

MEMORANDUM

January 10, 2020

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Willie Adams, Vice President
Hon. Gail Gilman
Hon. Victor Makras
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Request approval of the Schematic Design for China Basin Park and Paseos in Phase 1 of the Mission Rock Mixed-Use project at Seawall Lot 337, bounded by China Basin Channel, Third Street, Mission Rock Street and San Francisco Bay; as consistent with the requirements of the Disposition and Development Agreement with Seawall Lot 337 Associates, LLC, and the Mission Rock SUD Design Controls (Resolution No. 20-03)

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

EXECUTIVE SUMMARY

On January 30, 2018, the Port Commission approved a mixed-use development project at Seawall Lot 337 and Pier 48 known as Mission Rock (the "Project"). Subsequently, on February 13, 2018, the San Francisco Board of Supervisors approved the Project and on August 15, 2018 the Port and Seawall Lot 337 Associates signed all Project-related documents.

The Port's partner for development of the Project is Seawall Lot 337 Associates, LLC ("Developer"), an affiliate of the San Francisco Giants and Tishman Speyer. The Project's development is governed by the Disposition and Development Agreement ("DDA") and related agreements between the Port and the Developer.

On September 24, 2019, the Port Commission approved the Phase 1 budget of \$145.4 million and the Mission Rock Parks Plan. This memorandum provides an overview of the design review conducted by the Port's Mission Rock-Pier 70 Design Advisory Committee ("DAC") and the community outreach conducted for the review of the China Basin Park and Paseos design followed by a staff recommendation for the Port Commission's consideration.

THIS PRINT COVERS CALENDAR ITEM NO. 11A

STRATEGIC OBJECTIVES

The schematic design of China Basin Park and Paseos meets the following Port Strategic Objectives:

Evolution:

- Improve Port open spaces to provide publicly desired amenities and activities.
 - Define strategies for managing and activating Pier 70 and Mission Rock open spaces.

Resilience:

- Increase resilience of Port assets and services.

Engagement:

- Strengthen public understanding and support of Port responsibilities and projects through community engagement and participation at many levels.

Sustainability:

- Enact measures to protect the Bay and its ecosystems:
 - Explore natural infrastructure alternatives (e.g. wetlands, horizontal levees, and “living shorelines”) in all shoreline stabilization and improvement projects.
 - Implement *City Biodiversity Goals* and best sustainable practices (e.g. LEED standards, wildlife friendly and drought tolerant plantings), in all open space improvement projects.

BACKGROUND

Project Site

The project site is located within the Port-owned Seawall Lot 337 property in the City and County of San Francisco and will be developed by a joint venture between the San Francisco Giants and Tishman Speyer. China Basin Park is bound by Mission Creek to the north, Piers 48 and 50 to the east, Terry Francois Boulevard and a parking lot (“Lot A”) to the south, and Third Street to the west.

Project Summary

The Mission Rock mixed-use development project will be built out in 4 phases and includes approximately 1,200 units of new rental housing, 1.4 million square feet of new commercial/office space, and rehabilitation of historic Pier 48. The Project includes space for small-scale manufacturing, retail and neighborhood services, waterfront parks, and public infrastructure.

Phase 1 will include a new east-west street from 3rd Street to Terry Francois Boulevard, two new north-south streets, China Basin Park and adjacent Paseos, and parcels A (residential), B (commercial), F (residential), and G (commercial). As part of subsequent phasing, the Mission Rock project would also include several other open space and major public access areas, including:

- Mission Rock Square, a centralized 1-acre park;
- Channel Street and Channel Lane, open space corridors for pedestrians only;

- Channel Wharf waterfront improvements and public plaza; and,
- Pier 48 apron and new public plaza.

For each of the open spaces listed above, Port staff will return to the Port Commission to seek approval at a later phase when the schematic design has been proposed.

Local Business Enterprise Status

The Project has a 10% LBE participation goal for pre-construction work. The Mission Rock project team estimates that pre-construction work constitutes approximately 5-10% of the total project cost. The Mission Rock team exceeded the 10% goal and to date has achieved 15% LBE participation for pre-construction services.

Additionally, the team has redoubled efforts to reach members of underrepresented communities. Some of these efforts include expanding and restructuring the LBE team, appointing an internal equity compliance officer, requiring greater General Contractor engagement and collaboration, and developing strategies with diversity and workforce consultant RDJ Enterprises to assess and address outreach, bidding, and selection barriers. The construction phase of the project represents approximately 90-95% of the overall project cost. During this phase, the LBE participation commitment is 20%.

The construction of horizontal improvements is scheduled to commence in early 2020 and the vertical construction phase is anticipated to commence during the summer of 2020. Procurement of contractors and sub-contractors is underway and the Mission Rock team expects to meet its LBE goals during the construction phase. The Mission Rock team commits to providing quarterly reports to the Port Commission.

Project Park (China Basin Park & Paseos)

As part of Phase 1, China Basin Park will be redeveloped and roughly doubled in size from 2.1 to 4.4 acres. Approximately 3.85 acres of the park would be reserved for public access and planted areas, and the remainder would be for retail, cafes, shoreline protection, and minor non-public areas (see **Attachment A**). Noteworthy features of the park's proposed design include a variety of spaces and attractions, such as:

1. **The Great Lawn.** With expansive views of the ballpark, skyline and Bay Bridge, the lawn area provides ample space for reflection, recreation, civic gathering and family picnicking. The lawn slopes gently down to the water, creating a natural amphitheater for movie nights and other community events. Stormwater is gathered and treated through green infrastructure and incorporates a dog run that can be enjoyed by all visitors.
2. **The Beach & Tidal Shelves.** China Basin Park meets the waters of the Bay in a creative manner with a series of sculpted tidal shelves. Tidal pools will mark the shift of time throughout the day and highlight changing water levels over time. A beach sits at the top of the series of tidal shelves. The beach and extending tidal shelves are surrounded by a natural setting featuring wildlife habitat. A path to the water allows safe access for kayakers, including those who populate McCovey Cove during Giants games.

3. **The Plaza.** A generous plaza sits in the heart of China Basin Park. The plaza is expected to be a popular gathering place and will incorporate a small casual restaurant with distinctive architecture.
4. **The Grove.** West of the main plaza, a lifted grove sheltered by trees and made intimate by catenary lights will serve as a location for flexible programming, cultural events, vendors, music and the arts.
5. **The Bay Trail.** China Basin Park is an important Bay Trail connection and hinge between the City's northern and southern waterfront. The park locates the Bay Trail along its water's edge perimeter and accommodates cycling, walking and dramatic views.

At various locations within China Basin Park, the project proponents intend to host large public and limited restricted-access events, such as art exhibitions, theater performances, cultural events, outdoor fairs, festivals and markets, outdoor film screenings, evening night markets, food events, street fairs, and lecture services. A permit with BCDC allows for small, medium, and large events located within the park. The Mission Rock Parks Plan, approved by the Port Commission on September 24, 2019, set forth levels of events in Mission Rock parks and includes annual reporting on events and annual Port Commission approval of the park's operations and maintenance budget.¹

DESIGN REVIEW AND COMMUNITY OUTREACH

In accordance with the DDA, the Port Executive Director established a Design Advisory Committee (DAC) to review the schematic design for each phase of parks and open space and make recommendations about design consistency with the Mission Rock Design Controls. The DAC includes some members from the City and Port's existing Waterfront Design Advisory Committee and additional design professionals.

The DAC reviewed the schematic design for the China Basin Park and Paseos at a joint publicly noticed meeting with the Bay Conservation and Development Commission (BCDC) Design Review Board (DRB) on November 18, 2019. The responses from both the DRB and DAC were positive and supportive of the park design; however, there were additional areas of the schematic design the DAC requested to review when the level of design reaches further development (see list below). As a condition of approval, the project would be required to return to the DAC for review at the appropriate point in the design process. If approved by the Port Commission, staff and the development team anticipate a return to the DAC in the spring of 2020.

¹ See Port Commission staff report here:

<https://sfport.com/sites/default/files/Documents/Item%207A%20Mission%20Rock%20Phase%201%20Budget%20Approval%20%28003%29.pdf> and Parks Plan under Exhibit 5 to staff report here:

<https://sfport.com/sites/default/files/Documents/Item%207A%20Mission%20Rock%20Exhibits%20Final.pdf>

The DAC requested further design information on the following:

1. Play Area
2. Park Entrance Areas
3. Food & Beverage Pavilion
4. Kiosks
5. Bicycle Circulation
6. Paseos
7. Emergency and Service Vehicle Access
8. Water Recreation Access
9. Site Materiality
10. Public Art Locations

The DDA also requires the Developer to present the park schematic design to the community in a public forum. Accordingly, the Developer presented the park design to the Port's Central Waterfront Advisory Group (CWAG) on October 16, 2019. In addition, the Developer hosted a public open house at Oracle Park on October 1, 2019, which was attended by over 100 members of the public.

In summary of the design review and community outreach process, staff finds the Schematic Design of China Basin Park and Paseos consistent with the Mission Rock Special Use District (SUD) and Design Controls.

ENVIRONMENTAL REVIEW

On October 5, 2017 by Motion No. 20018, the Planning Commission certified the completion of the Mission Rock Project Final EIR (2013-0208ENV) in compliance with requirements of the California Environmental Quality Act ("CEQA"). In connection with project approvals, the Port Commission and the Board of Supervisors each adopted CEQA findings for the Project and approved required mitigation measures and a Mitigation Monitoring and Reporting Program by Port Resolution No. 18-03 (January 30, 2018) and Board Resolution No. 33-18 (March 6, 2018), respectively. The Phase 1 park and open spaces schematic design is consistent with the project analyzed in the Final EIR, and the approval of the schematic design for China Basin Park and Paseos requires no additional review under CEQA.

NEXT STEPS

If approved by the Port Commission, the following steps will facilitate Phase 1 implementation:

- **Parks and open space operation, management, and concession agreement approval.** Port staff will present a request for approval of a park management agreement to the Port Commission this winter.
- **CFD Formation.** Port staff anticipate bringing the Resolution of Intention and then the Resolution of Formation for the Mission Rock Community Finance District (CFD) to the Board of Supervisors in early 2020.

- **DAC Review.** The Project will return to the DAC for review of items listed above at a further stage in the design process.

The Developer anticipates starting the construction of horizontal infrastructure in February 2020. Phase 1 includes the construction of infrastructure, extension of the street grid, a new China Basin Park and open spaces, and preparation of development pads that will result in the development of up to 540 residential units, 588,000 gross square feet (“gsf”) of office, and 87,000 gsf of retail space.

RECOMMENDATION

For the reasons stated above, Port staff recommends approval of the attached resolution.

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ATTACHMENTS

- A. China Basin Park Schematic Design (reduced plans)
- B. [China Basin Park Schematic Design - Full Plans](#) (link)

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 20-03

- WHEREAS, Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and
- WHEREAS, On January 30, 2018, the Port Commission approved a mixed-use development project on Seawall Lot 337 and Pier 48 Site (the “Project”) and adopted the Mission Rock Special Use District Design Controls, which provides land use controls, detailed development standards and guidelines for buildings, open space and streetscape improvements; and
- WHEREAS, In May 2010, by Resolution No. 10-32, the Port Commission awarded to Seawall Lot 337 Associates, LLC, a Delaware limited liability company (“Developer”), through a competitive process, the opportunity to negotiate exclusively for the mixed-use development of Seawall Lot 337 and Pier 48, and the Port Commission later added China Basin Park, the marginal wharf between Pier 48 and Pier 50, and Parcel P20 to the development opportunity (collectively, the “Project”); and
- WHEREAS, The Developer is a limited liability company, which is wholly owned by TSCE 2007 Mission Rock, L.L.C. and Giants Development Services, LLC, the former is an affiliate of Tishman Speyer Properties, L.P., and the latter is an affiliate of San Francisco Baseball Associates, LLC, the Major League Baseball franchise holder of the San Francisco Giants; and
- WHEREAS, On February 13, 2018, the San Francisco Board of Supervisors approved the Project and adopted Planning Code section 249.80 (the “SUD Code”), which established the Mission Rock Special Use District and imposed land use controls for the Project (the “SUD”) and supplemental Design Controls; and
- WHEREAS, Subsequently, Mayor Farrell signed all necessary legislation; and
- WHEREAS, The Disposition and Development Agreement (the “DDA”) between the Port and Developer specifies Developer’s construction obligations for the Project (collectively, the “Construction Requirements”), and development is subject to the DDA, the SUD Code, and the Design Controls, and other applicable laws and policies (collectively, the “Project Requirements”); and
- WHEREAS, Consistent with the requirements of the DDA, Developer has submitted a schematic design for the park and open spaces within Phase 1 of the Project; and

WHEREAS, Developer has presented the Phase 1 park and open spaces schematic design to the Design Advisory Committee (DAC) that the Port Executive Director established in accordance with the DDA to review the schematic design of parks and to make recommendations consistent with the Design Controls; and

WHEREAS, Phase 1 includes China Basin Park and the adjacent open space Paseos leading to Terry A. Francois Blvd, Bridgeview Street and Shared Public Way (soon to be renamed to Plank Road, subject to approval); and

WHEREAS, Phase 1 of the Project will include approximately 5-acres of open space consisting of a great lawn, a plaza, beach and tidal shelves, a tree grove, and the Bay Trail; and

WHEREAS, A joint public meeting of the DAC and the Bay Conservation and Development Commission (BCDC) Design Review Board (DRB) was held on November 18, 2019, to review the schematic design; and

WHEREAS, Port staff has determined that the schematic design of China Basin Park and Paseos meets the DDA requirements and recommends its approval as consistent with the Design Controls; and

WHEREAS The Schematic Design of the Mission Rock Project Site's China Basin Park and Paseos is consistent with the Mission Rock Special Use District (SUD) and is consistent with the Final Environmental Impact Report (2013-0208ENV); now, therefore be it

RESOLVED, That the Port Commission approves the Schematic Design of China Basin Park and Paseos as consistent with the Design Controls; and that the project will again be reviewed by the DAC per design details identified in the memorandum.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of January 14, 2020.

Secretary