



# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Resolution No. 19795 Potrero Development Agreement

HEARING DATE: NOVEMBER 17, 2016

*Case No.:* 2010.0515 E GPA PCT PCM DEV GEN SHD  
*Project Address:* **Potrero HOPE SF Master Plan Project**  
*Zoning:* RM-2 (Residential – Mixed, Moderate Density)  
40-X Height and Bulk Districts  
Showplace Square/Potrero Area Plan  
*Block/Lot:* Assessor's Block 4167/ 004 and 004A; 4220A/ 001; 4222A/, 001; 4285B/ 001,  
4223/ 001; 4287/001A and 007  
*Project Sponsor:* BRIDGE Housing Corporation  
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San Francisco, CA 94108  
*Staff Contact:* Mat Snyder – (415) 575-6891  
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APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO, THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, AND BRIDGE POTRERO COMMUNITY ASSOCIATES, LLC, FOR CERTAIN REAL PROPERTY LOCATED AT THE POTRERO TERRACE, POTRERO ANNEX HOUSING AUTHORITY SITES AND AT 1101 CONNECTICUT STREET COMPRISED OF ASSESSOR'S BLOCKS AND LOTS 4167/ 004 AND 004A; 4220A/001; 4222A/001; 4285B/ 001; 4223/001; 4287/ 001A AND 007 ALTOGETHER CONSISTING OF APPROXIMATELY 38 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, Bridge Housing, now Bridge Potrero Community Associates, 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 ("Housing Authority") to work with the local Potrero Terrace and Annex and surrounding Potrero Hill community 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 Potrero 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 Potrero HOPE SF Master Plan Project (“The Project”) is located on the southern and eastern slopes of Potrero Hill and is generally bounded by 22<sup>nd</sup> Street and the Potrero Recreation Center to the north, Wisconsin Street to the west, 25<sup>th</sup> and 26<sup>th</sup> Streets to the South and Texas and Missouri Streets to the east. The Housing Authority currently owns and operates approximately 600 units on approximately 38 acres (including streets).

The Project includes demolition of all existing units, vacation of portions of the right-of-way that currently cross the site diagonally, and building new streets that would better continue the existing street grid. The site would feature a new “Main Street” along a newly established segment of 24<sup>th</sup> Street. This new segment of 24<sup>th</sup> Street would be lined with commercial and community uses, and parks and open space.

The Project is a mixed use, mixed income development with several components: (1) construction of public infrastructure to support the Project; (2) development of privately owned low-income affordable housing on affordable parcels including Housing Authority replacement units and in accordance with an affordable housing plan; (3) development of private market rate residential projects on market rate parcels; and (4) development of community improvements (e.g. 3.5 acres of open space areas, community facilities) throughout the Project. At completion, the Project would include up to 1,700 units, including low-income affordable housing (a minimum of 774 units including at least 619 Housing Authority replacement units) and market rate units (approximately 800 units). The Project also includes approximately 15,000 gross square feet of retail, and 30,000 gross square feet of community serving uses.

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 Potrero 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 Potrero HOPE SF Project, including General Plan Amendments, Planning Code Text Amendments, Planning Code Map Amendments, the approval of the Potrero Design Standards and Guidelines document, and Shadow Impact Findings pursuant to Planning Code section 295.

On December 10, 2015, the Planning Commission reviewed and considered the Final EIR/EIS for the Potrero 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 December 10, 2015, by Motion No. 19529, the Commission certified the Final Environmental Impact Report ("FEIR") as accurate, complete and in compliance with the California Environmental Quality Act ("CEQA"); and

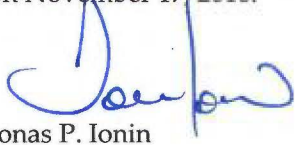
On December 10, 2015, by Motion No. 19530, the Commission adopted findings in connection with its consideration of, among other things, the adoption of amendments to the General Plan and related zoning text and map amendments, under CEQA, the State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and made certain findings in connection therewith, which findings are hereby incorporated herein by this reference as if fully set forth; and

**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 the regular monthly 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 the Potrero 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