

**COMBINED NOTICE**  
**Notice of Adoption & Recirculation of Final Environmental Impact Statement**  
**Notice of Availability of Environmental Reevaluation**  
**Notice of Intent to Request Release of Funds**

These notices shall satisfy separate but related procedural requirements for activities to be undertaken by the Mayor's Office of Housing and Community Development

**Adoption and Recirculation of Final Environmental Impact Statement and Notice of Availability of Environmental Reevaluation.**

SUMMARY: The Mayor's Office of Housing and Community Development (MOHCD) of the City and County of San Francisco has assumed responsibility for environmental review, decision-making, and action that would otherwise apply to the United States Department of Housing and Urban Development (HUD) under the National Environmental Policy Act (NEPA), and other provisions of the law that further the purposes of NEPA, as specified in 24 CFR Part 58. MOHCD is adopting those portions of the March 2004 Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project (Transbay Program) Final Environmental Impact Statement/Environmental Impact Report (2004 EIS) that cover redevelopment at Transbay Block 7 (referred to as Block #3728 within the 2004 EIS, p. S-11). The 2004 EIS was prepared by U.S. Department of Transportation Federal Transit Administration, the City and County of San Francisco, the Peninsula Corridor Joint Powers Board, and the former San Francisco Redevelopment Agency.

MOHCD is issuing this notice to advise the public and interested agencies that MOHCD, as Responsible Entity for HUD, has decided to adopt portions of the 2004 EIS issued by the Federal Transit Administration (FTA) in 2004 in order to satisfy HUD's National Environmental Policy Act obligations related to issuing project based housing vouchers for 24 affordable housing units at Transbay Block 7. Additionally, MOHCD has made available an Environmental Reevaluation of the EIS, updating certain relevant sections of the environmental analysis and incorporating environmental standards articulated in 24 CFR Part 58, Environmental Review Procedures For Entities Assuming HUD Environmental Responsibilities.

Under applicable Council on Environmental Quality (CEQ) regulations, MOHCD, as Responsible Entity for HUD, may adopt and recirculate the FTA's Final EIS since MOHCD's proposed action is substantially the same as the action covered by the FTA's EIS, and MOHCD has determined that the FTA EIS meets the standard for an adequate statement under the CEQ Regulations. In addition, under HUD's environmental procedures, MOHCD is required to issue a reevaluation of the adequacy, accuracy and validity of a final EIS in certain circumstances, which MOHCD has also done for this project.

SUPPLEMENTARY INFORMATION: The FTA and the Transbay Joint Powers Authority ("TJPA") prepared a joint environmental impact statement/ environmental impact report for the Transbay Terminal/Caltrain Downtown/Extension Redevelopment Project. The 2004 EIS included an analysis of the environmental impacts of the Caltrain Downtown Extension, the establishment of a redevelopment area plan, and the construction of the Transbay Transit Center on the site of the former Transbay Terminal at First and Mission Streets in San Francisco, California. Transbay Block 7 is located in the redevelopment area plan. Under this notice, MOHCD is adopting those portions of the 2004 EIS dealing with redevelopment of Transbay Block 7 as they directly relate to HUD's approval of project based vouchers for affordable housing at Transbay Block 7.

CEQ regulations allow Federal agencies, such as HUD, to adopt environmental documents prepared by another Federal agency when the proposed actions are "substantially the same" and the adopting agency has concluded that the initial statement meets the standards for an adequate statement under the CEQ regulations. 40 CFR 1506.3. Furthermore, the CEQ regulations state that when the actions are substantially the same, "the agency adopting the agency's statement is not required to recirculate it except as a final statement." Id. MOHCD has conducted an independent review of the 2004 EIS for the purpose of determining whether MOHCD could adopt it pursuant to 40 CFR 1506.3. MOHCD's review concluded that HUD's award of project based vouchers for newly constructed affordable housing is substantially the same as the development of affordable housing action documented in the 2004 EIS, that the EIS adequately assessed the environmental impacts associated with the development of housing and meets the standards of the CEQ NEPA Regulations (40 CFR parts 1500 through 1508), and that HUD, through MOHCD, can adopt the 2004 EIS. CEQ's regulations implementing NEPA strongly encourage agencies to reduce paperwork and duplication. 40 CFR 1500.4. One of the methods identified by CEQ to accomplish this goal is adopting the environmental documents prepared by other agencies in appropriate circumstances. 40 CFR 1500.4(n), 1500.5(h), and 1506.3.

In accordance with the Environmental Protection Agency's (EPA) requirements regarding the filing of EISs, HUD has provided the EPA with a notice of adoption and the FTA's Final EIS as well as the Environmental Reevaluation. EPA will publish a notice of availability of the Final EIS in the Federal Register consistent with its usual practices. Because of the multi-volume size of the 2004 EIS and its continued availability in libraries in the affected community and on the TJPA's and FRA's Web sites (<http://transbaycenter.org/documents/final-eiseir> and <https://www.fra.dot.gov/Page/P0454> respectively) MOHCD is not republishing the document on its own. This would be costly, defeat CEQ's goals of reducing paperwork and duplication of effort, and be of little or no additional value to other agencies or the public.

The Environmental Reevaluation is also available on the MOHCD Web site (<http://sfmohcd.org/environmental-reviews>), and at MOHCD offices at One South Van Ness Avenue, 5<sup>th</sup> Floor, San Francisco, CA. MOHCD has mailed a copy of this notice to persons and parties of record who have participated in the most recent phase of the 2004 EIS process, as well as to elected officials, local transit agencies, regional agencies, local media, and potentially interested community organizations.

The final stage in the environmental review process under NEPA is the issuance of a Record of Decision by the agency describing the agency's decision and the basis for it. Under the timelines included in the CEQ regulation (40 CFR 1506.10), a Record of Decision cannot be issued by an agency earlier than thirty days after the EPA publishes its Federal Register notice notifying the public of the availability of the final EIS. Any Record of Decision issued by MOHCD will be consistent with 40 CFR 1505.2 and 24 CFR Part 58.

Accordingly, MOHCD, as Responsible Entity of HUD, has adopted and is recirculating the 2004 EIS and has issued an Environmental Reevaluation.

## **NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS**

On or about July 12, 2017 the Mayor's Office of Housing of the City and County of San Francisco will authorize the San Francisco Housing Authority (SFHA) to submit a request to the United States Department of Housing and Urban Development Office of Public Housing for the release of Project Based Section 8 Vouchers under Section 8(o)(13) of the Housing Act of 1937 (42 U.S.C. § 1437f(o)(13)), as amended, to undertake a project known as Transbay Block 7 for 24 units within the Transbay Block 7 Housing Development (Proposed Action) located at 255 Fremont/222 Beale Street in the City and County of San Francisco.

The 2004 EIS evaluated a Redevelopment Area Plan which includes Transbay Block 7 Housing Development. The Proposed Action is the funding of 24 Section 8 project based vouchers at 255 Fremont/222 Beale Street which is located entirely within Transbay Block 7 in the City of San Francisco. The 24 units are proposed to serve as replacement housing for the Sunnysdale-Velasco Hope Master Plan redevelopment located south of Transbay Block 7. Following construction, the vouchers would provide affordable housing support over a time period of approximately 15 years.

The anticipated scale of redevelopment at Transbay Blocks 6 and 7 (Block #3728 within the 2004 EIS, p. S-11), was combined and considered under two Redevelopment Area alternatives, a Full Build Alternative and a Reduced Scope Alternative (2004 EIS, p. S-10). Under the Full Build Alternative, Blocks 6 and 7 included 1,170,450 square feet of residential space across 975 dwelling units, with up to 50,050 square feet of retail space. Under the Reduced Scope Alternative, Blocks 6 and 7 included 875,160 square feet of residential space across 729 dwelling units, and 57,860 square feet of retail space.

Since completion of the 2004 EIS, Block 6 has been constructed. The lot includes a 32-story tower and podium level with 409 market rate units (at 299 Fremont Street), and an 8-story, 70-unit affordable housing building (at 280 Beale Street). Block 6 is not included within the Proposed Action. Since completion of the 2004 EIS, Block 7 has been partially constructed, with earthwork and foundation work completed and the steel framework begun. It is expected that Block 7 will be in operation by February 2018. Once completed Transbay Block 7 at 255 Fremont/222 Beale Street, will be an Office of Community Investment and Infrastructure (OCII)-sponsored affordable housing project providing 120 apartments (including one manager's unit) serving families between 40% and 50% of the area median income (AMI). The project would also include a childcare center and 50% of the center's enrollments will be subsidized for low income families. Block 7 is designed to achieve the Green Point equivalent of LEED Gold certification. Mercy Housing California 64, LP will own and operate the units through a 75-year ground lease with OCII.

As currently designed, the development of Block 6 and 7 would provide 599 units of market rate and affordable housing. This is within the scope of analyzed redevelopment for the blocks under either alternative evaluated in the 2004 EIS.

For purposes of the National Environmental Policy Act, MOHCD is the Federal Responsible Entity acting under authority of Section 104(g) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(g)), Section 288 of the HOME Investment Partnerships Act (42 U.S.C. 12838), Section 26 of the United States Housing Act of 1937 (42 U.S.C. 1437x) and HUD's regulations at 24 CFR Part 58 for activities subject to 24 CFR Part 58.

The Proposed Action is the approval by HUD of Section 8 Project Based Vouchers associated with redevelopment of the Project site with affordable housing. This notice is in accordance with regulations of the Council on Environmental Quality (CEQ) at 40 CFR Parts 1500 – 1508. All interested parties including Federal, State, tribal and local agencies, in addition to the public are invited to comment on the portions of 2004 EIS which MOHCD is adopting for Transbay Block 7. Agencies having jurisdiction by law, special expertise, or other special interest should inform MOHCD of environmental information germane to their responsibilities.

A Notice of Adoption & Recirculation of Final Environmental Impact Statement was published in the Federal Register on June 9, 2017. Copies of this Notice have been mailed to interested parties. An Environmental Reevaluation that documents the environmental determinations for this project is on file at the:

Mayor's Office of Housing and Community Development  
City and County of San Francisco  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103

and may be examined or copied weekdays 9:00 A.M to 5:00 P.M.

The Environmental Reevaluation is available for viewing on the Mayor's Office of Housing and Community Development website at: <http://sfmohcd.org/environmental-reviews>. The complete ERR is also available for viewing at the Transbay Joint Powers Authority website at <http://transbaycenter.org/documents/final-eiseir> and the Federal Railroad Administration website at <https://www.fra.dot.gov/Page/P0454>. Copies of the 2004 EIS can also

be obtained at the San Francisco Public Library at 100 Larkin Street, San Francisco, CA and the Transbay Joint Powers Authority offices at 201 Mission St # 2100, San Francisco, CA 94105.

## **PUBLIC COMMENTS**

Any individual, group, or agency may submit written comments on the ERR to Eugene T. Flannery, Environmental Compliance Manager. All comments received by 5:00 PM on July 11, 2017 will be considered by the Mayor's Office of Housing and Community Development prior to submission of a request for release of funds. Commenters should specify which part of this Notice they are addressing: Notice of Adoption, Notice of Availability or Notice of Intent to Request Release of Funds.

## **ENVIRONMENTAL CERTIFICATION**

The Mayor's Office of Housing and Community Development of the City and County of San Francisco certifies to United States Department of Housing and Urban Development Public and Indian Housing Division that Olson Lee in his capacity as Director of the City and County of San Francisco Mayor's Office of Housing and Community Development consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Mayor's Office of Housing and Community Development to use Program funds.

## **OBJECTIONS TO RELEASE OF FUNDS**

HUD will accept objections to the Responsible Entity's (RE) Request for Release of Funds and Environmental Certification for a period of fifteen days following the anticipated submission date specified above or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the Mayor's Office of Housing and Community Development; (b) the Mayor's Office of Housing and Community Development has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58 or by CEQ regulations at 40 CFR 1500-1508, as applicable; (c) the RE has omitted one or more steps in the preparation, completion or publication of the Environmental Assessment or Environmental Impact Study per 24 CFR Subparts E, F or G of Part 58, as applicable; (d) the grant recipient or other participant in the development process has committed funds for or undertaken activities not authorized by 24 CFR Part 58 before release of funds and approval of the environmental certification; (e) another Federal, State or local agency has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to United States Department of Housing and Urban Development, Public and Indian Housing at One Sansome Street, Suite 1200, San Francisco, CA 94104-4430. Potential objectors should contact HUD to verify the actual last day of the objection period.

Katha Hartley, Acting Director  
Mayor's Office of Housing and Community Development