

File No. 140194

Committee Item No. _____

Board Item No. 16

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date _____

Board of Supervisors Meeting

Date April 8, 2014

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
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| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER (Use back side if additional space is needed)

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| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Board of Supervisors Resolution No. 854-98</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Mission Bay CEQA Findings</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Comm. On Community Investment and Inf. Reso No. 5-2014</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Fifth Amendment Owner Participation Agreement</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Completed by: John Carroll Date April 3, 2014

Completed by: _____ Date _____

1 [Successor Agency to the Former Redevelopment Agency - Fifth Amendment to Mission Bay
2 North Owner Participation Agreement]

3 **Resolution of the Board of Supervisors, acting in its capacity as the Successor Agency**
4 **to the former Redevelopment Agency of the City and County of San Francisco, to**
5 **conditionally approve a Fifth Amendment to the Mission Bay North Owner Participation**
6 **Agreement and to permit a feasible rental project with market rate and affordable**
7 **moderate-income units available to households earning no more than 90% of the area**
8 **median income on Block No. N4P3, bound by Berry Street to the south and the I-280**
9 **off-ramp to the north, in the Mission Bay North Redevelopment Project Area; and**
10 **making environmental findings under the California Environmental Quality Act.**

11
12 WHEREAS, The Board of Supervisors approved and adopted, by Ordinance No. 327-
13 98 (Oct. 26, 1998), the Mission Bay North Redevelopment Plan (the "North Plan") for the
14 Mission Bay North Redevelopment Project Area (the "North Plan Area"); and

15 WHEREAS, The former Redevelopment Agency of the City and County of San
16 Francisco ("Agency" or "Redevelopment Agency") approved, by Resolution No. 188-98, the
17 Mission Bay North Owner Participation Agreement (the "North OPA") and related documents
18 between Catellus Development Corporation, a Delaware corporation, and the Agency.
19 FOCIL-MB, LLC, a Delaware limited liability company ("FOCIL" or "Owner" or "Master
20 Developer"), entered into an Assignment, Assumption and Release Agreement, dated
21 November 22, 2004, under which FOCIL assumed the rights and obligations of the prior
22 owner under the North OPA; and

23 WHEREAS, The Redevelopment Agency Commission by Resolution No. 190-98 and
24 the San Francisco Planning Commission by Resolution No. 14696 and in accordance with the
25 California Environmental Quality Act (Public Resources Code, Sections 21000 et seq.,

1 "CEQA") certified the Final Subsequent Environmental Impact Report for the Mission Bay
2 North and South Redevelopment Plans (the "FSEIR") as a program EIR under CEQA and
3 State CEQA Guidelines (Title 14 of California Code of Regulations, Sections 15000 et seq),
4 Sections 15168 (Program EIR) and 15180 (Redevelopment Plan EIR). On October 19, 1998,
5 the Board of Supervisors, by Motion No. 98-132 affirmed certification of the FSEIR and by
6 Resolution No. 854-98, adopted CEQA findings, including a statement of overriding
7 considerations and a Mission Bay mitigation monitoring and reporting program ("Mission Bay
8 MMRP") in support of various approval actions taken by the Board to implement the Mission
9 Bay North and Mission Bay South Redevelopment Plans. Resolution No. 854-98 is on file
10 with the Clerk of the Board in File No. 140194 and incorporated in this Resolution by this
11 reference; and

12 WHEREAS, Subsequent to the certification of the FSEIR, the Agency and Planning
13 Department have issued nine addenda to the FSEIR to address proposed changes to the
14 Mission Bay project. None of these addenda identify any substantial new information or new
15 significant impacts or a substantial increase in the severity of previously identified significant
16 effects that alter the conclusions reached in the FSEIR; and

17 WHEREAS, The North OPA has been amended four times and when referenced
18 below, the North OPA shall be deemed to incorporate such amendments; and

19 WHEREAS, State law dissolved redevelopment agencies on February 1, 2012 and
20 established successor agencies to fulfill the remaining obligations of the former agencies, Cal.
21 Health & Safety Code, Sections 34170 et seq. ("Redevelopment Dissolution Law"); and

22 WHEREAS, In accordance with Redevelopment Dissolution Law, the Board of
23 Supervisors, as the governing body of the Successor Agency, established, by Ordinance 215-
24 12, the Successor Agency Commission for the Successor Agency to the Redevelopment
25 Agency of the City and County of San Francisco (the "Successor Agency," also commonly

1 known as the Office of Community Investment and Infrastructure, or "OCII"), and delegated to
2 the Successor Agency Commission, among other powers, the authority to act in place of the
3 Redevelopment Agency to implement, modify, enforce and complete surviving redevelopment
4 projects, including, without limitation, three major integrated, multiphase revitalization projects,
5 which are the Mission Bay North and Mission Bay South Projects, the Hunters Point
6 Shipyard/Candlestick Point Project, and the Transbay Redevelopment Project (collectively,
7 the "Major Approved Development Projects"), and which are subject to enforceable
8 obligations requiring the implementation and completion of those projects. The Mission Bay
9 North Project encompasses the North Plan Area; and

10 WHEREAS, With respect to the Major Approved Development Projects, Ordinance
11 215-12 granted the Successor Agency Commission authority to approve all contracts and
12 actions related to the assets transferred to or retained by the Successor Agency, including,
13 without limitation, the authority to exercise land use, development and design approval
14 authority for the Major Approved Development Projects. The authority of the Successor
15 Agency Commission, with respect to the Major Approved Development Projects includes the
16 authority to approve amendments to enforceable obligations as allowed under
17 Redevelopment Dissolution Law, subject to any required approval by the Oversight Board of
18 the City and County of San Francisco, consistent with applicable enforceable obligations; and

19 WHEREAS, Ordinance 215-12 acknowledged that the Successor Agency has retained
20 enforceable obligations for the development of affordable housing, including Retained
21 Housing Obligations as defined therein, required to fulfill the Major Approved Development
22 Projects; and

23 WHEREAS, Ordinance 215-12 provides that the Successor Agency Commission shall
24 not modify the Major Approved Development Projects or the Retained Housing Obligations in
25 any manner that would decrease the commitment of property tax revenue for affordable

1 housing or materially change the obligations to provide affordable housing without obtaining
2 the approval of the Board of Supervisors, in its capacity as governing body of the Successor
3 Agency, and any required approval of the Oversight Board; and

4 WHEREAS, The North OPA requires that 20% of the total housing units in the North
5 Plan Area (or 593 of 2,964 units) shall be low- and moderate-income housing available at
6 affordable housing costs, as defined in the Community Redevelopment Law. The North OPA
7 further requires that the Master Developer (and its developer transferees) build 245 of the 593
8 total affordable housing units divided among very low-income (98 units), low-income (35 units)
9 and moderate-income levels (112 units). The development of the remaining affordable
10 housing units were the obligation of the Agency and its non-profit housing developers on sites
11 conveyed by the Master Developer; and

12 WHEREAS, As of January 2014, a total of 2,835 units have been constructed in the
13 North Plan Area with 672 units, or 23.7% of the total units, restricted for lower income
14 households. Of the affordable units, 407 have been developed by Agency; 265 have been
15 developed by the Master Developer or its transferees. Under the North OPA, the Master
16 Developer has exceeded its obligations for developing very low- and low-income units, but is
17 still required to build an additional 80 moderate-income units, which must be for-sale units
18 targeting households earning up to 110% of area median income ("AMI"); and

19 WHEREAS, Block No. N4P3, bound by Berry Street to the south and by the off-ramp to
20 I-280 to the north, is the last remaining developable parcel in the North Plan Area and thus is
21 the site where the Master Developer must construct its remaining affordable housing units.
22 The North OPA permits 129 units on Block No. N4P3, of which 80 units (or 62% of the total
23 project) must be affordable to households at 110% of AMI ("N4P3 Inclusionary Requirement");
24 and

1 WHEREAS, A previous attempt to finance a project on Block No. N4P3 with the
2 existing N4P3 Inclusionary Requirement was unsuccessful and neither the Master Developer
3 nor its developer transferees have expressed an interest to OCII staff to pursue development
4 with the N4P3 Inclusionary Requirement; and

5 WHEREAS, A 2013 study prepared by The Concord Group, a San Francisco-based
6 real estate market research firm, shows that development of N4P3 with the N4P3 Inclusionary
7 Requirement is financially infeasible as a for-sale project without a significant public subsidy
8 that was originally estimated at \$12,000,000 to \$15,000,000 exclusive of land cost and has
9 likely increased due to increases in the cost of construction and financing (the "Concord
10 Study"). Specifically, the Concord Study found that that N4P3 is an inferior location for owner-
11 occupied, market rate units because of the highway adjacency and lack of canal creek
12 frontage and thus future sale prices of those market rate units would be insufficient to finance
13 fully the 80 units of affordable housing. The Successor Agency and the Mayor's Office of
14 Housing and Community Development independently verified the infeasibility of developing
15 owner for-sale, moderate-income units at N4P3; and

16 WHEREAS, In 2011, FOCIL began discussions with The Integral Group ("Integral"), a
17 national real estate investment firm focused on the revitalization of urban communities, about
18 developing a financially feasible alternative project on N4P3; and

19 WHEREAS, On January 21, 2014, after holding a duly noticed public hearing and
20 consistent with its authority under Redevelopment Dissolution Law and Ordinance 215-12, the
21 Successor Agency Commission conditionally approved, by Resolution No. 05-2014, a fifth
22 amendment to the North OPA that would allow N4P3 to be developed with 45 moderate-
23 income rental inclusionary units affordable to households earning up to 120% AMI and 84
24 market rate rental units ("Commission Action"). The Successor Agency Resolution No. 05-
25

1 2014 is on file with the Clerk of the Board of Supervisors in File No. 140194 and incorporated
2 in this Resolution by this reference; and

3 WHEREAS, The Commission Action would decrease the number of moderate-income
4 units from 80 to 45 and change the tenure from owner-occupied to rental units and thus
5 constitutes a material change in the North OPA affordable housing obligations that the Board
6 of Supervisors must approve, under Section 6 (a) of Ordinance No. 215-12; and

7 WHEREAS, Subsequent to the Commission Action, FOCIL and Integral proposed a
8 revised fifth amendment to the North OPA ("North OPA Amendment") that deepens the
9 affordability level to 90% AMI (which still targets moderate-income households) and provides
10 26 affordable rental units and 103 market rate rental units ("N4P3 Project"); and

11 WHEREAS, Once the N4P3 Project is developed, the total number of affordable
12 housing units constructed under the North OPA will exceed the 20% affordable housing
13 requirement (698 affordable units or 23.5% of the total 2,964 residential units in the North
14 Plan Area will be affordable). The Master Developer will have built 46 units more than
15 required under the existing North OPA, or an increase of 18.8% over the Master Developer's
16 original requirement; and

17 WHEREAS, Under Redevelopment Dissolution Law, the Oversight Board of the City
18 and County of San Francisco must review and approve any amendment to an enforceable
19 obligation, such as the North OPA Amendment, but only if it finds that the amendment would
20 be in the best interests of the taxing entities; and

21 WHEREAS, Under Redevelopment Dissolution Law, the California Department of
22 Finance ("DOF") must receive notice and information about all Oversight Board actions, which
23 do not take effect until DOF has either not requested additional review within five business
24 days of the notice or requested additional review and approved the action within 40 days of its
25 request for additional review ("DOF Approval"); and

1 WHEREAS, Approval of the North OPA Amendment is an undertaking pursuant to and
2 in furtherance of the North Plan in conformance with CEQA Guidelines, Section 15180; and

3 WHEREAS, The Board of Supervisors held a public hearing on April 8, 2014, on the
4 adoption of the proposed North OPA Amendment in the Board Chamber, 1 Dr. Carlton B.
5 Goodlett Place, San Francisco, California. The hearing has been closed. At such hearing the
6 Board considered the report and recommendations of the Successor Agency and the FSEIR,
7 including the various addenda thereto in accordance with CEQA, and the CEQA Findings,
8 including without limitation the statement of overriding considerations and Mission Bay MMRP
9 that it previously adopted in Resolution No. 854-98, and all evidence and testimony for and
10 against the proposed North OPA Amendment; now, therefore, be it

11 RESOLVED, That the Board has reviewed and considered the CEQA Findings,
12 including the statement of overriding considerations and the Mission Bay MMRP that it
13 previously adopted in Resolution No. 854-98, and hereby adopts these CEQA Findings in
14 support of the approval of the North OPA Amendment. The Board additionally finds that: (A)
15 implementation of the North OPA Amendment does not require major revisions in the FSEIR
16 due to the involvement of new significant environmental effects or a substantial increase in the
17 severity of previously identified significant effects; (B) no substantial changes have occurred
18 with respect to the circumstances under which the project analyzed in the FSEIR will be
19 undertaken that would require major revisions to the FSEIR due to the involvement of new
20 significant environmental effects, or a substantial increase in the severity of effects identified
21 in the FSEIR; and (C) no new information of substantial importance to the project analyzed in
22 the FSEIR has become available which would indicate that (i) the North OPA Amendment will
23 have significant effects not discussed in the FSEIR; (ii) significant environmental effects will
24 be substantially more severe; (iii) mitigation measures or alternatives found not feasible which
25 would reduce one or more significant effects have become feasible; or (iv) mitigation

1 measures or alternatives which are considerably different from those in the FSEIR will
2 substantially reduce one or more significant effects on the environment; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors conditionally approves the
4 North OPA Amendment on file with the Board in File No. 140194, subject to approval of the
5 North OPA Amendment by the Oversight Board and DOF; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors authorizes, subject to Oversight
7 Board and DOF approval, the Executive Director of the Successor Agency or her designee to
8 execute the North OPA Amendment in substantially the form of the North OPA Amendment
9 on file with the Clerk of the Board of Supervisors in File No. 140194; and, be it

10 FURTHER RESOLVED, That all actions taken by City officials and the Successor
11 Agency Commission in preparing and submitting the North OPA Amendment to the Board of
12 Supervisors for review and consideration are hereby ratified and confirmed, and the Board of
13 Supervisors hereby authorizes all subsequent action to be taken by Successor Agency
14 officials, the Oversight Board and the Successor Agency Commission consistent with this
15 Resolution.

1 [CEQA Findings]
2 ADOPTING ENVIRONMENTAL FINDINGS (AND A STATEMENT OF OVERRIDING
3 CONSIDERATIONS) PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
4 AND STATE GUIDELINES IN CONNECTION WITH ADOPTION OF THE MISSION BAY
5 NORTH AND MISSION BAY SOUTH REDEVELOPMENT PLANS AND VARIOUS OTHER
6 ACTIONS NECESSARY TO IMPLEMENT SUCH PLANS

7
8 WHEREAS, the proposed Mission Bay North and South Redevelopment Areas are
9 generally bounded by Townsend Street, Seventh Street and Interstate 280, Mariposa Street,
10 Terry A. Francois Boulevard and Third Street ("Plan Areas"); and

11 WHEREAS, the Plan Areas comprise approximately 303 acres of an underutilized and
12 underdeveloped industrial area characterized by deteriorated, obsolete or dysfunctional
13 buildings and a lack of infrastructure in the Mission Bay South Project Area; and

14 WHEREAS, the Planning Department ("Department") and the Redevelopment Agency
15 ("Agency") have undertaken a planning and environmental review process for the proposed
16 Plan Areas and other uses in the Plan Areas and provided for appropriate public hearings
17 before the Planning Commission and the Redevelopment Agency Commission; and

18 WHEREAS, the actions listed in Attachment A hereto (the "Actions") are part of a
19 series of considerations in connection with adoption of the Redevelopment Plans (the
20 "Project"), as more particularly defined in Attachment A hereto; and

21 WHEREAS, on April 11, 1998, the Department and the Agency released for public
22 review and comment the Draft Subsequent Environmental Impact Report for the Project; and

23 WHEREAS, the Planning Commission and the Redevelopment Agency Commission
24 held a joint public hearing on the Draft Environmental Impact Report on May 12, 1998 and
25 further written public comments were received until 5:00 p.m. on June 9, 1998; and

SUPERVISOR YAKI, TENG
BOARD OF SUPERVISORS

1 WHEREAS, a Final Subsequent Environmental Impact Report ("FSEIR") for the Project
2 has been prepared by the Department and Agency consisting of the Draft Environmental
3 Impact Report, the comments received during the review period, any additional information
4 that became available and the Draft Summary of Comments and Responses, all as required
5 by law; and

6 WHEREAS, the FSEIR files and other Project-related Department and Agency files
7 have been available for review by this Board of Supervisors and the public, and those files
8 are part of the record before this Board of Supervisors; and

9 WHEREAS, on September 17, 1998, the Planning Commission and the
10 Redevelopment Agency Commission reviewed and considered the FSEIR and, by Motion
11 No. 14696 and Resolution No. 182-98, respectively, found that the contents of said report and
12 the procedures through which the FSEIR was prepared, publicized and reviewed complied
13 with the provisions of the California Environmental Quality Act ("CEQA") and the CEQA
14 Guidelines and Chapter 31 of the San Francisco Administrative Code; and

15 WHEREAS, by Motion No. 14696 and Resolution No. 182-98, the Planning
16 Commission and the Redevelopment Agency Commission, respectively, found that the
17 FSEIR was adequate, accurate and objective, reflected the independent judgment and
18 analysis of each Commission and that the summary of Comments and Responses contained
19 no significant revisions to the draft Subsequent Environmental Impact Report, adopted
20 findings of significant impacts associated with the Project and certified the completion of the
21 Final Subsequent Environmental Impact Report for the Project in compliance with CEQA and
22 the CEQA Guidelines; and

23 WHEREAS, the Department and Agency prepared proposed Findings, as required by
24 CEQA, regarding the alternatives and variants, mitigation measures and significant
25 environmental impacts analyzed in the FSEIR, overriding considerations for approving the

SUPERVISOR YAKI
BOARD OF SUPERVISORS

1 Project including all of the actions listed in Attachment A hereto, and a proposed mitigation
2 monitoring program, which material was made available to the public and this Board of
3 Supervisors for the Board of Supervisors' review, consideration and actions; now, therefore,
4 be it

5 RESOLVED, that the Board of Supervisors reviewed and considered Planning
6 Commission Motion No. 14696 certifying the FSEIR and finding the FSEIR adequate,
7 accurate and objective, and reflecting the independent judgment and analysis of the Planning
8 Commission, and affirmed the Planning Commission's certification of the FSEIR by Board of
9 Supervisors Motion No. M98-132 and be it

10 FURTHER RESOLVED, that the Board of Supervisors finds that (1) modifications
11 incorporated into the Project and reflected in the Actions will not require important revisions to
12 the FSEIR due to the involvement of new significant environmental effects or a substantial
13 increase in the severity of previously identified significant effects; (2) no substantial changes
14 have occurred with respect to the circumstances under which the Project or the Actions are
15 undertaken which would require major revisions to the FSEIR due to the involvement of new
16 significant environmental effects, or a substantial increase in the severity of effects identified
17 in the FSEIR; and (3) no new information of substantial importance to the Project or the
18 Actions has become available which would indicate (a) the Project or the Actions will have
19 significant effects not discussed in the FSEIR, (b) significant environmental effects will be
20 substantially more severe; (c) mitigation measures or alternatives found not feasible which
21 would reduce one or more significant effects have become feasible; or (d) mitigation
22 measures or alternatives which are considerably different from those in the FSEIR would
23 substantially reduce one or more significant effects on the environment; and be it
24
25

SUPERVISOR YAKI
BOARD OF SUPERVISORS

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1 FURTHER RESOLVED, that the Board of Supervisors has reviewed and considered
2 the FSEIR and hereby adopts the Project Findings attached hereto as Attachment A,
3 including its Exhibits 1 and 2, and incorporates the same herein by this reference.
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SUPERVISOR YAKI
BOARD OF SUPERVISORS

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Tails
Resolution

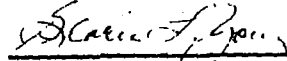
File No. 981427

I hereby certify that the foregoing Resolution was ADOPTED on October 19, 1998 by the Board of Supervisors of the City and County of San Francisco.

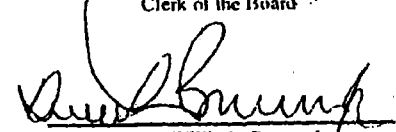
File Number: 981427

Date Passed:

Resolution adopting environmental findings (and a statement of overriding considerations) pursuant to the California Environmental Quality Act and State Guidelines in connection with adoption of the Mission Bay North and Mission Bay South Redevelopment Plans and various other actions necessary to implement such plans.



Gloria L. Young
Clerk of the Board



Mayor Willie L. Brown Jr.

OCT 30 1998

Date Approved

October 19, 1998 Board of Supervisors — ADOPTED

Ayes: 9 - Ammiano, Bierman, Brown, Katz, Leno, Medina, Teng, Yaki, Yee

Absent: 1 - Newsom

Excused: 1 - Kaufman

File No. 981427 continued...

ATTACHMENT A

MISSION BAY CEQA FINDINGS

BOARD OF SUPERVISORS

FOR THE CITY AND COUNTY OF SAN FRANCISCO

I. INTRODUCTION

The following findings are hereby adopted by the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors") with respect to the Mission Bay Final Subsequent Environmental Impact Report ("FSEIR"), pursuant to the requirements of the California Environmental Quality Act, California Public Resources Sections 21000 et seq. ("CEQA"), the Guidelines for Implementation of CEQA, 15 California Code of Regulations Sections 15000 et seq., (the "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code.

The Project is described in Article II, below. The actions to be taken by the Board of Supervisors in connection with the Project ("Actions") are described in Article III, below.

Article IV of this document sets forth the basis for approval of the Project, and the economic, legal, technological, social and other considerations which support the rejection of the elements of the Alternatives and Variants analyzed in the FSEIR which were not incorporated into the Project.

Article V sets forth findings as to the disposition of each of the mitigation measures proposed in the FSEIR. These findings fall into three categories: (1) measures recommended for adoption by the Board of Supervisors exactly as proposed in the FSEIR and which can be implemented by City Agencies; (2) measures proposed in the FSEIR and recommended by the Board of Supervisors for modification or rejection and which can be implemented by City Agencies; and (3) measures proposed in the FSEIR and recommended by the Board of Supervisors for adoption or rejection and which are enforceable by agencies other than City agencies. Where measures are modified, the modified language is indicated in the text. Exhibit 1, attached to these findings, contains the Mitigation Monitoring and Reporting Program. The full text of the mitigation measures as proposed in the FSEIR is set forth in Exhibit 2, attached hereto.

Article VI identifies the unavoidable, significant adverse environmental impacts of the Project which have not been mitigated to a level of insignificance by the adoption of mitigation measures as provided in Article V, above.

Article VII contains a Statement of Overriding Considerations, setting forth specific reasons in support of the Board of Supervisors' Actions and its rejection of elements of the Mitigation Measures, Alternatives and Variants not incorporated in the Project.

II. PROJECT DESCRIPTION

A. Project Approvals

The Project requires a series of approvals that define the terms under which the Project will occur. It includes the following major permits and approvals and related and collateral actions: (1) Mission Bay North and Mission Bay South Redevelopment Plans and related Interagency Cooperation Agreements; (2) Mission Bay North and Mission Bay South Design for Development Documents; (3) Amendments to the General Plan of the City and County of San Francisco, including rescission of the Mission Bay Plan and adoption of the Mission Bay Plan as Planning Commission Guidelines applicable to property outside the Plan Areas; (4) Amendments to the Zoning Map of the City and County of San Francisco; (5) Amendments to Article 9 of the Planning Code of the City and County of San Francisco; (6) General Plan and Planning Code Section 101.1 Consistency Determinations; (7) Amendments to the Waterfront Land Use Plan; (8) Amendment of the San Francisco Subdivision Code and Regulations; (9) Street Vacations; (10) Mission Bay North and South Owner Participation Agreements, including Owner Participation Rules and Business Occupant Re-entry Preference Program; (11) Amended and Restated City Land Transfer Agreement; (12) Amended and Restated Port Land Transfer Agreement; (13) Amended and Restated Agreement Concerning the Public Trust; (14) UCSF Land Donation Agreement; (15) Public Trust/Burton Act Findings; (16) Agency Affordable Housing Policy; (17) Agency Lease findings; (18) Transfer of Port Administrative Jurisdiction; (19) Termination of Transportation Projects Agreement; (20) Mission Bay North and Mission Bay South Tax Allocation Agreements; (21) Community Facilities District Resolutions of Formation; and (22) implementation actions associated with the settlement of title disputes and resolution of title matters. These approvals, along with implementation of the Redevelopment Plans, are referred to collectively herein as the "Project".

As described in Article III, only some of the approvals described above are before the Board of Supervisors at this time.

B. Detailed Project Description/Relationship to FSEIR

The following is a description of the uses contemplated by the Project and the Project's relationship to the FSEIR. The Project is based primarily on the Project Description contained in the FSEIR, plus Variant 1 (Terry A. Francois Boulevard Variant/Expanded Bayshore Open Space Proposal), Variant 2 (Esprit Commercial Industrial/Retail Variant), Variant 3A (Modified No Berry Street Crossing Variant), and Variant 5 (Castle Metals Block Commercial Industrial/Retail Variant) as discussed below. The Project, including these Variants, is substantially as described in the FSEIR Project Description and in FSEIR Chapter VII, Section G, Combination of Variants Currently Under Consideration by the Project Sponsors. The Project land use program is described in gross square feet, consistent with the balance of the FSEIR analysis, in Tables VII.G.1 and VII.G.2 therein. It is also summarized briefly below, generally in leasable square feet, for informational purposes.

The development program for the Project is summarized as follows:

Total Program

Residential (dwelling units):	6,090
Commercial Industrial (leasable square feet):	5,953,600
Retail (leasable square feet)	
• City-serving	219,300
• Entertainment-oriented	400,000
• Local-serving	<u>244,300</u>
Total Retail	863,600
Hotel (rooms)	500
Public open space (acres)	49
Public facilities (acres)	5.2
UCSF (gross square feet)	2,650,000

Mission Bay North Program

Residential (dwelling units)	3,000
Retail (leasable square feet)	
• City-serving	100,000
• Entertainment-oriented	350,000
• Local-serving	<u>55,000</u>
Total Retail	505,000
Public open space (acres)	6
Public facilities (acres)	1.5

Mission Bay South Program

Residential (dwelling units)	3,090
Commercial Industrial (leasable square feet)	5,953,600
Retail (leasable square feet)	
• City-serving	119,300
• Entertainment-oriented	50,000
• Local-serving	<u>189,300</u>
Total Retail	358,600
Hotel (rooms)	500
Public open space (acres)	43

Public facilities (acres)
UCSF (gross square feet)

3.7
2,650,000

The 863,600 leasable square feet of retail space provides 15,000 leasable square feet of neighborhood-serving retail beyond the program described in the Combination of Variants. As further described in the letter dated September 10, 1998 prepared by the Planning Department, and contained in Planning Department File No. 96.771E, this minor additional development is consistent with the land use program analyzed in the FSEIR and would not result in any new significant effects or cause significant effects identified in the FSEIR to be substantially more severe.

III. ACTIONS

The Actions of the Board of Supervisors in connection with the Project include the following approvals: (1) Affirmance of the Planning Commission's certification of the FSEIR; (2) Adoption of CEQA findings, including mitigation measures and a mitigation monitoring program; (23) Amendments to the General Plan of the City and County of San Francisco, including rescission of the Mission Bay Plan; (24) Amendments to the Zoning Map of the City and County of San Francisco; (25) Amendments to Article 9 of the Planning Code of the City and County of San Francisco; (6) Approval of Mission Bay North and Mission Bay South Redevelopment Plans and related Interagency Cooperation Agreements; (7) Amendment of the San Francisco Subdivision Code; (8) Street Vacations; (9) Approval of Amended and Restated City Land Transfer Agreement; (10) Amended and Restated Port Land Transfer Agreement; (11) Approval of Amended and Restated Agreement Concerning the Public Trust; (12) Approval of UCSF Land Donation Agreement; (13) Transfer of Port Administrative Jurisdiction; (14) Termination of Transportation Projects Agreement; (15) Approval of Mission Bay North and Mission Bay South Tax Allocation Agreements; and (16) implementation actions associated with the settlement of title disputes.

IV. ALTERNATIVES

A. Reasons for Selecting the Project

As discussed in Article II.B above, the Project is based on the Project Description analyzed in the FSEIR, plus Variants 1, 2, 3A and 5, incorporated in their entirety. The FSEIR analyzed three Alternatives to the Project, including the "No Project/Expected Growth" Alternative, and five Variants.

Alternative 1 is the "No Project/Expected Growth" Alternative, which reflects a level of development based on existing zoning regulations pursuant to Article 9 of the City Planning Code and the 1990 Mission Bay Plan. The assumed development is consistent with population and employment projected through the year 2015 according to ABAG's Projections '96. Alternative 2 is the "Redevelopment North of Channel/Expected Growth South of Channel Alternative." This alternative is a hybrid consisting of the project proposed in the Project Description for Mission Bay North, and

Alternative 1 for Mission Bay South. Alternative 3 is the "Residential/Open Space Development" Alternative. This is a modified version of full-build out of Alternative B from the 1990 FSEIR. Alternative 3 is identified in the FSEIR as the "Environmentally Superior Alternative" pursuant to CEQA Sections 21002 and 21081. No redevelopment plans for the Plan Areas were assumed under this Alternative. FSEIR Section VIII.D provides detail about other Alternatives which were considered and rejected as infeasible and therefore were not analyzed in the FSEIR.

The FSEIR also analyzes five Variants: (1) Terry A. François Boulevard Variant/Extended Bayshore Open Space Proposal, (2) Esprit Commercial Industrial/Retail Variant, (3) No Berry Street At-Grade Rail Crossing Variant (including Variant 3A Modified No Berry Street Crossing Variant), (4) Mission Bay North Retail Variant, and (5) Castle Metals Block Commercial Industrial/Retail Variant.

In approving the Project, the Board of Supervisors has carefully considered the attributes and environmental effects of the Project and the Alternatives and Variants discussed in the FSEIR. This consideration, along with the reports from the City staff, and considerable public testimony, has resulted in the Project. The Project achieves the objectives as set forth in the FSEIR and the Redevelopment Plans as follows:

1. Eliminating blighting influences and correcting environmental deficiencies in the Plan Area, including, but not limited to, abnormally high vacancies, abandoned buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities.

The Project is a comprehensive mixed-use development program, including substantial new infrastructure, open space and public facilities that address each of these blighting influences. It includes a development program that, if implemented, would eliminate high vacancies, abandoned buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities. It also includes a comprehensive environmental remediation program, to be implemented through Risk Management Plans (RMPs), to be approved by the Regional Water Quality Control Board ("RWQCB"), which will address environmental deficiencies in the Plan Area.

2. Retaining and promoting, within the City and County of San Francisco, academic and research activities associated with UCSF, which seeks to provide space for existing and new programs and consolidate academic and support units for many dispersed sites at a single major new site which can accommodate the 2,650,000 square foot program analyzed in the UCSF Long Range Development Plan ("LRDP").

The Project includes an approximately 43-acre site which will accommodate the development program described in the UCSF LRDP.

On this basis, The Regents has selected Mission Bay as the location for the UCSF major new site among competing sites.

3. Assembling land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Plan Areas.

The Project includes land transfer agreements which would facilitate the assemblage of land into suitable developable parcels. The Project also includes detailed pedestrian, bicycle and vehicular circulation plans designed to accommodate and facilitate development proposed in the Plan Areas.

4. Re-planning, redesigning and developing undeveloped and underdeveloped areas which are improperly utilized.

The Plan Areas now consist of largely vacant and underutilized property. The Project involves the comprehensive replanning and redesigning of the entire Plan Areas to address this underutilization. It also includes Design for Development documents containing detailed design standards and guidelines to ensure that quality urban design is provided throughout the development.

5. Providing flexibility in development of the Plan Areas to respond readily and appropriately to market conditions.

The Redevelopment Plans include broad land use designations to allow a range of appropriate uses within various designations. The Design for Development documents also include sufficient flexibility in their guidelines to respond to a variety of use types. The proposed Mission Bay North and Mission Bay South Owner Participation Agreements (OPAs) are designed to facilitate property transfers in response to market conditions while retaining an appropriate level of discretion and control in the Agency.

6. Providing opportunities for participation by owners in the redevelopment of their properties.

The Project includes proposed OPAs between Catellus and the Agency which provide the terms and conditions for participation by Catellus in the redevelopment of its properties. In addition, the Redevelopment Plans set forth the parameters for future participation by other private property owners in the redevelopment of their properties.

7. Strengthening the community's supply of housing by facilitating economically feasible, affordable housing through installation of needed site improvements and expansion and improvement of the housing supply by construction of approximately 6,090 very low-, low- and moderate-

income and market-rate units, including approximately 1,700 units of very low-, low- and moderate-income housing.

The Project includes the installation of needed site improvements and the expansion and improvement of the housing supply by construction of approximately 6,090 very low-, low- and moderate-income and market-rate units, including approximately 1,700 units of very low-, low- and moderate-income housing. Approximately 28% of the residential units to be developed in the Plan Areas will be affordable housing units, a substantially higher number than required by state law for redevelopment areas.

8. Strengthening the economic base of the Plan Areas and the community by strengthening retail and other commercial functions in the Plan Areas through the addition of approximately 835,000 leasable square feet of retail space, a 500-room hotel and associated uses and about 5,953,600 leasable square feet of mixed office, research and development and light manufacturing uses.

The Project includes a significant retail component of approximately 835,000 square feet of retail space, plus additional retail space to be developed by the Port and the Agency, bringing the total to approximately 863,600 leasable square feet of retail space. The Project would also include a 500-room hotel and associated uses and about 5,953,600 leasable square feet of mixed office, research and development and light manufacturing uses.

9. Facilitating emerging commercial and industrial sectors including those expected to emerge or expand due to the proximity to the new UCSF site, such as research and development, bio-technical research, telecommunications, business service, multi-media services, and related light industrial, through improvement of transportation access to commercial and industrial areas, improvement of safety within the Plan Areas, and the installation of needed site improvements to stimulate new commercial and industrial expansion, employment, and economic growth.

The Project facilitates emerging commercial and industrial sectors and the employment associated therewith, including highly trained workers, by: providing broad land use categories which could accommodate a variety of such uses; improving transportation access to these areas through the new bicycle, pedestrian and vehicular network and proximity to a variety of transit, including the Third Street light rail system; improving safety within the Plan Areas by removing blighting influences, providing lighting and other safety features; conducting environmental remediation; and providing additional site improvements such as parks, community facilities and other amenities.

10. Facilitating public transit opportunities to and within the Plan Areas to the extent feasible.

The Project is in close proximity to a variety of public transportation modes and has been designed in conjunction with the City, including MUNI, to maximize coordination with existing and proposed transit systems. The Project is also designed with a relatively minimal amount of parking and substantial bicycle parking to encourage use of transit consistent with the City's Transit First Policy. The Project includes Transportation Management Plans for both Plan Areas.

11. Providing land in an amount of approximately 47 acres for a variety of publicly accessible open spaces.

The Project meets and exceeds this objective by providing approximately 49 acres of land for a variety of publicly accessible open spaces, including both passive and active uses.

12. Achieving the objectives described above in the most expeditious manner feasible.

The Project provides the ability to achieve these objectives in an expeditious manner by providing for flexibility in land uses and the ability to respond to market conditions, and by including a variety of detailed implementation programs to facilitate development through the Redevelopment Plans and the OPAs and their attachments, including the Infrastructure Plans, the Housing Programs and the Financing Plans.

B. Alternatives Rejected and Reasons for Rejection

The Alternatives and Variants set forth in the FSEIR and listed below are rejected because the Board of Supervisors finds that there is substantial evidence that the specific considerations described in this Article IV.B and in Article VII below make infeasible such Alternatives and Variants.

1. Alternative 1: No Project/Expected Growth

Alternative 1 would not be desirable nor meet the project objectives. Implementation of this Alternative would amount to a continuation of the existing conditions, which is characterized by blighting influences and environmental deficiencies. The current uses and uses permitted under the existing zoning scheme do not provide a feasible opportunity to alleviate these conditions, as is evidenced by the lack of new development in this area over the past 30 years, despite entitlements including a zoning scheme and Development Agreement. Alternative 1 further fails to meet the project objectives because it does not provide the opportunity to retain and promote UCSF and the economic and technological benefits associated therewith; includes an inflexible land use scheme which does not allow a ready response to market conditions; does not provide the level of residential, retail or commercial-industrial uses contemplated in the

project objectives within the foreseeable future and does not facilitate emerging commercial-industrial sectors, including those expected to emerge or expand due to proximity to the UCSF site, and the substantial employment opportunities, including those for highly trained workers, associated therewith. The lack of new construction under the current zoning scheme and Development Agreement further suggests that new development, if it were to occur at all, would not be achieved expeditiously.

2. Alternative 2: Redevelopment North of Channel/Expected Growth South of Channel

This Alternative would not be desirable nor meet the project objectives. A redevelopment area would be in place in the North Plan Area, providing some opportunity for alleviation of existing blighting conditions. However, this Alternative, like Alternative 1, would retain the current zoning and would not include a redevelopment plan designation for the South of Channel area. Therefore, it would not meet the objectives for the South Plan Area as described under reasons for rejection of Alternative 1 above.

3. Alternative 3: Residential/Open Space Development

Alternative 3 consists primarily of a substantial residential and open space component. This Alternative was identified as the Environmentally Superior Alternative in the FSEIR. Alternative 3 would meet or exceed the objectives related to provision of housing, including affordable housing, as well as open space. However, this Alternative would not address the important objectives of retaining and promoting UCSF and other commercial-industrial sectors which would be expected to emerge or expand due to their proximity to the new UCSF site, including the economic and technological benefits associated therewith, would not provide flexibility in development of the Plan Areas, and would not include the retail and the other commercial-industrial components described in the project objectives, nor the substantial employment opportunities related thereto, including those for highly trained workers.

4. Variant 3: No Berry Street At-Grade-Rail-Crossing-Variant

This Variant has been superseded by a slightly modified new Variant, Variant 3A, which is proposed as part of the Project. Variant 3 is rejected because the modifications associated with Variant 3A, which provides for an extension of Berry Street south to Common Street, will better facilitate transportation circulation while still improving safety within the Plan Areas by reducing the number of at-grade crossings to one. As compared to Variant 3, Variant 3A also eliminates a significant impact regarding emergency access.

5. Variant 4: (Mission Bay North Retail Variant)

This Variant is substantially the same as under the Project, except that it contemplates changing the mix of uses on the two blocks bounded by Townsend, Third, Berry and Fourth Streets. This Variant was included to provide flexibility in considering the appropriate mix of uses on these blocks and to assess whether an alternative scheme

on these blocks might eliminate any significant traffic impacts that would result from the Project. The analysis concluded that this Variant would not substantially reduce nor eliminate any significant impacts of the Project.

V. MITIGATION MEASURES

The findings in this section concern mitigation measures set forth in the FSEIR. These findings fall into three categories: (1) a discussion of mitigation measures proposed in the FSEIR and recommended for adoption by the Board of Supervisors, which can be implemented by City agencies including, but not limited to, the San Francisco Redevelopment Agency ("Agency"), the Port of San Francisco ("Port"), the Department of Public Works ("DPW"), the Department of Parking and Traffic ("DPT"), the Department of Planning ("Planning"), the Department of Public Health ("DPH"), the Office of Emergency Services ("OES"), the Fire Department, the San Francisco Public Utilities Commission ("SFPUC"), the Public Transportation Commission ("PTC") and the San Francisco Unified School District; (2) a discussion of mitigation measures proposed in the FSEIR and recommended by the Board of Supervisors for modification or rejection and which could be appropriately adopted and implemented by City agencies; and (3) a discussion of mitigation measures proposed in the FSEIR and recommended by the Board of Supervisors for adoption or rejection which are or would be enforceable by agencies other than City agencies.

All of the mitigation measures discussed in the FSEIR are coded and attached hereto as Exhibit 2. In the text of these findings, mitigation measures adopted by the Board of Supervisors are referenced by the number and topic in Exhibit 2. Mitigation measures within the jurisdiction of other agencies are similarly referenced, together with an indication of the appropriate jurisdiction. Mitigation measures are organized by subject matter in the same order that those subjects appear in the FSEIR. Each measure is followed by a parenthetical which indicates whether it applies to the Mission Bay North Redevelopment Project Area (**North**), Mission Bay South Redevelopment Project Area (**South**), or both (**North/South**).

The Board of Supervisors finds that the mitigation measures recommended for adoption, either as they appear in the FSEIR, or as proposed for modification, are feasible and enforceable through the Project Approvals, or, in the case of UCSF, will be applied in substantially similar form, which finding is further supported by the analysis set forth in the Fiscal and Economic Analysis dated August 24, 1998 prepared by the Sedway Group for the Agency and the City.

The Agency is listed as an implementing agency for the majority of the mitigation measures. As further described in Exhibit 1, the Agency's role is generally limited to oversight through the plan review process to confirm that any relevant measures have been implemented by other City agencies and non-City agencies with jurisdiction over such measures. Where a measure is monitored through the site permit or permitting process, the measure is monitored primarily by DBI and/or DPW depending on the nature of the improvement, but the Agency generally will maintain a general oversight role through its participation as a reviewing and approving agency. Thus the measures

proposed for adoption generally will be implemented by the Agency as well as other City agencies.

A discussion of the measures as they relate to development of the new UCSF site by the Regents is provided in Article V.D below.

A. MITIGATION MEASURES RECOMMENDED BY THE BOARD OF SUPERVISORS FOR ADOPTION AS PROPOSED AND IMPLEMENTATION BY CITY AGENCIES

The following measures in the FSEIR have been found by the Board of Supervisors to mitigate, reduce or avoid significant effects and are hereby recommended for adoption and implementation by City agencies, which agencies can and should adopt these measures. The Planning Commission, the Agency, the PTC, the Port, the Building Inspection Commission and the SFPUC have already acted to adopt the measures within their jurisdictions which the Board of Supervisors recommends for implementation below. The Clerk of the Board of Supervisors is hereby directed to transmit copies of these measures to the affected City agencies.

1. Visual Quality and Urban Design

D.1 **Lighting and Glare.** The Agency, the Planning Department and DBI would implement this measure as part of the plan review and site permit processes. The Board of Supervisors recommends that this measure be implemented by the Agency, the Planning Department and DBI. **(North/South)**

D.2 **Architectural Resources - Evaluation of Fire Station No. 30.** **(South)**

D.2.a. **Retain Building.** The Agency would require retention of an architectural historian to evaluate the building as part of its plan review prior to demolition or alteration of the structure. If the building is found to be eligible for the National Register, the building should be retained. The Agency will consult with the Planning Department's Office of Environmental Review ("OER") and the Landmarks Preservation Advisory Board ("LPAB") as part of its evaluation. The Board of Supervisors recommends that the Agency and the Planning Department implement this measure.

D.2.b. **Demolition Measures.** The Agency would implement this measure as part of its plan review process, in consultation with OER and the LPAB. The Board of Supervisors recommends that the Agency and the Planning Department implement this measure.

D.3 **Archeological Resources.** The Agency would implement this measure prior to excavation as part of its plan review process, and ongoing monitoring would be implemented as required by the measure. The Agency would consult with OER and the LPAB in implementation of this measure. The Board of Supervisors

recommends that the Agency and the Planning Department implement this measure. (North/South)

- 9)
9)
9)
39)
- D.4 **Archeological Exploration Program.** The Agency would implement measures D.4.a-D.4.d as part of its plan review, in consultation with OER and the LPAB. The Board of Supervisors recommends that the Agency and the Planning Department implement these measures. (North/South)
- D.5 **Archeological Monitoring at 19th Century City Dump.** The Agency would implement this measure as part of its plan review, in consultation with OER and the LPAB. The Board of Supervisors recommends that the Agency and the Planning Department implement this measure. (North/South)
- D.6 **Unknown Archeological Remains.** The Agency would implement this measure as part of its plan review, in consultation with OER and the LPAB. The Board of Supervisors recommends that the Agency and the Planning Department implement this measure. (North/South)
- D.7 **Pedestrian - Level Winds.** The Agency would implement this measure as part of its plan review. The Board of Supervisors recommends that the Agency implement this measure.(North/South)

2. Transportation

- E.1 **Third Street/King Street.** The Agency would ensure implementation of measures E.1.a-E.1.c as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. The DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (North/South)
- E.2 **Third Street/Berry Street.** The Agency would ensure implementation of measures E.2.a-E.2.c as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (North/South)
- E.3 **Third Street/Owens Street.** The Agency would ensure implementation of measure E.3 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)
- E.4 **Third Street/The Common.** The Agency would ensure implementation of measure E.4 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will

also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)

- E.5 **Third Street/South Street.** The Agency would ensure implementation of measure E.5 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)
- E.6 **Third Street/Sixteenth Street.** The Agency would ensure implementation of measures E.6.a-E.6.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (South)
- E.7 **Third Street/Mariposa Street.** The Agency would ensure implementation of measures E.7.a-E.7.c as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (South)
- E.8 **Fourth Street/King Street.** The Agency would ensure implementation of measures E.8.a-E.8.c as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The PTC would also be involved in implementation of measure E.8.b if it elects to commence service before the Owner's obligation to construct is otherwise triggered. The Board of Supervisors recommends that the Agency, the PTC, DPW, and DPT implement these measures. (North)
- E.9 **Fourth Street/Berry Street.** The Agency would ensure implementation of measures E.9.a-E.9.d as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The PTC would also be involved in implementation of measure E.9.c if it elects to commence service before the Owner's obligation to construct is otherwise triggered. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement these measures. (North)
- E.10 **Fourth Street/Owens Street.** The Agency would ensure implementation of measure E.10 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)
- E.11 **Fourth Street/UCSF Private Street.** The Agency would ensure implementation of measure E.11 as part of its plan review, and DPW would ensure

implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)

- E.12 **Fourth Street/Sixteenth Street.** The Agency would ensure implementation of measure E.12 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)
- E.13 **Fourth Street/Mariposa Street.** The Agency would ensure implementation of measures E.13.a-E.13.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (South)
- E.14 **Seventh Street/Sixteenth Street.** The Agency would ensure implementation of measures E.14.a-E.14.f as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT would also participate in implementation of measure 14.a. The Board of Supervisors recommends that the Agency, DPW and DPT implement these measures. With respect to E.14.f, implementation would also be required by non-City agencies. Accordingly, this measure is also listed in Article V.C below. (South)
- E.15 **Owens Street/Sixteenth Street.** The Agency would implement measure E.15 as part of its plan review and DPW would implement this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. This measure would also be implemented by non-City agencies. Accordingly, this measure is also listed under Article V.C below. (South)
- E.16 **Owens Street/Mariposa Street/I-280 Off-Ramp.** The Agency would implement measures E.16.a-E.16.b as part of its plan review and DPW would implement these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. These measures would also be implemented by other non-City agencies. Accordingly, these measures are also listed under Article V.C below. (South)
- E.17 **I-280 On-Ramp/Mariposa Street.** The Agency would ensure implementation of measures E.17.a-E.17.b as part of its plan review and DPW would ensure implementation of these measures as part of its subdivision improvement plan. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. These measures would also be implemented by other non-City agencies. Accordingly, these measures are also listed under Article V.C below. (South)

- E.18 Seventh Street/The Common.** The Agency would ensure implementation of measures E.18.a-E.18.b as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. These measures would also be implemented by other non-City agencies. Accordingly, these measures are also listed under Article V.C below. **(South)**
- E.19 Fifth Street/King Street.** The Agency would ensure implementation of measures E.19.a-E.19.c as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. These measures would also be implemented by other non-City agencies. Accordingly, these measures are also listed under Article V.C below. **(North)**
- E.21 Third Street.** The Agency would ensure implementation of measures E.21.a-E.21.c as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. Consultation with the PTC would also be required for measure E.21.c. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement these measures. **(North/South)**
- E.22 Mariposa Street.** The Agency would ensure implementation of measure E.22 as part of its plan review and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. This measure would also be implemented by other non-City agencies. Accordingly, this measure is also listed under Article V.C below. **(South)**
- E.23. Fourth Street.** The Agency would ensure implementation of measures E.23.a-E.23.b as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. Measure E.23.a would involve coordination with and implementation by the PTC. The Board of Supervisors recommends that the Agency, PTC, DPW, and DPT implement these measures. **(North/South)**
- E.24 King Street.** The Agency would ensure implementation of measures E.24.a-E.24.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. **(North)**
- E.25 Owens Street.** The Agency would ensure implementation of measures E.25.a-E.25.d as part of its plan review and DPW would ensure implementation of

these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. Measure E.25.a would involve coordination with and implementation by the PTC. The Board of Supervisors recommends that the Agency, PTC, DPW, and DPT implement these measures. (South)

- E.26 North Common and South Common Streets Connection.** The Agency would ensure implementation of measures E.26.a-E.26.b as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. Measure E.26.b would also require coordination with and implementation by DPT and PTC. The Board of Supervisors recommends that the Agency, PTC, DPW, and DPT implement these measures. Measure E.26.a would also require implementation by non-City agencies. Accordingly, this measure is also listed under Article V.C below. (South)
- E.27 MUNI Line 22-Fillmore.** The Agency would ensure implementation of this measure as part of its plan review and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. Implementation of this measure would be primarily within the jurisdiction of the PTC. The Board of Supervisors recommends that the Agency, PTC and DPW implement this measure. (South)
- E.28 MUNI L-Line. 30 Stockton or 45-Union/Stockton.** The Agency would ensure implementation of measures E.28.a-E.28.d as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. Primary responsibility for implementation of these measures would lie with the PTC. The Board of Supervisors recommends that the Agency, PTC and DPW implement these measures. Measure E.28.a would also require implementation by non-City agencies. Accordingly, this measure is also listed under Article V.C. below. (South)
- E.29 Seventh Street/Brannan Street.** The Agency would ensure implementation of measure E.29 as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. (South)
- E.30 Seventh Street/Townsend Street.** The Agency would ensure implementation of measures E.30.a - E.30.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (North)
- E.31 Seventh Street/Berry Street.** The Agency would ensure implementation of measures E.31.a-E.31.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. (North)

- E.32 **Seventh Street/North and South Common Street.** The Agency would ensure implementation of measures E.32.a-E.32.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. **(South)**
- E.33 **Sixteenth Street/Potrero Street.** The Agency would ensure implementation of this measure as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. **(South)**
- E.34 **Sixteenth Street/Vermont Street.** The Agency would ensure implementation of this measure as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. **(South)**
- E.35 **Eighth Street/Townsend Street.** The Agency would ensure implementation of measures E.35.a-E.35.b as part of its plan review, and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement these measures. **(North)**
- E.36 **Third Street/Townsend Street.** The Agency would ensure implementation of measures E.36.a-E.36.b as part of its plan review and DPW would ensure implementation of these measures as part of its review of subdivision and parcel maps. These measures are primarily within the jurisdiction of DPT. The Board of Supervisors recommends that the Agency, DPW and DPT implement these measures. **(North)**
- E.38 **Fourth Street/King Street.** The Agency would ensure implementation of this measure as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW adopt and implement this measure. **(North)**
- E.41 **Fourth Street.** The Agency would ensure implementation of this measure as part of its plan review, and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DPT will also review the plans. The Board of Supervisors recommends that the Agency, DPT and DPW implement this measure. **(North)**
- E.42 **Seventh Street.** The Agency would ensure implementation of this measure as part of its plan review and DPW would ensure implementation of this measure

as part of its review of subdivision and parcel maps. This measure is primarily within the jurisdiction of DPT. The Board of Supervisors recommends that the Agency, DPW and DPT implement this measure. This measure would also require implementation by non-City agencies. Accordingly, this measure is listed under Article V.C below. (North/South)

- E.45 Extend N-Judah MUNI Metro Line.** The Agency would ensure implementation of this measure as part of its plan review and DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. Primary responsibility for implementation of this measure would be within the jurisdiction of PTC. The Board of Supervisors recommends that the Agency, PTC and DPW implement this measure. (North/South)
- E.46a Transportation Management Organizations.** Measures E.46.a would be implemented by the Agency as part of its first Major Phase approval. Ongoing participation and/or monitoring would be required by various City agencies including the Agency, the PTC, DPW and DPT. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement this measure. Measure E.46.b is proposed for modification as set forth below. (North/South)
- E.47 Transportation System Management (TSM) Plan.** Measures E.47.a-E.47.h would be implemented by the Agency as part of its first Major Phase approval. Ongoing participation would be required by various City agencies including the Agency, PTC, DPW and DPT. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement these measures. (North/South)
- E.49 Ferry Service.** The Agency would ensure implementation of this measure as part of the first Major Phase approval and the Port would ensure implementation of this measure on an ongoing basis. The Board of Supervisors recommends that the Agency and Port implement this measure. (North/South)

3. Air Quality

- F.1 TSM Measures.** Transportation Measures E.46-E.50 would be implemented by the Agency as part of its first Major Phase approval and would also address air quality impacts. Ongoing participation would be required by various City agencies including the Agency, the PTC, DPW and DPT. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement these measures. (North/South)
- F.2 Construction PM₁₀.** DPW and/or DBI would implement measures F.2.a-F.2.n through the necessary permitting process. The Board of Supervisors recommends that DPW and DBI implement these measures. (North/South)
- F.3 Toxic Air Contaminants (TACs).** DPW and/or DBI would implement this measure, in consultation with DPH, through the site permit process. The Board

of Supervisors recommends that DPW, DBI and DPH implement this measure.
(North/South)

- F.4 **Meteorological Station.** Measures F.4.a-F.4.g provide for a meteorological station in Mission Bay South. If located outside of the UCSF site, the Agency would implement these measures in consultation with the Bay Area Air Quality Management District ("BAAQMD"). The Board of Supervisors recommends that the Agency implement this measure. These measures are also within the jurisdiction of non-City agencies. Accordingly, these measures are also listed under Article V.C below. **(South)**
- F.5 **Dry Cleaning Facilities.** The Agency would implement this measure, in consultation with DPH and DBI, as part of its plan review. The Board of Supervisors recommends that the Agency, DPH and DBI implement this measure. This measure is also within the jurisdiction of a non-City agency. Accordingly, this measure is also listed under Article V.C below. **(North/South)**
- F.6 **Child-Care Buffer Zones.** The Agency would implement this measure, in consultation with DPH and DBI, as part of its plan review. The Board of Supervisors recommends that the Agency, DPH and DBI implement this measure. The implementation of this measure is also within the jurisdiction of a non-City agency. Accordingly, this measure is also listed under Article V.C below. **(North/South)**

4. Noise and Vibration

- G.1 **Noise Reduction in Pile Driving.** DPW and/or DBI would implement this measure as part of the necessary permitting process. The Board of Supervisors recommends that DPW and DBI implement this measure. **(North/South)**
- G.2. **Potential Vibrations from CalTrain.** DPW and/or DBI would implement this measure as part of the necessary permitting process. The Board of Supervisors recommends that DPW and DBI implement this measure. **(North)**

5. Seismicity

- H.1 **Heavy Equipment Storage.** The Agency would implement this measure, in consultation with OES, prior to issuance of the first Certificate of Occupancy. Updating would be required on a periodic basis. The Board of Supervisors recommends that the Agency and OES implement this measure. **(North/South)**
- H.2. **Emergency Preparedness and Emergency Response.** The Agency would implement this measure, in consultation with OES, prior to issuance of the first Certificate of Occupancy. Updating would be required on a periodic basis. The Board of Supervisors recommends that the Agency and OES implement this measure. **(North/South)**

- H.3 **Comprehensive Preparedness and Response Plan.** The Agency would implement this measure, in consultation with OES, prior to issuance of the first Certificate of Occupancy. Updating would be required on a periodic basis. The Board of Supervisors recommends that the Agency and OES implement this measure. (North/South)
- H.4 **Fire Station No. 30.** The Agency and DBI would implement as part of plan review and site or building permit processes, in consultation with the Fire Department. The Board of Supervisors recommends that this measure be implemented by the Agency, DBI and the Fire Department. (North/South)
- H.5 **New Fire Station.** The Agency would implement this measure as part of the plan review process, in conjunction with the City and the Fire Department. The Board of Supervisors adopts this measure and recommends that the Agency and the Fire Department implement this measure. (South)
- H.6 **Facilitate Emergency Access Routes.** The Agency would implement this measure, in consultation with OES, in conjunction with measure H.3. The Board of Supervisors recommends that the Agency and OES implement this measure. (North/South)
- H.7 **Corrosivity.** DPW and/or DBI will implement this measure as part of the site permit process. The Board of Supervisors recommends that DPW and DBI implement this measure. (North/South)

6. Health and Safety

- I.1 **Biohazardous Materials Handling Guidelines.** DBI would implement this measure as part of the building or site permit process, in consultation with DPH. The Board of Supervisors recommends that DBI and DPH implement this measure. (South)
- I.2 **Use of HEPA Filters.** DBI would implement this measure as part of the building or site permit process, in consultation with DPH. The Board of Supervisors recommends that DBI and DPH implement this measure. (South)
- I.3. **Handling of Biohazardous Materials.** DBI would implement this measure as part of the building or site permit process, in consultation with DPH. The Board of Supervisors recommends that DBI and DPH implement this measure. (South)

7. Contaminated Soils

- J.1 **Risk Management Plan(s).** The Agency would ensure implementation of the Risk Management Plan described in measures J.1.a-J.1.o, including recorded deed restrictions, as part of its plan review process. DPH would assist the Regional Water Quality Control Board ("RWQCB") in implementing portions of this mitigation measure. DBI and/or DPW would also ensure implementation of

construction-related portions of this measure through the permitting process. The Board of Supervisors recommends that the Agency, DPH, DPW and DBI, as appropriate, ensure implementation of these measures. Implementation of these measures is also within the jurisdiction of a non-City agency, the RWQCB. Accordingly, these measures are also listed under Article V.C below.
North/South)

- J.2 **Site-Specific Risk Evaluation.** The Agency, following RWQCB approval, would ensure implementation of this measure as part of its plan review process. DPH would assist the RWQCB in implementing this mitigation measure. The San Francisco Unified School District, DBI and/or DPW, as appropriate, would also ensure implementation of the construction-related portions of this measure through the permitting processes. The Board of Supervisors recommends that the Agency, the San Francisco Unified School District, DPH, DPW and DBI, as appropriate, ensure implementation of this measure with the RWQCB. Implementation of this measure is primarily within the jurisdiction of a non-City agency, the RWQCB. Accordingly, this measure is also listed under Article V.C below.**(North/South)**

8. Hydrology and Water Quality

- K.1 **Stormwater Pollution Prevention Program (SWPPP).** DPW would implement measures K.1.a-K.1.i as part of its review of subdivision and parcel maps, in consultation with the SFPUC. DBI would also implement this measure through the building or site permit processes. The Board of Supervisors recommends that DPW, DBI, and the SFPUC implement these measures. **(North/South)**
- K.2 **Changes in Sanitary Sewage Quality.** DPW would implement this measure as part of its review of subdivision and parcel maps, in consultation with the SFPUC. The Board of Supervisors recommends that DPW and the SFPUC adopt and implement this measure. **(North/South)**
- K.3 **Sewer Improvement Design.** DPW would implement this measure as part of its review of subdivision and parcel maps, in consultation with the SFPUC. The Board of Supervisors recommends that DPW and the SFPUC implement this measure. **(North/South)**
- K.4 **Alternative Technologies to Improve Stormwater Discharge Quality.** DPW would implement this measure as part of its review of subdivision and parcel maps, in consultation with the SFPUC. The Board of Supervisors recommends that DPW and the SFPUC implement this measure. **(South)**
- K.5 **Central/Bay Basin Stormwater Management Program.** DPW would implement this measure as part of its review of subdivision and parcel maps, in consultation with the SFPUC. The Board of Supervisors recommends that DPW and the SFPUC implement this measure. **(South)**

K.6 Structure Placement and Design to Minimize Dangers of Flooding. DPW would implement measures K.6.a-K.6.f as part of its review of subdivision and parcel maps, in consultation with the SFPUC. DBI would also implement this measure through its building and site permit processes. The Board of Supervisors recommends that DPW, DBI and the SFPUC implement these measures. (North/South)

9. China Basin Channel Vegetation and Wildlife

L.1. Salt Marsh Wetland Habitat Mitigation Plan. DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. The Board of Supervisors recommends that DPW ensure implementation of this measure. Implementation of this measure is also within the jurisdiction of non-City agencies. Accordingly, this measure is also listed under Article V.C below. (North/South)

L.2. Wetland Habitat Avoidance. DPW would ensure implementation of this measure as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that DPW and DBI ensure implementation of this measure. Implementation of this measure is also within the jurisdiction of non-City agencies. Accordingly, this measure is also listed under Article V.C below. (North/South)

L.3. Construction During Pacific Herring Spawning Season. DPW would implement this measure as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that DPW and DBI implement this measure. (North/South)

L.4. Turbidity Prevention. DPW would implement this measure as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that DPW and DBI implement this measure. (North/South)

L.5. Construction in Channel. DPW would implement this measure as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that DPW and DBI implement this measure. (North/South)

L.6. Removal and Disposal Plan. DPW would implement this measure as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that DPW and DBI implement this measure. (North/South)

10. Community Services and Utilities

- M.2. **Include Water Conservation in Buildings and Landscaping.** DPW and/or DBI would implement measures M.2.a-M.2.f as part of the permitting process. The Board of Supervisors recommends that DPW and DBI implement these measures. (North/South)
- M.3. **Extend Auxiliary Water Supply System.** The Agency would implement this measure as part of its plan review and DPW would implement this measure as part of its review of subdivision and parcel maps. This would be implemented in consultation with the Fire Department. The Board of Supervisors recommends that the Agency, DPW and the Fire Department implement this measure. (North/South)
- M.4. **Sewers and Waste Water Treatment.** The Agency would implement this measure as part of its plan review, and DPW would implement this measure as part of its review of subdivision and parcel maps, in consultation with the SFPUC. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that the Agency, DPW, DBI and the SFPUC implement this measure. (South)
- M.5. **Stormwater.** The Agency would implement this measure as part of its plan review and DPW would implement this measure, in consultation with the SFPUC, as part of its review of subdivision and parcel maps. DBI would also ensure implementation of this measure through its building or site permit review. The Board of Supervisors recommends that the Agency, DPW, DBI and the SFPUC implement this measure. (South)

B. MITIGATION MEASURES RECOMMENDED FOR ADOPTION AS MODIFIED AND WHICH WILL BE IMPLEMENTED BY CITY AGENCIES, OR MITIGATION MEASURES RECOMMENDED FOR REJECTION

• **Mitigation Measures Recommended for Adoption as Modified**

This section recites mitigation measures which are recommended for adoption in modified form. The nature and reason for each modification is set forth. To the extent that the mitigation measure is modified, it is rejected in its original form either for purposes of clarification or because the measure has been more clearly defined through the Project Approvals. The Board of Supervisors finds that the modifications would not result in any new, or substantial increase in, significant impacts.

1. **Visual Quality and Urban Design**

- D.8 **Shadows.** This measure describes circumstances under which shadow studies will be required for the Project. Since the date of publication of the DSEIR, shadow studies were conducted in conjunction with the Mission Bay Citizens' Advisory Committee as part of the design standard and guideline preparation

process. Based upon these studies, the Agency has determined that development complying with the design standards in the Design for Development documents related to height, bulk, and coverage and street walls will reasonably limit areas of shadow on public open spaces during the active months of the year and during the most active times of day. Shadow fan studies conducted as part of the Initial Study process previously established that the Project will not have any significant, adverse shadow impacts because it will not cast any shadows in violation of Proposition K, the Shadow Ban Ordinance. The shadow studies prepared for the Design for Development documents further establish that any shadows would be appropriately limited. Accordingly, Measure D.8 is modified as follows to reflect the process for shadow studies outlined in the Design for Development documents:

"The Redevelopment Plan documents would require analysis of potential shadows on existing and proposed open spaces during the building design and review process when exceptions to certain standards governing the shape or locations of buildings are requested that would cause over 13% of Mission Creek Park (either North or South), 20% of Bayfront Park, 17% of Triangle Square or 11% of Mission Bay Commons to be in continuous shadow for a period of one hour per day from March to September between 10 a.m. and 4 p.m."

The Agency would implement this measure as part of its plan review. The Board of Supervisors recommends that the Agency implement this measure as modified. (North/South)

2. Transportation

E.46.b Transportation Coordinating Committee. This measure provides that the City should form a Transportation Coordinating Committee (TCC) including representatives of Project Area property owners, UCSF, SFRA and appropriate city staff, including DPT, MUNI and DPW, to address area-wide transportation planning issues and coordinate with other uses and neighborhoods in nearby areas. The Mission Bay TCC would work closely with the San Francisco Giants concerning issues related to parking and traffic that would affect both Mission Bay employees, visitors, and residents, as well as ballpark patrons. It is also appropriate to include surrounding neighborhood organizations in the TCC to address area-wide transportation planning issues and coordinate with other uses and neighborhoods in nearby areas. Accordingly, this measure is modified to include surrounding neighborhood organizations on the TCC. Ongoing participation and/or monitoring would be required by various City agencies including the PTC, the Agency, DPW and DPT. The Board of Supervisors recommends that the Agency, PTC, DPW and DPT implement this measure as modified. (North/South)

E.50 Flexible Work Time/Telecommuting. This measure provides that, where feasible, employees be offered the opportunity to work on flexible schedules and/or telecommute. This measure is properly considered as part of a menu of measures to be addressed in the Transportation Management Plans (TMP). Accordingly, this measure is modified to the extent that it is renumbered as Measure E.47.i and included as an element to be considered in the TMP. Measure E.47.i would be implemented by the Agency as part of its first Major Phase approval. The Board of Supervisors recommends that the Agency implement this measure as modified. **(South)**

3. Community Facilities and Utilities

M.1 Transfer School Site. The FSEIR indicates that this measure applies to both Plan Areas. However, while this measure includes both North and South residential development in its threshold calculation, the actual implementation of the measure applies solely to Mission Bay South, where the school site is located. As a matter of clarification, the notation after the measure is modified to refer only to the South. This measure would be implemented by the Agency as part of its plan review, in consultation with the SFUSD. The Board of Supervisors recommends that the Agency and SFUSD implement this measure as modified. **(South)**

M.6 Construct New Fire Station and Provide New Engine Company. Measures M.6.a-M.6.b provide for construction of a new fire station and provision of a new engine company. This measure is required primarily to address significant seismic (primarily access-related) and community facilities issues associated with development in Mission Bay South. Accordingly, these measures are modified to reflect that they apply only to Mission Bay South, consistent with Measure H.5. The Agency would implement measures M.6.a. – M.6.b in consultation with the City and the Fire Department. The Board of Supervisors recommends that the Agency and the Fire Department implement these measures as modified. **(South)**

• Measures Proposed for Rejection

The Board of Supervisors hereby finds that there is substantial evidence that the specific economic, social or other considerations stated below make the following measures infeasible. The Board of Supervisors recommends that these measure be rejected.

1. Transportation

E.20 Seventh Street/Berry Street. Measures E.20.a - E.20.c propose traffic improvements to the intersection of Seventh Street and Berry Street. As discussed in Chapter VII of the FSEIR, these improvements are related to rail crossing signalization and safety facilities, and would apply only to the project described in the Project Description, which includes a second rail crossing.

These measures are not required for the proposed Project, which eliminates the 7th and Berry crossing. Accordingly, these measures are rejected as inapplicable to the Project. **(North)**

- E.37 Third Street/King Street.** Measures E.37.a - E.37.b relate to proposed intersection improvements for Third Street and King Street. Measure E.37.a requires acquisition of additional right-of-way on the eastern portion of Third Street from Berry Street to King Street, which would require reconfiguration and reduction in the proposed plaza area of the Giants Ballpark. The current plaza configuration is instrumental to operation of the ballpark, has been approved by a large number of regulatory agencies, and is the subject of an existing lease between the Giants and the City. Moreover, this area, which is outside of the Plan Areas, has been designed as a key component of the pedestrian network for the ballpark and the surrounding area. It is also an important civic improvement and design feature, serving as the "front door" of the ballpark. For these reasons, Measure E.37.a is rejected. Without implementation of this measure, intersection impacts at Third and King Streets would deteriorate from the current LOS C to LOS D with the Project and LOS E with cumulative 2015 conditions, and LOS F if Measure E.37.b is also rejected. This specific intersection impact is encompassed within the broader statement of significant, unavoidable intersection impacts contained in Article VI. **(North)**

Measure E.37.b would require acquisition of additional King Street right-of-way from Fourth Street to Third Street. While such acquisition would improve the level of service of the operation of the intersection, negative pedestrian safety impacts could result. The additional lane would increase the distance that pedestrians traveling in the north-south direction would walk to cross the street. Although the pedestrian signal could be timed to allow pedestrians to only cross a refuge area in the middle of the street, this refuge area may not be large enough to accommodate heavy pedestrian volumes, such as those expected before and after an event at the adjacent Pacific Bell Park. Accordingly, the imposition of this measure poses serious pedestrian safety risks at a location where heavy pedestrian volumes are expected. These risks are, on balance, of sufficient concern to outweigh the potential level of service improvements. In addition, to provide such an additional right-of-way, block N2 would need to be reduced by approximately 11 feet along the entire length of the block. This block has already been reduced from the earlier development proposal to accommodate additional traffic circulation features. Accordingly, it is the narrowest development block in Mission Bay North at 158 feet deep. The proposed land use program for block N2, including the provision of an affordable housing site and street front retail, cannot be achieved with the additional right-of-way needed for the mitigation measure. Accordingly, implementation of this measure would be inconsistent with the objectives related to the development program for residential and retail uses, and employment related thereto, and therefore is rejected. Without implementation of this measure, intersection impacts at Third and King Streets would deteriorate from the current LOS C to LOS D with the Project and LOS E with cumulative 2015 conditions, and LOS F if

Measure E.37.a is also rejected. This specific intersection impact is encompassed within the broader statement of significant, unavoidable intersection impacts contained in Article VI. **(North)**

E.39 King Street. This measure contemplated improvements at King Street between Fourth Street and Third Street. This measure does not address a significant impact on its own; rather, E.39 would reduce significant impacts only if implemented with measure E.37.b and accordingly is rejected for the same reasons as E.37.b. **(North)**

E.40 Third Street. This measure involves improvements to Third Street between Berry Street and King Street. This measure does not address a significant impact on its own; rather, E.40 would reduce significant impacts only if implemented with measure E.37.a and accordingly is rejected for the same reasons as E.37.a. **(North)**

2. Community Services and Utilities

M.2.g. Water Conservation. This measure is one component of a menu of items to be considered regarding water conservation. This measure provides that only limited turf areas should be included in open space plans. An important element of the Plan Areas is the provision of substantial open space areas, including primarily grass and turf-covered areas appropriate for a variety of active and passive recreational uses. Limiting turf areas therefore would be inconsistent with an open space program designed to ensure a variety of uses, including sports activity features that require turf areas in the Project. In addition, other effective measures are available under M.2.a-M.2.h to address water conservation. Rejection of this measure therefore would not result in any new significant impacts. Accordingly, this measure is rejected. **(North/South)**

C. MEASURES WITHIN THE JURISDICTION OF NON-CITY AGENCIES

• Measures Proposed for Adoption

The Board of Supervisors finds that the following measures, which are within the responsibility and jurisdiction of non-City agencies as indicated, can and should be adopted:

1. Transportation

E.14.f Seventh Street/16th Street. This measure would require approval by the Peninsula Joint Powers Board ("JPB"), the California Public Utilities Commission ("CPUC") and CalTrain. The Board of Supervisors recommends that this measure be approved by the JPB, CPUC and CalTrain. **(South)**

- E.15.a Owens Street/16th Street.** This measure would require approval by Caltrans. The Board of Supervisors recommends that Caltrans approve this measure. (South)
- E.16 Owens Street/Mariposa Street/I-280 Off-Ramp.** Measure E.16.a would require approval by the JPB, CalTrain and Caltrans. The Board of Supervisors recommends that the JPB, CalTrain and Caltrans approve this measure. Measure E.16.b would require approval by Caltrans. The Board of Supervisors recommends that Caltrans approve this measure. (South)
- E.17 I-280 On-Ramp/Mariposa Street.** Measures E.17.a-E.17.b require approval by Caltrans. The Board of Supervisors recommends that Caltrans approve these measures. (South)
- E.18 Seventh Street/The Common.** Measures E.18.a-E.18.b require approval by the JPB, CPUC and CalTrain. The Board of Supervisors recommends that the JPB, CPUC and CalTrain approve these measures. (South)
- E.19 Fifth Street/King Street.** Measures E.19.a-E.19.c require approval by Caltrans. The Board of Supervisors recommends that Caltrans approve these measures. (North)
- E.22.a Mariposa Street.** This measure requires approval by the JPB, CPUC and CalTrain. The Board of Supervisors recommends that the JPB, CPUC and CalTrain approve this measure. (South)
- E.26.a North Common and South Common Streets Connection to Seventh Street.** This measure requires approval by the JPB, CPUC and CalTrain. The Board of Supervisors recommends that the JPB, CPUC and CalTrain approve this measure. (South)
- E.28.a MUNI Line 30-Stockton or 45-Union/Stockton.** This measure requires approval by the JPB, CPUC and CalTrain. The Board of Supervisors recommends that the JPB, CPUC and CalTrain approve this measure. (South)
- E.42 Seventh Street.** This measure requires approval by the JPB and the CPUC. The Board of Supervisors recommends that the JPB and CPUC approve this measure. (North/South)
- E.43 Increase Bay Bridge Tolls.** This measure proposes an increase in Bay Bridge tolls for single-occupant vehicle trips during commute hours. This measure is within the jurisdiction of the Metropolitan Transportation Commission (MTC). The Board of Supervisors recommends that the MTC implement this measure. (North/South)
- E.44 AC Transit District.** This measure would encourage the AC Transit District to expand transbay bus service to accommodate cumulative demand and would

further encourage the MTC to provide funding for such a service expansion and support the District in its request for funding from other sources. The Board of Supervisors recommends that AC Transit and the MTC implement this measure. (North/South)

2. Air Quality

F.4 **Meteorological Station.** Measures F.4.a - F.4.g provide for a meteorology station in the Plan Area. If the station is sited in the UCSF site, implementation of these measures will be within the jurisdiction of The Regents. Regardless of its location, the BAAQMD will also have a role in implementing this measure. The Board of Supervisors recommends that The Regents, as necessary, and the BAAQMD implement these measures. (South)

F.5 **Dry Cleaning Facilities.** This measure prohibits dry cleaning facilities in residential areas and provides design and construction requirements to reduce impacts from toxic air contaminants. This measure will require consultation with the BAAQMD. The Board of Supervisors recommends that the BAAQMD participate in implementation of this measure. (North/South)

F.6 **Child-Care Buffer Zones.** This measure requires consultation of pre-school and child care centers with the BAAQMD regarding the locations of their operations. The Board of Supervisors recommends that the BAAQMD participate in the implementation of this measure. (North/South)

3. Contaminated Soils

J.1 **Risk Management Plan(s).** Measures J.1.a - J.1.o require the development and implementation of a Risk Management Plan or Plans ("RMP"). These measures would require implementation by the Regional Water Quality Control Board ("RWQCB"). The Board of Supervisors recommends that the RWQCB implement these measures. (North/South)

J.2 **Site-Specific Risk Evaluation.** This measure requires a site-specific risk evaluation for certain sensitive receptors. This measure would require implementation by the RWQCB. The Board of Supervisors recommends that the RWQCB implement this measure. (North/South)

4. China Basin Channel Vegetation and Wildlife

L.1 **Salt Marsh Wetland Habitat Mitigation Plan.** This measure would require the preparation and implementation of a salt marsh wetland habitat mitigation plan. This measure would be implemented by the U.S. Army Corps of Engineers, the RWQCB and the San Francisco Bay Conservation and Development Commission ("BCDC"). The Board of Supervisors recommends that the U.S. Army Corps of Engineers, the RWQCB and BCDC implement this measure. (North/South)

L.2 **Wetland Habitat Avoidance.** This measure would require the avoidance of salt marsh wetland habitat along the China Basin Channel shoreline during installation of suction inlets. This measure would require implementation by the U.S. Army Corps of Engineers, the RWQCB, and BCDC. The Board of Supervisors recommends that the U.S. Army Corps of Engineers, the RWQCB, and BCDC implement this measure. **(North/South)**

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- **Measure Proposed For Rejection**

E.48 **UCSF Parking.** This measure would provide that parking at the UCSF site be provided at the same ratios as for similar uses in the remainder of the Plan Areas. This measure is rejected for the reasons set forth below in Section V.D. **(South)**

D. **MEASURES WITHIN THE JURISDICTION OF THE REGENTS**

The Regents are the lead agency under CEQA with respect to UCSF's development of the major new site in the Plan Area. Once Catellus and the City transfer land to UCSF, the UCSF site will be owned by The Regents and developed by The Regents for educational purposes, and will therefore be exempt from local land use regulation. Accordingly, implementation of the mitigation measures related to development of the UCSF site are within the jurisdiction of The Regents. The FSEIR included analysis of the impacts of the development of the new UCSF site in Mission Bay, previously analyzed in the UCSF LRDP FEIR and approved by The Regents, in order to provide a comprehensive analysis of the Project.

The Board of Supervisors has reviewed the UCSF LRDP and the mitigation measures and findings adopted by The Regents on January 17, 1997 with respect to the UCSF LRDP FEIR as it relates to the UCSF site at Mission Bay (the "LRDP Findings") and has determined that development of the UCSF site will incorporate all of the applicable mitigation measures proposed by the FSEIR, except for mitigation measure E.48, in one of three ways: (1) UCSF has already adopted equivalent mitigation measures as part of its LRDP FEIR findings; (2) UCSF has adopted policies, procedures, practices and requirements which achieve substantially the same level of mitigation as required in the potentially applicable FSEIR mitigation measures as set forth below; or, (3) UCSF has agreed to implement certain mitigation measures contained in the FSEIR not explicitly addressed by the LRDP FEIR. A description of how the applicable mitigation measure will be implemented in substantially the same form, and achieve the same result, as the mitigation measure proposed in the FSEIR follows.

D.1 **Lighting and Glare.** UCSF LRDP FEIR Measure 12L1-3 was adopted in the LRDP Findings. It is substantially similar to FSEIR Measure D.1 and would reduce any lighting and glare impacts addressed by that measure to a level of insignificance.

- D.3-D.6 Archeological Resources.** Measure 12M4-2 was adopted in the LRDP Findings. It is substantially similar to FSEIR Measures D.3-D.6 and would reduce archeological impacts addressed by those measures to a level of insignificance.
- D.7 Wind Studies.** The UCSF LRDP FEIR does not contain any substantially equivalent measures to FSEIR Measure D.7. Compliance with this measure would be consistent with the UCSF LRDP goals and objectives for the UCSF site as follows: "Physical development at the new site would follow established parameters of local master plans and zoning codes for the site and surrounding area to the maximum extent feasible, including guidelines related to building scale, proportion and setbacks, to promote compatibility between UCSF and neighboring uses." UCSF LRDP, pages 167-68. Compliance with these goals and objectives will ensure that no new or increased significant environmental impacts will occur.
- D.8 D.8.Shadows.** The UCSF LRDP FEIR does not contain any substantially equivalent measures to FSEIR Measure D.8. Compliance with this measure would be consistent with the UCSF LRDP goals and objectives for the UCSF site as follows: "Physical development at the new site would follow established parameters of local master plans and zoning codes for the site and surrounding area to the maximum extent feasible, including guidelines related to building scale, proportion and setbacks, to promote compatibility between UCSF and neighboring uses." UCSF LRDP, pages 167-68. Compliance with these goals and objectives will ensure that no new or increased significant environmental impacts will occur.
- E.47 Transportation System Management Plan.** Measure 12C4-1 was adopted in the LRDP Findings. It is substantially similar to FSEIR Measure E.47 and would result in a similar contribution to reduction of significant impacts.
- E.48 Parking Ratios.** The LRDP identifies a greater number of parking spaces than is applied to other similar uses in the Mission Bay area. UCSF plans to monitor its needs and uses and provide the necessary amount of parking for its demand. There is no other policy or commitment to implement this measure as set forth in the FSEIR.
- F.1 TSM Measures.** Measures 12C4-1 and 12D4-2 were adopted in the LRDP Findings. These measures would implement the portions of Measure F.1 which contemplate direct UCSF participation. They are substantially similar to FSEIR Measure F.1 and would result in a similar contribution to reduction of significant impacts.
- F.2 Construction PM₁₀ Measures.** Measure 12D1-1 was adopted in the LRDP Findings. It is substantially similar to FSEIR Measure F.2 and would result in a similar contribution to the reduction in significant impacts.

- F.3 Toxic Air Contaminants.** The UCSF LRDP FEIR does not contain a substantially similar mitigation measure to FSEIR Measure F.3. However, UCSF has an existing process implemented through its Department of Environmental Health and Safety, which oversees new sources of air contaminants and permit compliance. Because UCSF has a stated policy, as discussed in the FSEIR, of keeping the incremental cancer risk from stationary sources of toxic emissions from its facilities at a particular site within the 10-in-1-million emissions standard and a hazard index of less than 1, the existing UCSF policy and procedure is substantially similar to FSEIR Measure F.3 and would result in a similar contribution to the reduction in significant impacts.
- F.5 Drycleaning Facilities.** The UCSF LRDP FEIR does not identify an equivalent measure to FSEIR Measure F.5. The UCSF LRDP does not contemplate inclusion of drycleaning facilities with on-site operations, nor does it contemplate residential uses on the UCSF site. Therefore, the LRDP contemplates compliance with this measure.
- F.6 Child Care Buffer Zones.** The UCSF LRDP FEIR does not contain a substantially similar mitigation measure to FSEIR Measure F.3. UCSF has indicated that it would apply a number of siting criteria in locating a childcare center at its Mission Bay site, which focus on the convenience, safety and security of childcare staff, parents and children. In addition, the location would be assessed for potential health risk effects from toxic air contaminant emissions. The UCSF LRDP FEIR adopted, as its standard of significance, the BAAQMD significance criteria of incremental cancer risk of 10-in-1 million for the sum total of operational stationary sources at the UCSF site. UCSF intends to keep within the 10-in-1 million emission standard. A screening level health risk assessment would be prepared at the time UCSF requires additional project-specific environmental review. The assessment would identify, in particular, the location of any childcare center at the Mission Bay site and assess the potential effects on receptors. UCSF has stated it will work with the BAAQMD as necessary to keep site risks below BAAQMD thresholds of significance. Therefore, UCSF has existing policies and procedures substantially similar to those described in FSEIR Measure F.6, which would result in similar contribution to the reduction in significant impacts.
- G.1 Noise Reduction and Pile Driving.** Measure 12E1-1 was adopted in the LRDP Findings. It is substantially similar to FSEIR Measure G.1 and would reduce noise impacts addressed by that measure to a level of insignificance.
- H.1 Heavy Equipment Storage.** The UCSF LRDP FEIR did not identify an equivalent measure to FSEIR Measure H.1. However, Measure H.1 is intended to apply on a Plan Area-wide basis, rather than to any specific use. The City can implement this measure easily, using non-UCSF property, and still meet the requirements of the measure. Accordingly, further implementation of this measure by UCSF is not necessary to avoid significant impacts on seismicity.

H.2, H.3 Emergency Preparedness and Emergency Response. The UCSF LRDP FEIR did not contain substantial equivalent measures to FSEIR Measures H.2 and H.3. However, UCSF has a substantially similar policy and procedure. UCSF has indicated it would include the Mission Bay site in the UCSF Emergency Operations Plan, effective July 1991. The Emergency Plan outlines management systems, management organization and planned response to emergency situations. In addition, it includes areas of responsibility such as medical care, communications and hazardous materials, containment and law enforcement. The Operations Plan provides for coordination and integrated response to major emergency and disasters and is coordinated with a number of local and regional emergency response units, including the Mayor's Office of Emergency Services. UCSF will work with other property owners in the area to ensure coordination and consistency of the Emergency Operations Plan with any other emergency plans for the area. This University policy is substantially similar to FSEIR Measures H.2 and H.3, and would similarly reduce any emergency preparedness and response impacts addressed by these measures to a level of insignificance.

H.7 Corrosivity. UCSF is subject to the comprehensive University Policy on Seismic Safety, which was designed to insure that appropriate engineering and design for structures that would be founded on soils that are likely to collapse or subside, or that exhibit expansive characteristics that could damage foundations or structures would be implemented. This policy is substantially similar to FSEIR Measure H.7 and would similarly reduce any potential seismicity impacts addressed by that measure to a level of insignificance.

I.1 Biohazardous Materials. The UCSF LRDP FEIR does not contain a substantially equivalent measure to FSEIR Measure I.1. However, UCSF accepts federal funding which requires adherence to the procedures contained in those measures, and, as a matter of institutional policy, adheres to applicable guidelines related to the use of biohazardous materials. Therefore, UCSF's policy is substantially equivalent to FSEIR Measure I.1 and would similarly reduce any impacts addressed in that measure to a level of insignificance.

I.2-I.3 Biohazardous Materials. The UCSF LRDP FEIR does not contain a substantially equivalent measure to FSEIR Measures I.2-I.3. However, UCSF has indicated that it will comply with FSEIR Measures I.2-I.3. Therefore, there are no significant environmental impacts associated with these measures.

J.1, J.2 Risk Management Plan and Site-Specific Risk Evaluation. Measure 12F4-1 was adopted in the LRDP Findings. In addition, The Regents and Catellus Development Corporation have entered into an agreement which provides for the remediation of the UCSF site through the implementation of Risk Management Plan(s) as called for in FSEIR Measures J.1 and J.2. Accordingly, Measure 12F4-1 and the UCSF/Catellus RMP agreement are substantially equivalent to

Measures J.1 and J.2 and would reduce any impacts associated with Measures J.1 and J.2 to a level of insignificance.

- K.1 Stormwater Pollution Prevention Program.** Measure 12H1-1 was adopted in the LRDP Findings. It is substantially equivalent to FSEIR Measure K.1 and would similarly reduce any impact associated with that measure to a level of insignificance.
- K.2 Sanitary Sewage Quality.** The UCSF LRDP FEIR does not identify an equivalent measure to FSEIR Measure K.2. However, UCSF currently participates in the City's Water Pollution Prevention Program and the City acts as a state agency in its implementation of the Water Pollution Prevention Program; accordingly, the program contemplated under FSEIR Measure K.2 would apply to UCSF.
- K.5 Stormwater Program.** Measure 12H1-1 was adopted in the LRDP Findings. It is substantially similar to Measure K.5 and would similarly reduce any impacts associated with that measure to a level of insignificance.
- K.6 Structure, Placement and Design to Minimize Dangers of Flooding.** Measure 12H4-4 was adopted in the LRDP Findings. This measure is substantially similar to FSEIR Measure K.6 and would similarly reduce any impacts associated with that measure to a level of insignificance.
- M.2 Water Conservation.** Measure M.2 includes water conservation in buildings and landscaping. The UCSF LRDP FEIR does not contain a substantially similar measure. However, UCSF has indicated it would include the Mission Bay site in its policy on energy conservation. As described in the UCSF LRDP FEIR, UCSF must conform to the California Code of Regulations, Titles 20 and 24 to establish conservation standards in new buildings. In addition, UCSF has adopted a resource conservation policy (as revised 2-1-97) to improve the efficiency of all resource consumption and improve the environment in all existing facilities. This policy is substantially similar to Measure M.2 and would similarly reduce any impacts associated with that measure to a level of insignificance.

With respect to the foregoing, the Board of Supervisors finds that the mitigation measures have already been adopted by The Regents, will be applied to development of the UCSF site in Mission Bay, and will mitigate the impacts identified in the FSEIR. Accordingly, the Board of Supervisors finds that The Regents, having jurisdiction over development and operation of the UCSF site, have adopted substantially equivalent measures. There are no new or substantially more severe impacts resulting from partial rejection of these mitigation measures because The Regents are otherwise imposing them on the UCSF site in Mission Bay in substantially equivalent form.

To the extent that the language of the mitigation measures applying to development of the UCSF site appears in slightly modified form either in the LRDP EIR mitigation measures or in UCSF policies and procedures, the Board of Supervisors partially rejects the mitigation measures as set forth in the FSEIR as infeasible for the three

reasons set forth above, because UCSF needs to retain control of, and flexibility in, development of the new UCSF site over an extended period of time, and because the City has minimal ability to enforce the mitigation measures as proposed in the FSEIR. Moreover, development of the UCSF site is a major objective of the City and essential to the successful development of the Mission Bay Plan Areas.

With respect to mitigation measure E.48, which The Regents have not already adopted, the Board of Supervisors rejects its adoption for the following reasons. First, UCSF has made its own computation of parking needs for the UCSF site based on its own experience and its absence of control over the extension of transit facilities in the area. Second, the LRDP FEIR reflects UCSF's plans to limit parking supply to the amount actually needed based on the timing and effectiveness of the City's proposed transit services and UCSF's Transportation Demand Management (TDM) program. Third, UCSF is not willing to reduce planned parking below expected needs until it is demonstrated not to be required due to success of alternative modes. Finally, given the importance of UCSF to the Project, as discussed above in the objectives of the Project and in the Statement of Overriding Considerations below, the Board of Supervisors does not wish to undermine the potential viability of UCSF's plans by seeking the adoption of this mitigation measure.

The Board of Supervisors finds that rejection of mitigation measure E.48 will not result in any new significant impacts not identified in the FSEIR. Measure E.48 is identified as a part of a Transportation System Management program, which includes measures E.46-E.50. The FSEIR concluded that even with imposition of all of these measures, unavoidable significant environmental impacts with respect to transportation and air quality could still occur. Although provision of parking in ratios greater than applicable to other portions of Mission Bay could encourage more people to drive, and thus contribute to that unavoidable significant impact, the impact is identified and addressed in the FSEIR and these findings.

E. ADOPTION OF A MITIGATION MONITORING AND REPORTING PROGRAM

The Board of Supervisors hereby adopts a Mitigation Monitoring and Reporting Program as required by Section 21081.6 of the Public Resources Code. This Mitigation Monitoring and Reporting Program is attached hereto as Exhibit 1 and incorporated herein by reference. The purpose of this program is to determine the stage at which each of the adopted mitigation measures must be imposed in order to ensure that the measure is carried out by the responsible official or entity, or, if the obligation lies with a private entity, that the City or the Agency enforces the obligation.

F. LOCATION AND CUSTODIAN OF RECORD

The public hearing transcript, a copy of all letters received during the public review period, the administrative record, and background documentation for the FSEIR are located at the Planning Department, 1660 Mission Street, San Francisco. The Planning Department, Dorothy Jaymes, is the custodian of record.

VI. SIGNIFICANT ENVIRONMENTAL IMPACTS

The Project includes many aspects and features that reduce or eliminate environmental impacts which could otherwise be significant. The mitigation measures will further reduce significant environmental impacts. Some significant and unavoidable impacts remain and are listed below:

- project and cumulative traffic intersection impacts, primarily affecting intersections at or near I-280 and I-80 and the South of Market Area
- cumulative bridge on-ramp impacts (lengthening of peak congestion)
- project and cumulative regional air quality impacts from increased vehicular emissions, e.g. exceedence of BAAQMD's significance threshold for reactive organic gases and oxides of nitrogen, which are ozone precursors, and for particulate matter
- potentially significant project impacts from toxic air contaminants from mobile sources, from individual stationary sources (because adequate buffers between potential stationary sources and sensitive receptors cannot be shown), from the combined risk due to emissions from multiple facilities, and from cumulative risks (from the Project and other sources)
- cumulative hazardous waste generation and disposal impacts
- cumulative water quality impacts (although the project's contribution to cumulative water quality analysis could be reduced to less-than-significant levels if mitigation measures are imposed)

The significant, unavoidable impacts listed in the FSEIR and recited above assume implementation by the City agencies and other agencies of the mitigation measures recommended for adoption herein to reduce potentially significant impacts. The Board of Supervisors has made a determination that these measures can and should be implemented by City agencies and other agencies. In so determining, the Board of Supervisors has found that the measures to be implemented by the City are feasible and implementable through the Project Approvals, supported by the analysis of the Fiscal and Economic report dated August 24, 1998 prepared by the Sedway Group. Moreover, the Board of Supervisors has determined that measures within the jurisdiction of non-City agencies are generally implementable through the normal course of review and enforcement activities by such agencies and through the exercise of their statutory authority. Measures within the jurisdiction of UCSF are specifically addressed, and Board of Supervisors has determined that UCSF has generally adopted equivalent mitigation measures as part of its UCSF LRDP approval equivalent to those described in the FSEIR, or has adopted policies, procedures, practices and/or requirements which achieve substantially the same level of mitigation as required in any potentially applicable mitigation measures recommended for adoption herein.

However, to the extent that the mitigation measures within the jurisdiction of other City agencies and non-City agencies, including UCSF, are not adopted, one or more of the following additional significant impacts could occur, depending on the

nature of the mitigation measure(s) that is/are not implemented: additional and increased impacts on the transportation and circulation systems; air quality; contaminated soils and groundwater; seismic hazards; the historical resource; and, vegetation and wildlife. There are no specific, feasible mitigation measures available to the Project, other than those identified in the FSEIR, to reduce these impacts to a level of insignificance.

For the reasons above, the Board of Supervisors finds that the Project incorporates all feasible mitigation measures and has eliminated or substantially lessened all significant effects on the environment where feasible. The remaining effects listed above are found by the Board of Supervisors to be acceptable due to the overriding considerations set forth below.

VII. STATEMENT OF OVERRIDING CONSIDERATIONS

Notwithstanding the significant effects noted above, pursuant to CEQA Section 21081(b), the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code, the Board of Supervisors finds, after considering the FSEIR and the evidence in the record, that specific overriding economic, legal, social and other considerations, as set forth below, outweigh the unavoidable significant effects on the environment of the Project and that the unavoidable impacts are therefore acceptable. In addition, the Board of Supervisors finds that those Project Alternatives, Variants and Mitigation Measures, either partially or totally rejected, are also rejected for the following economic, social or other considerations, in and of themselves, in addition to the specific reasons discussed in Articles IV and V, above.

1. The Project would eliminate blighting influences and correct environmental deficiencies in the Plan Area through a comprehensive plan for redevelopment, including the implementation of Risk Management Plans to address environmental deficiencies.
2. The Project includes a series of detailed design standards and guidelines which will ensure a quality urban design scheme.
3. The Project includes the important ability to retain and promote, within the City and County of San Francisco, academic and research activities associated with UCSF through the provision of a major new site for UCSF.
4. The retention of UCSF through the Project will provide great incentive for emerging commercial-industrial sectors, including employment opportunities for highly trained workers associated therewith, to emerge or expand due to their proximity to the UCSF new site.
5. The Project enables the achievement of an implementable mixed-use development plan incorporating many features which would not be achieved if the area were to be developed in a piecemeal fashion under existing land ownership patterns and regulations.

6. The Project would strengthen the community's supply of housing by facilitating economically feasible, affordable housing through installation of needed site improvements and expansion or improvement of the housing supply by the construction of approximately 6,090 housing units, including approximately 1,700 affordable housing units which will assist in addressing the critical housing shortage identified on the City's General Plan Residence Element.
7. The Project would strengthen the economic base of the Plan Area and the community by strengthening retail and other commercial functions in the Plan Area through the addition of approximately 863,600 leasable square feet of retail space, a 500-room hotel and associated uses and about 5,953,000 leasable square feet of mixed office, research and development and light manufacturing uses.
8. The Project is anticipated to result in significant positive fiscal impacts to the City. These impacts include a cumulative surplus to the City's General Fund of about \$405 million in 1998 dollars. Another approximately \$117 million in net revenues will accrue to other City funds with dedicated uses, such as senior programs, hotel tax funds (including grants for the arts, fine art museums, visitors and convention services and housing), the Department of Public Works and MUNI. The San Francisco Unified School District is projected to receive a net cumulative surplus of about \$5 million.
9. The development proposed by the Project will also have significant positive economic impacts on the City. At full build-out, employment at Mission Bay is expected to be about 31,100. Direct and indirect job generation is estimated to be about 42,000. About fifty-six percent of the direct and indirect jobs are expected to be held by San Francisco residents. The estimated total of 23,600 will comprise about 5% of all jobs held by City residents. Project-related construction employment is projected to total 700 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 Mission Bay are expected to generate total household wealth of about \$1.5 billion annually. Total direct and indirect wages are expected to be \$2.15 billion, of which \$1.2 billion is expected to be earned by San Franciscans.
10. The Project provides a comprehensive 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, participation in the City's "First Source Hiring Program" for economically disadvantaged individuals, and contribution of \$3 million to the City to help

Attachment A
CEQA Findings

fund the work force development program. The Project also includes the payment of fees for childcare and school facilities.

11. The Project includes the opportunity for substantial new publicly accessible open spaces totaling approximately 49 acres, including a large Bayfront park and open space on both edges of the Channel.
12. The Project includes an Amended and Restated Port Land Transfer Agreement which provides an opportunity for more efficient Port container cargo operations by adding substantial acreage to the Port's container facility at Pier 80 in exchange for under-utilized Port property within the Plan Area. Under the Amended and Restated City Land Transfer Agreement, the City will be provided with a usable assemblage of land in exchange for currently relatively unusable City property.
13. The Project includes significant new infrastructure, including a comprehensive vehicular, bicycle and pedestrian circulation system, which could not be achieved through piecemeal development. The public infrastructure will include over 33,000 lineal feet of public streets, 157,000 lineal feet of pipes, 20 traffic signals, 49 acres of open space and demolition of the abandoned I-280 freeway stub, plus additional substantial infrastructure as described in the Mission Bay North and Mission Bay South Infrastructure Plans.
14. This new infrastructure included in the Project will be financed through a self-taxing financing device to be imposed upon Catellus. If the Project generates new property tax revenue, then sixty percent of that new revenue will be dedicated to retiring Catellus' taxes which initially will finance the infrastructure to be donated to the City. This system will allow for substantial infrastructure to be constructed without contributions from the General Fund or new taxes on other areas of the City.
15. In addition to benefits of tax increment for infrastructure, any additional tax increment generated by the Project will be dedicated to the City's creation of affordable housing in Mission Bay.

Commission on Community Investment and Infrastructure

RESOLUTION NO. 5 -2014
Adopted January 21, 2014

RESOLUTION ADOPTING ENVIRONMENTAL REVIEW FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND CONDITIONALLY AUTHORIZING A FIFTH AMENDMENT TO THE MISSION BAY NORTH OWNER PARTICIPATION AGREEMENT WITH FOCIL-MB, LLC, A DELAWARE LIMITED LIABILITY COMPANY, TO ALLOW BLOCK N4P3 TO BE DEVELOPED WITH 45 MODERATE RATE INCOME RENTAL INCLUSIONARY UNITS AND 84 MARKET RATE RENTAL UNITS; RECOMMENDING APPROVAL OF THE FIFTH AMENDMENT BY THE BOARD OF SUPERVISORS PURSUANT TO BOARD OF SUPERVISORS' ORDINANCE 215-12; AND SUBMITTING THE SUCCESSOR AGENCY'S RECOMMENDATIONS TO THE BOARD OF SUPERVISORS; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA

WHEREAS, The Commission of the former Redevelopment Agency of the City and County of San Francisco ("Redevelopment Commission") and the San Francisco Planning Commission, together acting as co-lead agencies for conducting environmental review for the Redevelopment Plans for the Mission Bay North Redevelopment Project area and the Mission Bay South Redevelopment Project Area (the "Plans"), the Mission Bay North Owner Participation Agreement ("North OPA") and the Mission Bay South Owner Participation Agreement ("South OPA"), and other permits, approvals and related and collateral action (the "Mission Bay Project"), prepared and certified a Final Subsequent Environmental Impact Report ("FSEIR") and have subsequently issued addenda thereto as described below (collectively referred to as the FSEIR"); and,

WHEREAS, On September 17, 1998, the Redevelopment Commission adopted Resolution No. 182-98 which certified the FSEIR as a program EIR for Mission Bay North and South pursuant to the California Environmental Quality Act ("CEQA") and State CEQA Guidelines Sections 15168 (Program EIR) and 15180 (Redevelopment Plan EIR). On the same date, the Redevelopment Commission also adopted Resolution No. 183-98, which adopted environmental findings (including without limitation a statement of overriding considerations and mitigation monitoring and reporting program) ("CEQA Findings"), in connection with the approval of the Mission Bay Project. The San Francisco Planning Commission ("Planning Commission") certified the FSEIR by Resolution No. 14696 on the same date. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132 affirming certification of the FSEIR by the Planning Commission and the Redevelopment Agency, and Resolution No. 854-98 adopting environmental findings (including without limitation a statement of overriding considerations and a mitigation monitoring and reporting program for the Mission Bay Project; and,

WHEREAS, On September 17, 1998, the Redevelopment Commission adopted Resolution No. 188-98, authorizing execution of a North OPA and related documents between Catellus Development Corporation, a Delaware corporation ("Catellus"), and the Redevelopment Agency. On October 26, 1998, the San Francisco Board of Supervisors ("Board of Supervisors"), by Ordinance No. 327-98, adopted the Mission Bay North Redevelopment Plan ("North Plan"). The North Plan and its

implementing documents, as defined in the North Plan, constitute the “Plan Documents”; and,

WHEREAS, Subsequent to certification of the FSEIR, the Planning Department and the Redevelopment Agency and Successor Agency, as defined below, issued several addenda to the FSEIR. The addenda do not identify any substantial new information or new significant impacts or a substantial increase in the severity of previously identified significant effects that alter the conclusions reached in the FSEIR. The first addendum, dated March 21, 2000, analyzed temporary parking lots to serve the AT&T Ballpark. The second addendum, dated June 20, 2001, analyzed revisions to 7th Street bike lanes and relocation of a storm drain outfall provided for in the Mission Bay South Infrastructure Plan, a component of the South OPA. The third addendum, dated February 10, 2004, analyzed revisions to the Mission Bay South Design for Development (“Design for Development”) with respect to the maximum allowable number of towers, tower separation and requires step-backs. The fourth addendum, dated March 9, 2004, analyzed the Design for Development with respect to the permitted maximum number of parking spaces for bio-technical and similar research facilities and the North OPA with respect to changes to reflect a reduction in permitted commercial development and associated parking. The fifth addendum, dated October 4, 2005, analyzed the UCSF proposal to establish a Phase I 400-bed hospital in the Mission Bay South Redevelopment Project Area (“Mission Bay South”) on Blocks 36-39 and X-3. The sixth addendum, dated September 10, 2008, addressed revisions of the UCSF Medical Center at Mission Bay. The seventh addendum, dated January 7, 2010, addressed the construction of a Public Safety Building on Block 8 in Mission Bay South. The eighth addendum, dated May 15, 2013, addressed the third Mission Bay South OPA amendment on Block 1 to allow residential uses in addition to a hotel. The ninth addendum, dated May 30, 2013, addressed the fourth Mission Bay South OPA amendment to allow an institutional use on Block 7 East; and,

WHEREAS, Catellus, the original master developer of the Mission Bay North and South Redevelopment Project Areas, has sold most of its remaining undeveloped land in Mission Bay to FOCIL-MB, LLC, (“FOCIL-MB” or “Master Developer”), a subsidiary of Farallon Capital Management, LLC, a large investment management firm. The sale encompassed approximately 71 acres of land in Mission Bay, and the remaining undeveloped residential parcels in Mission Bay South and Mission Bay North. FOCIL-MB assumed all of Catellus’ obligations under the North OPA and South OPA, as well as all responsibilities under the related public improvement agreements and land transfer agreements with the City and County of San Francisco (“City”). FOCIL-MB is bound by all terms of the OPAs and related agreements, including the requirements of the affordable housing program, equal opportunity program, and design review process; and,

WHEREAS, Under California Assembly Bill No. 1X26 (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. 5194861, all redevelopment agencies in the State of California (the “State”), 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; and,

WHEREAS, Under the provisions of AB 26, the City was designated as the successor agency to the Redevelopment Agency (“Successor Agency”) to receive the assets of the Redevelopment Agency; and,

WHEREAS, In June of 2012, the California legislature adopted Assembly Bill 1484 (“AB 1484”) amending certain provisions of AB 26, and the Governor of the State signed the bill and it became effective on June 27, 2012. Among other things, AB 1484 provided that a successor agency is a separate public entity from the public agency that provides for its governance; and,

WHEREAS, Subsequent to the adoption of AB 1484, on October 2, 2012 the Board of Supervisors of the City, acting as the legislative body of the Successor Agency, adopted Ordinance No. 215-12 (the “Implementing Ordinance”), which Implementing Ordinance was signed by the Mayor on October 4, 2012, and which, among other matters: (a) acknowledged and confirmed that, as of the effective date of AB 1484, the Successor Agency, commonly known as the Office of Community Investment and Infrastructure (“OCII”), is a separate legal entity from the City, and (b) established this Successor Agency Commission (“Commission”) and delegated to it the authority to (i) act in place of the Redevelopment Commission to, among other matters, implement, modify, enforce and complete the Redevelopment Agency’s enforceable obligations, (ii) approve all contracts and actions related to the assets transferred to or retained by the Successor Agency, including, without limitation, the authority to exercise land use, development, and design approval, consistent with applicable enforceable obligations, and (iii) take any action that the Redevelopment Dissolution Law (AB 26 and AB 1484, as amended in the future) requires or authorizes on behalf of the Successor Agency and any other action that this Successor Agency Commission deems appropriate, consistent with the Redevelopment Dissolution Law, to comply with such obligations, and (c) provided that the Commission shall not modify the Major Approved Development Projects, including Mission Bay North, in any manner that would decrease the commitment of property tax revenue for affordable housing or materially change the obligations to provide affordable housing without obtaining the approval of the Board of Supervisors; and,

WHEREAS, The Board of Supervisors’ delegation to this Commission, commonly known as the Commission on Community Investment and Infrastructure, includes the authority to grant approvals under specified land use controls for the Mission Bay Project consistent with the approved Plans and enforceable obligations, including amending an existing obligation as allowed by the Redevelopment Dissolution Law; and,

WHEREAS, The Commission is currently considering approval of the Fifth Amendment related to the Mission Bay Project (the “Implementing Action”); and,

WHEREAS, Under the North OPA, 20% of the total housing units in Mission Bay North are required to be affordable units. These units are developed through a combination of rental and ownership units developed by the Master Developer and its developer transferees, and by OCII-sponsored, nonprofit developers on sites conveyed by the Master Developer to OCII. At full build out, 593 of the 2,964 total housing units in Mission Bay North are required to be affordable. The Master Developer is required to build 245 of the 593 total affordable housing units. Of the 245 total affordable units developed by the Master Developer, the North OPA requires the affordable units to be allocated among very low-income (98 units), low-income (35 units) and moderate income levels (112 units); and,

WHEREAS, As of January 2014 a total of 2,835 units have been constructed in Mission Bay North with 672 units, or 23.7% of the total units, restricted for lower income households. Of the affordable units, 407 are OCII-sponsored units, and 265 were

developed by the Master Developer or its transferee. The Master Developer has exceeded its requirement in total number of units by 20. However, since the majority of affordable units constructed by the Master Developer are affordable to very low (98 units) and low income households (135 units), the Master Developer is still required to build an additional 80 moderate income units; and,

- WHEREAS, Pursuant to the North OPA these remaining 80 units must be for-sale units targeting moderate-income households earning up to 110% of area median income (“AMI”); and,
- WHEREAS, There will be additional affordable housing constructed in Mission Bay South under the South OPA, with at least 1,108 affordable units required to be built by OCII-sponsored non-profits on land donated by the Master Developer. However, it is anticipated that all of the new OCII-sponsored affordable units in Mission Bay South will target very low or low income households (maximum of 70% AMI) since currently there are no affordable housing financing tools, such as tax credit or bond financing, available for moderate income development. In addition, the only Master Developer requirement for inclusionary housing in Mission Bay South is on Block 1 and any affordable units constructed on that site will be affordable to low income households at 60% AMI. Therefore, the only foreseeable opportunity for additional moderate income housing in Mission Bay is Mission Bay North; and,
- WHEREAS, Block N4P3 (“N4P3”) in Mission Bay North is the last remaining developable parcel in Mission Bay North. As a result, it is the location where the Master Developer is required to construct its remaining affordable units. Overall, the Master Developer is permitted to build up to 129 for-sale units on N4P3, of which 80 units (or 62% of the total project) are required to be affordable to households at 110% of AMI (“N4P3 Inclusionary Requirement”); and,
- WHEREAS, A previous third party developer was unable to finance a project on Block N4P3 with the existing N4P3 Inclusionary Requirement and since the North Plan was adopted in 1998 no other developers that have expressed interest to OCII staff have pursued development of Block N4P3. A study prepared by The Concord Group, a San Francisco-based real estate market research firm, in 2013 confirmed that constructing 80 moderate rate for-sale units on N4P3 with 49 market rate units would require a substantial subsidy; and,
- WHEREAS, There is a strong need for additional moderate income housing in Mission Bay and San Francisco, and N4P3 is the only site in Mission Bay to provide moderate income housing; and,
- WHEREAS, In 2011, FOCIL-MB began discussions with The Integral Group (“Integral”), a national real estate investment firm focused on the revitalization of urban communities, about developing a financially feasible alternative project on N4P3; and,
- WHEREAS, The Master Developer has proposed a fifth amendment to the North OPA (“Fifth Amendment”) to allow N4P3 to be developed with 45 moderate rate income rental inclusionary units at 120% AMI and 84 market rate rental units (“N4P3 Project”). With the change to rental from for-sale, reduction in affordable units, and increase of the AMI levels, the project would be financially feasible without any additional subsidies, other than a land donation proposed by Owner and an equity investment comparable to other non-subsidized housing projects; and,

- WHEREAS, Once the N4P3 Project is developed, the total number of affordable housing units constructed under the North OPA would continue to exceed the 20% affordable housing requirement in the North OPA. At full build-out of Mission Bay North there would be 717 affordable housing units, or 24% of the total 2,964 residential units built in Mission Bay North. The Master Developer will have built 65 units more than required under the existing North OPA, or an increase of 26.5% over its original requirement; and,
- WHEREAS, With the completion of the N4P3 Project, FOCIL-MB's requirements to construct affordable housing under the North OPA as the Master Developer will be completed and all of the property in Mission Bay North will be developed; and,
- WHEREAS, Adopting the Fifth Amendment would: (1) support the full economic use of N4P3; (2) accelerate the completion of development under the North Plan and the North OPA; and (3) generate more property tax revenues than the existing, undeveloped conditions; and,
- WHEREAS, The Fifth Amendment is considered a material change to the North OPA housing program, and thereby requires Board of Supervisors approval pursuant to the Implementing Ordinance; and,
- WHEREAS, Successor Agency staff has reviewed the Fifth Amendment for purposes of compliance with CEQA and the State CEQA Guidelines; and,
- WHEREAS, Approval of the Implementing Action is an undertaking pursuant to and in furtherance of the North Plan in conformance with CEQA Section 15180; and,
- WHEREAS, Successor Agency staff, in making the necessary findings for the Implementing Action contemplated herein, considered and reviewed the FSEIR, and has made documents related to the Implementing Action and the FSEIR files available for review by the Commission and the public, and these files are on file with the Successor Agency Secretary and are incorporated in this Resolution by this reference; and,
- WHEREAS, The FSEIR findings and statement of overriding considerations adopted in accordance with CEQA by the Redevelopment Commission by Resolution No. 183-98 dated September 17, 1998, reflected the independent judgment and analysis of the Redevelopment Agency, were and remain adequate, accurate and objective and were prepared and adopted following the procedures required by CEQA, and the findings in said resolutions are incorporated herein by reference as applicable to the Implementing Action; and,
- WHEREAS, OCII staff has reviewed the Fifth Amendment, and finds it acceptable and recommends approval thereof; now, therefore, be it
- RESOLVED, That the Commission finds and determines that the Fifth Amendment submission is an Implementing Action within the scope of the Project analyzed in the FSEIR and requires no additional environmental review pursuant to State CEQA Guidelines Sections 15180, 15162 and 15163 for the following reasons:
1. The Implementing Action is within the scope of the Project analyzed in the FSEIR and no major revisions are required due to the involvement of new significant environmental effects or a substantial increase in the severity of significant effects previously identified in the FSEIR.

2. No substantial changes have occurred with respect to the circumstances under which the Project analyzed in the FSEIR was undertaken that would require major revisions to the FSEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FSEIR.
3. No new information of substantial importance to the Project analyzed in the FSEIR has become available which would indicate that (a) the Implementing Action will have significant effects not discussed in the FSEIR; (b) significant environmental effects will be substantially more severe; (c) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (d) mitigation measures or alternatives which are considerably different from those in the FSEIR will substantially reduce one or more significant effects on the environment;

and, be it further

RESOLVED, That the Commission has reviewed and considered the FSEIR findings, the CEQA findings that were previously adopted by the Redevelopment Commission, including without limitation the statement of overriding considerations and the mitigation monitoring and reporting program, and hereby adopts as its own the CEQA findings set forth in Redevelopment Commission Resolution No. 183-98, which are incorporated herein, and those set forth above; and, be it further

RESOLVED, That the Commission approves the Fifth Amendment, substantially in the form lodged with the Secretary of the Commission and recommends forwarding the Fifth Amendment to the San Francisco Board of Supervisors for its approval, subject to the following condition:

1. The Fifth Amendment to the Mission Bay North Owner Participation Agreement is conditioned on the final approval by the Board of Supervisors, Oversight Board and California Department of Finance.

I hereby certify that the foregoing resolution was adopted by the Successor Agency Commission at its meeting of January 21, 2014.

Natasha Jones
Commission Secretary

OCII DRAFT February 28, 2014

Free Recording Pursuant to
Government Code Section 27383 at the
Request of the Successor Agency to the
Redevelopment Agency of the City and
County of San Francisco

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Executive Director

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

**FIFTH AMENDMENT TO MISSION BAY NORTH
OWNER PARTICIPATION AGREEMENT**

Dated _____, 2014

by and between

**THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO**

and

FOCIL-MB, LLC, a Delaware limited liability company

OCII DRAFT February 28, 2014

FIFTH AMENDMENT TO MISSION BAY NORTH OWNER PARTICIPATION AGREEMENT

This Fifth Amendment to the Mission Bay North Owner Participation Agreement (this "Fifth Amendment") dated for reference purposes only as of _____, 2014, is by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California (the "Successor Agency"), commonly known as the Office of Community Investment and Infrastructure, and FOCIL-MB, LLC, a Delaware limited liability company (the "Owner").

RECITALS

This Fifth Amendment is made with reference to the following facts and circumstances:

A. The San Francisco Board of Supervisors approved and adopted, by Ordinance No. 327-98 (October 26, 1998), the Mission Bay North Redevelopment Plan (the "North Plan") for the Mission Bay North Redevelopment Project Area (the "North Plan Area"); and,

B. The Redevelopment Agency of the City and County of San Francisco (the "Former Agency") and Catellus Development Corporation, a Delaware corporation ("CDC"), entered into that certain Mission Bay North Owner Participation Agreement dated as of November 16, 1998 (the "Original OPA") and recorded December 3, 1998 as Document No. 98-G477257-00 in the Official Records of San Francisco County (the "Official Records"), which was amended by a First Amendment to Mission Bay North Owner Participation Agreement (the "First OPA Amendment") dated as of February 17, 2004 and recorded March 4, 2004 as Document No. 04-H669956-00 in the Official Records, between Former Agency and Catellus Land and Development Corporation, a Delaware corporation ("CLDC"), successor in all of

CDC's rights and obligations under the Original OPA; a Second Amendment to Mission Bay Owner Participation Agreement (the "Second OPA Amendment") dated as of March 16, 2004 and recorded March 30, 2004 as Document No. 04-H687625-00 in the Official Records, between Former Agency and CLDC; a Third Amendment to Mission Bay North Owner Participation Agreement (the "Third OPA Amendment") dated as of January 18, 2005 and recorded February 16, 2005 as Document No. 2005H905201 in the Official Records, between Former Agency and the Owner, successor in interest to all of CLDC's rights and obligations under the Original OPA, as amended by the First OPA Amendment, Second OPA Amendment, and Third OPA Amendment; and a Fourth Amendment to Mission Bay North Owner Participation Agreement (the "Fourth OPA Amendment") dated as of March 15, 2005 and recorded April 7, 2005 as Document No. 2005H933682 in the Official Records, between Former Agency and Owner. The Original OPA, as amended by the First OPA Amendment, Second OPA Amendment, Third OPA Amendment and Fourth OPA Amendment, shall be referred to in this Fifth Amendment as the "North OPA". The capitalized terms used herein shall have the meaning set forth in the North OPA, unless otherwise specifically provided herein.

C. On February 1, 2012, the Former Agency was dissolved pursuant to the provisions of California State Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) ("AB 26"), codified in relevant part in California's Health and Safety Code Sections 34161 – 34168 and upheld by the California Supreme Court in *California Redevelopment Assoc. v. Matosantos*, No. S194861 (Dec. 29, 2011). On June 27, 2012, AB 26 was subsequently amended in part by California State Assembly Bill No. 1484 (Chapter 26,

Statutes of 2011-12) (“AB 1484”) (together, AB 26 and AB 1484 are referred to as the “Redevelopment Dissolution Law”).

D. Ordinance 215-12, the San Francisco Board of Supervisors acknowledged the separate legal status of the Successor Agency (also commonly known as the Office of Community Investment and Infrastructure, or "OCII") as the successor agency to the Redevelopment Agency; created the Successor Agency Commission; and delegated to the Successor Agency Commission, among other powers, the authority to act in place of the Redevelopment Agency to implement, modify, enforce and complete surviving redevelopment projects, including, without limitation, three major integrated, multiphase revitalization projects, which are the Mission Bay North and Mission Bay South Projects, the Hunters Point Shipyard/Candlestick Point Project, and the Transbay Project (collectively, the “Major Approved Development Projects”), and which are subject to enforceable obligations requiring the implementation and completion of those projects.

E. As required by AB 26, the Mayor appointed, and the Board of Supervisors confirmed, four members to the Oversight Board of the City and County of San Francisco (“Oversight Board”) (Cal Health and Safety Code Section 34179(a)(10)).

F. With respect to the Major Approved Development Projects, Ordinance 215-12 designated the Successor Agency Commission authority to approve all contracts and actions related to the assets transferred to or retained by the Successor Agency, including, without limitation, the authority to exercise land use, development and design approval authority for the Major Approved Development Projects. The authority of the Successor Agency Commission, with respect to the Major Approved Development Projects includes the authority to approve

amendments to enforceable obligations as allowed under Redevelopment Dissolution Law, subject to any required approval by the Oversight Board, consistent with applicable enforceable obligations.

G. Ordinance 215-12 acknowledged that the Successor Agency has retained enforceable obligations for the development of affordable housing, including Retained Housing Obligations as defined therein, required to fulfill the Major Approved Development Projects.

H. Ordinance 215-12 provides that the Successor Agency Commission shall not modify the Major Approved Development Projects or the Retained Housing Obligations in any manner that would decrease the commitment of property tax revenue for affordable housing or materially change the obligations to provide affordable housing without obtaining the approval of the Board of Supervisors and any required approval of the Oversight Board.

I. Accordingly, the Successor Agency assumed the obligations under the North OPA, which remains in effect. Under the Redevelopment Dissolution Law, a successor agency has the continuing obligation, subject to certain review by an oversight board and the State of California's Department of Finance ("DOF"), to implement "enforceable obligations" which were in place prior to the suspension of such redevelopment agency's activities on June 28, 2011, the date that AB 26 was approved. The Redevelopment Dissolution Law defines "enforceable obligations" to include bonds, loans, judgments or settlements, and any "legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy" (Cal. Health & Safety Code § 34171(d)(1)(e)), as well as certain other obligations, including but not limited to requirements of state law and agreements made in

reliance on pre-existing enforceable obligations. The North OPA meets the definition of “enforceable obligations” under the Redevelopment Dissolution Law.

J. Owner is the current owner of an approximately 41,000 square foot parcel located in the City and County of San Francisco ("City"), State of California, commonly referred to as Mission Bay Block N4 Parcel 3, as more particularly described on Exhibit A attached hereto ("Block N4P3" or the "Site"). Block N4P3 is the last undeveloped parcel in the North Plan Area. The land use designation for Block N4P3 in the North Plan is Mission Bay Residential, which allows residential and neighborhood-serving retail as principally permitted uses.

K. The North OPA requires that 20% of the total housing units in Mission Bay North (or 593 of the 2,964 units) are required to be Affordable Housing Units. The North OPA further requires that the Owner (and its developer transferees) build 245 of the 593 total Affordable Housing Units divided among very low-income (98 units), low-income (35 units) and moderate-income levels (112 units). The development of the remaining Affordable Housing Units was the obligation of the Successor Agency and its non-profit housing developers on sites conveyed by the Owner.

L. As of January 2014, a total of 2,835 units have been constructed in the North Plan Area with 672 units, or 23.7% of the total units, as Affordable Housing Units. Of the Affordable Housing Units, 407 have been developed by the Successor Agency; and 265 have been developed by the Owner or its transferee. The Owner has exceeded its obligations for developing to build Owner Very Low and Owner Low Income Units, but is still required to

build an additional 80 Owner Moderate Income Units, which must be for-sale units targeting households earning up to 110% of area median income (“AMI”).

M. Block N4P3, as described in Recital J, is the last remaining developable parcel in the North Plan Area, and thus is the site where the Owner must construct its remaining Affordable Housing Units. The North OPA permits 129 units on Block N4P3, of which 80 units (or 62% of the total project) must be affordable to households at 110% of AMI (“N4P3 Inclusionary Requirement”).

N. A previous attempt to finance a project on Block N4P3 with the existing N4P3 Inclusionary Requirement was unsuccessful and neither the Owner nor its developer transferees have expressed an interest to OCII staff to pursue development with the N4P3 Inclusionary Requirement.

O. A 2013 study prepared by The Concord Group, a San Francisco-based real estate market research firm, shows that development of Block N4P3 with the N4P3 Inclusionary Requirement is financially infeasible as a for-sale project without a significant public subsidy that was originally estimated at \$12,000,000 to \$15,000,000 exclusive of land cost and has likely increased due to increases in the cost of construction and financing (the “Concord Study”). Specifically, the Concord Study found that that Block N4P3 is an inferior location for For-Sale Market Rate Residential Units because of the highway adjacency and lack of canal creek frontage and thus future sale prices of those Market Rate Residential Units would be insufficient to finance fully the 80 units of Affordable Housing Units. The Successor Agency and the Mayor’s Office of Housing and Community Development independently verified the infeasibility of developing For-Sale Owner Moderate Income Units at Block N4P3.

P. In 2011, the Owner began discussions with The Integral Group (“Integral”), a national real estate investment firm focused on the revitalization of urban communities, about developing a financially feasible alternative project on Block N4P3.

Q. On January 21, 2014, after holding a duly noticed public hearing and consistent with its authority under Redevelopment Dissolution Law and Ordinance 215-12, the Successor Agency Commission conditionally approved, by Resolution No. 05-2014, a fifth amendment to the North OPA that would allow Block N4P3 to be developed with 45 moderate-income rental inclusionary units affordable to households earning up to 120% AMI and 84 market rate rental units (“Commission Action”).

R. The Commission Action would decrease the number of moderate-income units from 80 to 45 and change the tenure from owner-occupied to rental units and thus constitutes a material change in the North OPA affordable housing obligations that the Board of Supervisors must approve, under Section 6 (a) of Ordinance No. 215-12.

S. Subsequent to the Commission Action, the Owner and Integral proposed a revised fifth amendment to the North OPA (“Fifth Amendment”) that deepens the affordability level to 90% AMI (which still targets moderate-income households) and provides 26 For-Rent Owner Moderate Income Units at 90% AMI and 103 For-Rent Market Rate Residential Units (“N4P3 Project”).

T. The Owner would also donate the land to a third party developer to help the N4P3 Project achieve financial feasibility. Once the N4P3 Project is developed, the total number of Affordable Housing Units constructed under the North OPA will continue to exceed the 20% affordable housing requirement (698 Affordable Housing Units or 23.5% of the of the

total 2,964 residential units in the North Plan Area will be Affordable Housing Units). The Owner will have built 46 units more than required under the existing North OPA, or an increase of 18.8% over the Owner's original requirement.

U. The Owner and the Successor Agency wish to enter into this Fifth Amendment for the purpose of achieving the further redevelopment within the North Plan Area to further effectuate the program of development contemplated in the North Plan. The Fifth Amendment fulfills the following objectives:

- (i) the development of N4P3 Project will fulfill the objectives of the North Plan, including providing flexibility in the development of the North Plan Area to respond readily and appropriately to market conditions, facilitating the development of additional housing, including affordable housing, strengthening the economic base of the North Plan Area and the community by adding to the diversity of uses within the North Plan Area, and achieving these objectives in the most expeditious manner feasible;
- (ii) Block N4P3 is the last remaining undeveloped parcel in the North Plan Area. Its completion will mark an important milestone for Mission Bay by completing all vertical development required under the North OPA;
- (iii) The current program requirements for Block N4P3 are infeasible. The Fifth Amendment will allow development of Owner Moderate Income Units on Block N4P3, and accelerate the completion of development under the North Plan, the North OPA and the related enforceable obligations;

(iv) Block N4P3 will include development of 26 For-Rent Owner Moderate Income Units at 90% of Area Median Income, and will make an important contribution to the affordable housing stock in Mission Bay, while providing a diversity of affordable housing for all income levels. With the Fifth Amendment, the percentage of affordable housing units in Mission Bay North will remain substantially above the existing 20% North OPA requirement; and

(v) By allowing a project that is financially feasible, the Fifth Amendment will increase property tax revenue generated from property taxes payable to the taxing entities by ensuring that the parcel is developed quickly to generate additional property taxes.

The parties have entered into this Fifth Amendment to memorialize their understanding and commitments concerning the matters generally described above.

V. This Fifth Amendment is considered a material change in the obligations to provide affordable housing pursuant to Ordinance 215-12 and therefore requires Board of Supervisor approval. However, for the reasons stated above in Recital U, this material change is a benefit to Mission Bay North and the City.

W. Under Redevelopment Dissolution Law, the Oversight Board has the authority to “approve any amendments to [any contracts between the dissolved redevelopment agency and any private parties] if [Oversight Board] finds that amendments . . . would be in the best interests of the taxing entities.” Cal. Health & Safety Code § 34181 (e). For the reasons stated above in Recital S, this Fifth Amendment meets this standard for amendment of an enforceable obligation.

X. The Board of Supervisors, consistent with its authority under Ordinance 215-12 to approve any material change to the obligations to provide affordable housing in Mission Bay North, by Resolution No. _____, has approved the modifications to the development of affordable housing in Mission Bay North. As part of the Board of Supervisors approval, it modified the Block N4P3 project from what the Successor Agency Commission originally approved to set the affordability level at 90% AMI and require 26 total units. This final Fifth Amendment reflects the final project approved by the Board of Supervisors.

Y. The Oversight Board, consistent with its authority under Redevelopment Dissolution Law to approve amendments to agreements between the dissolved redevelopment agency and private parties where it finds that amendments or early termination would be in the best interests of the taxing entities, by Resolution No. _____, determined that an amendment to the North OPA that would modify certain requirements with respect to development of housing on Block N4P3 is in the best interests of the taxing entities.

Z. Under Redevelopment Dissolution Law, DOF must receive notice and information about all Oversight Board actions, which do not take effect until DOF has either not requested review within five days of the notice or requested review and approved the action within 40 days of its review request. On _____, 2014, the Successor Agency provided a copy of Oversight Board Resolution No. _____ to DOF, which did not object to the amendment to the North OPA within the statutory time period for its review, or which approved the amendment to the North OPA within the statutory time period of the Successor Agency's review request.

AGREEMENT

Accordingly, for good and valuable consideration, the receipt, amount and sufficiency of which is hereby acknowledged, the Owner and the Successor Agency agree as follows:

1. Maximum Number of Owner Market Rate Residential and Affordable Units.

Wherever the North OPA (as amended and including without limitation any Attachment thereto) makes reference to the maximum number of Owner Market Rate Residential Units, specifically "2,320," such phrase shall be deemed to be amended to refer to "2,374," and where it makes reference to the maximum number of Owner Affordable Housing Units, specifically "245," such phrase shall be deemed to be amended to refer to "191".

2. Definition of Moderate Income Households. Wherever the North OPA (as amended and including without limitation any Attachment thereto) makes reference to "Moderate Income Household", the following shall be included: "And as to Block N4P3 only, up to ninety percent (90%) of Area Median Income."

3. Unit Mix and Affordability Requirements for Owner Affordable Units. The North OPA, Attachment C (Housing Program), is hereby further amended as follows:

1.39 Section 1.39 is amended to read as follows: "Owner Moderate Income Units means an Owner Affordable Housing Unit which is Affordable to household earning up to one hundred percent (110%) of Area Median Income and, as to Block N4P3 only, up to ninety percent (90%) of Area Median Income."

2.2 Section 2.1(c) is amended to adjust the ratio of Owner Inclusionary Units at each income level. The first sentence in Section 2.1(c) shall be replaced with the following and the remaining portion of Section 2.1(c) remain unchanged:

“Except as provided in Sections 2.4 and 3.4, the Owner Affordable Housing Unit Requirement for the North Plan Area shall be allocated as follows: (i) thirty percent (30%) shall be Owner Moderate Income Units, (ii) eighteen percent (18%) shall be Owner Low Income Units, and (iii) fifty-one percent (51%) shall be Owner Very Low Income Units.”

2.3 Section 2.1(d) is amended and shall be replaced in whole with the following to reflect the increased percentage of For-Rent Owner Moderate Income Units constructed by the Owner:

"The allocation of For-Rent Owner Inclusionary Units in Residential Projects shall be approximately sixty-eight percent (68%) Owner Moderate Income Units and thirty-two percent (32%) Owner Low Income Units, rounded up or down as appropriate to the nearest Residential Unit. On Block N4P3, the Owner Moderate Income Units shall be affordable to households earning up to 90% of Area Median Income."

2.4 Section 2.1(e) is amended and shall be replaced in whole with the following to reflect the increased percentage of For-Rent Owner Affordable Housing Units:

“Owner Affordable Housing Units shall, in accordance with Section 2.1(j) hereof, consist of 14% For-Sale and 86% For-Rent Residential Units.”

2.5 Section 2.1(g): Section 2.1 is hereby amended to add the following to the end of paragraph 2.1(g):

"On Block N4P3, the maximum percentage of Owner Inclusionary Units in a For-Rent Residential Project shall be 20.2%."

2.6 To reflect the reduction of the percentage of Owner Moderate Income Units that are For-Sale Owner Moderate Income Units versus For-Rent, Section 2.1(j) is amended as follows:

The phrase "82.3%" in Section 2.1(j) that refers to the percentage of Owner Moderate Income Units constructed as For-Sale units shall be deemed amended to refer to "22.4%".

4. General Provisions

4.1 North OPA in Full Force and Effect. Except as otherwise amended hereby and as previously revised to reflect various non-material changes, all terms, covenants, conditions and provisions of the North OPA shall remain in full force and effect.

4.2 Successors and Assigns. This Fifth Amendment is binding upon and will inure to the benefit of the successors and assigns of the Former Agency, Successor Agency, the Owner, and, as applicable, the City, subject to the limitations set forth in the North OPA.

4.3 Recitals. The Recitals in this Fifth Amendment are included for convenience of reference only and are not intended to create or imply covenants under this Fifth Amendment. In the event of any conflict or inconsistency between the Recitals and the terms and conditions of this Fifth Amendment, the terms and conditions of this Fifth Amendment shall control.

4.4 Counterparts. This Fifth Amendment may be executed in any number of counterparts, all of which, together shall constitute the original agreement hereof.

IN WITNESS WHEREOF, the Successor Agency has caused this Fifth Amendment to be duly executed on its behalf and the Owner has signed or caused this Fifth Amendment to be signed by duly authorized persons, all as of the day first above written.

Authorized by Successor Agency Resolution
No. 05-2014, adopted January 21, 2014

SUCCESSOR AGENCY

Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco, a public body organized and
existing under the laws of the State of
California

FOCIL-MB, LLC, a Delaware limited
liability company

By _____
Tiffany J. Bohee
Executive Director

By: _____

Name: _____

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

Title: _____

By _____

Heidi J. Gewertz
Deputy City Attorney

EXHIBIT A
BLOCK N4P3 LEGAL DESCRIPTION

(TO BE ADDED)

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

Handwritten initials

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
MAR - 4 PM 3:37

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee.
An Ordinance, Resolution, Motion, or Charter Amendment.
- 2. Request for next printed agenda Without Reference to Committee or as Special Order at Board.
- 3. Request for hearing on a subject matter at Committee or as Special Order at Board.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Request for Closed Session (attach written motion).
- 10. Reactivate File No. []
- 11. Board to Sit as A Committee of the Whole.
- 12. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):


Supervisor Kim

Subject:

Successor Agency to the Former Redevelopment Agency - Fifth Amendment to Mission Bay North Owner Participation Agreement

The text is listed below or attached:

See attached.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

MOTION - 140192
HEARING - 140193
RESO - 140194