



# SAN FRANCISCO PLANNING DEPARTMENT

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## Executive Summary

HEARING DATE: JULY 26, 2018

*Case No.:* 2014-002541ENV GPA PCA MAP DEV CWP SHD  
*Project Address:* India Basin Mixed Use Project  
*Existing Zoning:* M-1 (Light Industrial)  
M-2 (Heavy Industrial)  
NC-2 (Small Scale Neighborhood Commercial)  
P (Public)  
40-X and OS (Open Space) Height and Bulk Districts  
*Proposed Zoning:* NC-2, MUG, P  
India Basin Special Use District (SUD)  
20/160-IB, OS  
*Block/Lot:* Various Lots on Blocks 4596, 4597, 4605, 4606, 4607, 4620, 4621, 4622, 4629A, 4630, 4631, 4644, 4645, and 4646  
*Project Sponsor:* Recreation and Park Department and BUILD Inc.  
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### SUMMARY

On July 26, 2018, the Planning Commission (“Commission”) will consider a series of approval actions related to the proposed India Basin Mixed-Use Project (“Project”). The Commission has previously reviewed the Project as part of: 1) informational hearings on June 21, 2018 and March 9, 2017; and 2) the Draft Environmental Impact Report (“DEIR”) on October 19, 2017. The Project has also been discussed at Commission in the context of the Southern Bayfront Strategy in multiple informational hearings. The Commission’s action on the Project will include the following:

1. Certification of the Final Environmental Impact Report (“FEIR”) prepared for the Project pursuant to the California Environmental Quality Act (Pub. Resources Code §§ 21,000 et seq., “CEQA”), the guidelines implementing CEQA (14 Cal. Code Regs. §§ 15,000 et seq., “CEQA Guidelines”), and the Chapter 31 of the City’s Administrative Code;
2. Adoption of CEQA Findings, including a Mitigation and Monitoring Plan (“MMRP”);
3. Recommendation to the Board of Supervisors to approve Zoning Map Amendments and Planning Code Text Amendments to reclassify the site and establish the India Basin Special Use District (“SUD”);
4. Approval of the Design Standards and Guidelines (“DSG”);
5. Approval of the Development Agreement (“DA”) (Note: Approval of the DA will be continued to August 23, 2018 for final action); and
6. Adoption of Shadow Findings (Planning Code Section 295)

## PROJECT DESCRIPTION

The India Basin site (the “Site”) is located within the Bayview Hunters Point neighborhood just northwest of the Hunters Point Shipyard and northeast of Hunters Point Hill. The Project analyzed under the India Basin Mixed-Use Project EIR included two main components: (1) 900 Innes Avenue and the India Basin Shoreline Park, which is being developed by the Recreation and Park Department (RPD), and (2) 700 Innes, which is being developed by BUILD, together encompassing 38.24 acres. The CEQA Certification and CEQA Findings are for the entire Site.

However, except for a portion of the proposed rezoning under the Planning Code Map Amendments, all other entitlement actions described here are related to the 700 Innes property developed by BUILD. The Build component, in turn, is comprised of private land owned by Build (17.2 acres), the India Basin Open Space, an RPD property that borders the site along almost the entire waterfront (6.2 acres), and unimproved right-of-way (ROW) (5.94 acres) for a total of 29.26 acres.

The proposed project (the “Project”) will be built in up to three phases with residential, commercial, and open space uses in each phase along with a new street network. BUILD will also improve the India Basin Open Space”) that borders the site along almost the entire waterfront into enhanced wetlands, a boardwalk, and a beach. Except for one residential structure located on Earl Street, which is proposed to be relocated within the Site, there are no current active uses on the Site.

The proposal consists of up to 3,462,550 gross square feet of total new development, including: 1,506,324 gsf of residential space (up to 1,575 units), 209,106 gsf of non-residential space, up to 1,800 vehicle spaces and 1,575 bicycle spaces, and 676,052 sq. ft. (15.5 acres) of new or improved publicly accessible open space, including the approximately 5-acre “Big Green” and an enhanced India Basin Open Space, among other public plazas, promenades and open areas. The commercial space could include office development, possible community / institutional uses, smaller scale PDR, and retail uses.

The Project would be divided up into three main geographic areas: (1) the Hillside, located on the southern portion of the site that slopes downward from Innes to New Hudson (a newly proposed street); (2) the Flats, the flat portion of the site east of New Hudson; and (3) the Cove, located at the northern portion of the site. Three shared, centralized, mostly subterranean garages are proposed to be constructed under each of these three areas.

Heights of buildings would range between 20 feet and 160 feet and would generally step with the site’s terrain down toward the water. A majority of the buildings would be 4, 5, and 6 stories in height. The buildings closest to the Bay would include between 8 and 12 “micro parcels” ranging from 20-25 feet wide with a maximum height limit of 30 feet. Buildings taller than 80 feet would be limited to two 160-foot tall buildings -- one located at the primary entrance to the Site on Arelious Walker and Innes Avenue and the other located in the Cove at New Hudson Avenue.

The Big Green would be an approximately 5.5-acre, publicly owned and accessible open space supporting grasslands, a wet meadow, and recreational areas such as a children’s play area, an off-leash dog area, a stormwater bioretention ponds, swales, and planters. The Big Green will be permanently deeded to the City and will be transferred to the jurisdiction of the Port of San Francisco (“the Port”); it will be managed by the Recreation and Parks Commission under an agreement with the Port. The Recreation and Parks Commission owns the adjacent India Basin Open Space.

The shoreline would include wetlands and natural areas suitable for existing and new habitats, diverse ecologies and waterfront access. A terraced boardwalk and overlooks are proposed at the top of the bank

allowing visitors to experience the dynamic tidal marshes without disturbing the habitat. Located on the East shoreline of the Project midway up the bank would be a perched sand area (the “Perched Beach”) that provides recreational amenities at the Bay’s edge. Adjacent to the perched beach will be a building housing concessions, rentals, and amenities for the public that will serve the southern section of the park. The Cove Terrace, another publicly owned open space, would offer an urban waterfront experience.

Immediately adjacent to the Big Green would be the primary public gathering space, a centrally located hardscaped plaza area that would be used as a public market (“The Public Market”). The Public Market, which would be privately owned but publicly accessible, would include flexible pavilions designed to be modular and evolve over time providing seating, shade, community spaces and stalls for local vendors and artisans, as well as restrooms and other park amenities.

Other privately owned publicly accessible open spaces would include the Town Triangle, a plaza and secondary gathering space for residents and visitors to the Flats and Hillside; the Transit Plaza, a multi-modal transportation hub at Innes Ave and Arelious Walker, and several intimate pocket plazas, and public access easements and laneways that will break up the large (600’) blocks.

The Project’s circulation and open space would be designed to connect with and complement the adjacent planned public open spaces that flank the Site on either side, specifically at 900 Innes (a property owned by the San Francisco Recreation and Parks Department (“RPD”)) and Hunters Point Shipyard’s Northside Park.

## **ENVIRONMENTAL REVIEW**

On September 17, 2017, the Department published the India Basin Mixed-Use Project Draft Environmental Impact Report (“DEIR”) for public review (Case No. 2014-002541ENV). The DEIR was available for public comment until October 30, 2017.

On October 19, 2017, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting to solicit comments regarding the DEIR.

On July 11, 2017, the Department published a Comments and Responses document, responding to comments made regarding the DEIR.

On July 26, 2018, the Commission will consider certification of the Final Environmental Impact Report (“FEIR”) for the Project, and will determine if it is adequate, accurate and complete.

In addition, on July 26, 2018, the Commission must adopt the CEQA Findings for the FEIR, prior to the approval of the Project (See Case No. 2014-002541GPA PCA MAP DVA CWP).

## **HEARING NOTIFICATION**

<b>TYPE</b>	<b>REQUIRED PERIOD</b>	<b>REQUIRED NOTICE DATE</b>	<b>ACTUAL NOTICE DATE</b>	<b>ACTUAL PERIOD</b>
Classified News Ad	20 days	July 6, 2018	July 4, 2018	22 days
Posted Notice	n/a	Not Required	n/a	n/a
Mailed Notice	20 days	July 6, 2018	July 6, 2018	20

## PUBLIC COMMENT

The Project Sponsor has engaged in a robust community outreach program throughout the development of the Project, which has been under development for many years. Build's public engagement has included, but has not been limited to, the convening of two community working groups, one to discuss the immediate India Basin community's interests and concerns, and the other to discuss the greater Bayview community's interests and concerns. Build's community engagement included roughly 125 community meetings, workshops and presentations, including the two working groups above, presentations to the Bayview Hunters Point CAC, the Hunters Point Shipyard CAC, the India Basin Neighborhood Associations meetings, and the Planning Commission.

Recently, some community members have expressed concern regarding the heights of the Project, particularly regarding the two structures that would reach 160-feet in height (see further discussion below).

The owner of 748 Innes, the Russian Banya Baths, have expressed concern about the proposed heights of immediate adjacent buildings, and the soil conditions of the site.

Some community members have expressed a desire to see, as a part of the community benefits package associated with the DA, funds be made available to the Bayview community for general community development in addition to those currently delineated in the Community Benefits Package.

## PLANNING COMMISSION REQUIRED ACTIONS FOR THE PROJECT

As summarized above, the Commission must take several actions to approve the Project. These actions include:

### Certification of the FEIR and adoption of CEQA Findings.

#### General Plan Consistency Findings

The Commission must adopt findings of General Plan consistency for all approval and implementation actions related to the project. These findings are included in the first approval action being considered by the Commission, which is consideration of the ordinance to amend the General Plan.

#### General Plan

The subject General Plan Amendments would amend: (1) the Bayview Hunters Point Area Plan by removing Policy 1.6 and Figure 6, which identifies the majority of 700 Innes as industrial; (2) Urban Design Element Map 4 by establishing maximum heights consistent with the proposal; (3) Commerce and Industry Element Map 3 by removing the industrial designation on the site; (4) Recreation and Open Space Element Policy 2.4 by removing the reference to the India Basin Shoreline Plan, a previous plan that was proposed but never officially adopted.

#### Planning Code Map and Text Amendment – India Basin Special Use District (SUD)

On June 21, 2018, Supervisor Malia Cohen initiated the ordinance that would amend the Planning Code to establish the India Basin SUD and make other conforming Code amendments.

The SUD will provide specific land use and development controls for the project site, which encompasses the Build property at 700 Innes Avenue, the public rights-of-way within the boundaries of the site and the surrounding India Basin Open Space. The India Basin SUD sets forth the zoning requirements for the site, including:

- Uses, including allowed uses per parcel and ground floor requirements;
- Building Standards, including Off-Street Parking, Bicycle Parking, Dwelling Unit Exposure, Open Space for Dwelling Units, Permitted Obstructions and Signage;
- Incorporation by reference of the Design Controls document, which contains additional standards and guidelines for development of the site

In addition, the SUD outlines the design review process for the Development Phases, Vertical Improvements and Minor/Major Modifications to Building Standards. The Design Review procedures include:

- Phase Approval: An overarching “Phase application” will be submitted to the Department for approval in accordance with a Development Agreement (“DA”). The Phase approval would assure that the Master Developer is moving forward with infrastructure and community improvements at the same time as the development of the buildings (Vertical Improvements). The Phase approval is required before Planning can begin review on a specific Vertical Improvement.
- Design Review and Approval of Vertical Improvements and Privately-Owned Horizontal Improvements: Design review and applications for Vertical Improvements (new construction of a building or any later expansion/major alteration or addition to a previously-approved building) and Privately-Owned Horizontal Improvements (eg Town Triangle, Public Market) will be submitted to Planning. Planning staff shall review these applications for consistency with the SUD and the DSG. The Planning Director shall have discretion over minor modifications (deviation of less than 10 percent from any dimensional or numerical standard in the SUD and the DSG), while the Planning Commission shall review and approval any major modification. Other than major modifications, the Planning Director would approve all Vertical Improvements and Privately-Owned Horizontal Improvements.

### Zoning Map Amendments

The same ordinance introduced on June 21, 2018 by Supervisor Malia Cohen would also amend the Zoning Map and Height and Bulk District Map for the project site. As indicated above, the Site would be included within the new India Basin SUD. The portion of the project that is planned for development would also be rezoned from its underlying M-1(Light-Industrial) designation to MUG (Mixed-Use General) as a way to indicate its intent of mixed-use and not light industrial development. Notwithstanding the underlying MUG designation, the requirements outlined in the new SUD would control. The Zoning Map amendment would also rezone the RPD land from any remnants of NC-2, M-1 and M-2 zoning to P (Public) to indicate its intended public use.

The entire site is currently within a 40-X Height and Bulk designation. The portion of the site slated for development would be rezoned to a 20/160-IB Height and Bulk District, which would, in turn, refer to the India Basin SUD for fine-grained height regulations. The portion of the site currently within RPD

jurisdiction would be rezoned with an “OS” (Open Space) Height and Bulk Designation, to again, indicate its planned use for open space.

#### Design Standards and Guidelines Document (DSG)

The DSG articulates a vision and goals for the character of the overall project, and provides specificity on aspects of land use, building frontage, open space, streets and streetscapes, parking and loading, buildings, lighting, and signage. The scope of the DSG is expansive, and includes standards and guidelines for each topic area. The following is a summary of the main chapters of the DSG:

- *Land Use:* The site would be divided up into several sub-land use zones that would indicate a breadth of allowable land uses or set aside a zone for publicly accessible recreation and open space. Land use zones would vary in their flexibility with the larger sites along Innes (also referred to as the Hillside and Cove) allowing a wider range of uses. Zones further into the interior of the site would be more restrictive to residential uses to varying degrees. Certain ground floor land uses, such as retail and other active uses, would also be required in some contexts, particularly along primary pedestrian streets, such as New Hudson, which is envisioned as the site’s main retail street.

*Open Space Network:* The Project will create or improve approximately 15 acres including the Big Green, Public Market, Town Triangle, and several smaller plazas and pathways throughout.

*Streets and Streetscapes:* The Project will establish a new street network, which will connect the project site to the larger City and the Hunters Point neighborhood. The street will be designed in compliance with the India Basin Transportation Plan and Infrastructure Plans, both of which are adopted along with the DA.

- *Parking and Loading:* The DSG allows for the construction of a maximum of 1,800 parking spaces in below grade or fully wrapped parking structures. The parking is proposed to be provided in three shared structures that will also provide public parking for those visiting the new open space resources.
- *Buildings:* The Project establishes standards and guidelines for massing and architecture, streetwall, building base and ground floor, facades and materiality, projections, roofs, residential building elements and open space, garages and service entry design, and sustainability. The DSG emphasizes design considerations for pedestrians by including robust requirements for activation, modulation, and scaling building frontages with respect to the scale and function of the adjacent street or open space.

#### Development Agreement (DA)

The Development Agreement (DA) is a contract between the City and the developer (Build) that vests to the Developer master entitlement to construct the project in exchange for public benefit obligations of the developer above and beyond those provided by typical code-compliant projects. The DA “runs with the land” for a period of 25 years (i.e. transfers to any new parties, in case that Build sells all or part of the land, including future HOAs). Among other things, the DA gives the master developer the right to develop the Project in phases in accordance with the DA, requires certain public benefits, describes the

application of existing and future City laws, and establishes fees and exactions. Key provisions of the DA include:

- *Open Space:* Creation or improvement of approximately 14 acres of public open space, including improvement of RPD's India Basin Open Space, creation of the Big Green and dedication to RPD, Public Market and Town Triangle as well as publicly accessible plazas, bicycle trails and pedestrian pathways and spaces throughout the site.
- *Affordable Housing:* The Project would create a significant amount of affordable housing units. The affordable housing plan will facilitate development of 25% of all residential units built within the project site as below market rate units, inclusionary units or in lieu fee units. A minimum of 319 affordable units will be built as either on-site inclusionary or in dedicated parcels within the site. The project may fee out on up to 300 market-rate units, generating an in-lieu fee for up to 75 offsite affordable units that can be satisfied through either new construction or acquisition rehabilitation exclusively in Supervisor District 10.
- *Sustainability and Sea Level Rise Protection:* The Project would implement sustainability measures to enhance livability, health and wellness, mobility and connectivity, climate protection, resource efficiency, and ecosystem stewardship and provide funding sources through the formation of a Community Facilities (Special Tax) District that the City will use to implement protections along the Southern Bayfront shoreline from future sea level rise.
- *Maintenance of Public Spaces and other Areas:* A separate services-only Community Facilities (Special Tax) District will be established to provide approximately \$1.5 million annual private financing by the project for the cost of long-term management and maintenance of public spaces and certain portions of public rights-of-way with improvements that exceed basic city standards.
- *Transportation:* The Project would construct major new transportation infrastructure and would contribute toward other transportation and other infrastructure critical to serving India Basin through payment of a Transit Impact Fee, estimated at approximately \$10 million. The Project includes a robust Transportation Demand Management program with a requirement to reduce single occupancy vehicle trips by 20% from baseline metrics. This requirement was identified as part of the environmental review process.
- *Jobs & Workforce Development Program:* The Project will implement a robust workforce commitment program to encourage local business participation, including LBE participation goal of 17% as established by the City's Contract Monitoring Division as well as participation in the City's First Source Hiring Requirements. The sponsor will further provide resources to support community-based organizations that provide barrier removal services and job readiness training for individuals within at-risk populations.
- *Community Facilities.* If requested, the Project will make available to the City up to 5,000 gsf of space at market rate for community facilities.

In conjunction with the Development Agreement, it is proposed that the Board of Supervisors would approve various transactional documents, including the State Lands Trust Exchange Agreement, which is an agreement between the master developer and the Port. Other City agencies retain a role in reviewing and issuing later approvals for the Project (for example, subdivision of the site and construction of infrastructure and other public facilities), as memorialized in the DA and other implementing documents. It is also proposed as part of approval of the DA that the City will consent to waive or

modify certain procedures and requirements under existing Codes in consideration of alternative provisions in the DA.

#### Shadow Impact Finding (Section 295)

Pursuant to Planning Code Section 295, no net new shadow is allowed to be created by new development on any property under the jurisdiction of, or designated for acquisition by, Recreation and Park Department property unless the Planning Commission, in consultation with Recreation and Park's General Manager and the Recreation and Park Commission, makes findings that the new shadows are insignificant and not adverse to the use of the park property. Incorporated into the environmental review for the Project is a detailed shadow analysis prepared pursuant per Department standards. The analyses describe net new shadows<sup>1</sup> cast on adjacent parks (India Basin Open Space, India Basin Shoreline Park, and 900 Innes) by the Project. For the Project, the EIR found the new shadows to be insignificant and not adverse to use of the parks. Planning staff is requesting that the Planning Commission adopt Shadow Impact Findings for the entire site to enable development to move forward as provided for in the DA, DSG and SUD and obviating the need for separate shadow analyses and multiple Commission actions for each future building permit.

Consistent with the EIR, Planning staff finds that the shadow impacts are neither significant nor adverse. The draft Motion for the shadow findings detail the additional percentage of additional shadow would be added to the respective open spaces. The respective open spaces are not subject to the maximum cap of shadow. Additional shadow is permitted on these open spaces as long as the new shadow would not adversely affect use of the park.

## **ISSUES AND OTHER CONSIDERATIONS**

- The India Basin Mixed-Use Project is one of the Southern Bayfront Strategy projects. The Southern Bayfront Strategy is a framework the City has used to negotiate several large scale master development sites that are being developed under development agreements. Staff has concluded that the DA negotiated for Build meets the goals of the Southern Bayfront Strategy to deliver community benefits in the way of contributing to a high quality waterfront, community facilities and affordable housing particularly suited for the India Basin context.
- A portion of the proposed Big Green and India Basin Open Space will become subject to the State Lands Trust. Therefore, the Port technically would have jurisdiction over the property. The Port will enter into an agreement with RPD to operate and manage the Big Green. of the park assets and would be treated as any other RPD property.
- As noted above, there has been community concern expressed about the heights some of the taller buildings and the precedent that could be set for later development in nearby areas. BUILD has provided alternative development scenarios as part of the EIR review process that shifted the development away from the 160-foot tall buildings to other portions of the site. Staff

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<sup>1</sup> Net new shadow is quantified as "net new shadow hours", which is calculated as the area of new shadow created by new development times the hours that such shadows are cast over the course a day. New shadow impacts are only considered for buildings over 40-feet.



has concluded that these alternative scenarios would create a less desirable built environment with bulkier podium buildings that would have negative impact to the quality of the streets and adjacent open spaces, including potentially greater shadows on the new public open space. Removing portions of the taller buildings without replacing them elsewhere would result in fewer units, thereby reducing the production of much needed housing, and requiring community benefits be reduced commensurate with the reduction in development. Notably, the current entire privately-owned site is zoned uniformly for development under M-1 at 40 feet with no bulk limitations; the current proposal dedicates several acres of this land permanently for public open space to augment the Bayview's public waterfront open space, enabled by shifting this development capacity to upland portions of the site.

- As noted above, Build has convened over 125 community meetings and presentations regarding this Project. They have convened two separate working groups to discuss issues and concerns of neighbors in the immediate neighborhood and one for the larger Bayview.

## REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Commission must:

- 1) Certify the FEIR pursuant to the CEQA;
- 2) Adopt CEQA Findings, including a statement of overriding considerations and a MMRP";
- 3) Recommend that the Board of Supervisors approve the ordinance amending the General Plan including amendments to the Bayview Hunters Point Area Plan, the Urban Design Element, the Recreation and Open Space Element, and the Commerce and Industry Element;
- 4) Recommend that the Board of Supervisors approve the ordinance amending the Planning Code to establish the India Basin Special Use District, and amend the associated Zoning Maps;
- 5) Adopt the proposed the India Basin Design Standards and Guidelines document;
- 6) Recommend that the Board of Supervisors approve the Development Agreement (DA) for the Project; and
- 7) Make master Shadow Impact Findings under Section 295 of the Planning Code.

## BASIS FOR RECOMMENDATION

- The Project will add a substantial number of housing units, including affordable housing units in an underutilized site along the Bayshore while dedicating and improving substantial waterfront acreage to the City to augment the public open space system in an area lacking in such amenities and waterfront access.
- The site is currently underutilized, and the addition of new ground-floor retail spaces, new streets and public amenities, and publicly-accessibly open spaces will enliven the streetscape and will provide new access to the waterfront.

- The Design Standards and Guidelines document will provide specific guidance for the character of the overall Project, resulting in high-quality architecture, extensive streetscape and public realm improvements, and abundant publicly-accessible open space.
- The Development Agreement will provide substantial public benefits in areas including affordable housing, funding for transportation improvements, workforce development, and historic preservation, among other benefits.
- The Project is, on balance, consistent with the Goals, Policies, and Objectives of the General Plan.

**RECOMMENDATION:** Recommend to the Board of Supervisors approval of the General Plan Amendments, Planning Code Text and Map Amendments, the DA (to be scheduled August 23, 2018), and adoption of approval of the DSG.

**Attachments:**

**General Plan Amendments**

- Draft Resolution
- Draft Ordinance
- Exhibit: General Plan Maps with notated proposed changes

**Planning Code Text and Map Amendments**

- Draft Resolution
- Draft Ordinance
- Exhibit: Zoning Maps with notated proposed changes

**Development Agreement**

- Draft Resolution
- Draft Ordinance
- Draft Development Agreement

**Shadow Findings**

- Draft Motion**
- Shadow Study**

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