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Planning Commission Motion No.

HEARING DATE: JUNE 3, 2010

Date:	**May 20, 2010**
Case No.:	**2007.0946BEMRTUZ**
Project:	**Candlestick Point – Hunters Point Shipyard Phase 2 CEQA Findings**
Location:	**Candlestick Point and Hunters Point Shipyard**
Staff Contacts:	**Lisa Gibson – (415) 575-9032 lisa.gibson2sfgov.org Mat Snyder – (415) 575-6891 mathew.snyder@sfgov.org**
Recommendation:	**Adopt the Findings**

ADOPTING ENVIRONMENTAL FINDINGS (AND A STATEMENT OF OVERRIDING CONSIDERATIONS) UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATE GUIDELINES IN CONNECTION WITH THE ADOPTION OF THE CANDLESTICK POINT – HUNTERS POINT SHIPYARD PHASE 2 AND RELATED ACTIONS NECESSARY TO IMPLEMENT SUCH PLANS.

WHEREAS, the San Francisco Planning Department, together with the San Francisco Redevelopment Agency are the Lead Agencies responsible for the implementation of the California Environmental Quality Act ("CEQA") for this area and have undertaken a planning and environmental review process for the proposed Candlestick Point – Hunters Point Shipyard Phase 2 ("Project") and provided for appropriate public hearings before the respective Commissions.

The Bayview Hunters Point has one of the highest concentrations of very low-income residents and one of the highest unemployment rates in San Francisco, and public health in the area has generally been poor compared to the rest of San Francisco. Bayview Hunters Point has very few quality public parks and open spaces that provide active recreation facilities for neighborhood youth, and is in need of affordable housing and business and job opportunities for its residents. The area remains under-served by transit and basic neighborhood-serving retail and cultural amenities. The betterment of the quality of life for the residents of the Bayview Hunters Point community is one of the City's highest priorities.

Hunters Point Shipyard and Candlestick Point are part of the Bayview Hunters Point neighborhood and are in close proximity to one another, separated only by the Yosemite Slough and South Basin. Together, they comprise about 702 acres, and make up the largest area of underused land in the City. The Candlestick Point area comprises approximately 281 and Hunters Point Shipyard Phase 2 area comprises approximately 402 acres. Candlestick Point is generally comprised of the 49ers Football Stadium and parking lot, the Candlestick Point State Recreation Area (CPSRA) (excluding the Yosemite Slough portion of the Park), the Alice Griffith Housing development, along with privately held parcels to the southwest of the stadium site between Bayview Hill and Jamestown Avenue, and privately held parcels between the stadium and the CPSRA. The Hunters Point Shipyard portion of the project is

comprised of a majority of the former Naval Shipyard except for the portion currently being developed as "Phase 1", also often referred to as "Parcel A".

Hunters Point Shipyard

Hunters Point Shipyard was once a thriving, major maritime industrial center that employed generations of Bayview Hunters Point residents. Following World War II, the Shipyard was a vital hub of employment in the Bayview Hunters Point, providing logistics support, construction and maintenance for the United States Department of the Navy. At its peak, the Shipyard employed more than 17,000 civilian and military personnel, many of whom lived in Bayview Hunters Point. The United States Navy ceased operations at the Shipyard in 1974 and officially closed the base in 1988. The Shipyard was then included on the Department of Defense's 1991 Base Realignment and Closure (BRAC) list. In 1993, following designation of the Shipyard by the City's Board of Supervisors as a redevelopment survey area, the City and the Redevelopment Agency began a community process to create a plan for the economic reuse of the Shipyard and the remediation and conveyance of the property by the Navy.

In planning for the redevelopment of the Shipyard, the City and the Redevelopment Agency worked closely with the Hunters Point Citizen's Advisory Committee ("CAC"). The CAC is a group of Bayview Hunters Point community residents, business owners and individuals with expertise in specific areas, who are selected by the Mayor to oversee the redevelopment process for the Shipyard. The Agency has worked with the CAC and the community throughout the process of implementing revitalization activities regarding the Shipyard.

In July 1997, the Board of Supervisors adopted a Redevelopment Plan for revitalization of the Shipyard. The Hunters Point Redevelopment Plan contemplated the development of a mix of residential, commercial, cultural, research and development and light industrial uses, with open space around the waterfront perimeter.

Since its selection by the Redevelopment Agency, the Shipyard developer has worked with the City, the Agency, and the Navy to facilitate the redevelopment and economic reuse of the Shipyard. In 2003, the Shipyard developer and the Agency entered into the Hunters Point Shipyard Phase I Disposition and Development Agreement (DDA), under which the Shipyard developer is constructing infrastructure for up to 1,600 residential units on Parcel A of the Shipyard, of which approximately 30 percent will be affordable. The Phase I DDA also requires the Shipyard developer to create approximately 25 acres of public parks and open space on Parcel A.

In March 2004, the Redevelopment Agency, in cooperation with the City and the Shipyard developer negotiated a comprehensive agreement with the Navy governing the terms and conditions of the hazardous materials remediation and conveyance of the Shipyard by the Navy to the Agency. The Conveyance Agreement obligates the Navy to remediate the hazardous materials on the Shipyard to levels consistent with the land uses designated in the original redevelopment plans for the Shipyard and to convey parcels to the Agency at no cost on a phased basis as the Navy successfully completes the remediation.

In 2005, the Navy conveyed Parcel A to the Agency under the Conveyance Agreement, and the Agency then closed escrow on its transfer of a portion of Parcel A to the Shipyard developer to begin site preparation and infrastructure development for the construction of new housing and parks on Parcel A.

Candlestick Point

As described above, Candlestick Point includes, among other things: (a) the City-owned stadium, currently named Candlestick Park, which is home to the San Francisco 49ers and is nearing the end of its useful life; (b) the Alice B. Griffith Housing Development, also known as Double Rock, and (c) the Candlestick Point State Recreation Area.

In June, 1997, San Francisco voters adopted two measures (Propositions D and F) providing for the development by the 49ers or their development partners of a new stadium, a related 1,400,000 square foot entertainment and retail shopping center, and other conditional uses including residential uses. The voters approved up to $100 million of lease revenue bonds to help finance the proposed development of the new stadium.

In June 2006, following a 10-year planning process, the Board of Supervisors adopted a Redevelopment Plan for the Bayview Hunters Point Project Area that includes Candlestick Point. The primary objective of the Redevelopment Plan is to revitalize the Bayview Hunters Point community through economic development, affordable housing and community enhancement programs for the benefit of existing residents and community-based businesses. The policies and programs of the Redevelopment Plan incorporate community goals and objectives expressed in a Concept Plan that the Bayview Hunters Point Project Area Committee ("PAC") adopted in 2000, following hundreds of community planning meetings. The PAC is a body that was formed in 1997 through a public election by Bayview Hunters Point voters to work with the Redevelopment Agency and the City and represent the interests of the Bayview Hunters Point community in planning for the area's future. The Agency has continued to work through the PAC and with the community throughout the process of implementing revitalization activities under the Redevelopment Plan.

The Alice B. Griffith Housing Development, built in the early 1960s and operated by the San Francisco Housing Authority, needs substantial improvement. An important component of the Project is to provide one-for-one replacement of Alice B. Griffith units at existing low income levels and to ensure that existing tenants have the right to move to the new upgraded units without being displaced until the replacement units are ready for occupancy.

In 1983, the City donated land at Candlestick Point to the State of California to form the Candlestick Point State Recreation Area with the expectation that the State would develop and implement a plan for improving the park land. The Recreation Area has the potential to be a tremendous open space recreational resource for the region and for the residents of Bayview Hunters Point. But it has not reached its potential due to limited State funding and a challenging configuration. The long-term restoration and improvement of the Candlestick Point State Recreation Area has been a long-term goal of the residents of Bayview Hunters Point, the City, and the State.

Integrated Development of the Hunters Point Shipyard and Candlestick Point.

For over a decade, the redevelopment of Candlestick Point and the Shipyard has proceeded on parallel, though largely separate, paths. But over the last four years, the City and the Redevelopment Agency have been working with the Bayview Hunters Point community on redeveloping the two sites together. A primary objective of both the Hunters Point Shipyard Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan is to create economic development, affordable housing, public parks and open space and other community benefits by developing the under-used lands within the two

project areas. Combining the planning and redevelopment of these two areas provides a more coherent overall plan, including comprehensive public recreation and open space plans and integrated transportation plans, and provides better ways to increase efficiencies to finance the development of affordable housing and the public infrastructure necessary to expedite the revitalization of both areas .

Accordingly, in May, 2007, the Board of Supervisors adopted and the Mayor approved a resolution a Conceptual Framework for the integrated development of Candlestick Point and the Hunters Point Shipyard ("the Project"). The Conceptual Framework, which is the basis for the last three years of planning for the Project, envisioned a major mixed-use project, including hundreds of acres of new waterfront parks and open space, thousands of new housing units, a robust affordable housing program, extensive job-generating retail and research and development space, permanent space for the artist colony that exists in the Shipyard, and a site for a potential new stadium for the 49ers on the Shipyard.

In furtherance of the Conceptual Framework, in April 2007, the San Francisco Recreation and Parks Commission adopted a resolution requesting the Redevelopment Agency to include the existing stadium site under the Exclusive Negotiations Agreement. In May 2007, the Redevelopment Agency and the Shipyard developer (whose members were reconstituted) entered into a Second Amended and Restated Exclusive Negotiations and Planning Agreement related to Phase II of the Shipyard Redevelopment Plan, which extended the Shipyard developer's exclusive negotiating rights to cover Candlestick Point.

On June 3, 2008, the San Francisco voters approved Proposition G, an initiative petition measure named The Bayview Jobs, Parks, and Housing Initiative, regarding plans to revitalize the Project site. As set forth in Proposition G, the project is designed to revitalize the Project Site by (a) improving and creating hundreds of acres of public parks and open space, particularly along the waterfront, (b) significantly increasing the quality and quantity of affordable housing in southeastern San Francisco, including the complete rebuilding of the Alice Griffith Housing Development, (c) providing thousands of commercial and construction job opportunities for San Francisco residents and businesses, especially in the Bayview Hunters Point community, (d) supporting the creation of permanent space on the Shipyard for existing artists, (e) elevating the site into a regional center for green development and the use of green technology and sustainable building design, (f) providing extensive transportation improvements that will benefit southeastern San Francisco generally, (g) attracting and sustaining neighborhood serving retail and cultural amenities and services, and (h) offering a world-class waterfront stadium site opportunity as the City's last and best chance to keep the 49ers in San Francisco over the long term, but without requiring the revitalization project to be delayed if the 49ers do not timely decide to build a stadium in the project site or decide to build a new stadium elsewhere.

In October 2009, the State Legislature approved and the Governor signed and filed Senate Bill No. 792 (SB 792). SB 792, enacted as Chapter 2003 of the Statutes of 2009 in January of 2010, provides for the reconfiguration of the Candlestick Point State Recreation Area and improvement of the State park lands, in connection with the development of the Project.

Since February 2007, the Project has been reviewed by the Bayview Hunters Point community and other stakeholders in over 200 public meetings, including those held before the PAC, the CAC, the Redevelopment Agency Commission, the Board of Supervisors, the Planning Commission, and other City commissions and in other local forums.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of the Bayview Hunters Point and Hunters Point Shipyard, using the legal and financial tools of a Redevelopment Plan, while creating jobs, housing and open space in a safe, pleasant, attractive and livable mixed use neighborhood that is linked rationally to adjacent neighborhoods.

The proposed amended Bayview Hunters Point Area Plan, Planning Code, Zoning Maps, the amended Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plans and their implementing documents, including, without limitation, the Disposition and Development Agreement, its attached plans and documents, and the Design for Development documents contain a wide range of the land use designations that could accommodate up to 10,500 residential units, of which approximately 32 % will be below market rate; approximately 327-336 acres of improved open space and recreational areas; approximately 885,000 square feet of regional and neighborhood-serving retail space; approximately 2.65 to 5 million square feet of research and development and office space; an additional 150,000 square feet of office at Candlestick Point, 100,000 square feet of community services; a 69,000-seat football stadium; and 10,000-seat performance arena; a 220-room hotel; and 255,000 square feet of replacement artist studio space and arts center.

To implement the Project, the Commission must take several actions including adoption of General Plan amendments, Planning Code Text amendments, Planning Code Map amendments, approving and recommending to the Board of Supervisors approval of the Bayview Hunters Point and Hunters Point Shipyard Redevelopment Plan amendments, and adoption of findings under Planning Codes sections 320 – 325 regarding office development, among other actions.

On November 12, 2009, the Department and Agency released for public review and comment the Draft Environmental Impact Report for the Project, (Department Case No. 2007.0946E).

The Planning Commission on December 17, 2009, and the Redevelopment Agency Commission on December 15, 2009, and January 5, 2010, held public hearings on the Draft Environmental Impact Report and received written public comments until 5:00 pm on January 12, 2010, for a total of 60 days of public review.

The Department and Agency prepared a Final Environmental Impact Report ("FEIR") for the Project consisting of the Draft Environmental Impact Report, the comments received during the review period, any additional information that became available after the publication of the Draft Environmental Impact Report, and the Draft Summary of Comments and Responses, all as required by law, a copy of which is on file with the Planning Department under Case No. 2007.0946E, which is incorporated into this motion by this reference.

The FEIR files and other Project-related Department and Agency files have been available for review by the Planning Commission and the public, and those files are part of the record before this Commission.

On June 3, 2010, the Planning Commission and the Redevelopment Agency Commission reviewed and considered the FEIR and, by Motion No. _____ and Resolution No. _____, respectively, found that the contents of said report and the procedures through which the FEIR was prepared, publicized and reviewed complied with the provisions of the California Environmental Quality Act ("CEQA") and the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code; and

By Motion No. _____ and Resolution No. _____, the Planning Commission and the Redevelopment Agency Commission, respectively, found that the FEIR was adequate, accurate and objective, reflected the independent judgment and analysis of each Commission and that the summary of Comments and Responses contained no significant revisions to the Draft Environmental Impact Report; and

The Department and Agency prepared proposed Findings, as required by CEQA, regarding the alternatives and variants, mitigation measures and significant environmental impacts analyzed in the FEIR, overriding considerations for approving the Project, denoted as Attachment A, and a proposed mitigation monitoring and reporting program, denoted as Attachment B, on file with the Planning Department under Case No. 2007.0946E which material was made available to the public and this Commission for this Commissions' review, consideration and actions;

THEREFORE BE IT RESOLVED, that the Planning Commission has reviewed and considered the FEIR and the actions associated with the Candlestick Point – Hunters Point Shipyard Phase 2 Project and hereby adopts the Project Findings attached hereto as Attachment A including a statement of overriding considerations, and including as Attachment B the Mitigation Monitoring and Reporting Program.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on June 3, 2010.

Linda D. Avery

Commission Secretary

AYES:

NOES:

ABSENT: