any portion of such development (unless such conflict is waived by the owners and developers of affected property). As used in this paragraph (c), a New City Regulation “conflicts with the development permitted or contemplated” if it would change the aforementioned development regulations to:

- (1) limit or reduce the density or intensity of development, or otherwise require any reduction in the square footage or number of proposed buildings (including number of Dwelling Units) or other improvements;
- (2) limit or reduce the height or bulk of development within the Project Area, or any part thereof, or of individual proposed buildings or other improvements;

- (3) materially change, restrict, or condition any land uses, including permitted or conditional uses, of development within the Project Area;
- (4) materially limit or control the rate, timing, phasing, or sequencing of approval, development, or construction (including demolition);
- (5) require the issuance of additional land use-related permits or approvals by the City or the Agency;
- (6) materially limit or control the availability of public utilities, services or facilities or any privileges or rights to public utilities, services or facilities for the Project Area, including but not limited to water rights, water connections, sewage capacity rights and sewer connections;
- (7) control or limit commercial or residential rents or purchase prices (excluding property owned or controlled by the Agency or the City during the period of Agency or City ownership and only to the extent such controls or limits would not survive transfer to a successive owner);
- (8) materially limit the processing or procuring of applications and approvals for any subsequent City or Agency approvals;
- (9) subject to Section II.D.6, impose any new Development Fees and Exactions or expand or increase Development Fees and Exactions;
- (10) subject to Section II.D.1(d) (New Construction Requirements), materially increase the cost of construction or maintenance of all or any development contemplated or permitted in the Project Area or of compliance with any provision of this Plan, the Plan Documents, any disposition and development agreement or owner participation agreement related to development within the Project Area or Existing City Regulations;
- (11) materially decrease the value of any land in the Project Area;
- (12) materially reduce, limit the availability of or delay the amount or timing of tax increment or Mello-Roos Community Facilities District funding; or
- (13) limit the Agency's ability to timely satisfy its obligations under any disposition and development agreement or owner participation agreement related to development within the Project Area or the City's ability to timely satisfy its obligations under any cooperation agreement or tax allocation agreement related to development within the Project Area.

Nothing in this Plan or other applicable Plan Documents shall be deemed to limit any City Agency's or the Agency's ability to comply with the California Environmental Quality Act ("CEQA") or the CRL.

Nothing in this section shall limit the authority of the Agency or any City Agency to exercise its discretion under the Public Health and Safety Exception, or to make changes under the Federal or State Law Exception, as described in Section II.D.1.b (Protection of Public Health and Safety).

The City Municipal Code (excluding the Planning Code with the exception of conditions for cannabis-related uses specified in Section 202.2 thereof (as may be amended or superseded)) and related regulations (as such Code Sections and regulations may be amended from time to time consistent with this Plan) establishing a permitting program for Cannabis-Related Uses are Permitted New City Regulations applicable to and enforceable against Cannabis-Related Uses within the Project Area.

The City's Municipal Code and related regulations establishing a permitting program for Short-Term Rentals (as such Code Sections and regulations may be amended from time to time consistent with this Plan) are Permitted New City Regulations applicable to and enforceable against Short-Term Rentals within the Project Area.

(d) *New Construction Requirements.* In addition to the Public Health and Safety Exception and the Federal or State Law Exception, the City may change construction requirements for Infrastructure and other Improvements (“**New Construction Requirements**”) if the changes: (i) would not materially increase costs or accelerate the payment of costs of developing the Project Area consistent with this Plan; (ii) are imposed by the Board of Supervisors on a Citywide Basis; and (iii) would not: (a) materially adversely affect Net Available Increment; (b) delay development; (c) materially limit or restrict the availability of Infrastructure; or (d) impose limits or controls on the timing, phasing, or sequencing of development permitted under this Plan. In addition, from and after the 10th anniversary of the issuance of the first Building Permit for a project in Phase 2 of the Project Area (as shown on Map 2), the City may impose New Construction Requirements in response to technological advances in construction if the New Construction Requirements: (1) would materially decrease the City's operation and maintenance costs and would not materially interfere with the uses, heights, density, and intensity of development described in the Plan Documents; (2) will apply on a Citywide Basis for similar land uses; (3) do not conflict with the Mitigation Measures (provided, this requirement may be satisfied with an exemption for specific Mitigation Measures as needed); and (4) do not increase by more than twenty percent (20%) the unit cost of any single component that is the subject of the New Construction Requirement.

2. Limitation on the Number of Buildings

The number of buildings in the Project Area may not exceed 1,125.

3. Limitation on the Number of Dwelling Units

The maximum number of Dwelling Units in the Project Area is approximately 5,875. [The 2024 amendments to the Redevelopment authorize the Commission to approve, without amendment to](#)

this Redevelopment Plan but subject to any necessary environmental review, the transfer of Dwelling Units from Phase 2 of the Project Area to Zone 1 of Bayview Hunters Point Redevelopment Plan Project Area B, provided that the total Dwelling Units constructed within both the Project Area and Zone 1 of the Bayview Hunters Point Redevelopment Plan Area may not exceed 12,100 Dwelling Units without Commission approval (including attendant environmental review).

4. Limitation on Type, Size and Height of Buildings

The size and type of buildings constructed in the Project Area may be as permitted in the Plan, Plan Documents, and Applicable City Regulations, which is approximately 5,501,0003,332,500 square feet of non-residential development, including approximately 255,000 square feet of artists space, 50,000 square feet of community use space,[†] 401,000 square feet of retail space (including up to 100,000 square feet of Regional Retail)[‡], 120,000 square feet of hotel and hotel related use space, 410,000 square feet of institutional use space, and 4,265,0002,096,500 square feet of research and development and office space.

The Commission may approve, without amendment to this Plan but subject to any necessary environmental review, adjustment of the foregoing square footages over time (except for artists or community use space), including conversion to other non-residential uses allowed by this Plan, provided the total square footage of non-residential uses within Phase 2 of the Project Area does not materially exceed 5,501,0003,332,500 square feet.

In addition, to the extent the Bayview Hunters Point Redevelopment Plan allows for a transfer of non-residential-use square footage from the Hunters Point Shipyard Project Area to commercially-zoned areas of the Bayview Hunters Point Project Area or from the Bayview Hunters Point Project Area to commercially-zoned areas of the Hunters Point Shipyard Project Area, the foregoing limitations shall be reduced/adjusted commensurately upon such transfer.

Accessory parking facilities for these uses, and infrastructure components Accessory to the foregoing, are not included as part of or subject to these square footage limitations.

The maximum building heights within the Project Area will be prescribed in the Hunters Point Shipyard Phase 1 Design for Development and the Hunters Point Shipyard Phase 2 Design for Development. No building may exceed 370 feet in height. Other size limitations for buildings are set in the Hunters Point Shipyard Phase 1 Design for Development and the Hunters Point Shipyard Phase 2 Design for Development by development controls including block patterns, bulk controls, prescribed setbacks, and open space requirements. Height and other size limitations shall maintain and protect view corridors from Hillpoint Park so that visitors can enjoy substantial vistas of San Francisco Bay, consistent with the requirements of the Granting Act for exchanging the park and adjacent hillside open space into the Public Trust.

[†] In addition to 52,000 square feet of Community Uses already identified within Phase 1 of the Plan Area.

[‡] In addition to 9,000 square feet of Neighborhood Retail Uses already identified within Phase 1 of the Plan Area.

5. Office Development Limitations

On November 8, 2016, voters enacted Proposition O (Planning Code Section 324.1), which exempts Phase 2 of the Project Area from the office development limits set forth in Planning Code Sections 320-325. Planning Code Sections 320 – 325 (Proposition M) shall apply to office development in Phase 1 of the Project Area, and Planning Code Section 324.1 shall apply to office development in Phase 2 of the Project Area. Accordingly, the cap on the annual amount of office development permitted in the City shall apply to Phase 1 but not Phase 2 of the Project Area.

By Resolution No. 18102, the Planning Commission adopted findings pursuant to Planning Code Section 321(b)(1) that the up to 5,000,000 square feet of office development contemplated in this Plan in particular promotes the public welfare, convenience and necessity, and in so doing considered the criteria of Planning Code Section 321(b)(3)(A)-(G). Proposition O states in part that “No project authorization or allocation shall be required for any Development on the Subject Property [Candlestick Point and Hunter’s Shipyard Phase 2]. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.” Proposition O (2016) supersedes, as to Phase 2 of the Project Area, any part of Resolution No. 18102 (Attachment E) that would require an office authorization or allocation, compliance with Planning Code sections 320-325, or Planning Commission review or approval of office developments.

6. Development Fees and Exactions

The following provisions will apply to all property in the Project Area except parcels used for the development of affordable housing by Agency-sponsored entities. Development Fees and Exactions shall apply to the Project in the manner described below. Except as provided in this section and except as required by the Mitigation Measures, the School Facilities Impact Fee, the Child-Care Requirements, and the Art Requirement shall be the only Development Fees and Exactions that apply to the Project Area for the duration of this Plan. Water Capacity Charges and Wastewater Capacity Charges are Administrative Fees and not Development Fees and Exactions, and shall apply in the Project Area.

The School Facilities Impact Fee shall apply for the duration of this Plan, shall be administered as required by State law, and shall be increased for the duration of this Plan in accordance with State law but only to the extent permitted by State law.

The Art Requirement shall apply for the duration of this Plan and requires that any new office building in excess of 25,000 square feet constructed within the Project Area include one-half of one percent (0.5%) of the hard costs of initial construction (excluding costs of infrastructure and tenant improvements) (the “**Art Fee Amount**”) for the installation and maintenance of works of art in the public realm within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area. In the event that public spaces are not available at the time the Art Requirement is due, then the Art Fee Amount shall be paid to a fund

administered by the Agency to be used for public art within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area. The public realm within which art may be installed so as to comply with the Art Requirement includes: any areas on the site of the building and clearly visible from the public sidewalk or open space feature, on the site of any open space feature, or in any adjacent public property. The type and location of artwork proposed shall be reviewed by the Executive Director for consistency with the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development and other Plan Documents.

The Child-Care Requirements shall apply for the duration of this Plan only to all commercial development over 50,000 square feet per Planning Code Section 314, as it existed on the 2010 Plan Amendment Date (attached and incorporated hereto as Attachment C). The Child-Care Requirements will be administered by the Agency to provide for these public benefits within the Project Area or within Zone 1 of Project Area B of the Bayview Hunters Point Redevelopment Project Area.

The Child-Care Requirements provide for compliance either by constructing Child-Care Facilities or, alternatively, payment of an in-lieu fee. For the duration of this Plan, development within the Project Area shall not be subject to any change to the provisions of the Child-Care Requirements that permit compliance through the construction of Child-Care Facilities. In addition, no new in lieu fee or increase in the existing in lieu fee related to the Child-Care Requirement shall apply to the Project Area for twelve (12) years following the date the first Building Permit is issued for a project in Phase 2 of the Project Area (as shown in Map 2) and, thereafter, will only be applicable if the new or increased in lieu fee relating to Child-Care Requirements is: (i) not increased at a rate greater than the annual increase in the Consumer Price Index commencing at the end of the 12-year period during which the fee has been frozen as described above; (ii) generally applicable on a Citywide Basis to similar land uses; and (iii) not redundant of a fee, dedication, program, requirement, or facility described in the Plan Documents or in any applicable disposition and development agreement related to development within the Project Area.

Notwithstanding the foregoing, new or increased Development Fees and Exactions may be imposed to the extent required under the Public Health and Safety Exception and the Federal or State Law Exception.

7. Shadow on Recreation and Park Property

Section 295 of the Planning Code (Proposition K) shall apply to development in the Project Area in the form in which Section 295 was in effect as of the 2010 Plan Amendment Date (and as attached hereto as Attachment D). Section 295 (Proposition K) shall not continue to apply to development in the Project Area in the event it is repealed by legislation or voter initiative.

E. Retention-Rehabilitation

Existing buildings in the Project Area, as of the 2010 Plan Amendment Date, are identified by the Navy's building numbers, on Map 3: Existing Buildings.

1. Historic buildings and other facilities proposed for retention, rehabilitation or adaptive reuse include:

Buildings 101,140, 204, 205, 207, and 208; and

Dry Docks 2, 3, and 4.

2. Four additional buildings identified as historic; Buildings 211, 224, 231 and 253 will be further evaluated for retention, preservation and reuse.

F. Density Bonus

Under State law, the Agency may grant, as a form of local public subsidy, residential density bonuses. These bonuses, if granted, shall insure that additional low- or moderate-income Dwelling Units will actually be produced within the Project Area. In Hunters Point Shipyard Phase 1 (consisting of the Hunters Point Hill Residential District), the Agency will grant such bonuses only after a developer has demonstrated to the Agency's satisfaction that the developer has utilized its best effort to provide such low- or moderate-income Dwelling Units. Hunters Point Shipyard Phase 2 consists of all Land Use Districts other than the Hunters Point Hill Residential District. A density bonus is not proposed to increase the total maximum number of residential units in Phase 2 above those levels described in Section II.D.3.

G. Streets Plan

The Street Plan for the Hunters Point Shipyard Project Area is identified on Map 4: Street Plan, which indicates generally the public rights-of-way. The categories of streets include the following:

1. Primary Arterial
2. Retail Street
3. Boulevard Park Street
4. Local Street

The Project Area's street pattern contributes to the establishment of its fundamental land use patterns, and in doing so, becomes an integral element of the overall urban design for the Project. It is, however, recognized that there is a need for some degree of adaptability and flexibility in locating and configuring some of the Project's local streets and alleys at the time of actual physical development. Accordingly, the alignment and classification of these streets are subject to adjustment by the Agency and the City at the time of detailed engineering studies.

Certain streets in the Project Area will be impressed with the Public Trust. These streets will provide key vehicular, bicycle and pedestrian access ways to the waterfront, providing a connection between the various parts of the waterfront, and between the waterfront and other Public Trust lands within the Project Area.

In order to accommodate vehicle traffic and transit serving the various uses planned for the Project Area, this Plan also provides for street, lighting, utility, and related improvements to Innes Avenue and Hunters Point Boulevard, outside the northwestern boundary of the Project Area.

III. PROJECT PROPOSALS

A. Rehabilitation and New Development

All new development and all rehabilitation of existing structures must conform to this Plan, and to all applicable Federal and State laws and to those local laws that are applicable pursuant to this Plan.

1. Utilities: Stormwater detention, stormwater treatment, and similar facilities may include above-ground features such as bioswales and channels. New permanent utility lines must be placed underground. Above ground pump stations control rooms and sub-stations are permitted however their visual impact must be minimized per requirements either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate. Temporary utility poles and wires may be installed during the project build out.
2. Signage: With the exception of temporary marketing and sales signs pertaining to developments within the Project Area (which will be permitted), permanent or temporary billboards (excluding kiosks, streetscape commercial signage, and street furniture-related commercial signage), are prohibited within all Land Use Districts (including any park or street area). Permanent signage for residential, commercial and open space development is subject to the development controls and guidelines of either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate. The Agency Commission shall review for consistency with the objectives of this Plan any proposed signage not permitted by the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate and any signage master plan.
3. Development Project: Plans for rehabilitation and new development shall be submitted to the Agency for architectural review and approval, consistent with the Agency's Design Review and Document Approval Process (DRDAP) for the Project Area or as attached to any disposition and development agreement related to development within the Project Area.
4. Agency Sponsored Improvements: To the extent now or hereafter permitted by law, the Agency may pay for, develop, or construct any building, facility, element of infrastructure, structure or other improvement either within or outside the Project Area, for itself or for any public body or entity, provided that such building, facility, element of infrastructure, structure or other improvement would be of benefit to the Project Area and conform to the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate.

B. Owner and Tenant Preference

Persons who are either owners or tenants of businesses, or other types of real property within the Project Area being displaced by rehabilitation, Agency property acquisition, or other Agency action occasioned by the implementation of this Plan will be afforded certain preferences. The Agency shall extend preferences to such persons in order that they may re-enter the redeveloped Project Area. The Agency will adopt a business relocation program to implement these preferences. Participants in this program necessarily will be subject to and limited by the requirements of this Plan.

C. Acquisition of Real Property

Any real property located within the Project Area may be acquired by the Agency by purchase, gift, devise, exchange, lease, or any other lawful method. The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than full fee title.

D. Acquisition of Personal Property

Where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means except eminent domain.

E. Property Management

During such time as any property in the Project Area is owned or leased by the Agency, such property will be under the management and control of the Agency and may be leased or subleased.

F. Payment of Taxes

The Agency may in any year during which it owns property in the Project Area pay directly to the City or any district, including a school district or other public corporation for whose benefit a tax would have been levied upon such property had it not been exempt, an amount of money in lieu of taxes.

A proportionate share of any amount of money paid by the Agency to the City will be disbursed by the City to any school district with territory located within the Project Area in the City. **“Proportionate share”** means the ratio of the school district tax rate that is included in the total tax rate of the City to the total tax rate of the City.

The Agency may also pay to any taxing agency with territory located within a project area other than the community that has adopted the Project, any amount of money that in the Agency’s determination is appropriate to alleviate any financial burden or detriment caused to any taxing agency by this Plan.

G. Relocation

The Agency will provide relocation assistance and benefits as required under applicable Federal and State law. A review of the current Project Area indicates that there are no persons currently residing therein. Accordingly, relocation activities would relate solely to businesses.

To the extent required under applicable State or Federal law, the Agency shall: (1) assist or cause to be assisted all eligible persons displaced by redevelopment activities undertaken or assisted by the Agency in finding new locations in accordance with applicable law, and where possible, shall relocate businesses to a location of similar size within the Project Area; and (2) make or cause to be made relocation payments to eligible persons displaced by redevelopment activities undertaken or assisted by the Agency as may be required by applicable State or Federal law. The Agency may make such other payments as it determines to be appropriate and for which funds are available.

Pursuant to Section 33339.5 of the California Health and Safety Code, the Agency shall extend reasonable preferences to persons who are engaged in business within the Project Area to reenter in business within the redeveloped Project Area, if they otherwise meet the requirements of this Plan. In order to extend reasonable preferences to businesses to reenter into business within the redeveloped Project Area, the Agency has promulgated, by Agency Resolution No. 93097, rules for the Business Occupant Re-Entry Program within the redeveloped Project Area.

H. Demolition and Clearance

The Agency is authorized to demolish and clear buildings, structures, and other improvements from real property owned by the Agency in the Project Area as necessary to carry out the purposes of this Plan.

I. Public Improvements and Public Facilities

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, on any parcel within or outside the Project Area, appropriate or necessary to carry out this Plan. Such public improvements and public facilities are described in Attachment B, Authorized Public Improvements.

J. Preparation of Building Sites

The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Project Area owned or leased by the Agency.

K. Disposition of Real Property

For the purpose of this Plan, the Agency is authorized to sell, lease, sublease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest of real property, except to the extent prohibited by the Granting Act.

Any real or personal property acquired by the Agency in the Project Area will be sold or leased for development in accordance with this Plan and for consideration. However, the Agency may convey real property to the City or to any other public body with or without consideration.

Property containing buildings or structures rehabilitated by the Agency will be offered for resale within one year after completion of rehabilitation or an annual report concerning such property will be published by the Agency as required by law.

The Agency will reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan.

All purchasers or lessees of property will be obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time that the Agency fixes as reasonable, and to comply with other conditions that the Agency deems necessary to carry out the purposes of this Plan.

L. Disposition and Development Documents

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or otherwise conveyed by the Agency will be made subject to the provisions of this Plan by lease, deed, contract, agreement, declaration of restrictions, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof will be recorded in the Office of the Recorder of the County of San Francisco.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants running with the land, rights of reverter, powers of termination, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

All property in the Project Area sold, leased or conveyed by the Agency will be made subject by appropriate documents to the restriction that there will be no discrimination or segregation on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, or on the basis of race, color, creed, religion, national origin or ancestry, sexual orientation, gender, identity, marital or domestic partner status, age, or disability, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. In addition, such property will be made subject to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area shall contain such nondiscrimination and non-segregation clauses as are required by law and this Plan.

M. Disposition of Personal Property

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property that has been acquired by the Agency.

N. Replacement Housing

Whenever Dwelling Units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of this redevelopment project, the Agency shall, within four (4) years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low or moderate income an equal number of replacement Dwelling Units at affordable rents within the Project Area or within the territorial jurisdiction of the Agency.

O. Redeveloper's Obligations

In order to provide adequate safeguards that the process of redevelopment will be carried out pursuant to this Plan, agreements for the disposition of land by the Agency shall include provisions recognizing and requiring that:

1. The purchase of land is for redevelopment and not for speculation and reserving to the Agency such powers and controls as may be necessary to prevent transfer, retention or use of the property for speculative purposes.
2. The land shall be built upon and/or improved in conformity with the development standards of this Plan and any applicable Agency regulations, the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, and the Declaration of Restrictions.
3. All developers and owner participants shall submit phasing plans, schematic architectural plans, site and landscape plans and final plans including landscaping and sign plans, and specifications of the improvements proposed to be constructed on the land for architectural review and approval by the Agency in order to ensure that development and construction will be carried out in a manner that will effectuate the purposes of this Plan. To the extent required in disposition and development agreements or agreements with owner participants, as a part of such plans and specifications, developers and, if required by the Agency, owner participants shall submit time schedules for the commencement and completion of such improvements. All such plans and schedules shall be submitted to the extent required by, and within the time specified in, the respective agreements with such developers and owner participants.
4. By and for the contracting parties, their heirs, executors, administrators, and assigns, there may be no discrimination against or segregation of any person or group of

persons on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, or on the basis of race, color, religion, national origin, gender, sexual orientation, gender identity, marital or domestic partner status, age, disability, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises therein described, nor may the contracting parties, or any person claiming under or through them establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subleases, or vendees in the premises described. All deeds, leases or contracts for the sale, lease, sublease, or other transfer of any land shall contain the nondiscrimination and non-segregation clauses specified in the CRL (Section 33436 of the California Health and Safety Code) and this Plan.

IV. METHODS FOR PROJECT FINANCING

A. General

Upon adoption of this Plan by the Board of Supervisors, the Agency is authorized to finance projects consistent with this Plan with assistance from the United States Government,

including the Department of Housing and Urban Development (HUD), the Department of Defense (Office of Economic Adjustment) as well as from other Federal programs, from the State, from the City, from Agency bonds, and from other available sources.

The Agency is hereby authorized to issue bonds, obtain advances, borrow funds and create indebtedness in carrying out this Plan. The principal and interest of such advances, funds, and indebtedness may be repaid from any funds that may appropriately be available to the Agency.

Any other loans, grants, or financial assistance from the United States, or any other public or private sources will also be utilized, if available.

As permitted under Section 34177.7(j)(2) of California Health and Safety Code and amendments to the CP-HPS2 project agreements, the 2024 amendments to the Redevelopment Plan authorize the application of the allocated property tax revenues generated from Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to both such project areas for the purpose of implementing the Candlestick-Point Hunters Point Shipyard Phase 2 project regardless of location of the projects financed within Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area.

B. Tax Allocation

Taxes, if any, levied upon the taxable property in the Project Area each year by or for the benefit of the State, the City, any district, or other public corporation, after the Effective Date, shall be divided as follows, in accordance with the CRL (Section 33670 of the Health and Safety Code):

(a) That portion of the taxes that would be produced by the rate upon which the taxes levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the redevelopment project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for said Taxing Agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies that did not include the territory in a redevelopment project on the effective date of such ordinance but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the county last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the project on said effective date); and

(b) That portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project. Unless and until the total assessed valuation of the taxable property in a redevelopment project exceeds the total assessed value of the taxable property in that project as shown by the last equalized assessment roll referred to in paragraph (a) hereof, all of the taxes levied and collected upon the taxable property in the redevelopment project shall be paid to the respective Taxing Agencies. When the loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the redevelopment project shall be paid to the respective Taxing Agencies as taxes on all other property are paid.”

Not less than twenty percent (20%) of all taxes that are allocated to the Agency pursuant to Health and Safety Code Section 33670 and Section IV.B.(b) of this Plan shall be used by the Agency for the purposes of increasing, improving and preserving the community’s supply of low- and moderate-income housing available at affordable housing cost, as defined by Section 50052.5 of the California Health and Safety Code, to persons and families of low or moderate income, as defined in Section 50093, to lower income households, as defined in Section 50079.5, and to very low income households, as defined in Section 50105.

In the proceedings for the advance of moneys, making loans or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance, in whole or in part, the Hunters Point Shipyard Redevelopment Project, the portion of taxes set forth in the CRL and the California Constitution (as the same may exist on the date of the making of said advances or loans or the incurring of indebtedness) as available to the Agency for such purposes may be irrevocably pledged for the payment of the principal of and interest on such loans, advances, or indebtedness.

~~It is anticipated that the amount of taxes to be produced by the method described in Subsections (a) and (b) above may be sufficient to support a bond(s) issue in the range of \$900 million. In~~

~~addition, it may become necessary and appropriate to issue bonds to be partially repaid from taxes allocated pursuant to Subsections (a) and (b) above. Therefore, the amount of bonded indebtedness that can be outstanding at any one time from the issuance of bonds to be repaid in whole or in part from the allocation of taxes pursuant to Section 33670 of the California Health and Safety Code will be limited to \$900 million. In order to adequately fund the repayment of such bonds (including principal, interest, and issuance cost), the number of dollars of taxes that may be divided and allocated to the Agency pursuant to Section 33670 of the California Health and Safety Code will be limited to \$4.2 billion.~~

For Zone 1 of BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the aggregate total amount of bonded indebtedness of the Agency to be repaid from the allocation of taxes to the Agency for both Zone 1 of the BVHP Redevelopment Plan Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area pursuant to CRL Section 33670, which can be outstanding at one time, may not exceed \$5.9 billion

No loans, advances, or indebtedness to finance Phase 1 of the redevelopment project Project Area in whole or in part and to be repaid from the allocation of taxes pursuant to Section 33670 of the California Health and Safety Code may be established or incurred by the Agency twenty (20) years after the Agency begins collecting substantial tax increment funds in the Project Area, meaning a total allocation of tax increment funds exceeding \$100,000.

The Agency may not establish loans, advances, or indebtedness to finance in whole or in part its activities in Phase 2 of the Project Area beyond thirty (30) years from the date of the conveyance, to the Shipyard Phase 2 master developer, of all Phase 2 parcel(s) required for the completion of development of the first Major Phase (as defined in that certain CP-HPS2 DDA) located within Phase 2 (“Initial HPS Transfer Date”)), plus an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional extension of the redevelopment timelines to be established pursuant to Section 34177.7(j) to include fifteen (15) additional years for purposes of those redevelopment activities on Phase 2 of the Project Area and related tax increment financing.

The Agency may not pay indebtedness or receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Phase 1 of the Project Area forty five (45) years after the Agency begins collecting substantial tax increment funds in the Project Area; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).

The Agency may not pay indebtedness or receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Phase 2 of the Project Area forty-five (45) years after ~~the Agency begins collecting substantial tax increment funds in the Project Area; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).~~Initial HPS

Transfer Date plus an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

Bond issues, the principal and interest of which the Agency proposes to pay with tax allocations under Health and Safety Code 33670, are subject to Board of Supervisors approvals, as are all bond issues of the Agency; where the Agency proposes to utilize tax allocations for other than repaying principal and interest on bond issues or other existing indebtedness, the Agency shall prepare, for the approval of the Board of Supervisors, an annual Project Work Program, which program shall outline in detail the activities to be undertaken by the Agency, the loans and/or advances to be received and/or the indebtedness to be incurred.

V. ACTIONS BY THE CITY

The City, by the adoption of this Plan, agrees to aid and cooperate with the Agency in carrying out this Plan and shall take any further action necessary to ensure the continued fulfillment of the various objectives and purposes of this Plan and to prevent the recurrence or spread in the Project Area of conditions causing blight. Such actions include the following:

- A. Prior to termination of this Plan, revision of zoning within the Project Area (to be effective as of this Plan expiration date) to conform to the land uses authorized by this Plan and the development standards and design guidelines set forth in the Hunters Point Shipyard Design for Development documents, as they have been amended from time to time as of the expiration date of this Plan.
- B. Institution and completion of proceedings necessary for changes and improvements in publicly-owned utilities within or affecting the Project Area.
- C. Performance of the above and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule that will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
- D. Referral will be made to the Agency prior to approval by the City of each building permit application in the Project Area. No building permit will be issued unless it conforms to this Plan.
- E. The City is authorized, but not obligated to provide funds to ensure the completion of the Project as a whole in accordance with this Plan.
- F. The City shall review, consider, and approve, without unnecessary delay, tentative subdivision maps and parcel maps as necessary to develop the Project Area, provided maps and public infrastructure agreements are found to be consistent with the objectives of this Plan, approved environmental mitigations, and the development standards and design guidelines set forth in the Hunters Point Shipyard Phase 1

Design for Development and Hunters Point Shipyard Phase 2 Design for Development.

- G. The undertaking and completing of any other proceedings necessary to carry out the Project.

In order to facilitate the implementation of this Plan, the City and the Agency have entered into Interagency Cooperation Agreements (each, an “ICA”). Each ICA is intended to provide the framework for cooperation among various City Agencies and the Agency in accordance with this Plan, the other applicable Plan Documents and disposition and development agreements entered into in accordance with this Plan with respect to the review and approval of development authorizations in the Project Area and, where appropriate, to facilitate cooperation of the City Agencies in issuance of those permits, approvals, agreements and entitlements at each applicable stage of development. The City shall perform all of its obligations under each ICA.

VI. PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in Section 33450-33458 of the California Health and Safety Code, or by any other procedure hereafter established by law.

VII. PROCEDURE FOR VARIANCE

The owner or developer of any property in the Project Area may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and the Agency Commission may, in its sole discretion at a duly noticed public hearing, grant a variance from the development controls in this Plan and either the Hunters Point Shipyard Phase 1 or Phase 2 Design for Development, as appropriate, under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Plan; and
- The granting of a variance would be in harmony with the goals of this Plan, and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Plan and the Design for Development.

The Agency’s determination to grant or deny a variance will be final and will not be appealable to the Planning Department. In no instance will any variance be granted that will substantially change the allowable land uses of this Plan. Procedures for the evaluation of Secondary Uses are described above in Section II.B.1.

In addition, for certain development controls specified in the Phase 2 Design for Development, the Executive Director may approve deviations (minor modifications no greater than ten percent of the numerical development control), in accordance with the standards and processes set forth therein.

VIII. DURATION OF PLAN

Phase 1 of Project Area

This Plan as it relates to Phase 1 of the Project Area will be effective until thirty (30) years from the date the Controller of the City and County of San Francisco certifies, pursuant to Section 33492.9, as the final day of the first fiscal year in which one hundred thousand dollars (\$100,000) or more of tax increment from the Project Area are paid to the Agency pursuant to Section 33675(d); provided, however, that the nondiscrimination and non-segregation provisions will continue in perpetuity. Any Declaration of Restrictions formulated pursuant to this Plan may contain provisions for the extension of such Declaration of Restrictions for successive periods. The Agency may receive property taxes pursuant to Section 33670 of the California Health and Safety Code for up to forty five (45) years after the Agency begins collecting substantial tax increment funds; meaning a total allocation of tax increment funds exceeding one hundred thousand dollars (\$100,000).

Phase 2 of Project Area

This Plan as it relates to Phase 2 of the Project Area will be effective for thirty (30) years from the Initial HPS Phase Transfer Date plus an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

IX. ENFORCEMENT OF PLAN

The provisions of this Plan and other documents formulated pursuant thereto may be enforced by the Agency in any manner authorized by law.

X. SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid or unconstitutional, such decision will not affect the validity of the remaining portion or portions of this Plan.

XI. DEFINITIONS

Following are definitions for certain words and terms used in this Plan. All words used in the present tense include the future. All words in the plural number include the singular number and all words in the singular number include the plural number, unless the natural construction of the wording indicates otherwise. The word “shall” is mandatory and not directory; and the term

“may not” is prohibitory and not permissive. The words “including”, “such as” or words of similar import when following any general term may not be construed to limit the general term to the specific terms that follow, whether or not language of non-limitation is used; rather, these terms will be deemed to refer to all other terms that could reasonably fall within the broadest possible scope of the term.

2010 Plan Amendment Date means the date on which Ordinance No. 211-10 adopting amendments to this Plan, approved on August 3, 2010, became effective.

2017 Plan Amendment Date means the date on which Ordinance No. 122-17 adopting amendments to this Plan, approved on June 22, 2017, became effective.

2018 Plan Amendment Date means the date on which Ordinance No. 0166-18 adopting amendments to this Plan, approved on July 16, 2018, became effective.

2024 Plan Amendment Date means the date on which Ordinance No. _____ adopting amendments to this Plan, approved on [DATE], became effective.

Accessory Use means uses that are related to and subservient to another use, and serve that use only (with the exception of Parking, which may serve several lawfully permitted uses). For purposes of private infrastructure, accessory means utility systems and/or a component thereof, located within, on or beneath a lawful permitted Use on the same Assessor’s lot.

Administrative Fee means any fee charged by any City Agency or the Agency in effect on a Citywide Basis, including fees associated with Article 31, at the time of submission for the processing of any application for building or other permits, subdivision maps, or other City or Agency regulatory actions or approvals for any development in the Project Area.

Adult Entertainment means a use that includes any of the following: adult bookstore, adult theater, and encounter studio, as defined by Section 1072.1 of the San Francisco Police Code.

Agency Commission means the Commission for the Redevelopment Agency of the City and County of San Francisco.

Amusement Enterprise means enterprises such as billiard halls, bowling alleys, skating rinks, and similar uses when conducted within a completely enclosed building.

Animal Services means an animal care use that provides medical care and/or boarding services for animals.

Arts Education means schools of any of the following for professionals, credentialed individuals, or amateurs: dance, music, dramatic art, film, video, graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel, and other visual, performance, industrial and product-design and sound arts and craft.

Art Production means commercial arts and art-related business service uses including, but not limited to, recording and editing services, small-scale film and video developing and printing; titling; video and film libraries; special effects production; fashion and photo stylists; production, sale and rental of theatrical wardrobes; and studio property production and rental companies. Arts spaces may include studios, workshops, galleries, museums, archives and small theaters, and other similar spaces customarily used principally for production and post-production of graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel and other visual, performance and sound arts and craft.

Automotive Repair means a retail automotive service use that provides any of the following automotive repair services, whether outdoors or in an enclosed building: minor auto repair, engine repair, rebuilding, or installation of power train components, reconditioning of badly worn or damaged motor vehicles, collision service, or full body paint spraying.

Bar means a principal retail use not located in a Restaurant that provides on-site alcoholic beverage sales for drinking on the premises, including bars serving beer, wine and/or liquor to the customer where no person under twenty one (21) years of age is admitted (with Alcoholic Beverage Control [ABC] license 42, 48, or 61) and drinking establishments serving liquor (with ABC license 47 or 49) in conjunction with other uses that admit minors, such as theaters, and other entertainment. Restaurants with ABC licenses are not considered bars under this definition.

Battery Storage System means a component of the utility electricity system which stores energy.

Board of Supervisors means the Board of Supervisors of the City and County of San Francisco, California.

Building Construction Codes means the City's (or if applicable, the Port's) Building Code, Electrical Code, Mechanical Code and Plumbing Code and any construction requirements in the Housing Code and the Fire Code.

Business Occupant Re-Entry Policy means a document approved by the Agency Commission in relation to this Plan that establishes, to the extent required by State or Federal law, how the extension of reasonable preferences to business occupants will be implemented within the Project Area.

Cannabis-Related Use means any Use that is required to obtain a permit, and has obtained such permit, from the San Francisco Office of Cannabis (or its successor). For the avoidance of doubt, a Cannabis-Related Use is any category of Use otherwise permitted herein that cultivates, manufactures, distributes, tests, sells, delivers or in any other way uses cannabis or cannabis-derived materials, including for legal adult use or medical use.

Child-Care Facility means a use that provides less than 24-hour care for children by licensed personnel and that meets all the requirements of the State and other authorities for such a facility.

Child-Care Requirements means the requirements set forth in City Planning Code Section 314, as it exists on the 2010 Plan Amendment Date.

City Agency means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any portion of the Project Area, including but not limited to the Port Authority, Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Agency, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency designated by or under law.

City Regulations means ordinances, resolutions, initiatives, rules, regulations, and other official City and Agency policies applicable to and governing the overall design, construction, fees, use or other aspects of development within the Project Area. City Regulations includes City municipal codes, the General Plan, Building Construction Codes, Subdivision Code, and all ordinances, rules, regulations and official policies adopted to implement those City Regulations, except to the extent such regulations are Administrative Fees.

Citywide Basis means all privately-owned property within (a) the City's jurisdictional limits or (b) any designated use classification or use district of the City so long as (1) any such use classification or use district includes a substantial amount of affected private property other than affected private property within the Project Area, (2) the use classification or use district includes all private property that receives the general or special benefits of, or causes the burdens that occasion the need for, the New City Regulation, Development Fees and Exactions, or New Construction Requirements, and (3) the cost of compliance with the New City Regulation, Development Fees and Exactions, or New Construction Requirements applicable to the same type of use in the Project Area (or portion thereof) does not exceed the proportional benefits to, or the proportional burdens caused by private development of that type of use in the Project Area (or portion thereof).

Commercial Storage means a commercial use that stores, within an enclosed building, household goods, contractors' equipment, building materials or goods or materials used by other businesses at other locations and that may include self-storage facilities for members of the public. Commercial storage does not include the storage of waste, salvaged materials, automobiles, inflammable or highly combustible materials, and wholesale goods or commodities.

Commercial Wireless Transmitting Facility means equipment for the transmission, reception, or relay of radio, television, or other electronic signals, and may include towers, antennae, and related equipment.

Community Use means a publicly or privately owned use that provides public services to the community, whether conducted within a building or on an open lot. This use may include, by way of example and not limitation, museums, post offices, public libraries, police or fire stations, transit and transportation facilities, utility installations, building-integrated sustainable energy

generation facilities, neighborhood-serving community recycling centers, and wireless transmission facilities.

Consumer Price Index means the All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor.

Declaration of Restrictions means a recorded declaration that provides notice that properties in the Project Area are subject to restrictions, reservations and covenants for the benefit of the Project Area and this Plan.

Development Fees and Exactions means a monetary or other exaction including in-kind contributions, other than a tax or special assessment or Administrative Fee, that is charged by the Agency or any City Agency in connection with any permit, approval, agreement or entitlement or any requirement for the provision of land for construction of public facilities or Infrastructure or any requirement to provide or contribute to any public amenity or services. Development Fees and Exactions does not include Building Construction Codes in effect from time to time and generally applicable on a Citywide Basis to similar land uses.

District Heating and Cooling Facility means a plant (including geothermal powered) with hot water (or steam) and chilled water distributed from the district plant to individual buildings via a pipe distribution network.

Dry-Cleaning Facility means dry-cleaning establishment, including pressing and other miscellaneous processing of clothes.

Dwelling Units means a residential use that consists of a suite of one or more rooms and includes sleeping, bathing, cooking, and eating facilities.

Effective Date means the date the ordinance passed by the Board of Supervisors approving this Plan (Ordinance No. 211-10) became effective.

Elementary School means an institution that provides K-8 education and that may be either public or private.

Executive Director means the Executive Director of the Agency.

Existing City Regulations means City Regulations as they are in effect on the 2010 Plan Amendment Date.

General Plan means the General Plan for the City and County of San Francisco.

Green Technology means a use or several uses that involves the research, development, and fabrication of innovative methods, materials, and technology to improve environmental quality, increase energy and/or resource efficiency, reduce greenhouse gas emissions, reduce waste and pollution, and increase resource sustainability. Green Technology uses may utilize office,

laboratory, light manufacturing, or other types of use. Green technology can include office, laboratory, and light-manufacturing uses.

Grocery Store means a retail use of medium or large scale providing sales of food, produce, prepared food, beverages, toiletries, pharmaceutical products and services, and household items to the general public. This includes neighborhood-serving stores, supermarkets, festival market places, or other large format tenants providing primarily food sales up.

Group Housing means a residential use that provides lodging or both meals and lodging without individual cooking facilities. Group Housing may include housing specifically designed for and occupied by seniors, students or disabled residents.

Home Office means the accessory use of a dwelling for office purposes, provided that the principal user of such office resides in that dwelling.

Hotel means a use that provides overnight accommodations including guest rooms or suites and ancillary services to serve hotel guests. Hotels shall be designed to include all lobbies, offices and internal circulation to guest rooms and suites within and integral to the same enclosed building or buildings as the guest rooms or suites.

Hunters Point Shipyard Phase 1 Design for Development means the Design for Development document that sets development standards and design guidelines for Phase 1 of the Project, which consists of the Hunters Point Hill Residential District, as amended from time to time in accordance with its provisions.

Hunters Point Shipyard Phase 2 Design for Development means the Design for Development document that sets development standards and design guidelines for Phase 2 of the Project, which consists of all of the Project Area except for the Hunters Point Hill Residential District, as amended from time to time in accordance with its provisions.

Implementation Plan means a plan adopted periodically by the Agency Commission relating to the implementation of goals and objectives within this Plan, in accordance with the requirements of the CRL.

Internet Service Exchange means a use that provides a location for: switching equipment (whether wireline or wireless) that joins or connects customers, or subscribers to enable them to transmit data, voice, or video signals; one or more computer systems and related equipment used to build, maintain or process data, voice or video signals or provide other data processing services; or a group of network servers.

Institutional Use means Residential Care Facility, Child-Care Facility, Elementary School, Religious Institution, Secondary School, Post-Secondary Institution, or Vocational/Job Training Facility.

Laboratory means a use that provides for space within any structure intended or primarily suitable for scientific research. This includes industrial, chemical, and digital work stations for

the purpose of design, developing, and testing product development. The space requirements of uses within this category include specialized facilities or built accommodations that distinguish the space from office uses and light industrial uses.

Life Science means a use that involves the integration of natural and engineering sciences and advanced biological techniques using organisms, cells, and parts thereof for products and services. Life Science uses may utilize office, laboratory, light manufacturing, or other types of uses.

Light Industrial means a non-retail use that provides for the fabrication or production of goods, by hand or machinery, for distribution to retailers or wholesalers for resale off the premises, primarily involving the assembly, packaging, repairing, or processing of previously prepared materials.

Live/Work Units means a structure or portion of a structure combining a residential living space for a household or group of persons with an integrated work space principally used by one or more of the residents of that unit. Work spaces uses in a Live/Work Unit must comply with the other non-residential uses allowed within the respective land use District.

Maker Space means uses for contemporary forms of small-scale manufacturing, repair, and post-manufacturing activities. Maker space should typically include a retail component, and may include several other uses within a single space, including but not limited to, Light Industrial (for example, craft, industrial arts and design, robotics, woodworking, jewelry manufacture, clothing and apparel manufacture, and food and beverage production), office and research and development (e.g., digital technologies and electronics, 3D printing, graphic design), and Neighborhood Retail Sales and Services associated with the foregoing (e.g., food and beverage tasting and sale, arts and crafts sales, jewelry sales), among many others. For the purposes of size limitations established in Section II.D.4, Maker Space is considered Neighborhood Retail Sales and Service or research and development and office space.

Mitigation Measures means those mitigation measures from the Candlestick Point/Hunters Point Shipyard Phase 2 Project EIR imposed as conditions of approval of the amendments to this Plan as set forth in Resolution No. 347-2010, as amended or modified from time to time consistent with CEQA.

Neighborhood Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live or work nearby and who can access the establishment directly from the street on a walk-in basis. This use may provide goods and/or services to the business community, provided that it also serves the general public. This use would include those that sell, for example, groceries, personal toiletries, magazines, smaller scale comparison shopping; personal services such as laundromats, health clubs, formula retail outlets, hair or nail salons; medical services including, but not limited to, urgent care facilities and standalone emergency rooms, but excluding hospitals; and uses designed to attract customers from the surrounding neighborhood. Retail uses can also include outdoor activity areas, open air sales areas, and walk-up facilities (such as ATMs or window

service) related to the retail sale or service use and need not be granted separate approvals for such features. Retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

New City Regulations means both City Regulations adopted after the 2010 Plan Amendment Date or a change in Existing City Regulations, including any amendment to this Plan or the Plan Documents, effective after the 2010 Plan Amendment Date.

Nighttime Entertainment means entertainment activities such as dance halls, discotheques, nightclubs, and similar evening-oriented entertainment activities generally involving amplified music, either live or recorded, as well as restaurants and bars, and other venues or spaces used for different uses during the day that present such activities. It excludes Adult Entertainment.

Non-Retail Sales and Services means a commercial or office use that provides goods and/or services primarily to other businesses rather than to the general public and that may include by way of example and not limitation, wholesale sales, sale, rental, installation, servicing and/or repair of business goods and equipment.

Office means a use within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities that perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following: professional; medical; banking; insurance; management; consulting; technical; sales; artificial intelligence; technology, and design; and the non-accessory office functions of manufacturing and warehousing businesses; multimedia and digital arts, software development, hardware development, web design, electronic commerce, and information technology; administrative services; and professional services. This use does not include retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; or wholesale shipping, receiving and storage.

OPA Rules means rules established by the Agency Commission for property owner participation in redevelopment activities consistent with the provisions of this Plan within the Project Area and consistent with the CRL.

Open Space means space that is retained primarily in an unimproved, natural state. Open Space may be used for passive recreational activities, such as hiking and picnicking, and may include facilities related to such passive recreational uses.

Owner Participation Agreement or OPA means a binding agreement between a property owner and the Agency by which the participant agrees to rehabilitate, develop, use and maintain the property in conformance with this Plan.

Parking means the storage of vehicles Accessory to a principal or secondary residential or commercial use. Such storage can be in the form of independently accessible parking spaces, non-independently accessible parking spaces including those accessed on parking lifts or through the use of valet. Parking spaces need not be on the same lot or block to the use it serves.

Parks means publicly owned, or privately owned and publicly accessible, open space improved with either active recreational amenities such as playing fields, sporting courts, and small performance spaces and/or passive recreational amenities such as trails, picnic areas, and fields.

Performance Arts means a use that includes performance, exhibition, rehearsal, production, or post-production of any of the following: dance, music, dramatic art, film, video, and other visual, performance and sound arts and craft.

Plan Documents means the Business Occupant Re-Entry Policy, Implementation Plan, Hunters Point Shipyard Phase 1 Design for Development, Hunters Point Shipyard Phase 2 Design for Development, Relocation Plan and OPA Rules.

Planning Commission means the Planning Commission of the City and County of San Francisco, California.

Planning Department means the Planning Department of the City and County of San Francisco.

Post-Secondary Institutions means a use that is certified by the Western Association of Schools and Colleges that provides post-secondary educational services such as a school, college or university.

Priority Policies means the eight priority policies stated in Section 101.1, Master Plan Consistency and Implementation, of the City’s Planning Code.

Public Recreation means privately owned recreational areas that are open to the general public. This use may include may include hiking trails, playgrounds, public parks, sports fields, community gardens, golf courses, marinas, and tennis courts as well as accessory uses such as maintenance facilities, parking, and concession areas.

Public Trust means collectively the common law public trust for commerce, navigation and fisheries and the statutory trust imposed by the Granting Act.

Real Property means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

Recreational Facility means a use that provides social, fraternal, counseling, athletic or other recreational gathering services to the community.

Recycled Water Treatment Facility is a centralized facility for treating wastewater to be used for non-potable uses in the Project Area and that abides by odor control measures established in the Phase 2 Design for Development. Passive square footage (i.e., non-administrative office space) within such facility shall not be not included as part of or subject to square footage limitations in Section II.D.4.

Regional Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live throughout the surrounding region and may include both small and large format tenants up to 120,000 square feet. This use would include those who sell apparel, electronics, furniture, durable goods, specialty items, formula retail outlets, and other more expensive, and less frequently purchased items; beyond the surrounding neighborhood. Regional Retail sales and services can include counter and other walk-up facilities as well as adjacent outdoor activity areas accessory to such uses. Includes movie theaters and related or similar uses. Regional retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

Religious Institution means a use that provides religious services to the community such as a church, temple or synagogue.

Relocation Plan means a document approved by the Agency Commission that establishes how the Agency and/or developers shall assist persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with applicable State and Federal law.

Research and Development means a use compatible with adjacent uses that includes the study, testing, engineering, design, analysis, or experimental development of products, processes, or services related to current, emerging, or new technologies, including but not limited to artificial intelligence, clean energy, communications, 3-D production and printing. Research and development may include, but is not limited to, light manufacturing, fabricating, processing, assembling or storage of products or materials, or similarly related activities that includes, but is not limited to, Laboratory, Life Science, Light Industrial, Green Technology, and Office uses.

Residential Care Facility means medical use that provides lodging, board, and care for one day or more to persons in need of specialized aid by personnel licensed by the State but does not provide outpatient services.

Residential Use means a use that includes for sale and rental housing units, including Dwelling Units, Live/Work Units, and Group Housing

Restaurant means a full service or self-service retail facility primarily for eating use that provides ready-to-eat food to customers for consumption on or off the premises, which may or

may not provide seating, and that may include service of liquor under ABC licenses [those explicitly for any alcoholic service in association with a restaurant]. Food may be cooked or otherwise prepared on the premises.

School Facilities Impact Fee means the sum payable to the San Francisco Unified School District pursuant to Government Code Section 65995.

Short-Term Rental has the meaning established in Article 41A of the Administrative Code (as it may be amended from time to time), and, subject to compliance with regulations of the City’s Office of Short-Term Rentals (or its successor), is allowed within Residential Uses unless otherwise prohibited by applicable private covenants or similar restrictions.

Secondary School means a use that provides grade 9-12 education and may be either public or private.

State means the State of California.

Stormwater Best Management Practice (BMP) means constructed facilities or measures to help protect receiving water quality and control stormwater quantity, also referred to as stormwater controls.

Supportive Housing means affordable housing developments with integrated services that are not required as a condition of occupancy and that serve high needs populations including but not limited to low income senior citizens, youth transitioning out of foster care, adults with developmental disabilities, individuals and families who are homeless or at risk of homelessness, and persons with AIDS.

Taxing Agencies means all public entities that have the authority to tax property within the Project Area, including the State, the City, BART, San Francisco Unified School District, City College of San Francisco, Bay Area Air Quality Management District and any district or other public corporation.

Telecommunication/Fiber System means equipment for the transmission, reception or relay of analogue, digital and optical fiber signals.

Use means the purpose for which land or a structure, or both, are designed, constructed, arranged or intended, or for which they are occupied or maintained, let or leased.

Vocational/Job Training Facility means a use that provides job training, and may also provide vocational counseling and job referrals and or office or light industrial activities for education purposes.

REDEVELOPMENT PLAN MAPS

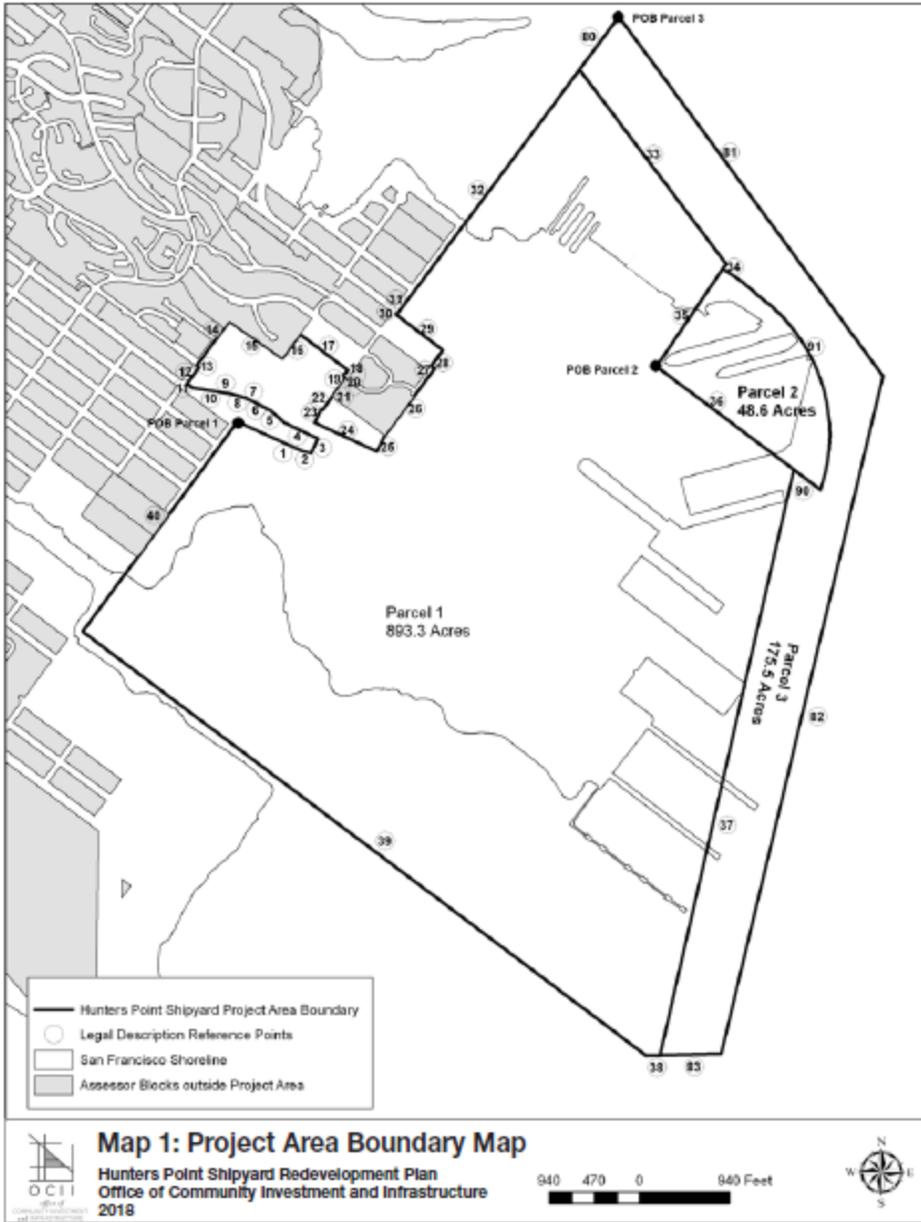
Map 1: Boundary Map

Map 2: Land Use Districts Map

Map 2A: Private Infrastructure Map

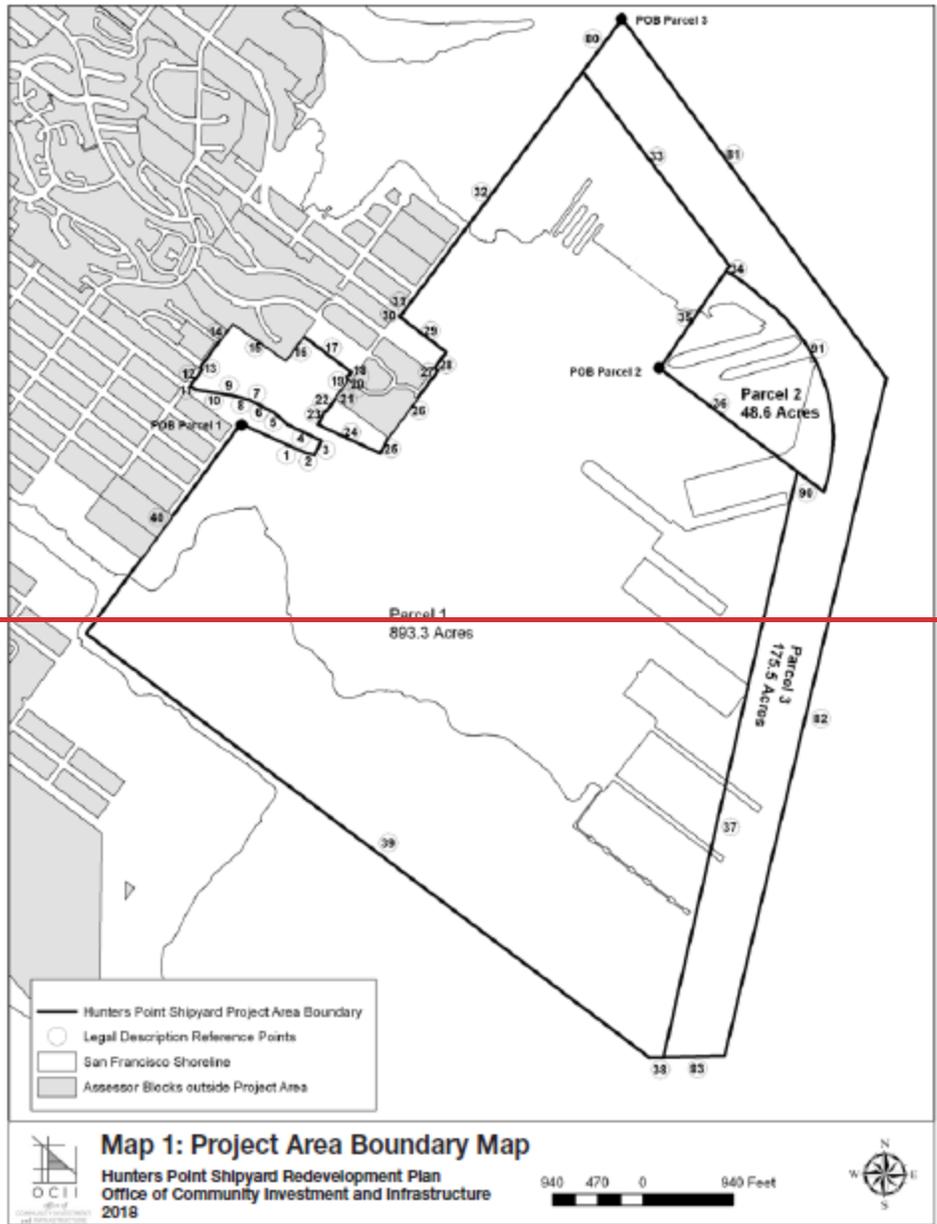
Map 3: Existing Buildings

Map 4: Street Plans



Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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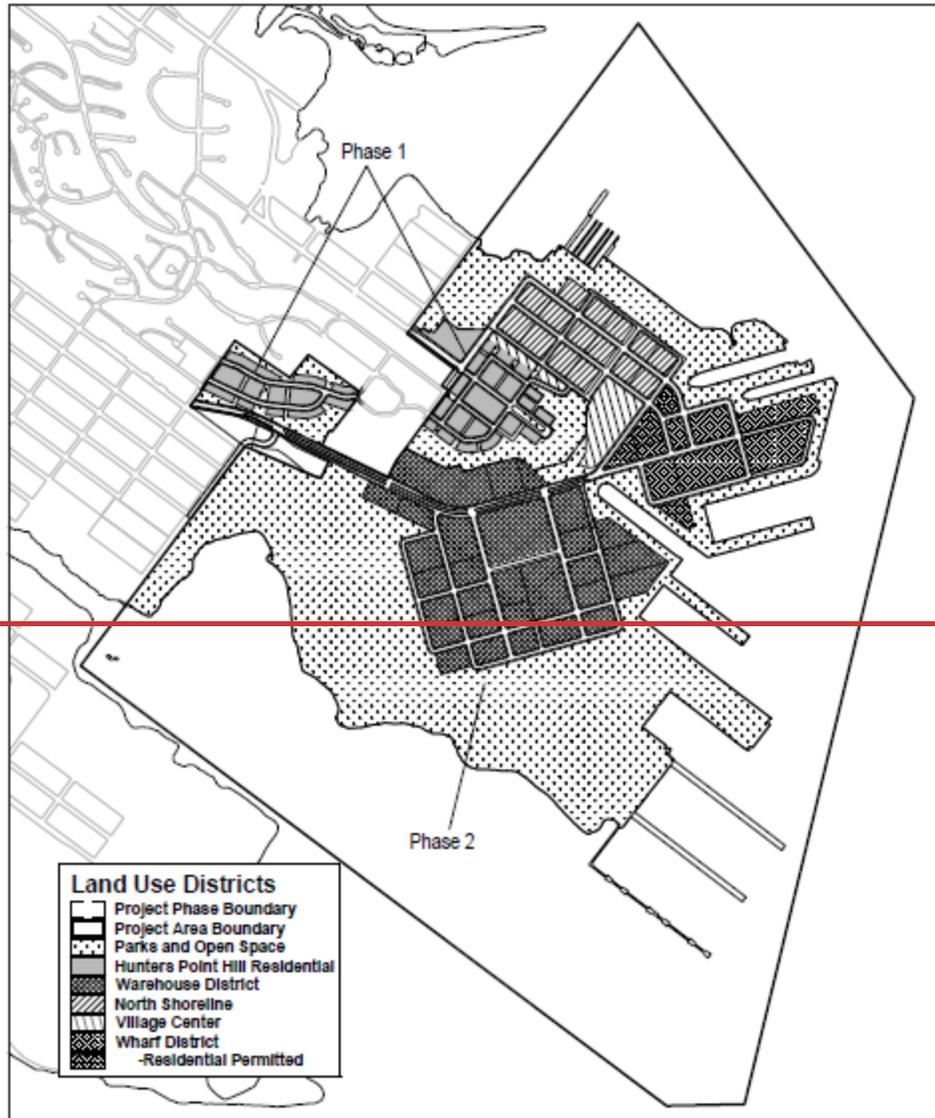


Map 1: Project Area Boundary Map

Hunters Point Shipyard Redevelopment Plan
Office of Community Investment and Infrastructure
2018

Hunters Point Shipyard Redevelopment Plan
July 16, 2018

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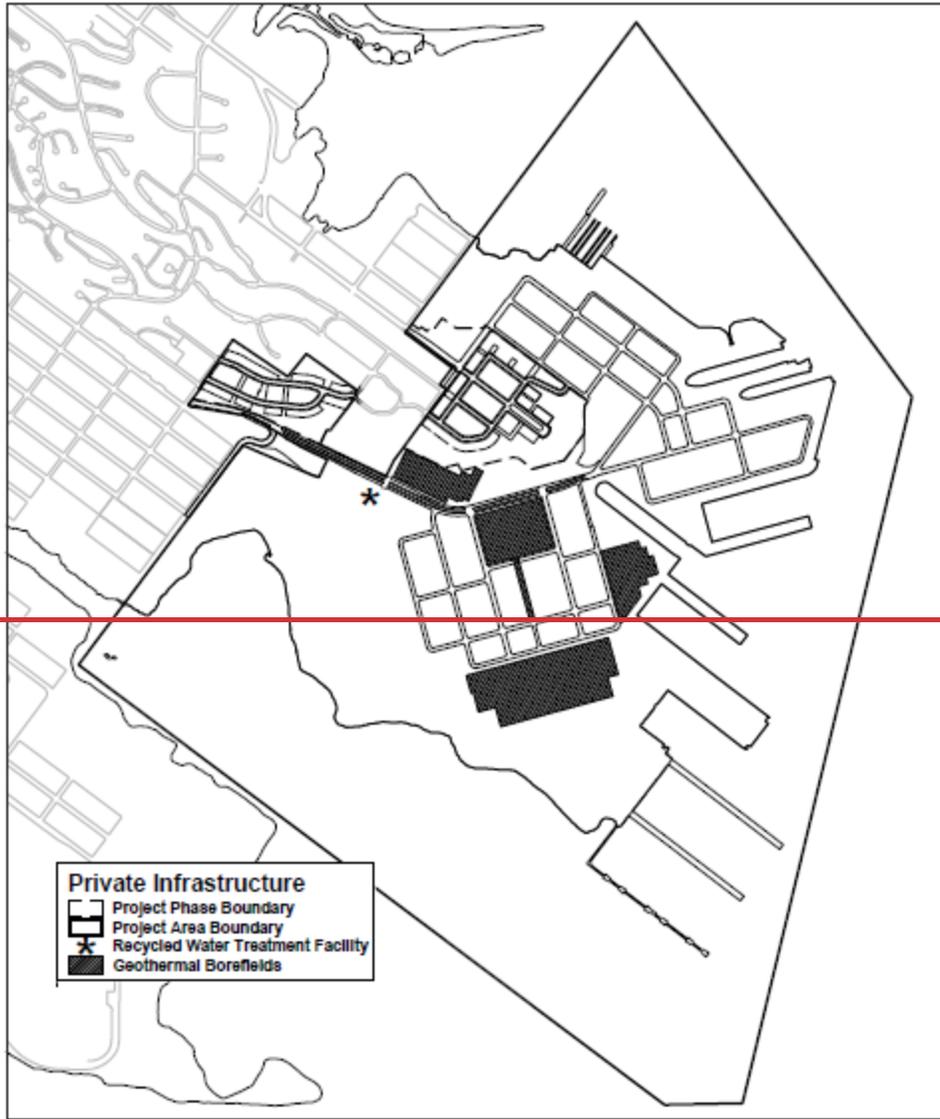


Map 2: Land Use Districts Map
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Private Infrastructure	
	Project Phase Boundary
	Project Area Boundary
	Recycled Water Treatment Facility
	Geothermal Borefields

Map 2A: Private Infrastructure
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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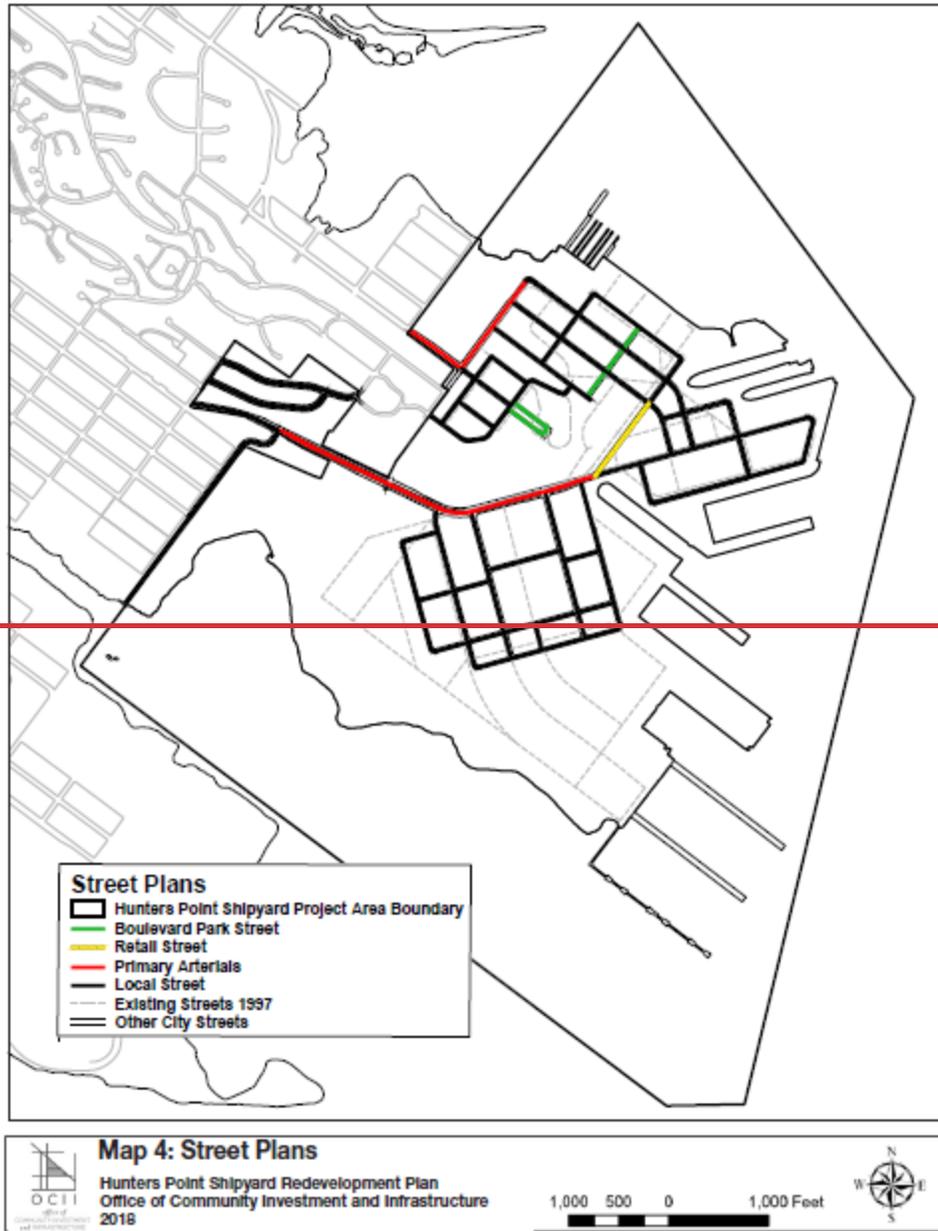
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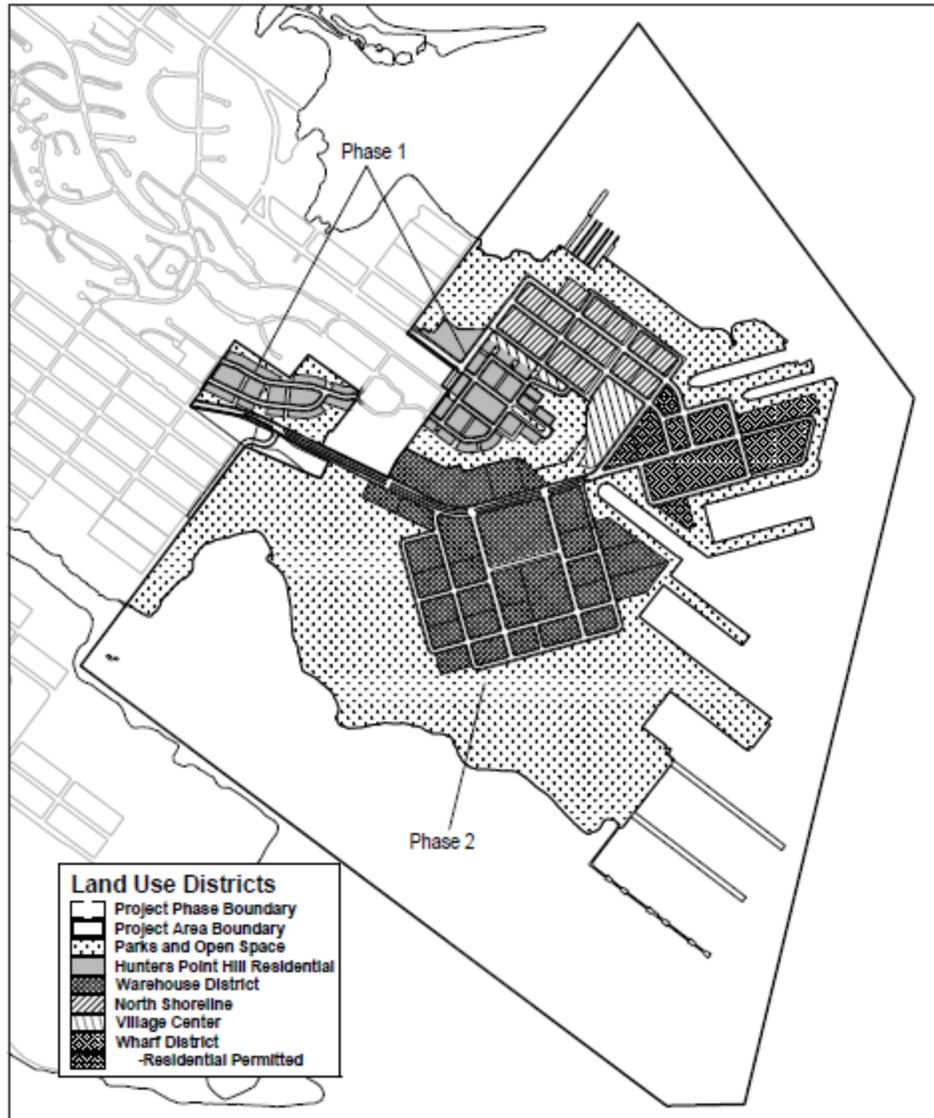
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 July 16, 2018

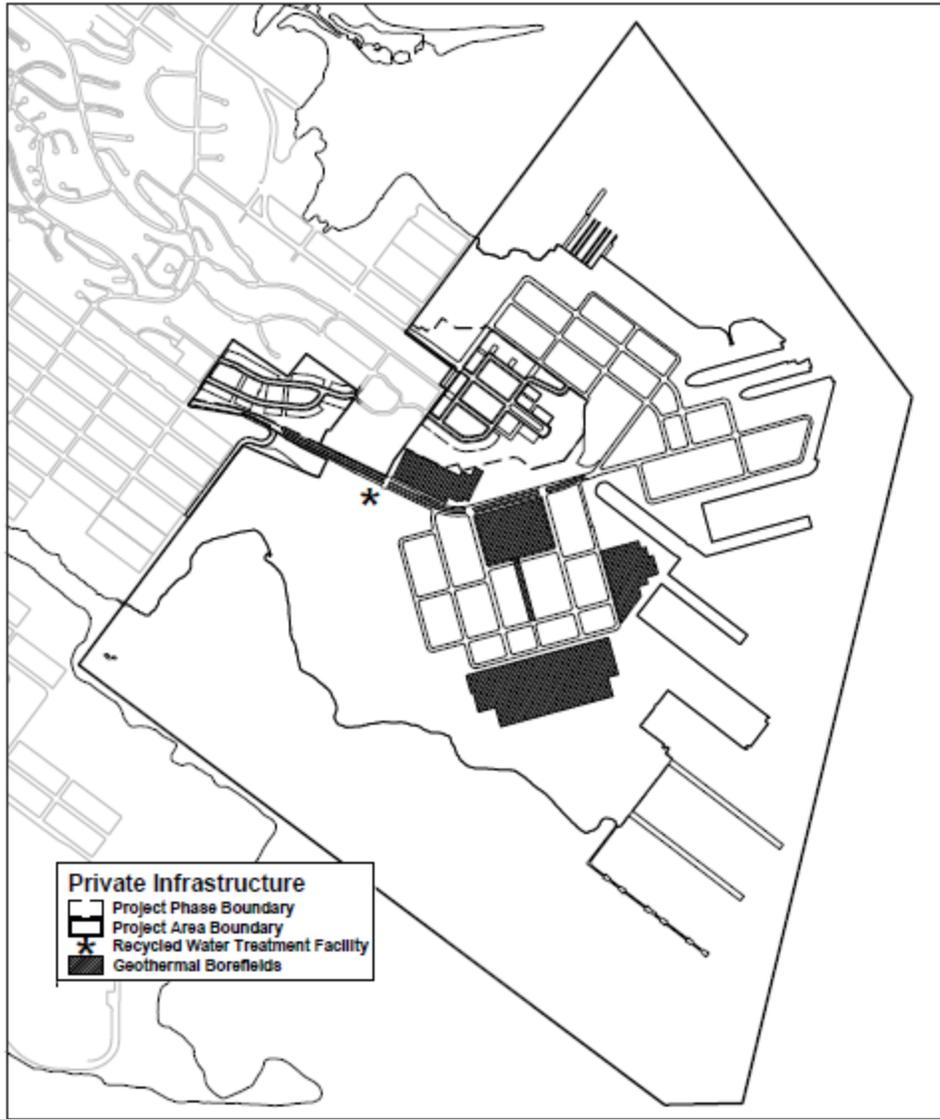
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Map 2: Land Use Districts Map
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

Hunters Point Shipyard Redevelopment Plan
 July 16, 2018

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Private Infrastructure

- Project Phase Boundary
- Project Area Boundary
- Recycled Water Treatment Facility
- Geothermal Borefields

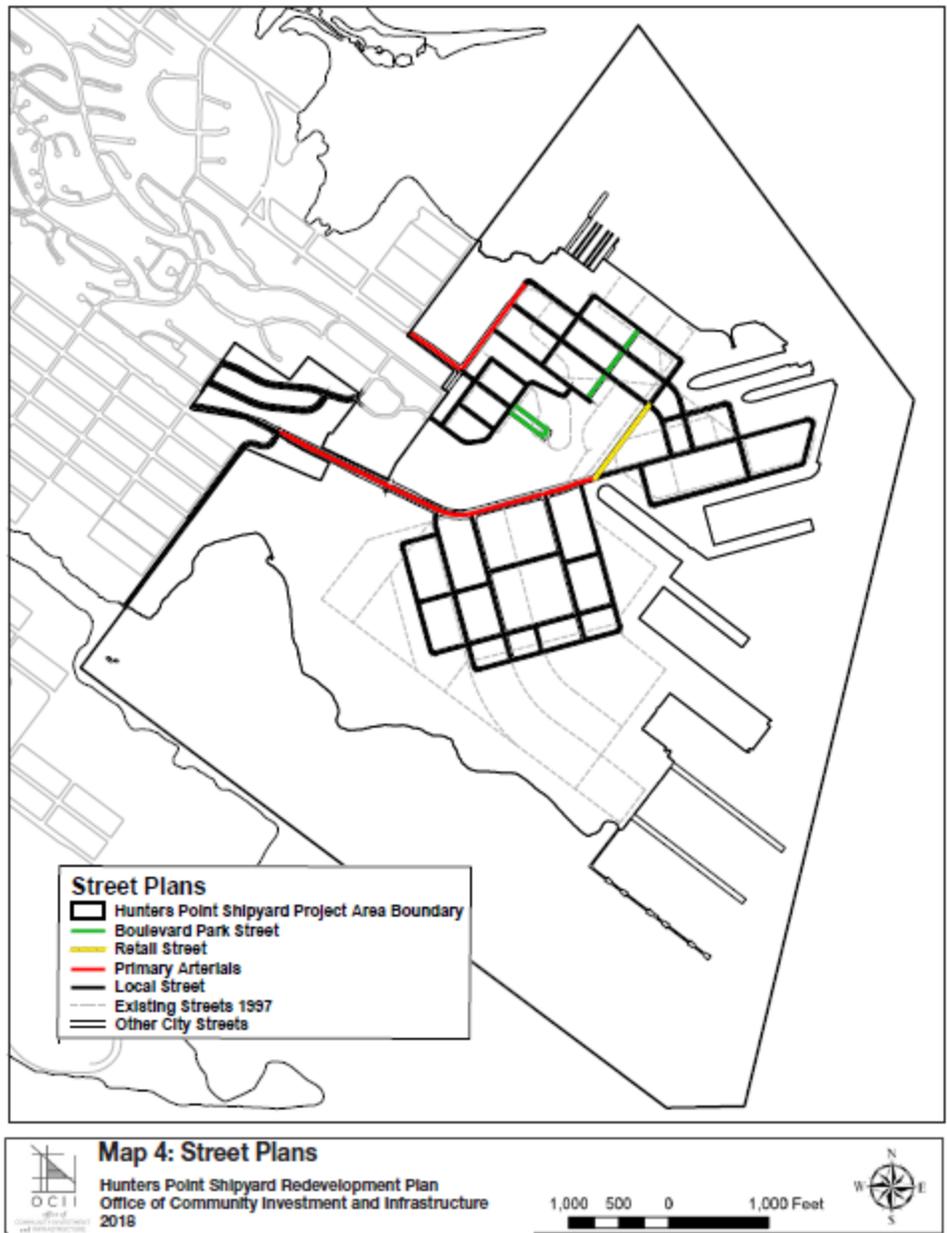
Map 2A: Private Infrastructure
 Hunters Point Shipyard Redevelopment Plan
 Office of Community Investment and Infrastructure
 2018

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 July 16, 2018

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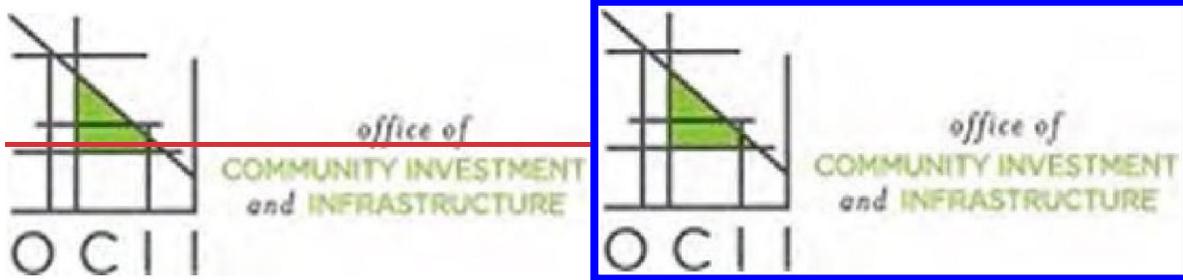
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 July 16, 2018

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**REDEVELOPMENT PLAN
FOR THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT**



July 16, 2018[DATE]



**SUCCESSOR AGENCY TO THE SAN FRANCISCO
REDEVELOPMENT AGENCY**

**Adopted August 3, 2010
Amended June 22, 2017
Amended July 16, 2018**

Amended [DATE], 2024

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**REDEVELOPMENT PLAN
FOR THE
BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT**

Bayview Hunters Point Redevelopment Plan
Approved and Adopted by the Board of Supervisors
of the City and County of San Francisco,
Ordinance No. 25-69, January 20, 1969

Amendments Adopted and Approved by the Board of Supervisors
of the City and County of San Francisco,
Ordinance No. 280-70, August 24, 1970,
Ordinance No. 475-86, December 1, 1986,
Ordinance No. 417-94, December 12, 1994,
Ordinance No. 113-06, May 23, 2006,
Ordinance No. 210-10, August 3, 2010;
Ordinance No. 121-17; June 22, 2017
and Ordinance No. 0167-18, July 16, 2018.

TABLE OF CONTENTS

1.0	BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN OVERVIEW	1
1.1	Bayview Hunters Point Redevelopment Plan Overview	2
1.1.1	Significant Community Participation In Planning Process.....	2
1.1.2	Contents of this Redevelopment Plan	2
1.1.3	Project Area Boundaries	3
1.1.4	Conformance with the General Plan	3
1.1.5	Powers, Duties and Obligations for Implementation of this Redevelopment Plan	443
1.1.6	Powers and Duties of the Project Area Committee	444
1.1.7	Preliminary Plan.....	444
1.1.8	Remaining Survey Area Subject to Further Analysis and Incorporation	554
1.2	Planning Goals and Objectives for the Project Area	555
1.2.1	Redevelopment Project Area Objectives	555
1.2.2	Implementation Plan for the Project Area	666
1.2.3	Related Plan Documents for the Project Area	776
1.2.4	Historical Survey of the Project Area	776
1.2.5	Performance Audit	777
1.3	Redevelopment Plan Duration	887
1.3.1	Plan Duration for Project Area A.....	887
1.3.2	Plan Duration for Project Area B.....	887
1.4	Redevelopment Activities for the Project Area	998
1.4.1	Redevelopment Actions	998
1.4.2	Personal Property Acquisition and Disposition	10109
1.4.3	Real Property Acquisition.....	10109
1.4.4	Real Property Disposition and Development.....	101010
1.4.5	Prohibitions and Limitations on Use of Eminent Domain.....	111111
1.4.6	Rehabilitation, Conservation and Moving of Structures.....	131312
1.5	Community Revitalization Activity Nodes.....	131312
1.5.1	Northern Gateway	141413
1.5.2	Town Center.....	141413
1.5.3	Health Center	151513

Bayview Hunters Point Redevelopment Plan

~~July 16, 2018~~

~~[Date], 2024~~

1.5.4	South Basin	151514
1.5.5	Oakinba	161614
1.5.6	Hunters Point Shoreline	161615
1.5.7	Candlestick Point	161615
1.6	Community Enhancements and Benefits Program for the Project Area.....	171716
1.6.1	Community Benefits Program	171716
1.6.2	Proposed Benefits Programs	171716
1.6.3	Open Space	181816
1.6.4	Public Improvements and Public Facilities.....	181817
1.7	Affordable Housing in the Project Area	191917
1.7.1	Affordable Housing Program.....	191917
1.7.2	Affordable Housing Production Goals.....	191917
1.7.3	Affordable Housing Participation Policy	191918
1.7.4	Tax Increment Committed To Housing	202019
1.7.5	Replacement Housing	212119
1.7.6	Occupancy Preferences	212120
1.8	Methods of Financing this Redevelopment Plan in the Project Area	222220
1.8.1	General Description of Proposed Financing Method.....	222220
1.8.2	Tax Increment Financing	222220
1.8.3	Agency Bonds	242422
1.8.4	Time Limit on Establishment of Indebtedness	252523
1.8.5	Time Limit for Receipt of Tax Increment Funds	252523
	24	
	24	
1.8.6	Other Loans, Grants and Miscellaneous Financing Sources	262624
2.0	GENERAL POLICIES APPLICABLE TO THE PROJECT AREA	262624
2.1	Relocation of Displaced Persons, Businesses and Others in Project Area	262624
2.1.1	Assistance in Finding other Locations	262624
2.1.2	Relocation Payments.....	272725
2.1.3	Business Tenant Preference	272725
2.2	Nondiscrimination and Equal Opportunity	272725
2.2.1	Nondiscrimination in Implementation	272725

2.2.2	Employment and Contracting Opportunities in Implementation.....	282826
2.3	Owner Participation Agreements.....	282826
2.3.1	Participation by Property Owners.....	282826
2.3.2	OPA Rules.....	292927
2.4	Enforcement, Amendments and Severability of Redevelopment Plan.....	292927
2.4.1	Actions by the City.....	292927
2.4.2	Administration and Enforcement.....	292927
2.4.3	Procedures for Plan Amendment.....	292927
2.4.4	Severability.....	303027
3.0	EXPIRED REDEVELOPMENT PLAN FOR PROJECT AREA A.....	303028
3.1	Methods of Financing under this Redevelopment Plan for former Project Area A..	303028
3.1.1	General Description of Proposed Financing Method.....	303028
3.1.2	Limits on Indebtedness and Tax Increment for Non-Housing Purposes.....	323229
3.1.3	Extension of Indebtedness and Tax Increment for Housing under Senate Bill (SB) 2113.....	323230
4.0	REDEVELOPMENT PLAN FOR ZONE 1 OF THE PROJECT AREA.....	323230
4.1	Existing Conditions in Zone 1 of the Project Area.....	3333308
4.2	Generalized Neighborhood Land Uses.....	333331
4.2.1	Alice Griffith Neighborhood.....	333331
4.2.2	Candlestick North Neighborhood.....	333331
4.2.3	Candlestick Center Neighborhood.....	3434319
4.2.4	Candlestick South Neighborhood.....	343432
4.2.5	Intentionally Deleted.....	353532
4.2.6	Land Use Districts.....	353532
4.2.7	Candlestick Mixed Use Residential District.....	373734
4.2.8	Candlestick Center Mixed Use Commercial District.....	393936
4.2.9	Open Space.....	4242385
4.2.10	Interim Uses.....	424239
4.2.11	Temporary Uses.....	434340
4.2.12	Public Rights-of-Way.....	4444407
4.3	Standards and Procedures for Development in Zone 1.....	444441
4.3.1	Applicability of City Regulations; City’s Duty to Protect Public Health and Safety.....	444441

Bayview Hunters Point Redevelopment Plan

~~July 16, 2018~~

~~[Date], 2024~~

4.3.2	Cooperation Agreement	474744
4.3.3	Interagency Cooperation Agreement	484844
4.3.4	Type, Size, Height and Use of Buildings in Zone 1	484844
4.3.5	Limitation on the Number of Buildings.....	484844
4.3.6	Limitation on the Number of Dwelling Units.....	4848441
4.3.7	Limitation on Type, Size and Height of Buildings.....	4949451
4.3.8	Parking	494946
4.3.9	Land Coverage	505046
4.3.10	Signs.....	505046
4.3.11	Review of Planning Applications, Architectural and Landscape Plans.....	505046
4.3.12	Off-Site Improvements	505046
4.3.13	Variance by Agency.....	515147
4.3.14	Nonconforming Uses	515147
4.3.15	Development Fees and Exactions	525248
4.3.16	Office Development Limitations	535349
4.3.17	Shadow on Recreation and Park Property	545450
5.0	REDEVELOPMENT PLAN FOR ZONE 2 OF THE PROJECT AREA	545450
5.1	Existing Conditions in Zone 2 of the Project Area	545450
5.2	Land Uses Permitted in Zone 2 of the Project Area	555550
5.2.1	Permitted Land Uses in Zone 2.....	555550
5.2.2	Residential.....	555551
5.2.3	Mixed Use – Neighborhood Commercial.....	555551
5.2.4	Light Industrial.....	565651
5.2.5	Buffer Zones	565651
5.2.6	Public Facility	565652
5.2.7	Public Rights-of-Way	565652
5.3	Standards for Development in Zone 2 of the Project Area.....	575752
5.3.1	Delegation Agreement	575752
5.3.2	Type, Size, Height and Use of Buildings in Zone 2	575753
5.3.3	Limitation on the Number of Buildings.....	585853
5.3.4	Number of Dwelling Units.....	585853
5.3.5	Parking	585853

5.3.6	Land Coverage	585853
5.3.7	Signs.....	585853
5.3.8	Review of Planning Applications, Architectural and Landscape Plans.....	585854
5.3.9	Off-Site Improvements	595954
5.3.10	Variance by Agency.....	595954
5.3.11	Variance by Planning Department	595955
5.4	Economic Development Program for Zone 2 of the Project Area.....	606055
5.4.1	Proposed Economic Development Programs.....	606055
5.4.2	Economic Development Activity Nodes	606055
6.0	DEFINITIONS.....	616156

ATTACHMENTS

Attachment A - Legal Description Project Area A

Attachment B - Legal Description Project Area B

Parcel One

Parcel Two

Attachment C - Authorized Public Improvements

Attachment D - List of Blocks and Lots Within Zone 1 of Project Area B

Attachment E - Planning Code Section 314

Attachment F - Planning Code Section 295

Attachment G - Planning Commission Resolution 18102

Attachment H - Proposition O (2016)

EXHIBITS

MAP 1 – Project Area Boundary

MAP 2 – Project Area B Redevelopment Zones

MAP 3 – Area B Activity Nodes

MAP 4 – Zone 1 Land Use Districts Map

MAP 5 – Zone 2 Generalized Land Use Map

1.0 BAYVIEW HUNTERS POINT REDEVELOPMENT PLAN OVERVIEW

When adopted in 2006, this Bayview Hunters Point Redevelopment Plan¹ (the “**Redevelopment Plan**”) amended the redevelopment plan formerly known as the Hunters Point Redevelopment Plan for the redevelopment project area formerly known as “**Hunters Point Redevelopment Project Area**.” In January 2009, the portion of this Redevelopment Plan covering the Hunters Point Redevelopment Project Area (also known as Project Area A) expired and, as a result, the Redevelopment Agency of the City and County of San Francisco (the “**Agency**”) has no authority to act pursuant to that portion of this Redevelopment Plan except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which includes the use of its tax increment for the funding of affordable replacement housing.² With the expiration of Project Area A, only the area added by the 2006 amendment constitutes the “**Bayview Hunters Point Redevelopment Project Area**” (sometimes referred to as the “**Project Area B**” or the “**Project Area**”). During the preparation of this Redevelopment Plan, the Agency consulted with the Project Area Committee, the Planning Department and other departments of the City and County of San Francisco (the “**City**”).

On February 1, 2012, the State of California dissolved all redevelopment agencies, including the Agency, and established successor agencies to assume certain rights and obligations of the former redevelopment agencies, Cal. Health & Safety Code § 34170 et seq. (the “Redevelopment Dissolution Law”). As a result, the Agency ceased to exist and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as the Office of Community Investment and Infrastructure or “OCII”), was established by operation of law and assumed certain obligations of the Agency, primarily those “enforceable obligations” that were entered into prior to the suspension of redevelopment agencies’ activities and were approved by the State of California, through its Department of Finance. On December 14, 2012, the Department of Finance finally and conclusively determined that the following agreements associated with the Project Area are enforceable obligations that survived redevelopment dissolution: the Disposition and Development Agreement for Candlestick Point-Hunters Point Shipyard Phase 2 (“CP-HPS2”) and the Tax Increment Allocation Pledge Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), including those portions funding affordable housing in CP-HPS2. Accordingly, the Successor Agency continues to have authority to implement the above-referenced enforceable obligations in Zone 1 of the Project Area, but lacks authority to undertake activities in Zone 2 of the Project Area.

In 2023, amendments to State law established that the limitations relating to time for establishing loans, advances, and indebtedness, the effectiveness of the Redevelopment Plan, the time to repay indebtedness, the time for applying tax increment, number of tax dollars, or any other matters set forth in Health & Safety Code sections 33333.2 and 33492.13 shall not apply to

¹ Capitalized terms have the meaning set forth in Section 6 (**Definitions**) unless otherwise indicated in the text.

² Under Sections 33333.7 and 33333.8 of the California Health and Safety Code, the Agency may continue to incur indebtedness and receive tax increment from the Hunters Point Project Area (Project Area A) to fulfill its housing obligation to replace affordable housing units that were previously destroyed and never replaced. Ordinance No. 15-05 (Jan. 21, 2005).

the CP-HPS2 project, which is located within Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area. Stats. 2023, chapter 196, section 14 (Sep. 13, 2023) (codified at Health & Safety Code section 34177.7(j)). Consistent with Section 34177.7(j), the 2024 amendment to this Redevelopment Plan incorporates the new limitations referenced in the preceding sentence, which were approved by the Oversight Board of the City and County of San Francisco and the California Department of Finance in the amended CP-HPS2 project agreements.

1.1 Bayview Hunters Point Redevelopment Plan Overview

1.1.1 Significant Community Participation In Planning Process

The Hunters Point Redevelopment plan was adopted in 1969 to replace and rehabilitate former military housing units. The redevelopment activities in this area, termed Project Area A in this Redevelopment Plan, are complete. In 1995 the community completed planning work on the South Bayshore Area Plan, a specific area plan of the San Francisco General Plan. The South Bayshore Area Plan considered the use of redevelopment tools to continue the revitalization of the Bayview Hunters Point community. The same year, the Board of Supervisors created the Bayview Hunters Point Survey Area. In 1997, the PAC was formed through a public election process.

The PAC created the Community Revitalization Concept Plan for Bayview Hunters Point in 2000, which outlined a wide range of programs intended to bring about physical and economic improvements in the community. While the Concept Plan described many activities beyond the scope of redevelopment programs, it has served as the foundational policy document for this Redevelopment Plan. In 2004, the PAC completed the Framework Housing Program that described an array of affordable housing programs and policies supported by PAC members. This Redevelopment Plan incorporates relevant policies of the Framework Housing Program. Both the Concept Plan and the Framework Housing Program should continue to guide the policies of the Agency and other city departments working in Bayview Hunters Point.

In June 2008, San Francisco voters approved Proposition G, which adopted policies for revitalization of Candlestick Point and Hunters Point Shipyard Phase ~~Phase-2~~. This Redevelopment Plan implements Proposition G.

1.1.2 Contents of this Redevelopment Plan

This Redevelopment Plan consists of this text, the Project Area Boundary map (Map 1), the Legal Descriptions of Project Areas A and B (Attachments A & B), the Project Area B Redevelopment Zones map (Map 2), the Area B Activity Nodes map (Map 3), the Zone 1 Land Use Districts Map (Map 4), the Zone 2 Generalized Land Use Map (Map 5), the list of

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Authorized Public Improvements (Attachment C), the List of Blocks and Lots within Zone 1 as of the 2010 Plan Amendment Date (Attachment D), Planning Code Section 314 (Attachment E), Planning Code Section 295 (Attachment F), Planning Commission Resolution 18102 (Attachment G) (subject to Section 4.3.16 (below)), and Proposition O (Attachment H). All attachments and maps are incorporated into this Redevelopment Plan by reference. This Redevelopment Plan was prepared by the Agency pursuant to the California Community Redevelopment Law (CRL), the California Constitution, and all applicable local codes and ordinances. The Project Area is in Bayview Hunters Point, City and County of San Francisco, State of California and includes all properties within the Project Area boundary shown on Map 1.

1.1.3 Project Area Boundaries

The Project Area consists of Project Area B which has two sub-areas: Zone 1 (also known as the Candlestick Point Sub-Area) and Zone 2.³

Project Area B includes portions of the Survey Area designated and described in Resolution No. 26-95 adopted by the Board of Supervisors of the City and County of San Francisco on January 3, 1995, and formally designated in name as the “Bayview Hunters Point Survey Area” in Resolution No. 439-99 adopted by the Board of Supervisors on May 10, 1999. The BVHP Project Area was adopted on June 1, 2006 by Ordinance No. 113-06. The boundaries of Project Area B are indicated on Map 1, Project Area Boundary Map, and the legal description is found in Attachment B. The sub-areas of Project Area B are illustrated in Map 2. The parcels, as of the 2010 Plan Amendment Date, within Zone 1 are listed by Assessor Block and Lot numbers in Attachment D.

A portion of the original Bayview Hunters Point Survey Area created in 1995 centered around the Hunters Point Shoreline Activity Node, also referred to as the India Basin Shoreline, may be added as Project Area C as part of a future plan amendment, as described in Section 1.1.8 below.

1.1.4 Conformance with the General Plan

The Redevelopment Plan is consistent with the General Plan of the City and County of San Francisco and its applicable elements, including the BVHP Area Plan and the Candlestick

³ Prior to its expiration in 2009, Project Area A comprised all of the Redevelopment Area G (Hunters Point), as designated and described in Resolution No. 711-63 adopted by the Board of Supervisors on December 23, 1963, portions of the Survey Area as designated and described in Resolution No. 100-68 adopted by the Board of Supervisors on February 13, 1968, and Survey Areas as designated and described in Resolution No. 313-70 adopted by the Board of Supervisors on May 25, 1970. The boundaries of Project Area A are indicated on Map 1, Project Boundary Map, and the legal description is found in Attachment A.

Point Sub-Area Plan, each as of the 2018~~24~~ Plan Amendment Date, and is in conformity with the eight Priority Policies of Section 101.1 of the San Francisco Planning Code.

1.1.5 Powers, Duties and Obligations for Implementation of this Redevelopment Plan

This Redevelopment Plan provides the Agency with the powers, duties and obligations to implement and further the programs generally described herein for the redevelopment, rehabilitation and revitalization of the Project Area. This Redevelopment Plan provides a framework and sets forth the objectives, redevelopment programs, and land use controls within which specific redevelopment activities in the Project Area will be pursued. It also describes the tools available to the Agency to develop and proceed with specific plans, projects, and solutions. The development of all real property in Zone 1 of the Project Area is subject to the controls and requirements of this Redevelopment Plan, and the other applicable Plan Documents, including the development standards and design guidelines established in the Candlestick Point Design for Development. The development of all real property in Zone 2 of the Project Area is subject to the controls and requirements of this Redevelopment Plan, the Planning Code and the other applicable Plan Documents, as described herein.

1.1.6 Powers and Duties of the Project Area Committee

The PAC has the role and duties listed in Section 33347.5 and Sections 33385 through 33388 of the CRL, which requires, among other things that the Agency consult with and obtain the advice of a project area committee on policy matters affecting the residents of the project area “throughout the period of preparation of the redevelopment plan and for a three-year period after the adoption of the redevelopment plan, subject to one-year extensions by the legislative body.” Section 33386. The required three-year period for the PAC is reset by the amendment of this Redevelopment Plan by Ordinance No. 210-10. When the term of the existing PAC expires, the Agency shall request, on an annual basis, that the Board of Supervisors authorize one-year extensions of the PAC for the duration of this Redevelopment Plan or otherwise ensure, pursuant to CRL Section 33385(f), that another advisory committee is formed for the duration of this Redevelopment Plan. The Agency will consult with and seek the advice of the PAC or other advisory committee on policies and programs designed to implement this Redevelopment Plan.

1.1.7 Preliminary Plan

This Redevelopment Plan is based on the Amended Preliminary Plan for the South Bayshore Redevelopment Project Area, formulated and adopted by the Planning Commission by Motion No. 14205 on October 10, 1996 and as revised by the Planning Commission by Motion No. 14257 on December 12, 1996. The Planning Commission also formulated and adopted the India Basin Preliminary Plan by Motion No. 17932 on July 23, 2009.

1.1.8 Remaining Survey Area Subject to Further Analysis and Incorporation

A portion of the Bayview Hunters Point Survey Area that is centered around the Hunters Point Shoreline Activity Node, as shown on Map 3 – Area B Activity Nodes, is subject to further analysis and planning by the Agency, in conjunction with the Planning Department and other City departments. Although this area suffers from severe blighting conditions, further analysis and study are required before the Agency can recommend to the Board of Supervisors that the area be included in the Project Area. The Agency anticipates that further planning and blight analysis will support a future amendment to this Redevelopment Plan to include most of this area. If supported by further analysis, the Agency anticipates incorporation of the India Basin Shoreline area as Project Area C through a further amendment of this Redevelopment Plan.

1.2 Planning Goals and Objectives for the Project Area

1.2.1 Redevelopment Project Area Objectives

The following goals for this Redevelopment Plan were established in conjunction with the PAC through its endorsement of the Concept Plan and in meetings with members of the public at large. Together with the other related Plan Documents, these goals and objectives will direct the revitalization of the community and guide the direction of all future development within the Project Area. The goals and objectives for the Project Area are as follows:

- Providing opportunities for participation by owners in the redevelopment of their properties.
- Increasing the community’s supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community.
- Strengthening the economic base of the Project Area and the community by strengthening retail and other commercial functions within the Project Area through the facilitation of new retail space, and as appropriate, new commercial and light industrial uses.
- Providing public parks and open space.
- Administering lands granted to the Agency by the State consistent with the Public Trust for commerce, navigation and fisheries, and reconfiguring those lands in a manner that enhances their value for Public Trust purposes, in accordance with Chapter 203 of the Statutes of 2009 (as amended from time to time, the “Granting Act”).

- Retaining existing residents and existing cultural diversity to the extent feasible.
- Encouraging participation of area residents in the economic development that will occur.
- Supporting locally-owned small businesses and local entrepreneurship.
- Facilitating emerging commercial-industrial sectors through facilitating improvement of transportation access to commercial and industrial areas, improvement of safety within the Project Area, and the installation of needed site improvements to stimulate new commercial and industrial expansion, employment, and economic growth.
- Facilitating public transit opportunities to and within the Project Area to the extent feasible.
- Providing land, as feasible and appropriate, for publicly accessible open spaces.
- Facilitating the preservation, rehabilitation, and seismic retrofitting of historic buildings and other landmarks.
- Providing assistance towards the improvement of key transportation routes to meet the needs of alternative transportation modes, industrial trucking operations, and emergency operations.
- Eliminating blighting influences and correcting environmental deficiencies within the Project Area, including, abnormally high vacancies, abandoned, deteriorated and dilapidated buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities.
- Removing structurally substandard buildings, removing impediments to land development, and facilitating modern, integrated development with improved pedestrian and vehicular circulation within the Project Area and vicinity.
- Redesigning and developing undeveloped and underdeveloped areas, which are improperly utilized.
- Providing flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

1.2.2 Implementation Plan for the Project Area

Community Redevelopment Law Section 33490 requires the Agency to adopt, after a public hearing, an implementation plan that contains the specific goals and objectives of the Agency for the Project Area, the specific programs, including potential projects, estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the Project Area

Bayview Hunters Point Redevelopment Plan
July 16, 2018

and implement the requirements of CRL Sections 33334.2, 33334.4, 33334.6, and 33413. After adoption of the first implementation plan, subsequent implementation plans must be adopted every five years either in conjunction with the City's housing element cycle, new redevelopment plan amendments, or the implementation plan cycle and report on the Agency's compliance with CRL Sections 33334.2, 33334.4, 33334.6, and 33413.

1.2.3 Related Plan Documents for the Project Area

In order to facilitate the implementation of this Redevelopment Plan, the Agency has developed, or may develop in the future, related Plan Documents such as the Design for Development, Interagency Cooperation Agreement, Business Occupant Re-Entry Policy, Delegation Agreement, Implementation Plan, OPA Rules and Relocation Plan. In addition, the State or, subject to the provisions of this Redevelopment Plan, the City may pass legislation related to this Redevelopment Plan.

1.2.4 Historical Survey of the Project Area

As part of the Agency's annual budget, the Agency shall seek funding from the Board of Supervisors to conduct a building-by-building historical survey of each parcel in the Project Area. The Agency shall complete the survey within five (5) years from the date that the Agency first receives sufficient funding from the City to initiate the survey. If funded, this survey will include, among other things, an architectural description and analysis together with historical documentation of each building, structure, or object and will also note whether it has been designated in any existing City survey or other official listing. In seeking this funding, the Agency may identify particular subareas of the Project Area that will be surveyed incrementally over a period of time so that completion of the entire survey of the Project Area will occur over a five year period. The Agency may request funding for a subarea survey based on its inclusion in the Planning Department's rezoning efforts, its identification in this Redevelopment Plan as an Economic Development Activity Node, or some other reasonable classification of an area for survey purposes. As of the 2010 Plan Amendment Date, a Historic Survey has been conducted for the Candlestick Point (Zone 1), the Hunters Point Shoreline (including Survey Area C), and the Town Center Activity Nodes.

1.2.5 Performance Audit

The City Services Auditor will conduct periodic performance audits of the activities of the Agency and other relevant City departments in implementing this Redevelopment Plan. Such audits will include a review of the overall performance and effectiveness of the Agency, together with relevant City departments, in the planning, undertaking, construction and operation of redevelopment projects in furtherance of the goals and objectives for the Project Area as set forth in this Redevelopment Plan. The Agency and City will provide for the cost of such performance audit in the Agency's annual budget.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

1.3 Redevelopment Plan Duration

1.3.1 Plan Duration for Project Area A

On January 1, 2009, the Agency’s land use jurisdiction over Project Area A ended, and this Redevelopment Plan has no further effect as to development in Project Area A, except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which include the use of its tax increment for the funding of affordable replacement housing. In 2005, the Board of Supervisors adopted a plan amendment by Ordinance No. 15-05, allowing the Agency to incur additional indebtedness and receive additional tax increment revenues from Project Area A to repay the additional indebtedness, but only for the purpose of funding low- and moderate-income housing fund activities. The 2005 plan amendment was authorized under Section 33333.7 and Section 33333.8 of the CRL, which is also known as SB 2113.

Any declaration of restrictions formulated pursuant to this Redevelopment Plan may contain provisions for the extension of such declaration of restrictions for successive periods. Tax increment financing will remain in place beyond this expiration date.

1.3.2 Plan Duration for Project Area B

The provisions of this Redevelopment Plan for Zone 2 of Project Area B will be effective for thirty years from the adoption of the ordinance approving the Bayview Hunters Point Plan by the Board of Supervisors on June 1, 2006; except that the nondiscrimination and nonsegregation provisions will run in perpetuity. ~~After this time limit~~

The provisions of this Redevelopment Plan for Zone 1 of Project Area B will be effective for thirty (30) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the Disposition and Development Agreement for the CP-HPS2 project (“CP-HPS2 DDA”)) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the provisions of this Redevelopment Plan shall be (i) thirty (30) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which represents the “Anticipated Navy Delay”. The “Anticipated Navy Delay” is the estimated delay, based on documentation from the Navy, that completion of remediation and conveyance of all portions of Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, excluding Parcel F, to the master developer of the CP HPS2 project will occur in 2036-2038, including time needed for issuance of a Finding of Suitability for Transfer and associated conveyance documentation. This Anticipated Navy Delay warrants an additional extension of the redevelopment timelines to be established pursuant to Section

34177.7(j) to include fifteen (15) additional years for purposes of those redevelopment activities on Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area and related tax increment financing. Notwithstanding that the effectiveness of this Redevelopment Plan for Zone 1 of Project Area B may expire as described above, the Agency shall continue to pay indebtedness and receive property taxes pursuant to Section 33670 of the California Health and Safety Code from Zone 1 of Project Area B as set forth herein.

After the time limits on the duration and effectiveness of this Redevelopment Plan, the Agency will have no authority to act pursuant to this Redevelopment Plan except, subject to compliance with the Redevelopment Dissolution Law, (i) to pay previously incurred indebtedness and to enforce existing covenants or contracts, and (ii) if the Agency has not completed its housing obligations pursuant to CRL Section 33413, it will retain its authority to implement its requirements under CRL Section 33413, including its ability to incur and pay indebtedness for this purpose, and will use this authority to complete these housing obligations as soon as reasonably possible.

1.4 Redevelopment Activities for the Project Area

1.4.1 Redevelopment Actions

The Agency may exercise all of its powers in Project Area B, including but not limited, to the following:

- Providing very low-, low- and moderate-income housing, including supportive housing for the homeless;
- Preserving the availability of affordable housing units assisted or subsidized by public entities, which are threatened with conversion to market rates;
- Requiring the integration of affordable housing sites with sites developed for market rate housing;
- Assisting the development of affordable and supportive housing by developers;
- Providing relocation assistance to eligible occupants displaced from property in the Project Area by Agency Actions;
- Providing for participation in redevelopment by owners presently located in the Project Area and extending preferences to business occupants and other tenants desiring to remain or relocate within the Project Area;
- Acquiring land or building sites;
- Demolishing or removing certain buildings and improvements;

- Constructing buildings, structures, roadways, and park facilities;
- Improving land, building sites, or public infrastructure with on-site or off-site improvements;
- Encouraging the rehabilitation of structures and improvements by present owners or their successors;
- Disposing of property by sale, lease, donation or other means to public entities or private developers for uses in accordance with this Redevelopment Plan;
- Financing insurance premiums pursuant to CRL Section 33136;
- Developing plans, paying principal and interest on bonds, loans, advances or other indebtedness or paying financing or carrying charges;
- Promoting the retention of existing businesses and attraction of new businesses and the provision of assistance to the private sector, if necessary; and
- Remedying or removing a release of hazardous substances on, under, or from property within the Project Area.

To accomplish the above activities in the implementation and furtherance of this Redevelopment Plan, the Agency is authorized to use all the powers provided in this Redevelopment Plan and all the powers now or hereafter permitted by law as may be limited by this Redevelopment Plan.

1.4.2 Personal Property Acquisition and Disposition

The Agency is not authorized to acquire personal property in the Project Area, except as necessary in the execution of this Redevelopment Plan. For purposes of this section, personal property includes but is not limited to, structures and improvements without acquiring the land upon which those structures or improvements are located. The Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber or otherwise dispose of personal property acquired by the Agency.

1.4.3 Real Property Acquisition

The Agency may acquire real property, either the entire fee or any other interest in real property less than a fee, including underground easements, located in the Project Area by any means authorized by law, as may be limited by this Redevelopment Plan. The use of eminent domain is totally prohibited in Project Area A and is partially prohibited in Project Area B, as set forth in Section 1.4.5 of this Redevelopment Plan.

1.4.4 Real Property Disposition and Development

The Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust or otherwise dispose of any interest in real property in the Project Area, except to the extent prohibited by the Granting Act. To the extent permitted by law, the Agency is authorized to dispose of or acquire real property by negotiated lease, sale or transfer without public bidding.

All real property acquired by the Agency in the Project Area will be sold or leased to public or private persons or entities for development of the uses permitted in this Redevelopment Plan, or may be developed by the Agency for uses consistent with the Community Redevelopment Law.

The Agency will obligate all purchasers or lessees of property acquired from the Agency to use the property for the purposes designated in this Redevelopment Plan, to begin and complete development of the property within a period of time that the Agency fixes as reasonable and to comply with other conditions that the Agency deems necessary to carry out the purposes of this Redevelopment Plan.

To provide adequate safeguards to ensure that the provisions of this Redevelopment Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased or conveyed by the Agency, as well as all property subject to owner participation agreements, is subject to the provisions of this Redevelopment Plan.

The Agency will reserve powers and controls in the disposition and development documents as necessary to prevent transfer, retention or use of property for speculative purposes and to ensure that development is carried out consistent with this Redevelopment Plan.

Leases, deeds, contracts, agreements and declarations of restrictions of the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes or any other provisions necessary to carry out this Redevelopment Plan. Where appropriate, as determined by the Agency, such documents, or portions thereof, will be recorded in the office of the County Recorder.

Property acquired by the Agency in the Project Area will be under the management and control of the Agency during its ownership of such property. Such property may be rented or leased by the Agency pending its conveyance.

The Agency is authorized to assist financially (and otherwise) any public entity in the cost of public land, buildings, facilities, structures or other improvements where such land, buildings, facilities, structures or other improvements, are or would be, of benefit to the Project Area.

1.4.5 Prohibitions and Limitations on Use of Eminent Domain

The Agency may exercise the power of eminent domain in the Project Area only if the Agency complies with state law including the requirement: that the Agency make every effort to acquire property by negotiation, instead of by condemnation or eminent domain; that the Agency pay just compensation based upon fair market value; and that the Agency adopt at a public hearing by a vote of not less than two-thirds of all members of the Agency Commission, a resolution of necessity finding that acquisition of such property through eminent domain is in the public interest, and necessary to carry out this Redevelopment Plan. In addition, the use of eminent domain will be subject to the following limitations and prohibitions:

- The Agency may not use eminent domain to acquire property without first receiving a recommendation from the PAC or appointed citizens advisory committee. As stated in Section 1.1.6, the Agency commits to maintain a PAC or an appointed citizens advisory committee for the duration of this Redevelopment Plan.
- The Agency may not use eminent domain to acquire publicly owned property including property owned by the San Francisco Housing Authority.
- Eminent domain proceedings, if used in the Project Area, must be commenced, pursuant to CRL Section 33333.2(a)(4), within twelve (12) years from the Effective Date. This time limitation may be extended, pursuant to the standards of CRL Section 33333.2(a)(4), only by amendment of this Redevelopment Plan, as adopted and approved by the Board of Supervisors and the Agency Commission, following a community process.
- The Agency may not acquire, through the use of eminent domain, real property in a Residential (R) District, as defined by the Planning Code (“R” zone), as of the Effective Date, in the Project Area.
- The Agency may not acquire, through the use of eminent domain, property that contains legally occupied Dwelling Units.
- The Agency may not acquire, through the use of eminent domain, property owned by churches or other religious institutions, as defined in Planning Code Section 209.3(j).
- The Agency may not acquire real property in the Project Area to be retained by an owner pursuant to an Owner Participation Agreement, unless the owner fails to perform under that agreement and as a result the Agency exercises its reverter rights, if any; or successfully prosecutes a condemnation or eminent domain action.
- The Agency will use eminent domain on a parcel not zoned “R” (Residential) only as a last resort after the property owner has failed, after reasonable notice, to correct one or more of the following conditions:

- The property contains an unreinforced masonry building (UMB) that has not been seismically retrofitted by the date required by City ordinance.
- The property contains a building in which it is unsafe or unhealthy for persons to live or work as determined by the Department of Building Inspection, after failure to comply with an order of abatement of such conditions pursuant to Section 102 of the Building Code.
- The property contains uses that pose a threat to the public’s safety and welfare as formally determined through major citations by the appropriate City agencies or departments, including the San Francisco Police Department, San Francisco Fire Department, San Francisco City Attorney’s Office, San Francisco District Attorney’s Office, San Francisco Department of Public Health, San Francisco Department of Building Inspection, and San Francisco Planning Department.
- A parcel that is vacant, used solely as a surface parking lot (not accessory to another use), or contains a vacant or substantially vacant (approximately seventy five percent (75%) or more of the rentable area) building(s) and the owner has no active plans for a new use or development.
- Under-utilization of a property of irregular form and shape, and of inadequate size that substantially hinders its economically viable uses for development consistent with this Redevelopment Plan.

1.4.6 Rehabilitation, Conservation and Moving of Structures

The Agency is authorized to rehabilitate and conserve or to cause to be rehabilitated and conserved, any building or structure in the Project Area and to encourage others to do so. The Agency is also authorized to acquire, restore, rehabilitate, move and conserve historic resources in the Project Area.

It is a purpose of this Redevelopment Plan to encourage the retention of existing businesses that are generally compatible with this Redevelopment Plan and to add to the economic viability of businesses by programs that encourage voluntary participation in conservation and rehabilitation. The Agency is authorized to conduct a program of assistance and incentives to encourage owners of property within the Project Area to upgrade and maintain their property in a manner consistent with this Redevelopment Plan and with other standards that may be established by the Agency.

1.5 Community Revitalization Activity Nodes

The Agency shall encourage the promotion of policies and land use decisions that provide job-training, employment and business opportunities to local residents with a focus on Bayview Hunters Point Redevelopment Plan
 July 16, 2018

economic development efforts within the seven Community Revitalization Activity Nodes of the Project Area: Town Center, Health Center, South Basin, Oakinba, Candlestick Point and a portion of the Hunters Point Shoreline and Northern Gateway Activity Nodes. The Community Revitalization Activity Nodes are shown on Map 3. The Agency may implement Activity Node development programs for all or part of each Activity Node. The Agency may also pursue economic development efforts outside of the Project Area where these efforts are determined to be necessary to effect the elimination of blighting conditions within the Project Area and are consistent with CRL Section 33445.1 (Stat.2009, Chapter 555). The design of each Community Revitalization Activity Node will facilitate and support the Agency's efforts under its Affordable Housing Program.

The Agency's Housing programs, economic development efforts, and community enhancements will focus on the following Activity Nodes as illustratively described below:

1.5.1 Northern Gateway

- Promote mixed-use, transit-oriented development on Third Street, including local shopping, office space, entertainment venues and, where appropriate, light industrial activities.
- Develop industrial and large-scale commercial space on properties.
- Encourage the development of major business and employment development centers.
- Maintain and expand industry to increase the job base and support the development of entrepreneurial opportunities.
- Encourage clean industry and facilities to improve the quality of life for Project Area residents and workers.

1.5.2 Town Center

- Promote appropriately scaled, mixed-use, transit-oriented development on Third Street.
- Assist the retention of existing buildings and facades where feasible and appropriate.
- Encourage the growth of commercial retail, including restaurants, boutique shops, arts, theaters, museums, a conference center, cultural and entertainment uses that contribute to development of a cultural destination.
- Promote infill development in residential neighborhoods, as appropriate.

- Create community service spaces centered around Third Street and Oakdale Avenue.
- Promote the enhancement of transit hubs, including Muni and CalTrain, to bring people to Bayview Hunters Point and to provide residents with improved connections to employment.
- Develop community destinations and gathering places – including plazas and locations for festivals, fairs, a farmer’s market and community events.

1.5.3 Health Center

- Assist the development of mixed-use, transit oriented projects on Third Street with ground floor commercial retail space.
- Enhance public amenities designed to serve an aging population.
- Promote commercial activities focused on medical, medical-related and supportive services.
- Assist in the renovation and expansion of the Southeast Health Center.
- Construct community destinations and gathering places – including plazas.
- Develop housing for seniors including assisted-living facilities.
- Develop an commercial office area, with medical and other types of office uses bounding the Southeast Health Center with buffer zones between adjacent residential and industrial uses.

1.5.4 South Basin

- Promote transit-oriented development adjacent to Third Street, with residential units, including affordable housing units, in appropriate locations.
- Encourage the development of industrial and large-scale commercial space on properties zoned for light industrial uses.
- Create buffer land use zones between residential and industrial uses to minimize potential adverse environmental health impacts and other land use conflicts.
- Promote locally-owned businesses and local entrepreneurs.
- Promote retail growth focused on neighborhood-serving businesses that meet the basic shopping needs of the community.
- An eco-industrial park in the southeast portion of the district, with defined truck routes linking the Shipyard and the freeway.

- Protect historic residential neighborhoods, with a range of new infill housing and transit-oriented mixed-use development focused around light rail stations.

1.5.5 Oakinba

- Create a vibrant commercial center with limited larger-scale, city-serving commercial businesses along Bayshore Boulevard consistent with Planning Code standards.
- Ensure the compatibility of larger-scale commercial and light industrial uses with nearby residential neighborhoods.
- Develop job-training, employment and business opportunities to local residents.
- Promote economic development that fosters clean industry and commercial facilities to protect and improve the quality of life for area residents and workers.
- Maintain and expand industry within the area to increase the job base and support the development of entrepreneurial opportunities.
- Facilitate the creation of a ‘green’ home improvement district along Bayshore Boulevard.

1.5.6 Hunters Point Shoreline

- Promote new housing on available infill development sites where appropriate.
- Assist with the renovation of Housing Authority projects such that the housing fits in architecturally with other residential development in the community.
- Emphasis on encouraging artists and artisans, such as those of African or Pan-African influence.
- Improve access to water recreation along the India Basin shoreline and enhance public access to the waterfront from the hillside housing.
- Assist with the redesign of Innes Avenue to improve pedestrian safety and enhance the neighborhood commercial area.
- Facilitate the development of a maritime center focused on historic boating activities and creating future recreational opportunities.
- Conduct specific land use planning for the remaining survey area.

1.5.7 Candlestick Point

- Administer the development of a new, high density, transit-oriented mixed-use development that includes residential units with a range of housing types and densities and fosters a diverse array of commercial uses from a wide range of

industries that may include, among other uses, regional retail and entertainment venues; a hotel and entertainment arena; neighborhood-serving commercial and retail uses; and office, research and development, and community service uses, consistent with Proposition G, which San Francisco voters approved on June 3, 2008.

- Create community and regional recreational destinations and gathering places, including a restored, reconfigured, and redeveloped Candlestick Point State Recreation Area land, and other public parks and civic spaces.
- Rebuild the Alice Griffith Housing to provide at least one-for-one replacement units targeted to the same income levels as those of the existing residents and ensure that Alice Griffith households leasing units from the Housing Authority have the opportunity to move to the new, upgraded units directly from their existing Alice Griffith Housing units without having to relocate to any other area.
- Construct new public infrastructure and transportation facilities to service new development at Candlestick Point, Alice Griffith and the Hunters Point Shipyard.

1.6 Community Enhancements and Benefits Program for the Project Area

1.6.1 Community Benefits Program

The Agency may adopt and implement a community enhancements and benefits program that will promote the full revitalization of the Bayview Hunters Point neighborhood and that will involve the Agency and as appropriate, other city, regional and state agencies in its implementation.

1.6.2 Proposed Benefits Programs

The following community benefit program elements are suggested under this Redevelopment Plan:

- Streetscape plans for Third Street, Evans-Innes Avenue, Oakdale Avenue or other major roadways in Zone 2 of the Project Area, including traffic calming where needed;
- Green Streets Program to provide for the landscaping and lighting of local streets;
- Façade Improvement Program in concert with the streetscape plans to enhance key catalyst areas along the major roadways;

- Development of “way finding” programs such as local signage and gateway elements;
- Development of public parks and recreational facilities;
- Preservation of historic structures;
- Commitment of land and ground floor spaces in mixed use projects for community facilities;
- Planning and development of community facilities and health clinics; and
- Creation of job readiness, training, and placement programs for local residents.

1.6.3 Open Space

The generalized park and open space areas consist of a system of new and reconfigured state park facilities, community and neighborhood parks, plazas, recreational facilities, and habitat preservation areas.

In Zone 1, the Agency will work with developer(s), City and State agencies, toward the construction of a comprehensive and integrated system of new and reconfigured public parks in the Candlestick Point Activity Node. The Agency may assist in land transactions and the funding of new public parks or the enlargement and/or enhancement of existing public facilities within Zone 1 of the Project Area and maintenance of those improvements. The Agency encourages the cooperation of developers in the construction and maintenance of private and semi-public outdoor open spaces (plazas, balconies, patios, courtyards, rooftops).

In Zone 2, the Agency will work with city agencies toward the construction of a comprehensive and integrated system of inviting and well-lighted “Green Streets” to provide direct pedestrian movement to and from schools, parks, playgrounds, commercial areas, and other frequently visited facilities and places. These pedestrian routes, both on and away from public streets, should be marked with distinctive landscaping. The Agency may assist in the purchase of land and the development of new public parks or the enlargement and enhancement of existing public facilities within Zone 2 of the Project Area. The Agency encourages the cooperation of developers in the construction and maintenance of private and semi-public outdoor open spaces (plazas, balconies, patios, courtyards, rooftops).

1.6.4 Public Improvements and Public Facilities

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements, public facilities, and public utilities, on any parcel within or outside the Project Area, appropriate or necessary to carry out this Redevelopment Plan. Such public improvements and public facilities are described in Attachment C.

1.7 Affordable Housing in the Project Area

1.7.1 Affordable Housing Program

The Agency shall implement an Affordable Housing Program and, as feasible, may dedicate affordable housing funds for the production of affordable housing outside of the Project Area if such production is determined to be necessary to effect the elimination of blighting conditions within the Project Area and the implementation of this Redevelopment Plan.

Further the Agency may only utilize citywide affordable housing funds generated from Zone 1 of the Project Area for the production of affordable housing outside of Zone 1 as provided in the applicable Tax Allocation Agreement and disposition and development agreement.

The Affordable Housing Program shall be consistent with the City's Consolidated Housing Plan and the General Plan and will include below market rate apartment development, affordable home ownership project development, supportive housing projects serving high need populations, and Agency programs such as a model block single family rehabilitation program.

1.7.2 Affordable Housing Production Goals

Subdivision (b)(2) of Section 33413 of the Community Redevelopment Law requires that at least fifteen percent (15%) of all new and substantially rehabilitated Dwelling Units developed within Project Area B by public or private entities or persons other than the Agency will be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income, as defined by the CRL.

In Zone 1, the Agency shall meet this Community Redevelopment Law requirement through implementation of one or more disposition and development agreements that include the Candlestick Point Hunters Point Shipyard Phase 2 Below Market Rate Housing Plan. In Zone 2 of the Project Area, the Agency shall exceed the Community Redevelopment Law requirement by making at least twenty-five percent (25%) of all new and substantially rehabilitated Dwelling Units developed within Project Area B by public or private entities or persons other than the Agency be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income, as defined by the CRL. Not less than forty percent (40%) of the Dwelling Units in Zone 2 required to be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income shall be available at affordable housing cost to, and occupied by, extremely low- and very low-income households.

1.7.3 Affordable Housing Participation Policy

Bayview Hunters Point Redevelopment Plan
July 16, 2018

To facilitate the Agency’s compliance with the above-described affordable housing production goals, the developers of market rate housing shall have an inclusionary housing obligation.

In Zone 1 of the Project Area, developers of housing shall comply with the requirements of any disposition and development agreement, including the Candlestick Point and Hunters Point Shipyard Phase 2 Below-Market Housing Plan, which requires, among other things, Permanently Affordable, inclusionary units that are restricted to households earning between eighty percent (80%) and one hundred-twenty percent (120%) of AMI (Asas defined in the Candlestick Point and Hunters Point Shipyard Phase 2 Below-Market Housing Plan) and developer subsidies for affordable housing units constructed on Agency-owned land in Zone 1 of the Project Area.

In Zone 2 of the Project Area, developers of housing shall comply with the citywide Inclusionary Housing Ordinance, as described in Sections 315 et seq. of the Planning Code, and as it may be further amended from time to time, except that: (a) the duration, monitoring, marketing, and controls for affordable units shall be consistent with the Community Redevelopment Law and Agency policy; (b) the number of units required under Sections 315.4 and 315.5 of the Planning Code shall be increased to at least fifteen percent (15%) of all units constructed on the project site and twenty percent (20%) of all units constructed off-site; (c) the construction of off-site units under Sections 314.4(e)(1) and 315.5 of the Planning Code shall occur only at a site within Zone 2 of the Project Area; (d) the payment of an in lieu fee under Sections 314.4(e)(2) and 315.6 of the Planning Code shall be made to the Agency instead of the Mayor’s Office of Housing; and (e) the definition of “affordable to qualifying households” in Section 315.1 means: (1) for rental units in an affordable housing project, the goal will be to establish, to the extent feasible, a rent that is affordable to households whose combined annual gross income for all members does not exceed fifty percent (50%) of Area Median Income; and (2) for owned units in an affordable housing project, the goal will be to establish, to the extent feasible, an average maximum purchase price that is affordable to households whose combined annual gross income for all members does not exceed eighty percent (80%) of Area Median Income, assuming an annual payment of all housing costs of thirty-three percent (33%) of the combined household annual net income, a five percent (5%) down payment and available financing consistent with the Limited Equity Program, or such successor affordable homeownership program as the Agency may implement. However, notwithstanding anything herein to the contrary, if the ownership structure of any housing development in Zone 2 includes a long-term leasehold, with fee title ownership of the land held by the Agency, then the requirements and procedures of Section 315.1-315.9 of the Code, as they may become applicable, shall apply only to the leasehold estate, and no affordability restrictions shall be recorded against the Agency’s fee title interest.

1.7.4 Tax Increment Committed To Housing

In a given year, the Agency shall use no less than the amount required under CRL Section 33334.2, which mandates that not less than twenty percent (20%) of all taxes allocated to the Agency pursuant to CRL Section 33670(b) shall be used by the Agency for the purposes of increasing, improving and preserving the City’s supply of housing for persons and families of very low-, low- or moderate-income unless certain findings are made as required by that section to lessen or exempt such requirement. In Zone 1 of the Project Area, these funds are to be used solely for the costs related to the construction of affordable housing units and related development expenses.

Over the term of this Redevelopment Plan, the Agency shall use no less than fifty percent (50%) of the total tax increment funds that the Mayor and Board of Supervisors allocate to the Agency for its redevelopment activities for the purposes of increasing, improving, and preserving the City’s supply of housing for persons and families of extremely low-, very low-, low- or moderate-income, consistent with Board Resolution No. 427-05 and Agency Resolution No. 134-2005; provided, however, that in Zone 1 the Agency may use funding sources other than tax increment to provide the amount of funding that meets or exceeds the amount equivalent to fifty percent (50%) of the total tax increment funds allocated to the Agency. For purposes of this Section, “redevelopment activities” means the Agency’s work program for the Project Area as described in its annual budget but does not include any statutory pass-through obligations.

Within Zone 1 of the Project Area the Agency may utilize Zone 1 housing funds for the construction of infrastructure directly related to affordable housing development, subject to compliance with the standards of Section 33334.2.

The Agency may use the funds specified in CRL Section 33334.2 to meet, in whole or in part, the replacement housing provisions or the affordable housing production provisions. These funds may be used inside the Project Area. These funds may be used outside the Project Area only if findings of benefit to the Project Area are made as required by CRL Section 33334.2(g).

1.7.5 Replacement Housing

In accordance with CRL Section 33334.5, whenever Dwelling Units housing persons of low or moderate income are destroyed or removed from the low- and moderate-income housing market, as part of the implementation of this Redevelopment Plan, the Agency shall, within four (4) years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low- or moderate-income an equal number of comparably affordable replacement Dwelling Units, within the Project Area or within the territorial jurisdiction of the City in accordance with the provisions of CRL Sections 33413 and 33413.5.

1.7.6 Occupancy Preferences

Whenever the Agency provides a subsidy, financial assistance or some other material benefit such as site assembly, site specific capital improvements, or an amendment to this Redevelopment Plan, that results in low- or moderate- income housing units being developed in Zone 2 of the Project Area or elsewhere pursuant to this Redevelopment Plan, the Agency shall require by contract or other appropriate means that such housing be made available for rent or purchase to persons and families of low- and moderate-income in the following order of priority, to the extent permitted by law: (1) Hunters Point Certificate of Preference Holders; (2) other Certificate of Preference Holders; (3) rent burdened or assisted housing residents, defined as persons paying more than fifty percent (50%) of their income for housing, or persons residing in public housing or Project-Based Section 8 housing; (4) San Francisco residents and workers; and (5) members of the general public. Any residency preference authorized under this Section will be permitted only to the extent that such preference: (a) does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit based on race, color, ethnic origin, gender, religion, disability, age, or other protected characteristic of any member of an applicant household; and (b) is not based on how long an applicant has resided or worked in the area.

1.8 Methods of Financing this Redevelopment Plan in the Project Area

1.8.1 General Description of Proposed Financing Method

The Agency is authorized to finance the implementation of this Redevelopment Plan with financial assistance from the City, State, federal government, tax increment funds, interest income, Agency bonds, donations, loans from private financial institutions, assessments, the lease or sale of Agency-owned property and any other available source, public or private.

The Agency is also authorized to obtain advances, borrow funds and create indebtedness in carrying out this Redevelopment Plan. The principal and interest on such advances, funds and indebtedness may be paid from tax increments or any other funds available to the Agency.

The City or any other public agency may expend money to assist the Agency in carrying out this Redevelopment Plan. As available, gas tax funds from the State and County may be used for transportation improvements and public transit facilities.

1.8.2 Tax Increment Financing

All taxes levied upon taxable property within the Project Area each year, by or for the benefit of the State, the City, any district or any other public corporation (sometimes called “Taxing Agencies”) after the Effective Date shall be divided as follows:

That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such Taxing Agencies, last equalized prior to the Effective Date, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for the Taxing Agencies on all other property are paid. For the purpose of allocating taxes levied by or for any Taxing Agency or agencies that does not include the territory of the Project Area as of the Effective Date but to which such territory is annexed or otherwise included after such Effective Date, the assessment roll of the County of San Francisco last equalized on the Effective Date will be used in determining the assessed valuation of the taxable property in the Project Area on the Effective Date.

Except as provided in CRL Section 33670(e) or in Section 33492.15, that portion of levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the redevelopment project; provided, however, that the portion of the levied taxes from Zone 1 of the Project Area shall be allocated each year and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, money advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of those sections of this Redevelopment Plan for Zone 1. Unless and until the total assessed valuation of the taxable property in the Project Area exceeds the total assessed value of taxable property in the Project Area as shown by the last equalized assessment roll referred to herein, all of the taxes levied and collected upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies. When the loans, advances or indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

The Agency irrevocably pledges the portion of taxes mentioned above and hereby for the payment of the principal and interest on the advance of monies, or making of loans or the incurring of an indebtedness (whether funded, refunded, assumed or otherwise), to finance or refinance the implementation of this Redevelopment Plan in whole or in part, including direct and indirect expenses; provided, however, that the portion of taxes received from Zone 1 of the Project Area shall be pledged for the implementation of those sections of this Redevelopment Plan for Zone 1 and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area; and provided further that the portion of taxes received from Zone 2 of the Project Area shall be pledged for the implementation of those sections of this Redevelopment Plan for Zone 2. The Agency is authorized to make pledges as to specific advances, loans and indebtedness as appropriate in carrying out this Redevelopment Plan.

As permitted under Section 34177.7(j)(2) of the California Health and Safety Code and amendments to the CP-HPS2 project agreements, the 2024 amendment to the Redevelopment Plan authorize the application of the allocated property tax revenues generated from Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to both project areas for the purpose of implementing the Candlestick-Point Hunters Point Shipyard Phase 2 project regardless of location of the projects financed within Zone 1 of Project Area B and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area.

1.8.3 Agency Bonds

The Agency is authorized to issue bonds from time to time, if it deems it appropriate to do so, in order to finance all or any part of the implementation of ~~this Redevelopment Plan~~the CP-HPS2 project. Neither the members of the Agency Commission nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

For Zone 1 of the Project Area, and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the aggregate total amount of bonded indebtedness of the Agency to be repaid from the allocation of taxes to the Agency for both Zone 1 of the Project Area and Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area pursuant to CRL Section 33670, which can be outstanding at one time, may not exceed \$~~1.25~~1.259 billion, except by amendment of this Redevelopment Plan. ~~Notwithstanding the foregoing, the principal amount of bonded indebtedness of the Agency to be repaid from such allocation of taxes to the Agency, which can be outstanding at one time for Zone 1 may not exceed a total of \$800,000,000, determined in a manner prescribed in a tax allocation agreement between the Agency and the City. Further, notwithstanding the foregoing, available tax increment that may be paid, pursuant to a tax allocation agreement or other agreement, for the implementation of those sections of this Redevelopment Plan for Zone 1 from the allocation of increment to the Agency under CRL Section 1.8.34177.7(j)(2) above shall be limited to), the~~ available increment levied against property within and collected from Zone 1 of the Project Area ~~and shall exclude all of the following: the amount specified in Section 1.8.2 and annual fees to the Agency for the purpose of administering~~ shall be available to finance both (i) the implementation of those sections of this Redevelopment Plan and related documents for Zone 1 in the amount in accordance with ~~an~~ agreement between the Agency, master developer of Zone 1, and/or the City and pursuant to State law. ~~Likewise, notwithstanding the CP-HPS2 DDA and (ii) the implementation of those sections of Phase 2 of the Hunters Point Shipyard Redevelopment Plan and related documents in the amount in accordance with the CP-HPS2 DDA.~~

Notwithstanding the foregoing, available tax increment that may be paid, pursuant to a tax allocation agreement or other agreement, for the implementation of those sections of this Redevelopment Plan for Zone 2 from the allocation of increment to the Agency under Section 1.8.2 above shall be limited to available increment levied against property within and collected from Zone 2 of the Project Area and shall exclude all of the following: the amount specified in

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Section 1.8.2 and annual fees to the Agency for the purpose of administering the implementation of those sections of this Redevelopment Plan and related documents for Zone 2 in the amount in accordance with an agreement between the Agency, developers and/or landowners in Zone 2, and/or the City and pursuant to State law.

The bonds and other obligations of the Agency are not a debt of the City or the State, nor are any of its political subdivisions liable for them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency, and such bonds and other obligations shall so state on their face. The bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

1.8.4 Time Limit on Establishment of Indebtedness

The Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Zone 2 of the Project Area beyond twenty (20) years from the Effective Date unless amended following applicable provisions of the Community Redevelopment Law, except that the Agency may incur loans, advances or indebtedness beyond twenty (20) years from the Effective Date to be paid from the Low and Moderate Income Housing Fund as defined by the Community Redevelopment Law or to meet the Agency's replacement housing or inclusionary housing requirements as set forth in CRL Sections 33413 and 33413.5. This limit will not prevent the Agency from refinancing, refunding, or restructuring indebtedness after the time limit if the indebtedness is not increased and the time during which the indebtedness is to be repaid is not extended beyond the time limit to repay indebtedness required by CRL Section 33333.2.

1.8.5 Time Limit for Receipt of Tax Increment Funds

The Agency may not establish or incur loans, advances or indebtedness to finance in whole or in part its activities in Zone 1 of Project Area B beyond thirty (30) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA)) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the time limit establishing or incurring loans, advances or indebtedness is (i) thirty (30) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which represents the Anticipated Navy Delay. The Agency may not pay indebtedness or receive property taxes pursuant to CRL Section 33670 from Zone 2 of Project Area B after forty-five (45) years from the Effective Date.

The Agency may not pay indebtedness or receive property taxes pursuant to CRL Section 33670 from Zone 1 of Project Area B after forty-five (45) years from the 2024 Plan Amendment Date. Solely for the purpose of using property tax revenues generated from Zone 1 of the Project

Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the CP-HPS2 project, including Agency Affordable Housing Costs and Agency Costs (as defined in the CP-HPS2 DDA) in Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area, the time limit for paying indebtedness or receiving property taxes is (i) forty-five (45) years from the 2024 Plan Amendment Date, plus (ii) an additional fifteen (15) years, which amount represents the Anticipated Navy Delay.

1.8.6 Other Loans, Grants and Miscellaneous Financing Sources

Any other loans, grants, guarantees or financial assistance from the federal government, the State, the City or any other public or private source will be used if available.

2.0 GENERAL POLICIES APPLICABLE TO THE PROJECT AREA

In order to eliminate existing blight in the Project Area, to prevent its reoccurrence and to accomplish the goals of this Redevelopment Plan, the Agency may implement the following policies listed in this Section, as said policies may be amended from time to time. In addition, the Agency may adopt additional policies, from time to time, in its sole discretion, as are desirable and necessary to accomplish the goals of this Redevelopment Plan.

2.1 Relocation of Displaced Persons, Businesses and Others in Project Area

2.1.1 Assistance in Finding other Locations

The Relocation Plan of the Agency for the relocation of families or single persons to be displaced by a project shall provide that no persons or families of low- or moderate-income may be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement. Such housing units shall be a standard dwelling that is suitable to the needs of such displaced persons or families and must be decent, safe, sanitary, and otherwise standard dwellings. The Agency may not displace such person or family until such housing units are available and ready for occupancy.

To the extent required by State and Federal law, the Agency shall: (1) pursuant to a Relocation Plan, assist or cause to be assisted all eligible persons (including individuals and families), business concerns and others, if any, displaced from Project Area B by redevelopment activities undertaken or assisted by the Agency in finding other locations and facilities, and, where possible, shall relocate businesses to a location of similar size within the Project Area; and (2) in order to implement this Redevelopment Plan with a minimum of hardship to eligible

persons, business concerns and others, if any, displaced by the implementation of this Redevelopment Plan, the Agency shall assist such persons, business concerns and others in finding new locations in accordance with Community Redevelopment Law, California Relocation Assistance Law and other applicable State and Federal law.

2.1.2 Relocation Payments

The Agency shall make or cause to be made relocation payments to persons (including individuals and families), business concerns and others displaced by implementation of this Redevelopment Plan as may be required by State and Federal law. The Agency shall make such relocation payments pursuant to the California Relocation Assistance Law (Government Code §§ 7260 *et seq.*), Agency rules and regulations adopted pursuant thereto, and, as may be applicable in the event that the Agency uses federal funding to implement this Redevelopment Plan, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Agency may make such other payments as it determines to be appropriate and for which funds are available.

2.1.3 Business Tenant Preference

The Agency shall extend reasonable preferences to persons who are engaged in business within the Project Area to participate in the redevelopment of the Project Area, or to reenter into business within the redeveloped Project Area, if they otherwise meet the requirements of this Redevelopment Plan. In order to extend reasonable preferences to businesses to reenter into business within the redeveloped Project Area, the Agency has promulgated rules for the Business Occupant Re-Entry Policy within the redeveloped Project Area. For development in Zone 1, the Agency may elect to promulgate rules pursuant to a new Business Occupant Re-Entry Policy specific to Zone 1.

2.2 Nondiscrimination and Equal Opportunity

2.2.1 Nondiscrimination in Implementation

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, gender identity, sexual orientation, age, marital or domestic partner status, national origin or ancestry, height, weight, or disability including HIV/AIDS status permitted in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of property in the Project Area. All property sold, leased, conveyed or subject to an Owner Participation Agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases or contracts for the sale, lease, sublease or other transfer of land in the Project Area shall contain such nondiscrimination and non-segregation clauses.

2.2.2 Employment and Contracting Opportunities in Implementation

The Agency, after consultation with the PAC, will adopt and implement programs for the Project Area, that meet or exceed City policies regarding workforce development, contracting opportunities, and equal opportunity, particularly for economically-disadvantaged Bayview Hunters Point residents and businesses.

For those projects that require Agency Action, the Agency shall require the developer to comply with the Agency's equal opportunity and local hiring policies, including: the Small Business Enterprise Program, the Bayview Employment and Contracting Policy, Nondiscrimination and Equal Benefits policies, Minimum Compensation and Healthcare Accountability policies and the Agency's Prevailing Wage Policy, where applicable, as such policies are amended or succeeded from time to time. For public housing redevelopment projects, compliance with SFHA contracting requirements is mandatory.

2.3 Owner Participation Agreements

2.3.1 Participation by Property Owners

Owners of real property in the Project Area may participate in the redevelopment of the Project Area by new development or rehabilitation in accordance with the standards for development or the standards for rehabilitation, which will be set forth in the OPA Rules.

The Agency may require, as a condition to participate in redevelopment in the Project Area, that each participant may enter into a binding written Owner Participation Agreement with the Agency by which the property will be developed, maintained or rehabilitated for use in conformity with this Redevelopment Plan, the Planning Code, the OPA Rules, declaration of restrictions, if any, and applicable design guidelines promulgated by the Agency. Owners of property in Zone 1 of the Project Area that is not subject to a disposition and development agreement must enter into an OPA in order to coordinate the delivery of public infrastructure with the development of other land within Zone 1.

Owner participation necessarily will be subject to and limited by such factors as the nature, condition, and use of existing improvements; the reduction of the total number of individual parcels in the Project Area; the elimination of certain land uses; the realignment of streets; the construction of new public facilities and improvements; and the ability of owners to finance acquisition, rehabilitation, and/or redevelopment in accordance with this Redevelopment Plan and the declaration of restrictions and in accordance with such controls as are necessary to ensure that redevelopment is carried out pursuant to the Standards for Development.

2.3.2 OPA Rules

Property owners will be given a reasonable opportunity to participate in redevelopment. The Agency has adopted, after a public hearing, rules governing participation by property owners, which are subject to amendment from time to time. These rules were adopted pursuant to the CRL in order to implement the provisions of this Redevelopment Plan regarding participation by property owners. These rules incorporate the procedures to encourage, permit and govern the participation by property owners within the boundaries of the Project Area to the maximum extent consistent with the objectives of this Redevelopment Plan.

2.4 Enforcement, Amendments and Severability of Redevelopment Plan

2.4.1 Actions by the City

The City shall aid and cooperate with the Agency in carrying out this Redevelopment Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Redevelopment Plan and the other applicable Plan Documents, including preventing the recurrence or spread of conditions causing blight in the Project Area. The City shall comply with the provisions of the Community Redevelopment Law that generally entitle the Agency to all of the property tax revenues realized from growth in property values since the inception of this Redevelopment Plan.

2.4.2 Administration and Enforcement

Except as otherwise specified in any Delegation Agreement, Interagency Cooperation Agreement, or Cooperation Agreement to be adopted by the Agency, the administration and enforcement of this Redevelopment Plan, including the preparation and execution of any documents implementing this Redevelopment Plan, will be performed by the Agency.

The provisions of this Redevelopment Plan or other documents entered into pursuant to this Redevelopment Plan may also be enforced by legal action instituted by the Agency and/or, to the extent set forth in a Delegation Agreement, Interagency Cooperation Agreement, or Cooperation Agreement, the City. Any such legal action may seek appropriate remedies that may include, but are not limited to, specific performance, damages, re-entry, injunctions or any other remedies appropriate to the purposes of this Redevelopment Plan.

Members of the PAC may, to the extent permitted by law, enforce this Redevelopment Plan in a court of competent jurisdiction.

2.4.3 Procedures for Plan Amendment

This Redevelopment Plan may be amended by means of the procedure established in CRL Sections 33450-33458 or by any other procedure hereafter established by law.

2.4.4 Severability

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Redevelopment Plan is for any reason held to be invalid or unconstitutional, such decision will not affect the validity of the remaining portion or portions of this Redevelopment Plan.

3.0 EXPIRED REDEVELOPMENT PLAN FOR PROJECT AREA A

On January 20, 1969, by Ordinance No. 25-69, the Board of Supervisors adopted the redevelopment plan for Hunters Point, which became Project Area A of the Bayview Hunters Point Redevelopment Plan pursuant to Ordinance No. 113-06 and which expired in January 2009. Accordingly, the Agency has no authority to act pursuant to the portion of the former redevelopment plan for Project Area A except to pay previously incurred indebtedness, to enforce existing covenants, contracts, or other obligations, and to comply with affordable housing obligations, which includes the use of its tax increment for the funding of affordable replacement housing.⁴ The regulation of land use and development in Project Area A reverted back to the Planning Code with the expiration of Project Area A in January 2009.

3.1 Methods of Financing under this Redevelopment Plan for former Project Area A

3.1.1 General Description of Proposed Financing Method

Under the prior Hunters Point Redevelopment Plan, which this Redevelopment Plan amended in 2006, the Agency has been authorized to finance redevelopment activities related to Project Area A with financial assistance from the City, the State or the federal government, tax increment funds, interest income, Agency bonds, donations, loans from private institutions, assessments, the lease or sale of Agency-owned property or any other available source, public or private. The City or any other public agency may expend money to assist the Agency in carrying out this Redevelopment Plan. As available, gas tax funds from the State and County may be used for street improvements and public transit facilities. In accordance with CRL, the Agency has been authorized to obtain advances, borrow funds and create indebtedness in carrying out

⁴ Under Sections 33333.7 and 33333.8 of the California Health and Safety Code, the Agency may continue to incur indebtedness and receive tax increment from the Hunters Point Project Area (Project Area A) to fulfill its housing obligation to replace affordable housing units that were previously destroyed and never replaced. Ordinance No. 15-05 (Jan. 21, 2005).

redevelopment activities and to pay the principal and interest on such indebtedness from tax increment funds.

All taxes levied upon taxable property within Project Area A each year, by or for the benefit of the State, the City, any district or any other public corporation (sometimes called “Taxing Agencies”) after the effective date of the ordinance initially approving the allocation of taxes from Project Area A pursuant to Section 33670 (“**Effective Date of the Project Area A Ordinance**”), shall be divided as follows:

That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in Project Area A as shown upon the assessment roll used in connection with the taxation of such property by such Taxing Agencies, last equalized prior to the Effective Date of the Project Area A Ordinance, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for the Taxing Agencies on all other property are paid. For the purpose of allocating taxes levied by or for any Taxing Agency or agencies which does not include the territory of the Project Area A as of the Effective Date of the Project Area A Ordinance but to which such territory is annexed or otherwise included after such Effective Date, the assessment roll of the County of San Francisco last equalized on the Effective Date of the Project Area A Ordinance will be used in determining the assessed valuation of the taxable property in the Project Area on the Effective Date of the Project Area A Ordinance.

Except as provided in CRL Section 33670(e) or in Section 33492.15, that portion of levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the redevelopment project. Unless and until the total assessed valuation of the taxable property in Project Area A exceeds the total assessed value of taxable property in Project Area A as shown by the last equalized assessment roll referred to herein, all of the taxes levied and collected upon the taxable property in Project Area A shall be paid into the funds of the respective Taxing Agencies. When the loans, advances or indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in Project Area A shall be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

The Agency irrevocably pledges the portion of taxes mentioned above and hereby for the payment of the principal and interest on the advance of monies, or making of loans or the incurring of an indebtedness (whether funded, refunded, assumed or otherwise), to finance or refinance the implementation of redevelopment activities in whole or in part, including direct and indirect expenses. The Agency is authorized to make pledges as to specific advances, loans and indebtedness as appropriate in carrying out redevelopment activities.

Prior to 2005, the amount of Project Area A taxes allocated to the Agency pursuant to Section 33670 of the CRL was limited to \$15.1 million. This tax increment financing cap has been reached. In addition, the deadline for incurring debt for non-housing redevelopment activities was January 1, 2004. However, by virtue of Section 33333.7 of the CRL and Board of Supervisors' Ordinance No. 15-05, the Agency has the ability to incur indebtedness exclusively for the purpose of building affordable housing until the earlier of January 1, 2014 or until the Agency's replacement housing obligation, as defined in Section 33333.7 (SB 2113), is met.

3.1.2 Limits on Indebtedness and Tax Increment for Non-Housing Purposes

The Agency may not pay indebtedness or receive property taxes for non-housing purposes in Project Area A after January 1, 2019.

3.1.3 Extension of Indebtedness and Tax Increment for Housing under Senate Bill (SB) 2113

Notwithstanding the expiration of this Redevelopment Plan with respect to Project Area A, the Agency will have the continuing authority to incur indebtedness and to receive tax increment to meet its replacement housing obligation under CRL Section 33333.7 (SB 2113). Pursuant to state law, the Board of Supervisors amended the Hunters Point Redevelopment Plan by Ordinance No. 15-05 which became effective on January 21, 2005, to allow the Agency to incur indebtedness exclusively for the purpose of building affordable housing until the earlier of January 1, 2014 or until the Agency's replacement housing obligation under SB 2113 is met. The Agency will have the ability to receive tax increment for the purpose of repaying the indebtedness incurred to meet its replacement housing obligation under SB 2113 until January 1, 2044.

4.0 REDEVELOPMENT PLAN FOR ZONE 1 OF THE PROJECT AREA

This Redevelopment Plan amendment designates Zones 1 and 2 of the Project Area as shown on Map 2, within the Bayview Hunters Point Redevelopment Project Area B. The Agency's Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 1 of the Project Area are set forth below. The Agency retains land use authority within Zone 1 of the Project Area. The blocks and lots contained within Zone 1 as of the 2010 Plan Amendment Date are listed in Attachment D.

All real property in Zone 1 of ~~the~~ Project Area B is hereby made subject to the controls and requirements of this Redevelopment Plan. The Redevelopment Plan designates allowed uses and building types for Zone 1 of ~~the~~ Project Area B and relies upon the Candlestick Point Design for Development to provide more detailed development standards, design guidelines, and

Bayview Hunters Point Redevelopment Plan
July 16, 2018

controls on use within Zone 1 of ~~the~~Project Area B. No real property or real property interest may be developed, rehabilitated, or otherwise changed after the 2010 Plan Amendment Date except in conformance with the provisions of this Redevelopment Plan and the Candlestick Point Design for Development.

4.1 Existing Conditions in Zone 1 of the Project Area

Zone 1 of ~~the~~Project Area B contains a mixture of vacant lands, surface parking lots, Candlestick Stadium, under-utilized park lands, blighted industrial properties, and the Alice Griffith San Francisco Housing Authority property in need of revitalization. The area is served by inadequate public infrastructure and deficient public facilities. These conditions constitute a substandard living environment and have a detrimental effect on the neighborhoods within and surrounding Zone 1 of ~~the~~Project Area B.

4.2 Generalized Neighborhood Land Uses

Neighborhoods correspond to portions of Zone 1 with distinct characteristics and planning objectives, as reflected both in this Redevelopment Plan and the Candlestick Point Design for Development. This Redevelopment Plan identifies general objectives for each of this Neighborhoods in order to help determine what additional, complementary land uses may be allowed in a Land Use District and to assist with implementation of the Candlestick Point Design for Development.

4.2.1 Alice Griffith Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a diverse range of housing types with improved connections to the surrounding neighborhoods. Existing affordable homes will be rebuilt to provide at least one-for-one replacement units targeted to the same income levels as those of the existing residents and ensure that eligible Alice Griffith Housing residents have the opportunity to move to the new, upgraded units directly from their existing Alice Griffith Housing units without having to relocate to any other area. A focus of this Neighborhood will be a centrally located park that extends the length of this Neighborhood that may include community gardens, active sports uses, and picnic areas.

This Neighborhood will include mixed-income housing developments that may include townhomes, stacked townhomes, live-work units, group housing, and multi-unit, multi-story apartment and condominium buildings.

4.2.2 Candlestick North Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a compact, mixed-use community with higher densities than the Alice Griffith Neighborhood and an anchoring main street for neighborhood-serving shops and services. Given the higher density and greater number of units in the neighborhood than in the Alice Griffith Neighborhood, this Neighborhood ~~will include~~envisions a greater concentration of neighborhood-serving retail, business, service, and office uses, ~~most of~~ which ~~will~~may be concentrated in the ground floor beneath residential uses along the southern edge of this Neighborhood, adjacent to the Candlestick Center Neighborhood. This Neighborhood may include certain commercial uses, including but not limited to, retail, hotel, and entertainment uses, as Principal and Secondary Uses as set forth in Section 4.2.7. This Neighborhood will include community facilities uses as well as two parks – one in the center of this Neighborhood intended to serve this Neighborhood and a wedge-shaped park at the southeastern edge forming a connection between the development, the State Park and the Bay waterfront. This Neighborhood may also include commercial uses and places intended to foster a sense of community where people can spend time between home and work.

This Neighborhood may include townhomes; lofts; live-work units; group housing, low- and mid-rise multi-unit, multi-story condominium or apartment buildings; and high-rise towers.

4.2.3 Candlestick Center Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate the commercial heart of Zone 1. ~~It is and envisions~~ a mixed-use neighborhood ~~with regional shops and services, offices~~comprised of a diverse array of uses that may include, among other uses, office, research and development, hotel, public uses and residential uses. ~~The regional and neighborhood~~ retail uses ~~in this Neighborhood may include, public uses, entertainment uses such as movie theaters, clubs with live music, and restaurants.~~ residential, and arts and cultural uses. This Neighborhood ~~may include large format, anchor retailers to be accompanied by smaller stores fronting onto neighborhood streets.~~ also encourages innovation, such as emerging technologies, and active uses that enhance adjacent Neighborhoods. This Neighborhood will include office/research and development uses ~~to~~which may be located above the ground-floor retail ~~and entertainment uses and residential units above base floors containing commercial uses and parking areas.~~ Parking areas would be included on the interiors of blocks.

Residential uses in this Neighborhood may include townhomes; lofts; live-work units; and senior and disabled housing, and multi-unit, multi-story condominium or apartment buildings.

4.2.4 Candlestick South Neighborhood

Objectives for This Neighborhood: This Neighborhood will accommodate a broad range of residential housing types ~~as well as neighborhood serving~~and may include commercial uses,

including but not limited to, appropriate, retail, hotel, and entertainment uses designed to complement its position adjacent to the beach and surrounding parkland. ~~Most~~This Neighborhood may include commercial uses and places intended to foster a sense of the community where people can spend time between home and work. The neighborhood-serving retail, business, service, and office uses ~~will be~~may be concentrated in the ground floor beneath residential uses along the northern edge of this Neighborhood, adjacent to the Candlestick Center Neighborhood. This Neighborhood will include a mini-wedge park that would bisect this Neighborhood and provide a direct connection to the State parklands that are adjacent to this Neighborhood and provide the area's principal recreational resources.

Residential uses in this Neighborhood will include townhomes; lofts; live-work units; group housing, low- and mid-rise multi-unit, multi-story condominium or apartment buildings; and high-rise towers.

4.2.5 Intentionally Deleted.

4.2.6 Land Use Districts

Zone 1 of the Project Area consists of three land use districts (each referred to as a “**District**” or “**Land Use District**”) as shown on Map 4. The map shows the general boundaries of the Districts; precise boundaries of the Districts are to be interpreted in light of the objectives of this Redevelopment Plan at the time specific parcels are subdivided in accordance with City and State subdivision laws.

Allowable land uses within each District will be all those that are consistent with the character of the District as described in this Redevelopment Plan. The specific uses identified below for each District illustrate the appropriate scope and nature of permitted uses.

Principal Uses. Within each District, “**Principal Uses**” shall be allowed as of right.

Secondary Uses. Within each District, “**Secondary Uses**” will be permitted, through the determination of the Agency Commission or its designee, provided that such use: (a) generally conforms with the redevelopment objectives of this Redevelopment Plan, the objectives of the District as set forth in this Redevelopment Plan and the Candlestick Point Design for Development; (b) is compatible with the District's Principal Uses, nearby public facilities, and broader community; (c) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts; and (d) does not at the proposed size and location materially impede the planned uses and development of the District or Project Area. The Agency Commission or its designee may place conditions on the Secondary Use as necessary to make the findings in clauses (a) through (d) above.

Non-Designated Uses. Uses that are proposed but are not specifically defined herein (“**Non-Designated Uses**”) may be classified by the Executive Director as Principal Uses, Secondary Uses, Temporary Uses, Interim Uses, or Prohibited Uses. The Executive Director or his or her designee may allow a Non-Designated Use as a Principal Use subject to approval by the Agency Commission, provided the Executive Director or his or her designee finds that such Non-Designated Use: (a) is consistent with the other Principal Uses allowed in the applicable District; (b) is consistent with the objectives for the applicable District; (c) generally conforms with the Candlestick Point Design for Development; and (d) is consistent with the Mitigation Measures and appropriately mitigates any adverse impacts. For Temporary or Interim Uses, the Executive Director shall in addition make the findings required for such uses as set forth in Section 4.2.10 and 4.2.11 below.

In the event the Executive Director determines that a Non-Designated Use should be evaluated as a potential Secondary Use rather than a Principal Use, the Executive Director shall require that the proposed use be considered by the Agency Commission pursuant to the Secondary Use process set forth above.

Prohibited Uses. Within most Districts, certain land uses are expressly prohibited in order to maintain the intended character of the District, avoid conflicts of land uses, or maintain public welfare in response to specific conditions of the District (“**Prohibited Uses**”). The following uses will be Prohibited Uses in all Districts within Zone 1: Mortuary and Adult Entertainment uses.

Provisions Applicable Generally.

Certain lands within the Zone 1 are or may be subject to the Public Trust. The Public Trust doctrine limits the uses that are permitted on Public Trust lands. A Principal Use or Secondary Use shall be permitted on Public Trust land only to the extent the use is permitted under the Public Trust and is consistent with the Agency’s management of those lands on behalf of the State for Public Trust purposes. Thus, even though a particular use or uses may be shown as a permitted Principal or Secondary Use within the Zone 1, that use or uses may nevertheless not be permitted on lands subject to the Public Trust within Zone 1.

In all cases below, the height, bulk, setback, parking and open space requirements will be established in the Candlestick Point Design for Development.

Parking is a permitted Accessory Use to every Principal Use and Secondary Use permitted in each Land Use District. The design and location of parking is controlled by the Candlestick Point Design for Development.

Infrastructure elements that are required to provide access, utilities, and public services to the development described in this Section 4.2 shall be allowed as Principal Uses to the provided they

are consistent with the Mitigation Measures and subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR.

Additional infrastructure elements such as decentralized wastewater treatment facilities, automated trash centralized collection facilities, and district heating and cooling facilities that serve the Project Area will be subject to the Candlestick Point/Hunters Point Shipyard Phase 2 EIR, the Mitigation Measures, and the Infrastructure Plan for the Hunters Point Shipyard Phase 2-Candlestick Point Project (as amended from time to time, the “**Infrastructure Plan**”). Decentralized wastewater treatment facilities shall be permitted as a Secondary Use in all Districts except the Open Space District. Automated trash centralized collection facilities shall be permitted as a Secondary Use in the Candlestick Mixed Use Commercial District. District Heating and Cooling Facilities shall be permitted as a Secondary Use in all Districts except the Open Space District.

4.2.7 Candlestick Mixed Use Residential District

The Candlestick Mixed Use Residential District consists of residential uses and **some** compatible **nonresidential uses, including but not limited to, local-serving retail and services, hotels, and neighborhood serving entertainment uses.** The primary land use is residential ~~units,~~ ranging from attached single family homes to high-rise multi-family residential developments. Related uses also include, **among other uses,** local-serving businesses, neighborhood retail, community facilities, family Child-Care Facilities, small professional offices, home occupations, and recreation facilities. This district covers the allowable land uses for the residential neighborhoods of Alice Griffith Neighborhood, Candlestick North Neighborhood and Candlestick South Neighborhood described above. This District also includes a planned neighborhood park, the final location of which has not been determined.

The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Live-Work Units
- Group Housing
- Supportive Housing
- Home Office

Retail Businesses, Offices and Personal Services Uses:

- Neighborhood Retail Sales and Services
(up to 10,000 sq. ft. per tenant)
- Restaurants
- Physical fitness and health facilities
- Automated teller machines (ATMs)

- Dry Cleaning Facility (without on-site dry cleaning plant)
- Commercial Wireless Transmitting Facilities
- Maker Space

Civic and Institutional Uses:

- Community Uses
- Arts Education
- Recreation Facilities
- Religious Institutions
- Elementary School
- Child-Care Facility
- Vocational / Job Training Facility (Clerical/Administrative)

Hotel Uses (restaurants, bars and other entertainment activities permitted as Accessory Uses)

Parks and Recreation Uses:

- Parks
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

Retail Businesses, Offices and Personal Services Uses:

- Regional Retail Sales and Services
- Neighborhood Retail Sales and Services (over 10,000 sq. ft. per tenant)
- Grocery Store
- Bars
- Office

Civic and Institutional Uses:

- Secondary School
- Post-Secondary Institution
- Nighttime Entertainment

- Amusement Enterprise
- Vocational / Job Training Facility (Mechanical/Industrial)

Commercial, Entertainment and Visitor Serving Uses:

- Performance Arts
- Multi-screen cinema
- Meeting Rooms
- Conference Facilities

The following Uses are Prohibited Uses in this Land Use District:

- Commercial Storage
- Automotive Sale
- Automotive Service Station
- Automotive Repair
- Automotive Gas Station
- Motor Vehicle Tow Service
- Drive-through facilities
- Dry Cleaning Facility (with onsite cleaning operations)
- Wholesale Retail
- Warehousing
- (prohibition excludes such uses allowed as an Accessory Use)Cannabis-Related Uses

4.2.8 Candlestick Center Mixed Use Commercial District

The Candlestick Center Mixed Use Commercial District consists of a diverse array of commercial uses that provide for the integration of various uses suitable for evolving market conditions for an innovative business or institutional environment ranging from office to laboratory activities, and as appropriate accessory uses, light industrial and manufacturing operations. It will also support small-, moderate-and large-scale retail and commercial operations, residential units, office and professional services, research and development, hotels, and entertainment uses. This land use district covers the allowable uses within the Candlestick Center Neighborhood described above.

The following Uses are Principal Uses in this Land Use District:

Residential Uses:

- Dwelling Units
- Group Housing
- Supportive Housing

- Live-Work Units
- Home Office

Retail Businesses, Offices, Research and Development, and Personal Services Uses:

- Regional Retail Sales and Services
- Neighborhood Retail Sales and Services
- Grocery Store
- Professional, medical, and business offices,
- Physical fitness and other health facilities
- Restaurants
- Bars
- Commercial Wireless Transmitting Facilities
- ~~Commercial~~
- Office
- Research and Development
- Laboratory
- Life Science

• Green Technology
Maker SpaceCommercial, Entertainment and Visitor Serving Uses:

- Performance Arts
- Multi-screen cinema
- Hotel
- Meeting Rooms
- Conference Facilities

Education, Arts and Community Activities Uses:

- Arts Production
- Community Use
- Nighttime Entertainment
- Amusement Enterprise
- Post-Secondary Institution
- Recreation Facilities
- Religious Institutions
- Child-Care Facility
- Vocational / Job Training

Parks and Recreation Uses:

- Parks
- Active Recreation Facilities
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

Retail Businesses, Offices and Personal Services:

- Non-Retail Sales and Services
- Dry Cleaning Facility (with on-site dry cleaning plant)
- Animal Services
- Automotive Rental

Education, Arts and Community Activities Uses:

- Secondary School

The following Uses are Prohibited Uses in this Land Use District:

- Commercial Storage
- Automotive Sale
- Automotive Service Station
- Automotive Repair
- Automotive Gas Station
- Motor Vehicle Tow Service
- Drive-through facilities
- Industrial Activities (prohibition excludes such uses allowed as an Accessory Use)
- Warehousing (prohibition excludes such uses allowed as an Accessory Use)

4.2.9 Open Space

The open space areas consist of land owned by the Agency, City or the State to be developed into regional and local-serving public parks including appropriate recreational facilities and equipment and park maintenance areas. Park lands that are subject to the Public Trust will be managed as state or regional parks consistent with the Public Trust. No other uses beyond those described below are permitted in open space areas.

The following Uses are Principal Uses in this Land Use District:

Parks and Recreation Uses:

- Active Recreation Facilities
- Public Art
- Open Space
- Bicycle Storage
- Public Restrooms
- Maintenance Facilities
- Recreational Equipment Rental

Civic, Arts & Entertainment Uses:

- Recreational Facility
- Transit Shelters

In areas not subject to the Public Trust, the full range of Uses allowed in Parks, open air marketplaces, and similar active recreational Uses shall be allowed in addition to the Permitted Uses listed above.

The following Uses are permitted in this Land Use District if the criteria for Secondary Uses set forth in Section 4.2.6 are met:

- Performance Arts
- Restaurants

4.2.10 Interim Uses

“**Interim Uses**” are uses proposed during the time prior to or concurrent with development of land within a Land Use District consistent with this Redevelopment Plan. Interim Uses may be authorized in all areas not subject to the Public Trust for an initial time period to be determined by the Executive Director, upon a determination by the Executive Director that the authorized uses will not impede the orderly development of the Project Area as contemplated in this Redevelopment Plan. Where approved, Interim

Uses will be permitted for a defined period of time not to exceed five (5) years.

Permissible Interim Uses are as follows:

- Rental or sales office incidental to a new development, provided that it is located in the development or a temporary structure
- Structures and uses incidental to environmental cleanup and staging
- Temporary structures and uses incidental to the demolition or construction of a structure, building, infrastructure, group of buildings, or open space, including construction staging of materials and equipment
- Commercial Storage
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses above
- Other Interim Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

Interim Uses of areas subject to the Public Trust shall be authorized only if the authorized uses are determined to be consistent with, necessary and convenient for, or incidental or ancillary to, the purposes of the Public Trust, or if the following criteria are met:

- There are no immediate Public Trust-related needs for the property,
- The proposed lease for the use prohibits construction of new structure or improvements that, as a practical matter, could prevent or inhibit the property from being converted to a permissible Public Trust use if necessary,
- The proposed lease for the use provides that the Agency has the right to terminate the lease in favor of Public Trust uses as Public Trust needs arise, and
- The proposed use of the leased property would not interfere with commerce, navigation, fisheries, or any other existing Public Trust use or purpose.

Extensions of the above approval periods may be authorized by the Executive Director in increments of up to five (5) year periods, subject to the same determinations as required for the initial period.

4.2.11 Temporary Uses

“**Temporary Uses**” are short-term, transitory uses that may be proposed either prior to or following development of land within a Land Use District consistent with this Redevelopment Plan. Temporary Uses will be permitted by the Executive Director or his or her designee for such period of time as the Executive Director or his or her designee determines to be reasonable provided the Executive Director or his or her designee finds that such Temporary Use is consistent with the objectives of the this Redevelopment Plan and the Candlestick Point Design for Development, as appropriate. Permissible Temporary Uses include:

- Booth for charitable, patriotic or welfare purposes
- Exhibition, celebration, festival, circus or neighborhood carnival
- Open air sales of agriculturally-produced seasonal decorations, including Christmas trees and Halloween pumpkins
- Convention staging
- Parking (either primary or accessory to other uses)
- Truck parking and loading accessory to the uses listed above
- Other Temporary Uses that do not conflict with the objectives of the Plan, the Plan Documents, and the Public Trust, where applicable.

4.2.12 Public Rights-of-Way

The proposed street layout for Zone 1 is illustrated on the Map 4. Streets and alleys may be widened, narrowed, altered, realigned, abandoned, depressed or closed as necessary for proper redevelopment of Zone 1 of the Project Area. Additional public streets, alleys, rights-of-way and easements, may be created in Zone 1 of the Project Area as needed for development and circulation.

Certain streets in Zone 1 will be impressed with the Public Trust. These streets will provide key vehicular, bicycle and pedestrian access ways to and along the wedge parks at the center of Candlestick Point, and linking the northern, eastern, and southern waterfronts in the State Park.

4.3 Standards and Procedures for Development in Zone 1

For Zone 1, this Redevelopment Plan and the other Plan Documents, including the Candlestick Point Design for Development, establish the standards for development and supersede the San Francisco Planning Code in its entirety, except as otherwise expressly provided herein. The only sections of the Planning Code that shall apply within Zone 1, pursuant to the provisions of this Redevelopment Plan, are Sections 101.1, 295, and 314, as such sections are in effect as of the 2010 Plan Amendment Date. Both the Agency Commission and the Planning Commission must approve any amendments to the Candlestick Point Design for Development.

4.3.1 Applicability of City Regulations; City’s Duty to Protect Public Health and Safety

(a) *General.* Regardless of any future action by the City or the Agency, whether by ordinance, resolution, initiative or otherwise, the rules, regulations, and official policies applicable to and governing the overall design, construction, fees, use or other aspect of development of Zone 1 will be (i) this Redevelopment Plan and the other Plan Documents, (ii) to Bayview Hunters Point Redevelopment Plan
July 16, 2018

the extent not inconsistent therewith or not superseded by this Redevelopment Plan, the Existing City Regulations (including all provisions of the Building Construction Codes, which are not inconsistent with or superseded by this Redevelopment Plan), (iii) New City Regulations to the extent permitted under this Redevelopment Plan; (iv) new or changed Development Fees and Exactions to the extent permitted under Section 43.15 of this Redevelopment Plan; (v) any disposition and development agreement or owner participation agreement related to development within Zone 1; and (vi) the Mitigation Measures (collectively, the “**Applicable City Regulations**”).

(b) *Protection of Public Health and Safety; Federal or State Law.* Notwithstanding any provision of this Redevelopment Plan to the contrary, the Agency and any City Agency having jurisdiction, shall exercise its sole discretion under this Redevelopment Plan and the applicable Plan Documents in a manner that is consistent with the public health and safety and shall at all times retain their respective authority to take any action that is necessary to protect the physical health and safety of the public (the “**Public Health and Safety Exception**”) or to comply with changes in Federal or State law, including applicable Federal and State regulations (the “**Federal or State Law Exception**”), including the authority to condition or deny a permit, approval, agreement or other entitlement or to adopt a New City Regulation, but subject, in all events, to any rights to terminate between an owner or developer and the Agency as set forth in either the Plan Documents or any disposition and development agreement or owner participation agreement related to development within Zone 1. Except for emergency measures, any City Agency or the Agency, as the case may be, will meet and confer with the owner of the affected Real Property and/or any affected party under any disposition and development agreement or owner participation agreement related to development within Zone 1 in advance of the adoption of any New City Regulations or New Construction Requirements to the extent feasible.

(c) *Permitted New City Regulations.* The City Agencies and the Agency reserve the right to impose any New City Regulations (except for the Planning Code sections superseded by this Redevelopment Plan) provided that (i) they are imposed on a Citywide Basis and (ii) they do not conflict with the development permitted or contemplated within Zone 1 by this Redevelopment Plan, the Plan Documents, or any disposition and development agreement or owner participation agreement related to development within Zone 1, or any portion of such development (unless such conflict is waived by the owners and developers of all affected property). As used in this paragraph (c), a New City Regulation “conflicts with the development permitted or contemplated” if it would change the aforementioned development regulations to:

(1) limit or reduce the density or intensity of development, or otherwise require any reduction in the square footage or number of proposed buildings (including number of Dwelling Units) or other improvements;

(2) limit or reduce the height or bulk of development within Zone 1, or any part thereof, or of individual proposed buildings or other improvements;

(3) materially change, restrict, or condition any land uses, including permitted or conditional uses, of development within Zone 1;

(4) materially limit or control the rate, timing, phasing, or sequencing of approval, development, or construction (including demolition);

(5) require the issuance of additional land use-related permits or approvals by the City or the Agency;

(6) materially limit or control the availability of public utilities, services or facilities or any privileges or rights to public utilities, services or facilities for Zone 1, including but not limited to water rights, water connections, sewage capacity rights and sewer connections;

(7) control or limit commercial or residential rents or purchase prices (excluding property owned or controlled by the Agency or the City during the period of Agency or City ownership and only to the extent such controls or limits would not survive transfer to a successive owner);

(8) materially limit the processing or procuring of applications and approvals for any subsequent City or Agency approvals;

(9) subject to Section 4.3.15, impose any new Development Fees and Exactions or expand or increase Development Fees and Exactions;

(10) subject to section 4.3.1.d (New Construction Requirements), materially increase the cost of construction or maintenance of all or any development permitted or contemplated in Zone 1 or of compliance with any provision of this Redevelopment Plan, the Plan Documents, any disposition and development agreement or owner participation agreement related to development within Zone 1 or Existing City Regulations applicable to Zone 1

(11) materially decrease the value of any land in Zone 1;

(12) materially reduce, limit the availability of or delay the amount or timing of tax increment or Mello-Roos Community Facilities District funding; or

(13) limit the Agency's ability to timely satisfy its obligations under any disposition and development agreement or owner participation agreement related to development within Zone 1 or the City's ability to timely satisfy its obligations under any cooperation agreement or tax allocation agreement related to development within Zone 1.

Nothing in this Redevelopment Plan or other applicable Plan Documents shall be deemed to limit any City Agency's or the Agency's ability to comply with the California Environmental Quality Act ("CEQA") or the CRL.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Nothing in this section shall limit the authority of the Agency or any City Agency to exercise its discretion under the Public Health and Safety Exception or to make changes under the Federal or State Law Exception, as described in Section 4.3.1(b) (Protection of Public Health and Safety).

The City Municipal Code (excluding the Planning Code with the exception of conditions for cannabis-related uses specified in Section 202.2 thereof (as may be amended or superseded)) and related regulations (as such Code Sections and regulations may be amended from time to time consistent with this Redevelopment Plan) establishing a permitting program for Cannabis-Related Uses are Permitted New City Regulations applicable to and enforceable against Cannabis-Related Uses within the Project Area.

The City's Municipal Code and related regulations establishing a permitting program for Short-Term Rentals (as such Code Sections and regulations may be amended from time to time, consistent with this Redevelopment Plan) are Permitted New City Regulations applicable to and enforceable against Short-Term Rentals within the Project Area.

(d) *New Construction Requirements.* In addition to the Public Health and Safety Exception and the Federal or State Law Exception, the City may change construction requirements for Infrastructure and other Improvements (“**New Construction Requirements**”) if the changes: (i) would not materially increase costs or accelerate the payment of costs of developing the Project Area consistent with this Redevelopment Plan; (ii) are imposed by the Board of Supervisors on a Citywide Basis; and (iii) would not: (a) materially adversely affect Net Available Increment; (b) delay development; (c) materially limit or restrict the availability of Infrastructure; or (d) impose limits or controls on the timing, phasing, or sequencing of development permitted under this Redevelopment Plan. In addition, from and after the 10th anniversary of the issuance of the first Building Permit for a project within Zone 1 of Project Area B of the Project Area, the City may impose New Construction Requirements in response to technological advances in construction if the New Construction Requirements: (1) would materially decrease the City's operation and maintenance costs and would not materially interfere with the uses, heights, density, and intensity of development described in the Plan Documents; (2) will apply on a Citywide Basis for similar land uses; (3) do not conflict with the Mitigation Measures (provided, this requirement may be satisfied with an exemption for specific Mitigation Measures as needed); and (4) do not increase by more than twenty percent (20%) the unit cost of any single component that is the subject of the New Construction Requirement.

4.3.2 Cooperation Agreement

The Agency will enter into a Cooperation Agreement with the Planning Department defining the roles and responsibilities for the provision of project entitlements and the administration of, development controls, and implementation of mitigation measures within Zone 1 of the Project Area. The Cooperation Agreement will specify the respective roles of the Agency and the Planning Department in reviewing development proposals and otherwise

Bayview Hunters Point Redevelopment Plan
July 16, 2018

administering the development controls, with the objective of facilitating the development process and furthering the goals of this Redevelopment Plan and the Candlestick Point Design for Development. Amendments to the Candlestick Point Design for Development will be approved by the Agency Commission and the Planning Commission.

4.3.3 Interagency Cooperation Agreement

The Agency and the City are entering into an Interagency Cooperation Agreement defining the roles and responsibilities for the design and installation of infrastructure, and implementation of mitigation measures within Zone 1 of the Project Area. The Interagency Cooperation Agreement will outline the responsibilities of city departments and agencies regarding the design, approval, installation and maintenance of public infrastructure in Zone 1.

4.3.4 Type, Size, Height and Use of Buildings in Zone 1

The Redevelopment Plan, the General Plan, and the Candlestick Point Design for Development establish the development controls authorized for Zone 1 of the Project Area. The Candlestick Point Design for Development provides specific limitations to the height and other dimensions of new buildings, standards for development of new buildings, as well as design guidelines directing the architectural character of future development.

The Planning Commission and the Agency Commission may adopt amendments to the Candlestick Point Design for Development to better achieve the goals and objectives of this Redevelopment Plan, subject to Section 4.3.1 above.

4.3.5 Limitation on the Number of Buildings

The number of buildings within the Zone 1 of the Project Area may not exceed approximately 450 buildings.

4.3.6 Limitation on the Number of Dwelling Units

The maximum number of Dwelling Units in Zone 1 of ~~the~~ Project Area B is approximately 7,850 units, provided that the maximum number of Dwelling Units may be increased, without amendment to this Plan, to the extent the Hunters Point Shipyard Redevelopment Plan allows for the transfer of Dwelling Units from Phase 2 of the Hunters Point Shipyard Redevelopment Plan Project Area to Zone 1 of Project Area B (subject to any required Commission approval and environmental review required under CEQA), and provided that the total Dwelling Units constructed within both Zone 1 of ~~the~~ Project Area B and the Hunters Point Shipyard Redevelopment Plan Area may not exceed 12,100 Dwelling Units without Commission approval (including attendant environmental review).

4.3.7 Limitation on Type, Size and Height of Buildings

The size and type of buildings may be as permitted in the Applicable City Regulations, which is approximately ~~1,185,000~~3,353,500 square feet of non-residential development, including approximately ~~760,000~~309,500 square feet of retail and entertainment space, 50,000 square feet of community services space, ~~1502,800,000~~ square feet of research and development/office space, 1530,000 square feet of hotel and hotel related uses, and ~~10,000~~1,200 seat (~~7564,000~~ square feet) film arts/performance/event space.

The Commission may approve, without amendment to this Plan but subject to any necessary environmental review, adjustment of the foregoing square footages over time (except of community services space), including conversion to other non-residential uses allowed by this Plan, provided the total square footage of non-residential uses within Zone 1 of the Project Area does not materially exceed ~~1,185,000~~3,353,500 square feet (except as provided below).

The Commission may approve (with any necessary environmental review) the transfer of up to ~~118,500~~2,050,000 square feet of research and development/office use from the Hunters Point Shipyard Project Area to those portions of Zone 1 of the Bayview Hunters Point Project Area where such use is a Principal Use, without further amendment to this Redevelopment Plan. Any unused research and development/office square footage transferred from the Hunters Point Shipyard Project Area to Zone 1 of the Bayview Hunters Point Project Area pursuant to this paragraph may be transferred back to the Hunters Point Shipyard Project Area subject to Commission approval of applicable Major Phase Application(s) (as defined in the CP-HPS2 DDA).⁴

Accessory parking facilities for these uses are not included as part of these limitations.

The maximum building heights within Zone 1 is 420 feet. The Agency may impose additional height limits, building size and location restrictions, and other development controls within the Candlestick Point Design for Development, subject, subject to Section 4.3.1 above.

4.3.8 Parking

⁴ The 2010 FEIR for the CP HPS2 project and subsequent addenda evaluated up to 5,000,000 million square feet of research and development and office use within Phase 2 of the Hunters Point Shipyard Project Area. To the extent feasible, the Agency and master developer shall rely on the prior environmental review in the event of a transfer of square footage to Phase 2 of the Hunters Point Shipyard Project Area pursuant to this paragraph. In addition, the Infrastructure Plan and Transportation Plan for the CP HPS2 project is designed to accommodate up to 5,000,000 million square feet of research and development/office use on Phase 2 of the Hunters Point Shipyard Project Area. A transfer of square footage pursuant to this paragraph that substantially conforms with the Infrastructure Plan and Transportation Plan shall not require amendment of such plans.

Parking will be permitted and required as described in the permitted land use section and as further regulated in the Candlestick Point Design for Development. In Zone 1, parking is generally required to be in an enclosed garage, not visible from the street or right-of-way, and accessory to an established residential or commercial use. Stand-alone parking use is not permitted at full build-out. However, it is understood that through phasing of the project, parking may be available before the completion of the use to which it is accessory, and may be on temporary outdoor lots.

4.3.9 Land Coverage

Land coverage will be determined by the application of the Candlestick Point Design for Development for density, parking, and open space.

4.3.10 Signs

In Zone 1, with the exception of temporary marketing and sales signs pertaining to developments within Zone 1 (which will be permitted), permanent or temporary billboards (excluding kiosks, streetscape commercial signage, and street furniture-related commercial signage), are prohibited within all Land Use Districts and are prohibited in any park or street area. Permanent signage for residential, commercial and open space development is subject to the development controls and guidelines of the Candlestick Point Design for Development. The Agency Commission shall review for consistency with the objectives of this Redevelopment Plan any proposed signage not permitted by the Candlestick Point Design for Development and any signage master plan.

4.3.11 Review of Planning Applications, Architectural and Landscape Plans

In evaluating plans, the Agency will use the standards set forth in the Candlestick Point Design for Development, which establishes design criteria for specific parcels to ensure an attractive and harmonious urban design. Development proposals will be evaluated pursuant to the Agency's Design Review and Document Approval Procedure (DRDAP) as attached to any disposition and development agreement to ensure they achieve the objectives of this Plan and are consistent with the Candlestick Point Design for Development.

4.3.12 Off-Site Improvements

The Agency may require a landowner or development project sponsor to install infrastructure, roadways, street trees, parks and other landscaping, or other improvements on property other than the site that is the subject of the sale, disposal, lease, or owner participation agreement. Such improvements shall be designed in conformity with approved open space, streetscape, or infrastructure plans and other applicable design guidelines.

The tax increment resources from Zone 1 of this Redevelopment Plan may provide for development of a stadium at Hunters Point Shipyard in order to free up the site of the existing Candlestick Point, thus facilitating regional retail and entertainment uses adjacent to Highway 101 and the integrated development of Candlestick Point and Hunters Point Shipyard. In order to accommodate vehicle traffic and transit serving the various uses planned for the Project Area, this Redevelopment Plan also provides for street, lighting, utility, and related improvements to the portion of Harney Way located to the southwest of the Zone 1 boundary of the Project Area, Bus Rapid Transit facilities along Geneva Avenue and at the Bayshore Caltrain Station, portions of the costs related to the Highway 101/Harney/Geneva freeway interchange, portions of Palou Avenue east of Third Street located outside the Project Area, and improvements to the Pennsylvania/25th Street intersection north of the Project Area.

4.3.13 Variance by Agency

The owner or developer of any property in Zone 1 may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and, after consultation with the PAC and the Planning Department, the Agency Commission may, in its sole discretion at a duly noticed public hearing, grant a variance from this Redevelopment Plan or the Candlestick Point Design for Development under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Redevelopment Plan; and
- The granting of a variance would be in harmony with the goals of this Redevelopment Plan and the Candlestick Point Design for Development, and will not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Redevelopment Plan and the Candlestick Point Design for Development. The Agency's determination to grant or deny a variance will be final and will not be appealable to the Planning Department. In no instance will any variance be granted that will substantially change the allowable land uses of this Plan.

4.3.14 Nonconforming Uses

The Agency will provide for the reasonable continuance, modifications, and/or termination of non-conforming uses and non-complying structures whose use or structure does not comply with this Redevelopment Plan or the Candlestick Point Design for Development, provided that such use is generally compatible with the development and uses authorized by this Redevelopment Plan and the Candlestick Point Design for Development. The Agency may authorize additions, alterations, reconstruction, rehabilitation, or changes in use through uses or structures that do not conform to the provisions of this Redevelopment Plan, subject to the Agency's determination that the additions, alterations, reconstruction, rehabilitation, or changes in use will not impede the orderly development of Zone 1 of this Redevelopment Plan and promote compatibility of uses, eliminate blighting conditions and effectuate the purposes, goals, and objectives of this Redevelopment Plan.

4.3.15 Development Fees and Exactions

The following provisions will apply to all property in Zone 1 except parcels used for the development of affordable housing by Agency-sponsored entities. Development Fees and Exactions shall apply to the Project in the manner described below. Except as provided in this section and except as required by the Mitigation Measures, the School Facilities Impact Fee, the Child-Care Requirements, and the Art Requirement shall be the only Development Fees and Exactions that apply to the Zone 1 for the duration of this Redevelopment Plan. Water Capacity Charges and Wastewater Capacity Charges are Administrative Fees and not Development Fees and Exactions, and shall apply in the Project Area.

The School Facilities Impact Fee shall apply for the duration of this Redevelopment Plan, shall be administered as required by State law, and shall be increased for the duration of this Redevelopment Plan in accordance with State law, but only to the extent permitted by State law.

The Art Requirement shall apply for the duration of this Redevelopment Plan and requires that any new office building in excess of 25,000 square feet constructed within the Project Area include one-half of one percent (0.5%) of the hard costs of initial construction (excluding costs of infrastructure and tenant improvements) (the "**Art Fee Amount**") for the installation and maintenance of works of art in the public realm within Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area. In the event that public spaces are not available at the time the Art Requirement is due, then the Art Fee Amount shall be paid to a fund administered by the Agency to be used for public art within the Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area. The public realm within which art may be installed so as to comply with the Art Requirement includes: any areas on the site of the building and clearly visible from the public sidewalk or open space feature, on the site of any open space feature, or in any adjacent public property. The type and location of artwork proposed shall be reviewed by the Executive Director for consistency with the Candlestick Point Design for Development and other Plan Documents.

The Child-Care Requirements shall apply for the duration of this Redevelopment Plan only to all commercial development over 50,000 square feet per Planning Code Section 314, as it existed on the 2010 Plan Amendment Date (attached and incorporated hereto as Attachment E). The Child-Care Requirements will be administered by the Agency to provide for these public benefits within Zone 1 or within the Hunters Point Shipyard Redevelopment Project Area.

The Child-Care Requirements provide for compliance either by constructing Child-Care Facilities or, alternatively, payment of an in-lieu fee. For the duration of this Redevelopment Plan, development within the Zone 1 shall not be subject to any change to the provisions of the Child-Care Requirements that permit compliance through the construction of Child-Care facilities. In addition, no new in lieu fee or increase in the existing in lieu fee related to the Child-Care Requirement shall apply to the Project Area for twelve (12) years following the date the first Building Permit is issued for a project in Zone 1 of Project Area B of the Project Area and, thereafter, will only be applicable if the new or increased in lieu fee relating to Child-Care Requirements is: (i) not increased at a rate greater than the annual increase in the Consumer Price Index commencing at the end of the 12-year period during which the fee has been frozen as described above; (ii) generally applicable on a Citywide Basis to similar land uses; and (iii) not redundant of a fee, dedication, program, requirement, or facility described in the Plan Documents or in any applicable disposition and development agreement related to development within Zone 1.

Notwithstanding the foregoing, new or increased Development Fees and Exactions may be imposed to the extent required under the Public Health and Safety Exception and the Federal or State Law Exception.

The parcels on Assessor Blocks 4917, 4918, 4934, and 4935 shall be subject to all fees and exactions under the City Planning Code in effect from time to time, except as otherwise provided pursuant to an Owner Participation Agreement or Development Disposition Agreement, if the Agency determines that the public benefits under an Owner Participation Agreement exceed those that would otherwise be obtained through imposition of the City Planning Code fees and exactions.

4.3.16 Office Development Limitations

On November 8, 2016, voters enacted Proposition O, which exempts Zone 1 of this Redevelopment Plan from the office development limits set forth in Planning Code Sections 320 – 325. Planning Code Sections 320 – 325 (Proposition M) shall apply to office development in Zone 2 of this Redevelopment Plan and Planning Code Section 324.1 shall apply to office development in Zone 1 of this Redevelopment Plan. Accordingly, the cap on the annual amount of office development permitted in the City shall apply in Zone 2 but not in Zone 1 of this Redevelopment Plan.

By Resolution No. 18102 (Attachment G), the Planning Commission adopted findings pursuant to Planning Code Section 321(b)(1) that the 150,000 square feet of office development contemplated in Zone 1 of this Redevelopment Plan in particular promotes the public welfare, convenience and necessity, and in so doing considered the criteria of Planning Code Section 321(b)(3)(A)-(G). Proposition O states in part that “No project authorization or allocation shall be required for any Development on the Subject Property [Candlestick Point and Hunter’s Shipyard Phase 2]. However, Development on the Subject Property that would require a project authorization or allocation but for this Section 324.1 shall be treated for all purposes as if it had been granted approval of a project authorization or allocation.” Proposition O (2016) supersedes, as to Zone 1 of this Redevelopment Plan, any portion of Resolution No. 18102 (Attachment G) that would require an office authorization or allocation, compliance with Planning Code sections 320-325, or Planning Commission review or approval of office developments.

Proposition O did not exempt Zone 2 of the Project Area from the requirements of Proposition M (Sections 320-325). The permitted land uses and standards of development for Zone 2 are described in Section 5.

4.3.17 Shadow on Recreation and Park Property

Section 295 of the Planning Code (Proposition K) shall apply to development in the Project Area in the form in which Section 295 was in effect as of the 2010 Plan Amendment Date (attached hereto as Attachment F). Section 295 (Proposition K) shall not continue to apply to development in the Project Area in the event it is repealed by legislation or voter initiative.

5.0 REDEVELOPMENT PLAN FOR ZONE 2 OF THE PROJECT AREA

This Redevelopment Plan designates Zones 1 and 2 of the Project Area as shown on Map 2 within the Bayview Hunters Point Redevelopment Project Area B. The Agency’s Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 2 are set forth below. To the extent that the Agency has delegated land use authority in Zone 2 to the Planning Department by a Delegation Agreement then in effect, references below to actions or determinations by the Agency may be undertaken by the Planning Department or Planning Commission. The Agency’s Redevelopment Plan for the elimination of blight, increased affordable housing and economic development in Zone 1 is described in Section 4.

5.1 Existing Conditions in Zone 2 of the Project Area

Zone 2 of the Project Area is a mixed residential, industrial and commercial area that has suffered from severe economic decline for many years with the closure of the Hunters Point

Naval Shipyard, the shrinking of heavy and light industrial bases, and the lingering effects of long-term environmental pollution. The resulting difficulty of rehabilitating residential and commercial areas have resulted in the prolonged use of obsolete and inadequate structures; nearly vacant and abandoned commercial and industrial buildings; obsolete and inadequate public facilities; and some privately-owned, deteriorating dwellings. Zone 2 of the Project Area is characterized by dilapidated buildings of inadequate construction, unfit and unsafe for occupancy; deteriorating streets and public utilities of inadequate construction; a general absence of usable open and recreation space; conflicts between industrial and residential land uses and deficient public facilities. These conditions constitute a substandard living environment and have a detrimental effect on the neighborhoods within and surrounding Zone 2 of the Project Area.

5.2 Land Uses Permitted in Zone 2 of the Project Area

5.2.1 Permitted Land Uses in Zone 2

All real property in Zone 2 of the Project Area is hereby made subject to the controls and requirements of this Redevelopment Plan, which incorporates the Planning Code and Zoning Maps as its land use controls. No real property or real property interest may be developed, rehabilitated, or otherwise changed after the 2010 Plan Amendment Date, except in conformance with the provisions of this Redevelopment Plan, as amended from time to time, and the Planning Code and Zoning Maps, as amended from time to time, to the extent not contrary to this Redevelopment Plan.

The generalized land uses for Zone 2 of the Project Area are shown on Map 5, are generally illustrative and based on the Generalized Land Use Plan in the Bayview Hunters Point Area Plan of the General Plan. The descriptions below generally illustrate the land uses of Zone 2 of the Project Area, but property owners and others should refer directly to the Planning Code and its Zoning Maps for applicable standards.

5.2.2 Residential

The generalized residential areas consist of residential uses and some compatible local-serving retail and services. The primary land use is residential units ranging from single family homes to multi-family developments of a moderate scale. Related uses also include local-serving businesses, family Child-Care Facilities, small professional offices, home occupations, and recreation facilities.

5.2.3 Mixed Use – Neighborhood Commercial

The generalized mixed use area consists of small and moderate scale retail and commercial operations on the ground floor along the major commercial streets of the area with

residential units or office uses on the upper floors. The mixed use area allows on the ground floor local-serving businesses, restaurants, financial institutions, small offices, catering establishments, household or business repair, interior decorating shops, graphics reproduction, child care, religious institutions, ATMs, and parking. On the upper floors, land uses may include small scale offices, second floor retail operations, and residential units.

5.2.4 Light Industrial

The generalized light industrial areas consist of businesses and facilities requiring some separation from residential areas due to their generation of truck traffic, noise, and odors. The land uses taking place in these areas are primarily industrial in nature and include manufacturing, repair shops, automotive services, warehouses, wholesale showrooms, industrial research laboratories, open storage, transportation and distribution facilities, food production and distribution, graphic design and reproduction, arts facilities, entertainment venues, vocational job training and related commercial operations. Office and retail uses are permitted but primarily as accessory uses to the industrial operations.

5.2.5 Buffer Zones

The generalized buffer zone areas are intended to provide a transition from industrial uses to residential neighborhoods. The land uses in the buffer zone are small scale light industrial activities that create limited external impacts (such as noise, traffic, or odor), commercial operations, arts facilities, vocational training and, where appropriate, limited accessory residential units.

5.2.6 Public Facility

The generalized public facility areas consist of land other than housing sites or open space, owned by a government agency or other public or semi-public entity and in some form of public or semi-public use. The principal uses in this area include fire station, police stations, public schools, community college facilities, water treatment facilities, sports stadiums, cultural facilities and public transportation facilities.

5.2.7 Public Rights-of-Way

The existing street layout is illustrated on Map 2. Streets and alleys may be widened, narrowed, altered, realigned, abandoned, depressed or closed as necessary for proper redevelopment of Zone 2 of the Project Area. Additional public streets, alleys, rights-of-way and easements, including above and below-ground railroad easements and rights of way, may be created in Zone 2 of the Project Area as needed for development and circulation. Any modifications must conform to the General Plan and the Planning Code, as amended from time

to time in the future, unless amendments to the General Plan or the Planning Code are contrary to the provisions of this Redevelopment Plan.

5.3 Standards for Development in Zone 2 of the Project Area

To achieve the objectives of this Redevelopment Plan in Zone 2 of the Project Area, the use and development of land shall be in accordance with the Planning Code and the General Plan. References in this Section to the Planning Code and the General Plan mean the Planning Code and the General Plan, as amended from time to time, to the extent that the amendments are not contrary to the provisions of this Redevelopment Plan.

5.3.1 Delegation Agreement

The Agency and Planning Department have entered into a Delegation Agreement delegating to the Planning Department the administration of development controls within Zone 2 of the Project Area. The Delegation Agreement specifies the respective roles of the Agency and the Planning Department in reviewing development proposals and otherwise administering the development controls, with the objective of facilitating the development process and furthering the goals of this Redevelopment Plan. For projects requiring Agency Action wherein the Agency does not delegate its land use jurisdiction, appeals of permits, variances, and final action on environmental review under the California Environmental Quality Act will be to the Board of Supervisors or to the Board of Appeals; these appeals shall be consistent with the procedures of the City's Charter and Ordinances pertaining to appeals from decisions of the Planning Commission and Planning Department. The Agency and City will provide for the cost of implementing the Delegation Agreement in the Agency's or Planning Department's annual budget.

5.3.2 Type, Size, Height and Use of Buildings in Zone 2

The General Plan and the Planning Code identify the land uses and other development controls authorized in Zone 2 of the Project Area. The Planning Commission and the Board of Supervisors may adopt amendments to the General Plan and the Planning Code to better achieve the goals and objectives of this Redevelopment Plan. In the event the General Plan, Planning Code or any other applicable ordinance is amended or supplemented with regard to any land use or development control in Zone 2 of the Project Area, the land use provisions and development controls of this Redevelopment Plan will be automatically modified accordingly without the need for any formal plan amendment process unless those amendments or supplements are contrary to the provisions of this Redevelopment Plan. Prospective property developers should refer directly to the Planning Code for applicable standards, as well as to the remainder of this Redevelopment Plan and Related Plan Documents; provided however that to the extent that the inclusionary housing requirements in Section 315 of the Planning Code are inconsistent with this

Redevelopment Plan, this Redevelopment Plan amends and takes precedence over Section 315 of the Planning Code. Thus, developers in Project Area B are required to comply with the inclusionary housing standards in this Redevelopment Plan.

5.3.3 Limitation on the Number of Buildings

The number of buildings within the Zone 2 of the Project Area may not exceed approximately 4,000.

5.3.4 Number of Dwelling Units

The number of Dwelling Units presently within Zone 2 of the Project Area is currently approximately 5,510 and will be approximately 9,300 under this Redevelopment Plan.

5.3.5 Parking

Parking spaces may be provided as permitted in the Planning Code. The Agency will encourage joint use of parking spaces as may be permitted under the Planning Code to the extent that such joint use will adequately serve the needs of each user.

5.3.6 Land Coverage

Land coverage shall be determined by the application of the Planning Code for density, parking, and open space.

5.3.7 Signs

Signs in Zone 2 of the Project Area shall be designed and constructed in conformance with the Planning Code. In addition, signs shall be complementary to elements in the total environment.

5.3.8 Review of Planning Applications, Architectural and Landscape Plans

In evaluating the plans, the Agency will use the standards set forth in the Planning Code and any applicable approved City design guidelines. Particular emphasis will be given to the visual relationship to adjoining development and to the view of the development from public rights-of- way.

In the disposition of land, the Agency may establish design criteria for specific parcels to ensure an attractive and harmonious urban design and may implement these criteria with appropriate provisions in the disposition documents. Development proposals will be evaluated as to the manner in which they achieve the objectives of this Redevelopment Plan.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

5.3.9 Off-Site Improvements

The Agency may require a land owner, at his/her own expense, to install street trees, landscaping, paving, or other improvements on property other than the site that is the subject of the sale, lease, or owner participation agreement. Such improvements shall be designed in conformity with approved streetscape plans and/or applicable design guidelines.

5.3.10 Variance by Agency

If a development project in Zone 2 involves Agency Action, then, in its sole discretion, the Agency may grant a variance from this Redevelopment Plan or the Planning Code.

The owner or developer of any property in Zone 2 may make a written request for a variance that states fully the grounds of the application and the facts pertaining thereto. Upon receipt of a complete application, the Agency may conduct its own further investigation and, after consultation with the PAC and the Planning Department, the Agency Commission may, at a duly noticed public hearing, grant a variance from this Redevelopment Plan or the Planning Code under the following circumstances:

- Due to unique physical constraints or other extraordinary circumstances applicable to the property, the enforcement of development regulations without a variance would otherwise result in practical difficulties for development and create undue hardship for the property owner or developer or constitute an unreasonable limitation beyond the intent of this Redevelopment Plan; and
- The granting of a variance would be in harmony with the goals of this Redevelopment Plan and the Planning Code, and would not be materially detrimental to the public welfare or materially injurious to neighboring property or improvements in the vicinity.

In granting a variance, the Agency will specify the character and extent thereof, and also prescribe conditions necessary to secure the goals of this Redevelopment Plan and the Planning Code.

5.3.11 Variance by Planning Department

If a development project is in Zone 2 of the Project Area and does not involve Agency Action, then any request for a variance will be reviewed by the Planning Department, in its sole discretion, using the guidelines and procedures established by the Planning Department. The Planning Department's determination to grant or deny a variance is not appealable to the Agency.

5.4 Economic Development Program for Zone 2 of the Project Area

5.4.1 Proposed Economic Development Programs

The Agency may develop the following economic programs within each of the Economic Development Activity Nodes in conjunction with and with the assistance of the PAC:

- Façade improvement program;
- Brownfield cleaning assistance;
- Assistance with the development of key catalyst commercial sites;
- Provision of small business improvement assistance;
- Assistance with marketing and promotional activities for local business groups;
- Creating local business retention programs;
- Development of cultural facilities;
- Rehabilitation of historic structures;
- Planning for innovative parking strategies in the Third Street corridor;
- Providing support for job training programs; and
- Enforcing the Agency's and/or City's local hiring and equal opportunity programs, where appropriate.

5.4.2 Economic Development Activity Nodes

The Agency shall encourage the promotion of policies and land use decisions that provide job-training, employment and business opportunities to local residents with a focus on economic development efforts within the seven Activity Nodes of Project Area B described in Section 1.4.7. The Agency may implement Activity Node development programs for all or part of each Activity Node. The Agency may also pursue economic development efforts outside of Zone 2 of the Project Area where these efforts are determined to be necessary to effect the elimination of blighting conditions within Zone 2 of the Project Area; and where they comply with the CRL, including, Section 33445.1. The design of each Economic Development Activity Node will facilitate and support the Agency's efforts under its Affordable Housing Program.

6.0 DEFINITIONS

Following are definitions for certain words and terms used in this Redevelopment Plan. All words used in the present tense include the future. All words in the plural number include the singular number and all words in the singular number include the plural number, unless the natural construction of the wording indicates otherwise. The word “shall” is mandatory and not directory; and the term “may not” is prohibitory and not permissive. The words “including,” “such as,” or words of similar import when following any general term may not be construed to limit the general term to the specific terms that follow, whether or not language of non-limitation is used; rather, these terms will be deemed to refer to all other terms that could reasonably fall within the broadest possible scope of the term.

2010 Plan Amendment Date means the date on which Ordinance No. 210-10 adopting amendments to this Redevelopment Plan, approved on August 3, 2010, became effective.

2017 Plan Amendment Date means the date on which Ordinance No. 121-17 adopting amendments to this Plan, approved on June 22, 2017, became effective.

2018 Plan Amendment Date means the date on which Ordinance No. 0176-18 adopting amendments to this Plan, approved on July 16, 2018, became effective.

2024 Plan Amendment Date means the date on which Ordinance No. _____ adopting amendments to this Plan, approved on [DATE], became effective.

Accessory Use means uses that are related to and subservient to another use, and serve that use only.

Administrative Fee means any fee charged by any City Agency or the Agency in effect on a Citywide Basis, including fees associated with Article 31, at the time of submission for the processing of any application for building or other permits, subdivision maps, or other City or Agency regulatory actions or approvals for any development in the Project Area.

Adult Entertainment means a use that includes any of the following: adult bookstore, adult theater, and encounter studio, as defined by Section 1072.1 of the San Francisco Police Code.

Affordable Housing Program means the Agency’s activities to construct, rehabilitate, and preserve housing that is permanently affordable to low- and moderate-income households. The basis for the Affordable Housing Program can be found in the Framework Housing Program adopted by the PAC on September 20, 2004 and the Below – Market Rate Housing Plan formulated in 2010 for Zone 1 of the Project Area, as amended from time to time.

Agency Action means the Agency’s funding, acquisition, disposition, or development of property through a Disposition and Development Agreement (DDA), Owner Participation Agreement (OPA), loan agreement, grant agreement, or other transactional or funding documents between a property owner or developer and the Agency.

Agency Commission means the Commission for the Redevelopment Agency of the City and County of San Francisco.

Amusement Enterprise means enterprises such as billiard halls, bowling alleys, skating rinks, and similar uses when conducted within a completely enclosed building.

Animal Services means an animal care use that provides medical care and/or boarding services for animals.

Area Median Income or **AMI** means area median income as determined by the United States Department of Housing and Urban Development for the San Francisco area, adjusted for actual household size, but not adjusted for high income area. If data from HUD specific to the Metro Fair Market Rent Area that includes San Francisco are unavailable, AMI may be calculated by the Mayor’s Office of Housing using other publicly available and credible data, adjusted for Household Size.

Arts Education means schools of any of the following for professionals, credentialed individuals or amateurs: dance, music, dramatic art, film, video, graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel, and other visual, performance, industrial and product-design and sound arts and craft.

Art Production means commercial arts and art-related business service uses including, but not limited to, recording and editing services, small-scale film and video developing and printing; titling; video and film libraries; special effects production; fashion and photo stylists; production, sale and rental of theatrical wardrobes; and studio property production and rental companies. Arts spaces may include studios, workshops, galleries, museums, archives and small theaters, and other similar spaces customarily used principally for production and post-production of graphic art, painting, drawing, sculpture, small-scale glass works, ceramics, textiles, woodworking, photography, custom-made jewelry or apparel and other visual, performance and sound arts and craft.

Automotive Sale means a retail use that provides on-site vehicle sales whether conducted within a building or on an open lot.

Automotive Repair means a retail automotive service use that provides any of the following automotive repair services, whether outdoors or in an enclosed building: minor auto repair,

engine repair, rebuilding, or installation of power train components, reconditioning of badly worn or damaged motor vehicles, collision service, or full body paint spraying.

Bar means a principal retail use not located in a Restaurant that provides on-site alcoholic beverage sales for drinking on the premises, including bars serving beer, wine and/or liquor to the customer where no person under twenty one (21) years of age is admitted (with Alcoholic Beverage Control [ABC] license 42, 48, or 61) and drinking establishments serving liquor (with ABC license 47 or 49) in conjunction with other uses that admit minors, such as theaters, and other entertainment. Restaurants with ABC licenses are not considered bars under this definition.

Bayview Hunters Point Survey Area C means the India Basin portion of the original South Bayshore Survey Area designated in 2006 to remain an area for consideration for amendment into Project Area B after an additional community planning process.

Board of Supervisors means the Board of Supervisors of the City and County of San Francisco, California.

Bicycle Storage means: (a) Class 1 Bicycle Parking Space(s), that are facilities that protect the entire bicycle, its components and accessories against theft and against inclement weather, including wind-driven rain. Examples of this type of facility include (1) lockers, (2) check-in facilities, (3) monitored parking, (4) restricted access parking, and (5) personal storage; (b) Class 2 Bicycle Parking Space(s), that include bicycle racks that permit the locking of the bicycle frame and at least one wheel to the rack and, that support the bicycle in a stable position without damage to wheels, frame or components.

Building Construction Codes means the City's (or if applicable, the Port's) Building Code, Electrical Code, Mechanical Code and Plumbing Code and any construction requirements in the Housing Code and the Fire Code.

Business Occupant Re-Entry Policy means a document approved by the Agency Commission in relation to this Redevelopment Plan that establishes, to the extent required by State or Federal law, how the extension of reasonable preferences to business occupants will be implemented within the Project Area. For Zone 2, such document was adopted by Resolution No. 34-2006 dated March 7, 2006. The Agency may elect to rely on this document with respect to Zone 1 or may elect to promulgate a new Business Occupant Reentry Policy specific to Zone 1.

Candlestick Point Design for Development means the Candlestick Point Design for Development document, that sets development standards and design guidelines for Zone 1 of the Project Area (the Candlestick Point Sub-Area) as shown on Map 2, including the Candlestick Point Activity Node that may be amended from time to time consistent with its provisions.

Candlestick Point Sub-Area means that portion of the Bayview Area Plan within the San Francisco General Plan that corresponds to Zone 1 of the Project Area, consisting of the within the Candlestick Activity Node and the Alice Griffith Project.

Cannabis-Related Use means any use that is required to obtain a permit, and has obtained such permit, from the San Francisco Office of Cannabis (or its successor). For the avoidance of doubt, a Cannabis-Related Use is any category of Use otherwise permitted herein that cultivates, manufactures, distributes, tests, sells, delivers or in any other way uses cannabis or cannabis-derived materials, including for legal adult use or medical use.

Certificate of Preference Holders means persons who have rights under the Agency’s Certificate of Preference Program, as amended by Resolution No. 57-2008 (adopted on June 3, 2008 and effective Oct. 1, 2008).

Child-Care Facility means a use that provides less than 24-hour care for children by licensed personnel and that meets all the requirements of the State and other authorities for such a facility.

Child-Care Requirements means the requirements set forth in City Planning Code Section 314, as it exists on the 2010 Plan Amendment Date (and attached hereto as Attachment E).

City Agency means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any portion of the Project Area, including but not limited to the Port Authority, Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Agency, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency designated by or under law.

City Regulations means ordinances, resolutions, initiatives, rules, regulations, and other official City and Agency policies applicable to and governing the overall design, construction, fees, use or other aspects of development within Zone 1. City Regulations includes City municipal codes, the General Plan, Building Construction Codes, and all ordinances, rules, regulations, and official policies adopted to implement those City Regulations, except to the extent such regulations are Administrative Fees.

Citywide Basis means all privately-owned property within (a) the City’s jurisdictional limits or (b) any designated use classification or use district of the City so long as (1) any such use classification or use district includes a substantial amount of affected private property other than affected private property within the Project Area, (2) the use classification or use district includes all private property that receives the general or special benefits of, or causes the burdens that occasion the need for, the New City Regulation, Development Fees and Exactions, or New Construction Requirements, and (3) the cost of compliance with the New City Regulation,

Development Fees and Exactions, or New Construction Requirements applicable to the same type of use in the Project Area (or portion thereof) does not exceed the proportional benefits to, or the proportional burdens caused by private development of that type of use in, the Project Area (or portion thereof).

Commercial Storage means a commercial use that stores, within an enclosed building, household goods, contractors' equipment, building materials or goods or materials used by other businesses at other locations and that may include self-storage facilities for members of the public. The prohibition of this use in Zone 1 includes the storage of waste, salvaged materials, automobiles, inflammable or highly combustible materials, and wholesale goods or commodities.

Commercial Wireless Transmitting Facility means equipment for the transmission, reception, or relay of radio, television, or other electronic signals, and may include towers, antennae, and related equipment.

Community Garden means land gardened collectively by a group of people.

Community Redevelopment Law or **CRL** means the Community Redevelopment Law of the State of California (Health & Safety Code Sections 33000 *et seq.*).

Community Use means a publicly- or privately-owned use that provides public services to the community, whether conducted within a building or on an open lot. This use may include, by way of example and not limitation, museums, post offices, public libraries, police or fire stations, transit and transportation facilities, utility installations, building-integrated sustainable energy generation facilities, neighborhood-serving community recycling centers, and wireless transmission facilities.

Concept Plan means the Bayview Hunters Point Community Revitalization Concept Plan adopted by the PAC on November 13, 2000, as amended from time to time.

Conceptual Framework Plan means the Conceptual Framework Plan for the Integrated Development of Hunters Point Shipyard Phase 2 and Candlestick Point, endorsed by Board Resolution No. 264-07.

Consumer Price Index means the All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor.

Cooperation Agreement means an agreement between the Agency and the Planning Department that defines how the two agencies will administer the entitlement process in Zone 1 of the Project Area.

Delegation Agreement means an agreement between the Agency and the Planning Department that defines how the two agencies will administer the entitlement process in Zone 2 of the Project Area.

Development Fees and Exactions means a monetary or other exaction including in-kind contributions, other than a tax or special assessment or Administrative Fee, that is charged by the Agency or any City Agency in connection with any permit, approval, agreement or entitlement or any requirement for the provision of land for construction of public facilities or Infrastructure or any requirement to provide or contribute to any public amenity or services. Development Fees and Exactions does not include Building Construction Codes in effect from time to time and generally applicable on a Citywide Basis to similar land uses.

District Heating and Cooling Facility means a plant with hot water (or steam) and chilled water distributed from the district plant to individual buildings via a pipe distribution network located under the streets.

Dry-Cleaning Facility means dry-cleaning establishment, including pressing and other miscellaneous processing of clothes.

Dwelling Units means a residential use that consists of a suite of one or more rooms and includes sleeping, bathing, cooking, and eating facilities.

Effective Date means the date the ordinance passed by the Board of Supervisors approving this Redevelopment Plan (Ordinance No. 113-06) became effective.

Elementary School means an institution that provides K-8 education and that may be either public or private.

Executive Director means the Executive Director of the Agency.

General Plan means the General Plan for the City and County of San Francisco.

Green Technology means a use or several uses that involves the research, development, and fabrication of innovative methods, materials, and technology to improve environmental quality, increase energy and/or resource efficiency, reduce greenhouse gas emissions, reduce waste and pollution, and increase resource sustainability. Green Technology uses may utilize office, laboratory, light manufacturing, or other types of use. Green technology can include office, laboratory, and light-manufacturing uses.

Grocery Store means a retail use of medium or large scale providing sales of food, produce, prepared food, beverages, toiletries, pharmaceutical products and services, and household items to the general public. This includes neighborhood-serving stores, supermarkets, festival market places, or other large format tenants providing primarily food sales up.

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Group Housing means a residential use that provides lodging or both meals and lodging without individual cooking facilities. Group Housing may include housing specifically designed for and occupied by seniors, students or disabled residents.

Historic Survey means a building-by-building survey of properties containing structures over fifty (50) years of age utilizing survey methods outlined by State Office of Historic Preservation.

Home Office means the accessory use of a dwelling for office purposes, provided that the principal user of such office resides in that dwelling.

Hotel means a use that provides overnight accommodations including guest rooms or suites and ancillary services to serve hotel guests. Hotels shall be designed to include all lobbies, offices and internal circulation to guest rooms and suites within and integral to the same enclosed building or buildings as the guest rooms or suites.

Housing Authority means the San Francisco Housing Authority.

Implementation Plan means a plan adopted periodically by the Agency Commission relating to the implementation of goals and objectives within this Redevelopment Plan, in accordance with the requirements of the CRL.

India Basin Shoreline Area means BVHP Survey Area C.

India Basin Sub-area Plan means a proposed sub-area plan for the Bayview Hunters Point applicable for BVHP Survey Area C.

Interagency Cooperation Agreement means an agreement between the Agency and the City to facilitate the design, approval, operation and maintenance of public infrastructure to be built to serve Zone 1 of the Project Area.

Institutional Use means Residential Care Facility, Child-Care Facility, Elementary School, Religious Institution, Secondary School, Post-Secondary Institution, or Vocational/Job Training Facility.

Laboratory means a use that provides for space within any structure intended or primarily suitable for scientific research. This includes industrial, biologics, chemical, pharmaceuticals, and digital work stations for the purpose of design, developing, and testing product development. The space requirements of uses within this category include specialized facilities or built accommodations that distinguish the space from office uses and light industrial uses.

Life Science means a use that involves the integration of natural and engineering sciences and advanced biological techniques using organisms, cells, and parts thereof for products and

services. Life Science uses may utilize office, laboratory, light manufacturing, or other types of uses. Life Science can include Light Industrial uses as accessory uses.

Light Industrial means a non-retail use that provides for the fabrication or production of goods, by hand or machinery, for distribution to retailers or wholesalers for resale off the premises, primarily involving the assembly, packaging, repairing, or processing of previously prepared materials.

Limited Equity Program means the Agency's program for first-time homebuyers, which provides for-sale housing to income-qualified households at an affordable price and maintains initial affordability levels at each resale.

Live-Work Units means a structure or portion of a structure combining a residential living space for a household or group of persons with an integrated work space principally used by one or more of the residents of that unit.

Maker Space means uses for contemporary forms of small-scale manufacturing, repair, and post-manufacturing activities. Maker space should typically include a retail component, and may include several other uses within a single space, including but not limited to, Light Industrial (for example, craft, industrial arts and design, robotics, woodwork, jewelry manufacture, clothing and apparel manufacture, and food and beverage production), office and research and development (e.g., digital technologies and electronics, 3D printing, graphic design), and Neighborhood Retail Sales and Services associated with the foregoing (e.g., food and beverage tasting and sale, arts and crafts sales, jewelry sales), among many others. For the purposes of size limitations established in Section 4.3.7, Maker Space is considered research and development/office or retail and entertainment space.

Mayor means the current Mayor for the City and County of San Francisco.

Mitigation Measures means those mitigation measures from the Candlestick Point/Hunters Point Shipyard Phase 2 Project EIR imposed as conditions of approval of the amendments to this Redevelopment Plan as set forth in Resolution No. 347-10, as amended or modified from time to time consistent with CEQA.

Motor Vehicle Tow Service means a service use that provides vehicle towing service, including accessory vehicle storage, when all tow trucks used and vehicles towed by the use are parked or stored on the premises.

Neighborhood Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live or work nearby and who can access the establishment directly from the street on a walk-in basis. This use may provide goods and/or services to the business community, provided that it also serves the general

public. This use would include those that sell, for example, groceries, personal toiletries, magazines, smaller scale comparison shopping; personal services such as laundromats, health clubs, formula retail outlets, hair or nail salons; and uses designed to attract customers from the surrounding neighborhood. Retail uses can also include outdoor activity areas, open air sales areas, and walk-up facilities (such as ATMs or window service) related to the retail sale or service use and need not be granted separate approvals for such features. Neighborhood retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but not be limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, and health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

New City Regulations means both City Regulations adopted after the 2010 Plan Amendment Date or a change in Existing City Regulations, including any amendment to this Redevelopment Plan or the Plan Documents, effective after the 2010 Plan Amendment Date.

Nighttime Entertainment means entertainment activities such as dance halls, discotheques, nightclubs, and similar evening-oriented entertainment activities generally involving amplified music, either live or recorded, as well as restaurants and bars, and other venues or spaces used for different uses during the day that present such activities. It excludes Adult Entertainment.

Non-Retail Sales and Services means a commercial or office use that provides goods and/or services primarily to other businesses rather than to the general public and that may include, by way of example and not limitation, wholesale sales; sale, rental, installation, servicing and/or repair of business goods and equipment.

Nonconforming Use means a use that existed lawfully as of the 2010 Plan Amendment Date and that fails to conform to one or more of the use limitations in this Redevelopment Plan and/or the Planning Code then applicable for the Project Area in which the property is located.

Office means a use within a structure or portion thereof intended or primarily suitable for occupancy by persons or entities that perform, provide for their own benefit, or provide to others at that location services including, but not limited to, the following: professional; medical; banking; insurance; management; consulting; technical; sales; artificial intelligence; technology, and design; and the non-accessory office functions of manufacturing and warehousing businesses; multimedia, software development, hardware development; web design, electronic commerce, and information technology; administrative services; and professional services. This use does not include retail uses; repair; any business characterized by the physical transfer of tangible goods to customers on the premises; or wholesale shipping, receiving and storage.

Open Space means space that is retained primarily in an unimproved, natural state. Open Space may be used for passive recreational activities, such as hiking and picnicking, and may include facilities related to such passive recreational uses.

Owner Participation Agreement or **OPA** means a binding agreement between a property owner and the Agency by which the participant agrees to rehabilitate, develop, use and maintain the property in conformance with this Redevelopment Plan.

Owner Participation Rules means the rules for property owner participation in redevelopment activities consistent with the provisions of this Redevelopment Plan within the Project Area, approved by the Agency Commission by Resolution No. 34-2006 dated March 7, 2006, as may be amended from time to time.

Parking means the storage of vehicles accessory to a principle or secondary residential or commercial use. Such storage can be in the form of independently accessible parking spaces, non-independently accessible parking spaces including those accessed on parking lifts or through the use of valet. Parking spaces need not be on the same lot or block to the use it serves.

Parks means publicly owned open space improved with either active recreational amenities such as playing fields and sporting courts and/or passive recreational amenities such as trails, picnic areas, and small outdoor performance spaces

Performance Arts means a use that includes performance, exhibition, rehearsal, production, or post-production of any of the following: dance, music, dramatic art, film, video, and other visual, performance and sound arts and craft.

Permanently Affordable means in compliance with the statutorily required minimum affordability periods as set forth in the California Redevelopment Law.

Plan Documents means any Business Occupant Re-Entry Policy, Delegation Agreement(s) (as to Zone 2) Implementation Plan, Design for Development documents, Relocation Plan and Owner Participation Rules.

Planning Code means the Planning Code and Zoning Maps of the City and County of San Francisco.

Planning Commission means the Planning Commission of the City and County of San Francisco, California.

Planning Department means the Planning Department of the City and County of San Francisco.

Post-Secondary Institutions means a use that is certified by the Western Association of Schools and Colleges that provides post-secondary educational services such as a school, college or university.

Priority Policies means the eight priority policies stated in Section 101.1, Master Plan Consistency and Implementation, of the City’s Planning Code.

Project Area means Project Area B, consisting of Zone 1 and Zone 2, within the boundaries of the Bayview Hunters Point Redevelopment Project Area.

Project Area A means the area delineated in Map 1. The legal description is contained in Attachment A hereto.

Project Area B means the area delineated in Map 2 and includes Area B Parcel One, and Area B Parcel Two. The legal description is contained in Attachment B hereto. Project Area B is further delineated for the purpose of redevelopment implementation into Zone and Zone 2. Zone 1, shown in Map 2, is the Candlestick Point Sub-Area, which includes the Candlestick Point Activity Node and Alice Griffith Project. Zone 2 includes the remainder of Project Area B.

Project Area Committee or PAC means the elected community body that advises the Agency on the preparation of this Redevelopment Plan and supporting documents.

Public Recreation means privately-owned recreational areas that are open to the general public. This use may include may include hiking trails, playgrounds, public parks, sports fields, community gardens, golf courses, marinas, and tennis courts as well as accessory uses such as maintenance facilities, parking, and concession areas.

Public Trust means collectively the common law public trust for commerce, navigation and fisheries and the statutory trust imposed by the Granting Act.

Real Property means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

Recreational Facility means a use that provides social, fraternal, counseling, athletic or other recreational gathering services to the community.

Redevelopment Plan means this Redevelopment Plan for the Bayview Hunters Point Project Area, formerly known as the Hunters Point Redevelopment Project Area.

Regional Retail Sales and Services means a commercial use that provides goods and/or services directly to the customer, whose primary clientele is customers who live throughout the surrounding region and may include both small and large format tenants up to 120,000 square feet. This would include those who sell apparel, electronics, furniture, durable goods, specialty items, formula retail outlets, and other more expensive, and less frequently purchased items; beyond the surrounding neighborhood. Regional Retail sales and services can include counter and other walk-up facilities as well as adjacent outdoor activity areas accessory to such uses. Regional retail uses can also include interactive spaces (e.g., uses that promote pedestrian activity on the ground level of buildings), including but be not limited to, markets, cafes, restaurants, fitness centers, bike shops/bike repair, childcare, creative maker spaces, co-working spaces, health and wellness spaces, learning spaces, and neighborhood spaces (e.g., neighborhood-serving amenities or accessible resources for the community).

Religious Institution means a use that provides religious services to the community such as a church, temple or synagogue.

Relocation Plan means, as appropriate, either: 1) as to Zone 2, a document, approved by the Agency Commission by Resolution No. 34-2006 dated March 7, 2006 that establishes how the Agency and developers will assist persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with all applicable relocation statutes and regulations; or 2) as to as to the Alice Griffith Housing portion of Zone 1, a plan approved by the Agency Commission consistent with Section 2.1 of this Redevelopment Plan in connection with a disposition and development agreement for the Alice Griffith Housing site; and 3) as to all other portions of Zone 1 other than Alice Griffith Housing, either a plan adopted by the Agency Commission consistent with the requirements of applicable State or Federal law or, if no such plan is adopted, the document approved by Agency Commission Resolution No. 34-2006 described in subsection 1 above.

Research and Development means a use compatible with adjacent uses that includes the study, testing, engineering, design, analysis, or experimental development of products, processes, or services related to current, emerging, or new technologies, including but not limited to artificial intelligence, clean energy, communications, 3-D production and printing. Research and development may include, but is not limited to, light manufacturing, fabricating, processing, assembling or storage of products or materials, or similarly related activities that includes, but is not limited to, Laboratory, Life Science, Light Industrial, Green Technology, and Office uses.

Residential Care Facility means medical use that provides lodging, board, and care for one day or more to persons in need of specialized aid by personnel licensed by the State but does not provide outpatient services.

Residential Use means a use that includes for sale and rental housing units, including Dwelling Units, Live/Work Units, and Group Housing

Bayview Hunters Point Redevelopment Plan
July 16, 2018

Restaurant means a full service or self service retail facility primarily for eating use that provides ready-to-eat food to customers for consumption on or off the premises, which may or may not provide seating, and that may include service of liquor under ABC licenses [those explicitly for any alcoholic service in association with a restaurant]. Food may be cooked or otherwise prepared on the premises.

School Facilities Impact Fee means the sum payable to the San Francisco Unified School District pursuant to Government Code Section 65995.

Secondary School means a use that provides grade 9-12 education and may be either public or private.

Short-Term Rental has the meaning established in Article 41A of the Administrative Code (as it may be amended from time to time), and, subject to compliance with regulations of the City's Office of Short-Term Rentals (or its successor), is allowed within Residential uses unless otherwise prohibited by applicable private covenants or similar restrictions.

Standards for Development means, for Zone 2 of the Project Area, the standards set forth in the Planning Code. For Zone 1 of the Project Area (Candlestick Point Sub-Area), the Standards for Development are set forth in the Candlestick Point Design for Development Document.

State means the State of California.

State Historical Building Code or **SHBC** means the State Historical Building Code as set forth in Part 8 of Title 24 (Health & Safety Code §§ 18950 *et seq.*), which applies to all qualified historical buildings or structures, as defined in SHBC Section 18955. It provides building regulations and standards for the rehabilitation, preservation, restoration (including related reconstruction) or relocation of qualified historical buildings.

Supportive Housing means affordable housing developments with integrated services that are not required as a condition of occupancy and that serve high needs populations including but not limited to low income senior citizens, youth transitioning out of foster care, adults with developmental disabilities, individuals and families who are homeless or at risk of homelessness, and persons with AIDS.

Taxing Agencies means all public entities that have the authority to tax property within the Project Area, including the State, the City, BART, San Francisco Unified School District, City College of San Francisco, Bay Area Air Quality Management District and any district or other public corporation.

Use means the purpose for which land or a structure, or both, are designed, constructed, arranged or intended, or for which they are occupied or maintained, let or leased.

Vocational/Job Training Facility means a use that provides job training, and may also provide vocational counseling and job referrals. Vocational/Job Training Facilities that are oriented to clerical, administrative, or professional skill development and job placement (Clerical/Administrative) shall be a distinct use from facilities that are oriented to mechanical, light industrial, or trade-related skill development and job placement (Mechanical/Industrial).

Zone 1 means the Candlestick Point Activity Node of the Project Area, defined above, and illustrated in Map 2, subject to the additional entitlement provisions of Section 4 of this Redevelopment Plan. Zone 1 is the portion of the Project Area subject to Proposition G. All parcels within Zone 1 are listed in a separate table in Attachment D.

Zone 2 means the portion of the Project Area outside of Zone 1, which is not subject to Proposition G.



PLANNING COMMISSION MOTION NO. 21608

HEARING DATE: September 12, 2024

Record No. 2007.0946GPR-04 CWP-04

Project: Candlestick Center – Amendments to the Bayview Hunters Point Redevelopment Plan, the Hunters Point Shipyard Redevelopment Plan, and the Candlestick Point Design-for-Development

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

Block/Lot: 5000/002 and 042

Project Sponsor: CP Development Co., LLC
One Sansome Street, Suite 3500
San Francisco, CA 94104

Property Owner: [same as Project Sponsor]

Staff Contact: Mat Snyder – (628) 652-7460
Mathew.snyder@sfgov.org

Reviewed By: Joshua Switzky - (628) 652-7464
Joshua.switzky@sfgov.org

MOTION TO APPROVE AMENDMENTS TO THE CANDLESTICK POINT DESIGN FOR DEVELOPMENT DOCUMENT AND AFFIRMING CEQA FINDINGS AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE SECTION 101.1

PREAMBLE

WHEREAS, The Commission has approval authority over amendments to the Candlestick Point Design-for-Development (“D4D”) pursuant to both the Commission initial Motion approving the D4D (Motion No. 18104), and pursuant to Section 4.3 of the Bayview Hunters Point Redevelopment Plan (“BVHP Plan”).

WHEREAS, The Planning Department (“Department”) and the Office of Community Investment and Infrastructure (“OCII”), the successor agency to the San Francisco Redevelopment Agency (“Former Agency”), along with many other City Departments, have been planning to transform Candlestick Point and the Hunters Point Shipyard from their current underutilized nature into a vibrant high-density, mixed-use, and transit-oriented neighborhoods that will provide public benefits to both the existing residents and the City as a whole (the “CP/HPS2 Project” or “CP” and “HPS” individually). Candlestick Point is within the Bayview Hunters Point Redevelopment Project Area and is identified as “Zone 1 of Area B”. OCII is charged with implementing the Redevelopment Plan for Zone 1 of Area B of the Bayview Hunters Point Redevelopment Plan, along with the Hunters Point Shipyard Redevelopment Plan.

WHEREAS, On June 3, 2010, the Planning Commission and the Former Agency Commission made the following actions regarding the CP-HPS2 Project (“Original Approvals”): (1) Certification of the Final Environmental Impact Report (Planning Commission Motion No. 18096); (2) adoption of CEQA Findings (Planning Commission Motion No. 18097); (3) adoption of master General Plan Finding and Planning Code Section 101.1 Finding (Planning Commission Motion No. 18101); (4) approval of General Plan amendments including the establishment of the Candlestick Point Sub-Area Plan (Motion No. 18098); (5) approval of Planning Code Text and Map amendments creating the Candlestick Point Activity Node SUD and allowed greater height per the Redevelopment Plan (Motion Nos. 18099 and 18100); (6) approval of amendments to the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans and adoption of office allocation findings for the office component of the Project (Resolution No. 18102); and (7) approving the Candlestick Point Design for Development Documents (“D4D”) (Motion No. 18104). At the same hearing, the Former Agency Commission also approved the following: (1) Interagency Cooperation Agreements (ICA) for interagency review of horizontal improvements; (2) Health Code, Public Works Code, Building Code, and Subdivision Code amendments; (3) Disposition and Development Agreement (DDA) with [the Project Sponsor], which included (among other documents) as attachments a Project Phasing Plan, a Transportation Plan and an Infrastructure Plan; (4) Real Property Transfer Agreement; (5) Public Trust Exchange Agreement; (6) Park Reconfiguration Agreement; and (7) Tax Increment Allocation Pledge Agreement.

WHEREAS, After several amendments, the CP/HPS2 Project approvals currently accommodate the following land uses: up to 10,672 residential units, of which approximately 32% will be below market rate; approximately 327-336 acres of improved open space and recreational areas; approximately 360,000 square feet of retail space; approximately 4,900,000 million square feet of research and development (R&D) and office space, 150,000 square feet of community services; and two hotels, among other uses.

WHEREAS, Originally, CP and HPS were intended to be developed cohesively with coordinated phasing between the two; the phasing was to integrate the two components’ financing and to enable the coordinated delivery of CP and HPS’ land uses, infrastructure and community benefits. Most of the office / R&D uses had been planned for HPS. However, delayed environmental clean-up at HPS has stopped all development from moving at Hunters Point Shipyard Phase 2 for the foreseeable future, including the delivery of office/R&D. As such, CP and HPS are no longer proposed to be implemented in the same time sequence as originally planned. In response to the delays at HPS, the Project Sponsor is proposing changes to the Project to transfer 2,050,000 square feet of office / R&D land uses from HPS to CP – specifically to Candlestick Center -- since the area is available for development. The revised Candlestick Center (“Project”) is being described as an R&D Innovation District (“Innovation District”) with the intention of attracting office, R&D, laboratory and similar job creating uses.

WHEREAS, In May 2024, the Project Sponsor submitted a proposed revised Candlestick Point Design-for-Development to OCII to further proposed revisions at Candlestick as further described below. Pursuant to Section 4.3 of the BVHP Redevelopment Plan, OCII staff transmitted the revised D4D for Planning staff’s review and analysis and ultimately for approval consideration by the Planning Commission.

WHEREAS, 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.

WHEREAS, On June 3, 2010, the Planning Commission and Former Redevelopment Agency acting as lead agencies under the California Environmental Quality Act (“CEQA”) (California Public Resources Code sections 21000 et seq.) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.), certified a Final Environmental Impact Report (hereinafter “FEIR”) for the CP/HPS2 Project by Motion No. 18096 and Resolution No. 58-2010, respectively. At the same hearing the Former Redevelopment Agency and Planning Commission also adopted findings pursuant to the California Environmental Quality Act, including a Mitigation Monitoring and Reporting Program (“MMRP”) and a Statement of Overriding Considerations for the Project by Motion No. 18097 and Resolution No. 59-2010, respectively. On July 14, 2010, the San Francisco Board of Supervisors affirmed the Planning Commission’s certification of the FEIR (Motion No. M10-110).

WHEREAS, Since the certification of the FEIR, OCII, in consultation with the Planning Department, has issued several addenda to the FEIR to address project changes. Most recently, OCII, in consultation with Planning, has prepared Addendum No. 7, which evaluates the potential environmental effects of Project and required actions, thereto. In addition, Addendum No. 7 also recommends modifications to six adopted mitigation measures for reasons set out in Addendum No. 7. Based on the analysis in Addendum No. 7, OCII concludes that the analyses conducted, and the conclusions reached in the FEIR on June 3, 2010, remain valid and the proposed Project, including the proposed amendments to the mitigation measures, will not cause new significant impacts not identified in the FEIR, or substantially increase the severity of previously identified significant impacts. Further, as described in Addendum No. 7, no Project changes have occurred, and no changes have occurred with respect to circumstances surrounding the proposed Project that will require major revisions of the FEIR due to involvement of new significant effects or a substantial increase in the severity of previously identified significant effects, and no new information has become available that shows that the Project will cause new or more severe significant environmental impacts. Therefore, no subsequent or supplemental environmental review is required under CEQA beyond Addendum No. 7 to approve the Project.

WHEREAS, On September 3, 2024, the Commission on Community Investment and Infrastructure (“CCII” or “Successor Agency Commission”) adopted CCII Resolution No. 22-2024, by which the Successor Agency Commission determined that the analysis conducted and the conclusions reached in the FEIR as to the environmental effects of the Project, together with further analysis provided in Addendum No. 1, Addendum No. 4, Addendum No. 5, Addendum No. 6, and Addendum No. 7 to the FEIR, remain valid and can be relied upon for approval of the Project in compliance with the CEQA.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Background.** CP/HPS2 was originally approved in 2010 and sought to completely redevelop Candlestick Point and the Hunters Point Shipyard from underutilized sites into a series of mixed-use, high-density, and amenity-rich neighborhoods. The CP/HPS2 Project is within two active Redevelopment Project Areas and is therefore implemented by OCII. As Redevelopment Plan Areas established under California Community Redevelopment Law, development is controlled by the respective Redevelopment Plans and their associated Design for Development documents, rather than the Planning Code. Similarly, land use and

entitlement decisions are generally made by OCII or CCII, and not by the Planning Department or Planning Commission.

3. **Project Description.** The Design-for-Development Amendments would enable the proposed revisions to Candlestick Center, one of four proposed neighborhoods at Candlestick Point, which has been envisioned as the largest non-residential component at Candlestick, initially as a retail mall. Candlestick Center’s new vision calls for the creation of an “Innovation District” that would principally include office, R&D, and other similar job-creating uses in urban design framework that would encourage synergies across the site’s businesses and community users. The revisions include but are not limited to (1) allowing the transfer of 2,050,000 square feet of office / R&D use from HPS to CP for a total 2,800,000 square feet, (2) increasing the maximum height limits from the previous maximum of 120 feet to a new maximum of 180 feet, with allowed heights and bulk of buildings increased throughout; (3) revising the site plan to require a new central promenade and other pedestrian and open space amenities; (4) revising ground floor use and active frontage requirements; and (5) increasing the allowed parking ratio for the first 1,700,000 square feet from 1.3 spaces : 1,000 square feet to 2 spaces : 1,000 square feet to align with the R&D / office use contemplated at Candlestick Center.

At its completion, the approximately 22-acre Candlestick Center site would be divided into parcels, with each parcel containing one or more buildings with a height between 85 to 180 feet. The parcels would be bordered by internal privately owned publicly accessible streets, curbsless shared streets and paseos, and a central promenade. Ground floor space bordering Harney Avenue and Ingerson Way (Candlestick Point’s planned two main public streets), and the central promenade would be bordered by active uses and frontages. Uses that were previously proposed at Candlestick Center including residential, hotel and entertainment uses -- and are no longer being pursued to the same extent – would still be permitted if future conditions change and the Project Sponsor decides to pursue these land uses. At the same time, use provisions in the other Candlestick neighborhoods would be amended to accommodate hotel and entertainment uses at those locations. Residential uses previously pursued at Candlestick Center would be developed elsewhere at Candlestick.

4. **Candlestick Point D4D Amendments.** The D4D was originally approved by the Commission on Community Investment and Infrastructure (“CCII”) and the Planning Commission in 2010, and was amended by both Commissions in 2016 and 2019 to allow currently entitled project described above. The Project Sponsor proposes to structure the D4D amendment by adding a supplementary chapter - Chapter A5.3 - “The Candlestick Center Innovation District” – that includes standards and guidelines in furtherance of implementing the Innovation District vision. The D4D Amendment does not remove the 2019 Candlestick Center neighborhood chapter, rather, it provides the 2024 Candlestick Center neighborhood chapter as an alternative. Proposed changes to the new D4D A5.3 Chapter include, but are not limited to the following:

- A. **Streets and Public Realm.** As noted above, Candlestick Center will include an internal privately-owned publicly accessible grid of streets. Two of the streets would generally be retained at their location, through their cross sections would be revised. Other publicly accessible ways, including pedestrian only “paseos”, or curb less mid-block breaks, which would allow limited vehicular access. The revised CC D4D now calls for a much larger Central Promenade that would extend

from the Harney Ingerson intersection across the site westward to Arelious Walker Drive and serve as a major public amenity for the project.

- B. **Building Heights.** Currently, heights are generally limited to 85-feet across the site, with the portion of the site that align Arelious Walker and the corner of Harney and Ingerson limited to 120 feet. Allowed heights would be increased throughout and would range between 85 feet and 180 feet. Of the 14 blocks, four would allow heights up to 180 feet, five would allow heights up to 160 feet, three would allow heights up to 120 feet with the remaining two limiting heights to 85 feet.
 - C. **Building Bulk, Modulation, and Articulation.** Bulk of buildings would largely be controlled by the location of the individual development parcels and their bordering streets and rights-of-way. Modulation and articulation controls would provide as a menu of design interventions that would require further sculpting of bulk at the upper stories and a to sufficiently articulate the façade.
 - D. **Retail and Active Frontages.** The current D4D includes retail and active frontages along the boundaries of the two blocks closest to the Ingerson and Harney intersection. The amended D4D chapter would also include active retail, active use, and active frontage requirements, but the requirements for the most active portion would be refocused along Ingerson and its intersection with the Central Promenade. The “active frontage use” designations would allow uses other than retail and extend along Harney and within the Central Promenade; the “active frontage” designation would not require specific uses but would call for ground floor transparency.
5. **Amendments to the BVHP Redevelopment and the HPS Plan** also would be required. The Amendments will be considered separately by the Planning Commission at the same hearing.
6. **Public Outreach and Comments.** The Developer has provided the following opportunities in-person and virtual/hybrid for the public to participate and comment during the Plan Amendment process. The meetings included Subcommittee and full board meetings of the Hunters Point Shipyard Community Advisory Committee (“HPSCAC”) and community-wide and neighborhood meetings. On June 17, 2024, the HPSCAC voted unanimously to support the Plan Amendments.

Community Meetings	Date
HPSCAC Subcommittees (Business & Employment, Housing and Planning) Meeting	May 16, 2024
Community Outreach Workshop	May 22, 2024
Community Outreach Workshop	June 1, 2024
Bayview Hill Neighborhood	June 3, 2024
HPSCAC Full Subcommittee (Approval)	June 17, 2024,

Community Outreach Workshop	June 26, 2024
Alice Griffith residents and service providers – Community Outreach Workshop, True Hope Church	July 11, 2024
Bay Area Council	August 8, 2024
Alice Griffith residents, Candlestick Update Presentation: Alice Griffith Tenants Association meeting	August 12, 2024
Community Benefits Implementation Committee (members invited include Faith in Action, AD10 and Labor Council) - Candlestick Update Presentation	August 20 and 22, 2024
Meeting with Shirley Moore and other Bayview Hill Neighbors at the home of Brenda Ramirez (response to questions in person during meeting and in writing after meeting)	July 2, 2024
Local contractors	August 27, 2024
Taste of Bayview event	August 29, 2024
Youth outreach	November 2025 and ongoing

7. Housing Report. At the September 12, 2024 hearing, OCII Staff committed to providing Commissioners with OCII’s Annual Housing Production Report.

NOW THEREFORE BE IT MOVED, That the Planning Commission has reviewed and considered the CEQA Findings, including the statement of overriding considerations that it previously adopted in Motion No. 18097, the findings in Addendum No. 7, and the findings in CCII Resolution No. 22-2024. The Planning Commission finds that the actions contemplated by this Motion are included in the actions identified in CCII Resolution 22-2024 for purposes of compliance with CEQA. The Planning Commission hereby adopts the additional CEQA Findings in CCII Resolution 22-2024 as its own, including approving the modifications to the six adopted mitigation measures recommended for modification in Addendum No. 7.

NOW THEREFORE BE IT FURTHER MOVED, That the Commission hereby approves the proposed amendments to the Candlestick D4D, as described above, and finds them to be consistent, on balance, with the General Plan of the City and County of San Francisco, including, but not limited to the Bayview Hunters Point Area Plan, Candlestick Sub-Area Plan, Housing Element, Commerce and Industry Element, Urban Design Element, and also finds them consistent with the eight Priority Policies in Planning Code Section 101.1 for reasons set forth in Motion No. 21607.

I hereby certify that the foregoing motion was adopted by the Commission at its meeting on September 12, 2024.



Jonas P. Ionin
Commission Secretary

AYES: Campbell, McGarry, So, Williams, Braun, Imperial, Moore

NOES: None

ABSENT: None

ADOPTED: September 12, 2024

From: [Trejo, Sara \(MYR\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [Paulino, Tom \(MYR\)](#); [Burch, Percy \(BOS\)](#); [Slutzkin, Marc \(CII\)](#); [Hussain, Lila \(CII\)](#); [Morales, James \(CII\)](#)
Subject: Mayor -- Resolution -- Pledge Agreement Amendment - Hunters Point Shipyard Project
Date: Tuesday, September 10, 2024 3:01:10 PM
Attachments: [01785060.DOCX](#)
[HPS CP First Amendment Pledge Pledge Agreement \(Clean\).pdf](#)
[HPS CP Fiscal and Economic Report.pdf](#)
[HPS CP Pledge Agreement.pdf](#)
[Introduction Form- COW HPS CP Pledge Agreement Amendment 090924.pdf](#)

Hello Clerks,

Attached is a Resolution approving an amendment to the Tax Increment Allocation Pledge Agreement between the City and County of San Francisco and the San Francisco Office of Community Investment and Infrastructure for the pledge of net available tax increment to finance public improvements and affordable housing in furtherance of the Candlestick Point and Phase 2 of the Hunters Point Shipyard Redevelopment Project; adopting findings under the California Environmental Quality Act; and adopting findings that the agreement is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1.

Please note, Supervisor Walton is a co-sponsor of this item.

Best regards,

Sara Trejo

Legislative Aide

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