

1 [Redevelopment Plan Amendment - Mission Bay South Blocks 29-32 Hotel]

2
 3 **Ordinance approving an amendment to the Redevelopment Plan for the Mission Bay**
 4 **South Redevelopment Project, which modifies the land use designation for certain**
 5 **property in Blocks 29-32 (also known as the site of Chase Center) to add hotel and**
 6 **residential as permitted uses, increases the total leasable square feet of retail space**
 7 **permitted on this property, increases the number of hotels and hotel rooms in the plan**
 8 **area, and authorizes certain dwelling units to be built on certain property in the plan**
 9 **area; directing the Clerk of the Board of Supervisors to transmit a copy of this**
 10 **Ordinance upon its enactment to the Successor Agency; making findings under the**
 11 **California Environmental Quality Act; and making findings of consistency with the**
 12 **General Plan, and the eight priority policies of Planning Code, Section 101.1(b).**

13 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 14 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 15 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 16 **Board amendment additions** are in double-underlined Arial font.
 17 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 18 **Asterisks (* * * *)** indicate the omission of unchanged Code
 19 subsections or parts of tables.

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

21 Section 1. Findings. The Board of Supervisors of the City and County of San
 22 Francisco (the “Board of Supervisors” or “Board”) hereby finds, determines, and declares,
 23 based on the record before it, including but not limited to, information contained in the Report
 24 to the Board of Supervisors on the Amendment to the Redevelopment Plan for the Mission
 25 Bay South Redevelopment Project (“Report to the Board”) regarding Blocks 29-32, also
 known as the site of Chase Center, that:

1 (a) On September 17, 1998, by Resolution No. 190-98, the former Redevelopment
2 Agency of the City and County of San Francisco (“Agency” or “Redevelopment Agency”)
3 approved the Redevelopment Plan for the Mission Bay South Redevelopment Project (the
4 “Redevelopment Plan”) to govern redevelopment in the Mission Bay South Redevelopment
5 Project Area (the “Plan Area”). On the same date, the Agency adopted related documents,
6 including Resolution No. 193-98 authorizing execution of an Owner Participation Agreement
7 (“South OPA”) and related documents between Catellus Development Corporation, a
8 Delaware corporation, and the Agency applicable to the Plan Area. FOCIL-MB, LLC, a
9 Delaware limited liability company (“FOCIL”), entered into an Assignment, Assumption and
10 Release Agreement, dated November 22, 2004, under which FOCIL assumed the rights and
11 obligations of the prior owner under the South OPA.

12 (b) The Board of Supervisors approved and adopted the Redevelopment Plan by
13 Ordinance No. 335-98 on November 2, 1998, and amendments to the Redevelopment Plan
14 by Ordinance No. 143-13 on July 9, 2013 and Ordinance No. 032-18 on March 6, 2018.
15 Copies of these ordinances are in Clerk of the Board of Supervisors File Nos. 981441,
16 130458, and 171280, respectively, and are incorporated herein by reference.

17 (c) On February 1, 2012, the State of California dissolved all redevelopment agencies
18 in the state and established successor agencies to assume certain rights and obligations of
19 the former agencies. Cal. Health & Safety Code §§ 34170 et seq. (“Redevelopment
20 Dissolution Law”). On October 2, 2012, the Board of Supervisors delegated, by Ordinance
21 No. 215-12, its state authority under the Redevelopment Dissolution Law to the Successor
22 Agency Commission, commonly referred to as the Commission on Community Investment
23 and Infrastructure. The Successor Agency Commission is required to implement and
24 complete, among other things, the surviving enforceable obligations of the former
25 Redevelopment Agency and is authorized to approve amendments to redevelopment plans as

1 allowed under Redevelopment Dissolution Law and subject to adoptions of such plan
2 amendments by the Board of Supervisors. On January 24, 2014, the California Department of
3 Finance finally and conclusively determined that the South OPA executed by the
4 Redevelopment Agency on September 17, 1998, by Resolution No. 190-98 with the developer
5 of the Plan Area was an enforceable obligation of the successor to the Redevelopment
6 Agency (the "Successor Agency").

7 (d) As set forth more fully in Section 1, subparagraph (g) of this ordinance, the
8 Successor Agency Commission recommends approval of an amendment to the
9 Redevelopment Plan (the "Plan Amendment"), which would modify the land use designation
10 for certain property within the Plan Area (Blocks 29-30) to add residential and hotel land uses
11 as permitted principal uses, increase the total Leasable square feet of retail space permitted
12 on certain property within the Plan Area (Blocks 29-32), permit a hotel with up to 230 hotel
13 rooms to be built on certain property in the Plan Area (Blocks 29-30), and authorize certain
14 dwelling units to be built on certain property within the Plan Area (Blocks 29-30). Blocks 29-
15 32, also known as the site of Chase Center, are bounded by 3rd Street on the west, Terry A.
16 Francois Boulevard on the east, Warriors Way (formerly known as South Street) on the north,
17 and 16th Street on the south.

18 (e) In accordance with Sections 33457.1 and 33352 of the California Redevelopment
19 Law (Health and Safety Code Sections 33000 et seq., the "Redevelopment Law"), the
20 Successor Agency has prepared the Report to the Board that includes information to the
21 extent warranted by the Plan Amendment and made the Report to the Board available to the
22 public on or before the date of the public hearing, noticed in accordance with Redevelopment
23 Law Section 33452, on this ordinance approving the Plan Amendment; said hearing is
24 referenced in Section 1, subparagraph (g) of this ordinance.

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1 (f) On May 4, 2020, FOCIL, the master developer of the Plan Area, consented to the
2 Successor Agency's approval of the Plan Amendment, as provided for under the South OPA.

3 (g) Successor Agency Commission Action. On May 19, 2020, after holding a duly
4 noticed public hearing in accordance with Redevelopment Law Section 33452, the Successor
5 Agency Commission, in Resolution No. 06-2020, approved the Report to the Board and made
6 certain findings. By Resolution No. 07-2020, it recommended to the Board of Supervisors the
7 adoption of the Plan Amendment. It determined, consistent with its authority under the
8 Redevelopment Law, as amended by the Redevelopment Dissolution Law, that the Plan
9 Amendment is necessary and desirable, approved the Plan Amendment, and recommended
10 forwarding it to the Board of Supervisors for approval. The Successor Agency Commission
11 has transmitted to the Board of Supervisors a certified copy of Resolution No. 06-2020 and
12 attached its Report to the Board. Copies of these documents and Resolution No. 06-2020 are
13 in Board File No. 200575, and are incorporated herein by reference.

14 (h) Environmental Findings.

15 (1) On November 3, 2015, the Successor Agency Commission by Resolution
16 Nos. 69-2015 and 70-2015 and in accordance with the California Environmental Quality Act
17 (Public Resources Code Sections 21000 et seq., "CEQA") certified the Final Subsequent
18 Environmental Impact Report for the Event Center and Mixed-Use Development at Mission
19 Bay Blocks 29-32 (the "Event Center FSEIR") and adopted CEQA findings, including a
20 statement of overriding considerations and a mitigation monitoring and reporting program
21 ("MMRP") in support of various approval actions taken by the Successor Agency Commission
22 to implement the Event Center and Mixed-Use Development at Mission Bay Blocks 29-32.
23 The Successor Agency Commission Resolutions and related materials on CEQA findings and
24 the Board of Supervisors CEQA findings are in Clerk of the Board of Supervisors File Nos.
25 150990 and 151205 and are incorporated herein by reference.

1 (2) The Event Center FSEIR tiers from the Final Subsequent Environmental
2 Impact Report for Mission Bay North and South (“Mission Bay FSEIR”), a program EIR for
3 Mission Bay North and South pursuant to CEQA and CEQA Guidelines Sections 15168
4 (Program EIR) and 15180 (Redevelopment Plan EIR). The Commission of the former
5 Redevelopment Agency of the City and County of San Francisco (“Redevelopment
6 Commission”) by Resolution No. 182-98, and the San Francisco Planning Commission, by
7 Resolution No. 14696, together acting as co-lead agencies for conducting environmental
8 review for the Redevelopment Plans for the Mission Bay North Redevelopment Project Area
9 and the Mission Bay South Redevelopment Project Area, the Mission Bay North Owner
10 Participation Agreement and the South OPA, and other permits, approvals and related and
11 collateral actions (the “Mission Bay Project”), certified the Mission Bay FSEIR on September
12 17, 1998. On October 19, 1998, the Board of Supervisors adopted Motion No. 98-132
13 affirming certification of the Mission Bay FSEIR by the Planning Commission and the
14 Redevelopment Commission, and Resolution No. 854-98 adopting environmental findings,
15 including an MMRP and a statement of overriding considerations, for the Mission Bay Project.
16 This Board of Supervisors Motion and Resolution and related documents as specified above
17 are in Clerk of the Board File Nos. 981426 and 981427, respectively, and are incorporated
18 herein by reference.

19 (3) On May 13, 2020, the Successor Agency, the lead agency for purposes of
20 CEQA, issued Addendum No. 1 to the Event Center FSEIR (the “Addendum”) to address the
21 development that would result from the Plan Amendment, including development of Blocks
22 29-30, an increase in the Leasable square footage of retail area on Blocks 29-32, and
23 additional dwelling units and hotel rooms in the Plan Area. The Addendum concludes that the
24 proposed Plan Amendment is within the scope of the project analyzed in the Event Center
25 FSEIR and will not result in any new significant impacts or a substantial increase in the

1 severity of previously identified significant effects that alter the conclusions reached in the
2 Event Center FSEIR. The Successor Agency relied on the Addendum as part of its action on
3 the Report to the Board in Resolution No. 06-2020. The Successor Agency Resolution, the
4 Addendum, and supporting documents have been made available to the Board of Supervisors
5 and the public and are on file with the Clerk of the Board of Supervisors in File No. 200575.
6 The Addendum is incorporated in this ordinance by this reference.

7 (4) The Board of Supervisors, acting in its capacity as a responsible agency
8 under CEQA, has reviewed and considered the CEQA Findings and statement of overriding
9 considerations that the Successor Agency Commission previously adopted in Resolution Nos.
10 69-2015 and 70-2015, and reviewed and considered the CEQA Findings contained in the
11 Addendum and hereby adopts these additional CEQA Findings as its own. The Board
12 additionally finds that implementation of the Plan Amendment (A) does not require major
13 revisions in the Event Center FSEIR due to the involvement of new significant environmental
14 effects or a substantial increase in the severity of previously identified significant effects, (B)
15 no substantial changes have occurred with respect to the circumstances under which the
16 project analyzed in the Event Center FSEIR will be undertaken that would require major
17 revisions to the Event Center FSEIR due to the involvement of new significant environmental
18 effects, or a substantial increase in the severity of effects identified in the Event Center
19 FSEIR, and (C) no new information of substantial importance to the project analyzed in the
20 Event Center FSEIR has become available which would indicate that (i) the Plan Amendment
21 will have significant effects not discussed in the Event Center FSEIR; (ii) significant
22 environmental effects will be substantially more severe; (iii) mitigation measures or
23 alternatives found not feasible which would reduce one or more significant effects have
24 become feasible; or (iv) mitigation measures or alternatives which are considerably different
25

1 from those in the Event Center FSEIR will substantially reduce one or more significant effects
2 on the environment.

3 (i) On June 18, 2020, the Planning Commission, in Motion No. 20746, adopted
4 findings that the actions contemplated in this ordinance are consistent, on balance, with the
5 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board
6 adopts these findings as its own. A copy of said Planning Commission Resolution is on file
7 with the Clerk of the Board of Supervisors in File No. 200575, and is incorporated herein by
8 reference.

9 (j) The Board of Supervisors held a public hearing on July 21, 2020, on the adoption of
10 the Plan Amendment in the Board Legislative Chamber at City Hall, 1 Dr. Carlton B. Goodlett
11 Place, Room 250, San Francisco, California. The hearing has been closed. Notice of such
12 hearing was duly and regularly published in a newspaper of general circulation in the City and
13 County of San Francisco, once per week for three successive weeks prior to the date of such
14 hearing in accordance with Redevelopment Law Section 33452. At such hearing, the Board
15 considered the report of the Successor Agency Commission, the Planning Commission
16 Motion No. 20746, the Event Center FSEIR, and the Addendum, and all evidence and
17 testimony regarding the Plan Amendment. The Board hereby adopts findings to the extent
18 required by the Redevelopment Law as set forth in Section 5 of this ordinance.

19
20 Section 2. Purpose and Intent. The purpose and intent of the Board of Supervisors
21 with respect to the Plan Amendment is to permit hotel and residential land uses on Blocks 29-
22 30, increase the total Leasable square feet of retail space permitted on Blocks 29-32, permit a
23 hotel with up to 230 hotel rooms to be built on Blocks 29-30, and authorize up to 21 dwelling
24 units to be built on Blocks 29-30 in the Plan Area, which will contribute to and complement the
25 overall goals and objectives of the Redevelopment Plan, facilitate the completion of

1 redevelopment of the Plan Area, and expeditiously wind down the activities of the dissolved
2 redevelopment agency as required under Redevelopment Dissolution Law.

3
4 Section 3. Plan Incorporation by Reference. The Redevelopment Plan as amended by
5 this ordinance is incorporated in and made a part of this ordinance by this reference with the
6 same force and effect as though set forth fully in this ordinance.

7
8 Section 4. The Redevelopment Plan for the Mission Bay South Redevelopment Project
9 is hereby amended, to read as follows:

10 Redevelopment Plan Amendment.

11 (a) Section 103(H) of the Redevelopment Plan is hereby amended to read as follows:

12 Strengthening the economic base of the Plan Area and the community by
13 strengthening retail and other commercial functions in the Plan Area through the addition of
14 up to approximately ~~335,000~~400,000 Leasable square feet of retail space ~~and~~, a hotel of up to
15 500 rooms and associated uses in the Hotel land use district, depending on the amount of
16 residential uses constructed in the Hotel land use district, a hotel of up to 230 rooms and
17 associated uses on Blocks 29-30 in the Commercial Industrial/Retail land use district, and about
18 5,953,600 Leasable square feet of mixed office, research and development and light
19 manufacturing uses.

20 (b) Section 302.4(A) of the Redevelopment Plan is hereby amended to read as
21 follows:

22 The following principal uses are permitted in the Commercial Industrial/Retail district:

23 * * * *

24 Retail Sales and Services:

25 All Retail Sales and Services, including Bars and aerobic studios

1 Restaurants
2 Automobile Rental
3 Tourist Hotel (Blocks 29-30 only)

4 Arts Activities and Spaces

5 * * * *

6 Automotive:

7 Automobile service station

8 Automobile wash

9 Dwelling Units (Blocks 29-30 only)

10 Other Uses:

11 * * * *

12 (c) Section 304.4 of the Redevelopment Plan is hereby amended to read as follows:

13 The number of Dwelling Units ~~presently~~ in the Plan Area ~~is currently none, and~~ shall be
14 approximately 3,440 under this Plan. Of those 3,440 Dwelling Units, 350 are allocated to the
15 Hotel land use district and cannot be constructed on any site other than Block 1, and up to 21
16 are allocated to Blocks 29-30 in the Commercial Industrial/Retail land use district and cannot be
17 constructed on any site other than Blocks 29-30, with the remaining Dwelling Units allocated to the
18 Mission Bay South Residential land use district. The total number of Dwelling Units that may
19 be constructed within the Hotel land use district must not exceed 350 Dwelling Units and must
20 not preclude the development of a hotel within the Hotel land use district as provided for in
21 Section 302.2. Further, inclusion of Dwelling Units within the Hotel land use district will reduce
22 the total number of hotel ~~size~~rooms and Leasable square footage of retail allowed in the ~~Plan~~
23 ~~Area~~Hotel land use district as provided for in Section 304.5.

24 (d) Section 304.5 of the Redevelopment Plan is hereby amended to read as follows:

25

1 The type of buildings may be as permitted in the Building Code as in effect from time to
2 time. Approximately ~~335,000~~400,000 Leasable square feet of retail space, an up to 500-room
3 hotel in the Hotel land use district and an up to 230-room hotel on Blocks 29-30 in the Commercial
4 Industrial/Retail land use district, including associated uses such as retail, banquet and
5 conferencing facilities, approximately 5,953,600 Leasable square feet of mixed office,
6 research and development and light manufacturing uses, with about 2,650,000 square feet of
7 UCSF instructional, research and support uses are allowed in the Plan Area.

8 * * * *

9 Of the ~~335,000~~400,000 Leasable square feet, up to ~~105,700~~170,700 Leasable square feet
10 may be City-serving retail, allocated as follows: ~~20,700~~85,700 on blocks 29, 30, 31, 32 and 36
11 in Zone A (except that approximately 65,000 Leasable square feet of such City-serving retail may only
12 be located on Blocks 29-32); 45,000 Zone B; 36,000 Zone C; 4,000 Zone D. The balance of the
13 permitted retail use, 229,300 Leasable square feet, is allocated as follows: 50,000
14 entertainment/neighborhood-serving retail in the Hotel district, 159,300 neighborhood-serving
15 retail in Zone A and sites designated Commercial or Mission Bay South Residential on
16 Attachment 3 in the Plan Area, and 20,000 neighborhood-serving retail on Agency-sponsored
17 affordable housing sites.

18 * * * *

19 If Dwelling Units are constructed within the Hotel land use district, the maximum size of
20 the hotel within the Hotel land use district will be reduced to 250 rooms and the maximum
21 amount of retail square footage within the Hotel land use district will be reduced to 25,000
22 Leasable square feet.

23 (e) Attachment 3 of the Plan (Redevelopment Land Use Map) is hereby amended to
24 include the following text in the Commercial Industrial / Retail land use description:

25 COMMERCIAL INDUSTRIAL / RETAIL (including Hotel and Residential on Blocks 29-30)

1 (f) Attachment 5 of the Plan (Definitions) is hereby amended to read as follows:

2 * * * *

3 Plan Documents. This Plan and its implementing documents including, without
4 limitation, any owner participation agreements, the Mission Bay ~~North~~South Design for
5 Development and the Mission Bay Subdivision Ordinance and regulations adopted
6 thereunder.

7 * * * *

8
9 Section 5. Further Findings and Determinations under Redevelopment Law. The
10 Board of Supervisors hereby further finds, determines, and declares, based on the record
11 before it, including but not limited to information contained in the Report to the Board that:

12 (a) Certain portions of the Plan Area remain blighted areas and remain undeveloped.
13 The Plan Amendment will improve or alleviate the physical and economic conditions in the
14 Plan Area by allowing for a diversity of land uses, including residential use and hotel use, and
15 thus will support the full economic use of Blocks 29-32, further activating and revitalizing the
16 surrounding neighborhood.

17 (b) The carrying out of the Plan Amendment will effectuate the purposes and policies
18 of the Redevelopment Dissolution Law, which requires the expeditious wind down of
19 redevelopment activities.

20 (c) The Plan Amendment will allow redevelopment of the area in conformity with
21 Redevelopment Law, as amended by the Redevelopment Dissolution Law, and in the
22 interests of the public peace, health, safety, and welfare.

23 (d) The development of dwelling units and hotel use on Blocks 29-30 will provide
24 flexibility in the development of the Plan Area to respond readily and appropriately to market
25 conditions, providing opportunities for participation by owners in the redevelopment of their

1 properties, strengthening the economic base of the Plan Area and the community by
2 strengthening retail and other commercial functions in the Plan Area, and achieving these
3 objectives in the most expeditious manner feasible.

4 (e) The adoption and carrying out of the Plan Amendment is economically sound and
5 feasible. Development of Blocks 29-30 for mixed-use residential and hotel uses will
6 significantly increase revenues generated from property taxes payable to the taxing entities,
7 including the City and County of San Francisco, the Bay Area Rapid Transit District, the San
8 Francisco Community College District, the San Francisco Unified School District, and the San
9 Francisco County Office of Education. The Plan Amendment does not propose any new
10 capital expenditures by the Successor Agency nor any change in the Successor Agency's
11 overall method of financing the redevelopment of the Plan Area, but nonetheless accelerates
12 the completion of development under the Redevelopment Plan and thus benefits the taxing
13 entities by ensuring that they receive increased property tax revenues through pass-through
14 and other payments.

15 (f) For the reasons set forth in Section (1), subparagraph (i) of this ordinance, the Plan
16 Amendment is in conformity with the General Plan of the City and County of San Francisco,
17 including the priority policies in City Planning Code Section 101.1.

18 (g) The carrying out of the Plan Amendment will promote the public peace, health,
19 safety, and welfare of the community and would effectuate the purposes and policy of
20 Redevelopment Law, as amended by the Redevelopment Dissolution Law.

21 (h) The Plan Amendment does not authorize the condemnation of real property.
22 Under Redevelopment Law, the authority to condemn real property provided for in the
23 Redevelopment Plan expired on November 2, 2010.

24 ///

1 (i) No persons will be displaced, temporarily or permanently, from housing facilities as
2 a result of the Redevelopment Plan or Plan Amendment. Accordingly, no residential
3 relocation plan is required.

4 (j) There are no non-contiguous areas in the Plan Area.

5 (k) The Plan Amendment does not change the boundaries of the Plan Area and,
6 therefore, does not include any additional area for the purpose of obtaining any allocation of
7 tax increment revenues from the Plan Area pursuant to Redevelopment Law Section 33670.

8 (l) The Plan Amendment does not change the time limitation on the Redevelopment
9 Plan.

10
11 Section 6. Official Plan. As required by Redevelopment Law Sections 33457.1 and
12 33367, the Board of Supervisors hereby approves and adopts the Redevelopment Plan, as
13 amended by the Plan Amendment, as the official redevelopment plan for the Plan Area.

14
15 Section 7. Continued Effect of Previous Board of Supervisors Ordinances as
16 Amended. Ordinance Nos. 335-98, 143-13, and 032-18 are continued in full force and effect
17 as amended by this ordinance.

18
19 Section 8. Transmittal of Redevelopment Plan as Amended. The Clerk of the Board of
20 Supervisors shall without delay (a) transmit a copy of this ordinance to the Successor Agency,
21 whereupon the Successor Agency shall be vested with the responsibility for carrying out the
22 Redevelopment Plan as amended, and (b) record or ensure that the Successor Agency
23 records a notice of the approval and adoption of the Plan Amendment pursuant to this
24 ordinance, containing a statement that proceedings for the redevelopment of the Plan Area
25 pursuant to the Plan Amendment have been instituted under the Redevelopment Law.

1 Section 9. Effective Date. In accordance with Redevelopment Law Sections
2 33378(b)(2) and 33450, this ordinance shall become effective 90 days after enactment.
3 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
4 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of
5 Supervisors overrides the Mayor’s veto of the ordinance.

6
7 Section 10. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
8 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
9 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the
10 Redevelopment Plan for the Mission Bay South Redevelopment Project that are explicitly
11 shown in this ordinance as additions, deletions, Board amendment additions, and Board
12 amendment deletions in accordance with the “Note” that appears under the official title of the
13 ordinance.

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15
16 APPROVED AS TO FORM:
17 DENNIS J. HERRERA, City Attorney

18 By: /s/ JOHN D. MALAMUT
19 JOHN D. MALAMUT
20 Deputy City Attorney

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