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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 Cooperation Agreement**
Location:	**Candlestick Point and Hunters Point Shipyard**
Staff Contact:	**Mat Snyder – (415) 575-6891 mathew.snyder@sfgov.org**
Recommendation:	**Approval**

FORMULATING A RESOLUTION TO APPROVE A PLANNING COOPERATION AGREEMENT BETWEEN THE SAN FRANCISCO REDEVELOPMENT AGENCY AND THE SAN FRANCISCO PLANNING DEPARTMENT FOR ZONE 1 OF THE BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA AND PHASE 2 OF THE HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

WHEREAS, The Planning Department ("Department"), Redevelopment Agency ("Agency"), the Office of Economic and Workforce Development ("OEWD") among with many other City Departments have been working to transform Candlestick Point and the Hunters Point Shipyard from their current underutilized nature into a, vibrant, high-density, mixed-use, transit-oriented neighborhoods that will provide public benefits to both the existing residents and the City as a whole. Candlestick Point is within the Bayview Hunters Point Redevelopment Project Area and is identified in the Bayview Hunters Point Redevelopment Plan, as amended, as "Zone 1"; Hunters Point Shipyard Phase 2 is within the Hunters Point Shipyard Redevelopment Project Area, as amended.

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. This Agreement will help implement the proposed consolidated redevelopment of Candlestick Point and Phase 2 of the Hunters Point Shipyard ("the Project"). The areas within the Candlestick Activity Node Special Use District and the Hunters Point Shipyard Phase 2 Special Use District together comprise the Project Site ("The Project Site").

The Project will include (a) 10,500 residential units, approximately 32 percent of which (3,345) will be offered at below market rates, (b) approximately 327 to 336 acres of new and improved public parks and open space, (c) 885,000 square feet of regional and neighborhood-serving retail space, (d) 255,000 square feet of new and renovated studio space for Shipyard artists, including an arts education center within a new "Arts District" supporting the vibrant artist community, (e) 2,650,000 square feet of commercial, light industrial, research and development and office space, including space for the United Nations Global Compact Center, (f) 100,000 square feet of community uses, (g) new public and community facilities on the Shipyard and Candlestick Point, (h) improved land and supporting infrastructure for a new football stadium for the San Francisco 49ers, including necessary parking areas and transportation improvements, with an alternative which shifts some residential uses from Candlestick Point to the Shipyard and expands commercial uses on some of the areas of the Shipyard currently reserved for stadium uses if the 49ers do not avail themselves of the opportunity to build a new stadium on the Shipyard, and (i) a 10,000 seat arena on Candlestick Point.

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 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.

Candlestick Point

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.

At this same time the Agency and the Department entered into a Delegation Agreement for the Bayview Hunters Point Redevelopment Project Area, which specifies that the Department will approve permits and otherwise administer and enforce the Planning Code for any property within the Project Area that does not require Agency Action. Agency Action is defined in the Delegation Agreement as "the Agency's funding, acquisition, disposition, or development of property through a Disposition and Development Agreement ("DDA"), Owner Participation Agreement ("OPA"), loan agreement, grant agreement, or other transactional and/or funding document between a project sponsor and the Agency. [1]For properties that do require Agency actions or are subject to an agreement between the property owner and the Agency, the Agency retains final approval unless it decides to delegate that responsibility to the Planning Department.

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 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 extensively reviewed by the Bayview Hunters Point community and other stakeholders in over 230 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.

On June 3, 2010, by Motion No. ____, the Commission certified the Final Environmental Impact Report ("FEIR") as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA"); and

On June 3, 2010, by Resolution No. _____, the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment Plan, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth; and

On June 3, 2010, by Resolution No. _____, the Commission adopted findings finding amendments to the Bayview Hunters Point Redevelopment Plan and the Hunters Point Shipyard Redevelopment in general conformity with the General Plan and Planning Code section 101.1. As a part of the amendments, Candlestick Point was separated out from the rest of the Project Area as "Zone 1".

To implement Zone 1 of the Bayview Hunters Point Redevelopment Plan (Candlestick Point) and Phase 2 of the Hunters Point Shipyard Redevelopment Plan, the City wishes to enter into a Cooperation Agreement (the "Cooperation Agreement") between the Department and Agency for development and implementation of the Project, in substantially the form attached as Exhibit A and contained in Planning Department File No. 2007.0946BEMRTUZ. The Cooperation Agreement, provides for Department staff to be involved in reviewing and commenting on Major Phase Applications, Schematic Design Applications for individual buildings and open space elements and Streetscape Master Plans. Additionally, the Cooperation Agreement specifies that the Planning Commission would need to approve any future amendments to the Design for Development Documents and the Redevelopment Plans and, any projects that would require an office allocation under Section 320-325 of the Planning Code would need to be authorized by the Planning Commission.

The Planning Commission has reviewed the Cooperation Agreement as well as supporting materials such as the Redevelopment Plan Amendments and the Design for Development Documents, has held a public hearing and considered the written and oral testimony of Planning Department staff, and arguments;

NOW THEREFORE BE IN RESOLVED, That the Planning Commission does hereby approve the Planning Cooperation Agreement between the San Francisco Redevelopment Agency and the San Francisco Planning Department for Zone 1 of the Bayview Hunters Point Redevelopment Project Area and Phase 2 of the Hunters Point Shipyard Redevelopment Project Area, and incorporated herein by reference.

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: