

Attachment B



SHORELINE ENTITLEMENTS AND DDA AMENDMENT

City Council
Public Hearing
June 21, 2022

BACKGROUND

Attachment B MONARCH BAY SHORELINE SITE

Oyster Bay Regional Park

San Francisco Bay



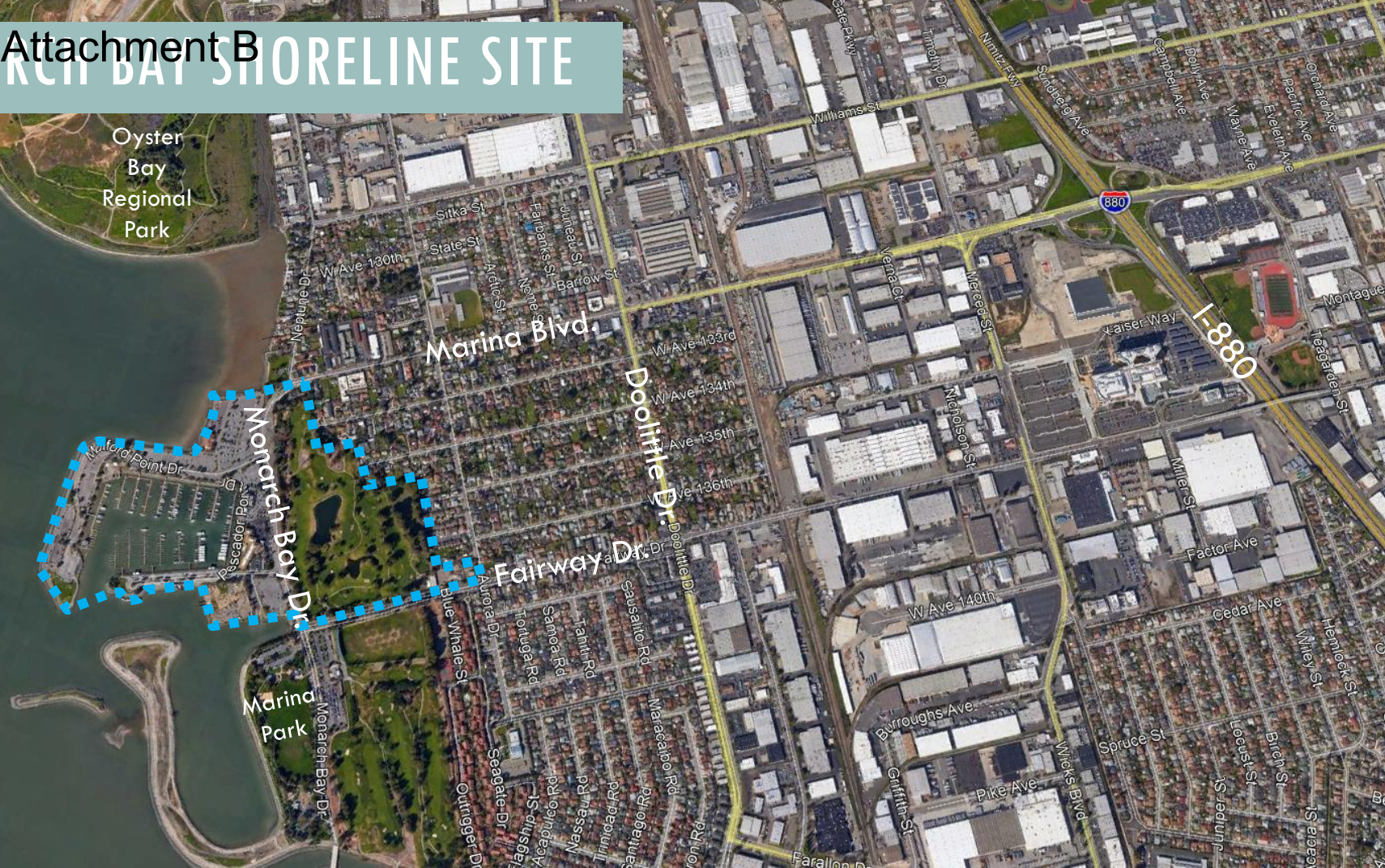
Monarch Bay Dr.

Marina Park

Marina Blvd.

Fairway Dr.

Doolittle Dr.



Attachment B SHORELINE MILESTONES



PARTNERSHIP GOALS

Vision for comprehensive
Shoreline master plan

Complementary amenities
for the community and
current shoreline users

Recognizes development
value and funds public
amenities and services

Addresses logical phasing
of development

Requires little or no City
investment

Results in self-supporting
shoreline

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SAN FRANCISCO BAY



APPROVED SCOPE OF DEVELOPMENT

Cal-Coast

- Hotel with attached restaurant
- Banquet /restaurant
- >500 housing units:
 - 285 apartments
 - 200-215 single-family townhomes
- Market/café/retail

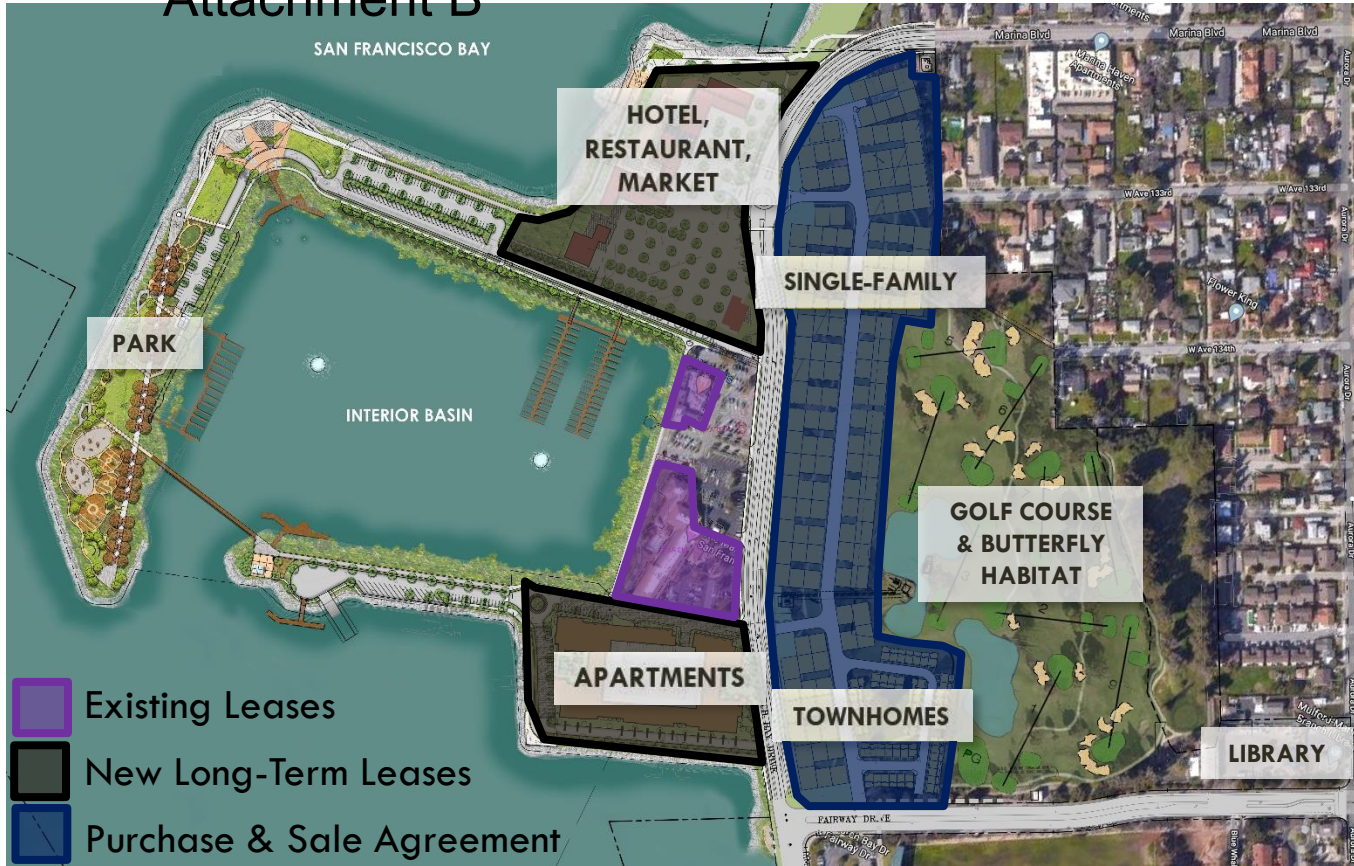
City

- Replace library
- 18 acres of public areas including 9-acre park

COUNCIL APPROVED CONCEPT PLAN (2020)

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SAN FRANCISCO BAY



Disposition and Development Agreement (DDA)

- Scope of Development & Schedule of Performance
- Developer/City Responsibilities
- Labor Requirements

Purchase & Sale Agreement – Single Family/ Townhome Parcel

- Based on appraisal
- Sale precedents, including golf course improvements

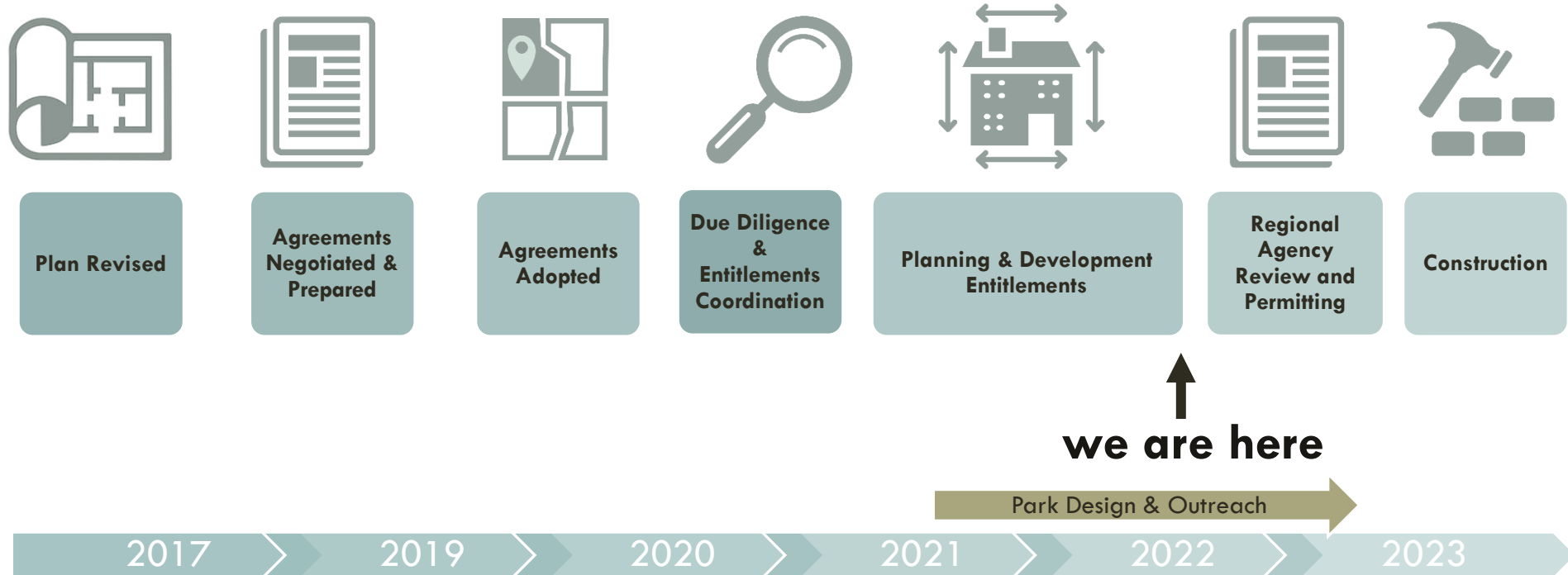
Lease Agreements – Hotel, Multifamily, Restaurant, Market

- Long term land leases
- Minimum rent & % rent
- Lease precedents
- Schedule of Performance
- Maintenance

COUNCIL APPROVED AGREEMENTS

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SHORELINE SCHEDULE



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PROJECT ENTITLEMENTS

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REQUESTED ENTITLEMENTS

Planned Development Project

Establishes development standards and approved uses for the site

Site Plan Review

Building and landscape designs and site improvements

Development Agreement

Vests entitlements and specifies key requirements and phasing details



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HOTEL

- Hotel with attached restaurant
- 210-rooms
- 5-stories
- 158,334 sq. ft.
- Amenities: bar, dining buffet, meeting rooms, fitness center, business center, outdoor seating, and a roof deck

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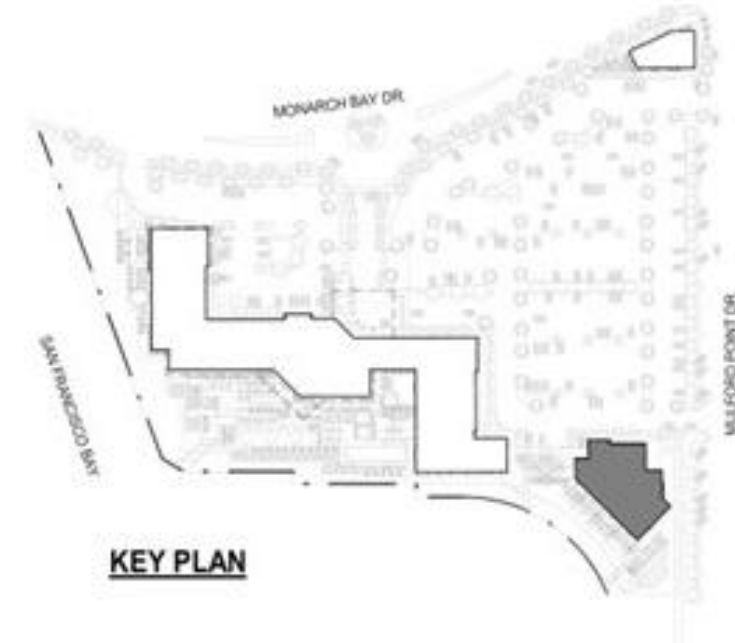


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- Restaurant/banquet facility
 - 15,000 square feet +/-
 - Two-story
 - Roof deck

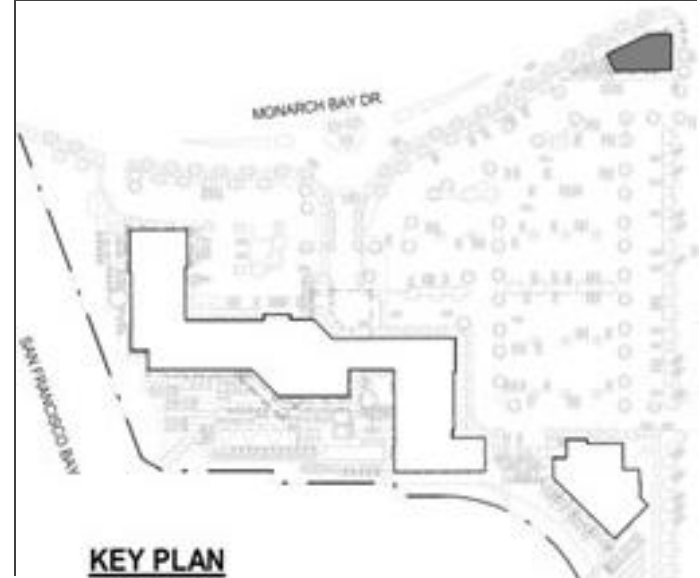
RESTAURANT/BANQUET



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- Flexible Commercial Space
- Market/Café/
Retail
- 2,500 Square Feet
- One-Story
- Outdoor Dining Space



KEY PLAN

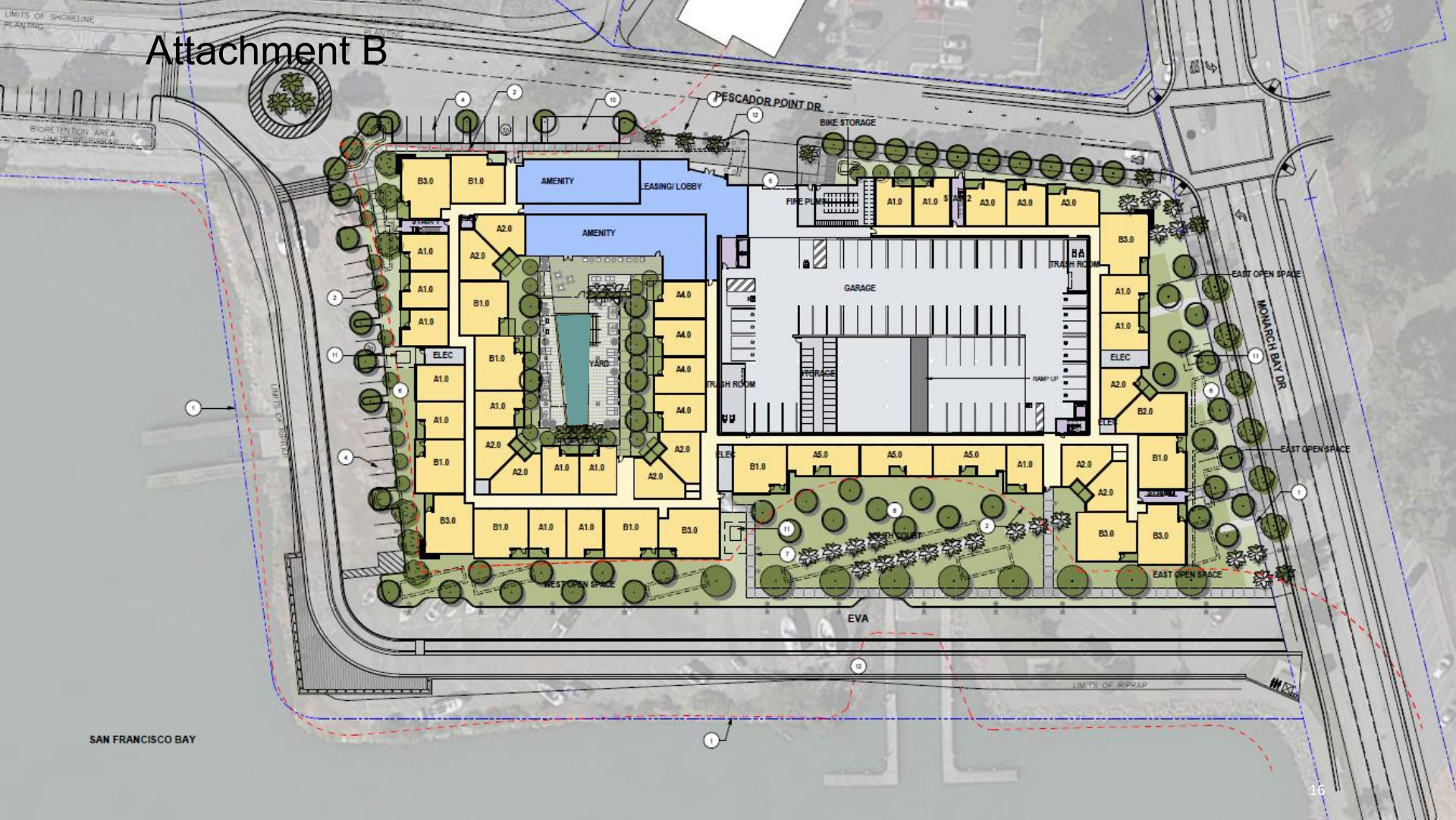
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APARTMENTS

- 285-unit Apartments
- 183 1BR units
- 102 2BR units
- 5-stories
- Amenities:
 - Pool
 - Fitness Center
 - Club Room
 - Roof Deck

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SINGLE-FAMILY/TOWNHOMES

- 206 “For-sale” homes
- Each home will have a standard two-car garage
- 144 detached single-family homes
 - 5 plans
 - 3-4 bedrooms / 2.5-3 bathrooms
 - 2,150 – 2,620 sq. ft.
- 62 townhomes
 - 3 plans
 - 3-4 bedrooms / 3.5 bathrooms
 - 1,820 – 2,200 sq. ft.

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FLOOD PLAIN AND SEA LEVEL RISE

- Site must be raised to address floodplain requirements
- Structures must meet sea level rise (SLR) projections to 2070
 - FEMA base flood elevations + 3.5' SLR based on high emissions scenario from State of California Sea-Level Rise guidance
- Community Facilities District (CFD) will have bonding capacity for future adaptation efforts



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ALIGNMENT WITH HOUSING GOALS

| 2021 Income Levels 100% AMI = \$ 125,600 (4-person household) | 2015-2023 RHNA | Permits Issued 2015-2020 | % Progress Permits Issued |
|---|----------------|-----------------------------|------------------------------|
| Very Low Income (<50% AMI) | 504 | 132 | 26% |
| Low Income (50-80% AMI) | 270 | 126 | 47% |
| Moderate Income (80-120% AMI) | 352 | 0 | 0% |
| Above Moderate (>120% AMI) | 1,161 | 83 | 7% |
| Total | 2,287 | 341 | 15% |

SHORELINE PROJECT PROVIDES

Affordable Housing Trust Fund
Contribution: \$2.2M

8 Moderate Units (for-sale) at
<120% AMI

13 Workforce Units <135% AMI
470 Above-Mod Units >120% AMI

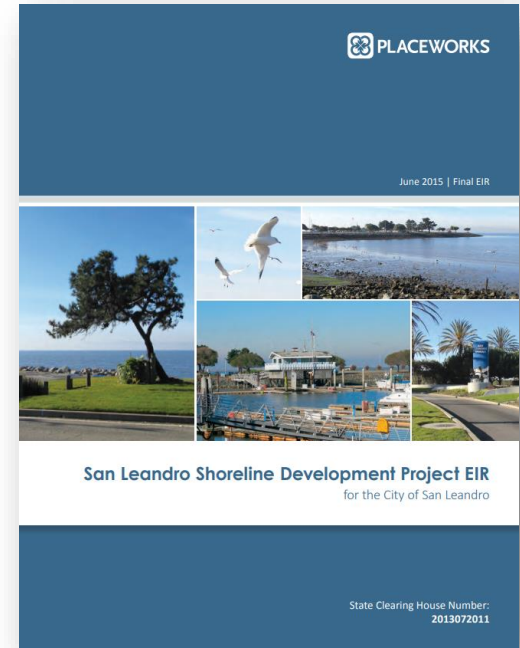
Mix of densities and product
types (for-sale and rental)

ENVIRONMENTAL REVIEW

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ENVIRONMENTAL REVIEW

- ✓ 2015 Environmental Impact Report (EIR) analyzed potential environmental impacts of previous concept plan
- ✓ Determined potential impacts and developed appropriate mitigation measures to lessen impacts
- ✓ Three EIR Addenda prepared – concluded the 2015 EIR adequately identified potential impacts and mitigations
 - First Addendum – updated concept plan in 2020
 - Second Addendum - VTTM 8633 to subdivide western parcels
 - Third Addendum – updated project scope in entitlements



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KEY MITIGATION MEASURES

- AIR: Dust mitigation, special EPA certified equipment for construction emissions
- BIO: Monarch butterfly roosting habitat protection program, special status fish and aquatic life controls, nesting birds, wetlands
- GEO: Geotechnical engineer recommendations incorporated into building design to address site-specific soil conditions, foundation designs, etc.
- GHG: Electric vehicle charging, energy-efficient buildings 15% above code, energy-star appliances
- HYDRO: Sea level rise and FEMA flood zone requirements
- NOISE: Construction vibration and noise mitigations
- TRAFFIC: On and off-site improvements (new signal, signal optimization, etc.) and Transportation Demand Management (shuttle, bike parking, transit passes, etc.)

AGREEMENTS

CONDITIONS OF APPROVAL

Prior to Site Work & Grading

- Construction Phasing and Management Plans
- Mitigation Measure Compliance Plan
- Addn'l Infrastructure Studies & Plans (water, sewer, etc.)
- Final plans for geotech, sea level rise & floodplain
- Monarch Butterfly Roosting Habitat Protection Plan
- Public Improvement Agreements

Prior to Building Permits

- Enhanced architectural Plans
- Final landscape, lighting and irrigation plans
- Master Sign Program
- Transportation Demand Management Plan
- Acoustical Study
- Floodplain Map revision
- FAA Approval

Additional Conditions

- Standard & Project-Specific Requirements in Different Areas:
- Inclusionary Housing
 - Sustainability
 - Construction Operations
 - Maintenance & Operations
 - Parking Management
 - Building
 - Engineering
 - Environmental Services

DEVELOPMENT AGREEMENT

Implementation Framework

- Vests Planning Approvals
- Phased Construction
- 10 yr +5 yr extn.
- Timing of Public Benefits
- Requirements Prior to Construction include:
 - Additional technical development details
 - Construction Phasing and Management Plans
 - Transportation Demand Management Plan

Developer Obligations

- Site & Public Improvements
- Park Promenades, Monarch Bay Dr, Mulford & Pescador Point Dr, golf course
- Site Preparation & Sea Level Rise Mitigation
- Participate in Community Facilities District
- Provide Community Benefits

City Obligations

- Community park
- Harbor clean-up
- Impact Fee Credits per code
- Support timely processing of future permits to implement vested project approvals
- Procedure for assignment of development rights and responsibilities

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DDA COMMITMENTS

Approved Project Scope

- Developer Elements:
 - Hotel
 - Restaurants
 - Market
 - Multi-Family
 - Single-Family
 - Infrastructure/Off-site improvements
- City Elements:
 - Park
 - Harbor
 - Library

Project Requirements

- Scope of Development
 - Details and responsibilities for each Element
- Schedule of Performance
 - Next Steps
 - Requirements to meet
 - Order of steps/due dates
- Construction Management Plan
- Negotiated Community Benefits

Committed Next Steps

- Tentative Map and Planning Entitlements
- Obtaining Financing
- Property Sale/Leases
- Permits for Site Prep and Building
- Development

DDA & PSA – AMENDMENT

Schedule of Performance

- Updates to provide further certainty
- Site Preparation during initial phase
- Timeframes for construction to start and finish
- Community benefit & Infrastructure timing
- Specific Rent Start Date

Closing Requirements

- Adjustments as needed based on accelerated closing timeline
- Required prior to close:
 - Single Family Horizontal Financing Info
 - Project Labor Agreement
 - Insurance, entitlements, DDA compliance

Leases, etc.

- Comprehensive west side Site Preparation creates developable sites
- Construction- and tenant-related items required prior to permits
- Requirements for securing sites in interim
- Golf Course License Agreement
- El Torito Lease Continuance

COMMUNITY BENEFITS & NEXT STEPS



AMENITIES & RECREATION

- 9-acre public park
- Community-led design
- Informational signage about history, native inhabitants and flora/fauna
- Bay Trail extension
- Converting acres of paved surface and inner harbor to more naturalized state
- Improving access for non-motorized watercraft, a lower-barrier means to access Bay
- New Mulford-Marina Library
- Reconstruct Monarch Bay Drive, incl. Class I bike lane
- Construct public facilities adjacent to private elements: Park Promenades, Mulford & Pescador Pt. Drives, Park Parking Lot, boat launch
- Redesigned 9-hole golf course
- Hotel & banquet space to meet needs of community & businesses
- Retail and rental facilities to meet needs of park users
- Fiber Optic Internet

SUSTAINABILITY

Site and Infrastructure

- Sea level rise mitigation
- Recycled water for Single Family landscaping
- Protect natural habitats, incl. Monarch Butterfly

Buildings

- Hotel and Multifamily LEED Certified
- Solar photovoltaic (PV) panels on Single Family and Townhouse roofs
- 15% more efficient than Code
- Electric heating, appliances, etc.

Transportation

- Transportation Demand Management (TDM)
 - Shuttle, bike storage, rideshare, transit subsidies, etc. to be finalized before permits are issued
 - 20% commute hour reduction goal and 10% daily trip reduction goal
- Additional EV Parking
 - Apartments: 40% EV Ready and 60% EV Capable
 - Non-Residential: 10% chargers installed, 15% ready
- Class I (separated) Bike path
- Off-site transportation improvements



SKILLED LABOR

- Project Labor Agreement
 - Union craftworkers
- Labor Peace Agreement
 - Hotel workers
- Local Hiring
- Good jobs, support local economy
- Up to 35% increased costs

SIGNIFICANT REVENUE GENERATION

\$400M+

Financial investments

\$350M private investment
\$40M public investment
(funded by \$29M sale of property & fees)

~\$15M

Impact & permit fees

21 affordable units
\$2.2M Affordable Housing Fee
\$9.08M Park Fees
\$2.8M School Fees

~\$2.3M

Long-term annual revenues

\$1.4 M/year lease payments (min)
\$900,000/year TOT
Increased annual property tax

Community Facilities District will contribute to ongoing maintenance costs for Shoreline area

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CITY PARK UPDATE

Community engagement on open space/aquatic park design to begin soon! Tentative schedule:

June

- **Pop-Ups & Tabling at Farmers' Market**

July 6

- **Community Outreach Meeting**
Senior Community Center (SCC), 2pm
- **Presentation to Recreation & Parks Commission**
City Hall – Sister Cities Gallery, 7pm

July 13

- **Community Outreach Meeting**
Marina Community Center (MCC), 7pm



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RECOMMENDATION

- Project meets goals and vision for comprehensive Shoreline master plan envisioned since 2008 as a result of robust community outreach and planning efforts
- Significant milestone for long-awaited project of communitywide significance

Next Steps

- 2nd Reading of Ordinance tentatively scheduled for July 5, 2022
- CFD Formation Hearings anticipated in Summer and Fall
- Further preparation of technical studies and permits prior to start of on-site construction, as detailed in the Conditions of Approval
- Property sale and leases anticipated by end of 2022

01

Adopt a Resolution

Adopting Third EIR Addendum and Approving a Planned Development Project and Site Plan Review for Private Elements

02

Introduce an Ordinance

Authorizing City Manager to Execute Development Agreement

03

Adopt a Resolution

Authorizing City Manager to Execute 2nd Amendment to PSA + DDA