

1 [Redevelopment Plan Amendment - Transbay Redevelopment Project Area - Zone One]

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3 **Ordinance approving an amendment to the Redevelopment Plan for the Transbay**
4 **Redevelopment Project Area to increase the maximum height limit from 300 feet to 400**
5 **feet on Block 1 (Assessor’s Block No. 3740, Lot Nos. 027, 029, 030, 031, and 032) within**
6 **Zone One of the Transbay Redevelopment Project Area; and making environmental**
7 **findings under the California Environmental Quality Act, and findings of consistency**
8 **with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

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

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

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17 Section 1. FINDINGS. The Board of Supervisors of the City and County of San
18 Francisco (the “Board of Supervisors” or “Board”) hereby makes the following findings,
19 determinations, and declarations, based on the record before it, including but not limited to
20 information contained in the Report to the Board of Supervisors on the Amendment to the
21 Redevelopment Plan for the Transbay Redevelopment Project Area ("Report to the Board"),
22 dated January 19, 2016, as updated March 21, 2016, and on file with the Clerk of the Board in
23 File No. 160150.

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1 (a) The San Francisco Redevelopment Agency approved the Redevelopment Plan
2 (the “Redevelopment Plan”) for the Transbay Redevelopment Project Area (the “Project
3 Area”) by Resolutions No. 19-2005 (January 25, 2005) and No. 95-2005 (June 7, 2005).

4 (b) The Board of Supervisors approved the Redevelopment Plan by Ordinances
5 No. 124-05 (June 21, 2005) and No. 99-06 (May 9, 2006).

6 (c) On February 1, 2012, California Health and Safety Code Sections 34170 et seq.
7 (the “Redevelopment Dissolution Law”) dissolved redevelopment agencies and established
8 successor agencies to fulfill the remaining obligations of the former redevelopment agencies.

9 (d) Subsequent to the dissolution of the redevelopment agencies, the Board of
10 Supervisors, acting as the legislative body of the Successor Agency to the San Francisco
11 Redevelopment Agency, adopted Ordinance No. 215-12, which was signed by the Mayor on
12 October 4, 2012, and which transferred the assets (other than housing assets) and obligations
13 of the San Francisco Redevelopment Agency (“Former Agency”) to the Office of Community
14 Investment and Infrastructure (“OCII” or “Successor Agency”) and some of the housing assets
15 of the Former Agency to the City, acting by and through the Mayor’s Office of Housing and
16 Community Development. A copy of this ordinance is on file with the Clerk of the Board in File
17 No. 120898.

18 (e) Ordinance No. 215-12 delegated to the Commission of the Successor Agency,
19 commonly known as the Commission on Community Investment and Infrastructure (“CCII”),
20 the authority to (1) act in the place of the Commission of the Former Agency to, among other
21 matters, implement, modify, enforce, and complete the Former Agency’s enforceable
22 obligations; (2) approve all contracts and actions related to the assets transferred to or
23 retained by the Successor Agency, including, without limitation, the authority to exercise land
24 use, development, and design approval, consistent with the applicable enforceable
25 obligations; (3) approve amendments to the Redevelopment Plan as allowed under California

1 Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.)
2 ("CRL" or "Redevelopment Law") and subject to adoption of such plan amendments by the
3 Board of Supervisors; and (4) take any action that the Redevelopment Dissolution Law
4 requires or authorizes on behalf of the Successor Agency and any other action that the CCII
5 deems appropriate, consistent with the Redevelopment Dissolution Law, to comply with such
6 obligations.

7 (f) Under Redevelopment Dissolution Law, the Successor Agency has an
8 enforceable obligation to ensure that 25% of the residential units developed in the Project
9 Area will be available to low income households and that an additional 10% will be available
10 to moderate income households (the "Transbay Affordable Housing Obligation"). The source
11 of this obligation is Section 5027.1 of the California Public Resources Code, which obligation
12 has been incorporated into the Redevelopment Plan and in the Implementation Agreement,
13 dated as of January 20, 2005, between the Former Agency and the Transbay Joint Powers
14 Authority and has been finally and conclusively determined by the California Department of
15 Finance to be an enforceable obligation under Redevelopment Dissolution Law.

16 (g) The Redevelopment Plan establishes the land use controls for the Project Area
17 and divides the Project Area into two subareas. Zone One is generally bounded by Harrison
18 Street or Folsom Street on the south; Clementina Street, Tehama Street, or Natoma Street on
19 the north; Main Street or Spear Street on the east; and Second Street or Ecker Street on the
20 west. In Zone One, OCII maintains the land use review authority and the Redevelopment Plan
21 and Development Controls and Design Guidelines define the land uses, which are
22 predominantly residential. Zone Two is generally bounded by Harrison Street, Clementina
23 Street, Tehama Street, or Natoma Street on the south; Minna Street or Mission Street on the
24 north; Main Street on the east; and Second Street on the west. In Zone Two, the Planning
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1 Department and Planning Commission maintain land use review authority and the San
2 Francisco Planning Code land use controls apply.

3 (h) The Redevelopment Plan specifies the land use of Block 1 of Zone One of the
4 Project Area (“Block 1”) as Transbay Downtown Residential and provides for a maximum
5 height limit of 300 feet. The Development Controls and Design Guidelines for the Transbay
6 Redevelopment Project (“Development Controls”) also specify a Block 1 maximum height limit
7 of 300 feet for a residential tower on a portion of the site.

8 (i) Block 1 is an approximately 54,098-square-foot site located on Folsom Street
9 between Main Street and Spear Street in Zone One of the Project Area. It is comprised of
10 Assessor’s Block 3740, Lots 027, 029, 030, 031, and 032. Lot 027 (approximately 34,133
11 square feet) is owned by OCII; the balance of the properties (approximately 19,965 square
12 feet) is held by Block One Property Holder, L.P., an affiliate of Tishman Speyer (“Developer”).

13 (j) On November 18, 2014, the CCII authorized an Exclusive Negotiations
14 Agreement (the “ENA”) with the Developer for (a) the sale to Developer of the portion of Block
15 1 owned by OCII (Block 3470, Lot 027) and (b) the development of a combined affordable and
16 market-rate homeownership project consisting of a residential tower, two residential podium
17 buildings, and townhouses surrounding open space on Block 1. The ENA contemplates two
18 project alternatives: one with a tower height of 300 feet, as allowed under the Redevelopment
19 Plan, and the other with a tower height of 400 feet, that would require the Redevelopment
20 Plan Amendment.

21 (k) As set forth more fully in Section 1, subparagraph (q) of this ordinance, the CCII
22 recommends approval of a proposed amendment to the Redevelopment Plan (the “Plan
23 Amendment”), which would increase the maximum height limit from 300 feet to 400 feet on
24 Block 1. The Plan Amendment would make no other substantial change to the authorized
25 land uses under the Redevelopment Plan. The CCII recommends the Plan Amendment to

1 achieve the goals and objectives set for the Redevelopment Plan, including among others, the
2 creation of a community identity and built form that ensure that high-rise buildings reflect high
3 quality architectural and urban design standards, and the creation of housing opportunities
4 that provide a mixture of housing types and sizes to attract a diverse residential population,
5 including families and people of all income levels.

6 (l) The CCII also recommends the proposed Plan Amendment because it promotes
7 the expeditious fulfillment of the Transbay Affordable Housing Obligation. The 400-foot
8 development proposal for the site would provide approximately 73 additional housing units on
9 Block 1, for a total of 391 units. Under this proposal, 156 (40%) of the units would be
10 affordable to moderate income households. The 300-foot development proposal for Block 1
11 would provide approximately 318 total residential units, of which 112 (35%) would be
12 affordable to low and moderate income households.

13 (m) Over the past several years, the Transbay Citizens Advisory Committee (“CAC”)
14 has reviewed and considered the proposal for development of Block 1 and the Plan
15 Amendment. On January 14, 2016, the CAC voted and recommended approval of the Plan
16 Amendment by the CCII and the Board of Supervisors.

17 (n) Sections 33450-33458 of the CRL establish a process to amend a
18 redevelopment plan. This process includes a publicly noticed hearing of the CCII;
19 environmental review to the extent required; adoption of the Plan Amendment by the CCII
20 after the public hearing; preparation of a Report to the Board of Supervisors; referral of the
21 Plan Amendment to the Planning Commission for its report and recommendation; a publicly
22 noticed hearing of the Board of Supervisors and Board of Supervisors consideration after its
23 hearing. Pursuant to Section 33457.1 of the CRL, a proposed amendment to a
24 redevelopment plan requires the preparation and public availability of reports and information
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1 that would otherwise be required for a redevelopment plan adoption “to the extent warranted”
2 by the proposed amendment.

3 (o) The Successor Agency has prepared the Report to the Board, which the CCII
4 approved by Resolution No. 1-2016, and has made the Report to the Board available to the
5 public on or before the date of the notice of the public hearing, held in accordance with CRL
6 Section 33454, on this ordinance approving the Plan Amendment; said hearing is referenced
7 in Section 1, subparagraph (p) of this ordinance.

8 (p) On January 19, 2016, after holding a duly noticed public hearing in accordance
9 with Redevelopment Law Section 33452, the CCII approved, by Resolution Nos. 1-2016 and
10 2-2016, the Report to the Board and authorized its transmittal to the Board of Supervisors for
11 its background information in considering the proposed Plan Amendment; referred the Plan
12 Amendment to the Planning Commission for its report and recommendation on the Plan
13 Amendment and its conformance to the General Plan; found and determined that the Plan
14 Amendment is within the scope of the project analyzed by the final environmental impact
15 report for the Transbay Terminal/ Caltrain Downtown Extension/Redevelopment Project
16 (“FEIR”) and the eighth addendum to the FEIR prepared by the Successor Agency, in
17 consultation with the San Francisco Planning Department (“Addendum”); approved the Plan
18 Amendment; and recommended the Plan Amendment to the Board of Supervisors for its
19 approval. The Successor Agency has transmitted to the Board of Supervisors certified copies
20 of these Resolutions and attached its Report to the Board. Copies of the Plan Amendment
21 and the CCII’s Resolution Nos. 1-2016 and 2-2016, on file with the Clerk of the Board of
22 Supervisors in File No. 160150, are incorporated in this Ordinance by this reference.

23 (q) The Successor Agency transmitted the proposed Plan Amendment to the San
24 Francisco Planning Department (“Planning Department”) for the report and recommendation
25 of the San Francisco Planning Commission (“Planning Commission”) concerning the

1 conformity of the Plan Amendment with the San Francisco General Plan (“General Plan”).
2 The Planning Department has determined that an amendment to the General Plan would be
3 required to revise Map 5 of the Downtown Area Plan to include a notation stating that the
4 proposed height and bulk district on Block 1 shall be consistent with controls provided in the
5 Redevelopment Plan (the “Downtown Area Plan Amendment”). The Downtown Area Plan
6 Amendment corrects an apparent oversight to Map 5, which excluded certain Zone One
7 parcels from General Plan amendments made at the time the Redevelopment Plan was
8 originally adopted, and will bring the map into conformance with the Redevelopment Plan and
9 the Planning Code. On February 25, 2016, by Resolution No. 19572, the Planning
10 Commission approved the proposed Downtown Area Plan Amendment. Also on February 25,
11 2016, by Motion No. 19573, the Planning Commission found that the Redevelopment Plan
12 Amendment is consistent with the General Plan, as amended, and in conformity with the
13 priority policies in Planning Code, Section 101.1, and recommended approval of the Plan
14 Amendment to the Board of Supervisors. A copy of the Planning Commission Motion No.
15 19573 and Resolution No. 19572 are on file with the Clerk of the Board of Supervisors in File
16 No. 160188 and incorporated into this ordinance by this reference as though fully set forth.
17 This Board, for the reasons specified in Planning Commission Motion No. 19573 adopts as its
18 own the findings of the Planning Commission that the Plan Amendment is consistent with the
19 General Plan and in conformity with Planning Code, Section 101.1.

20 (r) On April 12, 2016, the Board of Supervisors held a public hearing on the
21 adoption of the proposed Plan Amendment in the Board Legislative Chamber, 1 Dr. Carlton B.
22 Goodlett Place, Room 250, San Francisco, CA. The hearing has been closed. Notice of such
23 hearing was duly and regularly published in a newspaper of general circulation in the City and
24 County of San Francisco, once per week for three successive weeks prior to the date of such
25 hearing in accordance with Redevelopment Law Section 33452. The Board considered the

1 Report on the Plan Amendment and recommendations of the CCII, the Planning Commission
2 report and recommendations, the Addendum to the FEIR; and all evidence and testimony for
3 and against the proposed Plan Amendment, including written objections to the adoption of the
4 proposed Plan Amendment received by the Clerk of Board and the written response prepared
5 by OCII to those objections, a copy of which response is on file with the Clerk of the Board of
6 Supervisors in File No. 160150 (the “Response”). The Board hereby adopts findings to the
7 extent required by the CRL as set forth in Section 5 of this ordinance.

8 (a) CEQA Findings. The Board of Supervisors has adopted environmental findings
9 in compliance with the California Environmental Quality Act (“CEQA Findings”) in companion
10 Ordinance No. _____, on file with the Clerk of the Board of Supervisors in File
11 No. 160188. The companion Ordinance No. _____ approves General Plan
12 amendments to Map 5 of the Downtown Area Plan related to portions of Blocks 1 and 2 in the
13 Transbay Redevelopment Project Area. The Board’s CEQA Findings in Ordinance No.
14 _____ concur with CEQA Findings of the CCII and the Planning Commission that the
15 FEIR and Addendum support the conclusion that no additional environmental review is
16 required under CEQA other than the FEIR and Addendum. The Board hereby incorporates
17 into this ordinance by this reference the CEQA Findings adopted by the Board in companion
18 Ordinance No. _____.

19 Section 2. PURPOSE AND INTENT. The purpose and intent of the Board of
20 Supervisors with respect to the Plan Amendment is to increase the maximum height limit from
21 300 feet to 400 feet on Block 1 of Zone One of the Project Area for the purpose of allowing the
22 Successor Agency to consider approval of a residential development proposal that would
23 include 40 percent of the total number of units as affordable units.

1 Section 3. PLAN INCORPORATION BY REFERENCE. The Redevelopment Plan as
2 amended by this ordinance is incorporated in and made a part of this ordinance by this
3 reference with the same force and effect as though set forth fully in this ordinance.

4 Section 4. REDEVELOPMENT PLAN AMENDMENT. The Zone One Plan Map
5 provided in Exhibit 4 of the Redevelopment Plan is here by amended by striking the “300 ft”
6 maximum height designation provided on Block 1, and replacing this text with the designation
7 “400 ft.”

8 Section 5. FURTHER FINDINGS AND DETERMINATIONS UNDER COMMUNITY
9 REDEVELOPMENT LAW. To the extent required by the Community Redevelopment Law,
10 the 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 on the Plan
12 Amendment, that:

13 (a) The purpose of the Plan Amendment is to facilitate, on Block 1 in Zone One of
14 the Project Area, development of a residential tower extending to a maximum height of 400
15 feet, which would be consistent with the Redevelopment Plan goals and objectives, provide a
16 significant amount of affordable housing, and comply with the Redevelopment Dissolution
17 Law’s requirements for expeditious completion of enforceable obligations.

18 (b) The adoption and carrying out of the Plan Amendment is economically sound
19 and feasible as described in the Report to the Board. It does not propose any new capital
20 expenditures by the Successor Agency, involve any new indebtedness or financial obligation
21 of the Successor Agency, or change the Successor Agency’s overall method of financing the
22 redevelopment of the Project Area. Instead, the Plan Amendment relies on private enterprise
23 to finance the market rate housing and a large portion of the affordable housing on Block 1.

24 (c) Although significant improvements have occurred in the Project Area since
25 adoption of the Redevelopment Plan, most of Block 1 remains an undeveloped and blighted

1 area currently used for surface parking and limited office use. The Plan Amendment will
2 alleviate the adverse physical and economic conditions on Block 1 by maximizing developable
3 square feet and increasing dwelling unit count.

4 (d) For the reasons set forth in Section 1, subparagraph (q) of this ordinance, the
5 Plan Amendment is consistent with the General Plan, as amended by companion Ordinance
6 No. _____ and is consistent with the priority policies in City Planning Code, Section 101.1
7 based on the findings set forth in Planning Commission Resolution No. 19572 and Motion
8 No. 19573, which findings this Board has incorporated as its own.

9 (e) As discussed in Section 1, subparagraph (q) of this ordinance, the Successor
10 Agency in conjunction with the Planning Department has prepared an Addendum to the FEIR
11 pursuant to State CEQA Guidelines Section 15164, documenting its decision on the basis of
12 substantial evidence that the Plan Amendment does not trigger the need for preparation of a
13 subsequent or supplemental EIR and the Board of Supervisors concurs with this decision as
14 set forth in Section 1, subparagraph (s).

15 (f) As described in the Report to the Board, adoption of the Plan Amendment will
16 not adversely affect the physical or social quality of the neighborhood, nor will it cause the
17 destruction or removal of housing units from the low- and moderate-income housing market or
18 displacement of low- or moderate-income housing. Rather, the Plan Amendment, by
19 facilitating a greater density of development at a site designated for residential use, will
20 increase the supply of housing and affordable housing in the Project Area.

21 (g) The Board of Supervisors hereby adopts, as its findings, the Response to written
22 objections to the Plan Amendment as required under Section 33363 of the Health and Safety
23 Code and incorporates the Response, including the findings contained therein, by reference
24 as though fully set forth in this Ordinance.

1 Section 6. OFFICIAL PLAN. As required by Sections 33457.1 and 33367 of the CRL,
2 the Board of Supervisors hereby approves and adopts the Redevelopment Plan, as amended
3 by the Plan Amendment, as the official redevelopment plan for the Project Area.

4 Section 7. CONTINUED EFFECT OF PREVIOUS ORDINANCES AS AMENDED.
5 Ordinance Nos. 124-05, 99-06, and 84-15 remain in full force and effect as amended by this
6 Ordinance.

7 Section 8. TRANSMITTAL OF PLAN AS AMENDED. The Clerk of the Board of
8 Supervisors shall without delay (a) transmit a copy of this ordinance to the Successor Agency,
9 whereupon the Successor Agency shall be vested with the responsibility for carrying out the
10 Redevelopment Plan as amended, and (b) record or ensure that the Successor Agency
11 records a notice of the approval and adoption of the Plan Amendment pursuant to this
12 ordinance, containing a statement that the proceedings for the redevelopment of the Project
13 Area pursuant to the Plan Amendment have been instituted under the CRL.

14 Section 9. RATIFICATION OF PRIOR ACTS. All actions taken by City officials and the
15 CCII in preparing and submitting the Plan Amendment to the Board of Supervisors for review
16 and consideration are hereby ratified and confirmed, and the Board of Supervisors hereby
17 authorizes all subsequent action to be taken by City officials and the CCII consistent with this
18 Ordinance.

19 Section 10. Effective Date. In accordance with Sections 33378(b)(2) and 33450 of the
20 CRL, this ordinance shall become effective 90 days from the date of enactment. Enactment
21 occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or
22 does not sign the ordinance within ten days of receiving it, or the Board of Supervisors

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1 overrides the Mayor's veto of the ordinance.

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3 APPROVED AS TO FORM:
4 DENNIS J. HERRERA, City Attorney

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7 By: _____

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Charles Sullivan
Deputy City Attorney
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