

EXECUTIVE SUMMARY TRANSBAY BLOCK 4 GENERAL PLAN,ZONING MAP, AND REDEVELOPMENT PLAN AMENDMENTS

HEARING DATE: JULY 28, 2022

Project Name: Case Number: Initiated by: Staff Contact: Reviewed by:	Transbay Block 4 – 200 Main Street – Amendments to the Transit Center District Area Plan, Planning Code Height and Bulk Map HT-01 and the Transbay Redevelopment Plan 2018-015785GPR GPA MAP Planning Commission Mat Snyder, Citywide Planning Mathew.snyder@sfgov.org, (628) 652-7460 Joshua Switzky, Land Use & Community Planning Program Manager, Citywide Planning Joshua.switzky@sfgov.org, (628) 652-7464
Recommendation:	Find Redevelopment Plan Amendment in General Conformity with the General Plan and Planning Code Section 101.1; Recommend Approval to the Board of Supervisors the Amendments to the General Plan and Planning Code Height and Bulk Map

Project Description

The Office of Community Investment and Infrastructure ("OCII") is proposing to amend the Redevelopment Plan for the Transbay Redevelopment Project Area ("Redevelopment Plan") to facilitate a mixed-use residential development project on Block 4 of the Transbay Redevelopment Project Area ("Project") located at 200 Main Street, Assessor's Block 3739, Lot 010 ("Project Site"). The amendment includes increasing the height limit for the Project Site, which will also require conforming amendments to Figure 1 – "Proposed Height Limits" of the Transit Center District Plan ("TCDP"), a Sub-Area Plan of the Downtown Area Plan, and to Planning Code Height and Bulk Map HT-01.

Block 4 is the northern portion of the former Temporary Transbay Terminal site bounded by Howard, Folsom, Main and Beale Streets. For redevelopment purposes, the Redevelopment Plan delineates this area as Blocks 2, 3, and 4, separated by new extension of Clementina Street and Tehama Street across the site. Block 4 is bounded by Howard Street to the north, Beale and Main Streets to the west and east, respectively, and the planned new segment of Tehama Street to the south. The Block 4 Project is proposed to include a 47-story tower with 6-story townhouse adjunct, a 16-story mid-rise building, and a single-story shared podium with shared underground facilities. The Project will provide 681 total residential units, of which 45% would be affordable. The 681 units would include 155 market-rate condominium units in the upper portion of the tower and townhouse adjunct, 324 rental units in the lower portion of the tower (including 219 market rate units and 105 below market rate units affordable to moderate income households) (the "Tower Project"), as well as 202 rental units in a 100% affordable project in the mid-rise building (including one unrestricted manager's unit) (the "Mid-Rise Project"). In addition, the Project includes ground floor retail (a portion of which is restricted for community-serving uses), public and private open space, the construction of Tehama Street (which will be conveyed to the City upon completion), streetscape improvements, and underground utility rooms, auto and bicycle parking.

Block 4 Project Summary	
Residential Units	681 total units, 306 (45%) restricted for affordability
Tower/townhouse	135 market rate condominium units located on floors 28 to 47 of the tower;
condominiums	and 20 units in floors 1 to 6 of the townhouses along Tehama
Tower Market rate rental units	219 rental units located on floors 2 to 27 of the tower, in the following sizes:
	123 one-bedrooms
	96 two-bedrooms
Tower BMR units	105 affordable rental units located on floors 2 to 20 of the tower, including 21
	units at 100% AMI, 22 units at 110% AMI, and 62 units at 120% AMI in the
	following sizes:
	12 studios
	47 one-bedrooms
	34 two-bedrooms
	12 three-bedrooms
Mid-Rise Affordable Units	201 affordable rental units and one unrestricted manager's unit located on
	floors 2 to 16 of the mid-rise, with tiered AMIs at 40%, 45%, 50%, 60% 70%,
	80%, 90%, and 100% in the following sizes:
	20 studios
	75 one-bedrooms
	86 two-bedrooms
	21 three bedrooms
Commercial space	8,389 square feet of commercial/retail space, 6,431 of which is restricted for
	community-serving uses
Resident amenity spaces	Tower 35 th floor amenity space, with programming to be determined,
	accessible to condominium unit residents only
	Tower 12 th floor amenity including solarium spaces and an outdoor terrace,
	accessible to residents throughout the Project
	Tower 2 nd floor amenity space including a fitness amenity, club room and
	adjacent terrace, cooking accessories and seating, accessible to residents
	throughout the Project

Details of the Project's programming is provided below:



	Mid-Rise 2 nd floor community room with kitchen and resident lounge, accessible to residents of the Mid-Rise Affordable Project Mid-Rise 7 th and 12 th floor outdoor terraces, accessible to residents of the Mid- Rise Affordable Project and Tower Mixed-Income Rental Project (note: may be limited to Mid-Rise Affordable Project residents due to Low Income Housing Tax Credit regulations)
Open space	12,584 total square feet of open space, including a central raised courtyard providing approximately 8,330 square feet of ungated publicly accessible open space, (accessible via contiguous stairs from Howard Street and Tehama Street and elevators from inside of buildings) and terraced seating area with views to the future Transbay Park along Tehama Street
Streetscape improvements	Improvements include widened sidewalks and bulb-outs, street trees and other plantings, public seating, streetlights, and bicycle racks
Tehama Street	Construction of a new segment of Tehama Street between Beale and Main Streets for vehicular access, as designed by the Transbay Block 3 Park design team from the Department of Public Works. Ownership of the Tehama Parcel and Tehama Street improvements will be granted back to the City for acceptance after completion.
Parking	Parking for up to 275 vehicles in an underground garage parking facility with valet services; the garage includes 224 physical spaces with the use of stackers, including 2 car-share spaces, remaining capacity may be possible with enhanced valet operations
Bicycle parking	Class I secured spaces for 556 bicycles in two below-grade bike rooms

The approval of the Project itself will not be before the Planning Commission, as it is in Zone One of the Redevelopment Area under the jurisdiction of the Successor Agency Commission (commonly referred to as the Commission on Community Investment and Infrastructure or "CCII").

Required Planning Commission Actions

The three actions before the Planning Commission that relate to the Project described above are as follows:

1. General Plan Amendments -- Recommending to the Board of Supervisors approval of General Plan Amendments by amending Figure 1 of the TCDP by changing the height limit on Transbay Block 4 from 450 feet to 513 feet. Staff is also recommending two additional amendments to bring the TCDP into alignment with other previously implemented policy changes subsequent to adoption of that plan. These proposed amendments include: (1) amending Figure 1 by changing the allowed height on Transbay Block 1 from 50/85/300 feet to 400 feet¹; and (2) amending Policy 4.36 to reflect changes in bike routing on Fremont Street and Beale Street.



¹ In 2016, the Commission, CCII, and the Board of Supervisors took serval actions to increase the height of Block 1 from 300 feet to 400 feet by amending the Redevelopment Plan and Map 5 of the Downtown Area Plan, but not Figure 1 of the TCDP. The Ordinance would correct that omission.

- 2. Zoning Map Amendment -- Recommending to the Board of Supervisors approval of Planning Code Map Amendments by amending Planning Code Height and Bulk Map No. HT-01 by changing the Height and Bulk Designation on Block 4 from 50/85/450-TB to 513-TB.
- 3. Transbay Redevelopment Plan Amendment -- Making General Plan Consistency findings that find the Redevelopment Plan Amendment to be consistent with the General Plan and Planning Code Section 101.1. The proposed Redevelopment Plan Amendment like the amendments to Figure 1 and Planning Code Height Map No. HT-01 -- would change the height limit on Transbay Block 4 from 450 feet to 513 feet. In addition to the height increase, the Redevelopment Plan Amendment allows greater bulk by increasing the floor plate limits for the tower portion of the Project from 13,000 square feet to 15,200 square feet for the lower portion of the tower (between heights of 85 feet and 122 feet); and increases the floor plate limit for the mid-rise portion of the Project from 7,500 to 13,500 square feet for portions of the building(s) above 85 feet in height.

Required Actions by the CCII and Board of Supervisors

In addition to the actions required by the Planning Commission, the Project requires the following actions by the CCII and the Board of Supervisors. At their June 21, 2022 regular meeting, the CCII approved the Project as described below:

- 1. **CEQA Findings.** By Resolution 18-2022, CCII adopted findings that confirm the analysis and conclusion of Addendum No. 9 to the Transbay FEIR. These CEQA findings will be incorporated into all Board of Supervisors actions for the Project.
- 2. Amendments to the Redevelopment Plan. By Resolution 20-2022, CCII approved the Redevelopment Plan Amendment and referred it to both the Planning Commission and the Board of Supervisors for their action.
- 3. Amendment to the Transbay Development Controls and Design Guidelines ("DCDG"). By Resolution 21-2022, CCII approved an amendment to the DCDG. The DCDG provides most of the development controls for Transbay Zone One essentially acting as its Planning Code. Board of Supervisors action is not required for this.
- 4. **Disposition and Development Agreement ("DDA")**. By Resolution 22-2022, CCII approved the DDA, which establishes the rights and obligations of OCII and the Project Sponsor governing the sale of the subject site, and development and operation of the Project, including the affordable housing requirements and the requirement to set aside at least 6,431 square feet of the retail space for community use.
- 5. Schematic Design. By Resolution 23-2022, CCII conditionally approved the actual proposed schematic design for Block 4; the Block 4 schematic design set is provided in this packet for informational purposes. Board of Supervisors action is not required for this.



Background

Transbay Project Area

The Redevelopment Plan for the Transbay Project Area ("Project Area") was first approved in 2005 and subsequently amended twice in 2015 and 2016. The Project Area is divided in two zones: Zone One falls under the jurisdiction of OCII with its development requirements controlled by the DCDG; Zone Two falls under the jurisdiction of the Planning Department with its development requirements controlled by the Planning Code. Zone One is largely comprised of parcels created by the demolition of the previous freeway ramps that had been owned by the State of California ("Zone One Parcels"). A major focus of the Redevelopment Plan is to redevelop the Zone One Parcels to generate funding for the Transbay Joint Point Powers Authority ("TJPA") to construct the Transit Center program, which includes the Transbay (Salesforce) Transit Center, the Caltrain Downtown Extension (DTX), and related improvements. OCII is responsible for implementing the Redevelopment Plan; its duties include facilitating the sale and development of the Zone One Parcels to third parties, ensuring that at least 35% of all new residential units in the Project Area be affordable to low- and moderate-income households (required by California Resource Code Section 5027.1, also referred to as AB 812), and implementing other aspects of the Redevelopment Plan, including the overseeing the design and construction of new streetscape and open space improvements in the Project Area.

Block 4 Relationship to Parcel F

Parcel F (542-550 Howard Street) is another formerly State-owned parcel, located in Zone Two (under Planning Department jurisdiction). Unlike Zone One parcels, such as Block 4, that were and are under control of OCII for disposition and development, Parcel F was under the ownership of the TJPA. In early 2016 the TJPA entered into an agreement with the same Project Sponsor as Block 4 to purchase Parcel F, contingent on CCII approval of an Option Agreement for the Sponsor's purchase of Block 4. On January 28, 2021, the Planning Commission took several actions approving a development on Parcel F, including approving a Development Agreement (Resolution No 20841), which among other things, enabled the Project Sponsor to satisfy its affordable housing requirement pursuant to Planning Code Section 415 by paying an in-lieu fee instead of providing below-market rate units on site as required by Planning Code Section 249.28 for development projects within Zone Two. The DA set the inlieu fee at 150% of what would be otherwise be charged elsewhere in the City for a similar project under Planning Code Section 415.5. The DA stipulated that the fee would be administered by OCII to create affordable units within the Project Area, thereby helping to ensure that at least 35% of new units within the Project Area are affordable to low- and moderate-income households as required by the State law cited above. Planning Commission Resolution 20841 stipulates that the in-lieu fee revenue generated by Parcel F could be used to increase the number of affordable units created on Block 4.

Block 4 - Proposed Increase in Development Capacity

OCII staff negotiated with the Project Sponsor through an Option Agreement in the programming and design of Block 4. Objectives for the Block 4's programming and design include maximizing the number of affordable units possible while assuring the Project is feasible and meets the design intent of the Redevelopment Plan, the Transbay Design for Development, and DCDG. In developing the program for Block 4, OCII staff has set a target of 45% affordable units across the Site in various unit types and affordability levels as described above. OCII staff



has stated that the proposed affordable units at Block 4 will contribute to meeting or exceeding the 35% affordability requirement for the Project Area. However, to achieve 45% affordability and ensure the Project is feasible, OCII staff determined that it is necessary to enable greater development capacity at the site than allowed by the adopted Redevelopment Plan and DCDG. To enable this greater development capacity, development controls provided in the Redevelopment Plan and the DCDG, and restated in the General Plan (TCDP Figure 1 – Proposed Height Limits) and Planning Code (Height and Bulk Map HT-01), would need to be amended to change the controls for (1) height, (2) bulk (floor plate square footage, plan dimension, and floor plate aspect ratio), (3) setbacks, (4) townhouse frontage location and modulation, and (5) location of open space, among other development controls.

OCII staff has indicated through an initial analysis that the proposed increase in development capacity would facilitate an additional 126 units overall on the site and bring the proposed heights and massing consistent with the adjacent high-rise buildings in TCDP and Rincon Hill neighborhoods

Issues and Other Considerations

- Public Comment & Outreach. On May 12, 2022, the Transbay Citizens Advisory Committee ("CAC") voted unanimously to recommend that the OCII Commission approve (1) the amendment to the Redevelopment Plan, (2) the amendment to the DCDG, (3) the terms of the DDA, and (4) the Schematic Design for Block 4. According to OCII staff, CAC members were pleased to see the Project moving forward and were complimentary of the proposed design. In addition to the Transbay CAC and public hearings, the Project Sponsor presented the Project to the Bay Area Council on May 26, 2022, the San Francisco Housing Action Coalition on June 15, and has reached out to other organizations including the East Cut Community Benefit District to schedule presentations.
- CCII Approval. On June 21, 2022, CCII took several actions, described above, approving the Project.
- Development Control Amendments. Amendments to both the Redevelopment Plan and the DCDG included allowing a greater building envelope by increasing heights along all frontages of the site, allowing greater bulk at the lower portion of the tower and at the upper portions of the mid-rise affordable component, eliminating setbacks along Beale, Howard, and most of Main, allowing the publicly accessible open space be provided above grade, allowing parking operations at the ground level, reducing townhouse location requirements, among others.

Basis for Recommendation

- The proposed Project will add 681 of much needed residential dwelling units to San Francisco's housing stock. Moreover, 45% will be affordable to households with incomes that range between 40% to 120% of AMI with a broad mix of unit types.
- Though the actions required by the Planning Commission, CCII, and the Board of Supervisors would increase the allowed building envelope in multiple ways, OCII staff has worked carefully with the Project Sponsor and Planning staff to assure these increases are well considered to still meet the general urban design principles of the Transbay Redevelopment Plan, Design for Development, and DCDG. The tower will still be shorter than towers immediately to the north, thereby working within the Downtown urban design



vision to create a Downtown "mound" at the Transit Center Tower (Salesforce Tower) location and tapering down toward Folsom Street and the waterfront, and other taller portions of the Project would be proportional to the tower portion. Additionally, the design of the ground plane and its interaction with the public realm are of high quality and will assure the Project fits in with its immediate context.

- The Project includes improvements to Beale, Howard and Main Streets, helping fulfill the public realm vision for Transbay. Beale and Main Streets are envisioned as pedestrian dominated "living streets". The Project will also include constructing a new portion of Tehama Street on the south, which will be designed to feel like a linear plaza that provides a border between the Project and a new park to the south. The Project also includes a central publicly-accessible courtyard that will feature a grand stair from Tehama Street. The open space and public realm improvements will be well-integrated and enhance the public realm and open space network of Transbay and Downtown in general.
- The Project will not create significant shadow impacts as described in Addendum No. 9 and in the draft Planning Commission Motion regarding the Redevelopment Plan Amendment;
- The 681 units (of which 306 will be affordable) will be located in Downtown San Francisco, which has excellent access to transit and other non-vehicular modes of transportation. Transbay is also rich in other amenities, including multiple parks, that make this location particularly well suited for high density residential development.
- The subject Project, and associated required Commission actions, are, on balance, consistent with the General Plan and Planning Code Section 101.1; findings of consistency are described in the Draft Motion regarding the Redevelopment Plan amendments.

Environmental Review

On June 13, OCII and the Planning Department published Addendum No. 9 to the Final Environmental Impact Statement/Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/ Redevelopment Project, which analyzed the Project and associated Board of Supervisors, CCII, and Planning Commission actions needed for the Project. On June 21, 2022, the CCII adopted Resolution No. 18-2022, which adopted CEQA findings associated with Addendum No. 9 confirming its adequacy under CEQA. Addendum No. 9, along with the original FEIR can be found at this link: <u>Transbay Environmental Documents</u>.

Recommendation:	Find Redevelopment Plan Amendment in General Conformity with the General Plan and Planning Code Section 101.1; and
	Recommend Approval to the Board of Supervisors the Amendments to the General Plan and Planning Code Height and Bulk Map

Attachments:

<u>General Plan Amendments</u> Draft Resolution



Draft Ordinance Zoning Map Amendments Draft Resolution Draft Ordinance Redevelopment Plan Amendment Draft Motion Redline Version of Redevelopment Plan Amended pages of DCDG (pp. 21-23) (for informational purposes) – full clean version of revised DCDG can be found at this link: https://sfocii.org/sites/default/files/20180906 TB DCDG Revision.pdf Transbay Block 4 Schematic Development Plans and Renderings Addendum No. 9