**BOARD of SUPERVISORS** 



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July 30, 2018

File Nos. 180680 & 180681

Lisa Gibson Environmental Review Officer Planning Department 1650 Mission Street, Ste. 400 San Francisco, CA 94103

Dear Ms. Gibson:

On July 24, 2018, Supervisor Cohen introduced the following substitute legislations:

File No. 180680

Ordinance amending the Planning Code to establish the India Basin Special Use District, located generally at Innes Avenue between Griffith Street and Earl Street, along the India Basin shoreline, in the south-east part of San Francisco; amending the Planning Code by amending the Zoning Map to change zoning designations, height districts, and add the India Basin Special Use District; and making findings under the California Environmental Quality Act, findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

File No. 180681

Ordinance approving a Development Agreement between the City and County of San Francisco and India Basin Investment LLC, a California limited liability company, for the India Basin Project at the approximately 28-acre site located at Innes Avenue between Griffith Street and Earl Street, with various public benefits, including 25% affordable housing and 11 acres of parks and open space; making findings under the California Environmental Quality Act and findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); approving a Public Trust Exchange Agreement, making public trust findings, and authorizing the transfer and acceptance of real property and the recording of a land use covenant consistent with the Public Trust Exchange Agreement; approving specific development impact fees and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Chapters 14B, 23, 56, and 82 and Subdivision Code, Section 1348, and ratifying certain actions taken in connection therewith.

These are being transmitted to you for environmental review.

Referral from Board of Supervisors Page 2

Angela Calvillo, Clerk of the Board

n Major

By: Erica Major, Assistant Clerk Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Laura Lynch, Environmental Planning FILE NO. 180680

SUBSTITUTED 7/24/2018

ORDINANCE NO.

[Planning Code, Zoning Map - India Basin Special Use District]					
Ordinance amending the Planning Code to establish the India Basin Special Use					
District, located generally at Innes Avenue between Griffith Street and Earl Street,					
along the India Basin shoreline, in the south-east part of San Francisco; amending the					
Planning Code by amending the Zoning Map to change zoning designations, height					
districts, and add the India Basin Special Use District; and making findings under the					
California Environmental Quality Act, findings of consistency with the General Plan,					
and the eight priority policies of Planning Code, Section 101.1, and findings of public					
necessity, convenience, and welfare under Planning Code, Section 302.					
NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u> . Deletions to Codes are in <u>strikethrough italies Times New Roman font</u> . Board amendment additions are in <u>double-underlined Arial font</u> . Board amendment deletions are in <u>strikethrough Arial font</u> . Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.					
Be it ordained by the People of the City and County of San Francisco:					
Section 1. Planning and Environmental Findings.					
(a) In companion legislation adopting a Development Agreement associated with the					
India Basin Mixed-Use project, the Board of Supervisors adopted environmental findings					
pursuant to the California Environmental Quality Act (CEQA) (California Public Resources					
Code Sections 21000 et seq.), the CEQA Guidelines (14 Cal. Code Reg. Sections 15000 et					
seq.), and Chapter 31 of the Administrative Code. The Board of Supervisors adopts these					
environmental findings as though fully set forth herein in relation to this ordinance. A copy of					

said companion legislation is in Board of Supervisors File No. \_\_\_\_\_ and it and its environmental findings are incorporated herein by reference.

(b) In companion legislation adopting General Plan amendments associated with the India Basin Mixed-Use project, the Board of Supervisors adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The Board incorporates these findings by reference and adopts these findings as its own. A copy of said companion legislation is in Board of Supervisors File No. \_\_\_\_\_.

(c) Pursuant to Planning Code Section 302, this Board finds that this Planning Code amendment will serve the public necessity, convenience, and welfare for the reasons set forth in Planning Commission Resolution No. \_\_\_\_\_ and adopted on \_\_\_\_\_, 2018, and the Board adopts such reasons as its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_ and is incorporated herein by reference.

Section 2. The Planning Code is hereby amended by adding Section 249.84, to read as follows:

## SEC. 249.84. INDIA BASIN SPECIAL USE DISTRICT.

(a) **Purpose and Boundaries.** A Special Use District entitled the "India Basin Special Use District" (SUD) is hereby established, located generally at Innes Avenue between Griffith Street and Earl Street, along the India Basin shoreline, in the southeast part of San Francisco. The precise boundaries of the SUD are shown on Sectional Map SU09 of the Zoning Map. The purpose of this SUD is to implement the Development Agreement for the India Basin Mixed-Use Project (Project), approved by the Board of Supervisors in the ordinance in Board File No.\_\_\_\_\_. The Project will provide several benefits to the City, such as a significant amount of open space, increased public access,

commercial space, extensive infrastructure improvements, and affordable housing, while creating jobs, housing, and a vibrant community.

(b) Public Trust. Within this SUD, certain property is or will be subject to the public trust for commerce, navigation, and fisheries (the Public Trust) in accordance with a public trust exchange and title settlement agreement with the State of California. The Port of San Francisco (Port) has jurisdiction over the Public Trust property, with the right to prohibit uses that are not consistent with the Public Trust. The Port also shall issue permits for any improvements on the Public Trust property, subject to any delegation by the Port to another City agency. The Recreation and Park Department will operate and maintain the public parks and open spaces located on Public Trust property, in accordance with an agreement with the Port and in accordance with the open space covenant attached to the Development Agreement (Open Space Covenant). The Planning Commission has jurisdiction over the permitting for any development of property within the SUD that is not subject to the Public Trust.

(c) Relationship to Design Standards and Guidelines. The Design Standards and Guidelines
(DSG), as may be periodically amended, are incorporated into this SUD and set forth standards and guidelines applicable within the SUD. A copy of the DSG is on file with the Planning Department and is available on its website. This SUD and the DSG shall be read and construed together so as to avoid any conflict to the greatest extent possible. If there is an unavoidable conflict between the SUD and the DSG, the SUD shall prevail. The Planning Director may make adjustments to the DSG for areas within the Planning Commission's jurisdiction, provided any material amendment to the DSG, as determined by the Planning Director, will be subject to the review and approval of the Planning Commission. Adjustments to the DSG for areas outside of the Planning Commission's jurisdiction, such as adjustments to the public right-of-ways, public infrastructure, or recreational facilities within the parks, may be made by the Public Works Director, the San Francisco Public Utilities Commission General Manager, or the Recreation and Park Department General Manager, as applicable, subject to

the requirements of the Development Agreement and the Open Space Covenant and following consultation with the Planning Director.

(d) Relationship to Other Planning Code Provisions. Applicable provisions of the Planning Code shall control except as otherwise provided in this SUD, the DSG within the control of the Planning Commission or Recreation and Park Commission, and the Development Agreement (for so long as the Development Agreement is in effect). In the event of a conflict between other provisions of the Planning Code and the DSG or this SUD (and further subject to subsection (e) below), this SUD shall control first, followed by the DSG and the Planning Code.

(e) Relationship to the Development Agreement. This SUD shall be read and construed consistent with the Development Agreement, and all development within the Project Site shall satisfy the requirements of the Development Agreement for so long as it remains in effect for each part of the Project Site. As described in the Development Agreement, the Project is divided into Development Phases, and no development may occur within a Development Phase until after the Planning Department issues a Development Phase Approval. Upon expiration or termination of the Development Agreement for any part of the Project Site, any new development, other than replacement of what was built under the Development Agreement, shall require a conditional use approval under Section 303 of this Code.

(f) **Definitions.** If not expressly superseded by definitions set forth in this Section 249.84 the DSG, or the Development Agreement, all definitions, procedures, and requirements of the Planning Code shall apply to this SUD. The following definitions shall govern interpretation of this Section:

"Applicant" means the owner or authorized agent of the owner of a parcel that applies for an approval under this SUD.

<u>"Building Standards" means the standards applicable to Vertical Improvements and any</u> <u>associated privately-owned open spaces within the SUD, consisting of the standards specified in</u> <u>subsection (h) below and the standards identified as such in the DSG. It does not mean Building Code</u>

requirements under either the California, the San Francisco, or the Port of San Francisco Building
Codes, which this SUD and the DSG do not override.
"Development Agreement" shall mean the Development Agreement By and Between the City
and County of San Francisco and India Basin Investment LLC, a California limited liability company,
Relative to the Development Known as India Basin Mixed-Use Project, approved by the Board of
Supervisors in the ordinance in Board File No, as it may be amended from time to time.
"Development Phase" and "Development Phase Approval" have the meaning set forth in the
Development Agreement.
"General Manager" means the General Manager of the Recreation and Park Department.
"Horizontal Development" or "Horizontal Improvements" means all improvements and
construction required to prepare land for Vertical Improvements, including streets, right-of-ways,
utility lines, and infrastructure to serve development lots, transit improvements, public parks and open
spaces, bicycle paths, and shoreline improvements. Horizontal Development shall include all Public
Improvements and all Privately-Owned Community Improvements, as those terms are defined in the
Development Agreement.
"India Basin DSG" or "DSG" shall mean the document adopted by Planning Commission
Motion, as may be amended from time to time. The DSG is incorporated into this SUD by
reference.
"Major Modification" means a deviation of 10% or more from any dimensional or numerical
standard in this SUD or in the DSG, except as explicitly prohibited per subsection (i) below.
"Minor Modification" means a deviation of less than 10% from any dimensional or numerical
standard in this SUD or in the DSG, except as explicitly prohibited per subsection (i) below, or any
deviation from any non-numerical standard in the DSG.
<u>"Privately-Owned Community Improvement" shall mean a facility that is privately owned and</u>
privately maintained, at no cost to the City, for the public benefit, that is not dedicated to the City. The

Privately-Owned Community Improvements include certain right-of-ways, pedestrian paths and bicycle lanes, open spaces, the public market, and storm drain facilities, as more particularly described in the Development Agreement.

"Project Site" has the meaning set forth in the Development Agreement.

"Public Improvements" means the facilities, both on- and off-site, to be improved, constructed, and dedicated by Developer and, upon completion in accordance with the Development Agreement, accepted by the City. Public Improvements include the streets within the Project Site described in the Development Agreement, and all infrastructure and public utilities within the accepted streets (such as gas, electricity, and water and sewer lines, but excluding any non-municipal utilities), as well as sidewalks, bicycle lanes, street furniture, paths, and intersection improvements (such as curbs, medians, signaling, traffic controls devices, signage, and striping). Public Improvements also include the Parks and Open Spaces, the SFPUC Infrastructure, and the SFMTA Infrastructure, as those terms are defined in the Development Agreement. The Public Improvements do not include Privately-Owned Community Improvements.

<u>"RPC Open Space" means publicly-owned areas within the SUD that are within the jurisdiction</u> of the Port Commission or the Recreation and Park Commission, as depicted on Figure 249.84-1: RPC Open Space.

[Insert Figure 249.84-1: RPC Open Space]

<u>"Vertical Development" or "Vertical Improvements" means new construction of a building and</u> <u>any later expansion or addition to a previously approved building, where the building is located within</u> <u>the Mixed-Use, Residential Mixed-Use, Multi-Family Residential, or Public Market land use districts</u> <u>within the SUD shown in Figure 249.84-2: India Basin Use Districts.</u> [Insert Figure 249.84-2: India Basin Use Districts (figure 4-6 of the DSG)]

(g) Uses.

(1) Permitted Uses. The following uses set forth in Table 249.84-1: India Basin Uses shall be permitted as indicated within the different use districts of the SUD, where P means Permitted Use and NP means Non-permitted Use. <u>Table 249.84.1: India Basin Uses</u> Use Mixed Residential Multi- Public Privately Owned

<u>Use</u>	<u>Mixed</u> <u>Use</u>	<u>Residential</u> <u>Mixed-Use</u>	<u>Multi-</u> <u>Family</u> <u>Residential</u>	<u>Public</u> <u>Market</u> <u>/ Town</u> <u>Triangle</u>	<u>Privately Owned</u> <u>Open Space</u>
<u>Agriculture Use</u>	<u>P (1,2)</u>	<u>P (1,2)</u>	<u>P (1,2)</u>	<u>P (1)</u>	<u>P (1)</u>
<u>Automotive Use</u>	<u>NP (3)</u>	<u>NP (3)</u>	<u>NP (3)</u>	<u>NP</u>	<u>NP</u>
Entertainment, Arts & <u>Recreation Use</u>	<u>P (4,5)</u>	<u>P (4,5)</u>	<u>P (5,6)</u>	<u>P (5, 6)</u>	<u>NP</u>
<u>Industrial Use</u>	<u>NP (7)</u>	<u>NP (7, 8)</u>	<u>NP (3)</u>	<u>NP</u>	NP
<u>Institutional Use</u>	<u>P (9)</u>	<u>P (10)</u>	<u>P (10,11)</u>	<u>NP (12)</u>	<u>NP</u>
<u>Residential Use</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>NP</u>	<u>NP</u>
<u>Sales and Services,</u> <u>Non-Retail Use</u>	<u>P (13)</u>	<u>P (13)</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>
<u>Sales and Services,</u> <u>Retail Use</u>	<u>P (14)</u>	<u>P (14, 15)</u>	<u>NP</u>	<u>NP (16)</u>	<u>NP</u>
<u>Utility and</u>	<u>NP (17,</u>	<u>NP (17,</u>	<u>NP (17,</u>	<u>NP (18)</u>	<u>NP (18)</u>
Infrastructure Use	<u>18)</u>	<u>18)</u>	<u>18)</u>		

1	<u>Notes:</u>
2	<u>1. Use permitted with the exception of Large Scale Urban Agriculture and Industrial</u>
3	<u>Agriculture.</u>
4	2. Use permitted with the exception of Greenhouses.
5	3. Use not permitted with the exception of Public and Private Parking facilities.
6	4. Use permitted with a maximum limit of three screens for any Movie Theater use.
7	5. Use permitted with the exception of Livery Stables and Sports Stadiums.
8	6. Use permitted with the exception of Movie Theater and Nighttime Entertainment.
9	7. Use not permitted with the exception of Cat Boarding, Kennel, Light Manufacturing, Metal
10	Working, Parcel Trade Office, Trade Shop, Animal Processing 1, and Food Fiber and Beverage
11	Processing.
12	8. Use not permitted except on Ground Floor.
13	9. Cannabis Dispensary permitted with Conditional Use.
14	10. Use permitted with the exception of Cannabis Dispensary and Hospital.
15	11. Use Permitted with the exception of Job Training, Trade School and Post-secondary
16	Educational Institution.
17	12. Use not permitted with the exception of Public Facilities.
18	13. Use permitted with the exception of Laboratory, Life Sciences, Commercial Storage,
19	Wholesale Sales, and Wholesale Storage.
20	14. Use permitted with the exception of Adult Business, Mortuary, Limited Financial Services,
21	Motel, Self-Storage and Tobacco Paraphernalia Store.
22	15. Use permitted with the exception of Animal Hospital, Fringe Financial Services.
23	16. Use not permitted with the exception of Grocery, Food and Beverage uses.
24	17. Use not permitted with the exception of Internet Service Exchange, Wireless
25	Telecommunication Services (WTS) Facility, which shall be permitted with a Conditional Use permit.

#### 18. Use not permitted with the exception of Utility Installation.

(2) Uses within RPC Open Space. Subject to the limitations imposed by the Public <u>Trust, uses within RPC Open Space shall be subject to review under Planning Code section 211, which</u> <u>controls land uses within P (Public) Districts. Notwithstanding Planning Code Sections 211, 211.1,</u> <u>and 211.2, the following uses shall be considered principally permitted: concessionaire stands and</u> <u>infrastructure as described in the Development Agreement and the DSG.</u>

(3) Temporary Uses. Subject to the limitations imposed by the Public Trust, any of the following temporary uses (collectively, Temporary Uses) may be authorized by the General Manager for uses located within the RPC Open Space or the Planning Director for uses located within the SUD but outside the RPC Open Space without a public hearing for a period not to exceed 90 days: booths for charitable, patriotic, or welfare purposes; markets; exhibitions, festivals, circuses, musical and theatrical performances, and other forms of live entertainment including setup/load-in and demobilization/load-out; athletic events; open-air sales of agriculturally-produced seasonal decorations such as Christmas trees and Halloween pumpkins; meeting rooms and event staging; mobile food on private property; and temporary retail establishments. Such authorization may be extended for another 90 days, as approved by the General Manager or Planning Director, as applicable. The General Manager (for uses located within the RPC Open Space) or the Planning Director (for uses located outside the RPC Open Space) may authorize recurring Temporary Uses, such as a weekly farmers market, under a single authorization. All such uses on the public right-of-way are subject to permitting as required under the Municipal Code.

(4) Interim Uses. Subject to the limitations imposed by the Public Trust, interim uses for a period not to exceed five years may be authorized by the General Manager (for uses located within the RPC Open Space) or the Planning Director (for uses located outside the RPC Open Space) without a public hearing if the General Manager or Planning Director, as applicable, finds that such Interim Use will not impede orderly development consistent with this SUD, the DSG, and the

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1	Development Agreement. Additional time for such uses may be authorized upon a new application.				
2	Any Interim Use listed in this subsection (g)(4) that is integral to development under the Development				
3	Agreement, as determined by the General Manager or Planning Director, as applicable, shall not				
4	require separate authorization as an Interim or Temporary use (for example, uses incidental to				
5	environmental clean-up, demolition and construction, storage, and automobile and truck parking and				
6	loading related to construction activities). Any authorization granted pursuant to this subsection $(g)(4)$				
7	shall not exempt the applicant from obtaining any other permit required by law. All such uses on the				
8	public right-of-way are subject to permitting as required under the Municipal Code. In addition to				
9	temporary uses integral to the development, Interim Uses shall include, but are not limited to:				
10	(A) Retail activities, which may include the on-site assembly, production, or sale				
11	of food, beverages, and goods, the operation of restaurants or other retail food service in temporary				
12	structures, outdoor seating, food trucks, and food carts;				
13	(B) Temporary art installations, exhibits, and sales;				
14	(C) Recreational facilities and uses (such as play and climbing structures and				
15	outdoor fitness classes);				
16	(D) Motor vehicle and bicycle parking, if accessory to other permitted,				
17	temporary, or interim uses;				
18	(E) On-site assembly and production of goods in enclosed or unenclosed				
19	temporary structures;				
20	(F) Educational activities, including but not limited to after-school day camp and				
21	<u>activities;</u>				
22	(G) Site management service, administrative functions, and customer amenities				
23	and associated loading;				
24	(H) Rental or sales offices incidental to new development;				
25					

(I) Entertainment uses, both unenclosed and enclosed, which may include

temporary structures to accommodate stages, seating, and support facilities for patrons and

operations; and

(J) Trailers, recreational vehicles, or other temporary housing for construction workers, seasonal labor, or other workforce employment needs.

(5) Nonconforming Uses. The Planning Director and the General Manager may allow the reasonable continuance, modification, or expansion of existing uses and structures that do not comply with this Section 249.84 or the DSG upon a determination that the use would not impede the orderly development of the SUD consistent with this Section and the Development Agreement.

(6) Ground Floor Use Requirements. Ground Floor Uses are required as indicated in <u>Table 249.84-2: Types of Ground Floor Uses and Figure 249.84-3: Ground Floor Uses, below. Such</u> <u>uses cannot face a public right-of-way or public open space with non-transparent walls or involve the</u> <u>storage of goods or vehicles at a rate greater than 15% of the required frontage length, as further</u> governed by the Ground Floor Use Requirements in the DSG.

Table 249.84-2: Types of Ground Floor Uses

<u>Ground Floor</u> <u>Use Type</u>	<u>Allowed Use</u> <u>Categories (can</u> <u>be principal,</u> <u>conditional, or</u> <u>accessory)</u>
<u>Type A</u>	<u>Entertainment,</u>
	<u>Arts, and</u>
	Recreation Uses,
	Sales and
	<u>Services, Retail</u>
	<u>Uses</u>

<u> <i>Type B</i></u>	<u>Sales and</u>
	<u>Services, Non-</u>
	<u>Retail and</u>
	Institutional Use
<u>Type C</u>	<u>Residential Use</u>
	<u>Category</u>

(h) Building Standards. Building Standards shall be as follows, unless modified in accordance with subsections (i)(2) or (i)(3), below.

(1) **Residential Unit Density**. There shall be no residential unit density limit within this SUD.

(2) Floor Area Ratio. There shall be no floor-area-ratio limit within this SUD.
(3) Building Height. The height limits shall be as set forth on Sectional Map HT09 of the Zoning Map and as further limited and detailed in Figure 249.84-4: Building Heights Maximum, and as further governed by the DSG.

[Insert Figure 249.84-4: Building Heights Maximum.]

(4) Measurement of Height. Buildings shall be measured from predetermined points as provided in Figure 249.84-5: Measurement of Height and as further set forth in Chapter 5 of the DSG. Portions of the Site within the "OS" Height designations shall be subject to the same requirements and review procedures of other properties throughout San Francisco with an "OS" Height and Bulk designation.

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#### [Insert Figure 249.84-5: Measurement of Height (DSG Figure 5-5).]

(5) **Bulk**. No building dimension shall be greater than 270 feet along any public rightof-way or public open space. No portion of any building above 80 feet in height shall have a dimension greater than 130 feet. Buildings shall also meet the DSG requirements for building modulation and sculpting.

(6) Setbacks. Buildings shall be set back from or built to the respective right-of-ways as shown in Figure 249.84-6: Setbacks, and as further governed by the DSG.

[Insert Figure 249.84-6: Setbacks (DSG Figure 5-7).]

(7) Rear Yard. There shall be no rear yard requirement within the India Basin SUD. (8) Usable Open Space. In addition to any publicly-accessible open spaces described in the DSG, a minimum of 36 square feet of open space if private, or 48 square feet of open space if common, shall be provided for each dwelling unit. Such open space may be on the ground, on decks, balconies, porches, or other facilities and shall be provided on the same development block as the unit to be served. The standards for open spaces shall be governed by the DSG. Notwithstanding the above, dwelling units within "the Cove" portion of the site, as described in the Development Agreement and shown in Figure 1-38 of the DSG, are exempt from this usable open space requirement, given their immediate adjacency to "the Market Place" open space.

(9) Minimum Dwelling Unit Exposure. All required dwelling unit windows and openings as defined by Section 504: Light and Ventilation of the San Francisco Housing Code shall face directly on an open area such as a public street, laneway, parcel break, trail, or unobstructed open space, for a minimum horizontal clear dimension of 25 feet, measured perpendicularly from the required window or opening face, as further provided in the DSG.

(10) Maximum Off-Street Parking. The standards for off-street parking shall be governed by the DSG. Off-Street parking is not required and shall be limited to the following maximum

<u>ratios:</u>

#### Table 249.84-3: Maximum Off-Street Parking Ratios per Land Use

Land Use	Off-Street Parking Ratio
<u>Residential</u>	<u>1 space: 1 unit</u>
<u>Office</u>	<u>1 space: 1,200 gross square feet</u>
Retail, except General Grocery or Special	<u>1 space: 700 gross square feet</u>
<u>Grocery Use</u>	
General Grocery or Special Grocery Uses	<u>1 space: 500 gross square feet</u>
below 20,000 gross square feet	
General Grocery or Special Grocery Uses with	<u>1 space: 250 gross square feet</u>
20,000 gross square feet or more	

Pursuant to subsection (1)(4), parking amounts may be greater on a parcel-by-parcel basis than otherwise allowed by Table 249.84-3, but not to exceed 1,800 off-street parking spaces in the SUD. Notwithstanding the maximum off-street parking ratios established in Table 249.84-3, up to 225 public parking spaces may be provided to visitors to India Basin's parks, subject to the 1,800-parking-space cap.

(11) Loading. Off-street loading spaces shall be provided in the following amounts, and as shown in Table 249.84-4: Loading Spaces, and Figure 249.84-7: Loading Spaces, subject to modifications in accordance with Section 4.7 of the DSG.

# Table 249.84-4: Loading Spaces

<u>Garage</u>	Loading Spaces
<u>The Cove</u>	<u>5</u>
<u>Hillside</u>	<u>Z</u>
<u>Flats</u>	2
[Inst	ert Figure 249.84-7: Loading Spaces]
(12) Bicycle Parkir	ng. The amount of bicycle parking required shall be governed by
Planning Code, but the location an	nd design of the required bicycle parking shall be governed by the
DSG and the transportation plan a	ttached to the Development Agreement.
(13) Showers and I	Lockers. Showers and lockers shall be provided pursuant to the
Planning Code.	
(14) Permitted Obs	structions. Obstructions shall extend no more than three feet with
required setbacks and right-of-way	s and no more than four feet within required setbacks greater the
one foot, as further described in th	<u>e DSG.</u>
• • • • • • • • • • • • • • • • • • •	
(15) Streetscape In	
(15) Streetscape In Improvements as described in the 1	nprovements. Implementation of the Rights-of-Way Public Realm
(15) Streetscape In Improvements as described in the 1 (16) Signage. Noty	<b>nprovements</b> . Implementation of the Rights-of-Way Public Realn DSG shall be required pursuant to the Development Agreement.
<u>(15)</u> Streetscape In Improvements as described in the I <u>(16)</u> Signage. Notw identifying signs within NC-2 and I	nprovements. Implementation of the Rights-of-Way Public Realm DSG shall be required pursuant to the Development Agreement. withstanding the signage controls of Article 6 for business and MUG Districts, the following signage controls shall be applied
(15) Streetscape In Improvements as described in the I (16) Signage. Notw identifying signs within NC-2 and I within the Mixed Use, Residential I	nprovements. Implementation of the Rights-of-Way Public Realm DSG shall be required pursuant to the Development Agreement. withstanding the signage controls of Article 6 for business and MUG Districts, the following signage controls shall be applied Mixed-Use, and Multi-Family Residential districts of this SUD, in
<u>(15)</u> Streetscape In Improvements as described in the I <u>(16)</u> Signage. Notw identifying signs within NC-2 and I within the Mixed Use, Residential I addition to regulation of signs in th	nprovements. Implementation of the Rights-of-Way Public Realm DSG shall be required pursuant to the Development Agreement. withstanding the signage controls of Article 6 for business and MUG Districts, the following signage controls shall be applied Mixed-Use, and Multi-Family Residential districts of this SUD, in
Improvements as described in the I (16) Signage. Notw identifying signs within NC-2 and I within the Mixed Use, Residential I addition to regulation of signs in th (A) Freesta	nprovements. Implementation of the Rights-of-Way Public Realn DSG shall be required pursuant to the Development Agreement. withstanding the signage controls of Article 6 for business and MUG Districts, the following signage controls shall be applied Mixed-Use, and Multi-Family Residential districts of this SUD, in he DSG:

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(D) There is no limitation on the area of business signs as long as they meet the controls of the DSG.

(E) Projecting signs may project no more than 50% of the sidewalk width and must be oriented perpendicular to the building face.

(17) Inclusionary Housing Requirements. For so long as the Development Agreement is in effect with respect to a portion of the Project Site, the affordable housing requirements of the Development Agreement shall govern that portion of the Project Site. Upon expiration or termination of the Development Agreement as applied to a portion of the Project Site, the then-applicable affordable housing requirements of the Planning Code shall apply to that portion of the Project Site, without reference to the date of any earlier environmental review application.

(18) Impact Fees. For so long as the Development Agreement remains in effect with respect to a portion of the Project Site, the developer impact fees payable for any Vertical Development on that portion of the Project Site will be determined in accordance with the Development Agreement. Upon expiration or termination of the Development Agreement as applied to a portion of the Project Site, the then-applicable developer impact fees in the Planning Code shall apply to that portion of the Project Site.

(i) Modifications to Building Standards and Ground Floor Use Requirements. Modification of the Building Standards and Ground Floor Use Requirements set forth in this SUD and as more specifically set forth in the DSG may be approved on a project-by-project basis according to the procedures set forth below.

(1) No Modifications or Variances. No modifications or variances are permitted for maximum height and maximum off-street parking ratios established in this SUD, except as provided in subsection (1)(4). Other Building Standards set forth in this SUD or in the DSG may only be modified as provided in subsections (i)(2) and (i)(3).

(2) Minor Modifications. The Planning Director may approve a Minor Modification administratively in accordance with the procedures set forth in subsection (1). (3) Major Modifications. The Planning Commission shall hear any application for a Major Modification in accordance with the procedures set forth in subsection (1). (j) **Development Phase Approval**. The Planning Department shall approve only those applications for individual building projects that are consistent with a Development Phase Approval. The Development Phase Approval process, as set forth in the Development Agreement, is to ensure that all Horizontal Improvements and Vertical Improvements within a Development Phase are consistent with the Development Agreement and this SUD. The Planning Director shall act on a Development Phase Application within 60 days after submittal of a complete Development Phase Application. (k) **Design Review and Approval.** To ensure that Vertical Improvements and Privately-Owned Community Improvements meet the DSG and Development Agreement requirements, an Applicant shall submit a design review application and receive approval from the Planning Department, or the Planning Commission if required, before obtaining any permits for the applicable construction. Design review and approval for all RPC Open Spaces shall be performed by the Recreation and Park Department, with Planning Department consultation, subject to the Port's approval for consistency with the Public Trust for any lands that are subject to the Public Trust. Standards and limitations on design review approval are set forth in the Development Agreement and in subsection (1), below. Nothing in this Section 249.84 limits the Charter authority of any City department or commission or the rights of City agencies to review and approve proposed infrastructure as set forth in the Development Agreement.

#### (1) Design Review Applications and Process.

(1) Applications. Each design review application shall include the documents and other materials necessary to determine consistency with this SUD and the DSG, including site plans, sections, elevations, renderings, landscape plans, and exterior material samples to illustrate the overall

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concept design of the proposed buildings. If an Applicant requests a Major or Minor Modification, the application shall describe proposed changes in reasonable detail, including narrative and supporting images, if appropriate, and a statement of the purpose or benefits of the proposed changes. Substitutions should be of equal or superior quality to existing standards.

(2) Completeness. Planning Department staff shall review the application for completeness and advise the Applicant in writing of any deficiencies within 30 days of the date of the application.

(3) Design Review of Vertical Improvements and Privately-Owned Community Improvements. Upon a determination of completeness, Planning Department staff shall conduct design review and prepare a staff report determining compliance with this SUD and the DSG, including a recommendation regarding any modifications sought. The staff report shall be delivered to the Applicant and any third parties requesting notice in writing, shall be kept on file, and shall be posted on the Department's website for public review, within 60 days of the determination of completeness. If Planning Department staff determines that the design is not compliant with this SUD or the DSG, the Applicant may resubmit the Application, in which case the requirements of this subsection (1) for determination of completeness, staff review and determination of compliance, and delivery, filing, and posting of the staff report, shall apply anew.

(4) Off-Street Parking. Design review applications for Vertical Improvements shall include the requested number of off-street parking spaces sought for the Vertical Improvement. It is the intent of this SUD that at full build-out of all parcels in the SUD, the total number of off-street parking spaces within the SUD shall not exceed the applicable maximum parking ratios specified in Table 249.84-3. The maximum parking ratios shall not apply to individual Vertical Improvements or parcels, but shall be considered cumulatively for the Vertical Improvements within the SUD as a whole, as set forth in the Development Agreement. Each application shall include both the individual request for off-

street parking related to the specific location and the cumulative number of off-street parking spaces previously approved.

(5) Approvals and Public Hearings for Vertical Improvements and Privately-Owned Community Improvements.

(A) Vertical Improvements Seeking No Modifications, or Minor Modifications. Within 10 days after the delivery and posting of the staff report on the design review application, the Planning Director shall approve or disapprove the design and any Minor Modifications based on its compliance with this SUD, the DSG, and the General Plan. If the Vertical Improvement is consistent with the numeric standards set forth in this SUD and the DSG, the Planning Director's discretion to approve or disapprove the Vertical Improvement shall be limited to the Vertical Improvement's consistency with the non-numeric elements of the DSG and the General Plan. Notwithstanding any other provisions of this SUD, the Planning Director may, at his or her discretion, refer an Application that proposes a Minor Modification to the Planning Commission if the Planning Director determines that the proposed modification does not meet the intent of the DSG standards.

(B) Vertical Improvements Seeking Major Modifications. If an application for Vertical Improvements seeks one or more Major Modifications, or if a design review application is otherwise referred to the Planning Commission, the Planning Commission shall calendar the item for a public hearing, subject to any required noticing. The Planning Commission's review shall be limited to the proposed Major Modification or the modifications referred by the Planning Director for failure to meet the DSG standards. The Planning Commission shall consider all comments from the public and the recommendations of the staff report and the Planning Director in making a decision to approve or disapprove the Vertical Improvement design, including the granting of any Major Modifications.

(C) Notice of Hearings. In addition to complying with the notice requirements of the Brown Act and the Sunshine Ordinance, notice of Planning Commission hearings required by subsection (1)(5)(B) shall be provided as follows:

(i) by mail not less than 10 days prior to the date of the hearing, to the

Vertical Improvement applicant, to property owners within 300 feet of the exterior boundaries of the property that is the subject of the application, using for this purpose the names and addresses as shown on the citywide assessment roll in the Office of the Tax Collector, and to any person who has requested such notice; and

(ii) by posting on the subject property not less than 10 days prior to the

date of the hearing.

(m) Change of Use. Each building permit application submitted to the Department of Building Inspection for Vertical Improvements shall be forwarded to the Planning Department. The applicable department shall review the building permit application for consistency with the authorizations granted pursuant to this Section 249.84. No building permit may be issued for any Vertical Improvement or for a permit of Occupancy that would authorize a new use unless the Planning Department determines such permit is consistent with the Standards set forth in the DSG.

(n) Discretionary Review. No requests for discretionary review shall be accepted by the Planning Department or heard by the Planning Commission for any Building in the SUD.

Section 3. The Planning Code is hereby amended in accordance with Planning Code Section 106 by revising Sectional Map ZN09, Height Map HT09, and Special Use District Map SU09 of the Zoning Map, as follows:

(a) To change the Zoning Map (ZN09) from M-1 (Light Industrial) to MUG (Mixed-Use General):

Assessor's Parcels (Blocks/Lot	Land Use District	New Land Use
Numbers)	Superseded	District
4606/100; 4607/025; 4620/001, 002;	M-1	MUG
4621/016, 018, 100, 101; 4630/005,		

4646/001; 4629A/010; 4630/002   M-1   P     (c) To change the Zoning Map (ZN09) from NC-2 (Neighborhood Commercial, Scale) to P:		T	
(c) To change the Zoning Map (ZN09) from NC-2 (Neighborhood Commercial, Scale) to P:			
(c) To change the Zoning Map (ZN09) from NC-2 (Neighborhood Commercial,	4646/002, 003, 003A, 019	NC-2	Р
4646/001; 4629A/010; 4630/002 M-1 P		N09) from NC-2 (Ne	eighborhood Commercial,

4644/004A, 005, 006, 006A, 007, 008, 009; 4645/003A, 004, 006, 007, 007A, 014, 015

(f) To change the Height and Bulk Map (HT09) from 40-X to OS:

Parcels	Height and Bulk	New Height and Bulk
	District	District
	Superseded	
4601/001, 002, 003, 003A, 019;	40-X	OS
4629A/101; 4630/002; 4596/026;		
4597/026; 4606/026; 4607/024;		
4621/021; 4630/002, 006, 007		

(g) To change the Special Use District Map (SD09) by creating the new India BasinSpecial Use District and assigning the following parcels to be within the India Basin SpecialUse District:

Parcels	Special Use District
4606/100; 4607/025; 4620/001, 002; 4621/016, 018, 100,	India Basin Special
101; 4630/005, 100; 4631/001, 002; 4644/001, 010, 010A,	Use District
010B; 010C, 011; 4645/001, 010, 010A, 011, 012, 013;	
4644/004A, 005, 006, 006A, 007, 008, 009; 4645/003A,	
004, 006, 007, 007A, 014, 015; 4596/026; 4597/026;	
4606/026; 4607/024; 4621/021; 4630/002, 006, 007	

Section 4: The Figures presented in this ordinance (Figures 249.84-1, 249.84-2, 249.84-3, 249.84-4, 249.84-5, 249.84-6, and 249.84-7) have been placed in Board of Supervisors File No. \_\_\_\_\_, and are incorporated herein by this reference.

Section 5. Effective and Operative Dates.

(a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

(b) This ordinance shall become operative on its effective date or on the effective date of the Development Agreement for the India Basin Mixed-Use project, enacted by the ordinance in Board of Supervisors File No. \_\_\_\_\_, whichever date occurs later; provided, that this ordinance shall not become operative if the ordinance regarding the Development Agreement is not approved.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney By: ANDREA RUIZ-ESQUIDE

Deputy City Attorney

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# LEGISLATIVE DIGEST

(Substituted; 7/24/2018)

[Planning Code, Zoning Map - India Basin Special Use District]

Ordinance amending the Planning Code to establish the India Basin Special Use District, located generally at Innes Avenue between Griffith Street and Earl Street, along the India Basin shoreline, in the south-east part of San Francisco; amending the Planning Code by amending the Zoning Map to change zoning designations, height districts, and add the India Basin Special Use District; and making findings under the California Environmental Quality Act, findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

#### Existing Law

The India Basin Mixed-Use Project (Project) is proposed to be developed on several parcels that are currently designated as Light Industrial (M-1), Heavy Industrial (M-2), Neighborhood Commercial, Small Scale (NC-2) and Public (P), along the India Basin shoreline, in the South-East part of San Francisco.

#### Amendments to Current Law

This Ordinance adds Section 249.84 to the Planning Code. Section 249.84 establishes the India Basin Special Use District (SUD), located generally at Innes Avenue between Griffith Street and Earl Street, along the India Basin shoreline, in the southeast part of San Francisco. The purpose of the SUD is to implement the Development Agreement for the India Basin Mixed-Use Project (Project), approved by the Board of Supervisors in the ordinance introduced contemporaneously with this Planning Code amendment. The Project will provide several benefits to the City, such as a significant amount of open space, increased public access, commercial space, extensive infrastructure improvements, and affordable housing, while creating jobs, housing, and a vibrant community.

The SUD establishes development standards for the Project, in conjunction with the Design Standards and Guidelines (DSG) document. The DSG document is adopted by the Planning Commission, and describes standards and guidelines applicable to the SUD in more detail.

The Ordinance lists permitted, non-permitted, temporary, and interim uses on the Project site. It sets forth controls for development at the site, including ground floor and retail controls, building standards, maximum heights, off-street parking, dwelling unit exposure, bicycle parking, open space, streetscape improvements, inclusionary housing, and others. It also includes mechanisms for modifying those standards in the future, on a case-by-case basis, and for reviewing and approving future development phases and horizontal development.

The Ordinance also amends the Zoning Map, to do the following:

- a) change the use of the site from M-1 (Light Industrial) to M-1 to MUG (Mixed-Use General), and from M-1 and NC-2 to P (Public);
- b) change the height and bulk from 40-X to 20/160 X -IB and OS, and
- c) create the SUD in the sectional map.

The Ordinance provides that it shall become operative on its effective date or on the effective date of the Development Agreement for the India Basin Mixed-Use project, whichever date occurs later; provided, that this Ordinance shall not become operative if the ordinance regarding the Development Agreement is not approved.

## **Background Information**

The India Basin Mixed Use Project is located generally along the India Basin shoreline, in the South-East part of San Francisco. The Project involves construction of infrastructure, public open space and other public facilities, new building construction, and rehabilitation of historic resources, resulting in a mix of market-rate and affordable residential uses, office space, commercial uses, research and development uses, and shoreline improvements. The Planning Commission certified and approved a final environmental impact report on the Project under the California Environmental Quality Act (CEQA), adopted findings under the CEQA, including a Mitigation Monitoring and Reporting Plan (MMRP), and recommended the approval this India Basin Special Use District to the Board of Supervisors.

This Ordinance facilitates the orderly development of this site by establishing the SUD to accommodate and regulate Project development. By separate legislation, the Board is considering a number of actions in furtherance of the Project, including the approval of amendments to the City's General Plan and approval of a Development Agreement.

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SUBSTITUTED 7/24/2018

# ORDINANCE NO.

[Development Agreement - India Basin Investment LLC - India Basin Project - Innes Avenue at Griffith Street]

Ordinance approving a Development Agreement between the City and County of San Francisco and India Basin Investment LLC, a California limited liability company, for the India Basin Project at the approximately 28-acre site located at Innes Avenue between Griffith Street and Earl Street, with various public benefits, including 25% affordable housing and 11 acres of parks and open space; making findings under the California Environmental Quality Act and findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); approving a Public Trust Exchange Agreement, making public trust findings, and authorizing the transfer and acceptance of real property and the recording of a land use covenant consistent with the Public Trust Exchange Agreement; approving specific development impact fees and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code, Chapters 14B, 23, 56, and 82 and Subdivision Code, Section 1348, and ratifying certain actions taken in connection therewith.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Project Findings.

The Board of Supervisors makes the following findings:

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

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

(c) India Basin Investment LLC, a California limited liability company ("Developer") owns the approximately 14.7 acre site along Innes Street, between Earl and Griffith Streets, and holds options to purchase an additional 2.4 acres of adjacent land (the "Developer Property"). The City owns approximately 6.2 acres of open space along the shoreline, adjacent to the Developer Property, together with various street areas (the "City Property", together with the Developer Property, the "Project Site").

(d) Developer filed an application with the City's Planning Department for approval of a development agreement relating to the Project Site (the "Development Agreement") under Chapter 56. A copy of the Development Agreement is on file with the Clerk of the Board in File No. \_\_\_\_\_.

(e) The Developer proposes a mixed use development on the Project Site that will include a new publicly accessible network of improved parkland and open space and a mixed-use urban village, including up to 1,575 dwelling units, approximately 676,052 square feet (15.5 acres) of publicly accessible open space, and approximately 59,500 square feet of public and private open space, as well as approximately 209,106 square feet of commercial space and up to 1,800 off-street parking spaces, all as more particularly described in the Development Agreement (the "Project").

(f) As set forth in the Development Agreement, the City agrees to initiate the process to vacate portions of Hudson Avenue, Griffith Street, Arelious Walker Drive and Earl

Street and, following any vacation and satisfaction of any applicable City conditions, to convey the underlying land to Developer in connection with the land assembly required for the Project (the "Street Vacation Actions"). In return, Developer will convey certain land to the City.

(g) Concurrently with this Ordinance, the Board is taking a number of actions in furtherance of the Project, as generally described in the Development Agreement, including Exhibit E to the Development Agreement (the "Approvals").

(h) While the Development Agreement is between the City, acting primarily through the Planning Department, and Developer, other City agencies retain a role in reviewing and issuing certain later approvals for the Project. Later approvals include approval of subdivision maps and plans for horizontal improvements and public facilities, design review and approval of new buildings, actions relating to the Street Vacations Actions, and acceptance of Developer's dedications of horizontal improvements and parks and open spaces for City maintenance and liability under the Subdivision Code. As a result, affected City agencies have consented to the Development Agreement.

(i) The Project is anticipated to generate an annual average of approximately 3,505 construction jobs and, upon completion, approximately 477 on-site jobs and 833 total jobs, with an approximately \$4.3 million annual increase in general fund revenues to the City. In addition to the significant housing, jobs, urban revitalization, and economic benefits to the City from the Project, the City has determined that development of the Project under the Development Agreement will provide additional benefits to the public that could not be obtained through application of existing City ordinances, regulations, and policies. Additional public benefits to the City from the Project include: (1) an increase in affordable housing that exceeds amounts otherwise required and will equal twenty five percent (25%) of the total number of housing units for the Project; (2) workforce obligations, including significant training, employment and economic development opportunities as part of the development

and operation of the Project; (3) construction and maintenance of the publicly accessible open space, totaling approximately eleven (11) acres of parks and the improvement of existing City Property along the shoreline; (4) child care space to serve not less than 40 children; and (5) sea level rise improvements as part of the development, and future funding for additional future sea level rise improvements; all as further described in the Development Agreement. The Development Agreement will eliminate uncertainty in the City's land use planning for the Project Site and secure orderly development.

(j) In particular, the City intends to create a series of contiguous, integrated waterfront parks, including both the India Basin Open Space and the Big Green, as well as the neighboring 900 Innes and India Basin Shoreline Park (collectively, the "India Basin Park System"), for the benefit of the southeast community and the residents of San Francisco and California at large. The City further intends to connect the India Basin Park System to the Northside Park, when completed as part of the Candlestick/Hunters Point Shipyard development project.

(k) Funding for maintenance of the India Basin Park System will include special taxes under a community facilities district (CFD) to be formed by Developer and the City, as more particularly described in the Financing Plan attached to the Development Agreement. The CFD funds also will be available to pay for future sea level rise improvements.

(I) To assemble the land for the Project development, including the City's no-cost acquisition of land from Developer for the Big Green, the City, the State Lands Commission and Developer will enter into a public trust exchange agreement, substantially in the form attached to the Development Agreement (the "Public Trust Exchange Agreement"). The City will record a land use covenant against specified lands subject to the public trust that will be placed under the Port's jurisdiction for purposes of the trust, but that will be maintained and operated by the Recreation and Park Department.

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Section 2. CEQA Findings.

On \_\_\_\_\_\_, by Motion No. \_\_\_\_\_, the Planning Commission certified as adequate, accurate and complete the Final Environmental Impact Report ("FEIR") for the Project pursuant to the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) ("CEQA"). A copy of Planning Commission Motion No.

\_\_\_\_\_\_\_\_ is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_\_. Also on \_\_\_\_\_\_\_, by Motion No. \_\_\_\_\_\_, the Planning Commission adopted findings, including a rejection of alternatives and a statement of overriding considerations (the "CEQA Findings") and a Mitigation Monitoring and Reporting Program ("MMRP"). These Motions are on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_. In accordance with the actions contemplated herein, this Board has reviewed the FEIR and related documents, and adopts as its own and incorporates by reference as though fully set forth herein the CEQA Findings, including the statement of overriding considerations, and the MMRP.

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

(a) The Board of Supervisors shall consider companion legislation that adopts public necessity findings of Planning Code Section 302 and General Plan amendments. A copy of the companion legislation is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_ and is incorporated herein by reference.

(b) For purposes of this Ordinance, the Board of Supervisors finds that the Development Agreement will serve the public necessity, convenience and general welfare for the reasons set forth in the companion legislation identified in subsection (a).

(c) For purposes of this Ordinance, the Board of Supervisors finds that the
Development Agreement is in conformity with the General Plan, as proposed to be amended,
and the eight priority policies of Planning Code Section 101.1 for the reasons set forth in the
companion legislation identified in subsection (a).

Supervisor Cohen

Section 4. Public Trust Findings.

The Board of Supervisors finds that the Project is consistent with and furthers the purposes of the common law public trust and statutory trust under the Burton Act (Stats. 1968, ch. 1333), as follows:

(a) Approximately 2.63 acres of the City Property, consisting of portions of Fairfax Avenue, Evans Avenue and Arelious Walker Drive (formerly Fitch Street), lie waterward of the historic ordinary high tide line and, as such, are subject to the public trust and held within the administration and control of the Port Commission in accordance with the Burton Act and the City Charter (but this land is managed by the Recreation and Park Department as part of the India Basin Open Space). An additional approximately 9 acres of City Property, of disputed trust status, consists of streets under the jurisdiction of the Department of Public Works and parcels within the existing India Basin Open Space under the jurisdiction of the Recreation and Park Department and the Department of Public Works.

(b) The Developer Property includes filled lands that are not subject to the public trust and lands that are of disputed status.

(c) As the public trust is presently configured, most of the lands on or adjacent to the shoreline are either free of the trust or have uncertain trust status. At the same time, the filled lands proposed for private development are further inland and cut off from the water, and therefor are not useful to the public trust, yet they are encumbered with disputed trust claims. The Developer Property has remained undeveloped and inaccessible for decades, despite its waterfront location and adjacency to the existing waterfront parks.

(d) The proposed public trust exchange would eliminate all trust title uncertainties within the Project Site and will facilitate the improvement and expansion of the India Basin Open Space. The exchange would not remove any existing trust property from the Burton Act trust, but the public trust would see a net gain of filled lands that will be useful to the trust. As

required under the Development Agreement and the SUD, all lands exchanged into the public trust will be used for public open space, habitat restoration and water-oriented uses, all of which are consistent with the Burton Act. The proposed trust settlement will consolidate the public trust lands along the water for open space and public access, providing significant benefits to the public trust over existing conditions.

(e) As set forth in the Public Trust Exchange Agreement, the lands to be freed from public trust claims have been filled and reclaimed, are cut off from access to the waters of San Francisco Bay, constitute a relatively small portion of the lands granted to the City and County of San Francisco and are not needed or required for the promotion of the public trust. In addition, the Project would not cause a substantial interference with public trust uses and purposes by virtue of the exchange. The lands or interests in lands to be impressed with the public trust have an economic value equal to or greater than that of the lands or interests in lands that will be freed from the public trust.

Section 5. Development Agreement.

(a) The Board of Supervisors approves all of the terms and conditions of the Development Agreement, in substantially the form on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_, subject to the consent of the Port Commission, the Municipal Transportation Agency, the San Francisco Public Utilities Commission and the Recreation and Park Commission.

(b) The Board of Supervisors approves and authorizes the execution, delivery and performance by the City of the Development Agreement as follows: (i) the Director of Planning and (other City officials listed thereon) are authorized to execute and deliver the Development Agreement, with signed consents of the Port Commission, the Municipal Transportation Agency, the San Francisco Public Utilities Commission, the Recreation and Park Commission, and the San Francisco Fire Department, and (ii) the Director of Planning

and other applicable City officials are authorized to take all actions reasonably necessary or prudent to perform the City's obligations under the Development Agreement in accordance with the terms of the Development Agreement. Without limiting the foregoing, (A) the Port Director, the Recreation and Park Department General Manager, and the Director of Property are authorized to execute and perform all City obligations under the Public Trust Exchange Agreement substantially in the form attached to the Development Agreement, and (B) the Director of Public Finance and the Controller are authorized to take all preliminary actions required to form the CFD as described in the Financing Plan, provided the actual CFD formation documents and issuance of debt will be subject to the review and approval of the Board of Supervisors.

(c) The Director of Planning, at his or her discretion and in consultation with the City Attorney, is authorized to enter into any additions, amendments or other modifications to the Development Agreement that the Director of Planning determines are in the best interests of the City and that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City as provided in the Development Agreement. The Port Director and the Recreation and Park Department General Manager, at their discretion and in consultation with the City Attorney, are authorized to enter into any additions, amendments or other modifications to the Public Trust Exchange Agreement that they determine are in the best interests of the City and that do not materially increase the obligations or liabilities of the City or materially decrease the benefits to the City as provided in the Public Trust Exchange Agreement.

Section 6. Board Authorization and Appropriation.

By approving the Development Agreement, the Board of Supervisors authorizes the Controller and City Departments to accept the funds paid by Developer as set forth therein, and to appropriate and use the funds for the purposes described therein. The Board

expressly approves the use of the development impact fees as set forth in the Development Agreement, and waives or overrides any provision in Article 4 of the City Planning Code and Article 10 of the City Administrative Code that would conflict with the uses of these funds as described in the Development Agreement.

Section 7. City Administrative Code Conformity and Waivers.

In connection with the Development Agreement, the Board of Supervisors finds that the City has substantially complied with the requirements of Administrative Code Chapters 14B and 56, and waives any requirement to the extent not strictly followed. The Development Agreement shall prevail in the event of any conflict between the Development Agreement and City Administrative Code Chapters 14B and 56, and without limiting the generality of the foregoing, the following provisions of City Administrative Code Chapters 14B and 56 are waived or deemed satisfied as follows:

(a) The Project comprises approximately 28 acres and is the type of large multiphase and/or mixed-use development contemplated by the City Administrative Code and therefore satisfies the provisions of Chapter 56, Section 56.3(g).

(b) The provisions of Development Agreement and the Workforce Agreement attached to the Development Agreement as Exhibit P shall apply in lieu of the provisions of City Administrative Code Chapter 14B, Section 14B.20, and Chapter 56, Section 56.7(c).

(c) The provisions of the Development Agreement regarding any amendment or termination, including those relating to "Material Change," shall apply in lieu of the provisions of Chapter 56, Section 56.15 and Section 56.18.

(e) The provisions of Chapter 56, Section 56.20 have been satisfied by the Memorandum of Understanding between Developer and the Office of Economic and Workforce Development for the reimbursement of City costs, a copy of which is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_\_.

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(f) The Board of Supervisors waives the applicability of Section 56.4 (Application, Forms, Initial Notice, Hearing) and Section 56.10 (Negotiation Report and Documents).

Section 8. Planning Code Waivers; Ratification.

(a) The Board of Supervisors finds that the impact fees and other exactions due under the Development Agreement will provide greater benefits to the City than the impact fees and exactions under Planning Code Article 4 and waives the application of, and to the extent applicable exempts the Project from, impact fees and exactions under Planning Code Article 4 on the condition that Developer pays the impact fees and exactions due under the Development Agreement.

(b) The Board of Supervisors finds that the Transportation Plan attached to the Development Agreement includes a Transportation Demand Management Plan ("TDM Plan") and other provisions that meet the goals of the City's Transportation Demand Management Program in Planning Code Section 169 and waives the application of Section 169 to the Project on the condition that Developer implements and complies with the TDM Plan.

(c) The Board of Supervisors finds that the Design Standards and Guidelines attached to the Development Agreement sets forth sufficient standards for streetscape design and waives the requirements of Planning Code Section 138.1 (Streetscape and Pedestrian Improvements) and Public Works Code Section 806(d) (Required Street Trees for Development Projects).

(d) All actions taken by City officials in preparing and submitting the Development Agreement to the Board of Supervisors for review and consideration are hereby ratified and confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken by City officials consistent with this Ordinance.

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Section 9. Other Administrative Code Waivers.

The requirements of the Workforce Agreement attached to the Development Agreement shall apply and shall supersede, to the extent of any conflict, the provisions of Administrative Code: (i) Chapter 82.4 (Coverage); (ii) Chapter 23, Article II (Interdepartmental Transfer of Real Property); and (iii) Chapter 23, Article VII (Prevailing Wage, Apprenticeship, and Local Hire Requirements), but only to the extent any of the foregoing provisions are applicable to the conveyance of vacated streets from the City to Developer and the other land conveyances contemplated by the Development Agreement.

Section 10. Subdivision Code Waivers.

The Public Improvement Agreement, as defined in the Development Agreement, shall include provisions consistent with the Development Agreement and the applicable requirements of the Municipal Code and the Subdivision Regulations regarding extensions of time and remedies that apply when improvements are not completed within the agreed time. Accordingly, the Board of Supervisors waives the application to the Project of Subdivision Code Section 1348 (Failure to Complete Improvements within Agreed Time).

Section 11. Effective and Operative Date.

This Ordinance shall become effective 30 days from the date of passage. This Ordinance shall become operative only on (and no rights or duties are affected until) the later of (a) 30 days from the date of its passage, or (b) the date that Ordinance \_\_\_\_\_\_, Ordinance \_\_\_\_\_\_, and Ordinance \_\_\_\_\_\_have become effective. Copies of /// ///

these Ordinances are on file with the Clerk of the Board of Supervisors in File Nos.

\_\_\_\_\_ and \_\_\_\_\_.

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

By: Charles Sullivan

Deputy City Attorney n:\spec\as2018\1700370\01292150.docx

# REVISED LEGISLATIVE DIGEST

(Substituted, 7/24/2018)

[Development Agreement – India Basin Investment LLC - Innes Avenue at Griffith Street]

Ordinance approving a Development Agreement between the City and County of San Francisco and India Basin Investment LLC, a California limited liability company, for the India Basin Project at the approximately 28-acre site located at Innes Avenue between Griffith Street and Earl Street, with various public benefits including 25% affordable housing and 11 acres of parks and open space; making findings under the California Environmental Quality Act and findings of conformity with the City's General Plan and with the eight priority policies of Planning Code, Section 101.1(b); approving a Public Trust Exchange Agreement, making public trust findings, and authorizing the transfer and acceptance of real property and the recording of a land use covenant consistent with the Public Trust Exchange Agreement; approving specific development impact fees and waiving any conflicting provision in Planning Code, Article 4 or Administrative Code, Article 10; confirming compliance with or waiving certain provisions of Administrative Code Chapters 14B, 23, 56, and 82 and Subdivision Code, Section 1348, and ratifying certain actions taken in connection therewith.

#### Existing Law

California Government Code sections 65864 et seq. (the "Development Agreement Statute") and San Francisco Administrative Code Chapter 56 ("Chapter 56") authorize the City to enter into a development agreement regarding the development of real property. There are no amendments to existing law.

#### **Background Information**

India Basin Investment LLC, a California limited liability company ("Developer"), has proposed a mixed-use development project for the approximately 28-acre site along Innes Street, between Earl and Griffith Streets. The proposed project includes the construction of new streets and infrastructure, up to 1,575 dwelling units (25% affordable), and approximately 15.5 acres of publicly accessible open space, including approximately 6 acres along the Bay shoreline currently owned by the City. To assemble the land and to remove the public trust from certain development parcels, the parties intend to enter a public trust exchange agreement with the State Lands Commission. To fund future maintenance of the park lands and future sea level rise improvements, the parties intend to form a community facilities district (CFD).

City staff has negotiated a development agreement with Developer for a term of 15 years, with two extension options for another 15 years. Under the development agreement, Developer will attain the vested right to develop the Project in return for specified community benefits,

including the affordable housing, parks, and workforce commitments made by Developer. Approval of the ordinance would allow City staff to enter into the development agreement and the public trust exchange agreement, and waive specified provisions of the Administrative Code, Planning Code, and Subdivision Code for the Project.

By separate legislation, the Board is considering a number of other actions in furtherance of the Project, including amendments to the City's General Plan, Planning Code, and Zoning Map.

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