FILE NO. 170414

ORDINANCE NO. 121-17

[Redevelopment Plan Amendments - Bayview Hunters Point]

Ordinance approving amendments to the Bayview Hunters Point Redevelopment Plan to conform to Proposition O, adopted by the San Francisco voters on November 8, 2016, exempting the Candlestick Point and Hunters Point Shipyard Phase 2 Project area from the office development controls established under Planning Code, Sections 320-325; directing the Clerk of the Board to transmit a copy of this Ordinance upon its enactment to the Successor Agency; making findings, including environmental findings under the California Environmental Quality Act, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

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. FINDINGS.

(a) On May 23, 2006, the Board of Supervisors approved and adopted, by
 Ordinance No. 113-06, the Redevelopment Plan for the Bayview Hunters Point
 Redevelopment Project, which included the Candlestick Point area. Previously, on July 14, 1997, the Board of Supervisors had approved and adopted, by Ordinance No. 285-97, the
 Hunters Point Shipyard Redevelopment Plan pursuant to the Military Base Conversion
 Chapter of the California Community Redevelopment Law (Health and Safety Code Sections)

33492 et seq.). The Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") thereby became vested with the responsibility to carry out these redevelopment plans.

(b) On August 3, 2010, the Board of Supervisors approved and adopted, by Ordinance Nos. 0210-10 and 0211-10, respectively, amendments to the Bayview Hunters Point Redevelopment Plan (the "BVHP Plan") and the Hunters Point Shipyard Redevelopment Plan (the "HPS Plan") in connection with the approval of the Candlestick Point-Hunters Point Shipyard Phase 2 Project ("Project").

(c) To implement the Project, the Redevelopment Agency and CP Development
 Co., LP, a Delaware limited partnership ("Developer") entered into various agreements,
 including a Disposition and Development Agreement (Candlestick Point and Phase 2 of the
 Hunters Point Shipyard), dated as of June 3, 2010, which has been amended on two
 occasions (the "DDA").

(d) On February 1, 2012, the State of California dissolved all redevelopment agencies in the state and established successor agencies to assume certain rights and obligations of the former agencies. Cal. Health & Safety Code §§ 34170 et seq. (the "Redevelopment Dissolution Law"). On October 2, 2012, the Board of Supervisors delegated its state authority under the Redevelopment Dissolution Law to the Successor Agency Commission, commonly referred to as the Commission on Community Investment and Infrastructure ("CCII" or "Successor Agency Commission"), to implement and complete, among other things, the surviving enforceable obligations of the Redevelopment Agency. On December 14, 2012, the California Department of Finance finally and conclusively determined that the DDA and related agreements were enforceable obligations of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, commonly known as the Office of Community Investment and Infrastructure ("Successor Agency" or "OCII").

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(e) The BVHP Plan and the HPS Plan establish the land use controls for the Candlestick Point area of the BVHP Plan Area (referred to as "Zone 1 of the BVHP Plan"), and all of the HPS Plan Area except for the Hunters Point Hill Residential District (referred to as "Phase 2 of the HPS Plan").

(f) Zone 1 of the BVHP Plan authorizes a maximum of 150,000 square feet of office space. Phase 2 of the HPS Plan authorizes a maximum of 5,000,000 square feet of office space. Both Zone 1 of the BVHP Plan and Phase 2 of the HPS Plan require compliance with the office development limitations of Sections 320-325 of the Planning Code.

(g) On November 8, 2016, voters adopted Proposition O, the Office Development in Candlestick Point and Hunters Point Initiative, which removed the Project from the office development limitations established by Proposition M, an initiative approved by voters in 1986 and codified in Planning Code Sections 320-325. Proposition O does not affect the applicability of Proposition M to office development in other areas of the City and does not affect the total amount of office space authorized under Zone 1 of the BVHP Plan, Phase 2 of the HPS Plan, and the DDA. Proposition O amended the Planning Code by adding Section 324.1, which provides that Zone 1 of the BVHP Plan and Phase 2 of the HPS Plan are not subject to the office development limitations of Planning Code Sections 320-325 as originally enacted by voters in 1986. Proposition O, however, did not remove Planning Code Sections 320-325 from the BVHP Plan and the HPS Plan, which can only be amended under the procedures described in Sections 33450 through 33458 and Section 33352 of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq., the "Redevelopment Law").

(h) In accordance with the Redevelopment Law, the Successor Agency has prepared a Report to the Board of Supervisors on the Amendments to the BVHP Plan and the Amendments to the HPS Plan ("Report to the Board") to conform these plans to the provisions

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of Proposition O. The Successor Agency made the Report to the Board available to the public on or before the date of the notice of the public hearing on the Ordinance proposing to approve the Amendments to the BVHP Plan and the Amendments to the HPS Plan (collectively, the "Amendments"), held on April 4, 2017 in accordance with Section 33452.

(i) On April 4, 2017, after holding a duly noticed public hearing in accordance with Redevelopment Law Section 33452, by Resolution No. 15-2017, CCII approved the Report to the Board and determined that the Amendments conforming those plans to Proposition O are necessary and desirable for the implementation of the BVHP Plan and the HPS Plan, and adopted the Amendments. The Successor Agency has transmitted to the Board of Supervisors certified copies of Resolution No. 15-2017, and attached its Report to the Board. Copies of the Amendments and the CCII Resolution No. 15-2017, are on file with the Clerk of the Board of Supervisors in File No. 170414 and on the Board's website, and are incorporated in this Ordinance by this reference.

(j) The Successor Agency transmitted the proposed Amendments to the Planning Department for its report and recommendation concerning the conformity of the Amendments with the General Plan. On April 5, 2017, in the General Plan Referral for the Hunters Point Shipyard Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan ("General Plan Referral"), the Planning Department determined that the proposed Amendments are consistent with the General Plan and the eight priority policies of the Planning Code Section 101.1. A copy of the Planning Department's General Plan Referral is on file with the Clerk of the Board of Supervisors in File No. 170414 and available on the Board's website, and is incorporated in this Ordinance by this reference as though fully set forth.

(k) The Board of Supervisors finds that this ordinance is, on balance, consistent with the General Plan and in conformity with the eight priority policies of Planning Code

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Section 101.1 for the reasons set forth in the Planning Department's General Plan Referral dated April 5, 2017. The Board hereby adopts these findings as its own.

(I) On July 13, 2010, the Board of Supervisors approved Motion No. 10-0110 affirming the Planning Commission's certification of the final environmental impact report for the CP-HPS Phase 2 Project ("FEIR") in compliance with the California Environmental Quality Act ("CEQA") (California Public Resources Code sections 21000 et seq.). A copy of said Motion is on file with the Clerk of the Board of Supervisors in File No. 100862 and available on the Board's website, and is incorporated herein by reference as though fully set forth. The FEIR analyzed various Project Variants, including the development of up to 5,150,000 square feet of office, research and development space.

(m) The Board of Supervisors in Resolution No. 0347-10, adopted environmental findings in relation to the Project, including a statement of overriding considerations and a mitigation monitoring and reporting program in support of various approval actions taken by the Board to implement the Project, including the amendments to the BVHP Plan and HPS Plan in 2010. Copies of said Resolution and supporting materials are in the Clerk of the Board of Supervisors File No. 100572 and available on the Board's website, and the Resolution and supporting materials are incorporated herein by reference as though fully set forth.

(n) As part of its action on Resolution No. 16-2017, approving the proposed Amendments, CCII adopted environmental findings pursuant to CEQA, finding that the analysis conducted and conclusions reached in the FEIR remain valid, and the proposed Amendments 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 FEIR.

The Board has reviewed and considered the CEQA Findings and statement of (0)overriding considerations that it previously adopted in Resolution No. 0347-10, and reviewed and considered the CEQA Findings contained in CCII Resolution No. 16-2017, and hereby adopts these additional CEQA Findings as its own. The Board additionally finds that: (1) implementation of the Amendments to the BVHP Plan do not require major revisions in the FEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (2) no substantial changes have occurred with respect to the circumstances under which the project analyzed in the FEIR will be undertaken that would require major revisions to the FEIR due to the involvement of new significant environmental effects, or a substantial increase in the severity of effects identified in the FEIR; and (3) no new information of substantial importance to the project analyzed in the FEIR has become available which would indicate that (A) the Amendments to the BVHP Plan will have significant effects not discussed in the FEIR; (B) significant environmental effects will be substantially more severe; (C) mitigation measures or alternatives found not feasible which would reduce one or more significant effects have become feasible; or (D) mitigation measures or alternatives which are considerably different from those in the FEIR will substantially reduce one or more significant effects on the environment.

Section 2. PURPOSE AND INTENT. The purpose and intent of the Board of Supervisors with respect to the Amendments to the BVHP Plan is to conform the BVHP Plan to Proposition O exempting the Project from the office development limitation in Planning Code Section 320-325 as originally enacted by voters in 1986. The Amendments to the BVHP Plan will contribute to and complement the overall goals and objectives of the BVHP Plan, including the revitalization of the BVHP Project Area, by ensuring an efficient and reliable pace of office development that will foster economic and job opportunities, facilitate

the completion of redevelopment of the BVHP Plan Area, and expeditiously wind down the activities of the dissolved Redevelopment Agency as required under state law.

Section 3. PLAN INCORPORATION BY REFERENCE. The BVHP Plan, as amended by this Ordinance, is incorporated in and made a part of this Ordinance by this reference with the same force and effect as though set forth fully in this Ordinance. Copies of the BVHP Plan, as amended, are on file with the Clerk of the Board of Supervisors in File No. 170414 and available on the Board's website.

Section 4. FURTHER FINDINGS AND DETERMINATIONS REGARDING THE AMENOMENTS TO THE BVHP PLAN UNDER COMMUNITY REDEVELOPMENT LAW. To the extent required by the Community Redevelopment Law, the Board of Supervisors hereby further finds, determines and declares, based on the record before it, including but not limited to information contained in the Report to the Board:

(a) Zone 1 of the BVHP Plan remains a blighted area as described in the Report to the Board prepared pursuant to Sections 33457.1 and 33352. The redevelopment of Zone 1 of the BVHP Plan is necessary to effectuate the public purposes declared in the Redevelopment Law.

(b) The Amendments to the BVHP Plan will redevelop Zone 1 of the BVHP Plan in conformity with the Redevelopment Law and in the interest of the public peace, health, safety, and welfare.

(c) The adoption and carrying out of the Amendments to the BVHP Plan is economically sound and feasible as described in the Report to the Board.

(d) For the reasons set forth in Section 1, subparagraph (k) of this Ordinance, the Amendments to the BVHP Plan are consistent with the General Plan of the City and County of San Francisco, including with the priority policies in City Planning Code Section 101.1.

(e) The carrying out of the Amendments to the BVHP Plan will promote the public peace, health, safety and welfare of the community and effectuate the purposes and policies of the Community Redevelopment Law.

(f) The provisions of the BVHP Plan concerning the condemnation of real property have expired and are not necessary to execution of the Amendments to the BVHP Plan.

(g) In 2010, the Board of Supervisors made findings determining that the BVHP Redevelopment Plan does not authorize the use of eminent domain to displace persons from residentially-zoned areas and legally occupied dwelling units and in other contexts. However, the Board of Supervisors determined that if displacement occurs through other means, the Successor Agency has a feasible method or place for the relocation of families and persons displaced. These findings are contained in Ordinance No. 0210-10, which is on file with the Clerk of the Board of Supervisors in File No. 100658. The Amendments to the BVHP Plan will not cause or result in any new temporary or permanent displacement of any occupants of housing facilities and does not alter the findings made by the Board of Supervisors in Ordinance No. 0210-10.

(h) The Amendments to the BVHP Plan do not change the boundaries of the BVHP Plan Area and, therefore, do not include any additional area for the purpose of obtaining any allocation of tax increment revenues pursuant to Redevelopment Law Section 33670.

(i) Zone 1 of the BVHP Plan is predominantly urbanized, as defined by Redevelopment Law Section 33320.1(b).

(j) The implementation of the Amendments to the BVHP Plan will improve or alleviate the physical and economic conditions of the remaining blight in Zone 1 of the BVHP Plan.

Section 5. OFFICIAL PLAN. As required by Redevelopment Law Sections 33457.1 and 33367, the Board of Supervisors hereby approves and adopts the BVHP Plan, as

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amended by the Amendments to the BVHP Plan, as the official redevelopment plan for the BVHP Plan Area.

Section 6. COOPERATION IN IMPLEMENTING BVHP PLAN AS AMENDED. By Ordinance Nos. 0210-10 and 0211-10, the Board of Supervisors approved an Interagency Cooperation Agreement with the Redevelopment Agency (the "Interagency Cooperation Agreement"), for the BVHP Plan Area and the HPS Plan Area, respectively, to provide for cooperation between the City and the Redevelopment Agency in administering the process for control and approval of subdivisions and all other applicable land use, development, construction, improvement, infrastructure, occupancy and use requirements, and in establishing the policies and procedures relating to such approvals. The Board hereby agrees to cooperate with the Successor Agency through the Interagency Cooperation Agreement in carrying out the BVHP Plan as amended.

Section 7. CONTINUED EFFECT OF PREVIOUS ORDINANCES AS AMENDED. Ordinances Nos. 0210-10 and 0211-10 are continued in full force and effect as amended by this Ordinance.

Section 8. TRANSMITTAL OF PLAN AS AMENDED. The Clerk of the Board of Supervisors shall without delay (a) upon enactment, transmit a copy of this Ordinance to the Successor Agency, whereupon the Successor Agency shall be vested with the responsibility for carrying out the BVHP Plan as amended, and (b) record or ensure that the Successor Agency records a notice of the approval and adoption of the Amendments to the BVHP Plan pursuant to this Ordinance, containing a statement that proceedings for the redevelopment of the BVHP Plan Area pursuant to the Amendments to the BVHP Plan has been instituted under the Redevelopment Law.

Section 9. RATIFICATION OF PRIOR ACTS. All actions taken by City officials and the Successor Agency Commission in preparing and submitting the Amendments to the

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BVHP Plan 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 and the Successor Agency Commission consistent with this Ordinance.

Section 10. EFFECTIVE DATE. In accordance with Sections 33378(b)(2) and 33450 of the California Redevelopment Law (California Health and Safety Code secs. 33378(b)(2) and 33450), this ordinance shall become effective 90 days from the date of 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.

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

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Deputy City Attorney

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City and County of San Francisco Tails

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

Ordinance

File Number: 170414

Date Passed: June 13, 2017

Ordinance approving amendments to the Bayview Hunters Point Redevelopment Plan to conform to Proposition O, adopted by the San Francisco voters on November 8, 2016, exempting the Candlestick Point and Hunters Point Shipyard Phase 2 Project area from the office development controls established under Planning Code, Sections 320-325; directing the Clerk of the Board to transmit a copy of this Ordinance upon its enactment to the Successor Agency; and making findings, including environmental findings under the California Environmental Quality Act, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

June 06, 2017 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

June 13, 2017 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170414

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 6/13/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

6/22/17

Date Approved