

**Office of Community
Investment and Infrastructure**
(Successor to the San Francisco
Redevelopment Agency)

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MEMORANDUM

Date: April 24, 2014
To: John Rahaim, Director of Planning
CC: Wells Lawson, Senior Project Manager
From: Tiffany Bohee, Executive Director
Subject: Waterfront Height Limit Initiative

The Office of Community Investment & Infrastructure ("OCII"), as the Successor Agency to the San Francisco Redevelopment Agency, is authorized to continue to implement three major redevelopment projects that were previously administered by the former Redevelopment Agency: 1) the Mission Bay North and South Redevelopment Project Areas, 2) the Hunters Point Shipyard Redevelopment Project Area and Zone 1 of the Bayview Redevelopment Project Area, and 3) the Transbay Redevelopment Project Area (collectively, the "Major Approved Development Projects"), together with certain housing obligations (the "Retained Housing Obligations"), and recognized enforceable obligations (ROPS) under the Dissolution Law. In addition, the Successor Agency continues to manage Yerba Buena Gardens and other assets within the former Yerba Buena Center Redevelopment Project Area ("YBC"). The Commission on Community Investment and Infrastructure exercises land use, development and design approval authority for the Major Approved Development Projects and manages the former Redevelopment Agency assets in YBC in place of the former San Francisco Redevelopment Agency Commission.

Under the scope of OCII's authority, only the Candlestick Point-Hunters Point Shipyard Phase II Development Project ("CP-HPS2 Project") would potentially be impacted by the proposed Waterfront Height Limit Initiative ("Initiative"). Under the Initiative, the term "waterfront" is defined as "land transferred to the City and County of San Francisco pursuant to Chapter 1333 of the statutes of 1968, as well as any other property which is owned by or under the control of the Port Commission of San Francisco as of January 1, 2014 or acquired thereafter." If the initiative is approved, development on such waterfront lands may not exceed any height limit in effect as of January 1, 2014, unless a height limit increase for the development has been approved by a vote of the electors of the City and County of San Francisco.

The CP-HPS2 Project includes the following lands that we believe fall under the Initiative's definition of waterfront:

- (1) Certain streets immediately northeast of the Candlestick Park stadium site, including portions of Egbert Ave., Fitzgerald Ave., Gilman Ave., Donahue St., Earl St., and Arelious Walker Dr. These streets are shown in the shaded area on Attachment 1.
- (2) A former railroad right of way cutting across the blocks bounded by the streets discussed in item 1. This land is marked by faint dashed lines within shaded area on Attachment 2 .
- (3) Some small portions of paper streets in the Harney Way right of way.

These lands, which are well inland from the present-day shoreline, will eventually be conveyed to the Office of Community Investment & Infrastructure ("OCII") pursuant to the Hunters Point/Candlestick Point Title Settlement, Public Trust Exchange and Boundary Line Agreement ("Trust Exchange Agreement") authorized by the Legislature by Chapter 203 of the Statutes of 2009 and approved by the Board of Supervisors by Board Resolution No. 348-10 on July 27, 2010. As of January 1, 2014, however, they were in Port ownership and would thus be subject to the Initiative's restrictions.

Other lands in the CP-HPS2 Project area were also transferred to the City pursuant to the Burton Act, Chapter 1333 of the Statutes of 1968. These lands, which are paper streets in Candlestick Point State Recreation Area, are currently owned by the California State Lands Commission. The State will transfer some of these lands to OCII pursuant to the Candlestick Point State Recreation Area Reconfiguration, Improvement and Transfer Agreement, authorized and approved simultaneously with the Trust Exchange Agreement. The overall conveyance from the State to OCII is shown in Attachment 2, although the areas potentially affected by the Initiative are not identified. Because these lands were not owned by the Port as of January 1, 2014, and will not be transferred to the Port, we do not believe they will be subject to the Initiative's restrictions. But because the Initiative is ambiguous, one could argue that the voter requirement applies to all land transferred to the City under the Burton Act, regardless of current ownership, that is later transferred back into City ownership.

OCII believes that the Initiative would not affect the CP-HPS2 Project as presently planned. The CP-HPS2 Project received all required entitlements on August 3, 2010 through Ordinance Nos. 207-10, 208-10, 210-10, and 211-10, copies of which are on file with the Clerk of the Board of Supervisors in File Nos. 100578, 100579, 100658, and 100659, respectively. These entitlements include amendments to the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans, amendments to the Bayview Hunters Point Area Plan, establishment of the Candlestick Point Sub-Area Plan and the Hunters Point Shipyard Area Plan, and the establishments of new Special Use Districts for the two areas. The approved Redevelopment Plans, including the Design for Development documents, contain height limits and design standards consistent with current plans for

the CP-HPS2 Project. Therefore the CP-HPS2 Project, as currently entitled, would not be impacted by the Initiative.

However, the CP-HPS2 Project is envisioned to build out over 20 to 30 years. The transaction documents recognize that circumstances and market conditions for this large and complex development may change over the development period, and attempt to provide some flexibility to address changes over time. If the developer and OCII wish to make changes to the current height limits of the affected waterfront lands, such changes would be subject to a popular vote if the Initiative is approved.

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