

# Office of Community Investment and Infrastructure

## Secondary Use Determination

Date: November 3, 2015  
Applicant: GSW Arena LLC  
Site: Blocks 29-32, Mission Bay South Redevelopment Project Area

### **INTRODUCTION**

GSW Arena LLC, an affiliate of the Golden State Warriors basketball team (“GSW”), has proposed to construct a multi-purpose event center (the “Event Center”), in addition to a variety of mixed uses, including office, retail, open space and structured parking (the “Project”), on an approximately 11-acre site on Blocks 29-32 (the “Property”) within the Mission Bay South Redevelopment Plan Area (the “Plan Area” or “Project Area”).

The Event Center would serve as the new venue for Golden State Warriors home games which, based on their current season schedule, would be anticipated to include 2-3 preseason games, 41 regular season games, and up to 16 post-season games, for up to approximately 60 total Golden State Warriors home games per year. In addition, to these games, the Event Center is anticipated to host approximately 160 other events per year including concerts, family shows, conventions, corporate events, and other sporting events. Anticipated attendance at events would range from 3,000 to 18,500. See Draft Subsequent Environmental Impact Report prepared for the Event Center Project (“GSW DSEIR”), page 3-39 [Table 3-3], for further information on event characteristics at the Event Center.

The Event Center would include a wide variety of uses, including spectator seating and suites, restaurants/bars and clubs, meeting rooms; spectator support facilities such as food service/kitchens, concessions, merchandising and restrooms; Golden State Warriors management offices, practice facility and locker rooms; command center and operations space for police/security, fire protection services and traffic control; media support facilities; and Event Center operation and maintenance areas. In addition to the Event Center, the Project includes two 11-story (160-foot tall) office and retail buildings; a 2-story (36-foot tall) commercial and retail building that also serves as the access way to parking facilities called the “gatehouse;” a 3-story (43-foot tall) “food hall” with stalls for vendors of food and artisanal goods; approximately 3.2 acres of open space, plazas and pedestrian pathways; and 3-levels (two below grade and one at street level) of enclosed on-site parking facilities and loading facilities. See GSW DSEIR, pages 3-15 to 3-20, for further discussion of the anticipated Project facilities and amenities.

Table 1 below identifies each of the above-described Project buildings and facilities and the use designations that cover each of the Project components, based on the Basic Concept/Schematic Design application for the Project, dated November 3, 2015. As demonstrated in Table 1, most Project buildings and facilities are principal permitted uses authorized on the Property pursuant to the Mission Bay South Redevelopment Plan (the “Plan”). Table 1 also identifies Project components that, as discussed further in these findings, are authorized secondary uses pursuant to the Plan.

**TABLE 1**

Project Component	Use Designation
<b>Event Center*</b>	<p><b>Principal Uses:</b></p> <ul style="list-style-type: none"> <li>• Office Use (Golden State Warriors office space and meeting rooms)</li> <li>• Retail Sales and Services: <ul style="list-style-type: none"> <li>- All retail sales and services including bars and aerobic studios (Event Center retail)</li> </ul> </li> <li>• Restaurants (Event Center food services)</li> <li>- Arts Activities (Event Center dance, music, dramatic art, video, graphic art, and related crafts and performance events as well as conventions of an artistic and cultural nature)</li> <li>- Art Spaces (Event Center when used as an art space similar to a studio, workshop, gallery, museum, or archive for events in which liquor is not sold)</li> <li>- Other Uses:</li> <li>• Outdoor Activity Area (Bayfront terrace)</li> </ul> <p><b>Secondary Uses:</b></p> <ul style="list-style-type: none"> <li>• Assembly and Entertainment</li> <li>- Nighttime Entertainment (Event Center assembly and entertainment uses not otherwise meeting the definition of an arts activity or art space)</li> <li>- Recreation Building (Event Center assembly and entertainment uses not otherwise meeting the definition of an arts activity or art space)</li> <li>• Other Uses</li> <li>- Public Structure (Event Center generally when not otherwise meeting the definition of an arts activity or art space)</li> <li>- Use of Nonindustrial Character (Event Center generally when not otherwise meeting the definition of an arts activity or art space)</li> </ul>
<b>Office and Retail Buildings</b>	<p><b>Principal Use:</b></p> <ul style="list-style-type: none"> <li>• Office Use</li> <li>• Retail Sales and Services: <ul style="list-style-type: none"> <li>- All retail sales and services, including bars and aerobic studios</li> </ul> </li> <li>- Restaurants</li> </ul>
<b>Gatehouse &amp; Food Hall Buildings</b>	<p><b>Principal Uses:</b></p> <ul style="list-style-type: none"> <li>• Office Use (Accessory)</li> <li>• Retail Sales and Services: <ul style="list-style-type: none"> <li>- All retail sales and services, including bars and aerobic studios</li> </ul> </li> <li>- Restaurants</li> </ul>
<b>Parking and Loading Facilities</b>	<p><b>Principal Use:</b></p> <ul style="list-style-type: none"> <li>• Other Uses: <ul style="list-style-type: none"> <li>- Parking</li> </ul> </li> </ul>
<b>Open Space Facilities</b>	<p><b>Principal Uses:</b></p> <ul style="list-style-type: none"> <li>• Other Uses: <ul style="list-style-type: none"> <li>- Open Recreation</li> <li>- Outdoor Activity Area</li> </ul> </li> </ul>

\* The Event Center includes a variety of supporting uses including Golden State Warriors practice facility, Golden State Warriors office space and meeting rooms, an outdoor activity area called "bayfront terrace," and Event Center food and retail space.

As set forth in the Plan, principal uses are permitted and do not require the Executive Director ("Director") to authorize those uses based on written findings. With respect to secondary uses, the Plan provides the Office of Community Investment and Infrastructure ("OCII") with the discretion to approve authorized secondary uses subject to the Director making a finding of consistency as required by Section 302 of the Plan. OCII's authority over these land use matters is an exercise of state authority under the Community Redevelopment Law, Cal. Health & Safety Code §§ 33000 et seq., as amended by the Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34161 et seq., which requires OCII to implement and complete agreements that the California Department of Finance ("DOF") has finally and conclusively determined to be enforceable obligations. See Letter, J. Howard, DOF, to T. Bohee, OCII (Jan. 24, 2014) (approving completion of the Mission Bay South Owner Participation Agreement between OCII and FOCIL-MB, LLC, as an enforceable obligation).

For the reasons set forth herein, as provided in Section 302 of the Plan, the Director hereby approves the Event Center as a secondary use as permitted under the Plan and finds the secondary use generally conforms with the redevelopment objectives and planning and design controls established under the Plan and is a use that, at the size and intensity contemplated and at the proposed location, will provide a development that is both necessary and desirable for, and compatible with, the neighborhood and the community.

## **BACKGROUND**

Each of the land use districts included in the Plan sets forth general categories of secondary uses that may be permitted within the land use district. A secondary use allowed within a land use district may be developed subject to the conditions set forth Section 302 of the Plan. Specifically, Section 302 of the Plan provides as follows:

"Secondary uses shall be permitted in a particular land use district . . . provided that such use generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan and is determined by the Executive Director to make a positive contribution to the character of the Plan Area, based on a finding of consistency with the following criterion: the secondary use, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable for, and compatible with, the neighborhood or the community."

The Director, in consultation with OCII staff and after reviewing the Final Subsequent Environmental Impact Report ("FSEIR"), and the Major Phase and Combined Basic Concept and Schematic Designs ("BC/SD") applications for the Project finds that the secondary uses included in the Project are both necessary and desirable for, and compatible with, the neighborhood or the community.<sup>1</sup> In reaching this determination, the Director adopts the findings set forth below confirming (1) the Project is located in the Commercial Industrial / Retail land use district, (2) the Project uses that are not principally permitted uses constitute secondary uses authorized in the Commercial Industrial / Retail land use district, (3) the secondary uses generally conform with redevelopment objectives and planning and design controls established pursuant to this Plan, and (4) the Project, including its secondary uses, makes a positive contribution to the character of the Plan Area because, at the size and intensity contemplated and at the proposed location, it will provide a development that is both necessary and desirable for, and compatible with, the neighborhood or the community.

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<sup>1</sup> See Memorandum, S. Oerth, Deputy Director, to T.Bohee, Executive Director, re: "Applicability of Certain Redevelopment Plan Land Use Provisions to the Event Center Project." (Oct. 27, 2015).

## **ANALYSIS**

- (1) The Project is located on Blocks 29-32 within the “Commercial Industrial / Retail” land use district, which permits a broad array of land uses under the Plan.**

The Plan describes seven land use districts in the 238 acres of Plan Area: (a) Mission Bay South Residential, (b) Hotel, (c) Commercial Industrial, (d) Commercial Industrial / Retail, (e) University of

California, San Francisco (“UCSF”), (f) Mission Bay South Public Facility, and (g) Mission Bay South Open Space. The “Commercial Industrial / Retail” land use district is located on the east side of Third Street and south of South Street. This district is described in Section 302.4 of the Plan and shown on Attachment 3 to the Plan. The district allows a large variety of uses. The “Commercial Industrial / Retail” land use district and the “Hotel” land use district are the only districts that permit “all retail sales and services” as opposed to “local-serving” retail sales and services (which is generally authorized in the Plan’s other land use districts). By authorizing “all retail sales and services” within the “Commercial Industrial / Retail” and the “Hotel” land use districts, OCII anticipated that these land use districts would include regional retail facilities and attractions. The “Commercial Industrial / Retail” land use district also includes an extensive list of general secondary uses to allow for broad flexibility of authorized land uses. This flexibility is warranted by the location of the “Commercial Industrial / Retail” land use district, which is situated along the southeast and southwest borders of the Plan area, and is adjacent to the Bay and to uses outside of the Plan area. Furthermore, the Commercial Industrial/ Retail land use district does not limit the size of any of the uses that are permitted as principal or secondary uses, subject to the overall development limitations of the Plan. Accordingly, the Plan provides for a wide array of potential uses to be permitted in this district to respond readily and appropriately to market conditions.

- (2) Most components of the Project, including some uses at the Event Center constitute principal permitted uses under the Plan; the other uses qualify as a secondary use under several of the secondary use categories included in the “Commercial Industrial / Retail” land use district.**

As illustrated above in Table 1, principal permitted uses included in the Project include office and retail uses that are located in the high-rise office and retail buildings, the gatehouse, food hall and Event Center; arts activities held at the Event Center such as dance, music, dramatic art, video, graphic art, and related performance events as well as convention events of a cultural nature; art spaces; open recreation and outdoor activity areas; and parking and loading facilities. In addition to these principal permitted uses, other Event Center uses are allowed as a secondary use as explained further below.

- a. Assembly and Entertainment Secondary Use:

Section 302.4(B) authorizes Assembly and Entertainment secondary uses within the “Commercial Industrial / Retail” land use district. The Plan does not describe or define “assembly and entertainment,” however this term is interpreted by OCII to mean a location where a group of people gather for entertainment purposes. Within the “Commercial Industrial / Retail” land use district, the Plan identifies two subcategories of “Assembly and Entertainment” uses: “Nighttime Entertainment” and “Recreation Building.” (Plan, § 302.4(B).) As discussed further below both categories of “Assembly and Entertainment” uses are broad categories which permit development and operation of Event Center activities.

i. Nighttime Entertainment:

The Plan (Attachment 5 – Definitions) defines Nighttime Entertainment as “[a]n assembly and entertainment use that includes dance halls, discotheques, nightclubs, private clubs, and other similar evening-oriented entertainment activities, excluding Adult Entertainment, which require dance hall keeper police permits or place of entertainment police permits which are not limited to non-amplified live entertainment, including Restaurants and Bars which present such activities, but shall not include any arts activities or spaces as defined by this Plan, any Theater performance space which does not serve alcoholic beverages during performances, or any temporary uses permitted by this Plan.” (*Ibid.*)

The Event Center is an “evening-oriented entertainment [use]... which requires... place of entertainment police permits which are not limited to non-amplified live entertainment...”<sup>2</sup> Though the definition set forth in the Plan identifies certain venue-types included in the Nighttime Entertainment use category, the list is illustrative and not all-inclusive. Furthermore, the Event Center is found to be a similar evening-oriented entertainment activity as a dance hall, discotheque, nightclub, private club, or bar because, like those uses, the Event Center will generally offer alcoholic beverages, provide amplified live entertainment, and serve as a venue for assembly and entertainment events usually occurring in the evening. As discussed further in Part (2)(c) below, the Plan includes no size limitation for Nighttime Entertainment Assembly and Entertainment secondary uses within the Commercial Industrial / Retail land use district. Moreover, as is evident throughout the City, dance halls, night clubs, and private clubs can be very large facilities or a complex of facilities. As such, OCII does not interpret the Plan as including a size limitation on nighttime entertainment uses.

Furthermore, the Nighttime Entertainment subcategory of Assembly and Entertainment does not prohibit a nighttime entertainment use from including daytime hours of operation. The Nighttime Entertainment subcategory of Assembly and Entertainment only requires the use be “evening-oriented.” As discussed in the GSW DSEIR, pp. 3-38 to 3-42, the majority of events anticipated at the Event Center would occur in the evening hours. Further, some events that would occur in the daytime, such as family shows, would be principally permitted as Arts Activities (such as Disney on Ice). For this reason, the Director finds the entertainment uses in the Event Center that seek a secondary use designation to be an “evening-oriented” use.

Accordingly, the Director finds that entertainment uses proposed at the Event Center that are not principal permitted art activity uses are Nighttime Entertainment uses and are therefore permitted secondary uses for the Property under the Plan as an Assembly and

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<sup>2</sup> Under the Police Code, a Place of Entertainment Permit is required for premises to which patrons are admitted, which serves food and/or beverages for on-site consumption and where “Entertainment” is furnished or occurs upon the premises. As defined in Police Code Section 1060(g), “Entertainment” includes, among other things: (1) Any act, play, review, pantomime, scene, song, dance act, song and dance act, or poetry recitation, conducted in or upon any premises to which patrons or members are admitted; and (2) the playing or use of any instrument capable of producing or used to produce musical or percussion sounds, including but not limited to, reed, brass, percussion, or string-like instruments, or karaoke, or recorded music presented by a live disc jockey on the premises. Such activities are the hallmark of any concert or family show, are likely to occur at convention and corporate events and will also occur during Golden State Warriors games.

Entertainment Use, subject to the necessary findings required by Section 302 of the Plan (as set forth in Sections (3) through (4) below).

ii. Recreation Building:

The Event Center is a building proposed to offer entertainment for the enjoyment of audiences. The Plan does not contain a definition of the term "Recreation;" however, this term commonly refers to leisure and entertainment activities including, but not limited to, athletic leisure activities including both the participation in, and observation of, athletic events. (See, e.g., Merriam-Webster.com. Merriam-Webster, n.d. Web. 16 Sept. 2015. <<http://www.merriam-webster.com/dictionary/recreation>> [defining "recreation" as "something people do to relax or have fun: activities done for enjoyment"].) OCII interprets "Recreation Building" as used in the Plan consistent with the usual definition of "Recreation" and, therefore, the Director finds that a "Recreation Building" includes buildings, like the Event Center, that provide leisure and entertainment activities.

Additionally, "recreation facilities" are discussed in the 1998 Mission Bay FSEIR. As explained in the 1998 Mission Bay FSEIR, "taking advantage of relatively undeveloped but close-in locations and excellent freeway access, the large recreation facilities in the Project Area use almost one-quarter of the open land area used by businesses." (1998 Mission Bay FSEIR, p. V.C.4.) "[L]arge-scale recreation and retail activities" in the Plan area in 1998 included "[t]he Mission Bay Golf Center opened in 1992, using almost 300,000 square feet of land area (over 6 acres) for a driving range. A restaurant and retail shop have opened as sub-tenants of the center. An in-line hockey sports facility (Bladium) opened in 1995 west of Third Street just south of the Lefty O'Doul Bridge. Similar to the Esprit Outlet and the Golf Center, Bladium also offers retail and eating and drinking operations." (*Ibid.*) Bladium occupied a lot of 310, 943 square feet. San Francisco Redevelopment Agency, Report to the Board for the Mission Bay South Redevelopment Project, Appendix D (Building Inventory), p. 13 (Aug. 1998). OCII envisioned that the total acreage of land dedicated to recreational facilities within the Plan Area would decrease as redevelopment occurred. However, OCII anticipated that new recreation uses would continue to be developed within the Plan Area and, for that reason, the Plan authorizes both outdoor "Open Recreation" and indoor "Recreation Building" uses.

The Event Center is a large recreation facility that will provide patrons with the opportunity to watch professional basketball and other sports events, and will offer food concessions for audiences and other users of the facility. As noted above and discussed further in Part (2)(c) below, the Plan includes no size limitation for secondary uses within the Commercial Industrial / Retail land use district.

For these reasons, the Director finds that the Event Center is a Recreation Building use within the plain meaning of that term, and therefore is a permitted secondary use for the Property under the Plan, subject to the necessary findings under Section 302 of the Plan (see Sections (3) through (4) below).

b. Other Uses:

Section 302.4(B) authorizes other secondary uses within the “Commercial Industrial / Retail” land use district including “public structures or uses of a nonindustrial character.” The Plan does not define either of these subcategories of other secondary uses. However, as discussed in further detail below, the Director finds that the Event Center qualifies as a secondary use both as a Public Structure and a Use of a Nonindustrial Character.

i. Public Structure

The term “public structure” is not defined in the Plan. The Director finds that “public structure” should be interpreted to cover facilities that provide public services to the community whether publicly and privately owned. The size and design of the Event Center will allow it to host various events that, due to venue constraints, could not currently be hosted at any other public or private venue in the City. Notably, the City’s Office of Economic and Workforce Development (“OEWD”) reports that the space constraints of existing City convention and meeting venues result in a significant loss of employment and financial benefits to the City. OEWD, Moscone Expansion Project: Fiscal Responsibility and Feasibility Report (Jan. 2013). The Event Center will serve as a new, civic landmark that will host a variety of entertainment, convention, conference, cultural, and civic events. Like other Public Structures within the City, including the publicly-owned Moscone Center as well as public and private museums within the City, the Event Center will typically charge admission to members of the public. The Director finds that the assessment of an admission fee does not change the public nature of a public structure such as the Moscone Center, a museum, or the Event Center. This determination is consistent with OCII precedent; for example, in approving the UCSF Medical Center the Executive Director found that it constituted a secondary use as a public structure notwithstanding those members of the public generally pay for medical services provided at the center.

Furthermore, as noted above and in Part (2)(c) below, the Plan includes no size limitation for secondary uses within the Commercial Industrial / Retail land use district.

For the above reasons, the Director finds that the Event Center qualifies as a Public Structure secondary use and therefore is a permitted secondary use for the Property under the Plan, subject to the necessary findings under Section 302 of the Plan (see Sections (3) through (4) below).

ii. Use of a Nonindustrial Character

As a secondary use, the Plan authorizes “uses of a nonindustrial character” generally. The Plan does not define these uses. As described in the 1998 Mission Bay FSEIR, under the Plan “[t]he Project Area would change from an underdeveloped industrial area with large swaths of vacant land, to a fully developed mixed use urban area, with about 30,000 employees and about 11,000 residents.” (1998 Mission Bay FSEIR, p. II.6.) In order to facilitate this change from an underdeveloped industrial area to a mixed use urban area, the Plan broadly authorizes “uses of a nonindustrial character” within the Commercial Industrial / Retail land use district subject, as with all secondary uses, to the Director making necessary findings. The Event Center is not an industrial use and is consistent with the objective to transition Mission Bay from an underdeveloped industrial area with large swaths of vacant land to a fully developed mixed use urban area. The Project will also generate thousands of construction and permanent jobs that will make a substantial

contribution towards the Plan Area goal to provide employment opportunities for 30,000 people.

Furthermore, as noted above and in Part (2)(c) below, the Plan includes no size limitation for secondary uses, such as Uses of a Nonindustrial Character within the Commercial Industrial / Retail land use district.

For the above reasons, the Director finds that the Event Center qualifies as a Use of a Nonindustrial Character secondary use and therefore is a permitted secondary use for the Property under the Plan, subject to the necessary findings under Section 302 of the Plan (see Sections (3) through (4) below).

- c. The Commercial Industrial / Retail land use district does not restrict the size of an authorized principal or secondary use.

The Plan does not limit the permitted size of secondary uses authorized in the Commercial Industrial / Retail land use district. Where the Plan intends to limit the size of a use, the Plan expressly includes such a size limitation. For example, in the Mission Bay South Residential land use district only “small” residential care, social service / philanthropic, and vocational / job training facilities are permitted. (Plan, p. 9.) No such size limitations are included for any primary or secondary use permitted within the Commercial Industrial / Retail land use district. Additionally, as the Commercial Industrial / Retail land use district permits “all retail sales and services” and not just “local-serving retail,” the Plan contemplates that large regional facilities could be developed in this land use district.

The Plan includes general limitations on overall development, such as the limitation of 5,000,000 leasable square feet within Zone A of the Mission Bay South Redevelopment area, which is the area where the Project is proposed. A staff review of leasable square footage authorized or built to date in Zone A shows that the Project, if approved, will not exceed any of the development limitations in the Plan. Memorandum, Sally Oerth, OCII, Deputy Director, to Tiffany Bohee, OCII, Executive Director, Re: “Review of square footage limitations applicable to the Golden State Warriors Event Center and Mixed-Use Project ” (Oct. 27, 2015) (“Square Footage Memorandum”). (See also GSW DSEIR, pp. 4-5 to 4-6.) Therefore, the size of the Project is consistent with the Plan’s general limitation on the amount of overall Plan Area development.

**(3) The Event Center generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan.**

To authorize a secondary use, the Director must consider whether a proposed secondary use “generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan.” (Plan, § 302.) “General conformity” does not require a determination that a project is fully consistent with every redevelopment objective and planning and design control. (*Clover Valley Foundation v. City of Rocklin* (2011) 197 Cal. App. 4th 200, 238 [“A given project need not be in perfect conformity with each and every general plan policy.”].) The Plan requires the Director to consider redevelopment objectives and planning and design controls collectively to determine whether, on the whole, a secondary use “generally conforms.” (*Save Our Peninsula Committee v. Monterey County Bd. of Supervisors* (2001) 87 Cal.App.4th 99, 142 [“the governmental agency must be allowed to weigh and balance the plan’s policies when applying them, and it has broad discretion to construe its policies in light of the plan’s purposes”].) In undertaking this evaluation, OCII must consider whether the proposed project is “in agreement or harmony with’ the terms of the applicable plan, not in rigid conformity with every detail thereof.” (*San Franciscans Upholding Downtown Plan v. City and County of San Francisco* (2002) 102 Cal.App.4th 656, 678, quoting *Sequoyah Hills Homeowners Assn. v. City of Oakland* (1993) 23 Cal.App.4th 704, 718.)



The Director has undertaken this “general conformity” review for the Project and its secondary uses. The Director finds that, while the Project promotes some redevelopment objectives and planning and design controls more directly than others, the Project promotes critical redevelopment objectives relating to blight and economic development and, in consideration of all the benefits of the Project and its proposed secondary uses, concludes the Project generally conforms with redevelopment objectives and planning and design controls established pursuant to this Plan. The Director’s determination of general conformity with redevelopment objectives and planning and design controls is accorded “broad deference.” (*Ross v. California Coastal Com.* (2011) 199 Cal.App.4th 900, 930; see also *Building Industry Assn. of Central California v. County of Stanislaus* (2010) 190 Cal.App.4th 582, 591 [“A local entity’s land use determination is accorded substantial judicial deference.”]; *Citizens for Planning Responsibly v. County of San Luis Obispo* (2009) 176 Cal.App.4th 357, 373 [discussing the local agencies’ “‘wide-ranging discretion’ endowed by the Constitution with respect to formulating basic land use policy”].)

As discussed above, the Plan does not require the Director to individually evaluate each redevelopment objective listed in Section 103 and make a general conformity determination with respect to each individual objective. However, to further support the Director’s finding of general conformity, Section 3.1 below includes a brief analysis illustrating that the Project generally conforms with each redevelopment objective listed in Section 103 of the Plan. Sections 3.2 and 3.3, in turn, include additional analysis supporting the conclusion that the Project and its secondary uses also generally conform with planning objectives and policies included in Section 104 of the Plan as well as the Design for Development for the Mission Bay South Project Area (“D for D”).

- a. The Event Center generally conforms with the redevelopment objectives listed in Section 103 of the Plan as described below.
  - i. Eliminating blighting influences and correcting environmental deficiencies in the Plan Area, including, but not limited to, abnormally high vacancies, abandoned buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities.

The Director finds that the Event Center generally conforms to this Major Objective. The location of the Project on Blocks 29-32 has not been redeveloped since the adoption of the Plan in 1998. At that time, the Property was the site of a large concrete batching plant (Bode Gravel Co.) and several dilapidated industrial and garage buildings, which were incompatible land uses for the Commercial Industrial/ Retail land use district and were subsequently demolished. See San Francisco Redevelopment Agency, Report to the Board for the Mission Bay South Redevelopment Project, Appendix D (Building Inventory), pp. 48-52 (Aug. 1998). The Event Center will improve underutilized blocks within the Plan Area and will provide substantial economic benefits within the Plan Area.

The Event Center will provide San Francisco with a state-of-the-art and world-class multi-purpose event center that meets NBA requirements for sports facilities and can be used year-round for sporting events and entertainment and convention purposes with events ranging in capacity from approximately 3,000-18,500. The Event Center will thus attract those events which currently bypass San Francisco due to the current lack of a world class facility in the City. In addition to the Event Center, the Project includes a mix of office use, retail, and open space that will promote visitor activity and interest during times when the Event Center is not in use, and provide amenities to visitors of the Event Center as well as the surrounding neighborhood. The Project will provide

substantial tax revenue available for OCII to support the construction of affordable housing, parks and open space, and critical utility, water quality, and transportation infrastructure. The Project will generate thousands of jobs for residents of Mission Bay and the City of San Francisco area during both construction and operation.

The current undeveloped site is incompatible with the existing land uses in the area. Development of the Project will correct this deficiency and, as discussed further in Section (4) below, will be compatible with surrounding land uses. Furthermore, while development of the Project will result in some significant and unavoidable environmental impacts as addressed in the Project's FSEIR, the Director finds that development of the Project will correct environmental deficiencies in the Plan area. Specifically, through complying with the MMRP for the 1998 Mission Bay FSEIR and the MMRP for the Project, the Project will not only implement all feasible mitigation measures to address environmental impacts caused or contributed to by the Project but will also help to address existing environmental deficiencies in the Plan Area consistent with this Objective.

- ii. Retaining and promoting, within the City and County of San Francisco, academic and research activities associated with the University of California San Francisco ("UCSF"), which seeks to provide space for existing and new programs and consolidate academic and support units from many dispersed sites at a single major new site which can accommodate the 2,650,000 square foot program analyzed in the UCSF Long Range Development Plan.

The Director finds that the Event Center generally conforms to this Major Objective, which has been substantially fulfilled through the development of a 43 acre research campus for UCSF in the UCSF land use district under the Plan. The Property is not included in this district and was not contemplated to be developed as part of the UCSF Long Range Development Plan. The Project will not interfere with the objective to accommodate the 2,650,000 square feet academic and research activities associated with UCSF within the Plan Area. The Director also finds that the Project, including its retail uses, restaurants, and open space, would contribute vitality to Mission Bay's street life and activate its pedestrian realms, which the Director finds would generally benefit the employees, students, and visitors that use the UCSF campus.

- iii. Assembling land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Plan Area.

The Director finds that the Project generally conforms to this Major Objective. The Project includes a state of the art sports and entertainment venue that will qualify for gold certification under the Leadership in Energy and Environmental Design ("LEED") standard and that meets, among other things, the criteria for an "environmental leadership development project" under the Jobs and Economic Improvement Through Environmental Leadership act of 2011. Additionally, the Project includes expanded Mission Bay TMA shuttle service to increase frequency of, and the number of stops offered by, the shuttle service in Mission Bay South. These additional shuttle services would be an integrated part of the Mission Bay TMA network and would continue to be free of charge for all residents and employees in Mission Bay, regardless of their origin or destination. (GSW DSEIR, p. 5.2-51.)

As discussed in the Project's FSEIR, the Project results in less than significant pedestrian impacts after implementation of Mitigation Measures M-TR-6, M-TR-8, and M-TR-22. While the Project would result in several significant and unavoidable vehicular transportation impacts, these impacts are not caused by the manner in which the parcels are assembled for the Project. Moreover, as discussed in the GSW DSEIR (pp. 3-36 to 3-38) the Project includes a number of off-site roadway network and curb regulations, transit network, pedestrian and bicycle network improvements in the project site vicinity, including, but not limited to, roadway restriping, intersection signalization, on-street parking, new perimeter sidewalks, bicycle lanes, signage and other improvements that will benefit the Plan Area.

- iv. Replanning, redesigning and developing undeveloped and underdeveloped areas which are improperly utilized.

The Director finds that the Event Center generally conforms to this Major Objective. As described in the GSW DSEIR (p. 3-10), the Property is currently undeveloped, a portion of it is used as a surface parking lot, and a chain link fence surrounds its perimeter. Therefore, the Director finds that the Property is underutilized and that the Project would replan, redesign, and redevelop the Property consistent with this objective.

- v. Providing flexibility in the development of the Plan Area to respond readily and appropriately to market conditions.

The Director finds that the Event Center generally conforms to this Major Objective. The Plan generally, and the Commercial Industrial / Retail land use district specifically, provides broad categories of uses that are intended to provide OCII with substantial flexibility in developing the Plan Area to respond readily and appropriately to market conditions. The Project is an example of the type of project that, although not specifically contemplated in 1998 when the Plan was enacted, is nevertheless consistent with the Plan's vision to create a vibrant and diverse mixed use urban area that includes among other uses office, retail, recreation, and assembly and entertainment uses. The Project constitutes an appropriate and important response to market conditions because the City currently lacks a venue, like the Event Center, capable of hosting a similar diverse array of sports, artistic, and other assembly and entertainment events. Notably, the City's Office of Economic and Workforce Development ("OEWD") reports that the space constraints of existing City convention and meeting venues result in a significant loss of employment and financial benefits to the City. OEWD, Moscone Expansion Project: Fiscal Responsibility and Feasibility Report (Jan. 2013). Significantly, the Project is privately-financed and will generate substantial amounts of property tax revenues that will be dedicated to public infrastructure and affordable housing costs. The successful completion of the Plan Area is dependent on these types of economically feasible land uses that will provide the revenues to repay the bonded indebtedness used to build the public infrastructure contemplated in the 1998 Mission Bay FSEIR for the area.

- vi. Providing opportunities for participation by owners in the redevelopment of their properties.

The Director finds that the Event Center generally conforms to this Major Objective. On October 9, 2015, GSW Arena LLC acquired the property from the prior owner, Bay Jacaranda 2932, LLC (an affiliate of salesforce.com). In accordance with terms of an Assignment, Assumption and Release agreement between GSW Arena LLC, Bay

Jacaranda 2932 and OCII, GSW Arena LLC assumed all applicable obligations under the Mission Bay South Owners Participation Agreement related to Blocks 29-32. Approval

of the Project would allow GSW Arena LLC the opportunity to participate in the development of its property through the ability to develop an economically feasible project that meets its mission and desires within the context of the overall Plan.

- vii. Strengthening the community's supply of housing by facilitating economically feasible, affordable housing through installation of needed site improvements and expansion and improvement of the housing supply by the construction of up to approximately 3,440 very low-, low- and moderate-income and market-rate units, including approximately 1,100 units of very low-, low- and moderate-income housing.

The Director finds that the Project generally conform to this Major Objective through their future generation of significant amounts of property tax revenues that are contractually obligated to pay for affordable housing under the Mission Bay South Owner Participation Agreement and the Mission Bay South Tax Increment Allocation Pledge Agreement between OCII and the City and County of San Francisco. OCII has a remaining financial obligation to develop over 500 units of affordable housing in Mission Bay South at several sites dedicated to affordable housing in the Plan Area. The Plan Area's property tax revenues are a significant source of funding. The Property itself is not one of the sites dedicated to housing because it is located within the Commercial Industrial / Retail land use district, where residential uses are not authorized. Therefore, development of the Project does not develop land within the Plan Area that may otherwise be available for residential uses and does not interfere with residential uses, which are located in other land use districts.

- viii. Strengthening the economic base of the Plan Area and the community by strengthening retail and other commercial functions in the Plan Area through the addition of up to approximately 335,000 Leasable square feet of retail space and a hotel of up to 500 rooms and associated uses, depending on the amount of residential uses constructed in the Hotel land use district, and about 5,953,600 Leasable square feet of mixed office, research and development and light manufacturing uses.

The Director finds that the Event Center generally conforms to this Major Objective. The Project includes retail and commercial uses that will strengthen the economic base in the Plan Area, as described in Section 3.1 (a) above. The Project is also consistent with the total leasable square footages anticipated within the Plan Area for the reasons set forth in the Square Footage Memorandum. (See also GSW DSEIR, pp. 4-5 to 4-6.)

- ix. Facilitating emerging commercial-industrial sectors including those expected to emerge or expand due to their proximity to the UCSF new site, such as research and development, bio-technical research, telecommunications, business service, multi-media services, and related light industrial, through improvement of transportation access to commercial and industrial areas, improvement of safety within the Plan Area, and the installation of needed site improvements to stimulate new commercial and industrial expansion, employment, and economic growth.

The Director finds that the Event Center generally conforms to this Major Objective through its transportation, safety, and site improvements. Specifically, as discussed more fully in Chapter 5.2 of the GSW DSEIR, as part of the Project, and through implementation of mitigation measures and improvement measures described in the FSEIR, the Project will improve physical transportation infrastructure adjacent to the

project site - including travel lanes, sidewalks, bicycle lanes, traffic signals, and light rail platform. The Project will also improve transit services through expansion of the Mission Bay TMA shuttle system, provision of the Muni Special Event Transit Service Plan, and implementation of a Transportation Management Plan (TMP). The TMP provides for, among other things, pre-event and post-event operation of the curbs adjacent to the project site to accommodate shuttles stops, and taxi zone, and private vehicle and TNC passenger loading/unloading zones. The TMP also includes Transportation Demand Management (TDM) strategies designed to reduce use of single-occupant vehicles and to increase the use of rideshare, transit, bicycle, and walk modes for trips by employees and visitors to and from the project site. The TMP is summarized on GSW DSEIR pp. 5.2-55 – 5.2-69, and the entire document is included as GSW DSEIR Appendix TMP. As described on GSW DSEIR p. 5.2-55, the TMP is a working document that would be expanded and refined over time by the project sponsor and City agencies involved in implementing the plan.

As discussed in the Project's GSW FSEIR, with limited exceptions, the majority of traffic associated with the Project will occur in the evening or on weekends and, therefore, the Director finds the Project generally will not interfere with transportation access to commercial and industrial uses within the Plan Area during regular business hours. Moreover, the area surrounding the Project has already been substantially built out with commercial industrial and other uses. Construction of the Project would develop one of the few remaining vacant and underutilized parcels in this area. In doing so, the Project would secure the Property, increase the diversity of uses in the area, contribute towards creating an attractive and interesting urban environment, and reduce the need for Plan Area residents and employees to drive to reach retail, food, and recreation resources. For these reasons, the Director finds that the Project complements the existing commercial-industrial sectors and residential areas that have developed under the Plan's mixed-use objectives. The Director further finds that the continued development of the mixed-use nature of the Plan Area will enhance the areas desirability as an area for City residents to both live and work.

- x. Facilitating public transit opportunities to and within the Plan Area to the extent feasible.

The Director finds that the Event Center generally conforms to this Major Objective. Development of the Project includes implementation of several improvements to the existing public transit network near the Property. Furthermore, the Project requires implementation of a Transportation Management Plan that is designed to increase the use of rideshare, transit, bicycle, and walk modes for trips to and from the Project. As discussed in Chapter 5.2 of the GSW DSEIR, the Project would result in transit demand exceeding existing capacity during some large weekday evening events at the Event Center and days in which events overlap with San Francisco Giants games at AT&T Park. However, the Director finds that with the exception of days with large or overlapping events, demand will generally not exceed capacity after development of the Project. The Director finds further that the Project generally conforms with this objective by encouraging and facilitating the use of public transit to travel to and within the Plan Area. The Project also facilitates public transit opportunities by providing expanded Mission Bay TMA shuttle service to increase frequency of, and the number of stops offered by, the shuttle service in Mission Bay South.

- xi. Providing land in an amount of approximately 41 acres for a variety of publicly accessible open spaces.

The Director finds that the Event Center generally conforms to this Major Objective. The Event Center will not impede the development of the 41 acres of publicly accessible open space required under the Plan. In fact, the Event Center will enhance this objective by providing additional open space of approximately 3.2 acres on the Property, including a proposed Third Street Plaza on the west side of the project site between the Event Center and Third Street, and a proposed ground-level Southeast Plaza in the southeastern corner of the site. These plazas would be connected by a pedestrian ramp wrapping around the exterior of the north and eastern sides of the Event Center. On the east side of the Event Center, the pedestrian path would offer a "bayfront overlook" to provide eastward views across the Bay. Another pedestrian path would wrap around the southwest portion of the Event Center.

- xii. Achieving the objectives described above in the most expeditious manner feasible.

The Director finds that the Event Center generally conforms to this Major Objective. OCII did not envision that Blocks 29-32 would remain underutilized (and in its current state) nearly two decades after the Plan was adopted. Indeed, previous proposals to develop the Property have not succeeded. See Redevelopment Agency Commission Resolution No. 97-2011 (Sep. 9, 2011) and Nos. 10-2012, 11-2012, 12-2012, 13-2012, and 14-2012 (Jan. 31, 2012) (approving major phase application and design documents for Salesforce.com campus on Property). The Director finds that the Project proposes an expeditious construction schedule and will assist in achieving Plan objectives in an efficient manner.

Furthermore, San Francisco Ordinance No. 215-12 (Oct. 4, 2012) delegates to OCII and the OCII Commission the authority to act in place of the former redevelopment agency to implement, modify, enforce and complete surviving redevelopment projects including the Mission Bay South Redevelopment Project. Redevelopment Dissolution Law requires OCII to fulfill its enforceable obligations, such as the Mission Bay South OPA, and "expeditiously wind down the affairs of the redevelopment agency." Cal Health & Safety Code § 34177 (h). To implement Redevelopment Dissolution Law, Ordinance No. 215-12 authorizes the OCII Commission to "take any action that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and any other action that the Commission deems appropriate consistent with the Redevelopment Dissolution Law to comply with such obligations." Approval of the Project is consistent with the Redevelopment Dissolution Law and Ordinance No. 215-12 and will facilitate the wind down of the Mission Bay South Redevelopment Project.

- b. The Event Center generally conforms with the planning objectives and policies in Section 104 of the Plan.

Section 302 of the Plan requires the Director's finding of consistency to consider general conformity with redevelopment objectives and planning and design controls. Section 103 of the Plan sets forth the "redevelopment plan objectives." Section 104 of the Plan includes planning objectives and policies that are separate from the Plan's redevelopment objectives. Section 104 planning objectives and policies are intended to provide further guidance for development within the Plan Area. Section 302 of the Plan does not require the Director to consider general conformity with these Section 104 planning objectives and policies as part of the Director's secondary use findings. Moreover, unlike Section 103 redevelopment objectives, Section 104 provides that the Plan should implement the planning objectives and policies only to the extent feasible.

Nevertheless, the Director finds that, in addition to meeting the redevelopment objectives under Section 103 of the Plan, the Project generally conforms to the planning objectives and policies in Section 104 of the Plan.<sup>3</sup> Some Section 104 planning objectives and policies are not directly applicable to the Project such as neighborhood environment planning objectives and policies which address the development of new residential neighborhoods within the Plan Area and not non-residential developments such as the Project. With respect to Section 104 planning objectives and policies that are not directly applicable to the Project, the Director finds that the Project does not interfere with OCII's ability to generally conform with those objectives and policies. With respect to Section 104 planning objectives and policies that are relevant to the Project, the Director finds that the Project generally conforms to planning objectives and policies included in Section 104. A brief discussion of the Project's general conformity with land use, urban design, recreation and open space, commerce and industry, and transportation planning objectives and policies is set forth below.

i. The Event Center generally conforms with land use planning objectives.

The Director finds that the Project, including the Event Center, provides a diverse array of uses including office, retail, entertainment, recreation and community facilities. The Director finds these uses will complement the existing business, institution and residential uses within the Plan Area and assist in achieving the Plan's objective to create a vibrant mixed-use urban community. The Director finds further that while the Project is easily accessible from surrounding residences and businesses, the Property's location is well suited for the Project because it is located on the east side of 3rd Street which provides a reasonable buffer between the Project and the Mission Bay Residential and UCSF land use districts.

ii. The Event Center generally conforms with the urban design planning objectives.

The Director finds one important characteristic of San Francisco's development pattern is that a substantial portion of the waterfront is developed with community oriented civic, entertainment, and open space uses that draw residents and visitors to waterfront areas of the City. The Project, including the Event Center, is consistent with this development pattern and will create an iconic Mission Bay attraction near the waterfront. The Director finds further that, in consideration of surrounding development, including the 8-story UCSF parking structure and 14-story UCSF Hearst Tower, the Project's scale is appropriate and compatible with adjacent development. Finally, the Director finds that the Project's tallest buildings are located on the west side of the Property furthest from the Bay and that heights appropriately step down towards Bayfront Park and the Bay.

iii. The Event Center generally conforms with recreation and open space planning objectives.

The Director finds the Project makes a positive and significant contribution toward recreation and open space opportunities within the Plan Area. The Project includes approximately 3.2 acres of open space and provides public views looking toward the Bay and Downtown San Francisco. Additionally, as discussed in Section 2(a)(ii) above, the Event Center constitutes a Recreation Building and, therefore, the Project will offer significant indoor recreation opportunities to patrons in addition to the 3.2 acres of open space providing outdoor activity and open recreation amenities.

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<sup>3</sup> See also Memorandum, S. Oerth, Deputy Director, to T.Bohee, Executive Director, re: "Applicability of Certain Redevelopment Plan Land Use Provisions to the Event Center Project." (Oct. 27, 2015).

- iv. The Event Center generally conforms with commerce and industry planning objectives.

The Director finds the Project will enhance and diversify the economic base in the Mission Bay South, substantially expand employment opportunities within the Plan Area, and provide an important resource for the City by developing a multi-purpose Event Center capable of hosting a variety of events, some of which could not be hosted at other existing venue within the City due to size or logistical constraints.

- v. The Event Center generally conforms with transportation planning objectives.

While many of the Section 104 transportation planning objectives and policies concern development of the street system within the Plan Area and not the subsequent development of land use projects within the Plan Area, the Director finds that the Project generally conforms with relevant transportation planning objectives and policies in Section 104. As is common with development within San Francisco, and urbanized areas generally, the FSEIR acknowledges that the Project will result in project-specific and cumulative transportation impacts particularly during days in which large events and events that overlap with San Francisco Giants games at AT&T Park are held. However, such impacts do not require the Director to find that the Project does not generally conform with transportation planning objectives and policies in Section 104 of the Plan. The Plan, and 1998 Mission Bay FSEIR, allows for and includes a redevelopment objective to promote the development of 5,000,000 leasable square feet within Zone A of the Mission Bay South Redevelopment area. Providing for this development will necessarily result in traffic increases and additional demand for transit resources.

The Director finds that the Project generally conforms with transportation planning objectives and policies in Section 104 because it is designed and proposed in a manner that makes efficient use of the Plan Area's street system and transit resources, and provides for various improvements to the street and transit network in the Plan Area. The majority of events at the Event Center will be held in the evening or on weekends and, as a result, the Project will generate the greatest traffic impacts after business hours, which reduces potential conflicts with commercial, industrial, and institutional operations in the Plan Area. Furthermore, OCII, the City, and the project sponsor have been working with UCSF and neighbors to develop a Local / Hospital Access Plan in order to further address concerns related to local access in the Mission Bay area. In addition, the Project will facilitate public transit opportunities by providing expanded Mission Bay TMA shuttle service to increase frequency of, and the number of stops offered by, the shuttle service in Mission Bay South.

- c. The Event Center generally conforms to the planning and design controls established pursuant to the Plan.

- i. The Event Center conforms with the Redevelopment Plan's land use standards.

The Plan establishes the "basic land use controls within which specific redevelopment activities in the Plan Area will be pursued." (Plan, § 101) The Plan's land use controls govern all other planning and design controls, including the Design for Development for the Mission Bay South Project Area ("D for D").



Section 302 of the Plan requires that a secondary use generally conform with the Plan's planning and design controls. The Event Center conforms with these planning and design controls, which are primarily set forth in Section 304 of the Plan, the Land Use Map (Attachment 3 to the Plan), and the Zone Map (Attachment 3a to the Plan). The Land Use Map provides the location of Plan Area boundaries and land use districts. Section 304 (General Controls and Limitations) of the Plan establishes, among other things, the number of permitted buildings and dwelling units, open space requirements, and limitations on type, size and height of buildings. In particular, Section 304.5 establishes the overall amount of leasable square footage that can be developed in each of several land use districts, floor area ratios, and a maximum height of 160 feet; it also provides that "[t]he type of buildings may be as permitted in the Building Code as in effect from time to time." The Zone Map, in conjunction with Section 304 of the Plan, allocates the amount of square footage that may be developed by zone.

The Event Center is within the maximum development program outlined in the Plan. Consisting of a single building of approximately 487,939 leasable square feet and not more than 135 feet at its highest point, the Event Center conforms to the Plan's size and height limitations, including the maximum 5,000,000 square feet of leasable space permitted in the aggregate in "Zone A" of the Plan Area,<sup>4</sup> the maximum floor area ratio of 2.9:1 permitted in the aggregate for blocks designated Commercial Industrial/Retail, and the 160 feet height limitation.

ii. The Event Center generally conforms with the D for D Design Standards and Guidelines.

In addition to its conformity with the Plan, the Event Center also generally conforms<sup>5</sup> to the planning and design controls in the D for D, which provide ancillary design standards and guidelines that must be consistent with the Plan and the objectives described above.<sup>6</sup>

The D for D guidelines emphasize four key concepts that work together to provide a "flexible urban design framework" for all elements of design and construction in the Plan Area. These concepts are: 1) an urban street grid to allow for the transformation of an industrial district; 2) view corridors to connect Mission Bay to the Bay and downtown; 3) an open space network linked visually and physically to invite intensive use; and 4) interesting urban scale buildings to establish a building edge along primary streets. (D for D, p. 47.) As will be discussed below, the Event Center generally conforms to these concepts and to the more specific objectives of the Commercial Industrial Design Guidelines, which provide that the commercial uses within the Commercial Industrial Retail zone are intended to complement the planned UCSF research campus and contribute to the mixed-use vibrancy of the Mission Bay community. "The guidelines encourage an active and visually interesting pedestrian environment and building placement and character that will give the commercial areas a distinctive identity and one that will complement the overall visual perception of Mission Bay." (D for D, p. 73.)

The Event Center fits within the D for D's urban design framework because its design features include the following: 1) The Event Center's location will respect the

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<sup>4</sup> See Square Footage Memorandum.

<sup>5</sup> As explained above at pp. 8-9, "general conformity" does not require strict compliance with all of the specific standards in the D for D, but rather consistency with the purposes and objectives underlying those standards.

<sup>6</sup> The D for D states: "In the event of any conflict between this Design for Development and the Redevelopment Plan, the Redevelopment Plan provisions shall control." (D for D, p. 7.)

established Mission Bay street grid,<sup>7</sup> as it will be placed between South Street and 16<sup>th</sup> Street, and along Terry Francois Boulevard, immediately across from the proposed Bayfront Park. Public access through the Project will be provided from each surrounding intersection and from each frontage, with continuous pedestrian thoroughways encircling the entire Event Center. 2) Pedestrian rights-of-way will provide view corridors, will be incorporated on all four sides of the Project, and will be aligned with the existing north-south axis formed by Bridgeview and Illinois Streets, and with the existing east-west axis across Third Street. The Event Center and its gatehouse structure will be centered at the terminus of the east-west view corridor along Campus Way, which originates on the UCSF campus. As a view-corridor terminus, the Event Center will serve as a district landmark and City-wide reference. 3) The Event Center's location on the site and its circular shape will result in enhanced, publicly-accessible open spaces on the land surrounding it, from which expanded views from Mission Bay to the waterfront will be offered. These open spaces will build on the Mission Bay open space network by integrating and expanding the parks that will be constructed along the waterfront. 4) Finally, the Event Center's unique, rounded shape in the context of other structures on the northern, southern and western frontages will create a strong, interesting and legible city-edge near the waterfront.

Besides addressing the D for D's overall goals, the Event Center also generally conforms with many of the specific design standards and guidelines.

- a. The Event Center generally conforms with the D for D's Maximum Development standards.

The Event Center is proposed for Blocks 29-32 and is located in the Commercial Industrial/ Retail District, as shown on Map 2 of the D for D,<sup>8</sup> and in Height Zone 5 ("HZ-5"), as shown on Map 4 of the D for D. In the HZ-5 area, the D for D provides that a maximum of 942,200 square feet of net area of land may be developed.<sup>9</sup> This standard for maximum development is distinct from the Plan's limits on the amount of leasable floor area that is allocated to various areas in the Plan Area and that, as noted above, the Event Center satisfies. The Event Center will use approximately 129,026 square feet of Developable Area and the entire Project will use 228,917 square feet of Developable Area, leaving approximately 713,283 square feet for other projects in HZ-5.<sup>10</sup>

The standards for HZ-5 also provide controls for the amount of Developable Area at base height, midrise height and tower height (as a percentage of Developable Area), bulk standards and the number, location, and separation of towers. Of the total of 942,200 square feet of Developable Area in HZ-5, 93 percent of the area may be developed

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<sup>7</sup> Notably, the Mission Bay street grid illustrated in the Plan and D for D is not exact and may vary. See Notes (Attachment 3, Redevelopment Land Use Map) and D for D (Map 3) (Plan Boundary, Development Block and Street Grid Map). See also Section 3.c.ii.hh, below (The Event Center conforms with the D for D's standards for Street System).

<sup>8</sup> Map 2 (Land Use Plan) of the D for D and Attachment 3 (Redevelopment Land Use Map) of the Plan are identical.

<sup>9</sup> In general, Developable Area refers to the footprint of buildings and Leasable Floor Area refers to building space occupied by and benefiting occupants.

<sup>10</sup> See Square Footage Memorandum.

with buildings at the base height of 90 feet; 7 percent of the area may be developed with buildings at the tower height of 160 feet. With a height of 135 feet and a maximum diagonal plan dimension of 600 feet, the Event Center does not meet D for D standards but nonetheless satisfies the Design Guidelines describing the standards.

The D for D establishes 90 feet as the predominant height of commercial buildings, but also encourages taller buildings to “mark significant areas along Third Street, Sixteenth Street, and the Freeway (e.g. major intersections, transit stops, and gateways), reinforce major destinations and elements within Mission Bay, and preserve, frame and enhance views and view corridors.” (D for D, p. 78.) In addition the D for D objectives call for buildings that “result in a new, attractive view element as seen from nearby vantage points,” the clustering of taller buildings “to establish a distinctive and memorable skyline which reinforces activity and density patterns,” and a “variety in buildings heights, massing, and building articulation . . . to promote visual variety and reduce the scale of development.” (D for D, p. 78.) In particular, building heights should “promote visual interest and modulate the scale of development, especially along the Bayfront. Strong horizontal and vertical elements also serve to modulate the scale of development and create interesting streetscapes for pedestrians.” (D for D, p. 82.) The Event Center conforms with all of these Design Guidelines.

The Event Center building will contribute toward the variety of building heights, massing and building articulation for the site and will provide a new, attractive view element as seen from nearby vantage points. The frontage along Bayfront Park will be open and inviting and will avoid the homogenous and unrelieved facades that are discouraged in the Architectural Details Design Guidelines. Other characteristics of the building design are discussed in the View Corridors (and Building Architecture) section below.

In addition to the open space provided on-site, the Event Center would encourage public engagement with off-site open space in the Plan Area by drawing patrons and visitors to Mission Bay for basketball games and other events, and by creating a view terrace overlooking the proposed Bayfront Park and the Bay beyond, which terrace would be open to the public.

The proposed development pattern remains consistent with the general intent of the D for D that locates the Project’s tallest buildings on the west side of the Property furthest from the Bay and appropriately steps the building height on the site as toward Bayfront Park and the Bay. In addition, the proposed heights, in consideration of surrounding development, including the 8-story UCSF parking structure and 14-story UCSF Hearst Tower, are appropriate and compatible with adjacent development.

In certain limited instances, the OCII Commission will consider approval of amendments to the D for D where needed to achieve the above-described objectives for a unique building, such as the Event

Center.<sup>11</sup> The proposed D for D amendments define the Event Center's height as part of the developable area for base height buildings, amend bulk limitations to allow a diagonal plan dimension of 600 feet for an Event Center and amend tower separation requirements to provide a minimum of 40 feet between a tower and an Event Center. These amendments, however, remain consistent with the Plan and the overall redevelopment objectives and planning and design controls established pursuant to this Plan. By defining the Event Center as a base height building, a more interesting variety of heights can be achieved within the Project site and even within the Event Center building itself, which fronts several raised open spaces or adjacent retail areas of varying elevations and only reads uninterrupted from grade to roof along its 16<sup>th</sup> Street frontage. The Event Center height and bulk as implemented through the Project design contributes to the mixed-use vibrancy of the Mission Bay Community, encourages an active and visually interesting pedestrian environment and building placement and character that will give the area a distinctive identity, all in conformance with the Design Guidelines.

- b. The Event Center generally conforms with the D for D's Setback standards.

Under the D for D, the Commercial/Industrial districts, including Blocks 29 and 31, has the following applicable setback requirements:

- 5' setback on east side from Mission Rock to Mariposa Street.
- 20' setback on north side of 16th Street from Terry Francois to Owens.

The Event Center is generally consistent with the D for D standards for setbacks. While the proposed D for D amendments would permit minor encroachments within this setback in a few places along the north side of 16th Street between Terry Francois Blvd. and Third Street in order to accommodate the curved façade of the event center and master planning of Blocks 29-32, the amendments require that a minimum average of 20' be provided along that frontage, which is generally consistent with this standard. The resulting location and form for the Event Center building benefits the project and neighborhood in several key ways: first, by adding variety and visual interest along 16th Street where the Event Center meets grade closer to the property line; second, by enabling construction of a below-grade loading dock to preserve pleasant streetside visuals and absorb regular noise-generating activities; and third, by maintaining room on the northeast side of the

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<sup>11</sup> OCII will consider other amendments to the D for D that do not relate to this Secondary Use Determination, but rather that relate to principal uses. For example, a proposed D for D amendments reallocates one of the 25 towers authorized under the existing D for D from HZ-2 to HZ-5, but does not increase the D for D authorization for total number of towers within the Plan Area. This reallocation does exceed the maximum development standards for leasable square footage. See Memorandum, S. Oerth, Deputy Director, to T.Bohee, Executive Director, re: "Applicability of Certain Redevelopment Plan Land Use Provisions to the Event Center Project." (Oct. 27, 2015).

property for a generously sized Food Hall to serve the neighborhood's shopping and entertainment needs. The curvature of the Event Center form, which necessitates the minor encroachment into the 16th Street setback, also allows a net increase in the amount of open space for pedestrian circulation and queuing along the 16th Street property line as the curve pulls further from the street.

The Event Center generally conforms with the D for D's Lot Coverage and Streetwall standards.

- c. Under the D for D, the Commercial/Industrial districts has no maximum lot coverage requirement, but is subject to the following applicable streetwall requirements:

- Minimum length: 70% of block length frontage required for streetwalls along primary streets (including 3rd and 16th).
- Minimum height: 15 feet
- Maximum height: Not to exceed 90' except for mid-rise and towers
- Corner Zone conditions: At all intersections along primary streets (including the intersection of 3rd and 16th), buildings must be built to streetwall at all corners for a distance of 50'. Corner entries are exempted. The height of buildings at corner may be no less than 15 feet.
- Projections: Architectural projections over a street, alley, park, or plaza shall provide a minimum of 8 feet of vertical clearance from the sidewalk or other surface above which it is situated.

The diverse urban character achieved in the Plan Area as a result of the D for D setback and streetwall requirements would be maintained by the Event Center, which meets grade in a strong architectural statement along one portion of 16th Street and steps down to the more pedestrian-friendly scale of the bike valet entry along another portion of the same frontage. The pedestrian pathway entry and retail terrace located at the intersection of 16th Street and Illinois Street support the sense of mixed scale and activities, assisted by the activation of the property line through the Food Hall located in the northeast portion of the site and dynamic, pedestrian oriented open spaces and passageways surrounding, and leading from the public street to, the Event Center. The Event Center would meet the Street Frontage Commercial Industrial Design Guidelines by encouraging variety within the streetwall and visual relief for Bayfront Park along Terry Francois Boulevard, and create variations from the streetwall to create open space, pedestrian circulation space and landscaping areas.

- d. The Event Center generally conforms with the D for D's Open Space standards.

The Design Guidelines encourage the development of publicly-accessible open spaces at ground level and pedestrian walkways within commercial development. The Design Guidelines also encourage walkways to mid-block open spaces or courtyards and, where feasible, walkways designed in relation to local serving retail such as cafes and to the public open space network. (D for D, p. 75.) The Event Center conforms to these Design Guidelines.

The Project will include approximately 3.2 acres of publicly accessible open space areas that will be comprised of two primary plazas (one along Third Street and one at the southeast corner of the site) and additional paved and/or landscaped areas. The one-acre Main Plaza is raised eight feet above the Third Street sidewalk (sloping imperceptibly up to the Event Center Main Entrance). The Main Plaza has been designed with flexibility in mind to accommodate the range of programming, and as a result, the design includes large-scale moveable occupiable planters that can be rearranged. The center oval shaped lawn area is designed to be similarly flexible and the center lawn can be replaced with wood, ice, and other surfaces to accommodate various types of events.

The smaller 25,000-square foot Southeast Plaza at the corner of Terry A. Francois Boulevard and 16th Street leads into the secondary entrance to the Event Center. A 300-space bicycle valet facility is located on this plaza, and an additional overflow, temporary bicycle corral could be located in this plaza for larger events.

In addition to the plazas, there are private green roofs on top of the two office buildings and public walkways that wrap around the exterior of the north and eastern-sides of the Event Center to connect the Main Plaza to the Food Hall, bayfront overlook, main concourse entry, Bayfront Terrace exterior entry, and 16th Street.

The open spaces will also serve to move people to and from the Event Center events in an organized manner, allowing for adequate staging areas to avoid spilling of pedestrians onto the surrounding streets. Pedestrians and patrons may walk from one Event Center entry to another via the pedestrian path that curves along the Event Center's northern side, bringing patrons past retail and potential art or lighting installations as they rise from an elevation of approximately 10 feet to 26 feet above grade along a gentle slope. Additional access around the building includes a walk along the 16th Street sidewalk and landscaped setback area, and passage through the walkway connecting 16th Street midblock with the Main Plaza along Third Street. Both the walkway and the pedestrian path terminate at the Main Plaza to the northwest, and the Southeast Plaza to the southeast, thereby creating a continuous network of programmed or passive public spaces.

- e. The Event Center generally conforms to the D for D's standards for Sunlight Access to Open Space.

Additional shadow analysis pursuant to the D for D is not required unless, as a part of the specific project application, the applicant seeks a

variance from the D for D's Design Standards establishing the shape and location of buildings. A project for which an exception is sought may not create additional areas of public open space, including Bayfront Park, which is adjacent to the Blocks 29-32, in continuous shadow for periods of one hour, using the methodology described in the D for D.

Sunlight access and shadow analysis of the Project was prepared for, and discussed in, Appendix WS of the GSW DSEIR. The GSW FSEIR concluded that if the Project were completed, the area of Bayfront Park that would be in continuous shadow for a period of one hour from March to September between 10am and 4pm would be "well under 20 percent," the threshold established by the D for D. The GSW FSEIR concluded that the entire Project, including the Event Center building itself, would be in conformance with the sunlight and shadow requirements of the D for D.

- f. The Event Center generally conforms with the D for D's standards for Wind Analysis.

The D for D requires wind review for all projects that include buildings over 100 feet in height. Wind tunnel testing may also be required for these buildings unless a qualified wind consultant, with concurrence by OCII, determines that the exposure, massing, and orientation of the building are such that adverse wind impacts will not occur. Wind analysis is conducted to assess wind conditions for projects in conjunction with the anticipated pattern of development on surrounding blocks.

The Buildings would exceed 100' in height, and therefore wind tunnel testing and wind analysis would be required under the D for D. Two wind analyses were performed for the entire Project in connection with, and discussed in, the DSEIR (the "DSEIR Wind Analysis") and the Responses to Comments to the DSEIR (the "RTC Wind Analysis"). The RTC Wind Analysis considered the Project as developed with the proposed mitigation measures, including design measures to reduce or avoid wind impacts, incorporated into the FSEIR. The RTC Wind Analysis also found that the number of off-site study points at which wind speed would exceed the wind hazard criterion would be reduced. The DSEIR Wind Analysis also found that the Project would result in a reduction of so-called "wind comfort" criteria, including the average of wind speeds exceeded 10 percent of the time, the average percentage of time the wind speed would exceed the pedestrian comfort criterion, and the number of exceedances of the pedestrian comfort criterion at off-site public areas.

The GSW FSEIR concluded that the design modifications to the Project would reduce wind impacts to less than significant, as verified by wind tunnel testing. The Event Center fully conforms with the D for D Standards for wind.

- g. The Event Center generally conforms with the D for D's standards for View Corridors (and Building Architecture).

The D for D Design Guidelines generally provide that no building or portion thereof may block a view corridor (which follow street alignments and are defined by Map 3 of the D for D), but allow for view corridors, in a few locations, to terminate in buildings where the “termination points are important architectural opportunities and . . . designed in a [manner] that reflects their importance.” (D for D, p. 74.) The Event Center represents an “important architectural opportunity” that conforms to this Design Guideline.

The view corridors established by the Mission Bay street grid (Campus Lane to the west, Bridgeview Way to the north) would terminate at the Event Center. These view corridors will provide the public with a visual termination point of the Event Center that will be an iconic and architecturally significant public landmark. As a terminus of the view corridor, the Event Center would provide a dramatic and visually interesting focal point and furthers many of the Commercial Industrial Guidelines regarding Architectural Detail.

The Event Center would be a unique circular shape that stands apart from the traditional building forms in the Plan Area. Further, the Event Center would maximize visual contrast within the building form by utilizing at least four primary building materials (glass, metal, wood, concrete) on the facade and locating entrances and visual points of interest and landscaping at varied intervals around the Event Center exterior. A dramatic proscenium archway at the southeast corner entry, an activated pedestrian pathway adjacent to the Food Hall proposed as part of the larger mixed-use development, and small retail kiosks and seating terraces below the cantilevered Bayfront Terrace would provide additional visual variety to the drum shaped curves that characterize the Event Center. Finally, the Event Center would incorporate multi-layered open space of varied elevations (including street level, plaza level and grand connecting stairways), an iconic public forecourt and activated pedestrian walkways that are visually interesting and achieve on-site circulation and porosity, all as required by the amended Commercial Industrial Guidelines.

As an architecturally significant building with an array of inviting open spaces, the Event Center will serve to draw visitors and residents toward the site and would honor the spirit of the Mission Bay street grid system by providing opportunities to view the Bay that are unparalleled in the Plan Area, including the elevated view terrace located on the cantilevered Bayfront Terrace and overlooking the Bayfront Park and the Bay beyond. Further, the Event Center would draw many more members of the public to the Plan Area, allowing a greater number of people to experience and enjoy the Bay, the shoreline parks and the Mission Bay open space, contributing to an ultimate objective of the Mission Bay view corridors system.

- h. The Event Center generally conforms with the D for D’s standards for Street System.



Both the Plan (Attachment 3, Redevelopment Land Use Map) and the D for D (Map 3, Plan Boundary, Development Block and Street Grid Map) illustrate the Mission Bay South street grid system, but both documents provide flexibility regarding specific street alignments. The Plan states that “[s]treet alignments . . . are not exact and are indicated for illustrative purposes.” (Plan, Attachment 3, p. 41.) The D for D states: “Specific roadway locations and alignments may vary.” Significantly, the D for D Design Guidelines encourage the development of publicly-accessible open space and walkways to enhance the pedestrian experience in the Commercial Industrial area. (D for D, p. 75.)

To accommodate the Event Center building within the varas located on Blocks 29-32, proposed D for D Amendments permit the reconfiguration of the on-site vara so long as the overall site design provides roughly equivalent privately-owned, publically accessible pedestrian access and open space.

The Event Center will reconfigure the on-site varas that are illustrated in the Plan and D for D to provide roughly equivalent privately-owned but publically accessible pedestrian access and open space. The Project will provide approximately 139,000 gross square footage of open space on-site, compared to the approximately 102,000 gross square footage that would have been occupied by the vara streets. With this reconfiguration and the resulting increase in the amount of on-site open space and pedestrian access, the Event Center generally conforms to the intent of the existing D for D.

iii. The Event Center generally conforms with the D for D’s Parking standards.

The D for D parking standards provide a maximum/minimum of 1 space per 1,000 square feet for commercial industrial use. The proposed Project will meet all applicable parking requirements under the existing D for D except that the Event Center will provide 1 space for each 50 seats, or 360 parking spaces (approximately 1 space per 1,500 square feet).<sup>12</sup> In addition, a proposed amendment to the D for D establishes that offsite parking facilities may be used to satisfy some portion of the parking requirements for the Project, provided that the entrances to the offsite parking facilities are located within 300 feet of the Project entrance. Because the Event Center will be used most frequently for nighttime use, the proposed D for D amendments also

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<sup>12</sup> The other D for D parking requirements with which the Project complies include: parking for retail uses must be screened from view of pedestrians; the ratio of compact spaces to standard size spaces is 50%; minimum size requirements for parking spaces are 127.5 square feet for compact and 160 square feet for standard size cars; retail uses have a maximum of one space for each 500 square feet of gross floor area up to 20,000 square feet; and restaurant uses (exceeding 5000 square feet of occupied floor area) have a maximum of one space for each 200 square feet of gross floor area; and one secure bicycle parking space must be provided for every 20 vehicular parking spaces.

allow on-site parking to be shared among on-site uses (for example, without limitation, parking spaces provided for daytime office use may be used by the Event Center on nights and weekends). Together with the implementation of the Transportation Management Plan that is proposed as part of the project operations to reduce use of single-occupant vehicles accessing the site, the proposed parking ratio for the Event Center at 1 space per 50 seats is appropriate and generally conforms with the intent of the existing D for D and fully complies with the D for D as amended.

iv. The Event Center generally conforms with the D for D's Loading standards.

- The D for D permits multi-parcel developments to aggregate the number of loading spaces, does not set a maximum number of loading spaces, and includes the following off-street loading space requirements:
- Commercial uses with a gross floor area above 500,000 square feet have three spaces, plus one for each additional 400,000 square feet.
- Retail uses with a gross floor area over 100,000 square feet have three spaces, plus one for each additional 80,000 square feet.
- Service and loading docks must be screened from streets and adjacent uses. Loading spaces may be aggregated for multi-parcel developments. The dimensions of loading spaces must be at least 10' wide by 35' long by 14' high, and loading areas and all refuse storage and dumpsters must be enclosed within structures and out of view from pedestrian areas.
- The Event Center's seven loading spaces conform with the D for D.

v. The Event Center generally conforms with the D for D's Signage standards.

The D for D provides that OCII may require submission of a uniform signage program that it will consider as part of the design review process. OCII will require the Event Center developer to submit a comprehensive signage program for (1) Event Center signage; (2) signage for the retail and restaurant frontages facing the publicly accessible private open spaces (consisting of the Plaza, Pedestrian Path, 16th Street ramp and the Bayfront Overlook); and (3) wayfinding signage plans for pedestrians and for vehicular movement within the parking garage and the periphery of the proposed development on Blocks 29 through 32. OCII will review the signage program as part of the ongoing design review process that will include review and approval of Design Development documents and final construction drawings. This process for review of signage generally conforms with the D for D. The proposed D for D amendments will allow OCII, in its discretion, to consider flashing signs, moving signs, roof signs, and business signs above ½ of the base height of the building.

**(4) The Project, including the Event Center, will make a positive contribution to the character of the Plan Area because, at the size and intensity contemplated and at the proposed location, will provide a development that is both necessary and desirable for, and compatible with, the neighborhood or the community.**

a. The Event Center will make a positive contribution to the character of the Plan Area.

The Director hereby finds that development of the Event Center on the Property, as a secondary use, will make a positive contribution to the character of the Plan Area. The Event Center will be

a lively and vibrant use of a currently vacant, in-fill site, building upon and greatly enhancing the urban character of and diversity of uses in the burgeoning Mission Bay neighborhood. The Event Center would constitute a unique amenity in the Mission Bay neighborhood as the City's first ever multi-purpose indoor event center, attracting a rich diversity of live events including sporting events, concerts, family shows, cultural events, conferences and conventions. Furthermore, through the creation of a substantial public plaza and the maintenance of sweeping view corridors, the Event Center would enhance the existing open space system within Mission Bay.

- b. The size of the Event Center is appropriate for the Property and Mission Bay.

As discussed above, where the Plan intended to limit the size of an authorized use, the Plan does so. (See, e.g., Plan, p. 9 [authorizing "Small social service" facilities in the Mission Bay South Residential land use district].) The Plan does not limit the size of any of the uses included in the Project. The Property is located in the Commercial Industrial / Retail land use district, which is one of the Plan's most diverse and intense land use districts. The Director finds that the location of the Property on the east side of 3<sup>rd</sup> Street creates a natural buffer between the Project and the majority of the Plan Area's residential uses, which makes it an ideal location within the Plan Area for a project of this size. Finally, the Project is consistent with the overall development size limitations within the Plan Area. (See Square Footage Memorandum.) For these reasons, the Director finds that the Project is consistent with development square footage limitations set forth in the Plan and that the size of the Project is appropriate for the Property.

- c. The intensity of the Event Center use is appropriate for Property and Mission Bay.

The Director hereby finds that the intensity of the Event Center is appropriate for the Property and the Mission Bay. Current uses within the Plan Area are heavily focused on employment-generating uses that generally operate during normal business hours. As a result, the Plan Area is highly active during business hours but due to the limited amount of existing housing in the Plan Area and limited existing retail, cultural, and entertainment amenities, the intensity of uses within the Plan Area outside of normal business hours is minimal. With a majority of events anticipated to be held during evening and weekend hours, the Event Center would contribute vitality to Mission Bay's street life and activate its pedestrian realms particularly during nighttime hours. Therefore, the Project would bring an intensity of nighttime uses to the Plan Area that is commensurate with the existing intensity during business hours and, as such, makes the Plan Area a more desirable area in which to live and work.

- d. The Event Center is both necessary and desirable to achieve the Plan's goals and objectives for the Mission Bay community and the neighborhood surrounding the Property.

The Director hereby finds that the development of the Event Center on the Property, as a secondary use, is necessary and desirable for the neighborhood and the community. The Director finds the Event Center is necessary in that it will provide significant economic benefits to the Plan Area. By creating thousands of construction and permanent jobs that will pay prevailing and living wages, the Event Center will provide significant economic opportunities to the residents of Mission Bay and the greater San Francisco community. The Project facilitates the buildout of the Plan Area as a diverse and economically prosperous mixed-use area consistent with the objectives of the Plan. Additionally, the Director finds the Event Center is desirable because it will provide a venue for events (many of which must be held outside the City limits currently due to the absence of a suitable site) and expands entertainment and leisure opportunities for the residents of both Mission Bay and the City as a whole. As a destination for both residents and visitors, the Event Center would also draw patrons to the existing and future retail establishments and open space amenities in Mission Bay.

- e. The Event Center is compatible with the Mission Bay community and the neighborhood surrounding the Property.

The Director also finds that development of the Event Center on the Property is compatible with the neighborhood and the community. The Property is an urban in-fill site in the Plan's diverse and intense Commercial Industrial / Retail land use district. Mission Bay is, by design, home to a wide variety of uses, making it an accommodating location for an Event Center. Among the wide variety of existing and currently proposed uses that are permitted in the immediate area are public open space to the east, office space and parking to the north, office and parking to the west, hospital to the southwest and office (including medical and scientific offices) to the south. Nearly all of the surrounding uses are day-time oriented, whereas the Event Center would be used for events most often during the evening hours. The Event Center would help to activate the site and the greater Plan Area during currently under-utilized times of day, complementing the existing uses in the area.

Most events at the Event Center would be held during nighttime and evening hours, when other uses in the vicinity of the Property are less intensive, including the adjacent commercial uses, medical offices, and the UCSF Medical Center. Use of the Event Center would not preclude operation of the adjacent uses. Mission Bay is also well served by public transportation, including access to Caltrans, Muni, and several bus lines.

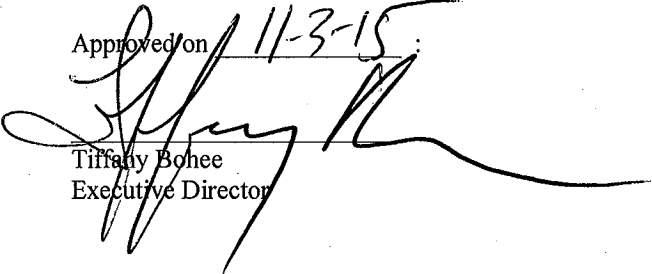
A number of commenters have expressed concern that the Event Center is not compatible with the UCSF Medical Center. The UCSF Medical Center was approved as a secondary use under the "other uses" category of secondary uses because the Director determined it constituted a "public structure" (as a hospital operated by the University of California) and a "non-industrial use" (as a hospital that does not include manufacturing, warehousing, or distribution of goods). As discussed above, Plan objectives include "[c]reat[ing] a vibrant urban community in Mission Bay South which incorporates a variety of uses including medical research, office, business services, retail, entertainment, hotel, light industrial, education, utility, housing, recreation and open space, and community facilities." (Plan, p. 3 [Land Use Objective 1].) Consistent with this objective, the Director believe the Plan's use compatibility criteria must be interpreted in a manner that promotes the development of a variety of uses within the Plan Area. OCII understands that views differ on issues of compatibility. However, if a more narrow interpretation of compatibility was endorsed by OCII, then the goals to create a diverse mixed-use community would be hindered. The Director believes a narrow interpretation of compatibility is particularly inappropriate where the question before OCII is whether one secondary use (UCSF Medical Center) is inconsistent with another secondary use (the Event Center).

Finally, the Director finds that the FSEIR demonstrates the UCSF Medical Center and Event Center can operate successfully and safely together. The FSEIR includes a number of measures to ensure compatibility with the neighborhood and community. These measures include the adoption of a Transportation Management Plan, a copy of which is incorporated herein by reference, and adoption of site management practices, as further described in Section 3.6.2 of the FSEIR. These practices are designed to minimize effects from the Event Center and associated event patrons on surrounding land uses, including noise impacts. Furthermore, on October 7, 2015, a memorandum of understanding was entered between GSW and UCSF relating to the Project. In consideration of various commitments made by GSW to address certain traffic concerns, UCSF agreed to "actively and publicly support... the entitlement and construction of the Project." (See October 7, 2015 MOU between GSW and UCSF, pp. 2-3.) For all of these reasons, the Director finds that the Event Center is compatible with the UCSF Medical Center as well as other existing residences and businesses in the Plan area.

**APPROVAL**

For the reasons set forth above, the Executive Director determines that the Event Center is a permitted secondary use under Section 302 and 302.4 of the Plan. In making this Secondary Use Determination, the Executive Director: 1) has considered Commission Resolution No. 70-2015, making certain CEQA findings and adopting a statement of overriding considerations, mitigation measures and a mitigation monitoring and reporting program, which resolution is incorporated herein by this reference; 2) finds and determines that the Secondary Use Determination is within the scope of the Project analyzed in the FSEIR; and 3) conditions this Secondary Use Determination on (a) compliance with conditions adopted in the OCII resolution approving the major phase and basic concept/ schematic design applications for the GSW Event Center and Project; and (b) compliance with the Mitigation Monitoring and Reporting Program, including Improvement Measurements, adopted in connection with the Final Subsequent EIR, a copy of which is attached hereto as Exhibit A.

Approved on 11-3-15

  
Tiffany Boone  
Executive Director