

1 [Adopting the Redevelopment Plan Amendment for the South of Market Redevelopment
2 Project Area.]

3 **Ordinance approving and adopting the Redevelopment Plan Amendment for the South**
4 **of Market Redevelopment Project Area; adopting findings pursuant to the California**
5 **Environmental Quality Act; adopting findings that the Redevelopment Plan Amendment**
6 **and related documents are consistent with the City's General Plan and Eight Priority**
7 **Policies of City Planning Code Section 101.1; adopting other findings pursuant to the**
8 **California Community Redevelopment Law; and authorizing official acts in furtherance**
9 **of this ordinance.**

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

12 Section 1. FINDINGS. The Board of Supervisors of the City and County of
13 San Francisco hereby finds, determines and declares, based on the record before it, including
14 but not limited to information contained in the Report on the Redevelopment Plan Amendment
15 (as hereafter defined), that:

16 A. On June 11, 1990, the Board of Supervisors approved and adopted a
17 Redevelopment Plan for the South of Market Earthquake Recovery Redevelopment Project
18 Area ("Project Area") by Ordinance No. 234-90 pursuant to the Community Redevelopment
19 Disaster Project Law (Sections 34000 through 34014 of the California Health and Safety
20 Code, adopted in 1964, and, as subsequently amended, referred to as the "CR Disaster
21 Project Law"). Since then the Board has amended such Redevelopment Plan three times: by
22 Ordinance No. 431-94 on December 12, 1994, by Ordinance No. 364-95 on November 13,
23 1995, and by Ordinance No. 388-97 on October 14, 1997. Ordinance No. 234-90, as it has
24 been amended (together, the "Earthquake Recovery Redevelopment Plan") is by this
25 reference incorporated and made a part hereof as though fully set forth herein.

MAYOR GAVIN NEWSOM
BOARD OF SUPERVISORS

1 B. The CR Disaster Project Law allows the Board of Supervisors to include all or a
2 portion of a project area created pursuant to the CR Disaster Project Law within a separate
3 redevelopment plan so long as such separate redevelopment plan meets all the requirements
4 of the Community Redevelopment Law (Sections 33000 et seq. of the California Health and
5 Safety Code and referred to as the "Community Redevelopment Law").

6 C. On January 16, 1997, the Planning Commission of the City and County of
7 San Francisco selected and designated the boundaries of a proposed amended South of
8 Market Redevelopment Project Area and approved a Preliminary Plan for the proposed
9 amended Project Area. On March 4, 1997, the Agency, by Resolution No. 32-97, requested
10 the Board to pass a resolution calling for the election of a Redevelopment Project Area
11 Committee for the South of Market Redevelopment Project Area and approving procedures
12 for the formation of the Project Area Committee. On March 28, 1997, the Board approved and
13 adopted "Articles of Formation for the Redevelopment Project Area Committee for the South
14 of Market Redevelopment Project" by Resolution No. 268-97. On April 24, 1997, an election
15 was held in the proposed amended South of Market Redevelopment Project Area for the
16 purposes of forming a Project Area Committee. On May 27, 1997, the Board, by Resolution
17 No. _____, found that the appropriate election procedures were followed and that the
18 members of the South of Market Project Area Committee ("PAC") were duly elected.

19 D. Working in conjunction with the PAC, the Redevelopment Agency of the City
20 and County of San Francisco (the "Agency") has prepared a proposed amendment to the
21 Earthquake Recovery Redevelopment Plan that converts it to a Redevelopment Plan that
22 meets all the requirements of the Community Redevelopment Law and contains other
23 changes (collectively the "South of Market Redevelopment Plan Amendment"). The principal
24 changes reflected in the South of Market Redevelopment Plan Amendment are: 1) revised
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1 redevelopment goals and objectives and the expansion of redevelopment actions to address
2 all conditions of blight in the area; 2) the addition of the Western Expansion Area, bounded by
3 Folsom Street, Columbia Square, Harrison Street, and Seventh Street, to the project area
4 previously established by the South of Market Earthquake Recovery Redevelopment Project
5 Area (collectively, the "Amended Project Area"); 3) an increase in the aggregate amount of
6 tax increment the Agency may receive and the maximum amount of bond indebtedness the
7 Agency may have outstanding at any one time; 4) an extension of the Agency's ability to
8 incur and repay debt from tax increment proceeds by an additional ten years; 5) authorization
9 to acquire certain properties through eminent domain, subject to the limitations contained in
10 the Redevelopment Plan; and 6) the extension by ten years of the expiration date from June
11 11, 2010, to June 11, 2020.

12 E. Pursuant to Section 33352 of the California Community Redevelopment Law,
13 the Agency has prepared a Report on the South of Market Redevelopment Plan Amendment
14 (the "Report on the Redevelopment Plan Amendment"), that has been made available for
15 public review before the date of the hearing on this Ordinance approving the South of Market
16 Redevelopment Plan.

17 F. The Redevelopment Agency has transmitted to this Board of Supervisors
18 certified copies of its Resolution Nos. 67-2005 through 71-2005, adopted after a duly noticed
19 public hearing held on May 3, 2005. These resolutions contain the findings required by the
20 California Environmental Quality Act ("CEQA") regarding consideration of alternatives to the
21 amendment of the South of Market Earthquake Recovery Redevelopment Plan, approval of a
22 mitigation and monitoring program and a statement of overriding considerations in Resolution
23 No. 67-2005, approve the Report on the Redevelopment Plan in Resolution No. 68-2005,
24 recommend the adoption of the Redevelopment Plan for the Project Area in Resolution No.

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1 69-2005 and approve a Delegation Agreement with the Planning Department. The
2 Redevelopment Agency has transmitted a copy of such Resolutions, the Report on the
3 Redevelopment Plan Amendment and the South of Market Redevelopment Plan Amendment,
4 and such documents are on file with the Clerk of the Board of Supervisors in File
5 No. _____, and are incorporated herein by reference as though fully set forth
6 herein.

7 G. On March 24, 2005, after a duly noticed public hearing, the Planning
8 Commission adopted Motion Nos. 16969 and 16970 as follows: Motion No. 16969 adopted
9 the findings required by CEQA regarding alternatives to the proposed Redevelopment Plan, a
10 mitigation monitoring and reporting program and a statement of overriding considerations
11 (collectively the "CEQA Findings"), and Motion No. 16970 finds the South of Market
12 Redevelopment Plan to be generally consistent with the General Plan and in conformity with
13 the Priority Policies of Section 101.1 of the Planning Code and recommended the adoption of
14 the South of Market Redevelopment Plan to this Board of Supervisors. A copy of such
15 Planning Commission Motions are on file with the Clerk of the Board of Supervisors in File
16 No _____ and are incorporated herein by reference as though fully set forth.

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

6 I. Pursuant to Sections 33205 and 33128 of the Community Redevelopment Law,
7 the Agency may delegate to the City's Planning Department administration of the
8 development controls over the Project Area set forth in a redevelopment plan. Consistent with
9 such authority, on May 3, 2005, the Agency's Commission adopted Resolution No. 71-2005,
10 authorizing amendment of the Cooperation Agreement dated November 30, 1990, as a
11 Delegation Agreement with the City's Planning Department, and on _____ 2005, the City's
12 Planning Commission adopted Motion No. _____, approving the Delegation Agreement.

13 J. Pursuant to California Health and Safety Code Sections 33220, 33343, 33344
14 and 33370, and in order to promote development in accordance with objectives and purposes
15 of the South of Market Redevelopment Plan Amendment and documents relating to such
16 Redevelopment Plan Amendment, the City intends to aid and cooperate with the Agency to
17 undertake and complete proceedings and actions necessary to be carried out by the City and
18 provide for the allocation and expenditure of monies by the community in carrying out the
19 South of Market Redevelopment Plan Amendment.

20 Section 2. CITY'S CEQA FINDINGS. The Board of Supervisors of the City and
21 County of San Francisco further finds, determines and declares, based on the record before it,
22 including but not limited to information contained in the Report on the Redevelopment Plan
23 Amendment and the records of the Planning Commission and the Agency Commission
24 referenced herein, that:

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MAYOR GAVIN NEWSOM
BOARD OF SUPERVISORS

1 A. Following the Board of Supervisors' adoption of the Earthquake Recovery
2 Redevelopment Plan on June 11, 1990, the Agency prepared a proposed amendment to the
3 Plan.

4 B. On January 13, 2005, by Motion Number 16927, the Planning Commission
5 adopted a revised Preliminary Plan for the South of Market Redevelopment Project Area.

6 C. The Planning Department and Agency have undertaken a planning and
7 environmental review process for the proposed Plan Amendment and provided for appropriate
8 public hearings before the Planning Commission and the Redevelopment Agency
9 Commission.

10 D. The actions listed in Attachment A hereto ("Actions") are part of a series of
11 considerations in connection with the adoption of the Plan Amendment and various
12 implementation actions ("Project"), as more particularly defined in Attachment A hereto.

13 E. The Planning Department prepared and the Planning Commission certified on
14 January 23, 1997, by Motion No. 14287, a Final Environmental Impact Report ("FEIR") for an
15 initial proposal to amend the Plan.

16 F. For various reasons, the Agency did not adopt the initial amendment to the Plan.
17 Thereafter, the Agency proposed the revised Plan Amendment.

18 G. The Planning Department and Agency, as co-lead agencies, determined that a
19 Supplement to the FEIR was appropriate for the proposed Plan Amendment and on August
20 28, 2004, the Agency published the Draft Supplement to the FEIR ("Draft Supplement"). The
21 Draft Supplement was circulated for public review in accordance with the California
22 Environmental Quality Act, California Public Resources Code section 21000 et seq, ("CEQA"),
23 the State CEQA Guidelines, 14 California Code of Regulations Sections 15000 et seq., (the
24 "CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter

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1 31"). The Redevelopment Agency Commission and Planning Commission each held a public
2 hearing on the Draft Supplement on October 5, 2004 and October 14, 2004, respectively.

3 H. The Agency, in consultation with the Planning Department, prepared responses
4 to comments on the Draft Supplement, which together with the Draft Supplement and
5 additional information that became available, constitute the Final Supplement to the FEIR
6 ("Final Supplement").

7 I. The Planning Commission, on January 13, 2005, by Motion No. 16927, and the
8 Redevelopment Agency Commission, on January 18, 2005, by Resolution 9-2005, reviewed
9 and considered the Final Supplement and found that the contents of said report and the
10 procedures through which the Final Supplement was prepared, publicized and reviewed
11 complied with the provisions of CEQA, the CEQA Guidelines and Chapter 31 of the San
12 Francisco Administrative Code.

13 J. Also by Motion No. 16927 and Resolution 9-2005, the Planning Commission and
14 Redevelopment Agency Commission, respectively, finding that the Final Supplement was
15 adequate, accurate and objective, reflected the independent judgment of each Commission
16 and that the Comments and Responses document contains no significant revisions to the
17 Draft Supplement, adopted findings of significant impacts associated with the Project and
18 certified the completion of the Final Supplement for the Project in compliance with CEQA and
19 the CEQA Guidelines.

20 K. The Planning Department and Agency have prepared proposed Findings, as
21 required by CEQA, regarding the alternatives, mitigation measures and significant
22 environmental impacts analyzed in the FEIR and Final Supplement, overriding considerations
23 for approving the Project, including all of the actions listed in Attachment A hereto, and a
24 proposed mitigation monitoring and reporting program, attached as Exhibit 1 to Attachment A,
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1 which material was made available to the public and this Board of Supervisors for the Board
2 of Supervisors' review, consideration and actions.

3 L. The FEIR and the Final Supplement files and other project related Planning
4 Department and Agency files have been made available for review by this Board of
5 Supervisors and the public and those files are part of the record before this Board of
6 Supervisors.

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

22 N. The Board of Supervisors has reviewed and considered the FEIR and the Final
23 Supplement and hereby adopts the Project Findings attached hereto as Attachment A,
24 including Exhibits 1 through 3, and incorporates the same herein by this reference.

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MAYOR GAVIN NEWSOM
BOARD OF SUPERVISORS

1 Section 3. PURPOSES AND INTENT. The purposes and intent of the Board of
2 Supervisors with respect to this Ordinance are to adopt the South of Market Redevelopment
3 Plan Amendment in accordance with the Community Redevelopment Law and to achieve the
4 objectives for redevelopment of the Amended Project Area specified in the South of Market
5 Redevelopment Plan Amendment.

6 Section 4. INCORPORATION BY REFERENCE. By this reference, the South of
7 Market Redevelopment Plan Amendment, a copy of which is on file with the Clerk of the
8 Board of Supervisors under File No. _____, is incorporated in and made a part of
9 this Ordinance with the same force and effect as though set forth fully herein.

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

14 A. The Amended Project Area which is the subject of the South of Market
15 Redevelopment Plan Amendment is a blighted area (as described in the Report on the Plan
16 Amendment), the redevelopment of which is necessary to effectuate the public purposes
17 declared in the Community Redevelopment Law.

18 B. The South of Market Redevelopment Plan Amendment will redevelop the
19 Amended Project Area, as set forth in the Report on the Redevelopment Plan Amendment, in
20 conformity with the Community Redevelopment Law and is in the interests of the public
21 peace, health, safety, and welfare.

22 C. The adoption and carrying out of the South of Market Redevelopment Plan
23 Amendment is economically sound and feasible as described in the Report on the
24 Redevelopment Plan Amendment.

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1 D. For the reasons referred to in Section 1G of this Ordinance, the Redevelopment
2 Plan Amendment is consistent with the General Plan of the City and County of San Francisco,
3 including but not limited to the housing element of the General Plan, which substantially
4 complies with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3
5 of Division 1 of Title 7 of the California Government Code and other applicable requirements
6 of law, and is consistent with the eight Priority Policies in Planning Code Section 101.1.

7 E. The carrying out of the South of Market Redevelopment Plan Amendment will
8 promote the public peace, health, safety and welfare of the community and effectuate the
9 purposes and policies of the Community Redevelopment Law as generally described in the
10 Report on the Redevelopment Plan Amendment.

11 F. The condemnation of real property, to the extent provided for in the South of
12 Market Redevelopment Plan Amendment, may be necessary for the execution of such
13 Redevelopment Plan Amendment and adequate provisions have been made in such
14 Redevelopment Plan Amendment for payment for property to be so acquired in accordance
15 with law.

16 G. The implementation of the Redevelopment Plan Amendment may result in the
17 displacement of low- or moderate-income persons, however, the Agency has a feasible
18 method or plan for the relocation of families and persons displaced from the Amended Project
19 Area, if such implementation results in the temporary or permanent displacement of any
20 occupants of housing facilities in the Amended Project Area.

21 H. There are, or shall be provided, in the Amended Project Area or in other areas
22 not generally less desirable in regard to public utilities and public and commercial facilities and
23 at rents or prices within the financial means of the families and persons displaced from the
24 Amended Project Area, decent, safe, and sanitary dwellings equal in number to the number of
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1 and available to the displaced families and persons and reasonably accessible to their places
2 of employment.

3 I. Families and persons shall not be displaced prior to the adoption of a relocation
4 plan pursuant to Sections 33411 and 33411.1 of the California Health and Safety Code and
5 dwelling units housing families and persons of low or moderate income shall not be removed
6 or destroyed prior to the adoption of a replacement housing plan pursuant to
7 Sections 33334.5, 33413, and 33413.5 of the California Health and Safety Code.

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

9 K. The Amended Project Area includes lands, buildings and improvements which
10 are not individually detrimental to the public health, safety or welfare but which are necessary
11 for the effective redevelopment of the Amended Project Area. All areas included in the
12 Amended Project Area are necessary for effective redevelopment of the Amended Project
13 Area, and no areas in the Amended Project Area are included solely for the purpose of
14 obtaining an allocation of tax increment revenues from the Amended Project Area pursuant to
15 California Health and Safety Code Section 33670 without other substantial justification for its
16 inclusion.

17 L. The elimination of blight and the redevelopment of the Amended Project Area
18 could not reasonably be expected to be accomplished by private enterprise acting alone
19 without the aid and assistance of the Agency.

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

22 N. The time limitation and the limitation on the number of dollars to be allocated to
23 the Agency that are contained in the South of Market Redevelopment Plan Amendment are
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1 reasonably related to the proposed projects to be implemented in the Amended Project Area
2 and to the ability of the Agency to eliminate blight within the Amended Project Area.

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

8 P. On March 28, 2005, the PAC recommended the approval of the South of Market
9 Redevelopment Plan Amendment.

10 Section 6. Pursuant to Section 33365 of the California Health and Safety Code, the
11 Board of Supervisors hereby approves and adopts the South of Market Redevelopment Plan
12 Amendment as the official Redevelopment Plan for the Amended Project Area.

13 Section 7. The Clerk of the Board of Supervisors shall without delay (1) transmit a
14 copy of this Ordinance to the Agency pursuant to California Health and Safety Code
15 Section 33372, whereupon the Agency shall be vested with the responsibility for carrying out
16 the Redevelopment Plan Amendment, (2) record or ensure that the Agency records a
17 description of the Amended Project Area and a certified copy of this Ordinance pursuant to
18 California Health and Safety Sections 33373, and (3) transmit, by certified mail, return receipt
19 requested, a copy of this Ordinance, together with a copy of the South of Market
20 Redevelopment Plan Amendment, which contains a legal description of the Amended Project
21 Area and a map indicating the boundaries of the Amended Project Area, to the Controller, the
22 Tax Assessor, the State Board of Equalization and the governing body of all taxing agencies
23 in the Project Area pursuant to California Health and Safety Code Sections 33375 and 33670.

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BOARD OF SUPERVISORS

1 Section 8. In accordance with California Health and Safety Code Sections 33220,
2 33343, 33344 and 33370, the Board of Supervisors declares its intent to undertake and
3 complete actions and proceedings necessary to be carried out by the City under the
4 Redevelopment Plan Amendment and related Plan Documents (as defined in the
5 Redevelopment Plan Amendment) and authorizes and urges the Mayor and other applicable
6 officers, commissions and employees of the City to take any and all steps as they or any of
7 them deem necessary or appropriate, in consultation with the City Attorney, to cooperate with
8 the Agency in the implementation of the South of Market Redevelopment Plan Amendment
9 and to effectuate the purposes and intent of this Ordinance, such determination to be
10 conclusively evidenced by the execution and delivery by such person or persons of any such
11 documents.

12 APPROVED AS TO FORM:
13 DENNIS J. HERRERA, City Attorney

14 By: _____
15 DONNELL W. CHOY
 Deputy City Attorney

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