

1 [Development Agreement - Treasure Island/Yerba Buena Island]

2

3 **Ordinance approving a Development Agreement between the City and County of San**  
 4 **Francisco and Treasure Island Community Development, LLC, for certain real property**  
 5 **located within the Treasure Island/Yerba Buena Island Project Area, making findings**  
 6 **under the California Environmental Quality Act, findings of consistency with the City's**  
 7 **General Plan and with the eight priority policies of Planning Code Section 101.1(b), and**  
 8 **waiving certain sections of Administrative Code Chapter 56.**

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NOTE: Additions are *single-underline italics Times New Roman*;  
 deletions are ~~*strike-through italics Times New Roman*~~.  
 Board amendment additions are double-underlined;  
 Board amendment deletions are ~~strike through normal~~.

10

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

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13 Section 1. Project Findings. The Board of Supervisors makes the following findings:

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15 (a) California Government Code Sections 65864 et seq. authorizes any city, county,  
 16 or city and county to enter into an agreement for the development of real property within the  
 17 jurisdiction of the city, county, or city and county.

18

19 (b) Chapter 56 of the San Francisco Administrative Code sets forth certain  
 20 procedures for the processing and approval of development agreements in the City and  
 21 County of San Francisco (the "City").

22

23 (c) In 2003, the Treasure Island Development Authority (the "Authority") selected  
 24 Treasure Island Community Development, LLC, a California limited liability company  
 25 ("Developer") through a competitive process to serve as master developer for the proposed  
 redevelopment of the former Naval Station Treasure Island (the "Project").

26

(d) On \_\_\_\_\_, 2011, the Board adopted an ordinance to approve a  
 Redevelopment Plan for the Treasure Island / Yerba Buena Island Redevelopment Project

1 Area (the “Redevelopment Plan”), a copy of which is on file with the Clerk of the Board under  
2 File No. \_\_\_\_\_ (the “Plan Adoption Ordinance”).

3 (e) Concurrently with this Ordinance, the Board is taking a number of actions in  
4 furtherance of the Project and the Redevelopment Plan, including the approval of (i) a  
5 disposition and development agreement (“DDA”) between Developer and the Authority,  
6 (ii) amendments to the City’s General Plan, Planning Code, and Zoning Maps to conform to  
7 the land use controls of the Redevelopment Plan and the Treasure Island and Yerba Buena  
8 Island Design for Development (the “Design for Development”), (iii) an interagency  
9 cooperation agreement between the Authority, the City and various City agencies (the “ICA”)  
10 and (iv) a number of related transaction documents and entitlements to govern development  
11 of the Project.

12 (f) Upon completion, the Project will include (i) up to 8,000 new residential units, 30  
13 percent of which will be made affordable to a broad range of very-low to moderate income  
14 households, including up to 435 units to be developed by the Treasure Island Homeless  
15 Development Initiative’s member organizations, (ii) the adaptive reuse of approximately  
16 311,000 square feet of historic structures, (iii) up to 140,000 square feet of new retail uses  
17 and 100,000 square feet of commercial office space, (iv) approximately 300 acres of parks  
18 and open space, (v) new and or upgraded public facilities, including a joint police/fire station, a  
19 school, facilities for the Treasure Island Sailing Center and other community facilities, (vi) a  
20 400-500 room hotel, (vii) a new 400 slip marina, (viii) the investment of approximately \$155  
21 million in transportation infrastructure, and (ix) the creation of thousands of construction job  
22 opportunities and thousands of permanent jobs, all as more particularly described in the  
23 Redevelopment Plan and the DDA.

24 (g) The Project is located on those portions of Assessor’s Block 1939, Lots 1 and 2  
25 (the “Project Site”), as more particularly described in the Redevelopment Plan and the DDA.

1 (h) While the DDA binds the Authority and the Developer, other City agencies retain  
2 a role in reviewing and issuing certain subsequent approvals in connection with the Project as  
3 set forth in the DDA, the ICA, and as permitted by the City's Charter, the Municipal Code and  
4 the Community Redevelopment Law, including approval of subdivision maps, review of certain  
5 aspects of major phase and sub phase applications, issuance of building permits, and  
6 acceptance of dedications of infrastructure and public right-of-ways for maintenance and  
7 liability, and approval of art works on City owned property.

8 (i) In furtherance of the Project and the City's role in subsequent approval actions  
9 relating to the Project, the City and Developer negotiated a development agreement for  
10 development of the Project Site, a copy of which is on file with the Clerk of the Board in File  
11 No. \_\_\_\_\_ and incorporated herein by reference (the "Development Agreement").

12 (j) The City has determined that as a result of the development of the Project Site  
13 in accordance with the Development Agreement and the DDA, clear benefits to the public will  
14 accrue that could not be obtained through application of existing City ordinances, regulations,  
15 and policies, as more particularly described in the Development Agreement and the DDA.  
16 The Development Agreement will eliminate uncertainty in the City's land use planning for the  
17 Project Site and secure orderly development of the Project Site consistent with the  
18 Redevelopment Plan, the Design for Development and the DDA.

19 Section 2. CEQA Findings. In accordance with the actions contemplated  
20 herein, this Board adopted Resolution No. \_\_\_\_\_ concerning findings pursuant to the  
21 California Environmental Quality Act. A copy of said Resolution is on file with the Clerk of the  
22 Board of Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference.

23 Section 3. General Plan and Planning Code Section 101.1(b) Findings.

24 In accordance with the actions contemplated herein, the Board of Supervisors finds  
25 that this Ordinance is in conformity with the Priority Policies of Section 101.1 of the Planning

1 Code and, on balance, consistent with the General Plan as it is proposed for amendment, and  
2 hereby adopts the findings set forth in Board of Supervisors Ordinance No. \_\_\_\_\_  
3 and incorporates such findings by reference as if fully set forth herein. A copy of said  
4 Ordinance is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

5 Section 4. Development Agreement.

6 (a) The Board of Supervisors approves all of the terms and conditions of the  
7 Development Agreement, in substantially the form on file with the Clerk of the Board of  
8 Supervisors in File No. \_\_\_\_\_. The Board of Supervisors finds that the Employment  
9 and Contracting Policy approved in connection with the DDA satisfies the requirements of  
10 Administrative Code 56.7(c) regarding adoption of and reporting under an affirmative action  
11 program.

12 (b) In connection with the Development Agreement, the Board of Supervisors finds  
13 that the requirements of San Francisco Administrative Code Chapter 56 have been  
14 substantially complied with, and hereby waives the following requirements and procedures of  
15 the Administrative Code: Section 56.4 (Filing of Application; Forms; Initial Notice and  
16 Hearing); Section 56.10 (Development Agreement Negotiation Report and Documents); and  
17 56.20 (Fee). None of the requirements of these waived sections are required by California  
18 Government Code Sections 65864 et seq. The Development Agreement shall not be invalid  
19 or ineffective due to the failure to strictly comply with any of the requirements of Chapter 56 of  
20 the San Francisco Administrative Code.

21 (c) The Board of Supervisors approves the periodic review procedures set forth in  
22 section 7 of the Development Agreement, which incorporates provisions of Administrative  
23 Code Section 56.17 (Periodic Review) with certain modifications.

24 (d) Subject to the foregoing, the Board of Supervisors approves the execution,  
25 delivery and performance by the City of the Development Agreement. The Director of

1 Planning (or his or her designee) is hereby authorized to execute the Development  
2 Agreement. The Development Agreement shall also be executed by the General Manager of  
3 the Public Utilities Commission and the Executive Director of the Municipal Transportation  
4 Agency, subject to prior approval by those Commissions. Upon the receipt of the foregoing  
5 approvals, the Director of Planning (or his or her designee) and other applicable City officials  
6 are hereby authorized to take all actions reasonably necessary or prudent to perform the  
7 City's obligations under the Development Agreement in accordance with the terms of the  
8 Development Agreement and San Francisco Administrative Code Chapter 56, as applicable.  
9 The Director of Planning, at his or her discretion and in consultation with the City Attorney, is  
10 authorized to enter into any additions, amendments or other modifications to the Development  
11 Agreement that the Director of Planning determines are in the best interests of the City and  
12 that do not materially increase the obligations or liabilities of the City or decrease the benefits  
13 to the City under the Development Agreement.

14 Section 5. Ratification of Prior Actions. All actions taken by City officials in preparing  
15 and submitting the Development Agreement to the Board of Supervisors for review and  
16 consideration are hereby ratified and confirmed, and the Board of Supervisors hereby  
17 authorizes all subsequent action to be taken by City officials consistent with this Ordinance.

18 Section 6. Operative Date. This Ordinance shall become effective on the latter of the  
19 date that the Ordinance approving the Redevelopment Plan for the Treasure Island/Yerba  
20 Buena Island Project becomes final or the date this Ordinance would otherwise become  
21 effective under applicable law.

22 APPROVED AS TO FORM:  
23 DENNIS J. HERRERA, City Attorney

24 By: \_\_\_\_\_  
25 John D. Malamut  
Deputy City Attorney