



PLANNING COMMISSION MOTION NO. 20810

HEARING DATE: NOVEMBER 19, 2020

Record No.: 2018-014357GPR
Project: Redevelopment Plan Amendments to the Mission Bay South Redevelopment Plan for the Development of Parcel 7, Block 43 of the Mission Bay South Redevelopment Project Area (1450 Owens Street)
Zoning: Commercial Industrial (Mission Bay South Redevelopment Plan)
HZ-7 Height Zone (Mission Bay South Design-for-Development)
Block/Lot: Lot 003; Block 8709
Project Sponsor: ARE-SF No. 15 LLC
1700 Owens Street, Suite 790
San Francisco, CA 94158
Property Owner: ARE-SF No. 15 LLC
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ADOPTING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND WITH THE GENERAL PLAN PRIORITY POLICIES OF PLANNING CODE SECTION 101.1 FOR THE PROPOSED REDEVELOPMENT PLAN AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE MISSION BAY SOUTH REDEVELOPMENT PROJECT TO ALLOW FOR ADDITIONAL SQUARE FOOTAGE OF COMMERCIAL USE AT MISSION BAY BLOCK 43 PARCEL 7 AND ALLOWING ADDITIONAL FLOOR AREA RATIO TO ACCOMMODATE DEVELOPMENT AT THE SAME LOCATION AND ADOPTING ENVIRONMENTAL FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

Section 4.105 of the City Charter and 2A.53 of Administrative Code require General Plan referrals to the Planning Commission (hereinafter “Commission”) for certain matters, including changes to redevelopment project plans within the City and County of San Francisco, to determine conformity of the proposed redevelopment plan with the General Plan prior to consideration by the Board of Supervisors.

On August 2, 2020, ARE-SF No 15 LLC (“Project Sponsor”) submitted a General Plan Referral application for the Redevelopment Plan Amendment for the *Redevelopment Plan for the Mission Bay South Redevelopment Project* (the “Project” or “Redevelopment Plan Amendment”) for Block 43, Parcel 7 (referred to as 1450 Owens Street.

The proposed project is part of the Mission Bay South Redevelopment Plan Project (“Mission Bay Project”) for which the former Redevelopment Agency Commission by Resolution No. 190-98 and the Commission by Resolution No. 14696 certified the Mission Bay Final Supplemental Environmental Impact Report (“Mission Bay FSEIR”) on September 17, 1998. The Board of Supervisors affirmed the certification of the FSEIR by Motion No. 98-132, and adopted CEQA findings, including a statement of overriding considerations and a Mission Bay mitigation monitoring and reporting program in support of various approval actions for the Mission Bay Project. which findings are incorporated in this motion by this reference. Subsequent to the certification of the Mission Bay FSEIR, the Redevelopment Agency Commission and CCII, as successor to the Redevelopment Agency Commission, have also adopted several addenda to the Mission Bay FSEIR and certified the Event Center FSEIR, which tiered off of the Mission Bay FSEIR (collectively, the “Mission Bay CEQA Documents”).

An Addendum to the Mission Bay CEQA Documents (the “Addendum”) has been prepared by OCII, in connection with the proposed Redevelopment Plan Amendment and development at 1450 Owens Street. The Addendum concludes that the proposed Redevelopment Plan Amendment and Project is within the scope of the Mission Bay CEQA Documents and 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 Mission Bay CEQA Documents. The Successor Agency Commission adopted environmental review findings regarding the Addendum on November 17, 2020 by Resolution No. XX-2020. The Addendum and any supporting documents have been made available to the Commission and the public, and the Addendum is incorporated in this resolution by this reference.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- 1. The above recitals are accurate and constitute findings of this Commission.**
- 2. Background.** The Mission Bay South Redevelopment Project Area is one of two Redevelopment Project Areas that make up the Mission Bay development, which together, covers 302 acres of land between the San Francisco Bay and Interstate-280; the two Redevelopment Project Areas (and respective Development Plans) were established in 1998 and enable the development of up to 6,404 housing units (approximately 30% affordable), 5 million square feet of commercial space (office/lab uses and the 18,000 seat Event Center), the new UCSF research campus, the 550 bed UCSF medical center, 419,000 square feet of retail, and 41 acres of new public open space.

As Redevelopment Plan Areas established under California Community Redevelopment Law, development is controlled by the respective Redevelopment Plans and their associated Design for Development documents, rather than the Planning Code. Similarly, land use and entitlement decisions are generally made by the Office of Community Investment and Infrastructure (“OCII”), the successor agency to the Redevelopment Agency, or the Commission on Community Investment and Infrastructure (“CCII”), and not by the Planning Department or Planning Commission.

- 3. Project Description.** The proposal is to amend the Mission Bay South Redevelopment Plan (“South Redevelopment Plan” or “Redevelopment Plan”) to enable the construction of a new project at 1450

Owens Street, which would consist of a new 7-story 109-foot building that would contain up to approximately 131,000 square feet of laboratory use, 49,999 square feet of office use, and 2,600 square feet of ground floor retail.

To enable the 1450 Owens Street Project (hereinafter “Project”), the Mission Bay South Redevelopment Plan would need to be amended by (1) increasing the cap of allowed Commercial Industrial use across the Project Area from 5,253,600 to 6,123,600 leasable square feet and limiting the additional 170,000 square feet to 1450 Owens Street and, (2) increasing the maximum average allowed floor area ratio (FAR) for Commercial Industrial uses from 2.9 to 2.95.

Because the project also looks to increase the height limit, increase bulk limits (plan dimension and floor plate size) above the base height, and revise current setback and streetwall requirements, amendments to the Mission Bay South Design-for-Development (hereinafter “D4D”) are also required. Amendments to the D4D are approved by the CCII and not the Planning Commission.

4. **Public Outreach and Comments.** The Mission Bay Citizens Advisory Committee (herein after “MB CAC”) has recommended the project at 1450 Owens move forward for approval by CCII. The Project Sponsor worked with the MB CAC in considering other designs for the site, including a previous taller proposal that would have had a smaller footprint. The MB CAC asked the Project Sponsor to seek input from surrounding neighborhoods groups, including those from Potrero Hill and Mission Bay. The Project Sponsor, over a year period workshopped with nearby stakeholders to consider other alternatives including the proposed design now being considered for approval. The Project Sponsor has reported that the Potrero Boosters Neighborhood Association recommended approval of the current proposal.
5. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.2

Seek revenue measures which will spread the cost burden equitably to all users of city services.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

The MBS Redevelopment Plan Amendments will enable the construction of a new 183,044 square foot mixed-use life sciences building that would include laboratory, office and retail uses within the Mission Bay South Redevelopment Project Area that accommodates and encourages such uses and includes the UCSF Campus. The Redevelopment Plan amendments will enable additional construction that would not otherwise be allowed in Mission Bay South due to the current cap of commercial use. Increasing the cap will enable additional laboratory and office use in an appropriate location that features similar uses including the UCSF Campus. Also by increasing the cap, the new development at 1450 Owens Street will be constructed within a context where the Project Sponsor

is required to participate in the creation of new infrastructure and community benefits through the Mission Bay South Owner Participation Agreement and pay impact fees per the Redevelopment Plan and the Planning Code. The infrastructure has included the creation of a new public realm for Mission Bay.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

Policy 6.9

Regulate uses so that traffic impacts and parking problems are minimized.

The Project includes a new entry plaza and approximately 2,600 square foot retail space. While not within a Neighborhood Commercial District, the retail space will provide an amenity to the subject building's and surrounding building's workers and visitors. The retail and open space will be a part of a larger network of public realm and retail amenities throughout Mission Bay South. The Addendum establishes that the Project will not result in any significant impacts to transportation. In addition, the Project will provide code required parking in an existing parking facility located to the south of the Project Site across A Street.

URBAN DESIGN ELEMENT

OBJECTIVE 1

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVE TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.1

Recognize and protect major views in the city, with particular attention to those of open space and water.

Policy 1.3

Recognize that buildings, when seen together, produce a total effect that characterizes the city and its district.

The Redevelopment Plan Amendments will enable the construction of a new building at 1450 Owens Street at a square footage currently not permitted due to the existing cap of commercial development. The related Design for Development amendments will allow the building to be at a height and bulk currently not permitted, but more in keeping with similar surrounding buildings. The proposed height of the building blends in with and is lower than the prevailing height of buildings in Mission Bay, and as such does not represent a substantial change to the skyline or public views from surrounding hills and vantages. The design of the building will feature a consistent mass for all floor plates, but will provide visual interest through horizontal shifts and a fine-grained window and mullion pattern.

ENVIRONMENTAL PROTECTION ELEMENT

OBJECTIVE 15

INCREASE THE ENERGY EFFICIENCY OF TRANSPORTATION AND ENCOURAGE LAND USE PATTERNS AND METHODS OF TRANSPORTATION WHICH USE LESS ENERGY.

Policy 15.3

Encourage an urban design pattern that will minimize travel requirements among working, shopping, recreation, school and childcare areas.

The Project site is in a mixed-use neighborhood within walking distance of Muni light rail and bus stations. Development of the site promotes further infill development in Mission Bay South, allowing the building's new workers and visitors to be in close proximity to the City's residential and retail centers and allowing workers to rely more heavily on the City and region's public transportation network. Moreover, given the presence of both City-serving and neighborhood-serving retail in the vicinity of the Project and throughout Mission Bay North and South, workers would be able to satisfy convenience needs without frequent use of a private automobile.

AIR QUALITY ELEMENT

OBJECTIVE 3

DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

Policy 3.1

Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

Policy 3.2

Encourage mixed land use development near transit lines and provide retail and other types of service oriented uses within walking distance to minimize automobile dependent development.

The Project site is within walking distance of Muni light rail and Caltrain. By promoting infill development that would be denser than currently allowed near existing transit, the Project would promote walking and the use of public transportation for daily commuting, entertainment/recreation and convenience needs. By facilitating modes of transportation other than private automobile, the Project's air quality impacts would be reduced.

6. Planning Code Section 101.1(b) establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project complies with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The Project at 1450 Owens, which would be enabled by the subject Redevelopment Plan amendments would accommodate up to approximately 2,600 square feet of ground-floor retail use. This amount of retail will provide an amenity primarily to the users of the Project as well as others in the neighborhood, which will be complementary to existing retail uses. The Project's occupants are expected to provide additional customers for existing neighborhood serving retail uses. Therefore, the Project would not have a negative effect on existing neighborhood serving retail uses and will

enhance future opportunities for employment in ownership of neighborhood-serving retail businesses.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

There is no existing housing at the Project site and so the Project would not have a negative impact on the conservation and preservation of housing. The Project site is located within a sub-district of Mission Bay South that features similar uses and is immediately adjacent to UCSF Mission Bay Campus. The Redevelopment Plan Amendments will enable the construction of the Project on a vacant site, one of the few remaining underdeveloped parcels in Mission Bay South, will enhance the economic diversity of the neighborhood by providing life science lab, office, conference space and ground floor uses. The Project will enhance neighborhood character through its high-quality design, and other new improvements.

- C. That the City's supply of affordable housing be preserved and enhanced,

There is no existing affordable housing at the Project site, and the Project does not propose residential uses. However, the Project will pay the appropriate Jobs-Housing Linkage impact fees associated with construction of the new life science lab, office, and retail use.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project will not impede Muni transit service or overburden streets or neighborhood parking. The Project is located in close proximity to transit. The transit lines operating in the area, including the K and T Muni lines Project also would participate in the Mission Bay Transportation Management Association (MBTMA), and would be required to pay monthly dues towards funding transportation programs in Mission Bay. Access to transit and participation in the MBTMA will minimize any additional traffic impacts that could overburden City streets. The Project also will pay the Transportation Sustainability Fee (TSF). Finally, approximately 176 dedicated parking spaces (1 space per 1,000 square feet) would be provided in an existing multi-level parking structure owned by the Project sponsor located directly south of the Project site, and so the Project would not overburden neighborhood parking.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project will develop an undeveloped, vacant site with approximately 131,000 gsf of life sciences R&D space; up to 49,998 gsf of office space; and 2,600 gsf of ground-floor retail space. The R&D space would include life science laboratories and accessory office space, a life sciences incubator space, and an event/conference center. As the site is vacant, the Project would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired. Instead, the Project would provide space for a range of innovative life science and R&D users as well as retail space, thereby

increasing employment and business ownership opportunities in the area, in a manner that is consistent with the existing character of this portion of the Mission Bay South Redevelopment Plan Area.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project will employ state-of-the-art structural and seismic design, which will meet all aspects of the most up-to-date building, fire, accessibility, and life safety codes.

- G. That landmarks and historic buildings be preserved.

The Project site is vacant and does not contain any existing City landmarks or historic buildings.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will not impact any open space under the jurisdiction of the Recreation and Parks Department. The Project will not shadow any of the open space subject to shadow limits during protected hours pursuant to the Mission Bay South Design For Development. The Project will be immediately to the south of "Owens Field" (P7 in the Redevelopment Plan), a planned active recreation open space. While the Project would shadow this proposed ballfield, such shadow will not negatively impact the usability or enjoyment of Owens Field because access to sunlight is not an essential component for the use of the ballfield.

NOW THEREFORE BE IT MOVED, that the Commission has reviewed and considered the CEQA Findings and statement of overriding considerations that the Successor Agency previously adopted in Resolution No. 190-98, and reviewed and considered the CEQA Findings contained in the Addendum, which the Successor Agency adopted in Resolution No. 29-2020, and hereby adopts these additional CEQA Findings as its own. The Commission additionally finds that: (A) implementation of the Project does not require major revisions in the Mission Bay CEQA Documents due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (B) no substantial changes have occurred with respect to the circumstances under which the Mission Bay Project analyzed in the Mission Bay CEQA Documents will be undertaken that would require major revisions to the Mission Bay CEQA Documents due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the Mission Bay CEQA Documents; and (C) no new information of substantial importance to the Mission Bay Project analyzed in the Mission Bay CEQA Documents has become available which would indicate that (i) the Project will have significant effects not discussed in the Mission Bay CEQA Documents; (ii) significant environmental effects will be substantially more severe; (iii) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (iv) mitigation measures or alternatives which are considerably different from those in the Mission Bay CEQA Documents will substantially reduce one or more significant effects on the environment; and

NOW THEREFORE BE IT FURTHER MOVED, that the that the Commission hereby finds the proposed amendments to the Mission Bay South Redevelopment Plan, as described above, to be consistent with the General Plan of the City and County of San Francisco, including, but not limited to the Commerce and Industry Element, Urban Design Element, Environmental Protection Element, and Air Quality Element, and is consistent with the eight Priority Policies in City Planning Code Section 101.1 for reasons set forth in this motion.

I hereby certify that the foregoing motion was adopted by the Commission at its meeting on November 19, 2020



Jonas P. Ionin
Commission Secretary

AYES: Tanner, Chan, Diamond, Fung, Imperial, Moore, Koppel

NOES: None

ABSENT: None

ADOPTED: November 19, 2020