

FILE NO. 050184

ORDINANCE NO. 124-05

1 [Adopting the Redevelopment Plan for the Transbay Redevelopment Project.]

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3 **Ordinance approving and adopting the Redevelopment Plan for the Transbay**
4 **Redevelopment Project area; adopting findings pursuant to the California**
5 **Environmental Quality Act; adopting findings that the Redevelopment Plan and related**
6 **documents and agreements (including a Tax Increment Allocation and Sales Proceeds**
7 **Pledge Agreement and an Option Agreement with the Redevelopment Agency of the**
8 **City and County of San Francisco and the Transbay Joint Powers Authority) are is**
9 **consistent with the City's General Plan and Eight Priority Policies of City Planning**
10 **Code Section 101.1; adopting other findings pursuant to the California Community**
11 **Redevelopment Law, including findings pursuant to Sections 33445 and 33679;**
12 **authorizing official acts (including the execution of agreements) in furtherance of this**
13 **ordinance.**

14
15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. FINDINGS. The Board of Supervisors of the City and County of
17 San Francisco hereby finds, determines and declares, based on the record before it, including
18 but not limited to information contained in the Report on the Redevelopment Plan, that:

19 A. The Redevelopment Agency of the City and County of San Francisco (the
20 "Agency") has prepared a proposed Redevelopment Plan for the Transbay Redevelopment
21 Project (the "Redevelopment Plan").

22 B. The proposed Redevelopment Plan would establish a redevelopment project
23 area for an approximately 40-acre area generally bounded by Mission Street in the north,
24 Main Street in the east, Folsom Street in the south, and Second Street in the west (the
25 "Project Area"). The Redevelopment Plan is being proposed to: 1) redevelop over 12 acres of

Mayor, Supervisor Daly
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1 vacant land as high-density, transit-oriented residential projects; 2) construct approximately
2 3,400 housing units of which approximately 1,200 would be affordable to very low- to
3 moderate-income households; 3) enforce Development Controls and Design Guidelines to
4 ensure new development provides a high-quality, livable community; 4) create streetscape
5 and public open space improvements throughout the new project area; and 5) provide funding
6 toward the construction of a new Transbay Terminal and Caltrain Downtown Extension (the
7 "Transbay Terminal Project").

8 C. Pursuant to Section 33352 of the California Community Redevelopment Law
9 (Health and Safety Code Sections 33000 et seq., the "Community Redevelopment Law"), the
10 Agency has prepared a Report on the Redevelopment Plan (the "Report on the
11 Redevelopment Plan"). The Report on the Redevelopment Plan has been made available to
12 the public before the date of the hearing on this Ordinance approving the Redevelopment
13 Plan.

14 D. The Redevelopment Agency has transmitted to this Board of Supervisors
15 certified copies of its (i) Resolution No. 19-2005, adopted following a duly noticed public
16 hearing held on January 25, 2005, attaching its report to the Board of Supervisors and
17 recommending the adoption of the Redevelopment Plan for the Transbay Redevelopment
18 Project Area, and (ii) Resolution No. 95-2005, adopted following a duly noticed public hearing
19 held on June 7, 2005, making certain changes to the Redevelopment Plan proposed by this
20 Board of Supervisors. Copies of the Redevelopment Plan (as originally adopted by Agency
21 Resolution No. 19-2005 and subsequently modified by Agency Resolution 95-2005), the
22 Agency's Resolution Nos. 19-2005 and 95-2005, and of the Agency's Report on the
23 Redevelopment Plan are on file with the Clerk of the Board of Supervisors in File
24 No. 050184, and are incorporated herein by reference as though fully set forth.

1 E. Pursuant to Sections 33220, 33343, 33344 and 33370 of the California Health
2 and Safety Code, and in order to promote development in accordance with objectives and
3 purposes of the Redevelopment Plan and documents relating to the Redevelopment Plan, the
4 City intends to aid and cooperate with the Agency to undertake and complete proceedings
5 and actions necessary to be carried out by the City under the provisions of the
6 Redevelopment Plan and provide for the expenditure of monies by the community in carrying
7 out the Redevelopment Plan.

8 F. On December 9, 2004, at a duly noticed public hearing, the Planning
9 Commission, adopted Resolution No. 16906 and Motion No. 16907, which found that the
10 Redevelopment Plan was consistent with the General Plan as proposed for amendment and
11 in conformity with the Priority Policies of Section 101.1 of the Planning Code and
12 recommended the adoption of the Redevelopment Plan to this Board of Supervisors. On
13 June 2, 2005, at a duly noticed public hearing, the Planning Commission adopted Resolution
14 No. 17028, which found the Redevelopment Plan amendments adopted by Agency Resolution
15 No. 95-2005 were consistent with the General Plan as proposed for amendment and in
16 conformity with the priority policies of Planning Code Section 101.1. A copy of the Planning
17 Commission Resolutions and Motion are on file with the Clerk of the Board of Supervisors in
18 File No. 050184 and are incorporated herein by reference as though fully set forth. This
19 Board, for the reasons specified in the aforementioned Resolution and Motion, adopts as its
20 own the findings of the Planning Commission that the Redevelopment Plan is consistent with
21 the General Plan and in conformity with Planning Code Section 101.1.

22 G. On September 28, 2004, this Board, in Resolution No. 612-04 adopted findings
23 that various actions related to the Transbay Terminal Project were in compliance with the
24 California Environmental Quality Act (California Public Resources Code Sections 21000 et
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1 seq.). Said findings, including all documents related thereto, are on file with the Clerk of the
2 Board of Supervisors in File No. 041079 and are incorporated herein by reference. Said
3 findings remain valid for the actions contemplated in this Ordinance and are made part of this
4 Ordinance by reference herein. Said findings also are supplemented by the environmental
5 findings that the Planning Commission adopted on December 9, 2004, in Motion No. 16905
6 regarding the Redevelopment Plan. The Planning Commission Motion is on file with the Clerk
7 of the Board in File No. 050184 and is incorporated herein by reference as though fully set
8 forth herein.

9 H. In accordance with California Public Resources Code section 21168.9(b) and
10 the California Superior Court order in Myers Natoma Venture v. City and County of San
11 Francisco, et al (Case No. CPF 04-504363), the Board is proceeding with the actions
12 contemplated in this Ordinance solely for the purposes of establishing a base year for tax
13 increment financing for the Transbay Redevelopment Plan. A copy of said order is on file with
14 the Clerk of the Board in File No. _____ and is incorporated herein by reference. In
15 furtherance of these actions only, the Board, to the extent compliance with the California
16 Environmental Quality Act is necessary, is relying on the environmental findings and related
17 documents and materials as described above in subsection (G). The Board further
18 determines that said findings remain valid for the actions contemplated in this Ordinance.

19 I. On _____, 2005, the Board of Supervisors held a duly noticed public
20 hearing on the Redevelopment Plan. The hearing was continued to June 14, 2005, and has
21 been closed. Notice of such hearing was published in accordance with Section 33361 of the
22 California Health and Safety Code, in the San Francisco-Independent Chronicle, a newspaper
23 of general circulation, printed, published and distributed in the City and County of
24 San Francisco describing the boundaries of the proposed Project Area and stating the day,
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1 hour and place when and where any interested persons may appear before the Board of
2 Supervisors to object to the Redevelopment Plan. At such hearing and on June 14, 2005, the
3 date to which to the hearing was continued, the Board considered the report and
4 recommendations of the Agency and the Planning Commission, the Final Environmental
5 Impact Report for the Redevelopment Plan, and all evidence and testimony for and against
6 the proposed Redevelopment Plan. The Board hereby adopts written findings to the extent
7 required by the Community Redevelopment Law as set forth in this Ordinance.

8 IJ. Pursuant to Sections 33205 and 33128 of the Community Redevelopment Law,
9 the Agency may delegate to the City's Planning Department certain administration of the
10 development controls over the Project Area set forth in the Redevelopment Plan. Consistent
11 with this authority, on January 25, 2005, the Agency's Commission, pursuant to Resolution
12 No. 16-2005, approved a Project Delegation Agreement with the City's Planning Department,
13 and on January 27, 2005, the City's Planning Department's Commission, pursuant to
14 Resolution No. 16934, approved the Delegation Agreement.

15 ~~_____J._____ Pursuant to a Cooperative Agreement dated _____, 2002 (the~~
16 ~~"Cooperative Agreement"), amongst the State of California acting by and through its~~
17 ~~Department of Transportation (the "State"), the City, and the Transbay Joint Powers Authority~~
18 ~~(the "TJPA"), the State is assisting local and regional authorities in their efforts to construct~~
19 ~~the Transbay Terminal Project by transferring specified State-Owned Parcels to the City and~~
20 ~~the TJPA. The Cooperative Agreement requires, among other things, that all gross sales~~
21 ~~proceeds and a portion of tax increment from the State-Owned Parcels be paid to the TJPA~~
22 ~~for the construction of the Transbay Terminal Project. In order to facilitate the sale and~~
23 ~~development of those State-Owned Parcels that are not needed for the Transbay Terminal~~
24 ~~Project, the City and the TJPA propose to enter into an Option Agreement (the "Option~~

1 Agreement") with the Agency to allow the Agency to acquire such State-Owned Parcels for
2 disposition and development in accordance with the Redevelopment Plan. In order to comply
3 with the requirement that all gross sales proceeds and a portion of tax increments from such
4 State-Owned Parcels are paid to the TJPA for the construction of the Transbay Terminal, the
5 City and the TJPA propose to enter into a Tax Increment Allocation and Sales Proceeds
6 Pledge Agreement (the "Pledge Agreement"). A copy of the Cooperative Agreement, the form
7 of the Option Agreement, and the form of the Pledge Agreement are on file with the Clerk of
8 the Board of Supervisors in File No. _____, and each agreement is incorporated herein
9 by reference as if fully set forth.

10 K. On February ____, 2005, the Planning Department issued a letter finding that the
11 real property transactions contemplated in the aforementioned Option Agreement are
12 consistent with the General Plan as proposed for amendment and in conformity with the
13 Priority Policies of Section 101.1 of the Planning Code. A copy of the Planning Department
14 letter is on file with the Clerk of the Board of Supervisors in File No. _____ and is
15 incorporated herein by reference as though fully set forth. This Board, for the reasons
16 specified in the aforementioned letter, adopts as its own the findings of the Planning
17 Department that said transactions are consistent with the General Plan and in conformity with
18 Planning Code Section 101.1.

19 Section 2. PURPOSES AND INTENT. The purposes and intent of the Board of
20 Supervisors with respect to this Ordinance are to adopt the Redevelopment Plan, as
21 amended, in accordance with the Community Redevelopment Law and to achieve the
22 objectives for redevelopment of the Project Area specified in the Redevelopment Plan.

23 Section 3. By this reference, the Redevelopment Plan, as amended, a copy of which
24 is on file with the Clerk of the Board of Supervisors under File No. 050184, is
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1 incorporated in and made a part of this Ordinance with the same force and effect as though
2 set forth fully herein.

3 Section 4. FURTHER FINDINGS AND DETERMINATIONS UNDER THE
4 COMMUNITY REDEVELOPMENT LAW. The Board of Supervisors hereby further finds,
5 determines and declares, based on the record before it, including but not limited to information
6 contained in the Report on the Redevelopment Plan, that:

7 A. The Project Area, which is the subject of the Redevelopment Plan, is a blighted
8 area (as described in the Report on the Plan), the redevelopment of which is necessary to
9 effectuate the public purposes declared in the Community Redevelopment Law.

10 B. The Redevelopment Plan will redevelop the Project Area as set forth in the
11 Report on the Redevelopment Plan in conformity with the Community Redevelopment Law
12 and is in the interests of the public peace, health, safety, and welfare.

13 C. The adoption and carrying out of the Redevelopment Plan is economically
14 sound and feasible as described in the Report on the Redevelopment Plan.

15 D. For the reasons set forth in Section 1F of this Ordinance, the Redevelopment
16 Plan, once effective, will be consistent with the General Plan of the City and County of
17 San Francisco, as amended, including, but not limited to, the housing element of the General
18 Plan, which substantially complies with the requirements of Article 10.6 (commencing with
19 Section 65580) of Chapter 3 of Division 1 of Title 7 of the California Government Code and
20 other applicable requirements of law, and is consistent with the eight Priority Policies in City
21 Planning Code Section 101.1.

22 E. The carrying out of the Redevelopment Plan will promote the public peace,
23 health, safety and welfare of the community and effectuate the purposes and policies of the
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1 Community Redevelopment Law as generally described in the Report on the Redevelopment
2 Plan.

3 F. The condemnation of real property, to the extent provided for in the
4 Redevelopment Plan may be necessary for the execution of the Redevelopment Plan. Some
5 residential property may be the subject of eminent domain actions, but a substantial number
6 of low- or moderate-income persons do not reside in the Project Area. Adequate provisions
7 have been made for payment for property to be so acquired as provided by law.

8 G. There are no public projects identified in the Redevelopment Plan that will
9 displace a substantial number of low- or moderate-income persons. The Agency has a
10 feasible method or plan for the relocation of families and persons displaced from the Project
11 Area, if the Redevelopment Plan results in the temporary or permanent displacement of any
12 occupants of housing facilities in the Project Area.

13 H. There are, or shall be provided, in the Project Area or in other areas not
14 generally less desirable in regard to public utilities and public and commercial facilities and at
15 rents or prices within the financial means of the families and persons displaced from the
16 Project Area, decent, safe, and sanitary dwellings equal in number to the number of and
17 available to the displaced families and persons and reasonably accessible to their places of
18 employment.

19 I. Families and persons shall not be displaced prior to the adoption of a relocation
20 plan pursuant to Sections 33411 and 33411.1 of the California Health and Safety Code.
21 Dwelling units housing persons and families of low or moderate income shall not be removed
22 or destroyed prior to the adoption of a replacement housing plan pursuant to
23 Sections 33334.5, 33413, and 33413.5 of the California Health and Safety Code.

24 J. There are no non-contiguous areas in the Project Area.

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1 k. The Project Area includes lands, buildings and improvements which are not
2 individually detrimental to the public health, safety or welfare but which are necessary for the
3 effective redevelopment of the Project Area. All areas included in the Project Area are
4 necessary for effective redevelopment of the Project Area, and no areas in the Project Area
5 are included solely for the purpose of obtaining an allocation of tax increment revenues from
6 the Project Area pursuant Section 33670 of the California Health and Safety Code without
7 other substantial justification for its inclusion.

8 L. The elimination of blight and the redevelopment of the Project Area could not
9 reasonably be expected to be accomplished by private enterprise acting alone without the aid
10 and assistance of the Agency.

11 M. The Project Area is predominantly urbanized, as defined by California Health
12 and Safety Code Section 33320.1(b).

13 N. The time limitation and the limitation on the number of dollars to be allocated to
14 the Agency that are contained in the Redevelopment Plan are reasonably related to the
15 proposed projects to be implemented in the Project Area and to the ability of the Agency to
16 eliminate blight within the Project Area.

17 O. This Board of Supervisors is satisfied that permanent housing facilities will be
18 available within three (3) years from the time occupants of the Project Area are displaced and
19 that, pending the development of the facilities, there will be available to the displaced
20 occupants adequate temporary housing facilities at rents comparable to those in the
21 community at the time of their displacement.

22 ~~P. Pursuant to Sections 33445 and 33679 of the California Health and Safety~~
23 ~~Code, and as further detailed in the Report on the Redevelopment Plan: (1) the estimated~~
24 ~~Agency obligation for the tax increment revenue dedicated to the Transbay Terminal Project is~~
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1 \$178.2 million (in constant FY 2004/05 dollars); (2) the Transbay Terminal Project is of benefit
2 to the Project Area; (3) no other reasonable means of financing the construction of the
3 Transbay Terminal Project is available; and (4) the use of Agency funds to construct the
4 Transbay Terminal Project will assist in the elimination of blighting conditions in the Project
5 Area, specifically, the elimination of a dilapidated terminal building which will be replaced by
6 the Transbay Terminal Project. The Transbay Terminal Project will help to revitalize the
7 Project Area and stimulate private investment. The Transbay Terminal Project is a public
8 benefit and a central part of the Redevelopment Plan.

9 Section 5. Pursuant to Section 33365 of the California Health and Safety Code, the
10 Board of Supervisors hereby approves and adopts the Redevelopment Plan, as amended, as
11 the official Redevelopment Plan for the Project Area.

12 Section 6. The Clerk of the Board of Supervisors shall without delay (1) transmit a
13 copy of this Ordinance to the Agency pursuant to California Health and Safety Code
14 Section 33372, whereupon the Agency shall be vested with the responsibility for carrying out
15 the Redevelopment Plan, (2) record or ensure that the Agency records a description of the
16 Project Area and a certified copy of this Ordinance pursuant to California Health and Safety
17 Sections 33373, and (3) transmit, by certified mail, return receipt requested, a copy of this
18 Ordinance, together with a copy of the Redevelopment Plan, which contains a legal
19 description of the Project Area and a map indicating the boundaries of the Project Area, to the
20 Controller, the Tax Assessor, the State Board of Equalization and the governing body of all
21 taxing agencies in the Project Area pursuant to California Health and Safety Code
22 Sections 33375 and 33670.

23 Section 7. In accordance with Sections 33220, 33343, 33344 and 33370 of the
24 Community Redevelopment Law, the Board of Supervisors declares its intent to undertake
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1 and complete actions and proceedings necessary to be carried out by the City under the
2 Redevelopment Plan and related Plan Documents (as defined in the Redevelopment Plan)
3 and authorizes and urges the Mayor and other applicable officers, commissions and
4 employees of the City to take any and all steps as they or any of them deem necessary or
5 appropriate, in consultation with the City Attorney, to cooperate with the Agency in the
6 implementation of the Redevelopment Plan and to effectuate the purposes and intent of this
7 Ordinance, such determination to be conclusively evidenced by the execution and delivery by
8 such person or persons of any such documents. Such steps shall include, but not be limited
9 to (i) the execution and delivery of any and all agreements, notices, consents and other
10 instruments or documents (including, without limitation, execution by the Mayor, or the
11 Mayor's designee, of any agreements to extend any applicable statutes of limitation) and
12 (ii) the institution and completion of proceedings for the closing, vacating, opening,
13 acceptance of dedication and other necessary modifications of public streets, sidewalks,
14 street layout and other rights-of-way in the Project Area.

15 Section 8. ~~The Board of Supervisors hereby approves and the Mayor and the~~
16 ~~Controller are hereby authorized and urged to execute the Pledge Agreement.~~

17 ~~Section 9. The Board of Supervisors hereby approves and the Director of Property is~~
18 ~~hereby authorized and urged to execute the Option Agreement.~~

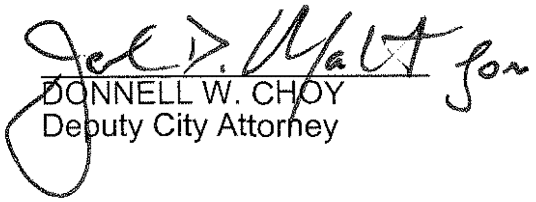
19 ~~Section 10. The Board of Supervisors authorizes and urges the Mayor, the Controller,~~
20 ~~the Director of Property, and any other officers, agents and employees of the City to take any~~
21 ~~and all steps (including, but not limited to, the execution and delivery of any and all~~
22 ~~agreements, notices, consents and other instruments or documents, including, without~~
23 ~~limitation, any agreements to extend any applicable statutes of limitation) as they or any of~~
24 ~~them deem necessary or appropriate, in consultation with the City Attorney, in order to~~

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1 ~~consummate the Pledge Agreement and/or the Option Agreement in accordance with this~~
2 ~~Ordinance, or to otherwise effectuate the purpose and intent of this Ordinance, such~~
3 ~~determination to be conclusively evidenced by the execution and delivery by such person or~~
4 ~~persons of any such documents.~~

5 ~~Section 11.~~ The approval under this Ordinance shall take effect upon the effective
6 date of the amendments to the General Plan approved under Board of Supervisors Ordinance
7 No. _____, a copy of which is on file with the Clerk of the Board of Supervisors in
8 File No. 050181 and is incorporated herein by reference as if fully set forth.

9 APPROVED AS TO FORM:
10 DENNIS J. HERRERA, City Attorney

11 By: 
12 DONNELL W. CHOY
13 Deputy City Attorney

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City and County of San Francisco

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

Tails Ordinance

File Number: 050184

Date Passed:

Ordinance approving and adopting the Redevelopment Plan for the Transbay Redevelopment Project area; adopting findings pursuant to the California Environmental Quality Act; adopting findings that the Redevelopment Plan is consistent with the City's General Plan and Eight Priority Policies of City Planning Code Section 101.1; adopting other findings pursuant to the California Community Redevelopment Law; authorizing official acts in furtherance of this ordinance.

March 29, 2005 Board of Supervisors — CONTINUED

Ayes: 9 - Alioto-Pier, Ammiano, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin
Excused: 2 - Daly, Sandoval

April 5, 2005 Board of Supervisors — CONTINUED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

May 10, 2005 Board of Supervisors — CONTINUED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

June 14, 2005 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

June 14, 2005 Board of Supervisors — PASSED ON FIRST READING AS AMENDED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

June 21, 2005 Board of Supervisors — FINALLY PASSED


Ayes: 7 - Alioto-Pier, Ammiano, Dufty, Elsbernd, Mirkarimi, Peskin, Sandoval
Absent: 3 - Daly, Ma, McGoldrick
Excused: 1 - Maxwell

File No. 050184

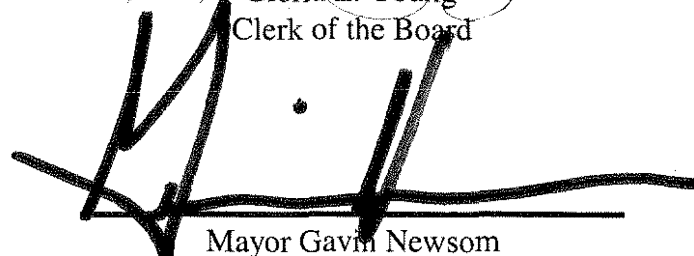
I hereby certify that the foregoing Ordinance
was FINALLY PASSED on June 21, 2005 by
the Board of Supervisors of the City and
County of San Francisco.

JUN 23 2005

Date Approved



Gloria L. Young
Clerk of the Board



Mayor Gavin Newsom