FILE NO. 240878

ORDINANCE NO. 254-24

[Redevelopment Plan Amendment - Bayview Hunters Point]

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

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Findings.

(a) On July 14, 1997, in Ordinance No. 285-97, the Board of Supervisors approved and adopted the Hunters Point Shipyard Redevelopment Plan ("HPS Plan"), which established basic policies for development of the Hunters Point Shipyard Redevelopment Project Area ("HPS Project Area"), pursuant to the Military Base Conversion Chapter of the Community Redevelopment Law ("CRL") (California Health and Safety Code Sections 33492 et seq.). The Redevelopment Agency of the City and County of San Francisco

("Redevelopment Agency") thereby became vested with the responsibility to carry out these redevelopment plans. On May 23, 2006, in Ordinance No. 113-06, the Board of Supervisors approved and adopted the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project ("BVHP Plan"), which established basic policies for development of the Bayview Hunters Point Redevelopment Project Area ("BVHP Project Area").

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

(c) To implement the Project, the Redevelopment Agency and CP Development Co., LP, a Delaware limited partnership ("Developer"), entered into various agreements, including a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated as of June 3, 2010, which the parties previously have amended from time to time (the "DDA").

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

(e) The Project, as analyzed in the FEIR, included a new professional football stadium in the HPS Project Area, a mix of other uses throughout the development area, a comprehensive parks and open space plan, an integrated transportation plan, a robust community benefits plan, and improved opportunities to finance the development of affordable housing and the public infrastructure necessary to expedite the revitalization of both areas. Also, as part of the Project, the FEIR analyzed several land use variants to the Project, which provided for differing mixes of housing; retail; research and development; and office uses in lieu of the stadium use.

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

(g) On February 1, 2012, in California Health and Safety Code Sections 34170 et seq. (the "Redevelopment Dissolution Law"), the State of California dissolved all redevelopment agencies in the State and established successor agencies to assume certain rights and obligations of the former agencies. On October 2, 2012, in Ordinance No. 215-12, the Board of Supervisors delegated its State authority under the Redevelopment Dissolution Law to the Successor Agency to the former Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"); established the Successor Agency Commission (commonly known as the Commission on Community Investment and Infrastructure or "CCII" and the Office of Community Investment and Infrastructure or "OCII") to implement and complete, among other things, the surviving enforceable obligations of the dissolved Redevelopment Agency; and acknowledged that under the Redevelopment Dissolution Law, the Successor Agency held all transferred assets and obligations of the dissolved Redevelopment Agency. On December 4, 2012, the California Department of Finance finally and conclusively determined that the DDA and related agreements were enforceable obligations of the Successor Agency.

(h) On June 13, 2017, the Board of Supervisors approved and adopted, in Ordinance Nos. 121-17 and 122-17, respectively, amendments to the BVHP Plan and the HPS Plan to

conform the plans to Proposition O, the "Hunters Point Shipyard/Candlestick Point Jobs Stimulus Proposition," adopted by the San Francisco voters on November 8, 2016. Proposition O exempts the Project from the annual office development cap established under Planning Code Sections 320-325.

(i) On July 16, 2018, the Board of Supervisors approved and adopted amendments to the HPS Plan and BVHP Plan ("2018 Plan Amendments") in Ordinance Nos. 166-18 and 167-18, respectively. The 2018 Plan Amendments amended the BVHP Plan to remove the Jamestown Parcel from Zone 1 and designate the Jamestown Parcel as part of Zone 2 and amended the BVHP Plan and HPS Plan to authorize, subject to prior Successor Agency approval: (1) adjustment of the amount of individual non-residential uses permitted in the BVHP Project Area (except for community use space), including conversion to other non-residential uses allowed by the BVHP Plan, provided the total square footage of non-residential uses does not materially exceed the Plan's overall limitation for non-residential development in the Candlestick Point area; and (2) the transfer of up to 118,500 square feet of research and development and office space from Phase 2 of the HPS Project Area to those areas of Zone 1 of the BVHP Project Area where such uses are permitted, with a corresponding reduction in that use in the HPS Project Area.

(j) The BVHP Plan divides the BVHP Project Area B into Zone 1 and Zone 2. Zone 1 includes the property once occupied by Candlestick Stadium, its parking lot, the Candlestick Point State Recreational Area ("CPSRA"), the Alice Griffith Housing Authority site, and several private parcels that are generally surrounded by the stadium site and the CPSRA. Zone 2 includes the remainder of BVHP Project Area B.

(k) Under the BVHP Plan, the Successor Agency has jurisdiction over land use regulations in Zone 1 and is the approval body for development approvals pursuant to the CRL and Ordinance No. 215-12. The Planning Department has jurisdiction over land use

regulations in Zone 2, in accordance with a 2006 Delegation Agreement between the Planning Department and the former Redevelopment Agency.

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

(m) The Developer has proposed modifications to the Project primarily affecting Zone 1 of Project Area B, with some conforming changes that affect the HPS Project Area. To facilitate the proposed modifications, the Successor Agency Commission has proposed an amendment to the BVHP Plan ("2024 Plan Amendment"), which would amend the BVHP Plan to (1) allow the transfer of up to 2,050,000 square feet of research and development and office space from HPS Phase 2 to those portions of Zone 1 of the BVHP Project Area where that use is allowed, subject to Successor Agency Commission approval and any necessary environmental review; and (2) clarify that certain commercial uses currently authorized within HPS Phase 2 are also allowed within Zone 1 of the BVHP Project Area.

(n) The 2024 Plan Amendment also implements SB 143 and establishes the applicable limitations relating to time for establishing loans, advances, and indebtedness, the

effectiveness of the BVHP Plan, and the time to repay indebtedness and receive property taxes, in connection with Zone 1 of Project Area B. It does so in the following ways: (1) the time limit for establishing loans, advances, and indebtedness in connection with Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date (as defined in the BVHP Plan); (2) the time limit for the effectiveness of the BVHP Plan for Zone 1 of Project Area B shall be 30 years from the 2024 Plan Amendment Date; (3) the time limit to repay indebtedness and receive property taxes for Zone 1 of Project Area B shall be 45 years from the 2024 Plan Amendment Date; and (4) solely for the purpose of using property tax revenues generated from Zone 1 of the BVHP Project Area to fund Qualified Project Costs and other costs necessary to complete the enforceable obligations of the Project, including Agency Affordable Housing Costs and Agency Costs in Phase 2 of the HPS Project Area, the time limits referenced in subsections (1)-(3) shall include an additional 15 years. The Navy has recently informed OCII that completion of remediation and conveyance of all portions of the Shipyard Site, excluding Parcel F, to Developer will occur sometime in 2036-2038, including time needed for a Finding of Suitability for Transfer and associated conveyance documentation. Documentation from the Navy relaying these schedule delays is described in correspondence that the Navy provided to OCII, and which is on file with the CCII Commission Secretary. This estimated delay (defined as the "Anticipated Navy Delay" in the BVHP Plan) warrants the additional 15-year extension of the redevelopment timelines referenced above for purposes of redevelopment activities on the Shipyard Site and related tax increment financing

(o) The 2024 Plan Amendment further proposes adjusting the limit on the amount of bonded indebtedness that can be outstanding at one time by combining the existing \$800 million limit applicable to Candlestick Point and the existing \$900 million limit applicable to the Shipyard Site into a single limit in the amount of \$5.9 billion applicable to both Zone 1 of the

BVHP Project Area and Phase 2 of the HPS Project Area. The limits on bonded indebtedness, which have not been adjusted since the approval of the Project in 2010, are necessary to address increases in project costs and inflation that have occurred since 2010 and future increases in project costs and inflation as redevelopment activities within Zone 1 of Project Area B and Phase 2 of the HPS Project Area progress. The 2024 Plan Amendment also would make minor amendments to the definitions, regulations, and standards of the BVHP Plan.

(p) On September 3, 2024, CCII adopted Resolution Nos. 23-2024 and 25-2024 ("CCII Approval Resolutions") which, among other things, approved the Report to the Board on the 2024 Plan Amendment ("Report to the Board") and recommended the adoption of the 2024 Plan Amendment. OCII has transmitted certified copies of the CCII Approval Resolutions to the Board of Supervisors together with its Report to the Board and the 2024 Plan Amendment. Copies of the CCII Resolutions, the Report to the Board, and the 2024 Plan Amendment are on file with the Clerk of the Board of Supervisors in File No. <u>240878</u> and are incorporated herein by reference.

(q) OCII transmitted the proposed amendments to the 2024 Plan Amendment to the Planning Commission pursuant to CRL Section 33346 for the Planning Commission's report and recommendation concerning the 2024 Plan Amendment and its conformity with the General Plan. On <u>September 12</u>, 2024, the Planning Commission, in Motion No. <u>21607</u>, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan, as amended, and eight priority policies of Planning Code Section 101.1. The Board adopts these findings as its own. A copy of the Planning Commission Resolution is on file with the Clerk of the Board of Supervisors in File No. <u>240878</u> and is incorporated by reference herein.

(r) On October 22, 2024, the Board of Supervisors held a duly noticed public hearing on the 2024 Plan Amendment. The hearing has been closed. Notice of such hearing was published in accordance with CRL Section 33361, as required under Section 33354.6, in The Examiner, a newspaper of general circulation, printed, published, and distributed in the City and County of San Francisco, describing the boundaries of the BVHP Project Area and stating the day, hour, and place when and where any interested persons may appear before the Board of Supervisors to object to the 2024 Plan Amendment. At such hearing the Board considered the Report to the Board and recommendations of the OCII and the Planning Commission, the FEIR, and all evidence and testimony for and against the proposed 2024 Plan Amendment.

Section 2. Environmental Findings.

(a) The Successor Agency determined that proposed modifications to the Project, referred to in CEQA Addendum No. 7 as the 2024 Modified Project Variant (hereinafter referred to as the "Modified Project"), will not result in any new significant impacts or a substantial increase in the severity of previously identified significant effects that would alter the conclusions reached in the FEIR. A copy of Addendum No. 7 and supporting materials are in the Clerk of the Board of Supervisors File No. <u>240878</u> and incorporated herein by reference.

(b) By Resolution No. 22-2024, adopted September 3, 2024, CCII determined that the analysis conducted and the conclusions reached in the FEIR as to the environmental effects of the Project, together with further analysis provided in Addendum No. 1, Addendum No. 4, Addendum No. 5, Addendum No. 6, and Addendum No. 7 to the FEIR, remain valid and can be relied upon for approval of the Modified Project in compliance with the CEQA, that the Modified Project will not cause new significant impacts not identified in the Final EIR or

substantially increase the severity of previously identified significant impacts, and that no new mitigation measures will be necessary to reduce significant impacts. Therefore, CCII determined that no subsequent or supplemental environmental review is required beyond Addendum No. 7 to approve the Modified Project.

(c) As part of Resolution No. 22-2024, CCII made findings regarding the modifications to previously adopted mitigation measures as recommended in Addendum No. 7 and as further set forth in Resolution No. 22-2024, and approved the modifications to the adopted mitigation measures. A copy of CCII Resolution No. 22-2024 and supporting materials are on file with the Clerk of the Board of Supervisors in File No. <u>240878</u> and incorporated herein by reference.

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

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

Section 4. Plan Incorporation by Reference. The BVHP Plan, as amended by this ordinance, is incorporated in and made a part of this ordinance by this reference with the same force and effect as though fully set forth in this ordinance. Copies of the BVHP Plan, as amended, are on file with the Clerk of the Board of Supervisors in File No. 240878 and incorporated herein by reference.

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

 (a) Significant blight (as described in the Report to the Board) remains in Zone 1 of BVHP Project Area B, the redevelopment of which is necessary to effectuate the public purposes declared in the CRL.

(b) The remaining significant blight in Zone 1 of BVHP Project Area B cannot be eliminated without the establishment of additional debt and the increase in the limitation on the number of dollars to be allocated to the Successor Agency.

(c) The BVHP Plan as amended by the 2024 Plan Amendment will redevelop Zone 1 of the BVHP Project Area B in conformity with the CRL and is in the interest of the public peace, health, safety, and welfare.

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

(e) For the reasons set forth in Section 1, subsection (q) of this ordinance, the 2024Plan Amendment is consistent with the San Francisco General Plan, including with the prioritypolicies in Planning Code Section 101.1.

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

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

(h) Neither the BVHP Plan nor the 2024 Plan Amendment authorize the use of eminent domain.

(i) The 2024 Plan Amendment does not displace any residents in Zone 1 of BVHP Project Area B.

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

(k) The elimination of blight and the redevelopment of Zone 1 of the Project Area could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Successor Agency.

(I) Zone 1 of BVHP Project Area B is predominantly urbanized, as defined by CRL Section 33320.1(b).

(m) The time limitation and increase in the amount of bonded indebtedness contained in the 2024 Plan Amendment are reasonably related to the proposed projects to be implemented in Zone 1 of BVHP Project Area B and to the ability of the Successor Agency to eliminate blight within Zone 1 of BVHP Project Area B.

(n) The implementation of the 2024 Plan Amendment will further the BVHP Plan's ability to improve or alleviate the physical and economic conditions of the remaining blight in Zone 1 of the BVHP Project Area B.

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

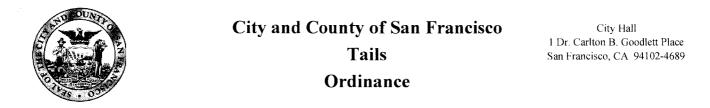
Section 7. Transmittal of Plan as Amended. The Clerk of the Board of Supervisors upon enactment shall: (a) transmit a copy of this ordinance to the Successor Agency, whereupon the Successor Agency shall be vested with the responsibility for carrying out the BVHP Plan as amended; (b) record or ensure that the Successor Agency records a notice of the approval and adoption of the 2024 Plan Amendment pursuant to this ordinance, containing a statement that proceedings for the redevelopment of the BVHP Project Area pursuant to the BVHP Plan, as amended, has been instituted under the CRL; and (c) transmit a copy of the ordinance, together with a copy of the 2024 Plan Amendment, to the Controller, the Tax Assessor, the State Board of Equalization and the governing body of each of the taxing agencies that levies taxes upon any property in the BVHP Project Area as required under CRL Section 33375.

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

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: <u>/s/ JOHN D. MALAMUT</u> JOHN D. MALAMUT Deputy City Attorney

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File Number: 240878

Date Passed: November 05, 2024

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

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

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

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

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

November 05, 2024 Board of Supervisors - FINALLY PASSED

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

File No. 240878

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

Angela Calvillo Clerk of the Board

London N. Breed Mayor

Date Approved