

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY

DIVISION: Sustainable Streets

BRIEF DESCRIPTION:

Consenting to the proposed Development Agreement between the City and County of San Francisco (City), the Port of San Francisco (Port), and the Master Developer, Seawall Lot 337 Associates, LLC (Developer), for the mixed-use development of the 28-acre site located at Seawall Lot 337 and Pier 48 (the Mission Rock Project or Project), as it relates to matters under the SFMTA's jurisdiction, including the Transportation Exhibit B7 to the Disposition and Development Agreement and the transportation-related mitigation and improvement measures, authorizing the Director of Transportation to execute the SFMTA Consent to the Development Agreement, authorizing the Director of Transportation to execute the SFMTA Consent to the Interagency Cooperation Agreement, and adopting findings under the California Environmental Quality Act (CEQA).



SUMMARY:

- The Port of San Francisco and Seawall Lot 337 Associates propose a mixed use development for a 28-acre site at Seawall Lot 337 and Pier 48 (Mission Rock, or Project) that would create residential and commercial uses, street and shoreline improvements and public open space.
- The City has negotiated a Disposition and Development Agreement and Development Agreement (Agreements) that include a Transportation Sustainability Fee, with a commitment from the SFMTA for the value of the funds to be expended in the Project area.
- The Agreements also include a Transportation Demand Management Plan with a goal of reducing daily driving trips by 20 percent compared to estimated driving trips.
- A Master Infrastructure Plan outlines the proposed horizontal infrastructure, including a new street grid, and an Interagency Cooperation Agreement defines the roles and responsibilities of the Developer and key city agencies in implementing the Master Infrastructure Plan.

ENCLOSURES:

1. SFMTAB Resolution
2. Seawall Lot 337 and Pier 48 Mixed-Use Project Final Environmental Impact Report: <http://sf-planning.org/environmental-impact-reports-negative-declarations>
3. Seawall Lot 337 and Pier 48 Mixed-Use Project Disposition and Development Agreement, Exhibit B7 (Transportation Exhibit, including TDM Plan and Transportation Plan, and DDA Section 2.5 b, c)
4. Seawall Lot 337 and Pier 48 Mixed-Use Project CEQA Findings, including a Mitigation and Monitoring and Reporting Plan: <http://commissions.sfplanning.org/cpcpackets/2013.0208E.pdf>
5. Seawall Lot 337 and Pier 48 Mixed-Use Project Development Agreement: <https://sfpuc.sharefile.com/share/view/sb264b38dde144308>
6. Seawall Lot 337 and Pier 48 Mixed-Use Project Interagency Cooperation Agreement: <https://sfpuc.sharefile.com/share/view/s4319e8772d74cf7b>

APPROVALS:

	DATE
DIRECTOR 	1/25/2018
SECRETARY 	1/25/2018

ASSIGNED SFMTAB CALENDAR DATE: February 6, 2018

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PURPOSE

This calendar item seeks SFMTA Board consent to the proposed Development Agreement between the City and County of San Francisco (City), the Port of San Francisco (Port), and the Master Developer, Seawall Lot 337 Associates, LLC (Developer), for the mixed-use development of the 28-acre site located at Seawall Lot 337 and Pier 48 (the Mission Rock Project or Project), as it relates to matters under the SFMTA’s jurisdiction, including the Transportation Exhibit B7 to the Disposition and Development Agreement and the transportation-related mitigation and improvement measures, authorizing the Director of Transportation to execute the SFMTA Consent to the Development Agreement, authorizing the Director of Transportation to execute the SFMTA Consent to the Interagency Cooperation Agreement, and adopting findings under the California Environmental Quality Act (CEQA) , California Public Resources Code Sections 21000 et seq.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This proposed Development Agreement supports the following goals and objectives in the SFMTA’s Strategic Plan and Transit First Policy Principles:

- Goal 2: Make transit, walking, cycling, taxi, ridesharing and car sharing the preferred means of travel
Objective 2.3 – Increase use of all non-private auto modes.

Transit First Policy Principles

2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
3. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.
5. Pedestrian areas shall be enhanced wherever possible to improve the safety and comfort of pedestrians and to encourage travel by foot.
8. New transportation investment should be allocated to meet the demand for public transit generated by new public and private commercial and residential developments.

DESCRIPTION

The Mission Rock Project includes the following development on the Project site:

- 972,000 to 1.4 million gross square feet of new commercial/office space
- 1,000-1,600 new housing units (40% of these will be designated as below market rate)
- 241,000 to 244,800 gross square feet of active ground floor uses (retail and production uses)
- Eight acres of new or improved public open space

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- Rehabilitation of Pier 48
- Up to approximately 1.1 million gross square feet of above- and below-ground parking (about 3100 parking spaces)

The Project will provide new infrastructure including a street grid that includes two new right-of-ways running north-south (one a traditional street and the other a pedestrian-priority shared public way) and two new right-of-ways running east-west. The Mission Rock Project will design streets to Better Streets standards and would feature robust dedicated bicycle facilities assuring the continuity of the Bay Trail through the site. The Project does not include on-street parking; all curb uses will be prioritized for loading and other non-parking uses. The Project is subject to aggregate site-wide off-street parking ratios of 0.5 parking spaces per residential unit, 0.4 spaces per 1000 gross square feet of non-residential uses, and an additional 1800 spaces of non-dedicated parking. The Project unbundles parking from both residential and non-residential uses. Up to 3000 of the 3100 parking spaces will be in structured garages.

The site is bound by Third Street to the west, Mission Creek to the north, San Francisco Bay and Piers 48 and 50 to the east, and Mission Rock Street to the south (Project site). The Project site is owned by the City through the Port.

The existing Seawall Lot 337 site consists primarily of a paved surface parking lot capable of holding approximately 2,200 cars, and currently has no permanent structures. Pier 48, with sheds totaling approximately 181,000 gross square feet, is primarily used for indoor parking and storage/warehousing uses. The project site is currently zoned for heavy industrial uses.

The California Development Agreement Statute and local implementing law (California Government Code section 65864 *et seq.*, San Francisco Administrative Code Chapter 56) authorize the City to enter into a development agreement regarding the development of real property.

The City and the Port have negotiated a Development Agreement (DA) and a Disposition and Development Agreement (DDA) (collectively, the Agreements) with the Developer for the Mission Rock Project.

The project proposes Planning Code and Zoning Map amendments that would create a Mission Rock Mixed-Use Zoning District. These changes would allow for creation of housing, office, retail, and open space uses.

Project approvals also include City adoption of the Design for Development document, which provides specific guidance for the character of the overall project, and the Development Agreement for the 28-acre site, which articulates the specific public benefits the Developer will provide.

Public Benefits:

The Office of Economic and Workforce Development, the Port, other City agencies including the SFMTA, and the Developer have negotiated a public benefit package including:

- **Creation or improvement of approximately eight acres of public open space**, including expansion of

China Basin Park, creation of Mission Rock Square, creation of Channel Wharf, improvement of the Pier 48 aprons, and other pedestrian pathways and spaces throughout the site.

- **Rehabilitation of Pier 48:** The Project includes renovation and rehabilitation of Pier 48, including public access and maritime use of the Pier 48 aprons.
- **On-Site Affordable Housing:** Overall, at least 40% of the residential units developed on-site will be inclusionary units affordable to low and moderate income households.
- **Jobs & Workforce Development Program:** The Project will implement a workforce commitment program to encourage local business participation, including a local hire participation level of 30% per trade. Vertical developers will contribute \$1,000,000 to OEWD in 11 parcel-by-parcel installments. Half of the funds will support community-based organizations that provide barrier removal services and job readiness training for individuals within at-risk populations, and half will support city programs that provide job training for local residents.
- **Transportation:** The Project would construct new transportation infrastructure on site and would contribute toward other transportation infrastructure critical to serving Mission Rock through payment of a Transportation Fee, estimated at about \$43 million. The Project includes a Transportation Demand Management program with a goal to reduce single occupancy vehicle trips by 20% from baseline metrics.
- **Sustainability and Sea Level Rise Protection:** The Project would implement sustainability measures and provide funding sources needed to protect the Mission Rock shoreline and site from sea level rise. Most of the Project site's grade will be raised to protect buildings and utilities against 66 inches of sea level rise (projected 2100).
- **Maintenance of Public Spaces and other Areas:** A services Community Facilities District will be established to provide private financing by the project for the cost of long-term management and maintenance of public spaces and certain portions of public right-of-ways with improvements that exceed basic city standards.
- **Community Facilities.** If requested, the Project will make available to the City up to 15,000 gross square feet of community space, which may be distributed in two or more buildings.

Under the terms of the Development Agreement, consent by the SFMTA Board is required for the: (1) the Transportation Exhibit to the DDA (including the Transportation Plan, Transportation Fee and Transportation Demand Management Plan),(2) the transportation-related CEQA mitigation measures from the Environmental Impact Report, including the Mitigation Monitoring and Reporting Program (MMRP), and transportation-related improvement measures and (3) the transportation related components of an Interagency Cooperation Agreement related to implementation of the Master Infrastructure Plan.

Transportation Exhibit

The Transportation Exhibit, attached as Exhibit B7 to the Disposition and Development Agreement, outlines the Project's transportation commitments in seven areas: (1) Transportation Plan, (2) transportation demand management, (3) transportation fees, (4) garage consultation, (5) event management, (6) event storage space, (7) staffing for implementation.

Transportation Plan

The Developer is committed to a robust set of infrastructure investments and ongoing programs that will make

it easy to choose modes like walking, biking, and taking transit. The Mission Rock Transportation Plan outlines the transportation approach to the site design and operational development. It describes plans for the design of the site's internal streets, describing how bikes, pedestrians, and vehicles will circulate through the site and connect to its surroundings, and describes the planned TDM program. With AT&T Park just steps away from the site, event-related travel will have an important impact on circulation patterns; the Transportation Plan includes event management principles and components of event management plans that will be employed to manage circulation during event times to help reduce impacts on residents and employees, both on the site and in the surrounding neighborhood. The Developer and the City will use the Transportation Plan as a foundation for future transportation decisions for the Project site.

Transportation Demand Management (TDM)

The CEQA Mitigation Monitoring and Reporting Program requires a TDM Plan for the site that achieves an auto trip reduction target and produces 20% fewer driving trips than identified by the project's Transportation Impact Study, based on standard trip generation rates and mode split assumptions, at project completion. The TDM Plan is attached to the DDA's Transportation Exhibit B7. It includes measures that will be applied across the site, to benefit residents, employees, and visitors such as real-time transit information, on-site bikeshare, bicycle parking beyond code requirements, on-site scooter share and car share, parking pricing, wayfinding signage, and sitewide transportation staff. Additional measures specifically serve site residents and employees, such as bike community programming, a bicycle resource center (fix-it station), unbundled parking, delivery coordination and in-building concierge services to support delivery receipt, and on-site childcare services/facilities. Measures specifically serving residents include project-subsidized scooter share, bike share, and car share memberships, and project subsidized transit subsidies. Measures that specifically serve site office and retail employees include showers and lockers to support people who walk or bicycle to work and secure bicycle parking.

The TDM Plan commits to on-going monitoring and reporting of the site's success in meeting its auto trip reduction target. If the Project does not reach the 20% reduction target, the Project will work with the SFMTA and the Planning Department to revise the TDM program to achieve the target. Persistent failure to comply may result in the City imposing additional measures for the Project to implement.

The site will have a Transportation Coordinator that will manage and deliver the TDM program and associated compliance requirements.

Transportation Fee

Absent the Agreements, under the TSF Ordinance adopted in 2015, the Project would not be subject to the full TSF due to the timing of the Project's initial applications. However, the negotiated terms of the Agreements include the imposition of a Transportation Fee that is equivalent to the full TSF rate for all site development, with the exception of 100% affordable housing buildings, which would be exempted under the TSF Ordinance. Under the TSF ordinance, fees will be paid upon City issuance of first construction documents for specific phases or buildings. These fees will amount to approximately \$45 million by project completion.

To take advantage of the proximity and similar negotiation timelines of the Mission Rock and Pier 70 projects, the SFMTA created a consolidated set of proposed investments to which the two projects' transportation fees could be directed. This coordinated approach leverages the two sets of fees to support access and mobility in

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this portion of the Southern Bayfront. The following investment principles were considered in developing a list of priority projects:

- Transportation needs in Southern Bayfront area
- Overlap with articulated priorities from neighborhood groups
- Funding need/gap
- Reasonable alignment between timing of project funding and future fee availability

Identified capital investments are outlined in the Transportation Exhibit. The investments would support expanded reliability and frequency, and reduce delay on the T-Third line and support operations on nearby bus lines, and support the expansion of the Muni Metro East facility. Investments will also be made to close key gaps in the area walking and bicycling network. The funds will provide a contribution to the expansion of water transportation in the area. While these investments benefit the area around the projects, they also accrue important benefits for the greater transportation system and transportation system users.

Because the Transportation Fee is received over the course of project construction, which may be up to ten years, the Transportation Plan provides the ability for the SFMTA to pursue other funding to complete these projects and be repaid by the projects' Transportation Fees.

Garage Consultation

The Project's entitlements include up to 3000 parking spaces that could be provided in either a single garage or in two separate structured parking garages. Another 100 parking spaces would be provided within buildings. In either the two-garage or one-garage scenario, the majority of the structured parking would be located in a parking facility at the southwest corner of the site, on Third Street and Mission Rock Street. In addition to providing parking for site residents, workers, and visitors, the project intends to provide parking for patrons of AT&T Park.

The Garage Report section of the DDA calls on the project sponsor to develop a Garage Report that presents information and data related to the proposal in advance of submitting any phase application with a garage. This Report will address: the status of project build-out; implementation of TDM for phases already constructed; analysis of proposed garage capacity, design, financial feasibility, proposed operations and rate structure; TDM efforts in place at AT&T Park; and, an evaluation of the potential for a portion of the Ballpark parking demand to be met through offsite options. After providing a Garage Report to the City, the Developer, SFMTA, the Port, and the Planning Department will discuss the proposed development and operations of the garage. The City will have the opportunity to make recommendations related to possible refinements, and the Developer will consider these in good faith and provide a response as part of the Phase Application for the Phase that includes the garage, as outlined in the Garage Recommendations section of the DDA. These sections are attached.

The City negotiated this provision to provide flexibility due to the a combination of the changing trends in auto ownership, the high costs of construction associated with parking facilities, the project's strong commitment to TDM, new TDM plans for AT&T Park, and the demonstrated relationship between provision of parking and driving.

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Event Management

The Project plans a range of events at Mission Rock- from farmers markets and movie nights at China Basin Park to larger events in advance of ballgames at AT&T Park. Additionally, the Mission Rock garage will serve as a primary parking facility for AT&T Park patrons. The Project will develop an Event Management Plan that covers the range of events and the various tactics that will be employed to manage pedestrian activity, vehicle flows, and bicycle parking to ensure safe access and minimize impacts on the transportation system.

The SFMTA currently deploys parking control officers (PCOs) to manage access associated with events at AT&T Park. The Transportation Exhibit documents the current level of PCO resources deployed in the bounds of the project site and outlines the agreement for the Developer to pay for (or cause to be paid for by event sponsors) enforcement resources required as a result of the new configuration of the site and events at the site.

Event Storage Space

The Developer will provide a secure storage space for SFMTA enforcement to store event-management equipment. This will replace the storage space currently provided on Lot A.

SFMTA Staffing for Implementation

The SFMTA has a team that focuses on monitoring and compliance with approved Development Agreements to ensure that all parties, including the SFMTA, deliver their commitments as outlined in the Development Agreement and the Interagency Cooperation Agreement. The SFMTA will designate a staff person from this team who will monitor the transportation related components of the Project and serve as a point person for the Developer and the community.

Interagency Coordination Agreement and Master Infrastructure Plan

The Interagency Coordination Agreement (ICA) defines implementation responsibilities for the Master Infrastructure Plan for the project. The Master Infrastructure Plan is an exhibit to the Development Agreement that identifies the infrastructure (horizontal improvements) to the site.

The Infrastructure Plan describes and governs the construction and development of infrastructure to be provided by Developer for the development of the Project on the Project Site, including known associated off-site improvements needed to support the Project. The Infrastructure Plan incorporates design controls for the public streets that the project will create. Key elements include:

- A grid of streets that connect to existing streets beyond Mission Rock
- Street types of different character that prioritize particular modes
- Bicycle network throughout the site
- Pedestrian network throughout the site
- Extension of the Bay Trail multi-use path along the eastern edge of the site, adjacent to the San Francisco Bay
- Bicycle and pedestrian access to the Bay Trail
- Curbs dedicated to passenger and service loading throughout the site

The ICA articulates the process for review and comment on the infrastructure plans as they proceed through more advanced design and engineering phases. The SFMTA is one of the identified reviewers of these plans. By consenting to approve the ICA, the SFMTA Board of Directors is concurring with the Infrastructure Master

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Plan and the role of the SFMTA in reviewing future details of the plan to support implementation.

Transportation-Related Environmental Mitigation Measures

The environmental review of the project requires the project to provide the following transportation and circulation related mitigation measures in response to impacts identified through the CEQA process (collectively, the Transportation Related Mitigation Measures):

- Restrict easternmost driveway access on Long Bridge Street to right-in, right-out access at all times (M-TR-3)
- Increase capacity on the 10 Townsend bus route, including fair share contribution for appropriate capital improvements (M-TR-4.1 and M-C-TR-4)
- Increase capacity on the 30 Stockton bus route, including fair share contribution for appropriate capital improvements (M-TR-4.2)
- Minimize transit delay associated with parking garage and intersection queues through various mechanisms (M-TR-6)
- Install traffic signals and related intersection improvements at unsignalized intersections on Fourth Street at Mission Rock Street and Fourth Street and Long Bridge Street, to be paid for by the Project (M-TR-9)
- Implement physical treatments and provide safety operations during deliveries to ensure safety of bicyclists and pedestrians at interface between Pier 48 driveway and Blue Greenway, to be paid for by the Project (M-TR-10)
- Monitor loading activity and implement additional commercial loading management strategies, as needed (M-TR-11.1)
- Coordinate deliveries and tenant moving activities to minimize deliveries and moving activities during peak periods and to spread out deliveries across the day (M-TR-11.2)
- Transportation Demand Management: Limit auto trips generated to the site to no more than 80% of what was estimated in environmental review analysis; implement transportation demand management program to achieve this commitment.(M-AQ-2.3)

The MMRP articulates specific implementation, monitoring and reporting requirements associated with these measures. The SFMTA generally plays a monitoring role for the Transportation Related Mitigation Measures, and is responsible for implementation of the capital improvements associated with the transit capacity and pedestrian safety mitigation measures (which the Project will fund).

The environmental review process also identified two Transportation-related Improvement Measures. While not required through the MMRP, these improvement measures are recommended as conditions of SFMTA's approval to improve Transportation-related aspects of the Project.

- Traffic control plan for construction, including coordination between project construction activities and nearby City construction projects, compliance with San Francisco's Regulations for Working in San Francisco Streets, restriction of truck movements and deliveries during peak hours to the extent possible, reducing driving trips for construction workers, and providing construction updates to neighboring residents and businesses. (I-TR-1)
- Design for safe interface of vehicles and pedestrians, and for vehicles and cyclists at parking facility driveways. (I-TR-10, I-TR12)

STAKEHOLDER ENGAGEMENT

In 2007, the Port of San Francisco began a community process to develop the Seawall Lot 337 (Mission Rock) Preferred Master Plan, with the goal of transforming an asphalt parking lot into a thriving new neighborhood and central gathering hub for Mission Bay that included a major waterfront park and neighborhood-serving retail. In 2008, the Port Commission endorsed the Seawall Lot 337 Preferred Master Plan.

The Port then issued a Request for Developer Qualifications for Seawall Lot 37 and Pier 48, representing a total of 28-acres. The outcome of this competitive solicitation process was the selection of Seawall Lot 337 Associates as Master Developer; the Port and Developer entered into an Exclusive Negotiating Agreement in 2010. After additional years of community input and design workshops, in 2013, the Port Commission and the Board of Supervisors each unanimously endorsed a term sheet, outlining the proposed land plan and transaction terms for future development of Mission Rock. In November 2015, over 74% of San Francisco voters approved Proposition D, a ballot measure that detailed the land use plan, building heights, and commitments to build 40% affordable housing across a wide range of income levels, eight acres of parks, and the creation of thousands of new jobs in the neighborhood.

The Mission Rock project is a reflection of wide ranging stakeholder participation. Throughout this ten-year process, the Developer and the Port have undertaken extensive engagement and outreach efforts which have allowed community members to share their input, and will continue this process through design, construction, and operation of the new San Francisco neighborhood.

ALTERNATIVES CONSIDERED

The project is a mixed-use development project and not specifically a transportation project, although it includes mitigation measures and public benefits that are transportation-related. Alternatives to the project that were considered and rejected are summarized in the Environmental Impact Report.

FUNDING IMPACT

The 2015 Transportation Sustainability Fee (TSF) legislation granted lower fee rates for projects with development and environmental applications submitted on or before July 21, 2015. Mission Rock is one such project. However, the negotiated agreement includes a commitment to pay a Transportation Fee that is equivalent to the full TSF for all of the development, with the exception of 100% affordable housing buildings. These fees will amount to about \$45 million over the phases of the project; the Transportation Exhibit to the DDA sets the fees at the current (2017) rate, with annual adjustments. Per the TSF ordinance, fees will be paid upon City issuance of construction documents for specific phases or buildings.

Through the ICA, the SFMTA will recover costs associated with staff review and contribution to the implementation of the horizontal infrastructure.

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ENVIRONMENTAL REVIEW

On October 5, 2017, in Motion No. M-20017, the San Francisco Planning Commission certified the Final Environmental Impact Report (FEIR) for the Mission Rock Mixed-Use Project (Case No. 2013.0203 ENV/PCA/MAP/DVA) (Project). On that same date, in Motion No. M-20018 the San Francisco Planning Commission adopted CEQA Findings, a Statement of Overriding Considerations, and an MMRP. As part of the approval of this item, the SFMTA Board of Directors would adopt these CEQA findings as its own, and to the extent the above actions are associated with any mitigation measures, the SFMTA Board of Directors would adopt those measures, and transportation-related Improvement Measures I-TR-1, I-TR-7, and I-TR-10 as conditions of this approval.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The Project has been reviewed by the Planning Commission. It will be reviewed and considered for approvals over the coming several months by various local, regional, State, and Federal agencies with jurisdiction.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors approve the resolution consenting to the proposed Development Agreement between the City, the Port, and the Developer, for the Mission Rock Project, as it relates to matters under the SFMTA's jurisdiction, including the Transportation Exhibit B7 to the Disposition and Development Agreement and the transportation-related mitigation and improvement measures, authorizing the Director of Transportation to execute the SFMTA Consent to the Development Agreement, authorizing the Director of Transportation to execute the SFMTA Consent to the Interagency Cooperation Agreement, and adopting findings under CEQA.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The San Francisco Port Commission, in 2008, endorsed the Seawall Lot 337 Preferred Master Plan following a three-year public engagement process; and,

WHEREAS, Seawall Lot 337 Associates (Developer) was selected as the Master Developer of Seawall Lot 337 and Pier 48 (Mission Rock) through a competitive process in 2010; and,

WHEREAS, California Government Code section 65864 *et seq.* (the Development Agreement Statute) and San Francisco Administrative Code Chapter 56 authorize the City to enter into a development agreement regarding the development of real property; and,

WHEREAS, In 2013, the Port Commission and the Board of Supervisors endorsed a term sheet, outlining the proposed land plan and transaction terms for future development of Mission Rock; and,

WHEREAS, Developer filed an application with the City's Planning Department for approval of a development agreement relating to a mixed-use project on the 28-acre Mission Rock site under San Francisco Administrative Code Chapter 56, and the City and Developer negotiated a Development Agreement; and,

WHEREAS, The proposed project would create up to 1,600 new housing units, 40% of which would be permanently below market rate, 1.4 million gross square feet of new office space, up to 244,800 gross square feet of ground floor retail space, would create or improve eight acres of public open space, and would rehabilitate Pier 48 (the Mission Rock Project or Project); and,

WHEREAS, The Developer has developed and will implement a Transportation Demand Management Plan that results in the Project producing 20% fewer driving trips than identified by the project's Transportation Impact Study and promotes measures that encourage sustainable modes of travel such as transit, bicycling and walking; and,

WHEREAS, Under the terms of the Development Agreement, the Developer shall pay the Transportation Fee, which will contribute to transportation projects that expand connectivity, reliability, and capacity within the area surrounding the project; and,

WHEREAS, On October 5, 2017, the San Francisco Planning Commission, in Motion No. M-20017, certified the Mission Rock Mixed-Use District Project (Case No. 2013.0203 ENV/PCA/MAP/DVA) Final Environmental Impact Report (FEIR); on that same date, in Motion No. M-20018 the San Francisco Planning Commission adopted CEQA Findings, a Statement of Overriding Considerations, and a MMRP (collectively, the Mission Rock CEQA Findings); and,

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WHEREAS, A copy of the Planning Commission Resolution, the CEQA findings, and the CEQA determination are on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference; and,

WHEREAS, Since that time, there have been no Project changes, changes to the circumstances under which the Project will be undertaken, or substantial new information that would trigger the need for a subsequent environmental impact report; and,

WHEREAS, The Mission Rock Project requires horizontal infrastructure development, including the design and creation of new streets; and,

WHEREAS, An Interagency Cooperation Agreement articulates the Project's responsibility to construct and various city agencies' authority, including the SFMTA's, to review and approve the horizontal infrastructure plans; now, therefore be it

RESOLVED, The SFMTA Board of Directors adopts the Mission Rock CEQA findings as its own, and to the extent the above actions are associated with any mitigation measures, including Improvement Measures I-TR-1, I-TR-7, and I-TR10, the SFMTA Board of Directors adopts those measures as conditions of this approval;; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors does hereby consent to the Development Agreement, between the City, the Port, and the Developer, for the Mission Rock Project including the attached Transportation Exhibit to the Disposition and Development Agreement, substantially in the form and terms as outlined in the Development Agreement with respect to the items under the SFMTA's jurisdiction, and authorizes the SFMTA Director of Transportation to execute the SFMTA Consent to the Development Agreement on behalf of this Board; pending approval by the Board of Supervisors and, be it

FURTHER RESOLVED, That subject to approval from the Board of Supervisors, the SFMTA Board of Directors does hereby consent to the Interagency Cooperation Agreement between the Developer, the Port of San Francisco, the SFMTA, the San Francisco Public Utilities Commission and the San Francisco Department of Public Works in substantially in the form and terms as outlined in the agreement with respect to the items under the SFMTA's jurisdiction, and authorizes the SFMTA Director of Transportation to execute the SFMTA Consent to agreement on behalf of this Board; and, be it

FURTHER RESOLVED, That, subject to appropriation of any necessary funds, the Board authorizes the Director of Transportation to take any and all steps (including, but not limited to, the execution and delivery of any and all agreements, notices, consents and other instruments or documents) necessary, in consultation with the City Attorney, in order to consummate and perform its obligations under the Development Agreement and ICA in accordance with this Resolution and legislation by the Board of Supervisors, or otherwise to effectuate the purpose and intent of this Resolution and such legislation; and, be it

FURTHER RESOLVED, That, by consenting to the SFMTA matters in the Development Agreement between the City and the Developer, the SFMTA Board does not intend to in any way limit, waive or delegate the exclusive authority of the SFMTA; and be it

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FURTHER RESOLVED, That the approval under this Resolution shall take effect upon the effective date of the Board of Supervisors legislation approving the Development Agreement.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 6, 2018.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

DDA EXHIBIT B7

TRANSPORTATION EXHIBIT

to

DISPOSITION AND DEVELOPMENT AGREEMENT

(Seawall Lot 337 and Pier 48, or Mission Rock)

DDA EXHIBIT B7

TRANSPORTATION EXHIBIT

I. Transportation Fee.

A. **Payment by Vertical Developers.** Each VDDA will require that the Vertical Developer shall pay to SFMTA a “**Transportation Fee**” that SFMTA will use and allocate in accordance with Section I.B below. The Transportation Fee must meet all requirements of and will be payable on all vertical development on the Mission Rock Project Site in accordance with Planning Code sections 411A.1-411A.8., except as provided in this Exhibit. Under the Development Agreement and this Transportation Program:

- The Transportation Fee will be payable on any development project on the Mission Rock Project site, except Affordable Housing Projects pursuant to Planning Code section 406(b).
- The Transportation Fee will be calculated at 100% of the applicable TSF rate without a discount under Section 411A.3(d). The Project shall be subject to 100% of the applicable TSF rate as if it were a Project submitted under 411A.3(d)(3).
- The Transportation Fee will be equal to the Transportation Sustainability Fee listed on the current San Francisco Citywide Development Impact Fee Register for the same land use category with annual escalation in accordance with the methodology currently provided in Section 409 to the date that the Port issues the first construction permit for each Vertical Improvement. For example, the Transportation Sustainability Fee in 2017 for residential buildings with up to 99 units is \$8.13/gsf, and \$9.18/gsf of residential use in all dwelling units at and above the 100th unit in the building.

B. **Accounting and Use of Transportation Fee by SFMTA.** Section 411A.7 will apply except as follows. The Treasurer will account for all Transportation Fees paid for each development project on the Mission Rock Site (the “**Total Fee Amount**”). SFMTA will use an amount equal to or greater than the Total Fee Amount to pay for uses permitted by the TSF Fund under Planning Code section 411A.7, including SFMTA and other agencies’ costs to design, permit, construct, and install a series of transportation improvements in the area surrounding or serving the Mission Rock SUD Area. SFMTA and other implementing agencies will be responsible for all costs associated with the design, permitting, construction, installation, maintenance, and operation of these improvements above the Total Fee Amount. SFMTA will report to the Planning Director on any use of the Total Fee Amount in any reporting period for the Annual Review under the Development Agreement. Examples of projects that SFMTA may fund with the Total Fee Amount include:

- Water Transit. Construction of a new ferry terminal at 16th Street in Mission Bay and support of other water transit, including a network of water taxi/small water ferry docks along the Central Waterfront.
- T-Third Enhancements. Reliability and capacity enhancements, including flashing "Train Coming" signs, in-ground detectors at to-be-identified intersections, and additional light rail vehicles (LRV) as needed to serve the growing population along the line.
- Existing and future MUNI lines that serve Project neighborhood. Capital improvements, including buses, associated with newly proposed MUNI routes, and re-routing of existing MUNI lines to better serve transit riders in the Dogpatch, Mission Bay, and Potrero Hill neighborhoods. Operation plans for all Muni service is contingent on the SFMTA Board of Directors adoption of an operating budget.
- Muni Metro East. Capital costs associated with an expanded facility for on-site rebuilds, capacity for expanded bus and LRV fleet, and tracks for storage.

- Mission Bay E-W Bike Connector. Implementation of a connection across tracks, likely between 17th Street and Owens Street, to connect the 4th Street bikeway on east side and the 17th Street bikeway on west side.
- Terry A. Francois Boulevard Cycletrack. Implementation of bicycle access on Terry A. Francois Boulevard, including multi-use (peds/bikes) access on the 3rd Street Bridge and associated signal modifications.
- North-south bike connection on Indiana Street. Implementation of bicycle connection along Indiana Street from Cesar Chavez Boulevard to Mariposa Street.
- Upgraded bicycle access on Cesar Chavez Boulevard. Implementation of a lane along Cesar Chavez Boulevard from US 1-280/Pennsylvania to Illinois Street, including elements such as bulbs, islands, and restriping.
- Pedestrian improvements. Implement improved sidewalks and crosswalks as needed at various gap locations throughout the adjacent neighborhood, as identified in partnership with community and City partners.

Nothing in this Transportation Exhibit will prevent or limit the City's absolute discretion to: (i) conduct environmental review in connection with any future proposal for improvements; (ii) make any modifications or select feasible alternatives to future proposals that the City deems necessary to conform to any applicable laws, including CEQA; (iii) balance benefits against unavoidable significant impacts before taking final action; (iv) determine not to proceed with such future proposals; or (v) obtain any required approvals for the improvements.

II. TDM Plan.

Developer shall implement the Transportation Demand Management ("TDM") Plan attached as **TP Schedule 2** and otherwise comply with EIR Mitigation Measure M-AQ-2.3, as set forth in the MMRP, **TP Schedule 3**. The TDM Plan shall remain a component of the Project to be implemented for the duration of the Project. Monitoring, and submittal of monitoring reports and plan adjustments, shall be required as described in Mitigation Measure M-AQ-2.3. The City and Developer agree that the option for the offset fee discussed in the last paragraph of Mitigation Measure M-AQ-2.3 is not applicable, unless the Planning Department determines in its discretion that further TDM Plan adjustments will not achieve the reduction goal.

Developer's TDM Plan has a goal of reducing estimated aggregate daily one way vehicle trips by 20 percent compared to the aggregate daily one-way vehicle trips identified in the project's travel demand memo, prepared by Advant Consulting, dated June 30, 2015.

Developer's TDM Plan shall have been approved by the Planning Department prior to site permit application for the first building and the TDM Plan shall be implemented as to each new building upon the issuance of the certificate of occupancy for that building. The project sponsors shall be responsible for monitoring implementation of the TDM Plan and proposing adjustments to the TDM Plan if its goal is not being achieved as described in Mitigation Measure M-AQ-2.3.

Notwithstanding any other provision of the DDA or Development Agreement (DA), Planning Code Section 169.4 shall apply and, under Planning Code Section 169.4(e), the Zoning Administrator shall approve and order the recordation of the TDM Plan against the Project and it shall be enforceable though the Notice of Violation procedures in the Planning Code, or any other applicable provision of law. The Zoning Administrator shall retain the discretion to determine what constitutes a separate violation in this context. The Planning Code procedures shall apply, except that the Zoning Administrator shall have discretion to impose a penalty of up to \$250 per violation. If the submittal of monitoring reports is no longer required in accordance with Mitigation Measure M-AQ-2.3, the provisions of Planning Code Section 169.5(b) shall apply.

IV. SFMTA Contact

SFMTA commits to designating a staff person to follow up on the transportation related components of the Project, including this Exhibit and associated Schedules, the DA, and the FEIR. This staff person will be a point person for the Developer and the community.

V. Event Management Plan

Section 3.3(k) of the DDA requires inclusion of an Event Management Plan with each Phase Submittal. The scope of the Event Management Plan is outlined in Chapter 5 of the Transportation Plan. Any Parcel Lease for a Garage Parcel shall include provisions with respect to the Event Management Plan as described below.

Prior to entering into any Agreement between the Garage Operator and a third party entity for use of garage by patrons of events not on site or at AT&T Park (an "Event Parking Agreement"), the Garage Operator will submit to the Port for its approval an updated Event Management Plan to address use of garage by patrons of such events.

The garage operator will pay for, or cause to be paid by third parties (e.g. off-site third party event operator), all direct and indirect expenses incurred by the SFMTA associated with incremental enforcement on the Project Site required under the Event Management Plan beyond the SFMTA current enforcement levels described below. The SFMTA will deploy such enforcement to the extent that enforcement resources are available.

SFMTA's current enforcement levels refers to the following deployment of SFMTA Parking Control Officers (PCOs) on the Project Site for events at AT&T Park:

	Total PCO hours	Total PCO Supervisor hours
Weekday Daytime Event	178	16
Weekend Daytime Event	168	16
Weekday Evening Event	168	16
Weekend Evening Event	168	16

VI. Dedicated Storage Space

Mission Rock will provide a 10' by 10' street-level secure storage space at no cost to the SFMTA for the purpose of storage of SFMTA event management-related equipment. This space will be provided in interim phases as well as at final build-out.

VII. Garage Consultation

The Developer and the City will follow the provisions of DDA Section 2.5 (b, c) related to consultation regarding garage sizing and operations.

VIII. Transportation Plan

The Developer and the City will follow the Mission Rock Transportation Plan, **TP Schedule 1**, for the site.

DDA Section 2.5 b, c Garage Report and Garage Recommendations

(b) Garage Report. No more than six months period before submitting a Phase Application for any Garage Phase, Developer will submit to the Port, with copies to the Planning Director and the Director of Transportation, a Garage Report containing the following information:

- (i)** the status of vertical build-out in any Prior Phases;
- (ii)** a summary of TDM Plan implementation, including progress towards achieving the goal of reducing estimated aggregate daily one-way vehicle trips by 20%, and current parking usage for any completed development project and of other parking available on the Project Site;
- (iii)** a conceptual analysis of the Garage, including the expected capacity of the Garage at completion, a discussion of any features of the design that would allow for adaptability of portions of the Garage, and any requirements for future adaptation;
- (iv)** the financial feasibility of the Garage, including estimates of parking demand and how the estimates relate to parking ratios approved by the City during the prior three years in comparable office, residential, and commercial projects in similar submarkets, such as the Mission Bay North and South of Market submarkets;
- (v)** a summary of TDM efforts then being implemented for the Ballpark, including the most recently available data from surveys of Ballpark patrons and their transportation mode to and from San Francisco Giants home games, parking demand associated with home games, and a discussion of how these travel behaviors are expected to change over the following five to ten years;
- (vi)** a narrative description of the implementation of the parking management plan for the operation of the Garage, any wayfinding or park-assist systems, an event-period operations plan, and plans for queue abatement measures to avoid any excessive recurring queuing during non-event periods that could affect the operation of the T Third MUNI line;
- (vii)** a draft of the proposed pricing structure for the Garage in accordance with **Subsection** Error! Reference source not found. (Garage Phase Submittals); and
- (viii)** an evaluation of the potential for a portion of Ballpark parking demand to be met through other proximate offsite options that could be secured on a long-term basis at comparable cost to the San Francisco Giants and Ballpark patrons.

(c) Garage Recommendations.

(i) After Developer submits the Garage Report, the Port and Developer will meet with the Planning Director and the Director of Transportation. The Planning Director and the Director of Transportation will each have 45 days after the Garage Report is delivered to provide Garage Recommendations regarding development, operations, and parking management to the Port and Developer.

(ii) Developer will consider any Garage Recommendations in good faith and deliver to the Port before or with the Phase Submittal for that Garage

Phase, with copies to the Directors of Planning and Transportation, Developer's response to Garage Recommendations, including:

(1) the manner in which accepted Garage Recommendations will be incorporated into the development and operation of the Garage;
and

(2) a reasoned narrative setting forth the reasons any Garage Recommendations were not accepted.