

PLANNING COMMISSION RESOLUTION NO. 21152

HEARING DATE: JULY 28, 2022

Project Name: Transbay Block 4 – 200 Main Street - Zoning Map Amendments

Case Number: 2018-015785MAP **Initiated by:** Planning Commission

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RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE AMENDMENTS TO PLANNING CODE HEIGHT AND BULK MAP HT-01 BY REDESIGNATING TRANSBAY BLOCK 4, ASSESSOR'S BLOCK 3739, LOT 010 FROM 50/85/450-TB TO 513-TB; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on July 12, 2022, Supervisor Matt Dorsey introduced an ordinance (Board File 220836) for Zoning Code Map Amendments by amending Planning Code Height and Bulk Map HT-01, for the Assessor's Block and Lot as listed above; and

WHEREAS, pursuant to Planning Code Section 302(b), on July 12, 2022, the San Francisco Board of Supervisors initiated these Planning Code Map Amendments; and,

WHEREAS, the proposed amendments to Height and Bulk Map HT-01 would enable the Transbay Block 4 Project as described below; Transbay Block 4 is bordered by Howard Street on the north, Main Street on the east, Beale Street on the east and a proposed new portion on Tehama Street on the south in Zone One of the Transbay Redevelopment Project Area, and is comprised of Assessor Block 3739, Lot 10; and,

WHEREAS, the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors") approved the Redevelopment Plan for the Transbay Redevelopment Project Area ("Redevelopment Plan") by Ordinance No. 124-05 (June 21, 2005) and by Ordinance No. 99-06 (May 9, 2006), as amended by Ordinance No. 84-15 (June 18, 2015) and Ordinance No. 62-16 (April 28, 2016); and,

WHEREAS, the Redevelopment Plan establishes the land use controls for the Project Area and divides the Project Area into two subareas: Zone One, in which the Redevelopment Plan and Development Controls and Design

Guidelines for the Transbay Redevelopment Project ("DCDG") regulate land uses, and Zone Two, in which the San Francisco Planning Code regulates land uses. Zone One is intended to be developed with predominantly residential uses. The Successor Agency to the San Francisco Redevelopment Agency, commonly referred to as the Office of Community Investment and Infrastructure ("OCII") solely administers and enforces land use entitlements for property and projects in Zone One and has delegated its authority over projects that do not require OCII action in Zone Two to the San Francisco Planning Department pursuant to that certain Delegation Agreement between the Former Agency and the Planning Department for the Transbay Redevelopment Project Area; and,

WHEREAS, a major focus of the Redevelopment Plan is to redevelop 10 acres of former highway access ramp properties owned by the State of California to generate funding for the Transbay Joint Powers Authority ("TJPA") to construct what is now the Salesforce Transit Center (the "Transit Center"). OCII's role is to complete the enforceable obligations that the Department of Finance has finally and conclusively approved under Redevelopment Dissolution Law. These enforceable obligations include the Implementation Agreement between TJPA and the Former Agency, which requires OCII to facilitate the sale and development of certain State-Owned Parcels to third parties, to implement the Redevelopment Plan, and to comply with California Assembly Bill 812, codified in Section 5027.1 of the California Public Resources Code ("AB 812"), which requires that 35% of all new residential units in the Project Area be affordable to low- and moderate-income households; and,

WHEREAS, in February 2012, the State of California dissolved all redevelopment agencies pursuant to California Health and Safety Code Sections 34170 et seq. ("Redevelopment Dissolution Law"), and under Ordinance No. 215-12 (Oct. 4, 2012), the Board of Supervisors established and delegated its authority under the Redevelopment Dissolution Law to the Successor Agency Commission and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly referred to as the Commission on Community Investment and Infrastructure, or "CCII" and the Office of Community Investment and Infrastructure or "OCII," respectively); and,

WHEREAS, in April 2016, the CCII the Successor Commission to the Redevelopment Agency Commission approved an Agreement for Option to Purchase Transbay Block 4 ("Options Agreement") with F4 Transbay Partners LLC, a Delaware limited liability company ("Project Sponsor"). At the time, the Project Sponsor sought to acquire Transbay Parcel F from TJPA and required as a condition of that purchase that OCII enter into the Option Agreement so that the Developer could fulfill the affordable housing obligations of Parcel F through the development of Block 4.; and,

WHEREAS, in September 2018, CCII approved a non-binding Term Sheet outlining the mixed-use, mixed-income development program for Block 4 (the "Project") along with the First Amendment to the Option Agreement. The 2018 Term Sheet served as the basis for negotiation of the Disposition and Development Agreement ("DDA") and development of the Schematic Design; and,

WHEREAS, between September 2018 and September 2021, OCII negotiated with the Project Sponsor in determining the parameters for the Transbay Block 4 Schematic Design and the DDA. Objectives for OCII in their negotiations with the Project Sponsor included, in part, ensuring a maximum number of affordable units such that, at full buildout, at least 35% of the units within Transbay Project Area would be affordable; ensuring project feasibility; and maintaining the general land use and urban design principles of the vision established by the

Design for Development ("D4D"). To meet these objectives, OCII determined that the building envelope then proscribed by the Redevelopment Plan (and as reflected in the height maps within the Transit Center District Area Plan of the General Plan and Planning Code Height and Bulk Map HT-01), and the DCDG would need to be amended to allow greater development potential. As described above, an amendment to the Redevelopment Plan requires the Commission adopt findings of consistency with the General Plan and Planning Code Section 101.1. Amendments to the General Plan and the Planning Code Height Map require legislation requiring Commission action. However, the DCDG is under the sole jurisdiction of OCII and CCII; the Planning Department and Commission have no role in administering this document, including review of approval of any amendments to it; and,

WHEREAS, through the negotiations described above, OCII and the Project Sponsor agreed upon a Project Description for the Project: The Block 4 Project would 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 would 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; and,

WHEREAS, Planning Code Height and Bulk Map HT-01 specifies a 50/85/450-TB Height designation for the subject site limiting the maximum height of the site to 450-feet; the Planning Code refers to the Redevelopment Plan for further specifications of the "TB" Height and Bulk designation. The proposed Map Amendment would provide for a maximum height limit of 513 feet for Block 4; and

WHEREAS, related conforming amendments to the Redevelopment Plan, and amendments to Figure 1, "Proposed Height Limits" to the Transit Center District Area Plan ("TCDP") of the General Plan, both of which also limit the site to 450 feet in height. At their July 28, 2022 Hearing, the Planning Commission approved the Planning General Plan Amendments to the TCDP and found the proposed Redevelopment Plan Amendments consistent with the General Plan; and

WHEREAS, OCII maintains land use and California Environmental Quality Act ("CEQA") review authority of the Transbay Redevelopment Project Area, including the site of the proposed amendment (Block 4)' and,

WHEREAS, on June 21, 2022 at a public hearing the CCII adopted Resolution Nos. 18-2022, 20-2022, 21-2022, 22-2022, and 23-2022, which (1) made CEQA findings confirming the analysis and conclusion of Addendum of the Final Environmental Impact Statement/Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/ Redevelopment Project ("Final Environmental Document") as further described below , (2) approved the Redevelopment Plan Amendments and referred it to the Planning Commission, (3) approved the amendments to the DCDG, (4) approved the DDA for the Project, and (5) conditionally approved the Schematic Design for the Project; and,

WHEREAS, on June 15, 2004, the Board of Supervisors affirmed, by Motion No. 04-67, the certification under the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq., and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq. ("CEQA Guidelines," and collectively "CEQA")) of the Final Environmental Document, which included the Redevelopment Plan. Subsequently, the Board of Supervisors adopted, by Resolution No. 612-04 (October 7, 2004), findings that various actions related to the Project complied with CEQA and the Former Agency Commission adopted, by Resolution No. 11-2005 (January 25, 2005), findings and a statement of overriding considerations and a mitigation monitoring and reporting program, adopted in accordance with CEQA. Subsequent to the adoption of the Final Environmental Document and the findings, the Former Agency or the Successor Agency or other responsible agencies under CEQA/NEPA have approved and incorporated eight addenda into the analysis of the Final Environmental Document (as incorporated, the "FEIS/EIR") and made requisite findings under CEQA (findings referenced in this recital collectively referred to as the "CEQA Findings"). OCII staff has made the FEIS/EIR, (including the addenda), and related documents available to the Commission and the public, and these files are part of the record before the Commission; and,

WHEREAS, OCII, as lead agency and in consultation with the San Francisco Planning Department, has prepared Addendum No. 9 to the FEIS/EIR (the "Addendum"), dated June 13, 2022 (link). The Addendum evaluates the potential environmental effects associated with approval of the Redevelopment Plan Amendments and related action ("Proposed Actions"); and,

WHEREAS, OCII prepared the Addendum in compliance with CEQA and the Addendum reflects the independent judgment and analysis of OCII, and the OCII concludes that the Proposed Actions are within the scope of impacts analyzed in the FEIS/EIR and will not result in any new significant impacts or a substantial increase in the severity of previously identified significant effects that alter the conclusions reached in the FEIS/EIR for the reasons stated in the Addendum; and,

WHEREAS, based on the analysis in the Addendum, by Motion No. 18-2022, the CCII concluded that the analyses conducted and the conclusions reached in the FEIS/EIR remain valid and the Proposed Actions will not cause new significant impacts not identified in the FEIS/EIR or substantially increase the severity of previously identified significant impacts, and no new mitigation measures will be necessary to reduce significant impacts. Further, as described in the Addendum, no changes have occurred, with respect to either the development or the circumstances surrounding the development contemplated in FEIS/EIR, that will require major revisions of the FEIS/EIR due to the involvement of new significant effects or a substantial increase in the severity of previously identified significant effects, and no new information has become available that shows that the Block 4 Project will cause new or more severe significant environmental impacts. Therefore, no subsequent or supplemental environmental review is required under CEQA beyond the Addendum to approve the Proposed Actions, the Block 4 Project;

A draft ordinance, **attached hereto as Exhibit A**, would amend Planning Code Height and Bulk Map HT-01 for Assessor's Block 3739, Lot 010 from a 50/85/450-TB designation to a 513-TB designation.

NOW THEREFORE BE IT RESOLVED, that the Planning Commission hereby finds that the Planning Code Text Amendments and Zoning Map Amendments promote the public welfare, convenience and necessity for the following reasons:

- The Proposed Zoning Map Amendment would enable a project that would 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 Proposed Zoning Map Amendment would enable a project that 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 Proposed Zoning Map Amendment would not create significant shadow impacts as described in Addendum No. 9 and in the draft Planning Commission Motion regarding the Redevelopment Plan Amendment;
- The Proposed Zoning Map Amendment would enable a project that would enable a project that includes 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.

AND BE IT FURTHER RESOLVED, that the Commission finds the India Basin Planning Code Amendments are in conformity with the General Plan and Planning Code Section 101.1 as set forth in Motion No.21154 and

AND BE IT FURTHER RESOLVED, that the Commission has reviewed and considered the CEQA Findings and statement of overriding considerations that the Successor Agency previously adopted, and reviewed and considered the CEQA Findings contained in the Addendum, which the Successor Agency adopted in Resolution No. 18-2022, and hereby adopts these additional CEQA Findings as its own. The Commission finds that the conclusions reached in the FEIS/EIR remain valid and the Proposed Actions will not cause new significant impacts not identified in the FEIS/EIR or substantially increase the severity of previously identified significant impacts, and no new mitigation measures will be necessary to reduce significant impacts. Further, as described in the

Addendum, no changes have occurred, with respect to either the development or the circumstances surrounding the development contemplated in FEIS/EIR, that will require major revisions of the FEIS/EIR due to the involvement of new significant effects or a substantial increase in the severity of previously identified significant effects, and no new information has become available that shows that the Project will cause new or more severe significant environmental impacts. Therefore, no subsequent or supplemental environmental review is required under CEQA beyond the Addendum to approve the Proposed Actions, the Project and other actions necessary for the Project; and

AND BE IT FURTHER RESOLVED, that pursuant to Planning Code Section 302, the Planning Commission Adopts a Resolution to Recommend to the Board of Supervisors to approve the Draft Ordinance.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on July 28, 2022.

Jonas P. Ionin

Commission Secretary

AYES: Ruiz, Diamond, Imperial, Koppel, Moore, Tanner

NOES: None

ABSENT: Fung

ADOPTED: July 28, 2022