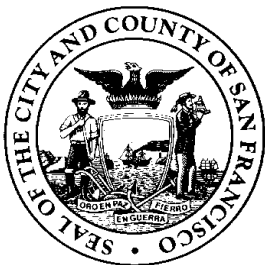

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

Successor Agency Commission



Edwin M. Lee, Mayor

Mara Rosales, Chair

Marily Mondejar

Darshan Singh

Tiffany Bohee, Executive Director

**CITY HALL, ROOM 400
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Staff Reports/Explanatory Documents available to the public and provided to the Commission are posted on the Commission website at www.sfocii.org. The agenda packet is also available at the reception desk at 1 South Van Ness Avenue, 5th Floor. If any materials related to an item on this agenda have been distributed to the Commission after distribution of the agenda packet, those materials are available for public inspection at the Commission's Office located at 1 South Van Ness Avenue, 5th Floor, during normal office hours.

SPECIAL MEETING A G E N D A Friday, September 12, 2014 • 12:00 p.m.

ACCESSIBLE MEETING POLICY

1. The meeting/hearing will be held in City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco. The room is wheelchair accessible and has accessible seating for persons with disabilities and those using wheelchairs. Ramps are available at the Grove, Van Ness and McAllister entrances. A wheelchair lift is available at the Polk Street entrance.
2. The closest accessible BART station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #47 Van Ness, #49 Van Ness, #71 Haight/Noriega, #5 Fulton, #21 Hayes, #6 Parnassus, #7 Haight, the F Line to Market and Van Ness and any line serving the Metro Stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 311.
3. There is accessible parking across from City Hall at the Civic Center Garage.
4. The following services are available by calling the Office of Community Investment and Infrastructure at (415) 749-2400 at least 72 hours prior to the meeting/hearing: Assistive listening device, real time captioning, American Sign Language interpreters, use of a reader during a meeting, large print agendas or other accommodations are available upon request. Following a meeting minutes can be made available by audiocassette tape or alternative formats.

5. Requests for language interpreters at a meeting must be received at least 72 hours in advance of the meeting to help ensure availability. Please contact the Office of Community Investment and Infrastructure at (415) 749-2400.
6. In order to assist the Office of Community Investment and Infrastructure efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the Office of Community Investment and Infrastructure to accommodate these individuals.

REGULAR MEETING AGENDA

PLEASE BE ADVISED A MEMBER OF THE PUBLIC HAS UP TO THREE MINUTES TO MAKE PERTINENT PUBLIC COMMENTS ON EACH AGENDA ITEM UNLESS THE COMMISSION ADOPTS A SHORTER PERIOD ON ANY ITEM. IT IS STRONGLY RECOMMENDED THAT MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE COMMISSION SHOULD FILL OUT A "SPEAKER CARD" PROVIDED BY THE COMMISSION SECRETARY, AND SUBMIT THE COMPLETED CARD TO THE COMMISSION SECRETARY.

1. Recognition of a Quorum

2. Announcements

A. The next regularly scheduled Commission meeting will be held on Tuesday, October 7, 2014 at 1:00 pm (City Hall, Room 416).

B. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting

Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

3. Report on actions taken at previous Closed Session meeting, if any.

4. Matters of Unfinished Business. None

5. Matters of New Business:

CONSENT AGENDA

ALL MATTERS LISTED HEREUNDER CONSTITUTE A CONSENT AGENDA, ARE CONSIDERED TO BE ROUTINE BY THE COMMISSION, AND WILL BE ACTED UPON BY A SINGLE VOTE OF THE COMMISSION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A MEMBER OF THE COMMISSION OR THE PUBLIC SO REQUESTS, IN WHICH EVENT THE MATTER SHALL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED AS A SEPARATE ITEM:

- a) Approval of Minutes: Regular Meeting of [August 5, 2014](#).
- b) [Authorizing a First Amendment to the Personal Services Contract with Hawk Engineers Inc., a California Corporation, to expand the scope of services and to increase the contract amount by \\$50,000 to provide infrastructure technical support services for Phase 1 of the Hunters Point Shipyard for a total contract amount not to exceed \\$100,000; Hunters Point Shipyard Redevelopment Project Area. \(Action\) \(Resolution No. 75-2014\)](#)
- c) [Authorizing a First Amendment to the Personal Services Contract with Hawk Engineers, Inc., a California Corporation to expand the scope of services and to increase the contract amount by \\$74,000 to provide infrastructure technical support services for Phase 2 of the Hunters Point Shipyard and Candlestick Point for a total contract amount not exceed \\$124,000; Hunters Point Shipyard Redevelopment Project Area and Bayview Hunters Point Redevelopment Project Area. \(Action\) \(Resolution No. 76-2014\)](#)
- d) [Authorizing the execution of a Modification to the Security Services Cooperative Agreement with the U.S. Department of the Navy \(the “Navy”\) for security services on Navy-owned land at the Hunters Point Shipyard that \(1\) extends the term until the last Navy-owned parcel is transferred to the Successor Agency or the Conveyance Agreement with the Navy is terminated, whichever is sooner, or the Navy has satisfied the criteria to sell Navy-owned parcels to third parties as set forth in the Conveyance Agreement, and \(2\) allows Security Services Cooperative Agreement expenditures that are authorized through the annual budget without additional Commission action, paid for by the Navy; Hunters Point Shipyard Project Area. \(Action\) \(Resolution No. 77-2014\)](#)
- e) [Authorizing an Amended and Restated Memorandum of Understanding with the City and County of San Francisco, through its San Francisco Planning Department, to extend the term of the memorandum of understanding from fiscal year 2014-15 to fiscal year 2015-16, to increase the budget by an amount not to exceed \\$225,000, for a total aggregate amount not to exceed \\$675,000, and to expand the scope of work to provide design and environmental review process for the Golden State Warriors project. \(Action\) \(Resolution No. 78-2014\)](#)

REGULAR AGENDA

Staff presentation estimated time: 15 minutes

- f) [Authorizing, pursuant to the Transbay Implementation Agreement, the Executive Director to execute an Exclusive Negotiation Agreement with MA West, a joint venture limited liability company between Golub Real Estate Corp., an Illinois corporation, and The John Buck Company, a limited liability company, for a proposed commercial project on Block 5 \(Assessor’s Block 3718, portion of Lot 025 and portion of Lot 027\), located on Howard Street between Beale](#)

and Main Streets; Transbay Redevelopment Project Area. (Discussion and Action) (Resolution No. 79-2014)

Staff presentation estimated time: 15 minutes

- g) Conditionally approving a variation to the Transbay Redevelopment Plan's on-site affordable housing requirement as it applies to the mixed-use project at 181 Fremont Street, subject to approval by the Board of Supervisors of the City and County of San Francisco in its capacity as legislative body for the Successor Agency to the San Francisco Redevelopment Agency, and authorizing the acceptance of a future payment of \$13.85 million to the Successor Agency for use in fulfilling its affordable housing obligations in the Project Area; Transbay Redevelopment Project Area. (Discussion and Action) (Resolution No. 80-2014)

Staff presentation estimated time: 10 minutes

- h) Approving a Ground Lease that incorporates the acceptance of an Assignment of Deed of Trust and Promissory Note with AMCAL Pacific Pointe Fund, L.P., with HPS Development Co., L.P., for a 59-unit (plus one manager's unit) affordable housing development serving very low-income families at Block 49 pursuant to the 6th Amendment to the Phase 1 Hunters Point Shipyard Disposition and Development Agreement; Hunters Point Shipyard Redevelopment Area. (Discussion and Action) (Resolution No. 81-2014)

Staff presentation estimated time: 15 minutes

- i) Adopting environmental findings pursuant to the California Environmental Quality Act; authorizing a Second Amendment to the Disposition and Development Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard with CP Development Co., LP, subject to the approval of the Oversight Board of the City and County of San Francisco and the California Department of Finance; Hunters Point Shipyard and Bayview Hunters Point Redevelopment Project Areas. (Discussion and Action) (Resolution No. 82-2014)

Staff presentation estimated time: 10 minutes

- j) Resolution Authorizing the Issuance of Taxable and Tax-Exempt Refunding Tax Allocation Bonds in a Combined Aggregate Principal Amount Not to Exceed \$300,000,000, and Approving and Directing the Execution of an Indenture of Trust and a Bond Purchase Contract, and Approval of Other Related Documents and Actions, Various Project Areas, Subject to Oversight Board and Department of Finance Concurrence. (Discussion and Action) (Resolution No. 83-2014)

Staff presentation estimated time: 15 minutes

- k) [Workshop on the Recognized Obligation Payment Schedule for January 1, 2015 to June 30, 2015 \(ROPS 14-15B\). \(Discussion\)](#)

6. Public Comment on Non-agenda Items

Members of the public may address the Commission on matters that are within the Commission jurisdiction and not on today's calendar. Each speaker shall have up to three minutes to make pertinent public comments unless the Commission adopts a shorter period. It is strongly recommended that members of the public who wish to address the Commission should fill out a "Speaker Card" provided by the Commission Secretary, and submit the completed card to the Commission Secretary.

7. Report of the Chair

8. Report of the Executive Director

- a) Results of the initial phase of the selection process for evaluating the proposals submitted in response to the Request for Proposals for a 135-unit affordable housing project at 1300 4th Street (Block 6 East); Mission Bay South Redevelopment Project Area

9. Commissioners' Questions and Matters

10. Closed Session

11. Adjournment

MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Tiffany Bohee
Executive Director

SUBJECT: Authorizing an Amended and Restated Memorandum of Understanding with the City and County of San Francisco, through its San Francisco Planning Department, to extend the term of the memorandum of understanding from fiscal year 2014-15 to fiscal year 2015-16, to increase the budget by an amount not to exceed \$225,000, for a total aggregate amount not to exceed \$675,000, and to expand the scope of work to provide design and environmental review process for the Golden State Warriors project.

EXECUTIVE SUMMARY

In August 2013, the Office of Community Investment and Infrastructure as Successor to the San Francisco Redevelopment Agency ("OCII") entered into a Memorandum of Understanding with the San Francisco Planning Department ("Planning") for design review and environmental review services ("Original MOU"). The Original MOU covered Fiscal Year 2013-14 and Fiscal Year 2014-2015 for an amount not to exceed \$225,000 per year, for a total amount of \$450,000. The Original MOU services enabled the Planning Department to provide design review and environmental services to OCII to assist it in fulfilling its enforceable obligations. The Original MOU services are allowable within Redevelopment Dissolution Law and the proposed amounts were consistent with amounts included on the bi-annual Recognized Obligations Payment Schedule ("ROPS"). OCII routinely relied on the Planning Department to conduct environmental evaluations for OCII projects under the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, as well as provide design services for individual projects. The Original MOU expires in 11 months on June 30, 2015.

Earlier this year, the Golden State Warriors ("GSW") announced their intention to purchase Blocks 29 to 32 in the Mission Bay South Redevelopment Project Area ("Mission Bay South") for the development of approximately 1 million square feet of arena, office and retail uses ("GSW Pavilion Project"). The GSW have just started site design for the new site, and the project will require preparation and certification of an environmental document as well as additional design review.

OCII and the Planning Department now desire to amend the Original MOU (through the "Amended MOU") to extend the term to additional fiscal year and expand the scope of work for the Planning Department to provide the services necessary for environmental and design review for the GSW Pavilion Project. The Planning Department and GSW will enter into a direct payment arrangement whereby GSW would directly reimburse the Planning Department for environmental and design review for the GSW Pavilion Project outside of the Amended MOU. However, staff is recommending that the scope of services under the Original MOU also be extended for the additional year so that OCII can continue to utilize Planning Department services on OCII's non-GSW projects. Therefore, the Amended MOU includes a budget

increase of \$225,000 to fund those continued non-GSW services during Fiscal Year 2015-2016. The total amount of the Amended MOU will not exceed \$675,000.

Staff recommends that the Commission authorize the Executive Director to enter into an Amended and Restated Memorandum of Understanding between the San Francisco Office of Community Investment and Infrastructure and the San Francisco Planning Department.

DISCUSSION

Background

Original Memorandum of Understanding

Prior to its dissolution, the Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") implemented numerous redevelopment plans approved by the Board of Supervisors and authorized under the California Community Redevelopment Law. Under this state authority, the redevelopment plans established land use controls in project areas and did not generally rely on the San Francisco Planning Code or other local land use regulation, including Article 31 of the Administrative Code, unless a particular redevelopment plan required it.

As successor to the Redevelopment Agency, OCII retains the obligation to implement the redevelopment plans in the Major Approved Development Projects (the Hunters Point Shipyard – Candlestick Point Project, Transbay Transit Center Project, and the Mission Bay Project) pursuant to master development agreements. The implementation of these projects includes exercising land use authority under the Major Approved Development Projects agreements. In addition, OCII is required to enforce the land use controls under other redevelopment plans and related development controls where the City has not requested the transfer of land use functions to the City, such as the Bayview Hunters Point Redevelopment Plan, the Hunters Point Shipyard Redevelopment Plan, the Rincon Point-South Beach Redevelopment Plan, and the Bayview Industrial Triangle Redevelopment Plan.

The Redevelopment Dissolution Law provides, among other things, that OCII may enter into contracts for the purpose of winding down the redevelopment agency. OCII has a continuing need to review and approve development projects, including design and environmental review, as part of the wind down of redevelopment agencies. To this end, OCII negotiated a memorandum of understanding with the City, through its Planning Department, to perform design review and environmental services for the OCII, for a term of two years, commencing on July 1, 2013, for an annual amount of \$225,000, for a total amount of \$450,000. The Original MOU is set to expire on June 30, 2015, in 11 months.

Golden State Warriors Pavilion Project

Earlier this year, the Golden State Warriors ("GSW") announced their intention to purchase Blocks 29 to 32 in the Mission Bay South Redevelopment Project Area ("Mission Bay South") for the development of approximately 1 million square feet of arena, office and retail uses ("GSW Pavilion Project") and the GSW Pavilion Project will require design and environmental review, which will result in fulfillment of the requirements pursuant to the California Environmental Quality Act ("CEQA"). The Planning Department anticipates design and

environmental review process will cost approximately \$480,326. The eventual amount will be based on a time and material basis and may exceed the estimated amount.

Proposed Amended and Restated MOU

The following describes the proposed amendments to the MOU.

GSW Pavilion Project

Under the proposed Amended MOU, the Planning Department will provide an Environmental Review Coordinator to oversee the GSW Pavilion Project CEQA process through completion. In addition, the Planning Department, under the oversight of OCII, will direct the work of the environmental consultant and sub-consultants, including development of an appropriate scope of work for the environmental review process as well as for any required background technical studies. In conjunction with environmental document preparation review and approval process, the Planning Department will also provide professional architectural and urban design review services for the GSW Pavilion Project. The Planning Department and GSW will enter into a direct payment arrangement whereby the GSW would directly reimburse the Planning Department for services provided in furtherance of the GSW Pavilion Project, thus these charges will not run through the Amended MOU. The Planning Department estimates design and environmental review process will cost approximately \$480,326. The eventual amount will be based on a time and material basis and may exceed the estimated amount.

Fiscal Year 2015-2016

Through the terms of the Original MOU, the Planning Department provides design review and environmental services to OCII and there is less than a year left before it expires. The Original MOU covered Fiscal Year 2013-14 and Fiscal Year 2014-2015 for an amount not to exceed \$225,000 per year, for a total amount of \$450,000. Staff has found the Planning Department's services to be beneficial to OCII projects and is recommending that the Amended MOU also include extending the baseline, non-GSW services for an additional year for the same annual amount of \$225,000.

Budget

The budget for the Amended MOU is an amount not to exceed \$675,000, as detailed below:

Budget				
TASKS	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	TOTAL
Non-GSW Environmental Review	\$150,000	\$150,000	\$150,000	\$450,000
Non-GSW – Design Review	\$75,000	\$75,000	\$75,000	\$225,000
TOTAL/Fiscal year	\$225,000	\$225,000	\$225,000	\$675,000

As mentioned above, the total amount does not include the GSW budget, which will be paid directly to the Planning Department by the GSW.

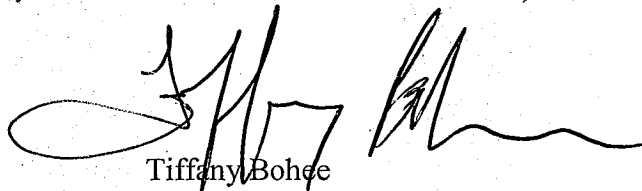
CALIFORNIA ENVIRONMENTAL QUALITY ACT

Authorization of this proposed Amended and Restated Memorandum of Understanding with Planning Department is an OCII administrative activity that will not cause any physical change in the environment and is not a project pursuant to the California Environmental Quality Act definition of a project contained in CEQA Guidelines Section 15378(b)(5). In addition, authorization of this proposed Amended MOU does not have the potential for independently causing a significant effect on the environment and therefore is not subject to the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15061 (b)(3).

STAFF RECOMMENDATION

Staff recommends Commission the Amended and Restated Memorandum of Understanding with the San Francisco Planning Department to extend the term of the memorandum of understanding from fiscal year 2014-15 to Fiscal year 2015-16, to increase the budget by an amount not to exceed \$225,000, for a total aggregate amount not to exceed \$675,000, and to expand the scope of work to provide design and environmental review process for the Golden State Warriors project.

(Originated by Immanuel Bereket, Associate Planner)



Tiffany Bohce
Executive Director

Attachment:

Attachment 1 - Amended and Restated Memorandum of Understanding

September 2, 2014
REVISED

AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE (“OCII”), AS THE SUCCESSOR AGENCY TO THE SAN FRANCISCO REDEVELOPMENT AGENCY, AND SAN FRANCISCO PLANNING DEPARTMENT FOR DESIGN REVIEW AND ENVIRONMENTAL SERVICES FISCAL YEARS 2013/2014, 2014/2015 AND 2015/2016

This Amended and Restated Memorandum of Understanding (“Amended MOU”) is entered into between OCII and the San Francisco Planning Department (“Planning Department”) (“Parties”) for the period of 3 years.

WHEREAS, prior to its dissolution, the Redevelopment Agency of the City and County of San Francisco (“Redevelopment Agency”) implemented numerous redevelopment plans approved by the Board of Supervisors and authorized under the California Community Redevelopment Law, Cal. Health & Safety Code §§ 33000 *et seq.* Under this state authority, the redevelopment plans established land use controls in project areas and did not generally rely on the San Francisco Planning Code or other local land use regulation, including Article 31 of the Administrative Code, unless a particular redevelopment plan required it; and

WHEREAS, state law dissolved the Redevelopment Agency on February 1, 2012, Cal. Health and Safety Code §§ 34161 *et seq.* (“Redevelopment Dissolution Law”), and provided, among other things, that successor agencies assumed the rights and obligations of the former Redevelopment Agency (with the exception of certain affordable housing assets). In particular, state law requires successor agencies to fulfill enforceable obligations that the former redevelopment agencies had entered into prior to June 28, 2011 (“Enforceable Obligations”); and

WHEREAS, the Board of Supervisors approved, in its capacity as the legislative body of the Successor Agency, Ordinance No. 215-12 (Oct. 4, 2012) to implement Redevelopment Dissolution Law and established a mayoral-appointed Successor Agency Commission to which it delegated authority to exercise land use, development and design approval for “surviving redevelopment projects;” and

WHEREAS, OCII is the Successor Agency to the Redevelopment Agency, is a legal entity separate from the City and County of San Francisco (“City”), has assumed the remaining rights and obligations of the former Redevelopment Agency, and has “succeed[ed] to the organizational status of the former redevelopment agency” with the authority “to complete any work related to an approved enforceable obligation,” Cal. Health & Safety Code § 34173 (g); and

WHEREAS, OCII has the continuing authority and obligation: (1) to exercise land use controls required under Enforceable Obligations (including the Mission Bay North Owner Participation Agreement (“OPA”), *available at* <http://www.sfocii.org/index.aspx?page=243>, the Mission Bay South OPA, *available at* <http://www.sfocii.org/index.aspx?page=244>, the Disposition and Development Agreement (“DDA”) for Hunters Point Shipyard (“HPS”) Phase 1, *available at*

<http://www.sfocii.org/index.aspx?page=160>, the DDA for Candlestick Point-HPS Phase 2 DDA, available at <http://www.sfocii.org/index.aspx?page=186>, the Transbay Implementation Agreement, available at <http://www.sfocii.org/index.aspx?page=54>, and other OPAs and DDAs for projects that are not yet complete, and (2) to enforce the land use controls under redevelopment plans and related development controls where the City has not requested the transfer of land use functions to the City. (These redevelopment plans include Zone 1 of the Transbay Redevelopment Plan, Zone 1 of the Bayview Hunters Point Redevelopment Plan, the HPS Redevelopment Plan, the Mission Bay North and South Redevelopment Plans, the Rincon Point-South Beach Redevelopment Plan, and the Bayview Industrial Triangle Redevelopment Plan. These redevelopment plans and related documents are generally available at <http://www.sfocii.org/index.aspx?page=3>); and

WHEREAS, the Redevelopment Dissolution Law provides, among other things, that successor agencies may enter into contracts for the purpose “winding down the redevelopment agency.” Cal. Health & Safety Code § 34177.3 (b). *See also* Cal. Health & Safety Code § 34171 (d) (1) (F) (defining enforceable obligations to include “agreements necessary for the administration or operation of the successor agency”); and

WHEREAS, OCII has a continuing need to review and approve development projects, including design and environmental review, as part of the wind down of redevelopment agencies and desires to use the services of the Planning Department for this purpose; and

WHEREAS, OCII has provided (and will continue to provide) for the expenditures anticipated under this MOU in its Recognized Obligation Payment Schedules (“ROPS”) that are required to be submitted semi-annually to the Oversight Board and the California Department of Finance (“DOF”) and in its annual budget that is approved by the Board of Supervisors; and

WHEREAS, OCII and the Planning Department entered into a MOU dated July 20, 2013 for design and environmental review services, as approved by the Successor Agency Commission on August 20, 13 (Resolution No. 41-2013) (“Original MOU”); and,

WHEREAS, Earlier this year, the Golden State Warriors (“GSW”) announced their intention to purchase Blocks 29 to 32 in the Mission Bay South Redevelopment Project Area (“Mission Bay South”) for the development of approximately 1 million square feet of arena, office and retail uses (“GSW Pavilion Project”) and the GSW Pavilion Project will require design and environmental review that will exceed the scope of work and budget of the Original MOU, including preparation of an appropriate environmental review analyses and related documents, which will result in fulfillment of the requirements pursuant to the California Environmental Quality Act (“CEQA”); and,

WHEREAS, The term of the Original MOU is for two fiscal years, of which the first year has finished and OCII desires to extend the term of the Original MOU for an additional fiscal year to ensure adequate staffing from the Planning Department for the next two fiscal years for design and environmental review services for projects not related to the GSW Pavilion Project; and,

WHEREAS, As a result, OCII and the Planning Department are proposing to amend and restate the previously approved Original MOU. The Amended MOU extends the term of the Original MOU through Fiscal Year 2015-2016 and provides an additional budget amount not to exceed \$225,000 to continue to provide the scope of work in the Original MOU for an additional fiscal year, for total aggregate amount of \$675,000, and would include additional scope of work for the Planning Department for environmental and design review for the GSW Pavilion Project; and,

WHEREAS, The Planning Department and GSW will enter into a direct payment arrangement whereby the GSW would directly reimburse the Planning Department for environmental and design review for the GSW Pavilion Project, for an estimated total amount of approximately \$480,000; provided, however, that OCII will retain its oversight and responsibility as lead agency for purposes of compliance with CEQA; and,

Now, THEREFORE, OCII and the Planning Department agree as follows:

1. SERVICES TO BE PROVIDED.

- a. Environmental Review. Upon the request of OCII, the Planning Department will conduct environmental evaluations for OCII projects under the California Environmental Quality Act ("CEQA") and the CEQA Guidelines (Cal. Code Regs., title 14, §§ 15000 et seq.). The scope of environmental services would include, but not be limited to, determinations as to what level of CEQA analysis is appropriate, preparation of exemptions and mitigated negative declarations, review of environmental impact reports, and review of technical background studies. If an environmental impact report is necessary, it will be prepared by a CEQA consultant. If a mitigated negative declaration is necessary, it could be prepared by either a CEQA consultant or Planning Department staff, at the discretion of the OCII, subject to the availability of Planning Department staff.
 - i. At the Executive Director's or designee's request, prior to the commencement of work, the parties shall describe in writing the scope of service and an estimated budget for the particular matter for which the Executive Director (or designee) has requested environmental review services from the Planning Department. The parties understand and agree that any such budget presented by the Planning Department reflects the Department's belief that the estimated budget is realistic based on current information. But, the parties further understand and agree that due to the uncertainties and complexities involved in the particular project, those estimates are necessarily only an approximation of potential costs, and that they do not constitute a minimum or a maximum fee quotation. In particular, a change in the anticipated scope of work could result in an adjustment of costs. The Planning Department will attempt to identify any critical assumptions in the scope of services and will apprise the OCII of any significant changes in its budget as environmental review progresses.

- ii. The environmental review services for projects within the Major Approved Development Projects areas (Mission Bay, Hunters Point Shipyard and Candlestick Point Shipyard, and Zone 1 of Transbay) will be provided in accordance with § 21000-21189.3 of the Public Resources Code and Title 14, Chapter 3, § 150000-15387 of the California Code of Regulations (*CEQA Guidelines*). While the Planning Department will be providing the environmental review services for these projects, the OCII will be the author and signatory of the environmental review documents.
 - aa. GSW Pavillion Project. The Planning Department will provide an Environmental Review Coordinator to oversee the CEQA process and provide environmental review services for the GSW Pavilion Project as outlined in Attachment A, which also describes the respective roles of OCII and the Planning Department in this process. In addition, the Planning Department, under the oversight of OCII, will direct the work of the environmental consultant and any sub-consultants, including development of an appropriate scope of work for the environmental review process as well as for any required background technical studies. The Planning Department anticipates environmental review process will cost \$420,086.
 - iii. The environmental review services for projects outside the Major Approved Development Projects areas will be provided in accordance with existing Planning Department policies and practices and consistent with the *Environmental Review Guidelines*, under the direction of the City's Environmental Review Officer.
 - iv. In order to facilitate execution of the environmental review services in a timely and organized fashion, the OCII commits to seeking early consultation from the Planning Department with respect to CEQA requirements and updating the City's Environmental Review Officer on a quarterly basis, or more frequently if needed, as to what services may be required over the course of the next six months.
- b. Design Review. Upon the request of OCII, the Planning Department will provide professional architectural and urban design review of development proposals, assist in the development and interpretation of architectural and urban design guidelines, provide technical knowledge of building codes and building material and construction methodology and costs, participate in public presentations, and perform related tasks. Design Review effort dedicated to OCII properties is anticipated not to exceed one thousand (1,000) hours on an annual basis. Should efforts result in substantially greater Planning Department staff time, provided by the 2 FTE Design Review planners (.5 of which is being supported by this MOU), terms of this MOU associated with this position support may require modification.

The designated position will be supervised within the Planning Department. However, the shared purpose will benefit both agencies, and may require physical accommodation and regular hours at OCII. Such arrangements will be defined by agreement at a later time. Until such time, the position will be located in the Planning Department and supervised from there accordingly.

- i. **GSW Pavilion Project.** The Planning Department will provide professional architectural and urban design review of the GSW Pavilion Project consistent with the scope of work described above. The Planning Department anticipates design review process will cost \$60,240.

2. **BUDGET AMOUNT:**

As the Planning Department will be paid directly by the GSW for design and environmental work, as described in Section 5 below, no budget is included in this section for the GSW Pavilion Project.

- a. Non-GSW Budget Components on annual basis.

Budget				
TASKS	Fiscal Year 2013-2014	Fiscal Year 2014-2015	Fiscal Year 2015-2016	TOTAL
Non- GSW Environmental Review	\$150,000	\$150,000	\$150,000	\$450,000
Non- GSW Design Review	\$75,000	\$75,000	\$75,000	\$225,000
TOTAL/Fiscal Year	\$225,000	\$225,000	\$225,000	\$675,000

- b. Changes in Budget. Unless OCII and the Planning Department agree by written amendment to this MOU, the budget for services to be provided under this MOU shall not exceed the amounts stated in this Section 2.
- c. Unbudgeted Expenditures. The Planning Department must obtain written approval from OCII for any unbudgeted expenditures and services. OCII will not reimburse the Planning Department for unbudgeted expenditures and services incurred without prior written approval.
- d. Budget Shortfalls. The Planning Department will notify OCII as soon as possible if the amounts budgeted in this MOU are insufficient to provide the agreed-upon services.

- e. ROPS: Under the Dissolution Law, the Agency's ability to pay invoices is subject to the DOF's authorization of such payment on the Agency's Recognized Obligation Payment Schedule ("ROPS"). The ROPS is a schedule of obligations that is approved by the Oversight Board to the OCII. ROPS are currently submitted to DOF for approval every six months, four months prior to its effective date. Thus, any invoices that fall outside of a pre-approved ROPS are subject to DOF's authorization and may be subject to a delay of up ten months before consideration and payment or rejection in accordance with the Dissolution Law. DOF has approved the expenditures under this MOA on the ROPS for July 2014 through December 2014 (ROPS 2014-15A, lines 4. OCII will continue to include the expenditures for this MOU on all future ROPS necessary to provide expenditure authority for the term of the MOU.
3. **ASSIGNED STAFF TO OCII.** The Planning Department will assign staff equivalent to .5 FTE to work on Design Review services described in Section 1.b will assign staff on an as-needed basis to provide Environmental Review services described in Section 1.a, and will assign staff for the GSW Pavilion Project per Attachment A to this Amended MOU. The Planning Department staff assigned to Design Review and Environmental Review services will work at the following location: San Francisco Planning Department Offices at 1650 Mission Street.
 4. **DOCUMENTATION VERIFYING ACTUAL COSTS OF DIRECT SERVICES.**
 - a. The Planning Department will document its personnel costs for services provided under this MOU in the following way:
 - i. Hourly rate = salary + mandatory fringe benefits. Actual labor charges submitted as part of the Performing Department's billing must be supported by a City LDR or similar payroll report to verify the actual cost of employee salary and fringe benefits. Labor charges submitted must not be based on estimated FTE, a budgeted amount, or a percentage allocation that is not reviewed and approved in advance by the OCII as part of a Citywide cost allocation plan.
 - ii. Hours worked on OCII tasks.
 - iii. Classification number of position and title.
 - iv. Identify tasks.
 - v. Location of staff.
 5. **BILLING PROCEDURES.**
 - a. Non-GSW Billing
 - i. The Planning Department shall submit an invoice to OCII on a quarterly basis within 30 days of the end of the quarter (e.g., October 30, 2013 for Q1, January 30, 2014 for Q2, April 30, 2014 for Q3, July 30, 2014 for Q4. etc) not to exceed the budgeted amount for the fiscal year. The invoice shall describe the services provided and include sufficient information to determine the methodology used to determine the costs.

- ii. For any given six-month period, OCII can only pay amounts approved by its Oversight Board and DOF on a ROPS for that fiscal period. OCII shall endeavor to budget and obtain DOF approval for amounts sufficient to pay the Planning Department in full within a timely fashion after the services are rendered and billed. To the extent OCII has insufficient authorization to pay a bill in full, OCII will endeavor to place any amount still owed on a future ROPS and to pay that amount when budget authority is available.
 - iii. The OCII will pay invoices or notify the Planning Department of any questions regarding the invoice within 30 days of receipt.
 - iv. The Planning Department hourly rates billed to OCII for services provided for non-GSW billing will be based on salary + mandatory fringe benefits. Actual labor charges submitted as part of the Planning Department's billing must be supported by a City LDR or similar payroll report to verify the actual cost of employee salary and fringe benefits. Labor charges submitted must not be based on estimated FTE, a budgeted amount, or a percentage allocation that is not reviewed and approved in advance by the OCII as part of a Citywide cost allocation plan.
- b. GSW Billing
- i. The Planning Department shall execute a direct payment arrangement with GSW whereby GSW will directly reimburse, subject to OCII review, the Planning Department for OCII's environmental and design review for the GSW Pavilion Project, for an estimated amount of \$480,326. The eventual amount will be based on a time and material basis and may exceed the estimated amount. OCII will assist in outreaching to the GSW for any past due invoices, but will not be responsible for any outstanding amounts due to the Planning Department. The Planning Department shall reserve the right to withhold any publications due to late or non-payment by GSW.
 - ii. The Planning Department shall provide a quarterly time and materials invoice to GSW. The invoice shall request payment in full within 30 business days. If payment is not received by the Planning Department within 30 business days from the date of the invoice, the Planning Department will send a notice to GSW and may initiate its standard Collections process to seek payment. The Planning Department may halt any further work on the project until payment of any outstanding balance is received in full.
 - iii. The Planning Department hourly rates billed to GSW for services provided for GSW billing will be based on salary + mandatory fringe benefits + standard overhead.

6. AMENDMENTS OR TERMINATION. This MOU may be amended by mutual agreement of both parties. This MOU may be terminated by either party with 30 days notice, subject to OCII payment of applicable costs incurred through the termination date.
7. DISPUTE RESOLUTION PROCEDURES. If the Planning Department has a billing dispute with the OCII, it must attempt to resolve it with the responsible OCII Manager. If the parties are unable to reach agreement, the dispute will be resolved with the OCII's Finance and Administration Deputy Director. If an agreement still cannot be reached, the Planning Department and the OCII Finance and Administration Deputy Director will meet with the Deputy Controller to finally resolve the matter. The Planning Department and OCII shall comply with this internal dispute resolution procedure prior to filing any claim or commencing litigation to resolve any billing dispute.

This MOU has been entered into on the date(s) below.

Office of Community Investment and Infrastructure
Tiffany Bohee, Executive Director

Date

Approved as to form:

By: _____
James B. Morales
Interim General Counsel and
Deputy Director

John Rahaim
Planning Director

Date

Approved as to form:
DENNIS J. HERRERA
CITY ATTORNEY

By: _____
Kate Stacy
Deputy City Attorney

ATTACHMENT A

SCOPE OF SERVICES FOR GSW PAVILION PROJECT PLANNING SUPPORT

I. PARTIES' ROLES AND RESPONSIBILITIES

A. San Francisco Planning Department (Planning Department)

1. OCII is the lead agency responsible for conducting an adequate environmental review of the GSW Project and that the Planning Department staff will assist OCII in preparing this review. As such, final decisions with respect to environmental impact determinations presented in environmental documents published for the GSW Project reside with OCII. As lead agency, OCII shall serve as the primary contact for the Project Sponsor for purposes of the EIR. Unless otherwise directed, the GSW Project Manager shall receive copies of all written communication related to the EIR.
2. The Planning Department shall provide an Environmental Review Coordinator to oversee the CEQA process through completion. The Environmental Review Coordinator will report to OCII's GSW Project Manager, as discussed below, who will be the primary contact at OCII.
3. Planning Department, under the oversight of OCII, shall direct the work of the environmental consultant and any sub-consultants, including development of an appropriate scope of work for the environmental review process as well as for any required background technical studies. The Environment Review Coordinator and the GSW Project Manager will meet regularly to provide direction to Planning Department staff and to the environmental consultants and all sub-consultants. The environmental scope of work shall be based upon the complete and stable project description provided by Project Sponsor.
4. The Planning Department shall notify OCII and obtain concurrence prior to directing any consultant work that is outside of the agreed upon scope of work or that would require the use of contingency funds.
5. The Planning Department will work with OCII and the Project Sponsor to develop a Master Project Schedule that prioritizes the GSW Project.
6. Consultant submittals shall be provided to the Planning Department at the same time as any review copies are provided to OCII and/or the Project Sponsor.

7. The Planning Department and OCII shall determine what comments or feedback to provide to the consultants regarding their work or submittals. The Planning Department shall coordinate the submittal of comments to the consultant team. However, no comments shall be provided to the consultants by the Planning Department without prior OCII approval.
8. The EIR Coordinator, transportation planner, and the GSW Project Manager shall participate in regular environmental review status meetings for this project with the consultants and core staff from the other agencies to ensure the environmental review Master Project Schedule is met.
9. Pursuant to CEQA, public notification and public participation are required as part of the environmental review process for the GSW Project. The Planning Department shall assist OCII with compliance regarding all notice requirements set forth in CEQA and the CEQA Guidelines. The Planning Department, in consultation with OCII and its legal counsel, shall assist OCII, which will make final determinations about appropriate public notification procedures. OCII intends to retain, under its 2013 Agreement with the City Attorney's Office, the City Attorney's Office for certain Project-related matters.
10. All time-sensitive submittals shall clearly indicate expected deadlines for the completion of environmental review and should be preceded by advance consultations with OCII staff to facilitate timely processing and avoid last-minute submittals.

B. OCII

1. OCII shall serve as the primary contact for the Project Sponsor for purposes of the EIR.
2. OCII shall provide a dedicated GSW Project Manager for the environmental review process. The GSW Project Manager will be responsible for coordination of the responsibilities of OCII and the Planning Department as specified in this Agreement.
3. The GSW Project Manager or designee shall participate in regular environmental review status meetings with the consultants and the Planning Department to ensure the Master Project Schedule is maintained.
4. To assist the Planning Department in the environmental evaluation process, OCII or the Project Sponsor may be required to provide supplemental data or studies, as determined by Planning Department staff in consultation with OCII, to address potential impacts with respect to historical resources, soils, transportation, biological resources, wind, shadows, noise, air quality, or other environmental topic areas. Lack of

response to required data requests in the time line specified by the Planning Department shall result in delays to the Master Project Schedule. OCII shall assist in ensuring that the Project Sponsor responds in an appropriate time to information requests from the Planning Department to meet the Master Project Schedule.

5. Consultant submittals shall be provided to the Planning Department at the same time as any review copies are provided to OCII and/or the Project Sponsor. To allow for coordination between OCII and City agency responses, OCII and Project Sponsor comments on such submittals shall be provided to the Planning Department and not to the consultants directly, pursuant to time lines specified in the Master Project Schedule. OCII's comments shall be provided to the Planning Department in advance of the deadline for providing feedback to the consultants as specific in the Master Project Schedule.
6. Pursuant to CEQA, public notification and participation are required as part of the environmental review process for the GSW Project. OCII shall comply with all notice requirements set forth in CEQA and the CEQA Guidelines.
7. All time-sensitive submittals shall clearly indicate expected deadlines for the completion of environmental review and should be preceded by advance consultations with the Planning Department staff to facilitate timely processing and avoid last-minute submittals.

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 78-2014
Adopted September 12, 2014

AUTHORIZING AN AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING WITH THE CITY AND COUNTY OF SAN FRANCISCO, THROUGH ITS SAN FRANCISCO PLANNING DEPARTMENT, TO EXTEND THE TERM OF THE MEMORANDUM OF UNDERSTANDING FROM FISCAL YEAR 2014-15 TO FISCAL YEAR 2015-16, TO INCREASE THE BUDGET BY AN AMOUNT NOT TO EXCEED \$225,000, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$675,000, AND TO EXPAND THE SCOPE OF WORK TO PROVIDE DESIGN AND ENVIRONMENTAL REVIEW PROCESS FOR THE GOLDEN STATE WARRIORS PROJECT

WHEREAS, Prior to its dissolution, the Redevelopment Agency of the City and County of San Francisco ("Redevelopment Agency") implemented numerous redevelopment plans approved by the Board of Supervisors and authorized under the California Community Redevelopment Law, Cal. Health & Safety Code §§ 33000 et seq. Under this state authority, the redevelopment plans established land use controls in project areas and did not generally rely on the San Francisco Planning Code or other local land use regulation, including Article 31 of the Administrative Code, unless a particular redevelopment plan required it; and,

WHEREAS, State law dissolved the Redevelopment Agency on February 1, 2012, Cal. Health and Safety Code §§ 34161 et seq. ("Redevelopment Dissolution Law"), and provided, among other things, that successor agencies assumed certain rights and obligations of the former Redevelopment Agency (with the exception of certain affordable housing assets). In particular, state law requires successor agencies to fulfill enforceable obligations that the former redevelopment agencies had entered into prior to June 28, 2011 ("Enforceable Obligations"); and,

WHEREAS, The Board of Supervisors, in its capacity as the legislative body of the Successor Agency, approved Ordinance No. 215-12 (Oct. 4, 2012) to implement Redevelopment Dissolution Law and established the Successor Agency Commission to which it delegated the authority to exercise land use, development and design approval for "surviving redevelopment projects;" and,

WHEREAS, OCII is the Successor Agency to the Redevelopment Agency, is a legal entity separate from the City and County of San Francisco ("City"), has assumed the remaining rights and obligations of the former Redevelopment Agency, and has "succeed[ed] to the organizational status of the former redevelopment agency" with the authority "to complete any work related to an approved enforceable obligation," Cal. Health & Safety Code § 34173 (g); and,

WHEREAS, OCII has the continuing authority and obligation: (1) to exercise land use controls required under Enforceable Obligations (including the Mission Bay North Owner Participation Agreement (“OPA”), *available at* <http://www.sfocii.org/index.aspx?page=243>, the Mission Bay South OPA, *available at* <http://www.sfocii.org/index.aspx?page=244>, the Disposition and Development Agreement (“DDA”) for Hunters Point Shipyard (“HPS”) Phase 1, *available at* <http://www.sfocii.org/index.aspx?page=160>, the DDA for Candlestick Point-HPS Phase 2 DDA, *available at* <http://www.sfocii.org/index.aspx?page=186>, the Transbay Implementation Agreement, *available at* <http://www.sfocii.org/index.aspx?page=54>, and other OPAs and DDAs for projects that are not yet complete, and (2) to enforce the land use controls under redevelopment plans and related development controls where the City has not requested the transfer of land use functions to the City. (These redevelopment plans include Zone 1 of the Transbay Redevelopment Plan, Zone 1 of the Bayview Hunters Point Redevelopment Plan, the HPS Redevelopment Plan, the Mission Bay North and South Redevelopment Plans, the Rincon Point-South Beach Redevelopment Plan, and the Bayview Industrial Triangle Redevelopment Plan. These redevelopment plans and related documents are generally available at <http://www.sfocii.org/index.aspx?page=3>); and,

WHEREAS, The Redevelopment Dissolution Law provides, among other things, that successor agencies may enter into contracts for the purpose of “winding down the redevelopment agency.” Cal. Health & Safety Code § 34177.3 (b). *See also* Cal. Health & Safety Code § 34171 (d) (1) (F) (defining enforceable obligations to include “agreements necessary for the administration or operation of the successor agency”); and,

WHEREAS, OCII has a continuing need to review and approve development projects, including design and environmental review, as part of the wind down of redevelopment agencies and desires to use the services of the Planning Department for this purpose; and,

WHEREAS, OCII Commission approved on Resolution No. 41-2013, on August 20, 2013, a memorandum of understanding with the City, through its Planning Department, to perform design review and environmental services for the OCII, for a term of two years, commencing on July 1, 2013, for an annual amount of \$225,000, not to exceed amount of \$450,000 (the “Original MOU”); and,

WHEREAS, Earlier this year, the Golden State Warriors (“GSW”) announced their intention to purchase Blocks 29 to 32 in the Mission Bay South Redevelopment Project Area (“Mission Bay South”) for the development of approximately 1 million square feet of arena, office and retail uses (“GSW Pavilion Project”) and the GSW Pavilion Project will require design and environmental review, including preparation of an appropriate environmental review analysis and related documents, which will result in fulfillment of the requirements pursuant to the California Environmental Quality Act (“CEQA”); and,

WHEREAS, The term of the Original MOU is for two fiscal years, of which the first year has finished and OCII desires to extend the term of the Original MOU for an additional fiscal year to ensure adequate staffing from the Planning Department for the next two fiscal years for design and environmental review services for projects not related to the GSW Pavilion Project; and,


WHEREAS, As a result, OCII and the Planning Department are proposing to amend and restate the previously approved Original MOU. The Amended MOU would extend the term of the original MOU through Fiscal Year 2015-2016 and provides an additional budget amount not to exceed \$225,000 to continue to provide the scope of work in the Original MOU for an additional fiscal year, for total aggregate amount of \$675,000, and would include additional scope of work for the Planning Department for environmental and design review for the GSW Pavilion Project; and,

WHEREAS, Authorization of the proposed Amended MOU with the Planning Department is an OCII administrative activity that will not cause any physical change in the environment and is not a project pursuant to the California Environmental Quality Act ("CEQA") definition of a project contained in CEQA Guidelines Section 15378(b)(5). In addition, authorization of this proposed Amended MOU with the Planning Department does not have the potential for independently causing a significant effect on the environment and therefore is not subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3); and,

WHEREAS, OCII has provided (and will continue to provide) for the expenditures anticipated under the Amended MOU in its Recognized Obligation Payment Schedules ("ROPS") that are required to be submitted semi-annually to the Oversight Board and the California Department of Finance ("DOF") and in its annual budget that is approved by the Board of Supervisors; now, therefore, be it

RESOLVED, That the Executive Director is hereby authorized to execute the Amended MOU between OCII and the City and County of San Francisco, through its Planning Department, substantially in the form of the Amended MOU lodged with the Secretary of the Commission, to provide design review and environmental review services to the OCII, for a total aggregate amount not to exceed \$675,000, subject to availability and approval of funds in the ROPS, and provide design and environmental review services for the Golden State Warriors' Project.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of September 12, 2014.


Commission Secretary