



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary General Plan Referral

HEARING DATE: JUNE 18, 2020

Record No.: 2014.1441GPR
Project: Redevelopment Plan Amendments to the Mission Bay
South Redevelopment Plan for the Development of Blocks 29-30
Zoning: Mission Bay Redevelopment South – Commercial Industrial/Retail
Block/Lot: 8722/025-039, 063, 064, 087, 088
Project Sponsor: GSW Hotel LLC
1 Warriors Way
San Francisco, CA 94158
Property Owner: GSW Arena LLC
1 Warriors Way
San Francisco, CA 94158
Staff Contact: Mat Snyder (415-509-5335)
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Recommendation: **Adopt General Plan Consistency Findings for Redevelopment Plan Amendments**

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SUMMARY

The Action before the Planning Commission is to adopt General Plan consistency findings associated with amendments to the Mission Bay South Redevelopment Plan (“Project”) that would enable a new hotel / residential development on the site of the Chase Center (“Event Center”).

PROJECT DESCRIPTION

The proposal is to amend the Redevelopment Plan for the Mission Bay South Redevelopment Project (“South Redevelopment Plan”) to enable the construction of a new hotel / residential project (“Hotel Project”) on Mission Bay South Blocks 29-30, the location of the Event Center bounded by Third Street, Terry Francois Boulevard, Warriors Way, and 16th Street. The Hotel Project would include the construction of a 160-foot tall building (measured from grade) that would allow up to 230 hotel rooms and up to 21 residential units (or any combination thereof), along with related accessory uses, such as a banquet hall, fitness center, and the like. The Hotel Project would also include approximately 20,000 gsf of retail uses, including restaurants and a spa. The Project would be located on the northeastern corner of the site, on Blocks 29-30, and will be bordered by Terry Francois Boulevard on its east and Warriors Way on its north. The Hotel Project would be constructed where currently a three-story retail building exists. The primary entrance lobby to the Project would be located along Warriors Way and at the Warriors Way / Terry Francois corner. Pedestrian steps to the upper publicly accessible deck would be enhanced at Warriors Way and at the Terry Francois Boulevard.

The following South Redevelopment Plan amendments are required to enable the above Hotel Project: (1) allowing hotel use and dwelling units as principal uses within the Mission Bay South “Commercial Industrial/Retail” land use district for Blocks 29-30 where they are currently not permitted; and (2) increasing the number of allowable hotel projects from one to two and the number of allowable hotel rooms within Mission Bay South. In addition to authorizing the Project, the amendments also increase the amount of retail leasable square footage by 65,000 square feet to create added flexibility in the design of retail floorplates; the current Redevelopment Plan has a maximum limit of 335,000 square feet with certain restrictions on the size of each retail use. However, in the case of the Event Center on Blocks 29-32, 54,000 square feet of this increase is to re-categorize retail space that already exists on Blocks 29-32, which is currently restricted to 5,000 square feet or less in size and through an exemption specified in the Redevelopment Plan, is excluded from the total leasable square feet. The remaining 11,000 square feet will allow existing retail patios at Blocks 29-32 to be partially enclosed.

The following amendments to the Design for Development for the Mission Bay South Project Area (“D4D”), under the jurisdiction of the Office of Community Investment and Infrastructure (“OCII”), have been approved by the Commission on Community Investment and Infrastructure (“OCII”) in connection with the Hotel Project: (1) allowing a tower (a building taller than 90-feet but no taller than 160-feet (measured from grade and exclusive of mechanical equipment and a recreational rooftop structure) on Block 30 where it currently is not allowed, and, allowing for a corresponding increase in tower developable area for Height Zone 5; (2) allowing greater bulk on Blocks 29-30 by increasing the maximum plan dimension above 90-feet from 200 feet to an average of 220 feet (with a maximum of 240 feet); (3) allowing a residential amenity referred to as a recreational structure above the roofline restricted to the dimensions therein and with an area comprising 30% of the roof; (4) tower separation requirements; and (5) other minor changes.

REQUIRED COMMISSION ACTION

In order for the Project to proceed, the Commission must make Finding of Consistency with the General Plan and the Policies of Planning Code Section 101.1 for the proposed Redevelopment Plan Amendments pursuant to Section 4.105 of the City Charter and Section 2A.53 of the Administrative Code. It should be noted that amendments to the D4D or other related approval documents do not require Planning Commission action, nor does approval of the Hotel Project.

BACKGROUND – MISSION BAY AND THE MISSION BAY SOUTH REDEVELOPMENT PROJECT AREA AND PLAN

The Mission Bay South Redevelopment Project Area is one of two Redevelopment Project Areas that make up the Mission Bay development, which together, covers 303 acres of land between the San Francisco Bay and Interstate-280; the two Redevelopment Project Areas (and respective Development Plans) were established in 1998 and enable the development of up to 6,514 housing units (approximately 29% affordable), 5 million square feet of commercial space (office/lab uses and the 18,000 seat Event Center), the new UCSF research campus, the 550 bed UCSF medical center, 560,000 square feet of retail, and 49 acres of new public open space.

As Redevelopment Plan Areas established under California Community Redevelopment Law, development is controlled by the respective Redevelopment Plans and their associated D4D documents, rather than the Planning Code. Similarly, land use and entitlement decisions are generally made by the OCII, the successor agency to the Redevelopment Agency, or the Commission on Community Investment and Infrastructure (“CCII”), and not by the Planning Department or Planning Commission.

Project Sponsors of development in Mission Bay South are only required to pay impact fees as provided in the Redevelopment Plan, which includes (1) the School Facilities Impact Fee; (2) the Child Care Requirements; (3) and the Art Requirement; and (4) the Transportation Sustainability Fee as well as all new or increased applicable development fees or exactions as outlined in the Redevelopment Plan. The master developer of Mission Bay, FOCIL-MB, LLC and project sponsors, through assignment and assumption agreements, are also required to participate in the creation of community benefits and infrastructure through their participation in the Mission Bay OwnerParticipation Agreement (“OPA”). In Mission Bay South, the master developer FOCIL-MB, LLC, is required to develop 34 acres of Open Space and provide approximately 11.56 acres on 9 parcels of land for the development of 1,218 units of affordable housing.

Amendments to the Redevelopment Plan must be approved by CCII and the Board of Supervisors. Amendments to the D4D must be approved by CCII. CCII approved the Redevelopment and D4D Amendments at its May 19 hearing through Resolution No. 07-2020 and 09-2020, respectively.

ISSUES AND OTHER CONSIDERATIONS

- **Public Comment & Outreach.**
 - **Support/Opposition:** As of the date of this report, the Department has received one letter from UCSF in support of the Project. In addition, OCII received numerous letters of support for the Project from local residents and small business owners.
 - **Outreach:** OCII staff reports that the proposed amendments have been presented to the Mission Bay Citizens Advisory Committee (hereinafter “CAC”) on January 9, 2020 where the CAC voted in favor of the proposed amendments. In addition, the Golden State Warriors have reached out to the following neighborhood organizations:
 - South Beach | Rincon Hill | Mission Bay Neighborhood Association
 - Dogpatch Neighborhood Association
 - UCSF
 - Neighboring business community
 - Neighboring residential community, including the Madrone and Radiance
 - Potrero Boosters
- **Design:** OCII and the Project Sponsor team invited Planning architectural and planning staff to participate in the design review of the proposed Hotel Project. As a result of design input, the Hotel Project’s design was improved by enhancing the northern elevation, particularly at the view terminus of Bridgeview Way by assuring that the view of the hotel enabled a visual interplay between the hotel and Event Center behind it. Also, through design review, greater attention was also given to the ground plane at Terry François Boulevard and Warriors Way and access to the upper pedestrian decks.
- **Additional Community Benefits.** In parallel to the amendments to the South Redevelopment Plan, the Project Sponsor is pursuing amendments to the Mission Bay South Owner Participation Agreement (“OPA”) that would require any market-rate residential development on Blocks 29-30 to pay an in-lieu fee equal to \$210.47 per square foot of gross floor area of residential use applied to 30% of the floor area of said residential use for affordable housing. This exceeds the requirements of the City’s Inclusionary Affordable Housing Program. (The inclusionary fee requirement under Planning Code Section 415 requires such in-lieu fee for 20% of total the Gross Floor Area.) In

addition, the OPA amendments would require any hotel development on Blocks 29-30 to pay an in-lieu fee equal to \$22.57 per net new square foot of Gross Floor Area of the hotel use to fund affordable housing. This is consistent with the requirements of the City's Jobs-Housing Linkage Program (Planning Code Section 413). In addition, the Project Sponsor has agreed to pay an annual fee of \$175,000 to offset the added costs of maintenance required at Bayfront Park (P22) due to usage by Event Center and Hotel Project guests.

ENVIRONMENTAL REVIEW

The Event Center and Mixed-Use Development at Mission Bay Blocks 29-32, ("Event Center Project") Final Subsequent Environmental Impact Report ("Event Center FSEIR") analyzed the development of the Event Center Project, and was tiered from the Mission Bay FSEIR. The Commission of the Successor Agency to the former Redevelopment Agency ("Successor Agency Commission") on November 3, 2015 by Resolution 69-2015 certified the Event Center FSEIR, and on the same date by Resolution No. 70-2015 adopted CEQA findings, including a statement of overriding considerations and a mitigation monitoring and reporting program in support of various approval actions for the Event Center Project. An Addendum to the Event Center FSEIR (the "Addendum") has been prepared by OCII with assistance from the Planning Department, in connection with the proposed Redevelopment Plan Amendment. The Addendum concludes that the proposed Redevelopment Plan Amendment is within the scope of the Event Center Project analyzed in the Event Center FSEIR and will not result in any new significant impacts or a substantial increase in the severity of previously identified significant effects that would alter the conclusions reached in the Event Center FSEIR. The Successor Agency Commission certified the Addendum on May 19, 2020 by Resolution No. 05-2020. The Addendum and any supporting documents have been made available to the Commission and the public, and the Addendum is incorporated in this resolution by this reference. For purposes of this action, the Planning Commission will rely on the CEQA Findings previously adopted and the Addendum.

BASIS FOR RECOMMENDATION

The Department finds that the Redevelopment Plan amendments are, on balance, consistent with the Objectives and Policies of the General Plan and Planning Code Section 101.1. The Project will permit a mixed hotel and residential use at a location that is consistent and synergistic with the existing Event Center uses. Permitting hotel and residential uses to be developed on Blocks 29-30 will provide for development of a hotel use at an appropriate location, as well as housing, in furtherance of the Redevelopment Plan objectives; and the increase in the total retail square footage permitted will also formalize previously approved retail areas that will enhance the vibrancy of and further activate the surrounding community. Further the Amendments will enable the potential addition of up to twenty-one residential units and will contribute additional funds for affordable housing. Mission Bay South still has three affordable housing sites that have yet to be developed.

ATTACHMENTS:

- Draft Motion: Findings of Consistency with the General Plan and Planning Code Section 101.1
- Exhibit A: Mission Bay South Redevelopment Plan as proposed to be amended (redline)
- Exhibit B: Mission Bay South Design-for-Development as proposed to be amended (redline) – for informational purposes
- Exhibit C: Plans of the Proposed Hotel Project

Addendum
Letter of Support