The Union Iron Works/Pier 70 Initiative

The Union Iron Works/Pier 70 Initiative is the next step towards revitalizing a 28-acre site bordering on Dogpatch, Mission Bay and Potrero Hill neighborhoods. Once the heart of San Francisco’s ship building industry, the site today is a mix of vacant land and deteriorating buildings behind chain-linked and barbed wire fences that block waterfront access to the public.

The initiative is the culmination of two years of community participation and neighborhood input for the site. It outlines precedent-setting requirements for affordable housing, local hire, waterfront parks and other public benefits. It also restores the height limit at the property from 40 feet to 90 feet, the top of the tallest existing historic structure on the site. This height limit adjustment was recently endorsed by the Dogpatch Neighborhood Association and has broad support from a diverse coalition including the Potrero Boosters Neighborhood Association, Mayor Ed Lee and former Mayor Art Agnos.

Public Benefits & Project Elements

- **30% affordable housing.** Up to 600 homes will be affordable to low- and middle-income individuals – almost triple the amount currently required by city law. A majority of the planned 1,000 to 2,000 residential units will be rentals.
- **Nine acres of waterfront parks.** The project creates public access to the Bay, sets back all buildings at least 100 feet from the shoreline, and creates nine acres of parks, playgrounds and recreation.
- **Preservation of historic buildings.** The project will rehabilitate three historic buildings, each included in the Union Iron Works Historic District.
- **Space for artists and local manufacturing.** The project will provide new studios at reduced rates for artists at the Noonan Building and provide ground-level, pedestrian-friendly space for local manufacturing, retail and services.
- **10,000 permanent jobs.** Between 1,000,000 and 2,000,000 square feet of new commercial and office space will provide up to 10,000 permanent new jobs.
- **30% local hire.** Will be the first privately-financed project to commit to hiring local San Franciscans for 30% of construction jobs.
- **Commitment to transit improvements.** Commitment to work with the community and City to identify transit improvements to support the neighborhoods.
- **Protection against sea level rise.** $200 million in infrastructure investment, including raising the grade of the site more than three feet to protect against sea level rise.

Public Process

The ballot measure explicitly states that the initiative will adhere to and respect the environmental review process under CEQA and all necessary planning and design. The proposed height increase in the ballot measure does not take effect until a development plan that includes the outlined benefit requirements for the site has been vetted and adopted. If a development plan is never approved, the height increase never takes effect.
INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

[TITLE]

[SUMMARY]

Be it ordained by the People of the City and County of San Francisco.

SECTION 1. Title.

This Initiative shall be known and may be cited as the “Union Iron Works Historic District Housing, Waterfront Parks, Jobs and Preservation Initiative” (referred to hereinafter as the “Initiative”).

SECTION 2. Findings & Conclusions.

The People of the City and County of San Francisco (the “City”) declare their findings and purposes in enacting this Initiative to be as follows:

(a) Revitalize the former industrial site that is currently asphalt lots and deteriorating buildings behind chain link fences that prohibit public access to the waterfront and provide long overdue improvements which will benefit the community between Mission Bay and Bayview Hunters Point as well as the City as a whole. A map of the former industrial site, which is a 28-acre portion of the Union Iron Works Historic District (“Historic District”), referred to hereinafter as the “Project Site,” is attached for reference as Exhibit A. The “Project Site” is generally bounded by 22nd St to the south, 20th St to the north, the San Francisco Bay to the east and Michigan St to the west. The drawing below shows the Project Site as it exists today:
(b) Establish nine (9) acres of waterfront parks, playgrounds and recreational facilities on and adjacent to the Project Site, more than tripling the amount of parks in the Dogpatch neighborhood.
(c) Create 300 to 600 new affordable middle- and working-class homes, comprising 30% of all new homes, which is more than twice as much affordable housing as the City requires. A majority of all residential units will be rental housing.

(d) Guarantee public access to the new waterfront parks by setting new buildings back at least 100 feet from the shoreline.

(e) Restore and reuse currently deteriorating historic structures essential to the creation of a new National Register Historic District.

(f) Modify the site zoning to adjust the height limit to 90 feet, which is lower than the tallest point at the tallest historic building already at the Project Site. The Project Site would include buildings ranging from two stories to nine stories.

(g) Provide substantial new and renovated space for arts, cultural, non-profits, small-scale manufacturing, local retail and neighborhood services. The drawing below shows the Project Site as it will be revitalized if this Initiative is approved:
(h) Preserve the artist community currently located in the Noonan Building in new state-of-the-art, on-site space that is affordable, functional and aesthetic. Rent on the new space will be based on the Port’s current parameter rent schedule for the Noonan Building inflated to the date the new space is available, and thereafter as outlined in a Community Benefits Agreement. The Noonan Building
community will continuously be accommodated within the new Historic District during any transition period associated with construction of new space.

(i) Create an estimated 10,000 permanent jobs and 11,000 temporary construction jobs.

(j) Invest over $200 million in improvements in transportation and other infrastructure critical to serving the Project Site, the new Historic District, the historic ship repair operations and the surrounding neighborhood, including protecting this portion of the City’s shoreline from sea level rise.

(k) In addition to 300 to 600 affordable units, the Project will generate approximately $15 million in revenue to support the rebuild of public housing facilities, such as the nearby Potrero Annex and Potrero Terrace public housing communities.

(m) There has been an 8-year community-based planning process to establish goals, priorities and guidelines for the revitalization of the former industrial Project Site. Planning for the Project Site has undergone extensive public outreach and community review, including hosting dozens of public events – with a combined attendance of over 10,000 individuals. A term sheet for the development of the Project Site was endorsed by the San Francisco Board of Supervisors in June 2013 by a unanimous vote.

(n) Overall, revival of the Project Site will provide an integrated and complementary mix of parks, housing, local retail, arts light industrial and office uses. All of these benefits will be paid for from revenues created by the project and will not rely on a single dollar of funding from the City’s General Fund.

SECTION 3. Purposes.

In light of the findings set forth in Section 2 above, the purpose of this Initiative is to express the voters’ intent that the City and other applicable agencies proceed with any required environmental review and planning analysis for the revitalization of the Project Site to provide tangible benefits for the area between Mission Bay and Bayview Hunters Point in particular and the City generally. As a first step, the voters wish to approve adjustments to the existing height limits, establish policies to guide the revitalization planning efforts, and encourage all local, state and federal agencies with applicable jurisdiction to take all steps necessary to proceed with the development of the Project Site consistent with this Initiative. Upon adoption of this measure, the revitalization of the Project Site will undergo the same scrutiny, review, analysis and legal approvals required of any development project in San Francisco and the extensive community-based planning process will continue to afford significant opportunities for public participation and input.


This measure does not in any way substitute, deny, alter, circumvent, subjugate or abbreviate the thorough review and public approvals process for redevelopment at the Project Site, including but not limited to environmental review under the California Environmental Quality Act (“CEQA”). The sole legislative change made by this Initiative is to modify the height limit for the Project Site and no project can be developed on the Project Site without Port Commission approval of a development plan and implementation actions by the Planning Commission and Board of Supervisors. Specifically, implementation of any development plan will require continuation of the extensive community-based planning process as well as public approvals from the City, the Planning Commission and the Port Commission, including conforming amendments to the City’s General Plan, the Planning Code and the Waterfront Land Use Plan, following environmental review under CEQA.

Voter approval of this Planning Code modification does not allow for any development to occur on the Project Site without a full and comprehensive environmental review process, including an EIR as
required by CEQA. Voter approval of this Planning Code modification satisfies, only for the Project Site, the requirements of Proposition B (Voter Approval for Waterfront Development Height Increases) considered by City voters in June 2014, but does not apply to or otherwise provide any voter authorization for other properties owned by the Port of San Francisco.

Further, under federal and state laws, aspects of the development plan may also be reviewed by various regional, state and federal agencies, which may include the San Francisco Bay Conservation and Development Commission. In particular, Chapter 477 of the Statutes of 2011 (the “Pier 70 Exchange Act”) authorizes the State Lands Commission to approve a public trust exchange, subject to satisfaction of the requirements of the Pier 70 Exchange Act, and authorizes the Port Commission to administer and manage the Project Site in accordance with the requirements of the Pier 70 Exchange Act. Nothing in this Initiative is intended to supersede, affect or conflict with the authority of the State Lands Commission or the Port Commission under the Pier 70 Exchange Act, the public trust for commerce, navigation and fisheries, the Burton Act (Chapter 1333 of the Statutes of 1968) or any other regional, state or federal agency having jurisdiction to review and approve the development plan to the extent provided under all applicable laws.

SECTION 5. Planning Code Amendment

(a) Subject to Section 11(b) of this Ordinance (Effective Date), Part II, Chapter II of the San Francisco Municipal Code (Planning Code) is hereby amended by amending the Zoning Map Sheet HT08 to enact the following change to the height and bulk district classification as shown on the map attached hereto as Exhibit B:

<table>
<thead>
<tr>
<th>Description of Property</th>
<th>Height and Bulk Districts to be Superseded</th>
<th>Height and Bulk Districts to be Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>The property in the area generally bounded by Michigan Street to the west, 22nd Street to the south, 20th Street to the north and one hundred feet landward of the San Francisco Bay shoreline to the east, as shown on the map attached hereto, being a portion of Assessor’s Blocks 4110, 4120, 4111 and 4052</td>
<td>40-X</td>
<td>90-X</td>
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</tbody>
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It is the Policy of the People of the City that, subject to the public review process generally described in Section 4 above, the City shall encourage the timely development of the Project Site with a development project that includes the following major uses, together with supporting transportation and other infrastructure improvements (collectively, the “Project”): (i) Nine (9) acres of waterfront parks, playgrounds and recreation opportunities on and adjacent to the Project Site, including providing children’s playground facilities to one of the most underserved neighborhoods in the City, more than tripling the amount of parks in the neighborhood; (ii) New below market-rate homes affordable to middle- and low-income families and individuals, representing 30% of all new housing units, which is more than double the amount of affordable housing generally required by the City; (iii) Construction of between approximately 1,000 and 2,000 new housing units, a majority of which will be rental homes; (iv) Restoration and reuse of currently deteriorating historic structures essential to the
creation of a new Union Iron Works Historic District; (v) Substantial new and renovated space for arts, cultural, small-scale manufacturing, local retail and neighborhood services; (vi) Preservation of the artist community currently located in the Noonan Building by providing new state-of-the-art, on-site space that is affordable, functional and aesthetic at rents based on the Port’s current parameter rent schedule for the Noonan Building inflated to the date the new space is available, and thereafter as outlined in a Community Benefits Agreement, and by continuing to accommodate the Noonan Building community within the new Historic District during any transition period associated with construction of new space; (vii) Between approximately 1,000,000 and 2,000,000 square feet of new commercial and office space (which is in addition to reuse of historic structures); and (viii) Accessory parking facilities and other transportation infrastructure as part of an innovative transportation demand management program that enhances mobility in the district and neighborhood. Development of the Project Site will be subject to urban and architectural design guidelines that will encourage a range of building heights between 2 to 9 stories and promote high quality design of buildings and parks.

It is the Policy of the People of the City that the development of the Project Site should also provide significant economic benefits to the City, which include: (i) significant job creation (currently estimated at 10,000 permanent jobs and 11,000 temporary construction jobs); (ii) investment of over $200 million in improvements in transportation and other infrastructure critical to serving the Project Site, adjacent Historic District structures, the historic ship repair operations and the surrounding neighborhood, including protecting this portion of the City’s shoreline from sea level rise; and (iii) generating approximately $15 million in revenue to support the rebuild of public housing facilities, such as the nearby Potrero Annex and Potrero Terrace communities. Furthermore, it is the Policy of the People of the City that the City shall timely provide transit and transportation infrastructure and service needed for the cumulative growth that has, is and will be occurring in the neighborhoods including and surrounding the Project Site. Additionally, this Initiative seeks the approval of the voters for increases in height as detailed in Section 5, to comply with Proposition B or any subsequent measure adopted by the voters or the Board of Supervisors and applicable to the Project Site that would require voter approval for building heights.

SECTION 7. Implementing Actions.

The People of the City encourage the City, the Port Commission and other public agencies with applicable jurisdiction to proceed to implement this Initiative, including, but not limited to, adopting land use controls for the Project Site and amending its General Plan and other relevant plans and codes consistent with the Policies set forth in Section 6 above, subject to the thorough review process generally described in Section 4 above.

As a result of the public process generally described in Section 4 above and certain variables, including, for example and without limitation, market changes, and economic feasibility, the final development plan for the Project Site may be materially different from the Project and the boundaries of the Project Site may be materially different from those identified on Exhibit A. The People of the City encourage the Board of Supervisors and other public agencies with applicable jurisdiction to approve such final development plans at the conclusion of the review process generally described in Section 4 above, so long as the Board of Supervisors and the Mayor then determine that such plans are generally consistent on balance with the Policies set forth in Section 6 above.

SECTION 8. Interpretation.

This Act must be interpreted so as to be consistent with all federal and state laws, rules, and regulations. It is the intent of the voters that the provisions of this Act be interpreted or implemented in a manner that facilitates the purposes set forth in this Act. The title of this Initiative and the captions
preceding the sections of this Initiative are for convenience of reference only. Such title and captions shall not define or limit the scope or purpose of any provision of this Initiative. The use of the terms “including,” “such as” or words of similar import when following any general term, statement or matter shall not be construed to limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. The use of the term “or” shall be construed to mean and/or.


If any provision of this Act, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Act are severable. The voters declare that this Act, and each section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases, part, or portion is found to be invalid. If any provision of this Act is held invalid as applied to any person or circumstance, such invalidity does not affect any application of this Act that can be given effect without the invalid application.

SECTION 10. Conflicting Ballot Measures.

In the event that this Act and another measure or measures relating to height restrictions on the Project Site shall appear on the same Citywide election ballot, the provisions of such other measures shall be deemed to be in conflict with this Act. In the event that this Act shall receive a greater number of affirmative votes, the provisions of this Act shall prevail in their entirety and each and every provision of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this Act shall take effect to the extent permitted by law.

SECTION 11. Effective Date.

(a) In accordance with the provisions of Municipal Elections Code § 380 and California Elections Code § 9217, if a majority of the voters vote in favor of the Initiative, the Initiative shall go into effect ten days after the official vote count is declared by the Board of Supervisors, except as provided in subsection (b) hereto.

(b) The Planning Code amendment approved under Section 5 hereof shall not become effective unless and until the Port Commission, after compliance with the California Environmental Quality Act, approves a development plan for the overall use of the Project Site based upon findings of consistency with the Burton Act and the Pier 70 Exchange Act.

SECTION 12. Amendment.

Pursuant to Municipal Elections Code § 390 and California Elections Code § 9217 the provisions of this Initiative set forth in Section 5 of this Initiative may only be amended by the voters of the City and County of San Francisco.