



SAN FRANCISCO PLANNING DEPARTMENT

Memo to the Planning Commission

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Project Address: **Treasure Island/Yerba Buena Island**
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Introduction

A number of revisions have occurred to the Proposed Treasure Island/Yerba Buena Island Redevelopment Project since publication and distribution of the Comments and Responses document for the Environmental Impact Report (EIR), scheduled for certification on April 21, 2011. The revisions relate to a change in the governing structure and documents under which the Proposed Project would be implemented, and to changes made in response to public comment in some standards in the proposed *Treasure Island/Yerba Buena Island Design for Development* since the March 5, 2010, public review draft was circulated. This memorandum summarizes the revisions to the Proposed Project and evaluates their effect on the analysis and conclusions in the EIR. Appendix 1 to this memorandum presents revisions to the text of the Draft EIR and Responses to Comments needed to reflect changes in the Proposed Project.

A Redevelopment Plan is no longer proposed for the Treasure Island/Yerba Buena Island Redevelopment Project; it would be replaced with a proposed new Treasure Island/Yerba Buena Island Area Plan (Area Plan) to be added to the *San Francisco General Plan*, which would no longer simply reference the provisions of the Redevelopment Plan. Instead the Area Plan would present objectives and policies that provide the foundation for land use and development of the Islands, and a Treasure Island/Yerba Buena Island Special Use District (SUD) would be added to the Planning Code along with Zoning Map amendments. The SUD references the proposed *Design for Development* and uses its Standards and Guidelines as a basis for development controls set out in the SUD. With this change, the "Treasure Island/Yerba Buena Island Redevelopment Project" is called the "Treasure Island/Yerba Buena Island Project" or the "Revised Project" for the remainder of this memorandum. The main financing mechanism also has been revised from use of tax increment financing under a Redevelopment Plan to an infrastructure financing district (IFD) mechanism. As an indirect result of this change, the number of affordable housing units would change from the approximately 2,400 units discussed in the EIR to approximately 2,000 units. The details of this change are provided below in the "Summary of Project Revisions."

In addition to the change from a Redevelopment Plan to an Area Plan/SUD, some revisions have been made in the proposed *Design for Development* in response to public comment on the March 5 public review draft. The maximum height limits allowed for tower buildings on Treasure Island in the proposed *Design for Development* circulated for public review on March 5, 2010, have been reduced in the updated proposed *Design for Development*, and maximum parking ratios for some commercial uses on Treasure Island have been reduced.¹ These revisions are explained in more detail below.

The proposed SUD includes the same provisions for building forms and land uses that were in the proposed Redevelopment Plan, with two main exceptions: height limits for towers on Treasure Island have been reduced compared to those analyzed in the EIR, and the maximum numbers of parking spaces allowed for some commercial uses have been reduced for development on Treasure Island compared to those presented in the EIR. Both of these differences are to account for the updates in the proposed *Design for Development*.

The project revisions have been reviewed by Planning Department staff in the context of the analyses presented in the Environmental Impact Report for the Treasure Island/Yerba Buena Island Redevelopment Project. The results of the review support a determination that there would be no new significant impacts and no new mitigation measures are necessary, but some revisions to the EIR text and to a few responses to comments are necessary to fully describe and analyze the project as it is now proposed to be structured and implemented.

The EIR addresses physical environmental impacts that would result from implementing the Proposed Project. Many of the revisions to the Proposed Project relate to the differences in the financing mechanism; insofar as the financing mechanism affects potential physical development, it is discussed in this memorandum. The economic effects of the change in financing mechanism will be considered by decision makers during their actions on the Project, and explained in detail in other documents provided for the record. This memorandum discusses how proposed revisions to the Project affect the description and analyses of physical environmental effects in the EIR.

This memorandum first provides a more detailed summary of the proposed revisions to the Project; then describes the effects of these revisions on the EIR's Project Description in Chapter II; summarizes the effects on the EIR's analysis and conclusions, including those in Chapter V, Other CEQA Considerations; and then discusses the revisions in the context of local and regional Plans and Policies in EIR Chapter III, and in the context of the Environmental Setting and Impacts in EIR Chapter IV presented by topic. Finally, Appendix 1 presents specific revisions to the text of the Draft EIR and Comments and Responses document to account for the Project revisions.

¹ Other revisions in the proposed *Design for Development*, such as retention of the existing chapel on Treasure Island, and revisions to Macalla Road on Yerba Buena Island to accommodate a mixed pedestrian/bicycle path, also made in response to public comment, were described and analyzed in the Comments and Responses sections of the EIR and do not need to be discussed again in this memorandum.

Summary of Project Revisions

The *General Plan* would no longer simply reference the provisions of a Redevelopment Plan. Instead, a Treasure Island/Yerba Buena Island Area Plan would be added to the *San Francisco General Plan*. It contains objectives and policies that are intended to guide development on the Islands. The proposed Area Plan includes sections on Land Use, Building Form, Transportation, Economic Development, Recreation and Open Space, and Sustainability and Infrastructure. The objectives and policies in the Area Plan are not substantively different from the provisions of the proposed Redevelopment Plan and the proposed *Design for Development* that were the basis for the analysis in the Draft EIR and the responses to public comments on the Draft EIR.

The proposed Special Use District would implement the objectives and policies of the Area Plan. It includes new zoning controls for the Islands, a list of permitted uses, provisions for the continuation and termination of non-conforming uses, building standards (including height, bulk, massing, separation of towers, and setbacks), maximum parking standards, and review and approval standards. It establishes a Tidelands Trust Overlay Zone. The SUD also includes references to the proposed *Design for Development*, which continues to contain the standards and guidelines for development on the Islands that were the basis for many of the analyses in the EIR. The SUD also provides the framework for review and approval by the Planning Commission and Planning Department of vertical development (structures) and uses on Treasure Island and Yerba Buena Island on property that is not subject to the Tidelands Trust, and identifies TIDA as the entity with primary jurisdiction over horizontal development (streets, pathways, flood improvements, etc.) throughout the Islands and over vertical development (structures) and uses within the Tidelands Trust Overlay Zone, subject to applicable permitting requirements.

In response to public comments, the proposed *Design for Development* has been updated since the March 5, 2010, public review draft that is analyzed in the EIR. Most of the features in the SUD and the updated proposed *Design for Development* are exactly the same as those described and analyzed in the Draft EIR, as updated in the Comments and Responses published in March 2011. Key changes are the reduction in height limits for high-rise towers on Treasure Island described in the proposed *Design for Development*, and reduction in parking ratios for some commercial uses on Treasure Island. The single area with a maximum height of 650 feet is now proposed to be a maximum of 450 feet; the three areas with maximum heights of 450 feet are proposed to have maximum heights of 315 feet; and the areas with maximum heights of 350 feet are proposed to have heights reduced to 240 feet. Areas proposed with maximum heights of 240 feet would remain. Parking ratios for hotels on Treasure Island would be reduced from 0.8 spaces per room to 0.4 spaces per room; and parking ratios for office and flex space on Treasure Island would be reduced from 2 spaces per 1,000 sq. ft. to 1 space per 1,000 sq. ft. In addition, more detail has been added in some design standards and guidelines such as those for lighting along the water's edge and those for building bulk reduction.

The overall financing structure for the Proposed Project had relied on the use of tax increment financing that would be authorized by the adoption of a Redevelopment Plan for the project site. Tax increment financing represented approximately one third of the Proposed Project's funding

sources required to pay for infrastructure and affordable housing. Since the Draft EIR was published in summer 2010, legislation has been proposed at the State level that would, among other things, eliminate redevelopment agencies and prohibit the adoption of redevelopment plans and the issuance of tax increment bonds. Because of uncertainties regarding the status of redevelopment agencies and redevelopment funding, the project sponsors are no longer proposing a Redevelopment Plan. Instead, the proposed zoning, land uses, and other controls are included in a more detailed Area Plan proposed to be added to the *San Francisco General Plan*, and a proposed Special Use District would be added to the Planning Code and Zoning Maps. Financing for infrastructure is proposed to be obtained using one or more Infrastructure Financing Districts (IFD) rather than tax increment financing that would have been available with a Redevelopment Plan. The Treasure Island Development Authority (TIDA) would no longer act as a redevelopment agency or adopt a Redevelopment Plan, but TIDA would retain its other powers and authorities pursuant to the Treasure Island Conversion Act (AB 699). TIDA would continue to be the Local Reuse Authority under federal base closure laws, and would acquire property from the U.S. Navy. TIDA would also continue to be an agency of the City and County, and enter into a Disposition and Development Agreement and other transactional agreements with the master developer, Treasure Island Community Development, LLC (TICD); and would continue to be the Trustee for the Tidelands Trust properties, including those in the Tidelands Trust Exchange Agreement that would be entered into between TIDA and the State Lands Commission.

The change from tax increment financing to one or more IFDs would result in less funding available for infrastructure and affordable housing. Unlike a Redevelopment Plan, an IFD does not require set-asides for affordable housing and generally does not permit the funds to be used to build affordable housing. The exception regarding affordable housing under an IFD is that existing housing stock that is currently occupied by low- to moderate-income households, if removed, would be required to be replaced. State law requires that housing units that are removed must be replaced on a one-for-one basis if they are affordable; in addition, 20 percent of the units occupied by households above moderate income level must be replaced. Because there would be less funding available for the Proposed Project and IFD funds cannot be used to construct affordable housing that is not replacing existing housing stock, the total amount of affordable housing is proposed to be reduced from up to 30 percent of the total number of residential units to up to 25 percent. This would reduce the number of affordable units from up to 2,400 to up to 2,000. The total number of residential units would not change, but the proportion of residential units that would be affordable would be reduced. The transition housing program and the TIHDI housing components of the affordable housing program would remain unchanged.

In summary, the main differences between the Proposed Project described in the EIR and the Revised Project are to:

- Amend the *General Plan* to add a detailed Treasure Island/Yerba Buena Area Plan and amend the Planning Code to add a Treasure Island/Yerba Buena Island Special Use District, instead of adopting a Redevelopment Plan;
- Provide for review and approval of individual buildings located on land outside the Tidelands Trust properties by the Planning Department staff and/or Planning Commission, while review and approval of structures proposed on Tidelands Trust properties would

continue to be by TIDA staff and the TIDA Board of Directors, but with review opportunities for the Planning Commission similar to that now provided for Trust properties in the Waterfront Special Use District under the jurisdiction of the Port of San Francisco (see Planning Code Section 240);

- Change one of the financing sources from one based on the adoption of a Redevelopment Plan to the creation of one or more Infrastructure Financing Districts; and
- Reduce the proportion of affordable housing from 30 percent to 25 percent of the total number of residential units.

In addition, in response to public comment, and not due to the change in financing described above, the following changes are proposed:

- Reduce height limits on Treasure Island, with a maximum height for the “Main Tower” of 450 feet instead of 650 feet, and maximum heights of 315 feet instead of 450 feet and 240 feet instead of 350 feet; and
- Reduce parking ratios for hotels from 0.8 spaces per room to 0.4 spaces per room, office space from 2 spaces to 1 space per 1,000 sq. ft., and flex space from 2 spaces per 1,000 sq. ft. to 1 space per 1,000 sq. ft. for uses on Treasure Island. No change is proposed for parking on Yerba Buena Island.

Features That Would Not Change

Most of the documents discussing and describing the Proposed Project and used as the basis for analysis in the EIR would not change with the shift to use one or more IFDs and the associated change to an SUD/Area Plan structure, nor would there be substantial changes to those documents from the updates to the proposed *Design for Development*. Thus, the Disposition and Development Agreement between TIDA and TICD would remain, as would a Development Agreement between the City and County of San Francisco and TICD. TIDA would continue to administer the transition housing program for existing residents on the Islands.

Overall land uses (including the development program and type and amount of allowable uses) would not change, nor would the proposed transportation program, open space and recreational uses on the Islands, or the proposed Habitat Management Plan for Yerba Buena Island. The utility and infrastructure upgrades and replacements, and the flood improvements and adaptive management strategies for potential future sea level rise all would remain the same. The Sustainability Plan would remain, and the phasing of project development would not change.

Roles of TIDA and Planning Department

In general TIDA’s authority and role would continue as originally anticipated and described, except that it would not adopt or administer a Redevelopment Plan, or act as a redevelopment agency in any respect. TIDA would continue to review and approve major and sub-phase applications to allow for TICD to demolish existing buildings, develop new streets, and install infrastructure – the horizontal development in the Proposed Project. TIDA would also continue as trustee for Tidelands

Trust properties, reviewing and approving uses and vertical development in the Tidelands Trust Overlay Zone as described in the proposed SUD.

The Planning Department would review and approve all “vertical” development—that is all proposed structures—on land outside of the Tidelands Trust, in consultation with TIDA; a public hearing before the Planning Commission would be required for large buildings either taller than 70 feet or involving the net addition or new construction of more than 25,000 gross square feet of commercial space.

Effects of Project Revisions on EIR Project Description

There would be no changes in the land uses described in the EIR in Chapter II, Project Description, and shown in Table II.1 on p. II. 18. However, the affordable housing component of the Proposed Project would change. While the total number of residential units would remain at 8,000, the number of affordable residential units described on pp. II.26 and II.28 would be reduced from approximately 2,400 to approximately 2,000, shifting 400 units from affordable to market rate. The affordable units would be distributed somewhat differently among the entities providing them – the Treasure Island Homeless Development Initiative (TIHDI), developers of market-rate units who would be required to include 5 percent affordable units (“inclusionary” units), and TIDA – compared to the distribution and numbers in the bullet list on p. II.30:

	Former Redevelopment Plan	Current Proposed SUD and IFD
Total Market Rate Units	5,600 Units	6,000 Units
Percentage Affordable	30%	25%
TIHDI Units	435 Units	435 Units
Inclusionary Units	295 Units (5%)	316 Units (5%)
TIDA Units	1,670 Units	1,249 Units
Total Affordable Units	2,400 Units	2,000 Units

Thus, the number of units to be built and managed by TIHDI would remain the same; the number of inclusionary units to be provided by TICD and other private developers would continue to be equal to 5 percent of the market rate units and therefore would increase by approximately 20 units, since the number of market rate units would increase; and the number of affordable units to be built and/or managed by TIDA would be reduced by approximately 420 units. However, the number of affordable housing units provided would exceed the required number of replacement housing units under State law for IFDs and would also exceed the affordable housing production requirement under California Redevelopment law.

The Transition Housing Program described on EIR pp. II.28-II.29 and clarified in the Response in Section 2.5.1 of the Comments and Responses on p. 2.5.1-2.5.3 would remain unchanged as part of

the Proposed Project. Therefore, existing, qualifying households on the Islands would continue to be provided an opportunity to move into new housing built during phased construction on the Project Site.

Height limits on Yerba Buena Island, described on EIR p. II.26 and shown in Figure II.6b on p. II.27, would not change. Height limits for residential towers on Treasure Island, described on EIR pp. II.24 – II.26 and shown in Figure II.6a on p. II.25, are proposed to be lowered. The “Main Tower” height zone would be reduced from 650 to 450 feet. The 450-foot tower flex zones would be reduced to a maximum of 315 feet, and the 350-foot tower flex height zones would be reduced to a maximum of 240 feet. The 240-foot tower flex zones would remain. Revised proposed height limits for Treasure Island are shown on Figure 1: Proposed Height Limits on Treasure Island, as Revised, on the following page.

The open space and recreational facilities would remain at approximately 300 acres, and the proposed Habitat Management Plan proposed for approximately 74 acres on Yerba Buena Island would continue to be part of the Proposed Project (see EIR pp. II.29 – II.32).

The main features of the Transportation Plan described in the EIR on pp. II.35 – II.52 would not change: a new Ferry Terminal, Transit Hub, on-island shuttle service, and bus service to the East Bay would all continue to be part of the Proposed Project. The bicycle lanes and paths included in the Project Description, as modified and expanded with a new mixed-use bicycle and pedestrian path along Macalla Road and a mixed-use path leading to a new Viewing Area along Treasure Island Road described in Section 2.7.7.1 and specifically on pp. 2.7.74 – 2.7.85 of the Comments and Responses, would also be part of the Revised Project. The Treasure Island Transportation Management Agency would still be created to manage the transportation demand management program. The transportation program is proposed to change in one area: the maximum number of parking spaces for commercial uses (shown on EIR p. II.50) is proposed to be reduced by about 470 spaces by reducing the parking ratios for hotels, office space, and flex space. The maximum parking ratios would be 0.4 spaces per hotel room on Treasure Island, rather than 0.8 per room; 1 space per 1,000 sq. ft. of office space; and 1 space per 1,000 sq. ft. for the flex space in the adaptive reuse of Buildings 1, 2, and 3. No changes are proposed in the maximum parking allowed on Yerba Buena Island.

All utilities described in Chapter II in Section II.G (pp. II.52 – II.73) would remain as described. The proposed geotechnical stabilization described in Section II.H and in Section IV.N, Geology and Soils, would remain, as would the proposed flood protection improvements and adaptive management strategies to address potential future sea level rise, described on pp. IV.O.31-IV.O.35. Project phasing and construction would continue to be as generally described on EIR pp. II.79 – II.82.

The approvals listed on EIR pp. II.83-II.84 could change slightly. The three at the top of p. II.84 related to recommending and approving a Redevelopment Plan would be replaced with actions to adopt the new Area Plan in the *General Plan*, recommend and adopt the SUD and other Planning Code amendments, and delete the action by TIDA on an Owner Participation Agreement. A new bullet would be added to recommend and adopt a Development Agreement.

A few terms used throughout the EIR would either change or be defined differently with the revisions in the Proposed Project. "Redevelopment Plan Project Area" should be read as "Project Area." "Redevelopment Plan" when used in the context of a plan for development of the Project Area should be read as "Area Plan/SUD."

Summary of Effects of Project Revisions on EIR Analyses

The Proposed Project, as revised, would have the same limited conflicts with existing Planning Code provisions identified in Chapter III, Plans and Policies on EIR p. III.4, but would not conflict with other local, regional, state and federal plans and policies adopted for environmental protection purposes, as discussed below under "Plans and Policies."

The conclusions regarding significant impacts and the mitigation measures identified in the Treasure Island/Verba Buena Island Redevelopment Project Environmental Impact Report do not require revision as a result of the changes to the Proposed Project. Although text in the EIR regarding a Redevelopment Plan and compliance with the state Community Redevelopment Law is no longer applicable, removing and revising this text to describe the proposed Area Plan, SUD, and one or more IFDs, would not result in new conclusions regarding significant physical environmental impacts, feasible mitigation measures, or the range of alternatives analyzed in the EIR.

No new significant impacts would result from the physical changes to the Proposed Project – the reduction in number of affordable housing units, reduction in tower height limits, and reduction in maximum amounts of parking for hotel, office, and flex uses. No new mitigation measures would be required; minor revisions to a few mitigation measures are necessary to clarify whether TIDA or the Planning Commission or Planning Department would have implementation or monitoring authority, but these revisions would not result in any new physical impacts on the environment. No impacts identified as significant would be substantially more severe than reported in the EIR. No new alternatives have been identified that would reduce or avoid significant impacts identified in the EIR for the Project as proposed or as revised.

Changes in the Proposed Project from a Redevelopment Plan to a new Area Plan and SUD, changes in the financing structure, and reductions in height limits and commercial parking ratios on Treasure Island would not alter the conclusions described in Chapter V, Other CEQA Considerations, discussed on EIR pp. V.1-V.11. Growth inducing impacts would be the same, as land uses would remain the same and therefore the net new population of 16,820 residents and net new employment of 2,600 jobs would remain the same. Housing demand also would not be substantially altered because

the Proposed Project would continue to provide 7,195 net new housing units as stated in Chapter V on p. V.1, and would include a transition housing program to assist existing residents.

Significant Unavoidable Impacts on Aesthetics, Historic Architectural Resources, Transportation, Noise, Air Quality, Wind and Shadow, and Biological Resources, listed in Chapter V on pp. V.3-V.8 would not change. Significant irreversible impacts and areas of controversy discussed on pp. V.8 - V.10 also would be the same with the Revised Project.

Recirculation of a revised or updated EIR is not required, pursuant to State CEQA Guidelines Section 15088.5. The revisions to the Proposed Project do not present significant new information that requires an opportunity for the public to provide new comment regarding the significance of environmental impacts or the availability of new mitigation measures or alternatives.

Support for these conclusions is presented on a topic-by-topic basis in the next two sections of this memorandum, discussing the effects of proposed revisions to the Project on the discussion of Plans and Policies in Chapter III of the EIR and on the analysis of impacts in Chapter IV of the EIR, presented for each topic analyzed in Chapter IV.

Effects of Project Revisions on Plans and Policies

San Francisco General Plan and Planning Code

The change in the project implementation structure from a Redevelopment Plan to a new Area Plan in the *San Francisco General Plan* and a new Special Use District (SUD) to be added to the San Francisco Planning Code would not result in any new conflicts with the relevant plans and policies of the City and County of San Francisco, or with any plans adopted by regional, State and Federal agencies that have policy and regulatory jurisdiction required to implement the Proposed Project. The primary changes relate to how the Proposed Project is incorporated into the *General Plan* and Planning Code. The Proposed Project as described in the Draft EIR would include amendments to the *General Plan* to add a new Area Plan (Chapter III, p. III.3) that references the proposed Redevelopment Plan. With the revised implementation structure, the new Area Plan would instead include objectives and policies consistent with the provisions of the SUD. The SUD would address the development and land use controls previously covered in the Redevelopment Plan. The SUD would require amendments to the Planning Code that incorporate the zoning, height and bulk limits, tower separation, parking requirements, permitted uses, and approval process, and amendments to the Zoning Maps.

Other Local Plans and Policies

Project revisions would be consistent with the *San Francisco Sustainability Plan* as discussed in Chapter III on pp. III.5–III.6 since no changes are proposed for the Treasure Island Sustainability Plan or the Treasure Island Green Building Specifications in the proposed *Design for Development*. The Revised Project would continue to be required to meet the provisions of the City's Green Building Ordinance described on pp. III.6-III.8. The revisions also would not alter proposed development strategies intended to achieve Gold certification under the 2009 Neighborhood Development program of the

U.S. Green Building Council's LEED-ND rating system, and good-faith efforts to achieve Platinum certification. The Proposed Project as revised also would not conflict with San Francisco's Transit First Policy and Transit Effectiveness Program, as the proposed revisions would not substantially alter transit demand or transit services included in the Proposed Project.

Regional Plans and Policies

Project revisions would not change the proposed land uses, recreation and open space, pedestrian and bicycle access, shoreline access described in EIR Chapter III, Plans and Policies, pp. III.9 - III.12, and as clarified in Comments and Responses, Section 2.2 Plans and Policies, pp. 2.2.6 - 2.2.10. As such, the project revisions would remain consistent with the plans and policies of the San Francisco Bay Conservation and Development Commission's (BCDC) *San Francisco Bay Plan*; and the Association of Bay Area Governments' (ABAG) *San Francisco Bay Trail Plan*.

The Proposed Project would also remain consistent with the Bay Area Air Quality Management District's (BAAQMD) *Bay Area 2005 Ozone Strategy*; the Metropolitan Transportation Commission's (MTC) *Transportation 2035 Plan for the San Francisco Bay Area*; the San Francisco Bay Area Water Transit Authority *Final Implementation & Operations Plan*; the San Francisco Regional Water Quality Control Board's (RWQCB) *San Francisco Basin Plan*; and ABAG regional development and conservation program (FOCUS), and biennial *Projections* because there would be no new effects on population and housing, air quality, greenhouse gas emissions, and water quality, as discussed below in the section entitled "Discussion of Effects of Project Revisions by EIR Topic."

State Plans and Policies

The 1997 Treasure Island Conversion Act (Assembly Bill 699, amending California Health and Safety Codes Sections 33492.5 and adding Section 2.1 to Chapter 1333, Statutes of 1968) would be unchanged and remain in effect in its entirety. The 1997 Conversion Act authorized the City and County of San Francisco to establish TIDA as the redevelopment agency with jurisdiction over the redevelopment of NSTI. While TIDA would continue to have those powers unless and until they were revoked by either the City or the State, TIDA would not use those powers and would not adopt a Redevelopment Plan that would allow it to exercise them. Under the Treasure Island Conversion Act, TIDA would continue to have the authority to administer and control Tidelands Trust property located on or around NSTI. No change is proposed to the lands on the Project Site that would be subject to the Tidelands Trust.² Because the revisions to the Proposed Project would not change the proposed development program or locations of land uses, the Revised Project would continue to comply with Trust requirements. As the grantee of the State's trust lands, TIDA's statutory duty to ensure that uses on Public Trust property are consistent with the Public Trust would not change. As with the Proposed Project described in the EIR, the proposed SUD and proposed *Design for Development* would establish a Tidelands Trust Overlay Zone which governs all property on the Islands that would be subject to the Trust.

² The Tidelands Trust Doctrine and the statutory trust created by the Treasure Island Conversion Act of 1997 (the "Conversion Act") are collectively referred to as the "Tidelands Trust" for the Proposed Project.

Federal Plans and Policies

Consistency of the Proposed Project with the plans, policies and permitting requirements of the Coastal Zone Management Act, U.S. Army Corps of Engineers (Section 10 of the Rivers and Harbors Act or Clean Water Act), and the Long Term Management Strategy Management Plan would not be affected by proposed revisions since land uses, infrastructure upgrades, and proposed waterside facilities, including those for the Ferry Terminal and the Sailing Center, would not change, and dredging and disposal permits required by these agencies would not change.

Discussion of Effects of Project Revisions on EIR Setting, Impacts, and Mitigation Measures, by Topic

Construction activities analyzed in the various topic sections of Chapter IV, Environmental Setting and Impacts, would not be affected by the proposed use of an Area Plan and SUD rather than a Redevelopment Plan. While the changes in height limits and commercial parking ratios in the updated proposed *Design for Development* could result in slightly less overall building area constructed on the Islands and therefore slightly shorter overall construction durations, the types of construction activities would not be affected. Construction activities also would not be affected by the change in number of affordable residential units. Therefore, construction impacts identified in the EIR, and related mitigation measures, would not change and are not discussed further in this memorandum.

Some operational impacts of the Proposed Project could change as a result of the proposed revisions to the Project. The potential for changes in significant impacts and/or mitigation measures is discussed below by topic, in the same order as the topics are presented in the EIR.

A. Land Use and Land Use Planning

All land uses described in the EIR and analyzed in Section IV.A, Land Use, would remain the same with the Revised Project. The reduction in height limits in the SUD, Area Plan, and proposed *Design for Development* compared to heights described on p. IV.A.19 and analyzed in the EIR would not add any new land use impacts not discussed in the EIR on pp. IV.A.23-IV.A.25 (see also Comments and Responses p. 2.3.16). The approximately 8,000 residential units could still be constructed within the reduced heights with no changes in the bulk limits.³ The changes in the amount of affordable housing and parking, and the changes in height limits, would not result in any new land uses or substantial reductions in proposed uses, and therefore would not cause any significant land use

³ See Memorandum from Alex Galovich, Wilson Meany Sullivan, to Barbara Sahm and Nancy Clark, Turnstone Consulting, regarding the Unit Count Implied by Representative Massing Model, dated January 25, 2010, which explains that over 12,000 residential units with an average size of about 1,200 sq. ft. could fit within the original massing model analyzed in the EIR. Therefore, 8,000 units could be provided with reduced heights and similar building bulk; increased bulk would not be necessary to accommodate the Proposed Project's development program.

impacts or require revision in the project specific or cumulative impact analyses in Section IV.A, Land Use.

B. Aesthetics

Although maximum height limits for towers in the flex zones proposed for Treasure Island would be lower in the SUD and the updated proposed *Design For Development* than discussed and analyzed in the EIR, and visual simulations showing long-range views in Figures IV.B.2 through IV.B.8 present taller buildings than could be constructed with the Revised Project, new towers in the Revised Project would continue to be substantially taller than existing buildings and would continue to be visible and noticeable from many locations around San Francisco Bay. The reduction in height limits would not reduce the significant impact on scenic vistas identified in the EIR in Impact AE-1 on EIR pp. IV.B.21-IV.B.23 to a less-than-significant level, nor would it cause project-specific or cumulative impacts identified as less than significant on EIR pp. IV.B.23 – IV.B.30 to become significant. Revisions in the amount of affordable housing and numbers of parking spaces would not affect aesthetics and visual impacts, nor would the change from a Redevelopment Plan to an SUD and Area Plan.

C. Population and Housing

Revisions to the Proposed Project would decrease the number of affordable housing units from 30 percent to 25 percent, resulting in a reduction from 2,400 units to 2,000 affordable units. The 25 percent of affordable units would still exceed the requirements for replacement housing under State IFD law as well as the 15 percent affordable housing requirement under Section 415 of the *Planning Code* for projects electing to construct the inclusionary housing units on site.

Although the number of affordable housing units would be reduced by 400 units, this reduction would not be a significant environmental effect under CEQA, because the total number of residential units would not change, the number of affordable housing units would continue to exceed the affordable housing requirements in the *Planning Code*, and the Revised Project would continue to provide replacement housing as required under State law.

With the proposed project revisions, TICD would continue to include a transition housing program with the same requirements included in the April 2010 Term Sheet Update.

Project revisions also would not result in changes to construction or permanent employment, or induce new substantial population growth in addition to that analyzed in the EIR, because proposed land uses and the Development Program would not change.

Therefore, the Proposed Project's effects on Population and Housing would not change substantially from the effects described in the Draft EIR on Section IV.C, Population and Housing, pp. IV.C.13 - IV.C.22, and as clarified in the Comments and Responses document in Section 2.5 Population and Housing, on pp. 2.5.1-2.5.12.

Text in EIR Section IV.C, Population and Housing, related to the change in applicability of affordable housing production requirements of the California Community Redevelopment Law and the use of one or more IFDs, is revised as shown in Appendix 1 to this memorandum.

D. Cultural and Paleontological Resources

The revisions in the Proposed Project would not result in any changes to the description or analysis of archaeological resources in Section D.1, Archaeological and Paleontological Resources, on EIR pp. IV.D.1-IV.D.24, because no changes are proposed in the amounts, locations, or types of excavation on the Islands. The revisions in the Proposed Project would not result in any new significant impacts on historic resources discussed in Section D.2, Historic Architectural Resources, or any reduction in the significant impact of demolishing the Damage Control Trainer containing the *U.S.S. Buttercup* identified in Impact CP-9 on pp. IV.D.56-IV.D.58, because reduced height limits and less commercial parking would not change the overall land use plan or the proposal to demolish all existing buildings on Treasure Island except designated historical Buildings 1, 2, and 3. The designated historic structures on Treasure Island and Yerba Buena Island would continue to be located on property subject to the Tidelands Trust; therefore review of alterations to these buildings or the surrounding cultural landscape would continue to be under TIDA's jurisdiction, as stated on EIR pp. IV.D.53-IV.D.55, in mitigation measures M-CR-6 and M-CR-7, and further explained in the Response in Section 2.6.3, Buildings 1, 2, and 3, specifically on pp. 2.6.21-2.6.22 in the Comments and Responses, citing the proposed *Design for Development, Design Review and Document Approval Procedures*. No changes in impacts or mitigation measures would result from the adoption of an Area Plan and SUD rather than a Redevelopment Plan.

E. Transportation

The revisions to the Proposed Project to adopt a proposed Area Plan and SUD rather than a Redevelopment Plan would not affect the transportation analysis provided in EIR section IV.E, Transportation, nor would the reduction in tower height limits, because the land use program, including the number of residential units, would remain as described and analyzed in the EIR.

The proposed use of one or more IFDs would result in a reduction in the number of affordable housing units. This reduction would not affect the trip generation forecasts and travel mode that are the basis for the traffic and transportation analyses in the EIR, because no reduction in trip generation was assumed for affordable residential units in the travel demand analysis described on pp. IV.E.55-IV.E.58 and in more detail in Appendix C to the EIR on pp. 64-72. This approach to the EIR transportation analysis is conservative in that it assumes that affordable units would have the same automobile travel demand as market-rate units. Therefore, the project-specific and cumulative traffic and transit impacts discussed in Section IV.E on pp. IV.E.67-IV.E.108 and IV.E.117-IV.E.136, and related mitigation measures identified there, would not change. The number of affordable housing units would also not substantially affect bicycle and pedestrian conditions or loading and emergency vehicle access impacts analyzed in the EIR. No new mitigation measures would be required.

The reduction in number of affordable housing units, and the reduction in maximum numbers of parking spaces for some commercial uses on Treasure Island, would affect the analysis of parking demand from the Proposed Project. Although person trips by vehicle and by transit were calculated without regard to affordability, affordable units were assumed to create a slightly smaller demand for parking than were market rate units. With 400 more market rate units (and 400 fewer affordable units), parking demand during the peak parking period would increase from approximately 10,162 spaces to 10,282 spaces, a difference of 120 spaces. The Proposed Project, as revised, would continue to provide an average of 1 parking space per residential unit, resulting in a deficit of 2,282 spaces, 120 more than described on pp. IV.E.138-IV.E.139 and summarized in Table IV.E.23. The EIR also explains that there would be a surplus of parking available for non-residential uses on Treasure Island of about 1,032 spaces; this surplus would be reduced by about 478 spaces, to about 554 spaces, with the proposed revision in maximum allowed parking for hotel, office, and flex uses. The 17-space deficit of non-residential parking spaces on Yerba Buena Island would not change.

The EIR also explains that a parking shortfall is not generally considered to be a direct physical effect on the environment, but can result in secondary physical impacts. The secondary impact of a parking shortfall on the Islands was analyzed in the EIR in Impact TR-63 on pp. IV.E.140-IV.E.141. This secondary impact is a potential increase in the number of people who would use transit, which would exacerbate the significant and unavoidable impact on capacity utilization of the Muni 108-Treasure Island bus line serving the Islands. That secondary impact would be somewhat greater as a result of the proposed revisions to the Project that would cause an increase in the total parking shortfall, from approximately 1,147 spaces to 1,745 spaces. This impact is not considered substantially more severe than identified in the EIR. As explained on EIR pp. IV.E.140-IV.E.141, some drivers would seek and find alternative parking facilities, and others would shift to other modes of travel or change their overall travel habits. Because of their unique location, many drivers would shift to transit. Capacity would be available on AC Transit to the East Bay and on the ferry service to San Francisco. However, as identified in Impact TR-63 on p. IV.E.140, the Proposed Project as originally analyzed would result in exceeding the 85 percent capacity utilization standard on Muni's 108-Treasure Island bus line. This impact has already been identified as significant and unavoidable in Impact TR-63 on EIR pp. IV.E.40-IV.E.41. The additional shortfall would add to the demand for transit capacity, but would not substantially increase the severity of this significant impact. This is because the peak hour of parking demand is during the middle of the day for the non-residential uses, and at night for residential uses, whereas the peak demand for transit would be during the AM and PM commute hours. The maximum parking deficit, or shortfall, is presented in the discussion of Parking on EIR pp. IV.E.137 – IV.E.139, referring to the peak parking demand, rather than the parking demand during the peak for the transit commute period. During the peak commute hours for transit, the parking shortfall associated with the Revised Project would be for about 85 more spaces. Some of those who could no longer park would shift to transit for their commute, and some of those who shift to transit would use Muni, while others would either travel to the East Bay or use the ferry to San Francisco. During the PM peak hour for transit, only an additional 30 riders would be added to the Muni 108-Treasure Island line in the peak direction as a result of the parking shortfall. Over time, it is also possible that some riders would shift the time of their trip, further reducing the added effect on Muni. Therefore, the significant impact identified in the EIR in Impact TR-63 would not be substantially more severe. Mitigation Measure M-TR-2,

Expanded Transit Service, would mitigate this impact, as explained on p. IV.E.141; however, because full funding for this measure has not yet been identified, its implementation is uncertain and the impact would remain significant and unavoidable.

F. Noise

Significant noise impacts from operation of the proposed ferry service identified in Impact NO-4 on pp. IV.F.23-IV.F.26 and the related mitigation measure M-NO-4 would not change as a result of the proposed revisions to the Project because those revisions would not affect the ferry service or its use. Nor would the significant noise impacts from traffic volumes identified in Impact NO-3 on pp. IV.F.20-IV.F.23, because, as discussed above in subsection E. Transportation, trip generation forecasts would not change with the Revised Project, including the revised parking deficit. Because the locations of proposed residential and hotel buildings would not change and the traffic volumes would not change, the significant noise impacts on sensitive receptors identified in Impact NO-5 on pp. IV.F.27-IV.F.28, as clarified in the Response in Section 2.8.4 on pp. 2.8.5-2.8.7 in the Comments and Responses, would remain, and mitigation measure M-NO-5 would continue to reduce the impact to less-than-significant levels. Similarly, the locations of utilities would not change, and the less-than-significant noise impact from operating those facilities, identified in Impact NO-6, also would not change with the Revised Project. The significant cumulative traffic noise impact identified in the EIR on pp. IV.F.30-IV.F.31 would remain as described in the EIR, because traffic volumes with the Revised Project would be the same as with the original Proposed Project. No new mitigation measures are available other than those identified in the EIR for these significant impacts, and the Revised Project would not result in new significant impacts that were not discussed in the EIR.

G. Air Quality

Similar to the discussion of noise impacts, air quality impacts due to emissions of criteria pollutants and toxic air contaminants from ferry vessels, automobiles, buses, and building operations discussed in Section IV.G, Air Quality, on EIR pp. IV.G.38-IV.G.52 and significant cumulative air quality impacts discussed on pp. IV.G.56-IV.G.58 would remain the same with the Revised Project. No new significant impacts would occur, and no impacts identified as significant would be reduced to less-than-significant levels. This is because the number of ferry vessel operations and automobile and bus trips that are the main sources of criteria pollutants and toxic air contaminants in the Proposed Project would not change with the Revised Project. Although residential towers are expected to be shorter, the same land uses and the same number of residential units would be constructed and occupied. Therefore, emissions from operating the proposed new and adaptively-reused buildings would remain the same as assumed and analyzed in the EIR.

H. Greenhouse Gas Emissions

As with the discussions in Noise and Air Quality above, the analysis of greenhouse gas (GHG) emissions would not change with the Revised Project. There would be no change in GHG emission impacts because the travel demand from proposed land uses would not change, and the proposed transportation facilities would not change with the proposed Area Plan/SUD. The change in the

number of affordable residential units as a result of the IFD, and the updates to the proposed *Design for Development*, also would not change GHG emissions from those sources. Overall, there would be no change in the analysis and calculations presented on pp. IV.H.36-IV.H.44 or in the conclusions of less-than-significant impacts identified on pp. IV.H.44-IV.H.46. GHG emissions from infrastructure facilities such as wastewater conveyance and treatment, and solid waste also would not change since no revisions are proposed in the infrastructure as analyzed in the EIR.

I. Wind and Shadow

The revisions to the Proposed Project related to the IFD and changes in the amount of affordable housing, the use of an Area Plan/SUD rather than a Redevelopment Plan, and the updates in the proposed *Design for Development* to reduce the maximum amount of commercial parking on Treasure Island, would not affect any of the analyses of wind and shadow, as they would not result in physical changes to buildings that would change wind or shadow analyses. The updates to the *Design for Development* reducing height limits on Treasure Island are not related to the use of one or more IFDs; reduced height limits would result in physical changes to buildings compared to the analysis in the Draft EIR. The effects of these changes on wind and shadow are discussed in this section.

The proposed revision in the updated proposed *Design for Development* to reduce height limits could reduce the less-than-significant shadow impacts discussed in the EIR on pp. IV.I.4-IV.I.25. Building bulk standards and guidelines in the updated proposed *Design for Development*, and included in the SUD and Area Plan, would remain as assumed in the EIR for the analysis of representative shadow effects – buildings would not need to become bulkier to account for the change in area with lower height limits (see the discussion above under A, Land Use, and footnote 3).

The wind analysis presented in the EIR on pp. IV.I.36-IV.I.50 was prepared for a representative massing of buildings that would meet the building envelope standards in the March 5, 2010, public review draft of the proposed *Design for Development*. The new height limits in the SUD and the updated proposed *Design for Development* would result in shorter buildings, but towers would continue to be in the same general locations and in the same general relationships to each other and to building podiums and low- and mid-rise buildings. No substantial change in the analysis of impacts or the determination that the impacts would be significant, as identified on EIR pp. IV.I.50-IV.I.60, is expected to occur with the reduced height limits for towers. Specific changes in wind speeds reported on pp. IV.I.36-IV.I.50 cannot be estimated without additional wind tunnel study; however, the impacts are expected to remain significant. The mitigation measures identified on EIR pp. IV.I.51-IV.I.52 (M-WS-3) and IV.I.56-IV.I.60 (M-WS-4) would remain applicable. Minor revisions in these mitigation measures would be necessary to shift responsibilities for review and analysis of wind effects of individual buildings from TIDA to the Planning Commission and Planning Department staff, due to the change from a Redevelopment Plan to an Area Plan and Special Use District. These revisions are shown in Appendix 1 to this memorandum; these revisions do not make substantive changes in the operation or effectiveness of the mitigation measures.

J. Recreation

The revisions to the Proposed Project would not change the analysis or conclusions in the discussion of recreational impacts on EIR pp. IV.J.12-IV.J.27. The amount and types of open space would not change as a result of any of the revisions, nor would the demand for open space. The less-than-significant impacts identified in the EIR would not be significant as a result of the revisions to the Proposed Project. No new significant impacts would result from implementing the Area Plan/SUD rather than a Redevelopment Plan, providing less affordable housing and more market-rate housing, reducing height limits for towers on Treasure Island, or reducing maximum amounts of parking for commercial uses on Treasure Island, and no new mitigation measures would be required.

K. Utilities and Service Systems

The utilities and service systems proposed and described in EIR Chapter II, Project Description, and further detailed in EIR Section IV.K, Utilities and Service Systems, would not change as a result of the proposed revisions to the Project. Although tax increment financing would not be available to support construction of utilities infrastructure, funding would be available through the proposed Infrastructure Financing District, and no impacts would result from the change. Land uses also would not change; therefore, demand for water and wastewater services, solid waste collection and disposal, electric and gas services, and telecommunications services discussed in the various subsections of EIR Section IV.K would not change. The amounts and types of open space, and streetscape design and landscaping guidelines also would not change; therefore, stormwater runoff volumes would be the same as assumed for the discussion in the EIR on pp. IV.K.26-IV.K.38. Stormwater collection and treatment, including the stormwater treatment wetland, would not change, and the demand for recycled water for landscape irrigation and other non-potable uses also would not change. No new significant impacts would result, no new mitigation measures would be needed, and none of the less-than-significant impacts identified in Section IV.K of the EIR would become significant as a result of the proposed revisions to the Project.

L. Public Services

Land uses would not change from those analyzed in the EIR as a result of the revisions to the Proposed Project. The number of residential units would remain at up to 8,000, and the estimate of population growth on the Islands would not be affected by the change in number of affordable housing units. Demand for police and fire services, school facilities, hospitals, and libraries are all based primarily on population and types of land uses. Therefore, the revisions to the Proposed Project would not result in changes to the analysis or to the less-than-significant impacts identified in this Section of the EIR, and no new significant impacts would occur. No new mitigation measures would be required.

M. Biological Resources

The change proposed in the Project, from a Redevelopment Plan to an Area Plan/SUD, from the use of tax increment financing to an IFD, related reductions in the number of affordable housing units,

and the updates to the proposed *Design for Development* to reduce height limits and reduce the maximum amount of allowed parking spaces for some commercial uses in Treasure Island, would not substantially affect any of the significant impacts on biological resources or the mitigation measures identified in Section IV.M of the EIR. The amount and location of open space and recreational uses on the Islands would remain the same. The footprint and types of construction activities, including the proposed geotechnical stabilization, the proposed Ferry Terminal and Sailing Center improvements, the proposed Habitat Management Plan for Yerba Buena Island, and the proposed utilities, would not change. Therefore, the Revised Project would not result in new significant impacts on terrestrial or marine biological resources, and no new mitigation measures would be required. The less-than-significant impacts would not become significant as a result of the revisions, and no significant impacts would become more severe.

The change from a Redevelopment Plan to an Area Plan/SUD, with review and approval responsibilities established for the Planning Commission and Planning Department in the Planning Code for vertical development, would require minor revisions in one of the mitigation measures identified. In Mitigation Measure M-BI-4a, Minimizing Bird Strikes, where TIDA is specifically identified, responsibility would now be vested in the Planning Commission and/or Planning Department staff for portions of the measure, and in TIDA for other portions. This is because this mitigation measure addresses both horizontal and vertical development; TIDA would be responsible for the portions of the measure related to horizontal development such as outdoor lighting in open spaces and sports fields and for any buildings proposed in the Tidelands Trust Overlay Zone, while the Planning Department would be responsible for ensuring that measures to minimize bird strikes were implemented for vertical development on sites outside the Tidelands Trust properties. (Note that, as explained in the Response in Section 2.15.4.1, Bird Strikes, on pp. 2.15.15 and 2.15.16 in the Comments and Responses, this mitigation measure is similar to the Planning Department's October 2010 public review draft of the *Standards for Bird-Safe Buildings*, but was developed to account for the Islands' unique location.) These text revisions to the mitigation measure are shown in Appendix 1 to this memorandum.

N. Geology and Soils

Revisions to the Proposed Project would not affect the proposed geotechnical stabilization described in Chapter II, Project Description, and detailed on pp. IV.N.21-IV.N.23 in Section N, Geology and Soils. Although tax increment financing would not be available to support construction of infrastructure, including the geotechnical stabilization, funding would be available through the proposed Infrastructure Financing District, and no physical changes would result. No changes are proposed in the land uses or building locations, construction techniques, or in the infrastructure described and analyzed in the EIR. Therefore, the less-than-significant impacts identified in Section N, Geology and Soils, would not change, the significant impact identified in Impact GE-5 on EIR pp. IV.N.30-IV.N.31 would not become more severe, no new significant impacts would occur, and no new mitigation measures would be required.

O. Hydrology and Water Quality

The revisions to the Proposed Project would not change the infrastructure proposed to address stormwater management, wastewater treatment, flood protection improvements, or elements of the Proposed Project intended to address potential future sea level rise, described in Chapter II, Project Description, and detailed in Section IV.O, Hydrology and Water Quality, on pp. IV.O.24-IV.O.35. Although tax increment financing would not be available to support construction of utilities infrastructure, funding would be available through the use of one or more IFDs, and no physical impacts would result from the change. Other revisions, such as changing from a Redevelopment Plan to an Area Plan/SUD, revising height limits for buildings on Treasure Island, and reducing maximum amounts of parking for some commercial uses on Treasure Island, would not affect stormwater flows or treatment, and would not affect the flood improvements or strategies to address potential future sea level rise. The less-than-significant impacts identified in Section IV.O, Hydrology and Water Quality, would not change, no new significant impacts would occur, and the significant impact identified in Impact HY-2 on EIR pp. IV.O.38-IV.O.39 would not become more severe as a result of proposed revisions. No new mitigation measures would be required.

P. Hazards and Hazardous Materials

The proposed revisions to the Project would not affect the remediation activities being carried out on Treasure Island by the U.S. Navy described in Section IV.P, Hazards and Hazardous Materials on EIR pp. IV.P.3-IV.P.27 or the transfer process described there and on pp. IV.P.37-IV.P.38. The locations and types of land uses would not change as a result of revisions to the Proposed Project, utilities would remain as proposed, and construction techniques would not change. The significant impacts identified in Section IV.P would not become more severe as a result of revisions to the Proposed Project; mitigation measures identified on pp. IV.P.41-IV.P.43, IV.P.50-IV.P.51, IV.P.52, and IV.P.54, would continue to be applicable. The impacts identified as less than significant would not change. No new significant impacts would result, and no new mitigation measures would be required.

Q. Mineral and Energy Resources

The revisions to the Proposed Project would not result in any new effects on mineral resources or energy demand and consumption. Land uses would not change, and the revisions to height limits and parking ratios would not affect energy demand identified for the Proposed Project. Revisions would not cause the Proposed Project to be unable to meet the commitment to supply at least 5 percent of the peak energy demand with renewable sources. Project revisions would not change the energy conservation practices likely to be implemented to meet the San Francisco Green Building Ordinance, and the ordinance would continue to apply to the Proposed Project. Therefore, project revisions would not change the less-than-significant impacts identified in the EIR on pp. IV.Q.15-IV.Q.17, and no new significant impacts would occur. No new mitigation measures would be required.

R. Agricultural Resources and Forest Land

The Project as proposed would have no impact on agricultural resources, as stated on pp. IV.R.2-IV.R.3, and revisions to the Proposed Project would not change this conclusion. The proposed Habitat Management Plan for Yerba Buena Island would not change. Revisions to the Proposed Project would not result in new, significant impacts on forest land on Yerba Buena Island, and no new mitigation measures would be required.

Summary and Conclusions

Based on the revisions to the Proposed Project, and the analysis of those revisions in relation to the analysis and conclusions in the Draft EIR, as clarified and explained in the Comments and Responses document responding to public comments received on the Draft EIR, the Planning Department does not find that there is any requirement to make substantive revisions in the information presented in the EIR, nor is there any requirement to recirculate any portion of the EIR for new public review and comment. Minor revisions to the EIR text to account for the proposed revisions are presented in Appendix 1 to this memorandum.

APPENDIX 1

Revisions to the Draft EIR and Comments and Responses Document

This appendix lists the changes to the text of the Draft EIR and Comments and Responses document to incorporate the revisions to the Proposed Project described in the preceding memorandum

As described in the preceding memorandum, revisions to the Proposed Project would not result in any changes in proposed land uses or infrastructure upgrades. Nor would the Revised Project result in any new significant impacts, or the need for new mitigation measures. Impacts would be the same or less than those indentified in the Draft EIR. Revisions that require changes to the Draft EIR text and, where necessary, to the Comments and Responses document are shown below by topic. Briefly, the revisions

- Clarify the changes in the governing structure of the Proposed Project and the related changes in numbers of affordable housing units; and
- Reflect the proposed reduction in commercial parking spaces.

No text changes have been presented to address the changes to the height limits included in the updated proposed *Design for Development*. The Revised Project would result in shorter buildings than those analyzed in the EIR, but the bulk dimensions would remain within the framework analyzed; therefore, no revisions to the EIR text or Responses to Comments are necessary.

All text revisions are shown in ~~striketrough~~ for deleted text and underline for new text. The revisions to the Draft EIR and Comments and Responses document are minor and do not constitute significant new information requiring recirculation of a revised or updated EIR, pursuant to State CEQA Guidelines Section 15088.5.

Draft EIR Text Changes

Since a Redevelopment Plan is no longer proposed and the project approval and implementation structure would be replaced with a new Area Plan and new Special Use District, all references to "Redevelopment Plan Project Area" are changed throughout the Draft EIR and Comments and Responses document to read "Project Area," and all references to "*Redevelopment Plan*" that mean a document are changed to read Area Plan and Special Use District (SUD)" or "Area Plan/SUD."

Chapter I. Introduction

The second full paragraph on p. I.5 is deleted and replaced with the following new paragraph as shown below.

REDEVELOPMENT PLAN

~~Following certification of this EIR, TIDA will consider actions to adopt and implement a Redevelopment Plan for Treasure Island and Yerba Buena Island, which would govern development on the property it receives from the Navy following conveyance. The redevelopment plan would establish a Redevelopment Plan Project Area boundary and set forth a program of redevelopment actions for the revitalization of Treasure Island and Yerba Buena Island, as required under California Redevelopment Law.~~

In the Draft EIR published July 2010, TIDA and Treasure Island Community Development, LLC ("TICD") proposed that TIDA would approve a Redevelopment Plan under the Community Redevelopment Law in connection with the Proposed Project. TIDA and TICD no longer propose that TIDA approve a Redevelopment Plan for the Proposed Project. This decision is based on uncertainties regarding the legal status of redevelopment agencies, and the stability and security of revenue sources available to such agencies in the foreseeable future. TIDA and TICD now propose to use other financing mechanisms in order to enable TIDA to engage in revitalization activities, such as constructing infrastructure. The decision to no longer propose adopting a Redevelopment Plan does not affect the environmental impacts of the Proposed Project; rather, the decision affects funding mechanisms to be used to implement the Proposed Project. References to a "Redevelopment Plan" throughout the EIR should be understood to refer to a proposal to redevelop the site in the ordinary sense of the term, rather than as a statement that a Redevelopment Plan (within the meaning of the Community Redevelopment Law) will be considered for adoption. Also references to the "*Redevelopment Plan*" as a document that embodies the proposed land use controls and design standards for the Proposed Project should be understood to refer to the new Area Plan/SUD. All references to the Treasure Island Development Authority (TIDA) and its powers and authorities as a "Local Reuse Authority" are corrected to "Local Redevelopment Authority."

Chapter II. Project Description

The second paragraph on p. II.1 is revised as follows:

The Treasure Island Development Authority ("TIDA"), ~~the redevelopment agency for the project,~~ is proposing to redevelop a Redevelopment Plan for the Treasure Island / Yerba Buena Island Project ("*Redevelopment Plan*") that would provide the basis for redevelopment of the portions of NSTI ~~stilled~~ owned by the Navy, once they are transferred to TIDA. The Development Plan would be carried out by Treasure Island Community Development, LLC ("TICD"), a private entity competitively selected as the prospective master developer, subject to approval of a Disposition and Development Agreement and related conveyance agreements governing redevelopment of NSTI. One or more Infrastructure Financing districts ("IFDs") would be used to help finance public facilities and infrastructure improvements.

The last bullet under "Additional TIDA Objectives" on pp. II.5 - II.6 is changed as follows.

Additional TIDA Objectives

In addition to the shared objectives, TIDA has the following project objectives:

- Provide an affordable housing program that delivers ~~30~~ 25 percent of all residential units at below market rates across a wide range of income levels, including units for formerly homeless persons, as provided in the City's agreement with Treasure Island Homeless Development Initiative ("TIHDI").

The Affordable Housing Program discussion on pp. II.26 and II.28 is revised as shown:

Affordable Housing Program

The Proposed Project includes several affordable housing initiatives that would allow up to approximately ~~30~~ 25 percent (approximately ~~2,400-2,000~~) of the new housing units to be priced at a range of below-market rates. ~~The project would exceed the California Community Redevelopment Law requirement that 15 percent of all new housing units be affordable.~~
Specifically:

- Inclusionary Housing. The Proposed Project would require a portion of the units in market-rate buildings be set aside as affordable. It is expected that approximately 5 percent of the units in market rate buildings, or up to ~~280~~316 units, would be sold or leased as inclusionary. The inclusionary housing units would generally serve moderate-income households (in the for-sale units) and low-income households (in the rental units).¹⁹
- Treasure Island Homeless Development Initiative ("TIHDI"). The Proposed Project includes land and funding to replace the 250 units of housing in the existing TIHDI program, as well as land for an additional 185 residential units, expanding the program to a total of 435 units. The TIHDI units would generally be for formerly homeless (extremely low-income) families.
- Stand-alone Affordable Housing. Up to ~~1,685~~1,249 units would be in stand-alone, completely affordable buildings implemented by TIDA or others. The TIDA units would likely include a mix of rental and for-sale units and would target very-low-, low-, and moderate-income households.

At least 20 percent of the affordable units would be affordable to very-low-income residents. To meet the ~~Community Redevelopment Law~~

State law requirement for replacement of affordable housing removed within an Infrastructure Financing District, the Proposed Project includes a replacement housing plan that would be adopted as part of the ~~redevelopment Infrastructure Financing~~ planning process. Pursuant to ~~the California Redevelopment Law~~ State law, whenever residential units housing low- or moderate-income persons are destroyed or taken out of the low- and moderate-income market as part of a ~~redevelopment project where there is a written agreement with the redevelopment agency or the redevelopment agency provides financial assistance for the development~~ the activities of an Infrastructure Financing District, the ~~redevelopment agency~~ district must cause replacement of

those units with new or ~~newly~~ rehabilitated low- and moderate-income units. In addition, the district must replace 20 percent of the units that are destroyed or removed that are occupied by persons above moderate income. The units must be replaced within 4 years after they are destroyed or removed from the housing market. Replacement units may be located anywhere within the ~~district territorial jurisdiction of the redevelopment agency.~~ All of the replacement units must be affordable to low- or moderate-income households. ~~The same or lower income categories as the person displaced from the destroyed or removed units.~~ The Agency may replace destroyed units with a smaller number of units if the total number of bedrooms in the replacement units equals or exceeds the number of bedrooms in the destroyed units and the units are ~~affordable in the same or lower income categories as the persons displaced from the destroyed or removed units.~~

~~At least 30 days prior to executing an agreement that would result in the destruction or removal of low and moderate income units, the redevelopment agency must adopt a replacement housing plan. The plan must outline the general location of the replacement units and set forth an adequate means of obtaining development of the replacement housing. Housing units may not be destroyed or removed from the market prior to adoption of the replacement housing plan.~~

The text of footnote 19 is not changed and has not been reproduced here.

The second and third paragraphs on p. II.34 are changed to incorporate the new Area Plan/SUD. The revisions to these two paragraphs in the Comments and Responses document, Chapter 3, Draft EIR Revisions, Section 3.2, Staff Initiated Text Changes on p. 3.111-3.112 are superseded by these revisions and that text is removed from the Comments and Responses document and replaced with this revised text.

The Proposed Project includes amendments to the *General Plan* and Planning Code that would identify the geographic and physical boundaries of Treasure Island and Yerba Buena Island. The Planning Code amendments would ~~reference the land use controls and design standards specified in the *Redevelopment Plan* and~~ add a new Treasure Island / Yerba Buena Island Special Use District ("SUD") that establishes the land use controls for Treasure Island and Yerba Buena Island and incorporates by reference the land use controls and design standards and guidelines in the *Design for Development*. The *General Plan* would be amended by adding a new Treasure Island / Yerba Buena Island Area Plan for the Redevelopment Plan Project Area that would ~~include~~ reference the new neighborhoods on Treasure Island and Yerba Buena Island ~~and would reference the *Redevelopment Plan* and~~ define City objectives and policies related to redevelopment of the Islands.

~~In connection with adoption of the proposed *Redevelopment Plan*,~~ the City would consider adopting amendments to the Planning Code that would establish the Special Use District, incorporating by reference the consistent with the *Redevelopment Plan Design for Development*. The Planning Code text amendments would also modify the provisions of Section 105(f) by removing the portion that currently imposes a height limit of 40 feet on all of Treasure Island and Yerba Buena Island pursuant to the Planning Code amendment process provided in Section 302; and would amend Section 201 to reference the new classes of land use districts on Treasure Island and Yerba Buena Island created by the SUD. The Planning Code would also be amended to establish

a Treasure Island/Yerba Buena Island "TI Height and Bulk District" that would reference the permitted height and bulk standards from the SUD and *Design for Development*. Zoning Map amendments would add new Sheet ZN14 to change the zoning designation within the Development Plan Area from "Public" to the Treasure Island/Yerba Buena Island SUD a Redevelopment Agency — Treasure Island / Yerba Buena Island District that references the designations contained in the Redevelopment Plan. Areas remaining under the jurisdiction of the Job Corps, FHWA and Caltrans would remain as "P" districts within a 40-X height and bulk district. Zoning map amendments would also add new Sheet HT14 to change the height and bulk district within the Development Plan Area from 40-X to refer to the TI Height and Bulk District, which would include the designations contained in the *Redevelopment Plan* SUD. Zoning Map amendments would also add a new Sectional Map Sheet SU14 to establish the Treasure Island/Yerba Buena Island Special Use District.

The first paragraph on p. II.50 is revised to incorporate changes to the number of proposed parking spaces. The chart (not shown below) following the first paragraph on p. II.50 is also revised to reflect the total number of off-street and on-street parking spaces.

PARKING

The Development Program includes approximately ~~11,155~~ 10,680 parking spaces to be provided on the Islands. All of these spaces would incur a charge for use. A breakdown of the proposed parking spaces by type of space is shown below:

The third paragraph on p. II.50 which continues onto p. II.51 is revised to incorporate the new parking ratios as follows.

Off-street parking standards for commercial uses on Treasure Island would be reduced from similar to those in the San Francisco Planning Code: 2 1 parking spaces for each 1,000 sq. ft. of gross floor area for office uses, 2 1 parking spaces for each 1,000 sq. ft. for retail uses, and 0.84 space for each hotel room. Car-share spaces would be required in commercial buildings at a rate of 1 space for each 50 parking spaces for all buildings with more than 25 parking spaces. Approximately ~~2,120~~ 1,640 off-street and 1,035 on-street parking spaces are planned to serve the proposed commercial, retail, and hotel uses; the visitor-serving recreational uses; the uses in Buildings 1, 2, and 3; and the Clipper Cove Marina. Retail and hotel parking spaces would be generally located in off-street parking garages. Both on- and off-street parking spaces would be provided for the other proposed uses. Visitors to these uses would pay for off-street or on-street parking, and the revenues would be combined with those from transit passes and a congestion pricing program to offset the transportation program's operating costs for services, such as the off-island transit service, the on-island shuttle service, and the bicycle library.

Chapter III. Plans and Policies

The third paragraph on p. III.1 is revised as shown below.

As discussed in Chapter II, Project Description, pp. II.1-II.3, the ~~*Redevelopment Plan and Area Plan*~~, and the Special Use District, which incorporates the *Design for Development*, would establish the

land use controls and design standards and guidelines for the Proposed Project. ~~California Community Redevelopment Law (Health and Safety Code, Section 33331) requires that the proposed *Redevelopment Plan* and its related documents such as the *Design for Development* be consistent with, and conform to, the adopted *General Plan* and its related adopted policies before the *Redevelopment Plan* is approved and adopted.~~ The Proposed Project includes amendments to the text and maps of the *General Plan* and Planning Code (discussed below) that would identify the geographic and physical boundaries of Treasure Island and Yerba Buena Island, and establish ~~incorporate by reference~~ the land use controls and design standards specified in the proposed SUD ~~*Redevelopment Plan* and *Design for Development*~~ for the Development Plan Area.

The first full paragraph on p. II.3 is revised as follows.

To implement the Proposed Project, the *General Plan* would be amended ~~to add by adding~~ a new Area Plan for the ~~Redevelopment Plan~~ Project Area that would include the new neighborhoods on Treasure Island and Yerba Buena Island. ~~And would reference the *Redevelopment Plan*.~~ With these proposed amendments, there would be no conflicts with the *General Plan*.

Chapter IV. Environmental Setting and Impacts

IV.B. Aesthetics

The Impact Statement at the top of p. IV.B.21 is revised as follows to remove reference to the Redevelopment Plan:

Impact AE-1: Development under the Proposed Project ~~Treasure Island and Yerba Buena Island Redevelopment Plan~~ would adversely alter scenic vistas of San Francisco and San Francisco Bay from public vantage points along the eastern shoreline of San Francisco, Telegraph Hill, the East Bay shoreline, and from the Bay Bridge east span. (*Significant and Unavoidable*)

No revisions are necessary in the discussion of this impact.

IV.C Population and Housing

New text is added as the first full paragraph on p. IV.C. 8 as shown below.

Infrastructure Financing District

Financing for infrastructure is proposed to be obtained by TIDA using an Infrastructure Financing District mechanism. Sections 53395.5 and 53395.14 of the Government Code allow for the establishment of an Infrastructure Financing District (“IFD”) to fund specified public facilities and infrastructure improvements. Within an IFD, State law requires that whenever residential units housing low- or moderate-income persons or families are destroyed or taken out of the low- and moderate-income market as part the activities of an IFD, the district must cause replacement of those units with new or rehabilitated low- and moderate-income units within four years after they are destroyed or removed from the housing market. In addition, within an IFD, 20 percent

of the units that are destroyed or removed that are occupied by persons or families above moderate income must be replaced within the four-year time frame. Replacement units may be located anywhere within the district. All of the replacement units must be affordable to low- or moderate-income households.

The following revisions are made to the first paragraph on page IV.C.8.

Community Redevelopment Law

~~Treasure Island Development Authority (“TIDA”) is the redevelopment agency responsible for implementing the proposed Treasure Island / Yerba Buena Redevelopment Plan.~~ California Health and Safety Code Section 33334.6 states that the provision of housing is a fundamental purpose of redevelopment. Under the California Redevelopment Law²² (“CRL”) Section F, California Health and Safety Code, Section 33680-33692, redevelopment agencies must annually deposit at least 20 percent of the gross tax increment received into a low- and moderate-income housing fund. In addition to the requirement to create funding for affordable housing, the CRL requires a redevelopment agency to produce affordable housing totaling at least 15 percent of all new units within the redevelopment plan project area. Not less than 6 percent of all new units must be affordable to very low-income households, with the remaining 9 percent affordable to very low-, low-, and moderate-income households. The housing production requirement must be met every ten years during the life of the redevelopment plan. Redevelopment agencies may meet the housing production obligation by producing units outside the project area on a two for one basis. Redevelopment agencies may also meet their housing production requirements by acquiring long-term affordability covenants on existing housing.

If the Proposed Project were to include a redevelopment plan, TIDA would serve as the redevelopment agency responsible for implementing any such redevelopment plan. The Project is no longer proposed to include a redevelopment plan under the CRL. For this reason, the requirements of the CRL are not directly applicable to the Proposed Project.

Footnote 22 has not changed and is not reproduced here.

The second full paragraph on p. IV.C.15 is revised as shown.

The Proposed Project would increase the City’s housing stock and would therefore contribute to the City’s ability to meet its need for housing options of varying sizes, types, and levels of affordability. ~~The Proposed Project would be subject to the affordable housing production of the California Community Redevelopment Law requirement for all new units developed in the Redevelopment Plan Project Area.~~ TIDA has agreed to provide up to ~~2,400~~ 2,000 units that would be affordably priced at a range of below-market rates, which is 25 percent of the total project housing units. At least 20 percent of the affordable units would be affordable to very low-income residents. The Proposed Project, as a whole, would exceed the 15 percent inclusionary housing requirement in Section 415 of the Planning Code. The Proposed Project would also exceed the California Community Redevelopment Law requirement that 15 percent of all new housing units be affordable to low- and moderate-income households, although this requirement would no longer be applicable. The Proposed Project would also exceed the requirements of State law for an Infrastructure Financing District (“IFD”). Under State law, within an IFD, if residential units housing low- or moderate-income persons or families are destroyed or taken out of the low-

and moderate-income market as part the activities of an IFD, the district must cause replacement of those units with new or rehabilitated low- and moderate-income units within four years after they are destroyed or removed from the housing market. In addition, within an IFD, 20 percent of the units that are destroyed or removed that are occupied by persons or families above moderate income must be replaced within the four-year time frame. Replacement units may be located anywhere within the district. All of the replacement units must be affordable to low- or moderate-income households. The Proposed Project is expected to include approximately 5 percent of the units (up to about ~~280-316~~) in market-rate buildings, which would be sold or leased as inclusionary housing.

The Proposed Project would also include land and funding to replace 250 units in the existing TIHDI housing, as well as land for an additional 185 residential units, expanding the program to a total of 435 units subject to conveyance of the Property to TIDA and implementation of the Proposed Project. These TIHDI housing units would generally be for formerly homeless (extremely low-income) families. Up to around ~~1,685~~1,249 units (a mix of rental and for-sale units) would be in stand-alone, completely affordable buildings. A minimum of 20 percent of the proposed residences would be sized for families.²⁸

Footnote 28 on EIR p. IV.C.15 would not change and has not been reproduced here.

IV.D. Cultural and Paleontological Resources

The Impact Statement on p. IV.D.17 is revised as follows to change “Redevelopment Plan Project Area” to “Project Site”, because in this statement, the term Redevelopment Plan Project Area is not referring to the Job Corps campus, which was part of the Redevelopment Plan Project Area, but only the portion of the Project Area to be developed under the Proposed Project:

Impact CP-1: Project construction activities could disturb significant archaeological resources, if such resources are present within the Project Site Redevelopment Plan Project Area. (*Less than Significant with Mitigation*)

The Impact Statement on p. IV.D.22 is revised for the same reason as above.

Impact CP-2: Project construction activities could disturb human remains, if such resources are present within the Project Site Redevelopment Plan Project Area. (*Less than Significant with Mitigation*)

IV.E Transportation

To reflect the changes in parking demand due to the decrease in affordable units and the reduction in parking rates for commercial space on Treasure Island, the following changes are made to the Parking Information discussion on pp. IV.E.136-IV.E.137.

The last paragraph on p. IV.E.137 is revised as shown below.

Table IV.E.23 summarizes the aggregate of the parking demand calculated for the Proposed Project land uses, and also presents the maximum permitted off-street parking and new on-street parking spaces that would be provided. There would be no free parking on the Islands for either on-street or off-street spaces. Overall, the project proposes ~~11,153~~ 10,675 parking spaces, including 1,035 on-street spaces.

The first paragraph on p. IV.E.138 is changed as shown below.

Overall, during the peak hour of parking demand for all of Treasure Island, the Proposed Project would result in a deficit of ~~1,071~~ 1,664 parking spaces, including a deficit of ~~2,103~~ 2,218 residential spaces and a surplus of ~~1,032~~ 554 non-residential spaces. Yerba Buena Island would experience a shortfall of ~~76~~ 81 spaces during its peak hour of parking demand, comprised of ~~59~~ 64 residential spaces and 17 non-residential spaces. For non-residential uses, each neighborhood would provide a surplus of non-residential parking spaces; conversely, each neighborhood would experience a deficit of residential spaces compared to peak demand.

Tables IV.E.22, Permitted Parking Ratios and Maximum Off-Street Parking Spaces, and Table IV.E.23, Summary of Proposed Project Peak Hour Parking Demand and Maximum Permitted Supply are also revised accordingly to reflect these changes.

IV.I Wind and Shadow

Mitigation Measures M-WS-3 and M-W-4 concerning potential wind hazards are revised as follows to change the responsible parties from TIDA to the Planning Department under the new Area Plan and SUD. These revisions do not change the impact conclusion or implementation of the mitigation measure identified in the EIR.

Subsections 3 and 4 of Mitigation Measure M-WS-3 on p. IV.I.52 are revised as shown below.

3. TIDA shall ensure, by conditions of approval for horizontal work activity, and the Planning Department shall ensure by conditions of approval for both building permits and site permits, that the project sponsor and the subsequent building developer(s) cooperate to implement and maintain all structural measures and precautions identified by the wind consultant.
4. TIDA shall document undertaking the actions described in this mitigation measure, including copies of all reports furnished for vertical development by the Planning Department. TIDA shall maintain records that include, among others: the technical memorandum from the EIR; all written recommendations and memoranda, including any reports of wind testing results, prepared by the wind consultant(s) in the conduct of the reviews and evaluations described in this mitigation measure; and memoranda or other written proof that all constructed buildings incorporate the requisite design mitigations that were specified by the wind consultant(s).

Subsection 1 of Mitigation Measure M-WS-4 on pp. IV.I.56-IV.I.57 is revised as follows.

1. Prior to schematic design approval of the building(s) on any parcel within the Project, ~~TIDA~~ the Planning Department shall require that a qualified wind consultant shall review and compare the

exposure, massing, and orientation of the proposed building(s) on the subject parcel to the building(s) on the same parcel in the representative massing model of the Proposed Project tested in the wind tunnel as part of this EIR and in any subsequent wind testing. The wind consultant shall identify and compare the potential impacts of the proposed building(s) relative to those described in this EIR.

Subsection 3 of Mitigation Measure M-WS-4 on p. IV.I.59 is revised as follows.

3. TIDA shall document undertaking the actions described in this mitigation measure, including copies of all reports furnished for vertical development by the Planning Department. TIDA shall maintain records that include, among others: the technical memorandum from the EIR; all written recommendations and memoranda, including any reports of wind testing results, prepared by the wind consultant(s) in the conduct of the reviews and evaluations described in this mitigation measure; and memoranda or other written proofs that all constructed buildings incorporate the requisite design mitigations that were specified by the wind consultant(s).

IV.M. Biological Resources

Mitigation Measure M-BI-4a concerning bird strikes is revised as follows to change the responsible parties from TIDA to the Planning Department under the Area Plan/SUD. These revisions do not change the impact conclusion or implementation of the mitigation measure described in the EIR.

The two paragraphs under “Building Design and Landscaping” on p. IV.M.52 are revised as follows:

Prior to the issuance of the first building permit for each building in the Proposed Project, ~~TIDA~~ project applicants shall have a qualified biologist experienced with bird strikes review ~~and approve~~ the design of the building to ensure that it sufficiently minimizes the potential for bird strikes and report to the Planning Department. ~~TIDA~~ The Planning Department may consult with resource agencies such as the California Department of Fish and Game or others, as it deems appropriate.

The building developer shall provide to ~~TIDA~~ the Planning Department a written description of the measures and features of the building design that are intended to address potential impacts on birds, with a copy to TIDA of the final measures approved by the Planning Department or Commission. Building developers are encouraged to coordinate with the Planning Department ~~TIDA~~ early in the design process regarding design features intended to minimize bird strikes. The design shall include some of the following measures or measures that are equivalent to, but not necessarily identical to, those listed below, as new, more effective technology for addressing bird strikes may become available in the future:

The first paragraph under “Lighting” on p. IV.M.53 is revised as follows:

~~TIDA~~ The Planning Department shall similarly ensure that the design and specifications for buildings on non-Trust property, and TIDA shall ensure that the design and specifications for sports facilities/playing fields and buildings on Trust property, implement design elements to reduce lighting usage, change light direction, and contain light.

The first two full paragraphs on p. IV.M.54 are revised as shown below.

Antennae, Monopole Structures, and Rooftop Elements

~~TIDA~~ The Planning Department shall ensure, as a condition of approval for every building permit, that buildings minimize the number of and co-locate rooftop-antennas and other rooftop equipment, and that monopole structures or antennas on buildings, in open areas, and at sports and playing fields and facilities do not include guy wires.

Educating Residents and Occupants

~~TIDA~~ The Planning Department shall ensure, as a condition of approval for every building permit, that the permit applicant agrees to provide educational materials to building tenants and occupants, hotel guests, and residents encouraging them to minimize light transmission from windows, especially during peak spring and fall migratory periods, by turning off unnecessary lighting and/or closing window coverings at night. TIDA shall review and approve the educational materials prior to building occupancy.

Chapter V. Other CEQA Considerations

The second paragraph on p. V.1 is changed as shown below to address the new Area Plan and SUD.

Implementation of the Proposed Project would require amendments to the *San Francisco General Plan* and the Planning Code. The existing zoning on Treasure Island and Yerba Buena Island is P (Public Use) District, and the existing height and bulk classification is 40-X. The Proposed Project would require that the *General Plan* and Planning Code be amended to incorporate the land use designations, height limits, and allowable land uses specified in the Area Plan and SUD, which incorporates the proposed ~~Redevelopment Plan and Design for Development~~. These amendments and the resulting Development Program would change the mix and types of land uses on Treasure Island and Yerba Buena Island, and would allow for increased density and building heights. The ABAG regional *Projections 2009* includes proposed development within the Redevelopment Plan Project Area as a Priority Development Area, and designates Treasure Island as an opportunity site for high-density housing and support services in the region. Improved and expanded infrastructure, public services, and transit improvements would be required to serve development on the Islands; however, the improved and/or expanded infrastructure and services would not create additional capacity beyond what is required to serve the Redevelopment Plan Project Area, and therefore would not directly or indirectly induce growth in the region.

Chapter VII. Alternatives

Table VII.2: Key Land Use Differences - Proposed Project and Reduced Development Alternative, and Table VII.16: Key Land Use Differences - Proposed Project and No Ferry Service Alternative are revised to note that the total number of parking spaces provided by the Proposed Project is changed from 11,155 spaces to 10,675 spaces.

Revisions to Chapter 2 of the Comments and Responses Document

Responses to comments are revised to reflect the Revised Project where appropriate. Where these revisions result in further changes to revised Draft EIR text, the same changes will be made in Chapter 3, Section 3.1, Changes in Responses to Comments, and are not repeated here.

Section 2.1 Project Description

The following updates are made to the first paragraph in the Response in subsection 2.1.1.1, Mitigation Responsibility, on p. 2.1.3:

The Treasure Island Development Authority (“TIDA”) has been established as the ~~redevelopment~~ agency ~~for to redevelop~~ the project site (see EIR Chapter I, Introduction, pp. I.3-I.4, and EIR Chapter II, Project Description, p. II.1). Because of uncertainties regarding the legal status of redevelopment agencies, a redevelopment plan is no longer proposed; however, TIDA would continue to be an agency of the City and County, as well as the Trustee for the Tidelands Trust properties. TIDA and the Planning Department or Planning Commission would have the responsibility for ensuring that mitigation measures included in the Proposed Project or imposed as conditions of approval are carried out following actions to approve the Area Plan, Special Use District, Development Agreement, Disposition and Development Agreement, and related transactional documents *Redevelopment Plan*.

Revisions are made to the second paragraph of the Response in subsection 2.1.2.1, Zoning Map on p. 2.1.6 as follows:

The proposed height limits would be incorporated into the Planning Code through an amendment adding a Special Use District (“SUD”), that would incorporate by reference the Redevelopment Plan proposed to be adopted as part of the Proposed Project. The SUD Redevelopment Plan would set forth the Island-wide maximum heights, and would refer to the proposed *Design for Development*, to be adopted by TIDA and the Planning Commission, for the more detailed height limits within each designated zone. The more fine-grained height zones set forth in the proposed *Design for Development* would govern development on the Islands, and allow for a range of heights within each zone up to a maximum.

Section 2.3 Land Use

The last sentence in the first paragraph of the Response on p. 2.3.14 in Section 2.3.3, On-Island Services is revised to read:

As shown in Table T3.c: Treasure Island Land Use Standards, on pp. 151-154 of the proposed *Design for Development*, religious institutions would be allowed. Such uses would require a special conditional use permit from either TIDA or the Planning Commission, depending on the location of the proposed use.

Section 2.4 Aesthetics

The fifth sentence in the Response on p. 2.4.2 in subsection 2.4, Aesthetics, is clarified as follows:

As noted on EIR p. IV.B.26, when specific building designs are developed, either the Planning Commission or TIDA, depending on the location of the building, would review the proposed design~~them~~ against the standards and guidelines provided in the proposed *Design for Development* to ensure that it~~they~~ contributes visual interest, texture, and variety to the public and pedestrian realm.

Section 2.5 Population and Housing

The following changes are made to the Response in subsection 2.5.1, Impacts and Affordability of Housing Relocation.

The first paragraph of the response on p. 2.5.1 is revised as shown below.

The comment correctly states that economic impacts are not evaluated in an EIR. Economic information regarding the cost of replacement housing and the affordability levels for such replacement housing will be provided to decision-makers as part of the material to be considered during deliberations about the replacement housing plan, which would~~must~~ be prepared in conjunction with~~before~~ the Infrastructure Financing District process~~proposed Disposition and Development Agreement (“DDA”) is approved~~. As described on EIR p. II.28, pursuant to California Redevelopment Law, TIDA is required to replace units housing low- or moderate-income persons that would be destroyed or taken out of the market as a result of the Proposed Project, and to adopt a replacement housing plan that would outline the general location and the means of obtaining development of replacement housing.

The second full paragraph on p. 2.5.2 that continues on to p. 2.5.3 is revised as shown below.

The Proposed Project would include an Affordable Housing Program, which is described on EIR pp. II.28-II.29. Under the program, TIDA has agreed to provide up to 25 percent or 2,400 ~~2,000~~ units that would be affordably priced at a range of below-market rates. At least 20 percent of the affordable units would be affordable to very-low-income residents.² The project would exceed the 15 percent inclusionary housing requirement of Section 415 of the Planning Code. The Proposed Project would also exceed the California Community Redevelopment Law requirement that 15 percent of all new housing units be affordable to low- and moderate-income households, although this requirement would no longer be applicable. The Proposed Project would also exceed the requirements of State law for an Infrastructure Financing District (“IFD”). Under State law, within an IFD, if residential units housing low- or moderate-income persons or families are destroyed or taken out of the low- and moderate-income market as part the activities of an IFD, the district must cause replacement of those units with new or rehabilitated low- and moderate-income units within four years after they are destroyed or removed from the housing market. In addition, within an IFD, 20 percent of the units that are destroyed or removed that are occupied by persons or families above moderate income must be replaced within the four-year time frame. Replacement units may be located anywhere within the district. All of the replacement units must be affordable to low- or moderate-income households. The Proposed Project is expected to include approximately 5 percent of the affordable units (up to about 295~~316~~) in market-rate buildings, which would be sold or leased as inclusionary housing. Up to around 1,684 ~~2,105~~ would be in stand-alone, affordable buildings, of which up to around 1,670~~1,249~~ units would be

constructed by developers selected by TIDA, and approximately 435 units would be in programs developed and operated by the Treasure Island Homeless Development Initiative (“TIHDI”) or its designee.

The text of footnote 2 in this section is not changed and has not been reproduced here.

The second, third and fourth full paragraphs on p. 2.5.3 are revised as follows.

A minimum of 20 percent of the proposed residences would be sized for families. EIR pp. IV.C.15-IV.C.16 describe the Proposed Project’s compliance with the affordable housing requirements of the California Community Redevelopment Law and compare them with the requirements under State law and the City’s Inclusionary Housing Program (Section 415 of the Planning Code).

The second bullet on p. II.28 is revised as follows to clarify the total number of stand-alone affordable housing units proposed (deletions are shown in ~~strike through~~ and new text is underlined):

- Stand-alone Affordable Housing. Up to ~~2,105~~ 1,684 units (which could be a mix of rental and for-sale units) would be in stand-alone, affordable buildings, of which up to around ~~1,670~~ 1,249 units would be developed by developers selected by TIDA or its designee. Up to 1,685 units would be in stand-alone, completely affordable buildings implemented by TIDA or others. The TIDA units would likely include a mix of rental and for-sale units and would target very-low-, low-, and moderate-income households.

A comment also notes that the Association of Bay Area Governments’ (“ABAG”) regional housing needs allocation should be specifically reviewed to determine the affordability and income levels needed for the proposed units. ~~The Proposed Project is a redevelopment project, and is required to comply with housing requirements and regulations of the California Community Redevelopment Law (“CRL”). Pursuant to these requirements, TIDA is required to replace any existing units housing low- and moderate income households to ensure that there is no net loss of affordable units, and is also required to ensure that at least 15 percent of all housing built is affordable. Additionally under the CRL, TIDA is obligated to target expenditures from its Low and Moderate Income Housing Fund to very low and low income households proportionately to the identified regional housing needs allocation. As noted above, the Proposed Project, as a whole, would exceed the 15 percent affordable housing requirement of Section 415 of the Planning Code, and also would exceed the CRL requirement that 15 percent of all new housing units be affordable to low- and moderate-income households, although a Redevelopment Plan is no longer proposed and the CRL requirement would not apply. In addition, within an Infrastructure Financing District if residential units housing low- or moderate-income persons or families are destroyed, or taken out of the low- and moderate-income market as part of the activities of an IFD, the district must cause replacement of those units with new or rehabilitated low- and moderate-income units within four years after they are destroyed or removed from the housing market. In addition, within an IFD, 20 percent of the units that are destroyed or removed that are occupied by persons of families above moderate~~

income must be replaced within the four-year time frame. Replacement units may be located anywhere within the district. All of the replacement units must be affordable to low- or moderate-income households. ~~would replace all existing units housing low and moderate-income households, and would meet the housing fund targeting requirements.~~ Compliance with these CRL requirements would ensure that the housing programs on the Islands complement the City's efforts to meet the Housing Element goals and objectives.

The second paragraph of the response in the Subsection 2.5.5, Existing Business Displacement, on p. 2.5.8 is revised as shown below.

~~Health and Safety Code Section 33339.5 requires that all redevelopment agencies extend a reasonable preference to businesses in the project area to reenter in business if they otherwise meet the requirements prescribed in the redevelopment plan. The draft Redevelopment Plan for the Proposed Project complies with this requirement.~~ Existing businesses, other than those that are on the Islands on an interim or temporary basis, would be extended a reasonable preference to reenter in business on the Islands.

Section 2.15 Biological Resources

The text in the Response in subsection 2.15.4.1, Bird Strikes, in the first partial paragraph at the top of p. 2.15.16 is revised as follows to reflect revisions in responsibilities identified in Mitigation Measure M-BI-4a in the EIR text on p. IV.M.52, presented above:

In Mitigation Measure M-BI-4a, the EIR on p. IV.M.52 states "The building developer shall provide to ~~TIDA~~ the Planning Department a written description of the measures and features of the building design that are intended to address potential impacts on birds....The design shall include some of the following measures or measures that are equivalent to, but not necessarily identical to, those listed below, as new, more effective technology for addressing bird strikes may become available in the future." Thus, to implement this measure, prior to the issuance of the first building permit for each building in the Proposed Project ~~TIDA~~ the building developer would have a qualified biologist experienced with bird strikes review and the Planning Department would approve the design of the building to ensure that it sufficiently minimizes the potential for bird strikes based on the current state of knowledge at that time. This approach strikes a balance between the Project's commitment to reduce bird strikes and the ability of individual development proposals in the Proposed Project to adapt to new methodologies as they change over time. As a practical matter, this would allow the reviewing biologist to choose suitable measures from the City's final standards or from other, newer, emerging research results.

The text at the end of the Response in subsection 2.15.4.2, Bird Strikes, in the second paragraph in the first full paragraph on p. 2.15.19 is revised to reflect the change in responsibilities for enforcing the Bird Strikes mitigation measure:

The mitigation measures regarding bird strikes in the EIR that are adopted by decision-makers as part of the Mitigation Monitoring and Reporting Program ("MMRP") would become conditions of project approval, and would be enforced by the Planning Department ~~TIDA~~.

Section 2.21 Alternatives

2.21.2 Reduced Parking Alternative Response

The text of the new Reduced Parking Alternative in the Response in subsection 2.21.2 is revised in a number of locations to reflect the Revised Project's reduced commercial parking supply. The same revisions are made in Chapter 3, Section 3.1 to the new text for the Summary, presented on p. 3.5, changing the Proposed Project's parking supply value from 10,118 to 9,646 and changing the difference between the Reduced Parking Alternative and the Proposed Project from 4,500 spaces to 4,030 spaces.

The last bullet on p. 2.21.10 is revised as follows:

- Some comments suggested that parking for Office and Flex uses both be provided at 0.2 spaces per 1,000 square feet. Parking for Office and Flex uses are proposed at ~~2.0~~ 1.0 spaces per 1,000 square feet as part of the Proposed Project. The Reduced Parking Alternative would ~~reduce the~~ provide the same Office Flex parking rate ~~to~~ of 1.0 spaces per 1,000 square feet, which is higher than the rate proposed in some comments, ~~but still represents a reduction from the Proposed Project.~~

The last sentence in the first paragraph under "Description" on p. 2.21.13 is revised as follows:

Taken together, the reduction in parking ratios for the above listed land uses in the Reduced Parking Alternative would reduce the total number of off-street parking spaces by about ~~4,500~~ 4,030, from about ~~10,118~~ 9,646 in the Proposed Project to about 5,616 spaces.

The following changes are made in new Table VII.19 on p. 2.21.15 in the Proposed Project column:

In the "Hotel (Treasure Island)" row, 0.8 spaces/room is revised to 0.4 spaces /room and the related footnote 3 in the Table is revised to read "Hotel rate is the same as or less than the rate for hotels in Neighborhood Commercial District, *San Francisco Planning Code*."

In the "Flex" and "Office" rows, 2/1,000 square feet is revised to 1/1,000 square feet.

In the "Off-Street Parking Subtotal" row, the subtotal is changed from 10,118 to 9,646.

In the "Total" row, the total number of parking spaces in the Revised Proposed Project is changed from 11,153 to 10,681.

The third sentence in the first full paragraph on p. 2.21.18, under "Transportation" is revised as follows:

With the Reduced Parking Alternative, the total number of off-street parking spaces would be up to about 5,615 compared with up to about ~~10,120~~ 9,645 spaces included in the Proposed Project.

2.21.10 No Redevelopment Plan Response

The Response in subsection 2.21.10, No Redevelopment Plan on pp. 2.21.75-2.21.76 is revised as follows to reflect the Revised Proposed Project:

As the comment indicates there are a number of ways to incorporate land use controls associated with the approval and adoption of redevelopment plans. The Draft EIR analyzes the Treasure Island Yerba Buena Island Redevelopment Plan as it was ~~has been~~ proposed by the project sponsors, TIDA, the designated California Redevelopment Agency, and TICD, the prospective master developer. Given the uncertainties in the availability of tax increment financing through use of a redevelopment plan, In this case, TIDA, in consultation with the Planning Department, has determined not to adopt a Redevelopment Plan. Instead, it has determined that the Proposed Project's land use controls would be implemented by adding an Area Plan to the City's General Plan (which would contain objectives and policies that would set the foundation for land use development on the Islands), and by amending the existing City's Planning Code to adopt a Special Use District for the area (which would contain zoning and height and bulk classifications within the Redevelopment Plan Project Area to reference the allowable land use and height limit designations and would reference the more detailed standards and guidelines in the Design for Development) contained in the proposed Redevelopment Plan.

Under California Community Redevelopment law (CRL), the Treasure Island / Yerba Buena Island Redevelopment Plan would be required to be consistent with the *San Francisco General Plan* ("General Plan") as is true for the Planning Code. Although no longer required by the CRL if the Proposed Project does not include adopting a Redevelopment Plan, To approve the Proposed Project, the Planning Commission would still have to make consistency findings stating that the Proposed Project is consistent with the *General Plan* and the Planning Code, Section 101.1 Priority Policies. ~~The California Community Redevelopment law does not preclude amending the Redevelopment Plan, if needed, to provide specific land use controls.~~

Land use controls based on the Planning Code would not be the environmentally superior alternative as defined by CEQA. CEQA Guidelines (Section 15126.6(a) and (e)(2)) require that an EIR analysis of alternatives identify the environmentally superior alternative, the purpose of which, is to identify a superior alternative that has the fewest significant environmental impacts. This CEQA requirement does not pertain to how land use controls for a project are codified.

Section 2.23 Fiscal and Economic Issues

The third, fourth and fifth paragraphs of the response in subsection 2.23.1, Fiscal and Economic Effect of Geotechnical Stabilization, which begins on p. 2.23.1 and continues on p. 2.23.2 are revised as follows.

The overall financing structure for the Proposed Project had been a Redevelopment Plan that would use tax increment financing for infrastructure and affordable housing. Since the Draft EIR was published in July 2010, there has been discussion at the State level in Sacramento of eliminating redevelopment agencies as part of reducing the state's budget shortfall. Because of uncertainties regarding the status of redevelopment agencies and redevelopment funding, the project sponsors are no longer considering financing infrastructure improvements as part of a Redevelopment Plan. Instead, financing for infrastructure is proposed to be obtained using an Infrastructure Financing District ("IFD") mechanism rather than tax increment financing available with a Redevelopment Plan.

The initial capital costs of the Proposed Project would be paid for, in general, from three sources: private capital; ~~bonds supported by public tax increment financing generated solely by the~~

~~redevelopment project bonds supported by incremental tax revenues generated solely by development within an Infrastructure Financing District or Districts; and bonds supported by a community facilities district assessed solely on market-rate homes in the Redevelopment Plan Project Area. Private capital and community facilities district assessments on market-rate homes are separate from financing under the IFD redevelopment tax increment financing. Private capital has no taxpayer burden because the financial investment capital is from non-public parties. The use of tax increment IFD financing relies on incremental tax revenues the powers of redevelopment to redirect the 1 percent ad valorem property tax generated within the district by a redevelopment project area from other state and local uses to the redevelopment project area. This IFD financing mechanism does not increase property taxes paid by individual property owners within a redevelopment project area or the city at-large. The City decision makers are aware of the Governor's proposal on January 10, 2011 for the statewide elimination of funding mechanisms for redevelopment agencies. Final decisions on this proposal at the state level are not expected to occur during the timeframe that the EIR is expected to be presented for certification and the Proposed Project is presented for approval actions. Any future proposals or legislative actions concerning redevelopment funding would be taken into consideration by the City decision makers.~~

The last source, the community facility district ("CFD"), would impose a tax assessment on property owners within the Redevelopment Plan Project Area to pay for infrastructure and public improvements, including the geotechnical improvements. The CFD tax assessment secures the debt issued in order to finance the public improvements authorized within the district. The CFD tax assessment reflects the cost of the improvements constructed for the benefit of both the properties within the assessment district and the public at-large. Properties located outside of the district do not pay the assessment. Homeowners who choose to purchase a home in the area would have full knowledge of this assessment (see the response in Section 2.23.2, Economic Effects, below, for a brief discussion of how this assessment would be applied to existing residents and households in affordable units). The community facility district assessment appropriately asks residents within the assessment district to help pay (over a long time period) for the infrastructure from which they benefit. This mechanism avoids asking San Francisco tax payers who own property outside the Redevelopment Plan Project Area to contribute to infrastructure within the Project Area ~~in the redevelopment area~~. Thus, implementation of the Proposed Project using these three sources for initial capital costs would not burden future generations of tax payers throughout the City.

In summary, the Proposed Project is depending on two public financing mechanisms, an Infrastructure Financing District and a Community Facility District, both of which are paid for using tax proceeds generated from development within the Redevelopment Plan Project Area. The infrastructure being proposed as part of the Project, however, would also benefit people who do not pay those taxes. For example, the Proposed Project's construction would generate jobs, many of which would be targeted to San Franciscans; also, non-residents would be provided use of the new public open spaces.

The second paragraph of the response in Section 2.23.1 on p. 2.23.3 is revised as follows.

Fee title transfers convey ownership of a particular piece of property with all of its property rights, whereas a ground lease is a rental interest where the land is retained by the original owner and use of the land is subject to the conditions of the lease. Generally, people are willing to pay more to own something outright than to rent it. In addition, development of ground leased parcels are significantly more difficult to finance, and have become increasingly so in the current economic environment. Because of these constraints, fee-title transfers are the most feasible way to solve both the short-term and long-term financial requirements of the project. In the short term, fee-title transfers of market rate lots create a source of capital that can be used to fund both construction of public infrastructure and other associated public benefits, such as affordable housing, transit, parks, and open space. Over the long term, the higher prices paid for condominiums built on fee-title ownership sites result in more property taxes being paid, which in turn sustain long-term island maintenance, including the support of the transit system. The Infrastructure Financing District funding mechanism ~~Being a redevelopment area~~ enables the Proposed Project to capture all such property tax increments for the short-term and long-term financial needs of the Islands.

The third and fourth full paragraphs on p. 2.23.5 of the response in subsection 2.23.2, Economic Effects, are revised as shown below:

The comment expresses concern about the impacts of potential fees and other financing mechanisms on affordable housing. The affordable housing that is proposed as stand-alone housing to be developed by TIDA or designees (including the Treasure Island Homeless Development Initiative, which is expected to provide an expanded number of units affordable to very low income residents) would not be subject to the community facilities district (“CFD”) assessments that are described above in the response in Subsection 2.23.1, Fiscal and Economic Effect of Geotechnical Stabilization. Inclusionary affordable housing that is constructed as part of buildings with market-rate housing would be subject to the CFD assessments. Those assessments would be taken into account, along with other costs, in determining the overall affordable rental or sales rate to be paid by the household; therefore, the total payment by a household determined eligible for affordable housing would not be increased because of the CFD assessments. ~~These provisions are typical in redevelopment areas where CFDs have been formed.~~

The comment lists a number of potential special districts that might be used for funding infrastructure, including reclamation districts, street and lighting districts, park districts, sewer assessment districts, and water districts. The Proposed Project does not propose to use these types of districts; see the response in Subsection 2.23.1, above for a brief discussion of the infrastructure funding that is proposed. San Francisco does not typically establish the types of special districts listed in the comment as funding mechanisms for infrastructure improvements, unlike most California cities and counties. Instead, an Infrastructure Financing District will be implemented. The funding mechanism and cost to property owners and San Francisco residents are discussed in the response in Subsection 2.23.1, above. Infrastructure in the City is constructed, operated and maintained by various City departments from property taxes and other sources of revenue in the City’s General Fund and from bond funds.

Revisions to Section 3.2, Staff Initiated Text Changes, of the Comments and Responses Document

In Revised Table VII.1, shown on p. 3.149 of the Comments and Responses document, the Proposed Project column is revised to indicate that the Proposed Project includes 10,680 parking spaces instead of 11,155 spaces.