Planning Commission Resolution No. 20020

1650 Mission St. Suite 400 San Francisco. CA 94103-2479

Reception:

HEARING DATE: OCTOBER 5, 2017

415.558.6378

Case No :

Block/Lot:

2013.0208 ENV/PCA/MAP/DVA

Project Name:

Mission Rock (aka Seawall Lot 337 / Pier 48)

Existing Zoning:

Mission Bay Open Space (MB-OS); M-2 (Heavy Industrial) Zoning District; 415.558.6409

Mission Rock Height and Bulk District

Planning

8719/006; 9900/048

Information:

Proposed Zoning:

Mission Mixed-Use Zoning District / Mission Rock Special Use District;

415.558.6377

Project Sponsor:

Mission Rock Height and Bulk District Port of San Francisco and San Francisco Giants

Staff Contact:

Mat Snyder - (415) 575-6891

mathew.snyder@sfgov.org

RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND SEAWALL LOT 337 ASSOCIATES, LLC, FOR A CERTAIN REAL PROPERTY LOCATED ON SEAWALL LOT 337, PIER 48 AND MISSION BAY PARCEL 20, COMPROISED OF ASSESSOR'S BLOCKS AND LOTS: BLOCK 8719/ LOT 006 AND BLOCK 9900 / LOT 048, ALTOGETHER CONSISTING OF APPROXIMATELY 28 ACRES, FOR A 30-YEAR TERM AND ADOPTING VARIOUS FINDINGS, INCLUDING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL OUALITY ACT AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, Chapter 56 of the San Francisco Administrative Code sets forth the procedure by which a request for a development agreement will be processed and approved in the City and County of San Francisco.

WHEREAS, the Development Agreement would enable the Mission Rock Project. The Project includes new market-rate and affordable residential uses, commercial uses, retail, light industrial uses, parking, shoreline access improvements, infrastructure development and street improvements, and public open space. Depending on the uses proposed, the Project would include between 1.1 to 1.6 million gross square feet (gsf) of residential uses (estimated at 1,000 to 1,600 residential units) (of which 40% will be below market rate), approximately 972,000 to 1.4 million gsf of commercial-office use, and a maximum of approximately 245,000 gsf of retail use. The Project also includes construction of transportation and circulation improvements, new and upgraded utilities and infrastructure, geotechnical and shoreline improvements, up to 3,000 off-street parking spaces in one or two new garages and 100 spaces elsewhere throughout the site.

WHEREAS, in 2010, the Port of San Francisco ("Port") selected through a competitive process, the Seawall Lot 337 Associates, LLC, (an affiliate of the San Francisco Giants) to serve as master developer for the Project.

WHEREAS, in 2013, the Board of Supervisors ("Board") endorsed a Term Sheet and Development Plan for the Project, which set forth the terms of the Project.

WHEREAS, the Mission Rock Height and Bulk District was approved and established by the voters in Proposition D in 2015.

WHEREAS, the Board will be taking a number of actions in furtherance of the Project, including the approval of a disposition and development agreement ("DDA") between the City and County of San Francisco acting by and through the San Francisco Port Commission and the San Francisco Giants.

WHEREAS, the DDA includes an exhibit, referenced in the DA, that sets restrictions on when the project sponsor may seek permits to construct office space, effectively metering out the office components of the project over at least five years.

WHEREAS, these actions include the adoption of the Mission Rock Special Use District ("SUD") and its associated Design Controls document ("DC"), which together outline land use controls and design guidance for both horizontal and vertical development and improvements to the site.

WHEREAS, in furtherance of the Project and the City's role in subsequent approval actions relating to the Project, the City and the San Francisco Giants negotiated a development agreement for development of the Project site, a copy of which is attached as Exhibit A (the "Development Agreement").

WHEREAS, the City has determined that as a result of the development of the Project site in accordance with the Development Agreement and the DDA, clear benefits to the public will accrue that could not be obtained through application of existing City ordinances, regulations, and policies, as more particularly described in the Development Agreement and the DDA. The Development Agreement will eliminate uncertainty in the City's land use planning for the Project site and secure orderly development of the Project site consistent with the Design Controls and the DDA.

WHEREAS, the Development Agreement shall be executed by the Director of Planning, City Administrator, Director of Public Works, City Attorney, and Port Director, subject to prior approval by those Commissions and the Board of Supervisors.

WHEREAS, on October 5, 2017, the Planning Commission reviewed and considered the Final EIR for the Mission Rock Project ("FEIR") and found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR, and certified the FEIR for the Project in compliance with the California Environmental Quality Act ("CEQA"), the CEQA Guidelines and Chapter 31 by Motion No. 20017.

WHEREAS, on October 5, the Commission by Motion No. 20018 approved CEQA Findings, including adoption of a Mitigation Monitoring and Reporting Program (MMRP), under Case No. 2013.0208ENV, for approval of the Project, which findings and MMRP are incorporated by reference as though fully set forth herein.

WHEREAS, on October 5, 2017, the Commission conducted a duly noticed public hearing at a regularly scheduled meeting on the proposed Development Agreement. At the hearing, City staff introduced proposed changes to the associated draft Ordinance for the DA ("Mission Rock Development Agreement Ordinance Errata (10/5/17)"). The Commission's actions regarding the DA hereby incorporate such changes.

WHEREAS, on October 5, 2017, by Motion No. 20019 the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the Planning Code, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth.

WHEREAS, on October 5, 2017, by Motion 20019, the Commission adopted findings regarding the Project's consistency with the General Plan and Planning Code Section 101.1, including all other approval actions associated with the project therein, which findings are hereby incorporated herein by this reference as if fully set forth .

NOW THEREFORE BE IT RESOLVED, that the Planning Commission hereby approves the Development Agreement, in substantially the form attached hereto as Exhibit A.

AND BE IT FURTHER RESOLVED, that the office development described in the DA and allocated over time in the DDA promotes the public welfare, convenience and necessity under Planning Code Section 321(b)(3) as follows: (1) the land use plan, phasing of infrastructure, open space and public benefits, and apportionment of office over time maintains a balance between economic growth and housing, transportation and public services; (2) the office development is consistent with and promotes the objectives and policies of the General Plan and Planning Code Section 101.1 as set forth in Motion No. 20019; (3) the Design Controls and process for design review under the Mission Rock Special Use District ensure that the office development will be of high quality; (4) the office is located at an appropriate location, in close proximity to other office development in SoMa and the Downtown, near housing and major transit; and (5) the space is suitable for a broad range of uses and can accommodate a variety of tenants of various sizes.

AND BE IT FURTHER RESOLVED, that the Commission finds that the application, public notice, Planning Commission hearing, and Planning Director reporting requirements regarding the Development Agreement negotiations contained in Administrative Code Chapter 56 required of the Planning Commission and the Planning Director have been substantially satisfied in light of the regular monthly meetings held for the last two and a half years, the multiple public informational hearings provided by the Planning Department staff at the Planning Commission, the information contained in the Director's Report regarding the Mission Rock Development Agreement negotiations, and the mailed and published notice issued for the Development Agreement.

AND BE IT FURTHER RESOLVED, that the Commission authorizes the Planning Director to take such actions and make such changes as deemed necessary and appropriate to implement this Commission's recommendation of approval and to incorporate recommendations or changes from the Port Commission, San Francisco Municipal Transportation Agency (SFMTA) Board of Directors, the San Francisco Public Utilities Commission (SFPUC) and/or the Board, provided that such changes do not materially increase any obligations of the City or materially decrease any benefits to the City contained in the Development Agreement attached as Exhibit A.

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on Thursday, October 5, 2017.

Jonas P. Ionin

Commission Secretary

AYES:

Hillis, Richards, Fong, Johnson, Koppel, Melgar, Moore

NAYS:

None

ABSENT:

None

ADOPTED:

October 5, 2017