



# SAN FRANCISCO PLANNING DEPARTMENT

---

## Planning Commission Resolution No. 19789 Sunnydale Development Agreement

HEARING DATE: NOVEMBER 17, 2016

*Case No.:* 2010.0305 E GPA PCT PCM DEV GEN SHD  
*Project Address:* Sunnydale HOPE SF Master Plan Project  
*Zoning:* RM-1 (Residential – Mixed, Moderate Density)  
40-X Height and Bulk Districts  
*Block/Lot:* Assessor's Block/Lots: 6356/ 061, 062, 063 ,064, 065, 066, 067 and 068; 6310/  
001; 6311/001; 6312/ 001; 6313/001; 6314/ 001; 6315/001  
*Project Sponsor:* Mercy Housing and Related California  
1360 Mission Street, #300  
San Francisco, CA 94103  
*Staff Contact:* Mat Snyder – (415) 575-6891  
[mathew.snyder@sfgov.org](mailto:mathew.snyder@sfgov.org)

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO, THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, AND SUNNYDALE DEVELOPMENT COMPANY, LLC, FOR CERTAIN REAL PROPERTY LOCATED AT THE SUNNYDALE AND HOUSING AUTHORITY SITES AND AT 1491 SUNNYDALE, COMPRISED OF ASSESSOR'S BLOCKS AND LOTS BLOCK 6356, LOTS 061, 062, 063, 064, 065, 066, 067 AND 068; BLOCK 6310, LOT 001; BLOCK 6311, LOT 001; BLOCK 6312, LOT 001; BLOCK 6313, LOT 001; BLOCK 6314, LOT 001; AND BLOCK 6315, LOT 001 ALTOGETHER CONSISTING OF APPROXIMATELY 50 ACRES FOR A TERM OF TWENTY-FIVE (25) YEARS AND MAKING VARIOUS FINDINGS, INCLUDING CEQA FINDINGS AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, Chapter 56 of the San Francisco Administrative Code sets forth the procedure by which and request for a development agreement will be processed and approved in the City and County of San Francisco.

In 2008, Mercy Housing, now Sunnydale Development Co., LLC, ("Project Sponsor") was selected by the Mayor's Office of Housing and Community Development (hereinafter "MOHCD") (then, the Mayor's Office of Housing) and the Housing Authority of the City and County of San Francisco to work with the local Sunnydale and Velasco and surrounding Visitacion Valley communities to create a Master Plan for the site that would not only include reconstructed Housing Authority units, but additional affordable units along with market rate units, neighborhood serving retail, community service, new parks and open space, and new streets and infrastructure ("The Sunnydale HOPE SF Master Plan

Project” or “Project”). As a part of the HOPE SF selection process, the Project Sponsor was also selected to act as the Master Developer for the Project.

HOPE SF is the nation’s first large-scale public housing transformation collaborative aimed at disrupting intergenerational poverty, reducing social isolation, and creating vibrant mixed-income communities without mass displacement of current residents. Launched in 2007, HOPE SF is a twenty-year human and real estate capital commitment by the City. HOPE SF, the City’s signature anti-poverty and equity initiative, is committed to breaking intergenerational patterns related to the insidious impacts of trauma and poverty, and to creating economic and social opportunities for current public housing residents through deep investment in education, economic mobility, health and safety.

The Sunnydale HOPE SF Master Plan project (“Project”) includes demolishing all existing units, vacating portions of the right of way and building new streets that would better relate to the existing street grid. The Project would transform the six existing super blocks into about 34 new fine-grained blocks. The site is designed with a central “Hub” that would feature a series of parks, open spaces, a community center, space for retail, and other community-serving uses.

At completion, the Project would include up to 1,770 units, including Housing Authority replacement units (775 units), a mix of additional affordable units (a minimum of approximately 200 low-income units), and market rate units (up to 694 units). New buildings within Sunnydale would provide a consistent street wall with “eyes-on-the-street” active ground floor treatment. A variety of building types would be constructed throughout including individual townhomes, small apartment buildings and larger corridor apartment buildings. Approximately 1,437 parking spaces would be provided for the units largely below grade. Approximately 60,000 gross square feet of community serving uses, including retail, would also be constructed.

As the selected Master Developer, the Project Sponsor applied to the Planning Department to enter into a Development Agreement with the City under Administrative Code Chapter 56. The Planning Director accepted the application after it was deemed complete; published notice of acceptance in an official paper, and has made the application publicly available under Administrative Code Section 56.4(c).

The Office of Economic and Workforce Development (“OEWD”), in consultation with the Planning Director, has substantially negotiated a development agreement for the Project Site, a copy of which is attached as Exhibit A (the “Development Agreement”).

As a City-sponsored project, this Development Agreement would not only provide certainty for the Master Developer and assure community benefits beyond what would otherwise be required, but would provide an overall framework for coordination among City and non-City agencies, the Project Sponsor and other parties who will carry out the implementation of the Sunnydale HOPE SF Master Plan Project (“Project”) over its 25-year term.

This Resolution approving Development Agreement is a companion to other legislative and other approvals relating to the Sunnydale HOPE SF Project, including General Plan Amendments, Planning Code Text Amendments, Planning Code Map Amendments, the approval of the Sunnydale Design Standards and Guidelines document, and Shadow Impact Findings pursuant to Planning Code section 295.

On July 9, 2015, the Planning Commission reviewed and considered the Final EIR/EIS for the Sunnydale HOPE SF Project and found the Final EIR/EIS was adequate, accurate and objective, reflected

the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR/EIS, and approved the Final EIR/EIS for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

On July 9, 2015, by Motion No. 19409, the Commission certified the Final Environmental Impact Report ("FEIR") as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA"); and

On November 17, 2016, by Motion No. 19784, the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the General Plan and related zoning text and map amendments, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth; and

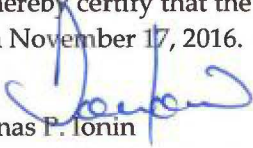
On November 17, 2016, by Motion No. 19785, The Commission adopted findings establishing the Project, on balance, consistent with the General Plan and Planning Code Section 101.1; and

**NOW THEREFORE BE IT RESOLVED**, that the Commission approves the Development Agreement, in substantially the form attached hereto as Exhibit A;

**AND BE IT FURTHER RESOLVED**, that the Commission finds that the application, public notice, Planning Commission hearing, and Planning Director reporting requirements regarding the Development Agreement negotiations contained in Administrative Code Chapter 56 required of the Planning Commission and the Planning Director have been substantially satisfied in light of regular meetings held for the last eight years, the multiple public informational hearings provided by the Planning Department staff at the Planning Commission, and the information contained in the Director's Report regarding Sunnydale HOPE SF Development Agreement negotiations;

**AND BE IT FURTHER RESOLVED**, that the Commission authorizes the Planning Director to take such actions and make such changes as deemed necessary and appropriate to implement this Commission's recommendation of approval and to incorporate recommendations or changes from the San Francisco Municipal Transportation Agency Board, , the San Francisco Public Utilities Commission, the San Francisco Recreation and Park Commission, and/or the Board of Supervisors, provided that such changes do not materially increase any obligations of the City or materially decrease any benefits to the City contained in the Development Agreement attached as Exhibit A;

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on November 17, 2016.

  
Jonas P. Ionin  
Commission Secretary

AYES: Richards, Hillis, Johnson, Koppel, Melgar, Moore

NOES: None

ABSENT: Fong

ADOPTED: November 17, 2016