FILE NO. 191253

AMENDED IN COMMITTEE 2/3/2020 ORDINANCE NO. 44-20

[Street Vacation - Millennium Tower 301 Mission Perimeter Pile Upgrade Project]

Ordinance ordering the vacation of the sidewalk portion of streets on the south side of Mission Street at the intersection of Mission and Fremont Streets and on the east side of Fremont Street at the same intersection to allow a structural upgrade of the 301 Mission Street high-rise building known as Millennium Tower, subject to certain conditions; rededicating the area subject to the street vacation to public use for street and right-of-way purposes after the City's issuance of an easement for the abovementioned structural upgrade; adopting environmental findings under the California Environmental Quality Act; adopting findings that the vacation and rededication of the street area are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing actions in furtherance of this Ordinance.

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 strikethrough Arial font.
 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. Environmental and General Plan Findings.

(a) On November 20, 2019, the Planning Department published a Preliminary
 Mitigated Negative Declaration ("PMND") for the 301 Mission Street, Millennium Tower
 Perimeter Pile Upgrade Project (the "Project"). The PMND found that although the Project
 could have potentially significant impacts on the environment, such impacts will be reduced to

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a less than significant level because Millennium Tower Association (the "Project Sponsor") will implement all mitigation measures identified in the PMND. The Planning Department prepared and publicized the PMND in compliance with the provisions of the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq., "CEQA"), the State CEQA Guidelines (California Code of Regulations Title 14 Sections 15000 et seq.), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").

(b) On December 27, 2019, following the required notice and appeal period, the Planning Department published a Final Mitigated Negative Declaration ("FMND"), a copy of which is on file with the Clerk of the Board of Supervisors in File No. 191253 and incorporated herein by reference.

(c) In a letter dated December 27, 2019 (the "General Plan Referral Letter"), the Planning Department determined that the street vacation and rededication of the area subject to the street vacation as public use for street and right-of-way purposes are, on balance, consistent with the General Plan and with the eight priority policies of Planning Code Section 101.1. A copy of said letter is on file with the Clerk of the Board of Supervisors in File No. 191253 and is incorporated herein by reference. The Board of Supervisors adopts as its own the consistency findings of the General Plan Referral Letter for purposes of this ordinance.

(d) As part of its determination on the General Plan, the Planning Department reviewed and considered the FMND. As part of the General Plan Referral Letter, the Planning Department adopted CEQA Findings and the proposed mitigation monitoring and reporting program (collectively, "CEQA Findings") as required by State and local law. The Board of Supervisors hereby adopts and incorporates by reference the CEQA Findings. In so doing, the Board of Supervisors approves and endorses the mitigation monitoring and reporting program for implementation by other City departments. A copy of the CEQA Findings and the

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mitigation monitoring and reporting program is on file with the Clerk of the Board of Supervisors in File No. 191253 and is incorporated herein by reference.

(e) The Board of Supervisors finds that the actions taken in this ordinance are within the scope of the Project analyzed in the FMND and subject to the CEQA Findings. The Board of Supervisors further finds that (1) no substantial changes are proposed in the Project and no substantial changes have occurred with respect to the circumstances under which this Project will be undertaken that would cause new significant environmental effects or a substantial increase in the severity of previously identified effects and (2) there is no new information of substantial importance showing that the Project would have any significant effects not discussed in the FMND, that significant effects would be substantially more severe, or that new or different mitigation measures or alternatives would substantially reduce one or more significant effects of the Project.

Section 2. Background and General Findings.

(a) The Project is associated with the 50,500-square-foot (1.16-acre) parcel
(Assessor's Parcel Block No. 3719, Lots 020–440) at 301 Mission Street located on the south
side of Mission Street between Fremont and Beale streets within San Francisco's Financial
District (the "Property"). The existing high-rise on the 301 Mission Street parcel is called the
Millennium Tower. The Tower building covers a footprint of approximately 32,960 square feet
and its foundation system consists of a 10-foot-thick reinforced concrete mat foundation.

(b) In accordance with information provided by the Project Sponsor, since completion of construction of the Tower in 2009, the area around the Tower and Property has experienced differential settlement due to consolidation and compression of the soil layer beneath the Colma Sand, which is known as Old Bay Clay, and tilting to the northwest near the corner of Mission and Fremont Streets.

Mayor Breed BOARD OF SUPERVISORS (c) The Project consists of a structural upgrade of the Tower building foundation that includes installation of a horizontal extension of the existing mat foundation for the Tower building within an approximately 8-foot-wide zone beneath the public right-of-way sidewalk area and immediately adjacent to the Tower along Fremont and Mission Streets, supported by 52 new piles extending to bedrock. The 52 new piles are referred to as "perimeter piles" and the extended mat foundation is referred to as the "collar foundation." In addition to preventing further settlement in the northwest corner of the Tower's existing foundation, the Project Sponsor has stated that this effort may allow for gradual tilt correction of the Tower building over time.

(d) The Project Sponsor will stage construction activities adjacent to the Property along Fremont, Mission, and Beale Streets, requiring the closure of one travel lane and sidewalks along Fremont and Mission Streets and restricting pedestrian access on the sidewalk along Beale Street during portions of construction. There would be limited or no pedestrian access along the Fremont and Mission Streets sides of the Tower during the entirety of construction, because the structural upgrade construction would occur in the sidewalk area; however, after completion of the structural upgrade, the Project Sponsor would restore the site and sidewalk area to pre-construction conditions.

(e) The permanently installed perimeter piles and collar foundation would occupy a portion of current public right-of-way on Mission and Fremont Streets that is subject to the public trust doctrine, which designation would be removed by a State Trust exchange agreement approved by the California State Lands Commission, the San Francisco Port Commission, and this Board of Supervisors ("Public Trust Exchange"). The Public Trust Exchange is addressed in a companion ordinance that is on file with the Clerk of the Board of Supervisors in File No. 191286. The vacation of the Vacation Area authorized by this ordinance is conditioned upon the Public Trust Exchange being final and effective.

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(f) The street vacation proceeding associated with the Project is for the sidewalk portions of Mission Street and Fremont Street near the Mission and Fremont Streets intersection (collectively, the "Vacation Area") and identified more particularly on the Public Works ("PW") SUR Map No. 2019-006, dated January 8, 2020 (the "SUR Map"). A copy of the SUR Map is on file with the Clerk of the Board of Supervisors in File No. 191253 and incorporated herein by reference. The Assessor's Office has assigned Assessor's Parcel Block No. 3719, Lot 519, to the Mission Street portion and Assessor's Parcel Block No. 3719, Lot 520, to the Fremont Street portion of the Vacation Area.

(g) The street vacation would allow a portion of the Vacation Area to be permanently occupied by the Project in accordance with the terms of an easement that the City and County of San Francisco proposes <u>to grant</u> to the Project Sponsor (the "301 Mission Street Easement" or "Easement").

(h) The Board of Supervisors will consider the grant of the 301 Mission Street Easement in a <u>yet to be introduced</u> companion <u>legislation</u>resolution on file with the Clerk of the Board of Supervisors in File No. ______.

(i) The City is prohibited from granting a non-revocable permit or easement over the public right-of-way unless the subject area is vacated in accordance with the California Streets and Highways Code Sections 8300 et seq. and Public Works Code Section 787. Consequently, in order to accommodate the Project and grant the 301 Mission Street Easement, the City will need to temporarily vacate the Vacation Area prior to granting such Easement. Once the street vacation occurs and the <u>Board of Supervisors approves the Easement legislation and said Easement is granted and recorded, the City intends to restore the street status on the Vacation Area so it will continue in its current form as a dedicated public right-of-way. Therefore, when the 301 Mission Street Easement is effective and recorded, the Vacation Area will be rededicated to public use for street and right-of-way</u>

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purposes subject to the Easement.

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(j) The Board of Supervisors also will consider the settlement of litigation related to 301 Mission Street that comprised of all complaints and associated cross-claims and cross-complaints coordinated and/or consolidated under the case entitled, *Laura S. Lehman v. Transbay Joint Powers Authority, et al.*, Case Number CGC-16-553758 in the Superior Court of San Francisco in a companion ordinance (the "Settlement Ordinance"). But for this settlement, the Board of Supervisors would not undertake this street vacation or the companion resolution for the 301 Mission Street Easement. Consequently, the street vacation ordinance will not be operative <u>unless and</u> until the <u>Board of Supervisors approves the yet to be introduced</u>. Settlement Ordinance <u>and said Ordinance</u> is final and effective. The Settlement on file with the Clerk of the Board of Supervisors in File No.

(k) The Public Works ("PW") Director has prepared PW Order No. 202465, dated , dated January 8, 2020, in regard to the vacation and other actions contemplated herein and has made the following determinations: (1) the Vacation Area shown in SUR Map 2019-006 will no longer be necessary for the City's present or prospective future public street, sidewalk, and public service easement purposes on a temporary basis until the City approves the grant of the 301 Mission Street Easement to the Project Sponsor for the Project and said easement is recorded; (2) concurrent with recordation of the 301 Mission Street Easement, the Vacation Area should be rededicated to public use for street and right-of-way purposes subject to the Easement in order to restore the existing street use status to the Vacation Area; (3) in accordance with California Streets and Highways Code Section 892, the Vacation Area will not be useful as a nonmotorized transportation facility, as defined in Streets and Highways Code Section 887, because the entire Vacation Area is below grade; (4) the public interest, convenience, and necessity require that the street vacation occur as contemplated to protect the public safety and allow for the Project to be implemented; and (5) it is a policy matter for the Board of Supervisors to grant the 301 Mission Street Easement over the City's interest in the Vacation Area to the Project Sponsor. A copy of the PW Order is on file with the Clerk of the Board of Supervisors in File No. 191253 and is incorporated herein by reference.

(I) In addition, the PW Director, in PW Order No. 202465, recommended: (1) that the Board of Supervisors adopt the legislation to vacate the Vacation Area; (2) that the Board of Supervisors authorize the Mayor, Clerk of the Board of Supervisors, Director of Property, County Surveyor, and PW Director to take any and all actions which they or the City Attorney may deem necessary or advisable in order to effectuate the purpose and intent of this ordinance; and (3) that the operative date of the street vacation be conditioned upon the following: (i) the Public Trust Exchange being final and effective and (ii) the Settlement Ordinance being final and effective.

(m) On March 3, 2020, the Board of Supervisors adopted Resolution No. 034-20 (the "Resolution of Intent"), which declared the intention of the Board to conditionally vacate the Vacation Area. A copy of this resolution is on file with the Clerk of the Board of Supervisors in File No. 191252 and incorporated herein by reference.

(n) The Clerk of the Board of Supervisors published the Resolution of Intent in the manner required by law and transmitted to the PW Director a certified copy of the Resolution of Intent, and the PW Director posted the Resolution of Intent in the manner required by law.

(o) The vacation actions contemplated by this ordinance are conducted under the general vacation procedures of the Public Streets, Highways and Service Easements
 Vacation Law (California Streets and Highways Code Sections 8300 et seq.) and Public
 Works Code Section 787(a).

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Section 3. Street Vacation and Conditions.

Mayor Breed BOARD OF SUPERVISORS (a) Except as set forth in subsection (d), the Board of Supervisors hereby adopts the findings, determinations, and recommendations of PW Order No. 202465 and temporarily vacates the Vacation Area, as shown on the SUR Map No. 2019-006, in the manner described in Section (2)(k) and (l) of this ordinance, upon satisfaction of the conditions described in this ordinance and pursuant to California Streets and Highways Code Sections 8300 et seq. and San Francisco Public Works Code Section 787(a).

(b) For reference purposes, the Vacation Area also shall be identified as Assessor's Parcel Block No. 3719, Lot 519, for the Mission Street portion and Assessor's Parcel Block No. 3719, Lot 520, for the Fremont Street portion of the Vacation Area.

(c) The Board of Supervisors hereby finds that the Vacation Area is unnecessary for present or prospective public use, subject to the conditions described in this ordinance.

(d) The Board finds that the public interest, convenience, and necessity require that the Street Vacation be done as declared in this ordinance.

(e) The Street Vacation shall be operative as to all of the Vacation Area when: (1) thePublic Trust Exchange becomes final and effective and (2) the Settlement Ordinancebecomes final and effective.

(f) No existing easements or other rights are reserved for any public utility facilities that are in place in the Vacation Area during the term of the vacation, and any rights based upon any such public utility facilities shall be temporarily extinguished upon the effectiveness of the vacation hereunder and until the Vacation Area is rededicated to public use as set forth in Section 4 of this ordinance.

Section 4. Rededication of the Vacation Area to Public Use for Street and Right-of-Way Purposes.

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(a) The vacation of the Vacation Area is temporary and will be operative as set forth in this ordinance.

(b) The Board of Supervisors hereby declares that concurrent with recordation of the 301 Mission Street Easement, the Vacation Area shall be rededicated to public use for street and right-of-way purposes subject to the Easement.

Section 5. The Board of Supervisors hereby directs the Clerk of the Board of Supervisors to transmit to the PW Director certified copies of this ordinance, and the Board of Supervisors hereby urges the PW Director to proceed in the manner required by law. The Clerk of the Board of Supervisors also is hereby directed to transmit to the PW Director certified copies of this ordinance so that this ordinance may be recorded together with any other documents necessary to effectuate the ordinance.

Section 6. The Mayor, Clerk of the Board of Supervisors, Director of Property, and PW Director are hereby authorized and directed to take any and all actions which they or the City Attorney may deem necessary or advisable in order to effectuate the purpose and intent of this ordinance (including, without limitation, the filing of the ordinance in the Official Records of the City and County of San Francisco).

Section 7. 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.

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(b) This ordinance shall become operative when both of the following have occurred:(1) the Public Trust Exchange becomes final and effective and (2) the Settlement Ordinance becomes final and effective.

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

By: JOHN D. MALAMUT

Deputy City Attorney n:\land01\as2019\2000225\01420314.docx



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number: 191253

Date Passed: March 10, 2020

Ordinance ordering the vacation of the sidewalk portion of streets on the south side of Mission Street at the intersection of Mission and Fremont Streets and on the east side of Fremont Street at the same intersection to allow a structural upgrade of the 301 Mission Street high-rise building known as Millennium Tower, subject to certain conditions; rededicating the area subject to the street vacation to public use for street and right-of-way purposes after the City's issuance of an easement for the abovementioned structural upgrade; adopting environmental findings under the California Environmental Quality Act; adopting findings that the vacation and rededication of the street area are consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing actions in furtherance of this Ordinance.

February 03, 2020 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

February 03, 2020 Land Use and Transportation Committee - REFERRED WITHOUT RECOMMENDATION AS AMENDED

March 03, 2020 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

March 10, 2020 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 191253

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/10/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

London N. Breed Mayor

3/20/20

Date Approved