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		Board Item No.	

# **COMMITTEE/BOARD OF SUPERVISORS**

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1	[Acceptance an	d Public Dedication of 12-Kilovolt Power Facilities - Mission Rock]	
2			
3	Ordinance acc	epting the irrevocable offer of a 12-kilovolt power line and associated	
4	facilities ("12-kV Line") servicing the Seawall Lot 337 and Pier 48 Mixed-Use Project,		
5	bounded by 3rd Street and Mission Rock Street, subject to conditions and limitations;		
6	dedicating the 12-kV Line to public use; designating the 12-kV Line for public power		
7	purposes; accepting the 12-kV Line for maintenance and liability purposes; adopting		
8	findings under the California Environmental Quality Act; making findings of		
9	consistency with the General Plan, and the eight priority policies of Planning Code,		
10	Section 101.1; accepting a Public Works Order recommending various actions		
1	regarding the 12-kV Line; and authorizing official acts in connection with this		
12	Ordinance, as defined herein.		
13	NOTE:	Unchanged Code text and uncodified text are in plain Arial font.	
14		Additions to Codes are in <u>single-underline italics Times New Roman font</u> .  Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .  Board amendment additions are in <u>double-underlined Arial font</u> .	
15		Board amendment deletions are in strikethrough Arial font.  Asterisks (* * * *) indicate the omission of unchanged Code	
16		subsections or parts of tables.	
17			
18	Be it ord	ained by the People of the City and County of San Francisco:	
19			
20	Section 7	Background and Findings.	
21	(a) This ordinance aims to facilitate the phased development of the Seawall Lot 337		
22	and Pier 48 Mixed-Use Project ("Project"), bounded by 3rd Street and Mission Rock Street,		
23	and to provide construction power and public power to serve the Project. On October 5, 2017		

the Planning Commission certified the Final Environmental Impact Report for the Seawall Lot

337 and Pier 48 Mixed-Use Project (Planning Department Case No. 2013.0208E) ("FEIR") by

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- 1 adopting Planning Commission Motion No. 20017. The FEIR was prepared pursuant to the
- 2 California Environmental Quality Act (Cal. Pub. Resources Code §§ 21000 et seq.; hereafter
- 3 "CEQA"). Pursuant to Planning Commission Motion No. 20018, the Planning Commission
- 4 adopted findings, as required by CEQA, regarding the alternatives, mitigation measures,
- 5 significant environmental effects analyzed in the FEIR, a statement of overriding
- 6 considerations for approval of the Project, and a proposed mitigation monitoring and reporting
- 7 program. On May 21, 2020, the Planning Department issued a note to file regarding
- 8 proposed project changes addressed in Public Works Order No. 203636 ("Note to File").
- 9 Planning Commission Motion Nos. 20017 and 20018 and the Planning Department's analysis
- and determinations in the Note to File are on file with the Clerk of the Board of Supervisors in
- 11 File No. 211028 and are incorporated herein by reference.
- (b) On January 30, 2018, the Port Commission adopted Resolution No. 18-03
   approving the Disposition and Development Agreement ("DDA") by and between the Port of
   San Francisco ("Port") and Seawall Lot 337 Associates, LLC ("Master Developer"), concerning
- 15 the Project.
- 16 (c) On February 27, 2018, the Board of Supervisors ("Board") adopted Ordinance No.
- 17 33-18 approving a Development Agreement for the Project between the City and County of
- 18 San Francisco ("City") and Seawall Lot 337 Associates, LLC ("DA") and adopted the
- environmental findings set forth in Motion No. 20019, on file with the Clerk of the Board in File
- No. 171313. Following the Mayor's signature, Ordinance No. 33-18 became effective on April
- 21 6, 2018
- 22 (d) On February 13, 2018, the Board adopted Resolution No. 42-18 authorizing the
- approval of the DDA. The Mayor signed Resolution No. 42-18 on February 23, 2018.
- 24 (e) On December 13, 2019, the Public Works Director (together with the Acting
- 25 Director and Interim Director, the "Director") issued Public Works Order No. 202368 approving

- a tentative map covering the Project site ("Tentative Map") subject to conditions of approval ("Tentative Map Conditions of Approval").
- (f) Pursuant to the Assignment and Assumption Agreement between Master Developer and Mission Rock Horizontal Sub (Phase 1), L.L.C. ("Subdivider"), effective as of December 18, 2019, Master Developer assigned certain obligations relating to Phase I of the Project to Subdivider.
- (g) On June 2, 2020, the Board approved the Project's first phased final map ("Final Map No. 9443"), pursuant to Motion No. M20-060.
- (h) In March 2021, Public Works conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) (collectively "IB#3") proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit No. 20IE-00486 ("Phase 1 SIP") to conditionally approve the proposed 12-kV Line to provide power for construction and service to buildings within the Project's first phase.
- (i) On June 30, 2021, at Subdivider's request and following a duly-noticed public hearing, the Director issued Public Works Order No. 205068 authorizing exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and Tentative Map Conditions of Approval, including: (1) an exception from Subdivision Code Section 1337(a) to authorize installation of an overhead electric line; (2) an exception to Subdivision Regulations Appendix A, Section VII.D.1, to authorize Subdivider to make an offer of dedication of the 12-kV Line for acceptance by the City prior to the completion of new full, complete, and functional public streets; (3) an exception from Subdivision Regulations, Appendix A, Section VII.D.2 to authorize the public dedication of the 12-kV Line without an irrevocable offer of an easement or a fee interest in the real property corresponding to the 12-kV Line; (4) an exception to Tentative Map Condition of Approval Public Works Bureau of Street Use and Mapping Division of Surveying and Mapping No. 20 to authorize Subdivider to make an offer of

- dedication of the 12-kV Line subsequent to approval of Final Map No. 9443; (5) an exception to Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9, to authorize issuance of a Notice of Completion, as described in the Tentative Map Conditions of Approval, for temporary infrastructure; and (6) an exception to Tentative Map Condition of Approval -SFPUC Power Enterprise - Hetch Hetchy Power Condition No. 1, accounting for ongoing negotiation of an Electric Service Agreement between Subdivider and SFPUC. A copy of Public Works Order No. 205068 is on file with the Clerk of the Board in File No. 211028 and incorporated herein by reference.
  - (j) On June 4, 2021, at the request of Subdivider, the San Francisco Public Utilities

    Commission ("SFPUC") executed a written determination ("SFPUC Authorization Letter")

    approving certain authorizations pursuant to the SFPUC Rules and Regulations Governing

    Electric Service ("SFPUC Electric Rules"), including (1) authorization under SFPUC Rule

    XV.7.C.2 confirming that SFPUC would operate and maintain the 12-kV Line although

    portions of it will not be located within a street or public utility easement; (2) an exception from

    SFPUC Rule XV.7.C.3 allowing for SFPUC operation and ownership of the 12-kV Line

    although a portion of the line will be overhead; and (3) an exception from SFPUC Rule XV.I.5

    confirming that SFPUC would operate and eventually own the 12-kV Line, subject to

    acceptance by the Board, notwithstanding that the 12-kV Line will be energized before the

    City accepts such 12-kV Line, and upon acceptance, a portion of the 12-kV Line will be

    located outside of a public right-of-way or a public utility easement.
  - (k) In Public Works Order No. 205068, dated June 30, 2021, the City Engineer and the Director made the following certifications and statements: (1) Subdivider has irrevocably offered the 12-kV Line to the City as set forth in the Irrevocable Offer of Dedication of Improvements (12-kV Distribution Line), dated June 30, 2021, and recorded on \_\_\_\_\_\_\_\_ ("Offer of Improvements");

(2) SFPUC has inspected the 12-kV Line and determined the 12-kV Line has been constructed in accordance with the Plans and Specifications and all City codes, regulations, and standards governing the 12-kV Line, as of August 12, 2021, 2021; (3) the Port of San Francisco has inspected the 12-kV Line and determined the 12-kV Line has been constructed in accordance with the Plans and Specifications and all City codes, regulations, and standards governing the 12-kV Line, as of August 18, 2021; (4) by its letter dated September 28, 2021, the SFPUC has determined that it is prepared to take ownership of the 12-kV Line subject to Subdivider's agreement to replace the 12-kV Line with a Permanent Power Line and remove the 12-kV Line at Subdivider's sole cost as provided in Public Works Order No. 205068 and the SFPUC Authorization Letter; (5) Public Works has determined the 12-kV Line has been constructed in accordance with the Plans and Specifications and all City codes, regulations, and standards governing the 12-kV Line, as of August 18, 2021, subject to the exceptions approved under Public Works Order No. 205068 and the authorizations approved pursuant to the SFPUC Authorization Letter; and (6) the 12-kV Line is ready for its intended use as a non-permanent power line.

(I) In Public Works Order No. 205068, the Director and City Engineer also recommended that the Board of Supervisors dedicate the 12-kV Line to public use; designate it for public power purposes; and accept it for City maintenance and liability purposes. The Director and City Engineer recommended that acceptance of the 12-kV Line for maintenance and liability purposes be subject to the following conditions: (1) the acceptance shall be expressly contingent upon Subdivider's replacement of the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry Francois Boulevard within the Mission Rock project ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC Power Enterprise Rules and

1 Regulations Governing Electric Service, effective May 9, 2017 ("SFPUC Power Rules"), and 2 removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is 90 days 3 after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-4 5 kV Line and transferred to the Permanent Power Line; (2) Subdivider's conditional assignment 6 of all warranties and guaranties to the City related to the construction of the 12-kV Line; (3) 7 Subdivider's compliance with the applicable Public Improvement Agreement, as amended; 8 and (4) Subdivider's compliance with all conditions and requirements set forth in Street 9 Improvement Permit No. 20IE-00486 and IB#3; and (5) Subdivider's compliance with the Subdivision Code and the Subdivision Regulations. Copies of Public Works Order No. 10 205068, the Offer of Improvements, and the Public Improvement Agreement, as amended, 11 12 are on file with the Clerk of the Board of Supervisors in File No. 211028 and are incorporated 13 herein by reference.

- (m) The Planning Department, in a letter dated October 5, 2017 (the "Planning Department Letter"), as part of Planning Department Case No. 2013.0208E, determined that the acceptance and public dedication of the 12-kV Line by the City is consistent with the General Plan and with the Eight Priority Policies of Planning Code Section 101.1. A copy of the Planning Department letter is on file with the Clerk of the Board of Supervisors in File No. 211028 and is incorporated herein by reference.
- (n) In the Planning Department Letter, the Planning Department also found that the actions contemplated by this ordinance are within the scope of the FEIR and the Note to File and do not trigger the requirement for subsequent environmental review pursuant to CEQA.

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Section 2. Adoptions and Approvals.

- (a) The Board of Supervisors adopts as its own the CEQA findings and the General Plan and Planning Code Section 101.1 consistency findings in the Planning Department Letter, as referenced in Section 1(m)-(n) of this ordinance, in connection with the acceptance and public dedication of the 12-kV Line and other actions specified in this ordinance.
- (b) The Board of Supervisors further finds that pursuant to the CEQA Guidelines (California Code of Regulations Title 14, Sections 15000 et seq.), including Sections 15162 and 15164, the actions contemplated herein are consistent with, and within the scope of, the Project analyzed in the FEIR and the Note to File, and that (1) no substantial changes are proposed in the Project and no substantial changes have occurred with respect to the circumstances under which this Project will be undertaken that would require major revisions to the FEIR due to the involvement of any new significant environmental effects or a substantial increase in the severity of previously identified effects, and (2) no new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the FEIR was certified as complete shows that the Project will have any new significant effects not analyzed in the FEIR, or a substantial increase in the severity of any effect previously examined, or that new mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, or that mitigation measures or alternatives which are considerably different from those analyzed in the FEIR would substantially reduce one or more significant effects on the environment.
- (c) The Board of Supervisors has reviewed and approves Public Works Order No. 205068, including the City Engineer and Director's certification, statements, and recommendations, as referenced in Section 1(k)-(l) of this ordinance, concerning the

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acceptance and public dedication of the 12-kV Line and other actions set forth in the Public Works Order.

- Section 3. Acceptance of Public Infrastructure and Assumption of Maintenance and Liability Responsibilities.
- (a) Pursuant to California Streets and Highways Code Section 1806 and San Francisco Administrative Code Sections 1.51 et seq., and Public Works Order No. 205068, the Board of Supervisors hereby accepts the Offer of Improvements and dedicates the 12-kV Line to public use.
- (b) The Board of Supervisors hereby designates the 12-kV Line for public power purposes.
- (c) The Board of Supervisors hereby accepts the 12-kV Line for City maintenance and liability purposes, subject to the conditions listed in subsections (d) and (e), below.
- (d) The 12-kV Line accepted pursuant to subsections (a)-(c), above, is subject to the following conditions: (1) the acceptance is expressly contingent upon Subdivider's replacement of the 12-kV Line with the Permanent Power Line, consistent with the SFPUC Power Rules and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is 90 days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line; (2) Subdivider's conditional assignment of all warranties and guaranties to the City related to the construction of the 12-kV Line; (3) Subdivider's obligations under the Public Improvement Agreement, as amended; (4) Subdivider's compliance with all conditions and requirements set forth in the Phase 1 SIP and IB#3, including the Subdivider's obligation to hold harmless, defend, and indemnify the City as specified in the Phase 1 SIP and IB#3; and (5) Subdivider's

1	compliance with the Subdivision Code and Subdivision Regulations, including obtaining all
2	required exceptions therefrom.
3	(e) The Board of Supervisors hereby acknowledges Subdivider's conditional
4	assignment of all warranties and guaranties to the City related to the construction of the 12-kV
5	Line.
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7	Section 4. Authorization for Implementation. The Mayor, Clerk of the Board of
8	Supervisors, Director of Real Estate, and Director are hereby authorized and directed to take
9	any and all actions which they or the City Attorney may deem necessary or advisable in order
10	to effectuate the purpose and intent of this ordinance, including, but not limited to, the filing of
11	the ordinance in the Official Records of the City and County of San Francisco.
12	
13	Section 5. Effective Date. This ordinance shall become effective 30 days after
14	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
15	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
16	of Supervisors overrides the Mayor's veto of the ordinance.
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18	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney
19	Dec. /a/Obriatanhan T. Tarra
20	By: /s/ Christopher T.Tom CHRISTOPHER T. TOM
21	Deputy City Attorney n:\legana\as2021\2200105\01555864.docx
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### **LEGISLATIVE DIGEST**

[Acceptance and Public Dedication of 12-Kilovolt Power Facilities - Mission Rock]

Ordinance accepting the irrevocable offer of a 12-kilovolt power line and associated facilities ("12-kV Line") servicing the Seawall Lot 337 and Pier 48 Mixed-Use Project, bounded by 3rd Street and Mission Rock Street, subject to conditions and limitations; dedicating the 12-kV Line to public use; designating the 12-kV Line for public power purposes; accepting the 12-kV Line for maintenance and liability purposes; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; accepting a Public Works Order recommending various actions regarding the 12-kV Line; and authorizing official acts in connection with this Ordinance, as defined herein.

#### **Existing Law**

On February 27, 2018, the Board of Supervisors ("Board") adopted Ordinance No. 33-18 approving a Development Agreement for the Seawall Lot 337 and Pier 48 Mixed-Use Project ("Project"), bounded by 3rd Street and Mission Rock Street, between the City and County of San Francisco ("City") and Seawall Lot 337 Associates, LLC and adopted the environmental findings set forth in Motion No. 20019, on file with the Clerk of the Board in File No. 171313. Following the Mayor's signature, Ordinance No. 33-18 became effective on April 6, 2018. On February 13, 2018, the Board adopted Resolution No. 42-18 authorizing the approval of the Project's Disposition and Development Agreement. The Mayor signed Resolution No. 42-18 on February 23, 2018.

### Amendments to Current Law

By this ordinance, the City would accept the developer's offer of dedication of a 12-kilovolt power line and associated facilities ("12-kV Line") servicing the Project, subject to conditions and limitations; dedicate the 12-kV Line to public use; designate the 12-kV Line for public power purposes; and accept the 12-kV Line for maintenance and liability purposes. This ordinance would make certain findings, including environmental findings and findings that the legislation is consistent with the General Plan, and the priority policy findings of the Planning Code Section 101.1.

### **Background Information**

This ordinance would facilitate the phased development of the Project and provide the Project with construction power and public power. If passed, the ordinance would enable the City to accept the offer of dedication of the 12-kV Line and publicly dedicate the 12-kV Line subject to the following conditions: (1) the acceptance would be expressly contingent upon Subdivider's

BOARD OF SUPERVISORS Page 1

replacement of the 12-kV Line with a permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry Francois Boulevard within the Mission Rock project ("Permanent Power Line"), consistent with the SFPUC Power Rules and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is 90 days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line; (2) Subdivider's conditional assignment of all warranties and guaranties to the City related to the construction of the 12-kV Line; (3) Subdivider's obligations under the applicable Public Improvement Agreement, as amended; (4) Subdivider's compliance with all conditions and requirements set forth in the applicable street improvement permit and instructional bulletins, including the Subdivider's obligation to hold harmless, defend, and indemnify the City; and (5) developer's compliance with the Subdivision Code and Subdivision Regulations.

BOARD OF SUPERVISORS Page 2



June 4, 2021

Catherine Spaulding
Deputy Manager, Programs & Planning
San Francisco Public Utilities Commission, Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102

Re: Mission Rock Project - 12 Kilovolt Line: Request for Written Authorizations Pursuant to the San Francisco Public Utilities Commission Rules & Regulations Governing Electric Service

Dear Deputy Manager Spaulding:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Seawall Lot 337 Associates, LLC ("Developer"), the master developer for the Seawall Lot 337 & Pier 48 Mixed-Use Project ("Project") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted in Exhibit A attached hereto. The 12-kV Line will be used to provide SFPUC power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer has completed installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request your authorization of certain requests pursuant to the San Francisco Public Utilities Commission ("SFPUC") Rules and Regulations Governing Electric Service ("SFPUC Rules"), as described below, as necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line. The 12-kV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. The 12-kV Line will remain in place until the Master Developer installs the joint trench and installs a separate 12-kV line in the joint trench and removes the 12-kV Line as part of the improvements to Bridgeview Street in Phase 3 of the Project. For

<sup>1</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for authorizations within sixty days of the issuance of the conditional IB#3.

this reason, SFPUC has designated the 12-kV Line a Temporary Electric Service Line under the SFPUC Rules.

Developer will be solely responsible for the costs to remove the existing 12-kV Line when the joint trench has been installed and the electric facilities energized. The costs for the new 12-kV line in the joint trench will be shared by the SFPUC and Developer pursuant to Rule 15 of the SFPUC Rules.

A portion of the 12-kV Line will be constructed on property owned by the City acting by and through the Port of San Francisco ("Port") as the trustee of the public trust. As a result, neither the Port nor Developer can offer an easement to SFPUC for this facility. The conditions of approval for IB#3 recognize that the City's acceptance of the 12-kV Line and its ultimate ownership, operation and maintenance by SFPUC will require a separate agreement between the Port and SFPUC.

Developer respectfully requests the Acting General Manager's authorization pursuant to the provisions of the SFPUC Rules described below.

• SFPUC Rules, § XV.7.C.2: "SFPUC will construct Distribution and Service Line Extensions only along public streets or upon private property in which Applicant has obtained an Easement or other rights satisfactory to SFPUC without cost to SFPUC."

Request No. 1: As described above, a portion of the 12-kV Line is not located within a public street or an easement. The request is to confirm that SFPUC will operate and maintain the 12-kV Line and, provided that the Board of Supervisors accepts the line through a future action, own the line notwithstanding that it will not be located within a street or public utility easement. Per the conditions of approval for IB#3, Developer acknowledges that SFPUC's operation and maintenance of the 12-kV Line, between the date of City acceptance and Developer's removal of the 12-kV Line upon completion of replacement facilities in Bridgeview Street, will require a separate agreement between the Port and SFPUC at no cost to SFPUC and upon terms that are otherwise satisfactory to SFPUC.

• SFPUC Rules, § XV.7.C.3: "SFPUC will install all new Distribution and Service Line Extensions underground, unless specifically exempted by SFPUC for good cause."

Request No. 2: A portion of the 12-kV Line is overhead and not underground. This is a result of the Project's construction phasing and site constraints, particularly the need to temporarily bring power across the Project site. Per the terms of the SFPUC Rules, Developer requests an exemption to allow for SFPUC operation and eventually ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead.

• SFPUC Rules, § XV.I.5: "Unless otherwise agreed to in writing, SFPUC will not accept ownership of any Distribution or Service Line Extension on any unaccepted public right-of-way until the Board of Supervisors had accepted the public right-of-way from Developer. In the event that electrical service is energized prior to the formal acceptance, Developer will grant SFPUC an easement or license without cost to the SFPUC that provides SFPUC with the same access to the Distribution or Service Line Extension for

# maintenance and operation that SFPUC would have to a Distribution or Service Line Extension in a public right-of-way."

Request No. 3: The 12-kV Line will need to be energized before the City accepts the line, and upon acceptance, a portion of the line will not be located within a public right-of-way accepted by the Board of Supervisors or a public utility easement. Per the terms of the SFPUC Rules, Developer requests SFPUC's written confirmation that, following the Developer's satisfaction of the conditions of approval for IB#3 and the Board of Supervisors' requisite approval actions to accept the 12-kV Line, SFPUC will take ownership of the 12-kV Line prior to the Board of Supervisors' acceptance of that portion of the public right-of-way.

In addition to the requests delineated here, Developer is submitting a concurrent request to the Acting Director of Public Works for exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval for Public Works Order No. 202,368 relating to the 12-kV Line as required by the conditions of approval for IB#3. A copy of that request is appended hereto as Exhibit B. Developer respectfully requests your consent to the exceptions requested therein.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

Accepted and Agreed:

San Francisco Public Utilities Commission

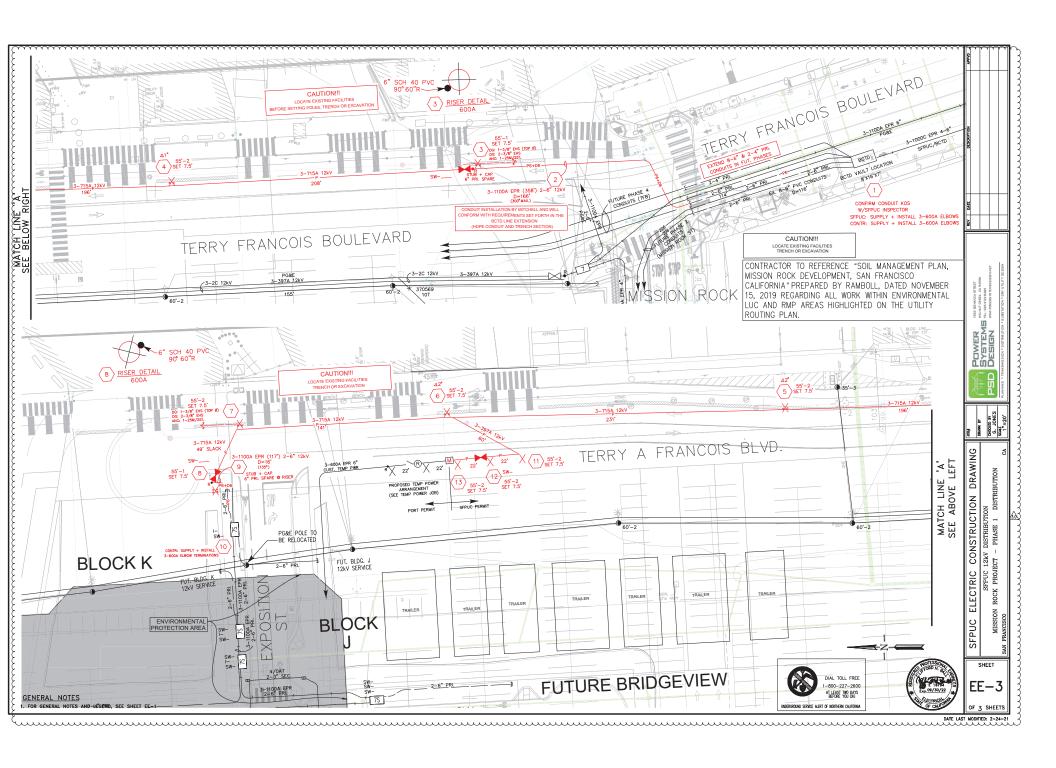
By: <u>Catherine Spaulding</u> Catherine Spaulding

Deputy Manager, Programs & Planning

cc Alaric Degrafinried, Acting Director, Public Works Michael Carlin, Acting General Manager, SFPUC John Kwong, Public Works Shawna Gates, Public Works, Infrastructure Task Force Phil Williamson, Port of San Francisco

## Exhibit A

(Diagram of 12-kV Line)



## Exhibit B

(Letter to Public Works)



June 4, 2021

Alaric Degrafinried Acting Director San Francisco Public Works 49 South Van Ness Avenue San Francisco, CA 94103

Re: Mission Rock Project ("Project") - 12 Kilovolt Line: Request for Exceptions from the Subdivision Code, the Subdivision Regulations, and Public Works Order No. 202,368 ("Tentative Map Conditions of Approval")

Dear Acting Director Degrafinried:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Mission Rock Horizontal Sub (Phase 1), L.L.C. ("Developer") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted on Exhibit A attached hereto. The 12-kV Line will be used to provide San Francisco Public Utilities Commission ("SFPUC") power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer is in the process of installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request approval of exceptions<sup>1</sup> from provisions of the Subdivision Code, the Subdivision Regulations, and the Tentative Map Conditions of Approval as

<sup>1</sup> Exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and tentative map conditions of approval are authorized pursuant to Section III.A of the Subdivision Regulations ("Exceptions as that term is used within these Regulations shall refer to Section 1712, inclusive, as defined in the San Francisco Subdivision Code."). Per Section 1712(b) the Director of Public Works must find the following in order to approve an exception:

<sup>(1)</sup> That the application of certain provisions of this Code or the Subdivision Regulations would result in practical difficulties or unnecessary hardships affecting the property inconsistent with the general purpose and intent of the Project Document and City Regulations;

<sup>(2)</sup> That the granting of the exception, waiver, or deferral will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated; and

necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line.<sup>2</sup> The 12-kvV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. As contemplated by the conditions of approval for IB#3, the Port of San Francisco ("Port") and Developer are parties to a license agreement dated March 19, 2021, which authorizes the 12-kV Line on Port property prior to the City's acceptance of that facility. The 12-kV Line will remain in place until such time as Developer installs a separate 12-kV line and a new joint trench as part of improvements to Bridgeview Street in Phase 3 of the project.

Developer requests the approval of the Acting Public Works Director for the exceptions listed hereunder.

• Exception No. 1 - Subdivision Code, § 1337(a): "All new utility lines shall be undergrounded as specified in Article 18 of the Public Works Code."

Request: An exception is requested to authorize the overhead segment of the 12-kV Line.

• Exception No. 2 - Subdivision Regulations, App. A § VII.D.1: "The City shall accept only full, complete, and functional public streets for purposes of City maintenance and liability. Full, complete, and functional streets include all the aerial, surface, and subsurface public improvements necessary for, and the full width and length of the public right-of-way from intersection to intersection necessary to safely operate the public street and all other components as designed in perpetuity. The Subdivider shall not offer public improvements to the City for purposes of City maintenance and liability unless the improvements include the full, complete, and functional public street. The City shall not accept temporary streets or other temporary public improvements. Where proposed public streets or other public improvements, the Subdivider shall not offer such public improvements and the City shall not accept such public streets or street improvements for City maintenance and liability purposes unless the Director, after consultation with other affected City Agencies, approves or conditionally approves the proposed connections."

Request: An exception is requested to allow for Developer to offer the 12-kvV Line for acceptance by the City through a future action of the Board of Supervisors notwithstanding that the 12-kV Line will not be part of a complete public street.

Additionally, permanent electrical distribution infrastructure within the Project's initial phase will connect to, and receive power from, the 12-kV Line until such time as the future 12-kV Line is completed in Bridgeview Street. Developer will seek acceptance of the permanent distribution infrastructure within the first phase before Bridgeview Street is completed in a later phase. Accordingly, Developer requests an exception to allow for the acceptance of those public improvements notwithstanding that those improvements may, at the time of acceptance, still be connected to the 12-kV Line.

<sup>(3)</sup> That the granting of such exception, waiver, or deferral will not be contrary to the Project Documents or City Regulations.

<sup>&</sup>lt;sup>2</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for exceptions within sixty days of the conditional of IB#3.

• Exception No. 3 - Subdivision Regulations, App. A § VII.D.2: "Dedications in fee shall be irrevocably offered to the City. In addition, the Subdivider shall include an irrevocable offer of interim easement such that the City can complete the Subdivider's public improvement obligation in the event of default at any time prior to the City's final acceptance of the fee dedication."

Request: An exception is required because neither the Port nor Developer can offer the City a fee interest or an easement for any portion of the Project site. This is because the City owns the Project site by and through the Port acting as the trustee of the public trust. As such, the City cannot dedicate a fee interest or an easement. Instead, and as contemplated by the conditions of approval for IB#3, SFPUC will ultimately own, operate and maintain the line pursuant to a memorandum of understanding from the Port or similar agreement on terms satisfactory to SFPUC.

Exception No. 4 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 20: "All Easement Agreements, Offers of Dedication, Offers of Improvements, Grant Deeds or any other documents shall be executed by Subdivider and submitted to Public Works prior to approval of the Final Map or Improvement Plans, whichever comes first, unless otherwise approved by the City. Review of the documents by the Director and City Attorney shall be concurrent with review and approval of the Public Improvement Agreement."

Request: An exception is required for Subdivider to offer the 12-kV Line for dedication to the City subsequent to the approval of Final Map No. 9443. As required by the conditions of approval for IB#3, the offer of dedication of improvements will be included as part of an amendment to the Public Improvement Agreement for the Project's initial phase. Acceptance of the offer and public dedication of the 12-kV Line will be subject to a separate action of the Board of Supervisors.

• Exception No. 5 - Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9. Subdivider shall not request a Notice of Completion (NOC) on any utility facility that does not operate as part of a complete system. This requires the construction of permanent infrastructure or an allowance for use of temporary infrastructure where the City grants an exception.

Request: As otherwise described in this letter, the 12kV Line will ultimately be removed in favor of permanent, underground infrastructure. The requested exception will allow for the Director of Public Works to issue a NOC for the 12kV Line provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

• Exception No. 6 - Tentative Map Condition of Approval - SFPUC Power Enterprise - Hetch Hetchy Power No. 1. Prior to July 31, 2019, unless an extension is granted by the SFPUC General Manager, Subdivider shall enter into an Electric Service Agreement (ESA) with SFPUC.

Request: An exception is requested to account for the fact that Developer and SFPUC continue to negotiate the terms of the Project's ESA concurrent with the parties' efforts to resolve technical issues relating to the delivery of power to the Project.

Exception No. 7 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 21. Consistent with the Subdivision Regulations, Subdivider shall not request a Notice of Completion (NOC) on any portion of a street other than full, complete and functional street, except that NOC for LCC-related improvements shall be subject to the Public Works – Bureau of Streets and Mapping – Permits Division conditions for LCC.

Request: As contemplated by IB#3, Developer will seek, NOC for the 12kV Line notwithstanding that the 12kV Line will not be part of a full, complete and functional street. This exception will enable issuance of the NOC provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

Approval of the requested exceptions is supported based on the following:

Subdivision Code § 1712(b)(1): Application of the referenced provisions of the Subdivision Code, the Subdivision Regulations, and certain of the Tentative Map Conditions of Approval to the 12kv Line would result in practical difficulties and unnecessary hardships inconsistent with the Project approvals and the City Regulations.

Construction and operation of the 12-kV Line is necessary for the delivery of SFPUC power to meet the Project's construction schedule. The 12-kV Line will also be used to deliver permanent power to the Project's initial development phase. Timely completion and energization of the 12-kV Line is essential to the Project's schedule as contemplated by the Project approvals. Additionally, the 12-kV Line will serve to promote the delivery of SFPUC power to the Project pursuant to the City Charter and the Project approvals. Conversely, failure to timely install and energize the line will result in day-for-day delays in Project construction and a commensurate delay in the realization of market rate and affordable housing, open space, new infrastructure, and other public benefits.

Subdivision Code § 1712(b)(2): Granting of the exceptions will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The 12-kV Line will be located partially within a public street and the balance of the line will be on Port property. The portion within the public street will be subject to Public Works permitting requirements and otherwise subject to City regulatory requirements. As to the portion of the line on Port property, the Developer will be required to safely construct and maintain the 12-kV Line pursuant to the above-referenced license agreement. At such time that the 12-kV Line is accepted by the City, SFPUC will have adequate access to the 12-kV Line for maintenance and repair of the facility through a memorandum of understanding or similar agreement with the Port, as may be needed, akin to access rights which SFPUC would normally have pursuant to a public utility easement.

Subdivision Code § 1712(c): Granting of the exceptions is not contrary to the Project approvals or City regulations.

As described above, approval of the exceptions to authorize the construction, operation, and ultimately City acceptance of the 12-kV Line is consistent with the Project approvals and the City regulations. The 12-kV Line is essential to maintaining the Project schedule and the delivery of

associated housing and other public benefits. Further, the 12-kV Line will help to promote the use of SFPUC power consistent with the City Charter and related provisions of the Project approvals.

In addition to the requests for exceptions delineated here, Developer is submitting a concurrent request for certain authorizations relating to the 12-kV Line to SFPUC pursuant to its Rules & Regulations Governing Electric Service, as required by the conditions of approval for IB#3. A copy of that request is appended hereto as <u>Exhibit B</u>.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Michael Carlin, Acting General Manager, SFPUC

Molly Petrick, SFPUC

Derek Adams, SFPUC

Fan Lau, SFPUC

Phil Williamson, Port of San Francisco

Shawna Gates, Public Works - Infrastructure Task Force

Christopher Tom, City Attorney's Office

## Exhibit A

(Diagram of 12kv Line)

## Exhibit B

(Letter to SFPUC)



London N. Breed Mayor

Alaric Degrafinried Acting Director

Suzanne Suskind Bureau Manager

Bureau of Construction Management 49 South Van Ness, 7th Floor San Francisco, CA 94103

sfpublicworks.org facebook.com/sfpublicworks twitter.com/sfpublicworks August 12, 2021

San Francisco Public Utilities Commission - Power Enterprise Raul Mosuela 525 Golden Gate Ave., 7<sup>th</sup> Floor San Francisco, CA 94102

Re: Mission Rock Street Improvements Permit Phase 1
Instructional Bulletin 3/3.1 – SFPUC 12kV Electric Distribution System
Notice of Completion

Dear Mr. Mosuela:

In reference to Mission Rock (MR) Street Improvements Permit (SIP) Phase 1 Instructional Bulletin (IB) 3/3.1, the San Francisco Public Works, Bureau of Construction Management (SFPW/BCM), finds the SFPUC-Power scope of work completed within the limits shown in Attachment A to be in conformance with the construction documents and specifications. This letter requests concurrence from the San Francisco Public Utilities Commission Power Enterprise for a notice of completion of the aforementioned public improvements.

After detailed inspections and verifications stipulated by contract documents, the undersigned hereby states the following in their capacities as representatives of their respective agencies:

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications.

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in compliance with all applicable laws, codes, and ordinances.

A Notice of Completion of the 12kV SFPUC-Power scope of work constructed under the MR SIP Phase 1 IB 3/3.1 contract scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work.

DocuSigned by:		
Raul Mosuela	8/13/2021	
Signature Signature	Date	
Raul Mosuela Name of Agency Representative	SFPUC/Power City Agency	
Digitally signed by Nicole Spadone Date: 2021.08.12 Signature Signature		
Nicole Spadone, P.E.  Name of Agency Representative	SFPW/BCM City Agency	



London N. Breed Mayor

Alaric Degrafinried Acting Director

Suzanne Suskind Bureau Manager

Bureau of Construction Management 49 South Van Ness, 7th Floor San Francisco, CA 94103

sfpublicworks.org facebook.com/sfpublicworks twitter.com/sfpublicworks August 18, 2021

Port of San Francisco Kevin Masuda Pier 1 San Francisco, CA 94111

Re: Mission Rock Street Improvements Permit Phase 1
Instructional Bulletin 3/3.1 – SFPUC 12kV Electric Distribution System
Notice of Completion

Dear Mr. Masuda:

In reference to Mission Rock (MR) Street Improvements Permit (SIP) Phase 1 Instructional Bulletin (IB) 3/3.1, the San Francisco Public Works, Bureau of Construction Management (SFPW/BCM), finds the SFPUC-Power scope of work completed within the limits shown in Attachment A to be in conformance with the construction documents and specifications. This letter requests concurrence from the Port of San Francisco for a notice of completion of the aforementioned public improvements.

After detailed inspections and verifications stipulated by contract documents, the undersigned hereby states the following in their capacities as representatives of their respective agencies:

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications.

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in compliance with all applicable laws, codes, and ordinances.

A Notice of Completion of the 12kV SFPUC-Power scope of work constructed under the MR SIP Phase 1 IB 3/3.1 contract scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work.

luly	8/19/2021
Signature	Date
Kevin Masuda	SFPort
Name of Agency Representative	City Agency
Digitally signed by Nicole Spadone	v
Date: 2021.08.19	8/19/2021
Signature 11:08:53 -07'00'	Date
Nicole Spadone, P.E.	SFPW/BCM
Name of Agency Representative	City Agency



September 16, 2021

Carla Short Interim Director San Francisco Public Works 49 South Van Ness Avenue San Francisco, CA 94103

Re: Mission Rock Project ("Project") - Request for Plan Revision Pursuant to Mission Rock - Phase 1 Public Improvement Agreement to Implement Conditions of Approval for Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3")

#### **Dear Interim Director Short:**

Mission Rock Horizontal Sub (Phase 1), LLC ("Subdivider") is a party to that certain Public Improvement Agreement (Mission Rock - Phase 1) recorded on June 12, 2020, as Document No. 2020-K940619 in the Official Records of the City and County of San Francisco ("Official Records") as amended by that certain First Amendment to Public Improvement Agreement (Mission Rock - Phase 1A), recorded December 2, 2020 as Document No. 2020-061907 of the Official Records (hereafter collectively "PIA"). By this letter, and based on the information below and appended hereto, Subdivider requests approval of a "Plan Revision" to the PIA as defined in Section 4(c) of that agreement.

Pursuant to Section 4(c)(iii) of the PIA:

Any Plan Revision shall be accompanied by (A) a statement explaining the need for or purpose of the proposed revision; (B) drawings and specifications and other related documents showing the proposed Plan Revision in reasonable detail, consistent with the original Plans and Specifications; and (C) revised construction cost estimates.

Each of these requirements is addressed below.

(A) "a statement explaining the need for or purpose of the proposed revision"

The purpose of the requested Plan Revision is to implement conditions of approval associated with IB#3. IB#3 authorizes Subdivider to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line"). The 12-kV Line will be used to provide San Francisco Public Utilities Commission ("SFPUC") power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. Subdivider has completed the installation of the 12-kV Line, including all conductors, transformers, poles and substructures. The permit drawings for the 12-kV Line are appended hereto as Attachment 1. Per the conditions of approval to IB#3, Subdivider is required to offer the 12-kV Line for acceptance by the City as a discrete public improvement separate from other "City Improvements" as defined in the Agreement and conditioned upon Subdivider's agreement to remove the 12-kV Line. In satisfaction of the conditions of approval for IB#3, Subdivider will replace the 12-kV Line with the permanent underground electrical line ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and remove the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line.

Pursuant to the conditions of approval for IB#3, Subdivider will offer the 12-kV Line for acceptance by the City and County of San Francisco pursuant to an irrevocable offer of dedication of improvements. The Project's master developer submitted separate requests for approval of exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval in Public Works Order No. 202,368, and for authorizations from SFPUC pursuant to its Rules and Regulations for Electric Service, to allow for City acceptance of the 12-kV Line notwithstanding that it will be built partially overhead and not within a dedicated public street or utility easement. The conditions of approval for IB#3 contemplate that SFPUC and Public Works will work together to introduce legislation to provide for the City's acceptance of this facility separate from other public improvements within the Project's initial phase.

The requested Plan Revision includes the following proposed amendments to the PIA as required by the conditions of approval for IB#3:

- 1. A revised Exhibit A-1 to the PIA that includes reference to IB#3 and a description of the related work. (See Attachment 2.)
- 2. A revised Exhibit C to the PIA that includes updated construction cost estimates. (See Attachment 6.)
- 3. A revised Exhibit D (see <u>Attachment 3</u>) that includes the following:
  - a. Reference to IB#3 and the associated Public Works Permit
  - b. Reference to Instructional Bulletin (IB) #1 Revision 3 (dated 6/14/2021) Proposing Amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021; and
  - c. New Irrevocable Offer of Dedication of Improvements for the 12-kV Line.

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<sup>&</sup>lt;sup>1</sup> The conditions of approval for IB#3 require Subdivider to provide a "written request for a Plan Revision as defined in the PIA (which includes revisions, modifications, and amendments to the Plans and Specifications /Street Improvement Permit) and the rationale for same.

4. A revised Exhibit F-1 that includes reference to a separate agreement between the Port of San Francisco ("Port") and SFPUC pursuant to which SFPUC may own, operate, and maintain the 12-kV Line on the Property, and which does not require SFPUC to compensate the Port for the right to occupy Port property. (See <u>Attachment 4</u>.)

# (B) "drawings and specifications and other related documents showing the proposed Plan Revision in reasonable detail, consistent with the original Plans and Specifications"

As described above, Public Works approved IB#3, including modifications to the approved Street Improvement Permit, subject to the subsequent satisfaction of a series of conditions, including a requirement for developer to submit this request for a Plan Revision. The approved permit drawings are appended to this request as Attachment 1.

#### (C) "revised construction cost estimates"

Attachment 5 hereto is a revised engineer's cost estimate from BKF Engineers, dated June 23, 2021, that estimates the cost of completing all outstanding improvements contemplated by the PIA, including modifications to the Phase 1 Street Improvement Permit authorized by the Instructional Bulletins. As indicated by Attachment 5, the modified Phase 1 street improvements, including the 12kV Line, have a total estimated cost of \$29,055,421 to complete. Subdivider previously provided performance bonds for Phase 1 street improvements in the amount \$28,788,421 (refer to Exhibit C of the PIA), and the 12kV line is now complete. As such, the total amount of security needed to ensure Subdivider's completion of outstanding Phase 1 street improvements and to guaranty Subdivider's warranty obligation specific to the 12kV Line (i.e., 10% of the estimated cost of \$585,000 to complete that line) is \$28,528,921. Thus, the outstanding Phase 1 street improvements and 12kV Line guaranty are covered by existing security.

Thank you in advance for your consideration of this request. Subdivider looks forward to expeditiously completing the Second Amendment to the PIA to address the above-described Plan Revision with the cooperation of Public Works and the Port.

Sincerely,

Julian Pancoast

Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Phil Williamson, Port Shawna Gates, Public Works - Infrastructure Task Force Christopher Tom, City Attorney's Office Molly Petrick, SFPUC

(Approved Permit Drawings)

(Revised Exhibit A-1 to PIA)

### **EXHIBIT A-1**

### **Approved Street Improvement Permit Plans and Specifications**

- Public Works Street Improvement Permit (SIP) No. 20IE-00486 (October 1, 2020)2.
   Mission Rock Phase 1 Street Improvement Plans and Specifications prepared by BKF
   Engineers, including "Technical Specifications for Seawall Lot 337 / Mission Rock Phase
   1 Street Improvement Plans" (dated September 25, 2020 and approved October 1, 2020 pursuant to SIP No. 20IE-00486)
- 3. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, Conditionally Approved on March 19, 2021
- 4. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021

(Revised Exhibit D)

#### **EXHIBIT D**

#### **Documentation Required for Public Improvement Agreement**

- 1. Public Works Street Improvement Permit No. 20IE-00486 (October 1, 2020)
- 2. Irrevocable Offer of Dedication of Improvements (recorded June 12, 2020 as Document No. 2020K940595)
- 3. Payment and Performance Bonds and Monument Bonds
- 4. Maintenance Matrix
- 5. Master Homeowner Association Covenants, Conditions and Restrictions (applies only if Final Map authorizes residential condominiums)
- 6. Bonding to complete the Mission Rock Improvements
- 7. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486 ("IB#3"), Conditionally Approved on March 19, 2021
- 8. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021
- 9. Irrevocable Offer of Dedication of Improvements (Power Facilities described in IB#3)

(Revised Exhibit F-1)

#### **EXHIBIT F-1**

### List of Documents Required by City in Order to issue a Notice of Completion

- 1. Subdivider's Letter Requesting Notice of Completion
- 2. Contractor Substantial Completion Letter
- 3. Civil Engineer Completion Notice
- 4. Geotechnical Engineer Completion Letter
- 5. Landscape Architect Completion Notice
- 6. Construction Manager Completion Notice
- 7. Record of City's approval of all required infrastructure testing including but not limited to SS/SD post-construction CCTV, SS/SD vacuum/pressure tests, LPW/AWSS hydrostatic tests, mandrel tests, in place density/compaction tests, concrete and LCC tests, irrigation tests, rolling straight edge tests, etc.
- 8. City's Confirmation that Final Punch-List Items Have Been Completed
- 9. Utility Conformance Letter
- 10. As-Built Plan Approval Letter
- 11. Final Draft of Notice of Completion (to be recorded)
- 12. Survey Monuments
- 13. Test Reports
- 14. Joint Trench Conduits Mandrel Test
- 15. Confirmation of Removal of all Non-Compliance Reports ("NCR")
- 16. Confirmation from City that all Change Orders/Instructional Bulletins have been approved
- 17. Confirmation from City that all required spare parts have been provided
- 18. Confirmation from City that Infrastructure satisfies all requirements of Public Works Order No. 203,636 and Public Works Order No. 203,637
- 19. Confirmation from City that all conditions of SIP have been satisfied
- 20. Operation and Maintenance Manuals
- 21. Executed Corporate Guaranty for the Extended Warranty Acceptable to the City (due at the time of first request for the final NOC within Phase 1A; Subdivider shall submit a final completed form of the Corporate Guaranty, including all parties and terms, with its first request for any NOC)
- 22. Final Form of Master Encroachment Permit(s) sufficient for consideration by the Board of Supervisors and associated agreement for Private Utility Improvements and other non-standard public or private improvements in the right-of-way
- 23. NOC Recommendation from Public Works
- 24. Agreement between the Port and SFPUC pursuant to which SFPUC may own, operate and maintain the 12-kilovolt electrical line authorized by Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No.20IE-00486 ("IB#3"), and which does not require SFPUC to compensate the Port for the right to occupy Port property. **This**

requirement applies only to issuance of an NOC for the 12-kilovolt line authorized by IB#3, and not to other improvements contemplated by this Public Improvement Agreement.

(June 23, 2021 Letter from BKF)

## **Attachment 6**

(Revised Exhibit C)

## **EXHIBIT C**

## **ESTIMATED COSTS**

<u>Exhibit</u>	<b>Description of Improvements</b>	<b>Estimated Costs</b>
Exhibit A-1	Street Improvement Plans	\$28,528,921
Exhibit A-2	Pump Station Plans	\$838,800





September 28, 2021

Carla Short, Interim Director San Francisco Public Works 49 South Van Ness Avenue, Suite 1600 San Francisco, CA 94103

**Dear Interim Director Short:** 

On June 4, 2021, the San Francisco Public Utilities Commission ("SFPUC") provided certain written authorizations to the subdivider of the Seawall Lot 337 and Pier 48 Mixed-Use project ("Project") pursuant to the SFPUC Rules & Regulations Governing Electric Service ("SFPUC Electric Rules"). (See "SFPUC Authorization Letter" attached as <a href="Exhibit A">Exhibit A</a>.) By the SFPUC Authorization Letter, the SFPUC granted the following authorizations and exceptions to the SFPUC Electric Rules regarding the subdivider's proposal to construct a 12-kilovolt power line and associated subsurface and overhead facilities ("12-kV Line") at the Project site and offer to dedicate such 12-kV Line to the City, acting by and through the SFPUC:

- (a) Authorization under SFPUC Electric Rule XV.7.C.2 allowing for SFPUC operation and maintenance of the 12-kV Line notwithstanding that portions of the line will not be located within a street or public utility easement;
- (b) An exception from SFPUC Electric Rule XV.7.C.3 allowing for SFPUC operation and ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead; and
- (c) An exception from SFPUC Electric Rule XV.I.5 confirming that SFPUC will operate and eventually own the 12-kV Line notwithstanding that the line will be energized before the City accepts the line, and upon acceptance, a portion of the line will temporarily be located outside of a public right-of-way accepted by the Board or a public utility easement.

Subsequently, on August 12, 2021, following detailed inspections and verifications required by the applicable contract documents, the SFPUC provided Public Works with a letter ("SFPUC Inspection Letter" attached as <a href="Exhibit B">Exhibit B</a>) stating that the 12-kV Line has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications, and in compliance with all applicable laws, codes, and ordinances.

London N. Breed Mayor

Sophie Maxwell
President

**Anson Moran** Vice President

Tim Paulson

Commissioner **Ed Harrington** 

Commissioner

Newsha Ajami Commissioner

**Michael Carlin**Acting
General Manager



**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

Consistent with the SFPUC Authorization Letter and the SFPUC Inspection Letter, and in compliance with the SFPUC Electric Rules, the SFPUC hereby provides written notice to Public Works that effective upon the Board of Supervisors' approval and acceptance of the offer of dedication of the 12-kV Line, the SFPUC is prepared to own and operate the 12-kV Line, expressly contingent upon Subdivider's replacement of the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry François Boulevard within the Mission Rock project ("Permanent Power Line" attached as Exhibit C), consistent with the Infrastructure Plan and the SFPUC Power Enterprise Rules and Regulations Governing Electric Service, effective May 9, 2017 ("SFPUC Power Rules"), and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line.

Please contact me at (415) 554-2483 if you have any questions or concerns regarding this letter.

Sincerely,

Barbara Hale
Assistant General Manager, Power

#### EXHIBIT L

### **Executed Irrevocable Offer of Dedication of Improvements - Power Facilities**

Assessor's Block ("AB")	(Space above this line reserved for Recorder's use only)
Attn: Director of Property	
San Francisco, CA 94102	
25 Van Ness Avenue, Suite 400	
City and County of San Francisco	
Real Estate Division	
WHEN RECORDED RETURN TO	·.
WHEN RECORDED RETURN TO	
RECORDING REQUESTED BY, A	AND

#### OFFER OF DEDICATION OF IMPROVEMENTS

(12-kV Distribution Line)

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), and its successors and assigns, does hereby irrevocably offer to dedicate to the City and County of San Francisco a municipal corporation ("City"), and its successors and assigns, all improvements constructed or installed by or on behalf of Developer, pursuant to Instructional Bulletin No. 3, dated March 10, 2021, inclusive of Revision No. 1 thereto, dated March 19, 2021, amending the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (Street Improvement Permit No. No. 20IE-00486), and the improvement plans and specifications described therein.

The property where the improvements are located is shown on <u>Exhibit A</u> hereto, which is located in the City.

It is understood and agreed that: (i) upon acceptance of this offer of public improvements the City shall own and be responsible for maintenance of the offered public improvements, and (ii) The City and its successors or assigns shall incur no liability or obligation whatsoever hereunder with respect to such offer of public improvements, and, except as may be provided by separate instrument, shall not assume any responsibility for the offered improvements, unless and until such offer has been accepted by appropriate action of the Board of Supervisors.

IN	WITNESS WHEREOF	f, the undersigned has executed this instrument this	day of
	, 2021		

## [CCSF Draft 9.28.21]

### **DEVELOPER**

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mission Rock Partners, LLC, its Sole Member

By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member

By: \_\_\_\_\_

Name: Carl Shannon

Its: Authorized Signatory

# [CCSF Draft 9.28.21]

## Exhibit A

Legal Description and Plat

#### CONDITIONAL ASSIGNMENT OF WARRANTIES AND GUARANTIES

FOR VALUE RECEIVED, MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), does hereby conditionally assign to the City and County of San Francisco (acting by and through its agencies, boards, departments, and commissions, including the Port of San Francisco) (collectively, "City"), to the extent permissible, all of its right, title and interest in and to any and all warranties and guaranties (individually a "Warranty", and collectively, "Warranties") applicable to the improvements set forth on Exhibit A attached hereto and incorporated herein by this reference (the "Acquisition Facilities").

This Conditional Assignment of Warranties and Guaranties (the "Assignment") is being made in connection with Section 4.1(e)(ii) of that certain Acquisition Agreement and Reimbursement Agreement dated for reference purposes as of August 15, 2018, by and between the City and County of San Francisco acting by and through the San Francisco Port Commission ("Port") and Seawall Lot 337 Associates, LLC (as may be further supplemented or amended from time to time, the "Acquisition Agreement").

The parties hereto agree that if the City or any of its respective successors and/or assigns exercise any right of repair, warranty, guaranty, or other right against Developer, if any, with respect to an Acquisition Facility which is also the subject of a Warranty, Developer, at its option, without any requirement that it do so, may enforce the Warranty. If Developer elects to enforce the Warranty, Developer shall provide notice to the City within ten (10) business days of receipt of notice that the City or any of its respective successors and/or assigns are exercising a right of repair, warranty, guaranty, and/or similar right with respect to the Acquisition Facility. If Developer fails to provide such notice to the City within ten (10) business days, or otherwise fails to diligently pursue the Warranty thereafter, the City shall have the sole right and privilege to enforce the Warranty.

This Assignment shall be binding upon and inure to the benefit of the successors and assigns of Developer and the City.

A notice or communication under this Assignment by any party to any other party shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

In the case of a notice or communication to the City:

Director of Public Works City and County of San Francisco 49 South Van Ness Avenue, Suite 1600 San Francisco, CA 94103 Reference: Mission Rock Project With a copy to:

Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Jr. Place, Room 234 San Francisco, CA 94102 Attention: Public Works General Counsel

Reference: Mission Rock Project

And in the case of a notice or communication to Developer:

Mission Rock Horizontal Sub (Phase 1), L.L.C. 24 Willie Mays Plaza San Francisco, CA 94107 Attn: Julian Pancoast

with a copy to:

Perkins Coie LLP 505 Howard Street, Suite 1000 San Francisco, CA 94105

Attn: Garrett Colli

Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Assignment shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

This Assignment may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one instrument.

The terms of this Assignment may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

The waiver or failure to enforce any provision of this Assignment shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

This Assignment shall be governed by and construed and enforced in accordance with the laws of the State of California.

Nothing in this Assignment shall be construed in any way to alter, amend or otherwise relieve Developer of its warranty or guaranty responsibilities, with respect to any improvements, under the Mission Rock Project documents or subsequent permits.

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed as of the day of, 2021.
DEVELOPER:
MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company
By: Sewall Lot 337 Associates, LLC, its Sole Member
By: Mission Rock Partners, LLC, its Sole Member
By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member
By: Name: Carl Shannon Its: Authorized Signatory
CITY:
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
By:
Name:
Its:

#### Exhibit A

#### **List of Acquisition Facilities**

The facilities include the 12 kilovolt electric line improvements and ancillary facilities constructed or installed by or on behalf of DEVELOPER pursuant to Instructional Bulletin (IB) #3, dated March 10, 2021, and IB#3 Revision 1, dated March 19, 2021, proposing amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, conditionally approved on March 19, 2021, for said improvements, and the improvement plans and specifications described therein. The list of facilities delivered to and on file with the City is as follows:

Joint Trench & Dry Utilities - includes, but is not limited to, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas main, and anodes for dry utilities including electrical, gas, telephone, cable, internet, and information systems, as well as any payment obligations related to providing such services.

153905403.2 A-1

<b>Public</b>	Works	Order	No:	
1 ublic	WUIKS	Oruei	110.	

Re: Recommendation of formal acceptance of the irrevocable offer of dedication of a non-permanent 12-kilovolt power line and associated subsurface and overhead facilities ("12-kV Line") servicing the Seawall Lot 337 and the Pier 48 Mixed-Use Project, dedication of the 12-kV Line for public use, designation of the 12-kV Line for public power purposes, and acceptance the 12-kV Line for City maintenance and liability purposes, subject to Subdivider's agreement to install future undergrounded 12-kV Line in lieu of Overhead 12-kV Line and provide security regarding same.

WHEREAS, On January 30, 2018, the Port Commission through Resolution No. 18-03 approved the Disposition and Development Agreement by and between the Port of San Francisco ("Port") and Seawall Lot 337 Associates, LLC ("DDA") concerning the development of the Seawall Lot 337 and the Pier 48 Mixed-Use project ("Project"); and

WHEREAS, On February 27, 2018, the Board of Supervisors ("Board") adopted Ordinance No. 33-18 approving a Development Agreement for the Project between the City and County of San Francisco and Seawall Lot 337 Associates, LLC ("DA"); and

WHEREAS, On February 27, 2018, the Board adopted Resolution No. 42-18 authorizing the approval of the DDA; and

WHEREAS, The Planning Department, in a letter dated October 10, 2019, determined that the tentative map covering the Project site ("Tentative Map") is consistent with the General Plan and the Priority Policies of Planning Code Section 101.1(b), and that approval of the Tentative Map did not trigger the requirement for additional review under the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.), which findings the Board of Supervisor adopted and incorporated by reference in Motion No. 20-60; and

WHEREAS, On December 13, 2019, the Public Works Director (together with the Acting Director and Interim Director, the "Director") issued Public Works Order No. 202368 approving the Tentative Map subject to conditions of approval ("Tentative Map Conditions of Approval"); and

WHEREAS, On June 2, 2020, the Board approved the Project's first phased final map, Final Map No. 9443, and the Project's public improvement agreement ("Public Improvement Agreement") pursuant to Motion No. M20-060; and

WHEREAS, The Subdivision Code, the Subdivision Regulations, Tentative Map Conditions of Approval, and the Public Improvement Agreement require Mission Rock Horizontal Sub (Phase 1), LLC ("Subdivider") to complete all public improvements necessary to serve each Project phase and make offers of public dedication of such improvements for acceptance by the City; and

WHEREAS, the Public Improvement Agreement, as amended, sets forth the terms and conditions of the Board's acceptance of certain public improvements; and

WHEREAS, Public Works approved construction of certain public infrastructure improvements under the Mission Rock Phase 1 Improvement Plans Street Improvement Permit ("SIP"); and

WHEREAS, Public Works conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB #3 Revision 1 (dated March 19, 2021) proposing amendments to the SIP (collectively "IB#3") to conditionally approve construction of a proposed non-permanent 12-kilovolt power line and associated subsurface and overhead facilities depicted in the SIP and IB#3 (the "12-kV Line") to provide power for construction and service to buildings within the Project's initial phase as described in IB#3; and

WHEREAS, On June 30, 2021, at the request of Subdivider, the Director issued Public Works Order No. 205068 authorizing exceptions from provisions of the San Francisco Subdivision Code, the San Francisco Subdivision Regulations, and certain Tentative Map Conditions of Approval, including:

- (a) An exception from Subdivision Code Section 1337(a) authorizing installation of an overhead electric line;
- (b) An exception to Subdivision Regulations Appendix A, Section VII.D.1 authorizing Subdivider to offer the 12-kV Line for acceptance and public dedication prior to the completion of new full, complete, and functional public streets;
- (c) An exception from Subdivision Regulations, Appendix A, Section VII.D.2 authorizing public dedication of the 12-kV Line without an accompanying irrevocable offer of a fee interest in real property or easement;
- (d) An exception to Tentative Map Condition of Approval Public Works Bureau of Street Use and Mapping Division of Surveying and Mapping No. 20 authorizing Subdivider's offer of public dedication of the 12-kV Line subsequent to approval of the Project's first phased final map;
- (e) An exception to Tentative Map Condition of Approval SFPUC Wastewater Enterprise No. 9, authorizing issuance of a Notice of Completion for temporary infrastructure; and
- (f) An exception to Tentative Map Condition of Approval SFPUC Power Enterprise Hetch Hetchy Power Condition No. 1, accounting for ongoing negotiation of an Electric Service Agreement between Subdivider and SFPUC; and
- (g) An exception to Tentative Map Condition of Approval Public Works Bureau of Street Use and Mapping Division of Surveying and Mapping No. 21, authorizing Subdivider to seek a Notice of Completion ("NOC") for the 12kV Line notwithstanding that the 12kV Line is not part of a full, complete and functional public street;

WHEREAS, On June 4, 2021, the San Francisco Public Utilities Commission ("SFPUC") provided certain written authorizations ("SFPUC Authorization," attached as <u>Exhibit A</u>) pursuant

to SFPUC's Rules and Regulations Governing Electric Service ("SFPUC Electric Rules"), including:

- (a) Authorization under SFPUC Electric Rule XV.7.C.2 allowing for SFPUC operation and maintenance of the 12-kV Line notwithstanding that portions of it will not be located within a street or public utility easement;
- (b) An exception from SFPUC Rule XV.7.C.3 allowing for SFPUC operation and ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead; and
- (c) An exception from SFPUC Rule XV.I.5 confirming that SFPUC will operate and eventually own the 12-kV Line notwithstanding that the 12-kV Line will be energized before the City accepts the line, and upon acceptance, a portion of the line will temporarily be located outside of a public right-of-way accepted by the Board or a public utility easement; and

WHEREAS, On August 12, 2021, following detailed inspections and verifications stipulated by contract documents, the SFPUC provided Public Works with written confirmation that the 12-kV Line has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications, and in compliance with all applicable laws, codes, and ordinances; and the issuance of a Notice of Completion of the 12-kV Line work scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work (see Exhibit B); and

WHEREAS, On August 19, 2021, following detailed inspections and verifications stipulated by contract documents, the Port of San Francisco provided Public Works with written confirmation that the 12-kV Line has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications, and in compliance with all applicable laws, codes, and ordinances; and the issuance of a Notice of Completion of the 12-kV Line work scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work (see Exhibit C); and

WHEREAS, On September 16, 2021, Subdivider submitted a written request for a Plan Revision, as defined in the Public Improvement Agreement, to implement conditions of approval associated with the IB#3 and Subdivider agreed to replace the 12-kV Line with the permanent underground electrical line, consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and remove the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line (see Exhibit D); and

WHEREAS, On September \_\_\_, 2021, the SFPUC provided Public Works with written confirmation (attached as <a href="Exhibit E">Exhibit E</a>) that consistent with the SFPUC Authorization, the SFPUC's letter to Public Works, dated August 12, 2021, and the SFPUC Electric Rules, the SFPUC is prepared to own and operate the 12-kV Line, upon the Board of Supervisors' approval of the

offer of dedication of the 12-kV Line, expressly contingent upon Subdivider's replacement of the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry Francois Boulevard within the Mission Rock project ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line (the "Permanent Power Line Requirements"); and

WHEREAS, Following consultation with the SFPUC and the Port, the City Engineer has issued a Notice of Completion determining that the 12-kV Line has been constructed in accordance with the Project's Plans and Specifications, and any authorized revisions or contract changes thereto, related to the construction of the Project and all applicable City codes, regulations, and standards and is ready for its intended use, subject to the Permanent Power Line Requirements (see Exhibit F); and

WHEREAS, Subdivider has irrevocably offered to dedicate the 12-kV Line, which is necessary to implement the Project pursuant to the DA and the DDA, to the City as set forth in the Offer of Dedication of Improvements (12-kV Distribution Line) dated as of September \_\_\_, 2021 ("Offer of Dedication of Improvements (12-kV Line)," attached as <u>Exhibit G</u>); and

WHEREAS, The Director and the City Engineer make the recommendation that the Board of Supervisors accept the 12-kV Line as shown on IB#3, dedicate the 12-kV Line to public use, and designated the 12-kV Line for public power use by the SFPUC. Further, the Director and the City Engineer recommend that the Board of Supervisors accept the 12-kV Line for City maintenance and liability purposes in accordance with Streets and Highways Code Sections 1806 and San Francisco Administrative Code 1.51 et seq. and subject to the exceptions, authorizations, and requirements specified herein; and

WHEREAS, The Director and the City Engineer hereby certify the following:

- 1) The Subdivider has irrevocably offered the 12-kV Line to the City;
- 2) The Subdivider has submitted a copy of a Notice of Completion, an Assignment of Warranties, and evidence of acceptability of the 12-kV Line (all attached as <u>Exhibit H</u>);
- Public Works has performed all applicable inspections, obtained test results, ensured compliance with permit conditions and mitigation measures, resolved punch list items, determined SIP and IB#3 terms have been or will be met, and received as-built drawings of the 12-kV Line;
- 4) Subdivider shall be required to comply with all the conditions and requirements set forth in the Phase 1 SIP and IB#3, including the Subdivider's obligation to hold harmless, defend, and indemnify the City as specified in the Phase 1 SIP and IB#3;

Public Works has determined that as of the date listed on the Public Works Notice of Completion, subject to Public Works Order No. 205068 and the SFPUC Authorization, and expressly contingent upon Subdivider's obligation to replace the 12-kV Line with the Permanent Power Line and remove the 12-kV Line as set forth herein, the 12-kV Line is ready for its intended use and has been completed substantially in conformity with the Plans and Specifications for the Project, approved by or on behalf of the Director, and any authorized revision thereto, and that the 12-kV Line has been constructed in accordance with all City codes, regulations, standards, and Project plans and documents governing the Project;

#### **NOW, THEREFORE:**

By this Order, the Director approves all of the following documents either attached hereto or referenced herein:

- 1. Second Amendment to Public Improvement Agreement (Exhibit I)
- 2. Ordinance to Accept Offer of Dedication of 12-kV Line (Exhibit J)
- 3. Offer of Dedication of Improvements (12-kV Line) (Exhibit G)

The Director recommends that the Board of Supervisors approve the ordinance to accept the Offer of Dedication of Improvements (12-kV Line). Hereinafter, the Director's recommendation also includes the City Engineer's certification of actions under the City Engineer's authority.

The Director further recommends that the Board of Supervisors approve the ordinance to dedicate the 12-kV Line to public use, designate 12-kV Line as public infrastructure for public power purposes by the SFPUC, and accept 12-kV Line for City maintenance and liability purposes subject to the following:

- 1. Subdivider shall comply with the Permanent Power Line Requirements described herein
- 2. Subdivider shall comply with all the conditions and requirements set forth in the Phase 1 SIP and IB#3, including the Subdivider's obligation to hold harmless, defend, and indemnify the City as specified in the Phase 1 SIP and IB#3.
- 3. Subdivider shall comply with the applicable Public Improvement Agreement, as amended, and the Subdivision Code and Subdivision Regulations, and obtain all required exceptions therefrom.

Carla Short	Albert J. Ko, PE	
Interim Director	City Engineer	
Patrick Rivera	John Thomas	
Bureau Manager	Manager, Infrastructure Task Force	

## Exhibit A

## **SFPUC Authorization**



June 4, 2021

Catherine Spaulding
Deputy Manager, Programs & Planning
San Francisco Public Utilities Commission, Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102

Re: Mission Rock Project - 12 Kilovolt Line: Request for Written Authorizations Pursuant to the San Francisco Public Utilities Commission Rules & Regulations Governing Electric Service

Dear Deputy Manager Spaulding:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Seawall Lot 337 Associates, LLC ("Developer"), the master developer for the Seawall Lot 337 & Pier 48 Mixed-Use Project ("Project") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted in Exhibit A attached hereto. The 12-kV Line will be used to provide SFPUC power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer has completed installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request your authorization of certain requests pursuant to the San Francisco Public Utilities Commission ("SFPUC") Rules and Regulations Governing Electric Service ("SFPUC Rules"), as described below, as necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line. The 12-kV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. The 12-kV Line will remain in place until the Master Developer installs the joint trench and installs a separate 12-kV line in the joint trench and removes the 12-kV Line as part of the improvements to Bridgeview Street in Phase 3 of the Project. For

<sup>1</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for authorizations within sixty days of the issuance of the conditional IB#3.

this reason, SFPUC has designated the 12-kV Line a Temporary Electric Service Line under the SFPUC Rules.

Developer will be solely responsible for the costs to remove the existing 12-kV Line when the joint trench has been installed and the electric facilities energized. The costs for the new 12-kV line in the joint trench will be shared by the SFPUC and Developer pursuant to Rule 15 of the SFPUC Rules.

A portion of the 12-kV Line will be constructed on property owned by the City acting by and through the Port of San Francisco ("Port") as the trustee of the public trust. As a result, neither the Port nor Developer can offer an easement to SFPUC for this facility. The conditions of approval for IB#3 recognize that the City's acceptance of the 12-kV Line and its ultimate ownership, operation and maintenance by SFPUC will require a separate agreement between the Port and SFPUC.

Developer respectfully requests the Acting General Manager's authorization pursuant to the provisions of the SFPUC Rules described below.

• SFPUC Rules, § XV.7.C.2: "SFPUC will construct Distribution and Service Line Extensions only along public streets or upon private property in which Applicant has obtained an Easement or other rights satisfactory to SFPUC without cost to SFPUC."

Request No. 1: As described above, a portion of the 12-kV Line is not located within a public street or an easement. The request is to confirm that SFPUC will operate and maintain the 12-kV Line and, provided that the Board of Supervisors accepts the line through a future action, own the line notwithstanding that it will not be located within a street or public utility easement. Per the conditions of approval for IB#3, Developer acknowledges that SFPUC's operation and maintenance of the 12-kV Line, between the date of City acceptance and Developer's removal of the 12-kV Line upon completion of replacement facilities in Bridgeview Street, will require a separate agreement between the Port and SFPUC at no cost to SFPUC and upon terms that are otherwise satisfactory to SFPUC.

• SFPUC Rules, § XV.7.C.3: "SFPUC will install all new Distribution and Service Line Extensions underground, unless specifically exempted by SFPUC for good cause."

Request No. 2: A portion of the 12-kV Line is overhead and not underground. This is a result of the Project's construction phasing and site constraints, particularly the need to temporarily bring power across the Project site. Per the terms of the SFPUC Rules, Developer requests an exemption to allow for SFPUC operation and eventually ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead.

• SFPUC Rules, § XV.I.5: "Unless otherwise agreed to in writing, SFPUC will not accept ownership of any Distribution or Service Line Extension on any unaccepted public right-of-way until the Board of Supervisors had accepted the public right-of-way from Developer. In the event that electrical service is energized prior to the formal acceptance, Developer will grant SFPUC an easement or license without cost to the SFPUC that provides SFPUC with the same access to the Distribution or Service Line Extension for

# maintenance and operation that SFPUC would have to a Distribution or Service Line Extension in a public right-of-way."

Request No. 3: The 12-kV Line will need to be energized before the City accepts the line, and upon acceptance, a portion of the line will not be located within a public right-of-way accepted by the Board of Supervisors or a public utility easement. Per the terms of the SFPUC Rules, Developer requests SFPUC's written confirmation that, following the Developer's satisfaction of the conditions of approval for IB#3 and the Board of Supervisors' requisite approval actions to accept the 12-kV Line, SFPUC will take ownership of the 12-kV Line prior to the Board of Supervisors' acceptance of that portion of the public right-of-way.

In addition to the requests delineated here, Developer is submitting a concurrent request to the Acting Director of Public Works for exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval for Public Works Order No. 202,368 relating to the 12-kV Line as required by the conditions of approval for IB#3. A copy of that request is appended hereto as Exhibit B. Developer respectfully requests your consent to the exceptions requested therein.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

Accepted and Agreed:

San Francisco Public Utilities Commission

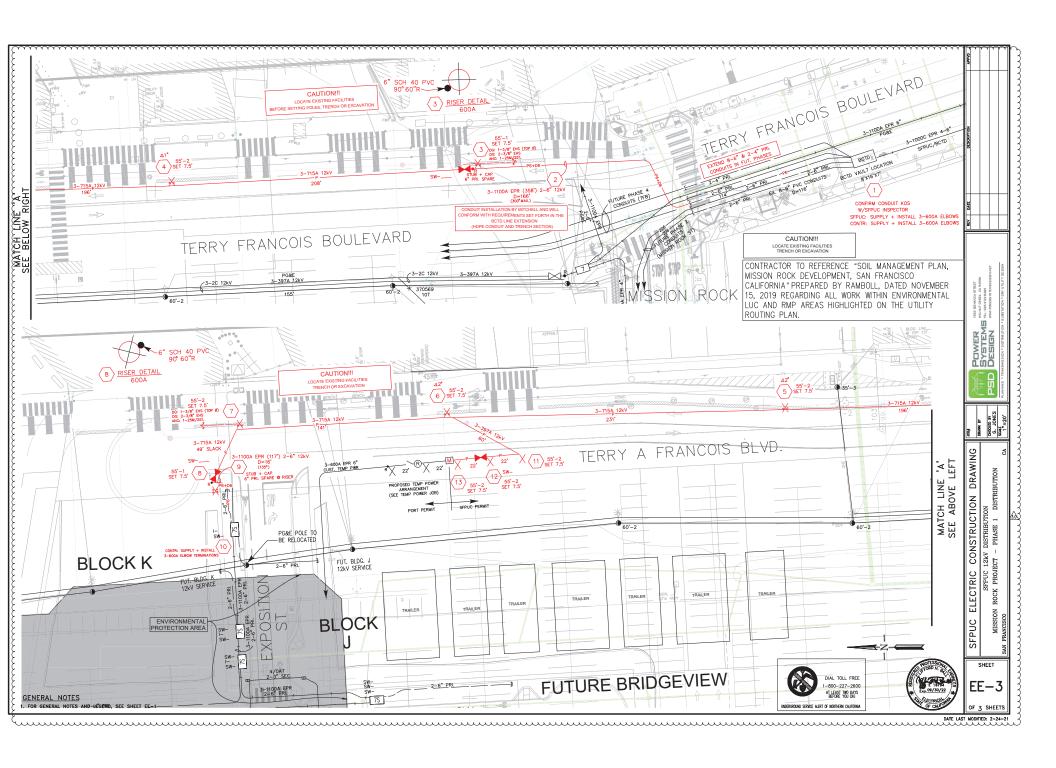
By: <u>Catherine Spaulding</u> Catherine Spaulding

Deputy Manager, Programs & Planning

cc Alaric Degrafinried, Acting Director, Public Works Michael Carlin, Acting General Manager, SFPUC John Kwong, Public Works Shawna Gates, Public Works, Infrastructure Task Force Phil Williamson, Port of San Francisco

## Exhibit A

(Diagram of 12-kV Line)



## Exhibit B

(Letter to Public Works)



June 4, 2021

Alaric Degrafinried Acting Director San Francisco Public Works 49 South Van Ness Avenue San Francisco, CA 94103

Re: Mission Rock Project ("Project") - 12 Kilovolt Line: Request for Exceptions from the Subdivision Code, the Subdivision Regulations, and Public Works Order No. 202,368 ("Tentative Map Conditions of Approval")

Dear Acting Director Degrafinried:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Mission Rock Horizontal Sub (Phase 1), L.L.C. ("Developer") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted on Exhibit A attached hereto. The 12-kV Line will be used to provide San Francisco Public Utilities Commission ("SFPUC") power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer is in the process of installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request approval of exceptions<sup>1</sup> from provisions of the Subdivision Code, the Subdivision Regulations, and the Tentative Map Conditions of Approval as

<sup>1</sup> Exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and tentative map conditions of approval are authorized pursuant to Section III.A of the Subdivision Regulations ("Exceptions as that term is used within these Regulations shall refer to Section 1712, inclusive, as defined in the San Francisco Subdivision Code."). Per Section 1712(b) the Director of Public Works must find the following in order to approve an exception:

<sup>(1)</sup> That the application of certain provisions of this Code or the Subdivision Regulations would result in practical difficulties or unnecessary hardships affecting the property inconsistent with the general purpose and intent of the Project Document and City Regulations;

<sup>(2)</sup> That the granting of the exception, waiver, or deferral will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated; and

necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line.<sup>2</sup> The 12-kvV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. As contemplated by the conditions of approval for IB#3, the Port of San Francisco ("Port") and Developer are parties to a license agreement dated March 19, 2021, which authorizes the 12-kV Line on Port property prior to the City's acceptance of that facility. The 12-kV Line will remain in place until such time as Developer installs a separate 12-kV line and a new joint trench as part of improvements to Bridgeview Street in Phase 3 of the project.

Developer requests the approval of the Acting Public Works Director for the exceptions listed hereunder.

• Exception No. 1 - Subdivision Code, § 1337(a): "All new utility lines shall be undergrounded as specified in Article 18 of the Public Works Code."

Request: An exception is requested to authorize the overhead segment of the 12-kV Line.

• Exception No. 2 - Subdivision Regulations, App. A § VII.D.1: "The City shall accept only full, complete, and functional public streets for purposes of City maintenance and liability. Full, complete, and functional streets include all the aerial, surface, and subsurface public improvements necessary for, and the full width and length of the public right-of-way from intersection to intersection necessary to safely operate the public street and all other components as designed in perpetuity. The Subdivider shall not offer public improvements to the City for purposes of City maintenance and liability unless the improvements include the full, complete, and functional public street. The City shall not accept temporary streets or other temporary public improvements. Where proposed public streets or other public improvements, the Subdivider shall not offer such public improvements and the City shall not accept such public streets or street improvements for City maintenance and liability purposes unless the Director, after consultation with other affected City Agencies, approves or conditionally approves the proposed connections."

Request: An exception is requested to allow for Developer to offer the 12-kvV Line for acceptance by the City through a future action of the Board of Supervisors notwithstanding that the 12-kV Line will not be part of a complete public street.

Additionally, permanent electrical distribution infrastructure within the Project's initial phase will connect to, and receive power from, the 12-kV Line until such time as the future 12-kV Line is completed in Bridgeview Street. Developer will seek acceptance of the permanent distribution infrastructure within the first phase before Bridgeview Street is completed in a later phase. Accordingly, Developer requests an exception to allow for the acceptance of those public improvements notwithstanding that those improvements may, at the time of acceptance, still be connected to the 12-kV Line.

<sup>(3)</sup> That the granting of such exception, waiver, or deferral will not be contrary to the Project Documents or City Regulations.

<sup>&</sup>lt;sup>2</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for exceptions within sixty days of the conditional of IB#3.

• Exception No. 3 - Subdivision Regulations, App. A § VII.D.2: "Dedications in fee shall be irrevocably offered to the City. In addition, the Subdivider shall include an irrevocable offer of interim easement such that the City can complete the Subdivider's public improvement obligation in the event of default at any time prior to the City's final acceptance of the fee dedication."

Request: An exception is required because neither the Port nor Developer can offer the City a fee interest or an easement for any portion of the Project site. This is because the City owns the Project site by and through the Port acting as the trustee of the public trust. As such, the City cannot dedicate a fee interest or an easement. Instead, and as contemplated by the conditions of approval for IB#3, SFPUC will ultimately own, operate and maintain the line pursuant to a memorandum of understanding from the Port or similar agreement on terms satisfactory to SFPUC.

Exception No. 4 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 20: "All Easement Agreements, Offers of Dedication, Offers of Improvements, Grant Deeds or any other documents shall be executed by Subdivider and submitted to Public Works prior to approval of the Final Map or Improvement Plans, whichever comes first, unless otherwise approved by the City. Review of the documents by the Director and City Attorney shall be concurrent with review and approval of the Public Improvement Agreement."

Request: An exception is required for Subdivider to offer the 12-kV Line for dedication to the City subsequent to the approval of Final Map No. 9443. As required by the conditions of approval for IB#3, the offer of dedication of improvements will be included as part of an amendment to the Public Improvement Agreement for the Project's initial phase. Acceptance of the offer and public dedication of the 12-kV Line will be subject to a separate action of the Board of Supervisors.

• Exception No. 5 - Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9. Subdivider shall not request a Notice of Completion (NOC) on any utility facility that does not operate as part of a complete system. This requires the construction of permanent infrastructure or an allowance for use of temporary infrastructure where the City grants an exception.

Request: As otherwise described in this letter, the 12kV Line will ultimately be removed in favor of permanent, underground infrastructure. The requested exception will allow for the Director of Public Works to issue a NOC for the 12kV Line provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

• Exception No. 6 - Tentative Map Condition of Approval - SFPUC Power Enterprise - Hetch Hetchy Power No. 1. Prior to July 31, 2019, unless an extension is granted by the SFPUC General Manager, Subdivider shall enter into an Electric Service Agreement (ESA) with SFPUC.

Request: An exception is requested to account for the fact that Developer and SFPUC continue to negotiate the terms of the Project's ESA concurrent with the parties' efforts to resolve technical issues relating to the delivery of power to the Project.

Exception No. 7 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 21. Consistent with the Subdivision Regulations, Subdivider shall not request a Notice of Completion (NOC) on any portion of a street other than full, complete and functional street, except that NOC for LCC-related improvements shall be subject to the Public Works – Bureau of Streets and Mapping – Permits Division conditions for LCC.

Request: As contemplated by IB#3, Developer will seek, NOC for the 12kV Line notwithstanding that the 12kV Line will not be part of a full, complete and functional street. This exception will enable issuance of the NOC provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

Approval of the requested exceptions is supported based on the following:

Subdivision Code § 1712(b)(1): Application of the referenced provisions of the Subdivision Code, the Subdivision Regulations, and certain of the Tentative Map Conditions of Approval to the 12kv Line would result in practical difficulties and unnecessary hardships inconsistent with the Project approvals and the City Regulations.

Construction and operation of the 12-kV Line is necessary for the delivery of SFPUC power to meet the Project's construction schedule. The 12-kV Line will also be used to deliver permanent power to the Project's initial development phase. Timely completion and energization of the 12-kV Line is essential to the Project's schedule as contemplated by the Project approvals. Additionally, the 12-kV Line will serve to promote the delivery of SFPUC power to the Project pursuant to the City Charter and the Project approvals. Conversely, failure to timely install and energize the line will result in day-for-day delays in Project construction and a commensurate delay in the realization of market rate and affordable housing, open space, new infrastructure, and other public benefits.

Subdivision Code § 1712(b)(2): Granting of the exceptions will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The 12-kV Line will be located partially within a public street and the balance of the line will be on Port property. The portion within the public street will be subject to Public Works permitting requirements and otherwise subject to City regulatory requirements. As to the portion of the line on Port property, the Developer will be required to safely construct and maintain the 12-kV Line pursuant to the above-referenced license agreement. At such time that the 12-kV Line is accepted by the City, SFPUC will have adequate access to the 12-kV Line for maintenance and repair of the facility through a memorandum of understanding or similar agreement with the Port, as may be needed, akin to access rights which SFPUC would normally have pursuant to a public utility easement.

Subdivision Code § 1712(c): Granting of the exceptions is not contrary to the Project approvals or City regulations.

As described above, approval of the exceptions to authorize the construction, operation, and ultimately City acceptance of the 12-kV Line is consistent with the Project approvals and the City regulations. The 12-kV Line is essential to maintaining the Project schedule and the delivery of

associated housing and other public benefits. Further, the 12-kV Line will help to promote the use of SFPUC power consistent with the City Charter and related provisions of the Project approvals.

In addition to the requests for exceptions delineated here, Developer is submitting a concurrent request for certain authorizations relating to the 12-kV Line to SFPUC pursuant to its Rules & Regulations Governing Electric Service, as required by the conditions of approval for IB#3. A copy of that request is appended hereto as <u>Exhibit B</u>.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Michael Carlin, Acting General Manager, SFPUC

Molly Petrick, SFPUC

Derek Adams, SFPUC

Fan Lau, SFPUC

Phil Williamson, Port of San Francisco

Shawna Gates, Public Works - Infrastructure Task Force

Christopher Tom, City Attorney's Office

# Exhibit B

# **SFPUC Concurrence to Notice of Completion**



London N. Breed Mayor

Alaric Degrafinried Acting Director

Suzanne Suskind Bureau Manager

Bureau of Construction Management 49 South Van Ness, 7th Floor San Francisco, CA 94103

sfpublicworks.org facebook.com/sfpublicworks twitter.com/sfpublicworks August 12, 2021

San Francisco Public Utilities Commission - Power Enterprise Raul Mosuela 525 Golden Gate Ave., 7<sup>th</sup> Floor San Francisco, CA 94102

Re: Mission Rock Street Improvements Permit Phase 1
Instructional Bulletin 3/3.1 – SFPUC 12kV Electric Distribution System
Notice of Completion

Dear Mr. Mosuela:

In reference to Mission Rock (MR) Street Improvements Permit (SIP) Phase 1 Instructional Bulletin (IB) 3/3.1, the San Francisco Public Works, Bureau of Construction Management (SFPW/BCM), finds the SFPUC-Power scope of work completed within the limits shown in Attachment A to be in conformance with the construction documents and specifications. This letter requests concurrence from the San Francisco Public Utilities Commission Power Enterprise for a notice of completion of the aforementioned public improvements.

After detailed inspections and verifications stipulated by contract documents, the undersigned hereby states the following in their capacities as representatives of their respective agencies:

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications.

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in compliance with all applicable laws, codes, and ordinances.

A Notice of Completion of the 12kV SFPUC-Power scope of work constructed under the MR SIP Phase 1 IB 3/3.1 contract scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work.

DocuSigned by:	
Raul Mosuela	8/13/2021
Signature Signature	Date
Raul Mosuela Name of Agency Representative	SFPUC/Power City Agency
Digitally signed by Nicole Spadone Date: 2021.08.12 Signature Signature	
Nicole Spadone, P.E.  Name of Agency Representative	SFPW/BCM City Agency

# Exhibit C

Port of San Francisco Concurrence to Notice of Completion



London N. Breed Mayor

Alaric Degrafinried Acting Director

Suzanne Suskind Bureau Manager

Bureau of Construction Management 49 South Van Ness, 7th Floor San Francisco, CA 94103

sfpublicworks.org facebook.com/sfpublicworks twitter.com/sfpublicworks August 18, 2021

Port of San Francisco Kevin Masuda Pier 1 San Francisco, CA 94111

Re: Mission Rock Street Improvements Permit Phase 1
Instructional Bulletin 3/3.1 – SFPUC 12kV Electric Distribution System
Notice of Completion

Dear Mr. Masuda:

In reference to Mission Rock (MR) Street Improvements Permit (SIP) Phase 1 Instructional Bulletin (IB) 3/3.1, the San Francisco Public Works, Bureau of Construction Management (SFPW/BCM), finds the SFPUC-Power scope of work completed within the limits shown in Attachment A to be in conformance with the construction documents and specifications. This letter requests concurrence from the Port of San Francisco for a notice of completion of the aforementioned public improvements.

After detailed inspections and verifications stipulated by contract documents, the undersigned hereby states the following in their capacities as representatives of their respective agencies:

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications.

The MR SIP Phase 1 IB 3/3.1 12kV SFPUC-Power scope of work has been constructed in compliance with all applicable laws, codes, and ordinances.

A Notice of Completion of the 12kV SFPUC-Power scope of work constructed under the MR SIP Phase 1 IB 3/3.1 contract scope in no way invalidates or relieves the developer and/or contractor of guarantees on quality of workmanship or warranties on work.

luly	8/19/2021
Signature	Date
Kevin Masuda	SFPort
Name of Agency Representative	City Agency
Digitally signed by Nicole Spadone	v
Date: 2021.08.19	8/19/2021
Signature 11:08:53 -07'00'	Date
Nicole Spadone, P.E.	SFPW/BCM
Name of Agency Representative	City Agency

# Exhibit D

**Subdivider's Request for Plan Revision** 



September 16, 2021

Carla Short Interim Director San Francisco Public Works 49 South Van Ness Avenue San Francisco, CA 94103

Re: Mission Rock Project ("Project") - Request for Plan Revision Pursuant to Mission Rock - Phase 1 Public Improvement Agreement to Implement Conditions of Approval for Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3")

#### **Dear Interim Director Short:**

Mission Rock Horizontal Sub (Phase 1), LLC ("Subdivider") is a party to that certain Public Improvement Agreement (Mission Rock - Phase 1) recorded on June 12, 2020, as Document No. 2020-K940619 in the Official Records of the City and County of San Francisco ("Official Records") as amended by that certain First Amendment to Public Improvement Agreement (Mission Rock - Phase 1A), recorded December 2, 2020 as Document No. 2020-061907 of the Official Records (hereafter collectively "PIA"). By this letter, and based on the information below and appended hereto, Subdivider requests approval of a "Plan Revision" to the PIA as defined in Section 4(c) of that agreement.

Pursuant to Section 4(c)(iii) of the PIA:

Any Plan Revision shall be accompanied by (A) a statement explaining the need for or purpose of the proposed revision; (B) drawings and specifications and other related documents showing the proposed Plan Revision in reasonable detail, consistent with the original Plans and Specifications; and (C) revised construction cost estimates.

Each of these requirements is addressed below.

(A) "a statement explaining the need for or purpose of the proposed revision"

The purpose of the requested Plan Revision is to implement conditions of approval associated with IB#3. IB#3 authorizes Subdivider to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line"). The 12-kV Line will be used to provide San Francisco Public Utilities Commission ("SFPUC") power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. Subdivider has completed the installation of the 12-kV Line, including all conductors, transformers, poles and substructures. The permit drawings for the 12-kV Line are appended hereto as Attachment 1. Per the conditions of approval to IB#3, Subdivider is required to offer the 12-kV Line for acceptance by the City as a discrete public improvement separate from other "City Improvements" as defined in the Agreement and conditioned upon Subdivider's agreement to remove the 12-kV Line. In satisfaction of the conditions of approval for IB#3, Subdivider will replace the 12-kV Line with the permanent underground electrical line ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and remove the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line.

Pursuant to the conditions of approval for IB#3, Subdivider will offer the 12-kV Line for acceptance by the City and County of San Francisco pursuant to an irrevocable offer of dedication of improvements. The Project's master developer submitted separate requests for approval of exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval in Public Works Order No. 202,368, and for authorizations from SFPUC pursuant to its Rules and Regulations for Electric Service, to allow for City acceptance of the 12-kV Line notwithstanding that it will be built partially overhead and not within a dedicated public street or utility easement. The conditions of approval for IB#3 contemplate that SFPUC and Public Works will work together to introduce legislation to provide for the City's acceptance of this facility separate from other public improvements within the Project's initial phase.

The requested Plan Revision includes the following proposed amendments to the PIA as required by the conditions of approval for IB#3:

- 1. A revised Exhibit A-1 to the PIA that includes reference to IB#3 and a description of the related work. (See Attachment 2.)
- 2. A revised Exhibit C to the PIA that includes updated construction cost estimates. (See Attachment 6.)
- 3. A revised Exhibit D (see <u>Attachment 3</u>) that includes the following:
  - a. Reference to IB#3 and the associated Public Works Permit
  - b. Reference to Instructional Bulletin (IB) #1 Revision 3 (dated 6/14/2021) Proposing Amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021; and
  - c. New Irrevocable Offer of Dedication of Improvements for the 12-kV Line.

.

<sup>&</sup>lt;sup>1</sup> The conditions of approval for IB#3 require Subdivider to provide a "written request for a Plan Revision as defined in the PIA (which includes revisions, modifications, and amendments to the Plans and Specifications /Street Improvement Permit) and the rationale for same.

4. A revised Exhibit F-1 that includes reference to a separate agreement between the Port of San Francisco ("Port") and SFPUC pursuant to which SFPUC may own, operate, and maintain the 12-kV Line on the Property, and which does not require SFPUC to compensate the Port for the right to occupy Port property. (See <u>Attachment 4</u>.)

# (B) "drawings and specifications and other related documents showing the proposed Plan Revision in reasonable detail, consistent with the original Plans and Specifications"

As described above, Public Works approved IB#3, including modifications to the approved Street Improvement Permit, subject to the subsequent satisfaction of a series of conditions, including a requirement for developer to submit this request for a Plan Revision. The approved permit drawings are appended to this request as Attachment 1.

#### (C) "revised construction cost estimates"

Attachment 5 hereto is a revised engineer's cost estimate from BKF Engineers, dated June 23, 2021, that estimates the cost of completing all outstanding improvements contemplated by the PIA, including modifications to the Phase 1 Street Improvement Permit authorized by the Instructional Bulletins. As indicated by Attachment 5, the modified Phase 1 street improvements, including the 12kV Line, have a total estimated cost of \$29,055,421 to complete. Subdivider previously provided performance bonds for Phase 1 street improvements in the amount \$28,788,421 (refer to Exhibit C of the PIA), and the 12kV line is now complete. As such, the total amount of security needed to ensure Subdivider's completion of outstanding Phase 1 street improvements and to guaranty Subdivider's warranty obligation specific to the 12kV Line (i.e., 10% of the estimated cost of \$585,000 to complete that line) is \$28,528,921. Thus, the outstanding Phase 1 street improvements and 12kV Line guaranty are covered by existing security.

Thank you in advance for your consideration of this request. Subdivider looks forward to expeditiously completing the Second Amendment to the PIA to address the above-described Plan Revision with the cooperation of Public Works and the Port.

Sincerely,

Julian Pancoast

Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Phil Williamson, Port Shawna Gates, Public Works - Infrastructure Task Force Christopher Tom, City Attorney's Office Molly Petrick, SFPUC

(Approved Permit Drawings)

(Revised Exhibit A-1 to PIA)

#### **EXHIBIT A-1**

#### **Approved Street Improvement Permit Plans and Specifications**

- Public Works Street Improvement Permit (SIP) No. 20IE-00486 (October 1, 2020)2.
   Mission Rock Phase 1 Street Improvement Plans and Specifications prepared by BKF
   Engineers, including "Technical Specifications for Seawall Lot 337 / Mission Rock Phase
   1 Street Improvement Plans" (dated September 25, 2020 and approved October 1, 2020 pursuant to SIP No. 20IE-00486)
- 3. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, Conditionally Approved on March 19, 2021
- 4. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021

(Revised Exhibit D)

#### **EXHIBIT D**

#### **Documentation Required for Public Improvement Agreement**

- 1. Public Works Street Improvement Permit No. 20IE-00486 (October 1, 2020)
- 2. Irrevocable Offer of Dedication of Improvements (recorded June 12, 2020 as Document No. 2020K940595)
- 3. Payment and Performance Bonds and Monument Bonds
- 4. Maintenance Matrix
- 5. Master Homeowner Association Covenants, Conditions and Restrictions (applies only if Final Map authorizes residential condominiums)
- 6. Bonding to complete the Mission Rock Improvements
- 7. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486 ("IB#3"), Conditionally Approved on March 19, 2021
- 8. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021
- 9. Irrevocable Offer of Dedication of Improvements (Power Facilities described in IB#3)

(Revised Exhibit F-1)

#### **EXHIBIT F-1**

#### List of Documents Required by City in Order to issue a Notice of Completion

- 1. Subdivider's Letter Requesting Notice of Completion
- 2. Contractor Substantial Completion Letter
- 3. Civil Engineer Completion Notice
- 4. Geotechnical Engineer Completion Letter
- 5. Landscape Architect Completion Notice
- 6. Construction Manager Completion Notice
- 7. Record of City's approval of all required infrastructure testing including but not limited to SS/SD post-construction CCTV, SS/SD vacuum/pressure tests, LPW/AWSS hydrostatic tests, mandrel tests, in place density/compaction tests, concrete and LCC tests, irrigation tests, rolling straight edge tests, etc.
- 8. City's Confirmation that Final Punch-List Items Have Been Completed
- 9. Utility Conformance Letter
- 10. As-Built Plan Approval Letter
- 11. Final Draft of Notice of Completion (to be recorded)
- 12. Survey Monuments
- 13. Test Reports
- 14. Joint Trench Conduits Mandrel Test
- 15. Confirmation of Removal of all Non-Compliance Reports ("NCR")
- 16. Confirmation from City that all Change Orders/Instructional Bulletins have been approved
- 17. Confirmation from City that all required spare parts have been provided
- 18. Confirmation from City that Infrastructure satisfies all requirements of Public Works Order No. 203,636 and Public Works Order No. 203,637
- 19. Confirmation from City that all conditions of SIP have been satisfied
- 20. Operation and Maintenance Manuals
- 21. Executed Corporate Guaranty for the Extended Warranty Acceptable to the City (due at the time of first request for the final NOC within Phase 1A; Subdivider shall submit a final completed form of the Corporate Guaranty, including all parties and terms, with its first request for any NOC)
- 22. Final Form of Master Encroachment Permit(s) sufficient for consideration by the Board of Supervisors and associated agreement for Private Utility Improvements and other non-standard public or private improvements in the right-of-way
- 23. NOC Recommendation from Public Works
- 24. Agreement between the Port and SFPUC pursuant to which SFPUC may own, operate and maintain the 12-kilovolt electrical line authorized by Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No.20IE-00486 ("IB#3"), and which does not require SFPUC to compensate the Port for the right to occupy Port property. **This**

requirement applies only to issuance of an NOC for the 12-kilovolt line authorized by IB#3, and not to other improvements contemplated by this Public Improvement Agreement.

(June 23, 2021 Letter from BKF)

(Revised Exhibit C)

## **EXHIBIT C**

#### **ESTIMATED COSTS**

<u>Exhibit</u>	<b>Description of Improvements</b>	<b>Estimated Costs</b>
Exhibit A-1	Street Improvement Plans	\$28,528,921
Exhibit A-2	Pump Station Plans	\$838,800

## Exhibit E

SFPUC Letter Regarding Ownership and Operation of 12-kV Line





September 28, 2021

Carla Short, Interim Director San Francisco Public Works 49 South Van Ness Avenue, Suite 1600 San Francisco, CA 94103

**Dear Interim Director Short:** 

On June 4, 2021, the San Francisco Public Utilities Commission ("SFPUC") provided certain written authorizations to the subdivider of the Seawall Lot 337 and Pier 48 Mixed-Use project ("Project") pursuant to the SFPUC Rules & Regulations Governing Electric Service ("SFPUC Electric Rules"). (See "SFPUC Authorization Letter" attached as <a href="Exhibit A">Exhibit A</a>.) By the SFPUC Authorization Letter, the SFPUC granted the following authorizations and exceptions to the SFPUC Electric Rules regarding the subdivider's proposal to construct a 12-kilovolt power line and associated subsurface and overhead facilities ("12-kV Line") at the Project site and offer to dedicate such 12-kV Line to the City, acting by and through the SFPUC:

- (a) Authorization under SFPUC Electric Rule XV.7.C.2 allowing for SFPUC operation and maintenance of the 12-kV Line notwithstanding that portions of the line will not be located within a street or public utility easement;
- (b) An exception from SFPUC Electric Rule XV.7.C.3 allowing for SFPUC operation and ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead; and
- (c) An exception from SFPUC Electric Rule XV.I.5 confirming that SFPUC will operate and eventually own the 12-kV Line notwithstanding that the line will be energized before the City accepts the line, and upon acceptance, a portion of the line will temporarily be located outside of a public right-of-way accepted by the Board or a public utility easement.

Subsequently, on August 12, 2021, following detailed inspections and verifications required by the applicable contract documents, the SFPUC provided Public Works with a letter ("SFPUC Inspection Letter" attached as <a href="Exhibit B">Exhibit B</a>) stating that the 12-kV Line has been constructed in general conformance with construction documents and Mission Bay and CCSF Standard Plans and Specifications, and in compliance with all applicable laws, codes, and ordinances.

London N. Breed Mayor

Sophie Maxwell
President

**Anson Moran** Vice President

Tim Paulson

Commissioner **Ed Harrington** 

Commissioner

Newsha Ajami Commissioner

**Michael Carlin**Acting
General Manager



**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

Consistent with the SFPUC Authorization Letter and the SFPUC Inspection Letter, and in compliance with the SFPUC Electric Rules, the SFPUC hereby provides written notice to Public Works that effective upon the Board of Supervisors' approval and acceptance of the offer of dedication of the 12-kV Line, the SFPUC is prepared to own and operate the 12-kV Line, expressly contingent upon Subdivider's replacement of the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry François Boulevard within the Mission Rock project ("Permanent Power Line" attached as Exhibit C), consistent with the Infrastructure Plan and the SFPUC Power Enterprise Rules and Regulations Governing Electric Service, effective May 9, 2017 ("SFPUC Power Rules"), and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line.

Please contact me at (415) 554-2483 if you have any questions or concerns regarding this letter.

Sincerely,

Barbara Hale
Assistant General Manager, Power

## Exhibit F

## **Public Works Notice of Completion**

## Exhibit G

Offer of Dedication of Improvements (12-kV Line)

#### EXHIBIT L

#### **Executed Irrevocable Offer of Dedication of Improvements - Power Facilities**

Assessor's Block ("AB")	(Space above this line reserved for Recorder's use only)
Attn: Director of Property	
San Francisco, CA 94102	
25 Van Ness Avenue, Suite 400	
City and County of San Francisco	
Real Estate Division	
WHEN RECORDED RETURN TO	·.
WHEN RECORDED RETURN TO	
RECORDING REQUESTED BY, A	AND

#### OFFER OF DEDICATION OF IMPROVEMENTS

(12-kV Distribution Line)

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), and its successors and assigns, does hereby irrevocably offer to dedicate to the City and County of San Francisco a municipal corporation ("City"), and its successors and assigns, all improvements constructed or installed by or on behalf of Developer, pursuant to Instructional Bulletin No. 3, dated March 10, 2021, inclusive of Revision No. 1 thereto, dated March 19, 2021, amending the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (Street Improvement Permit No. No. 20IE-00486), and the improvement plans and specifications described therein.

The property where the improvements are located is shown on <u>Exhibit A</u> hereto, which is located in the City.

It is understood and agreed that: (i) upon acceptance of this offer of public improvements the City shall own and be responsible for maintenance of the offered public improvements, and (ii) The City and its successors or assigns shall incur no liability or obligation whatsoever hereunder with respect to such offer of public improvements, and, except as may be provided by separate instrument, shall not assume any responsibility for the offered improvements, unless and until such offer has been accepted by appropriate action of the Board of Supervisors.

IN	WITNESS WHEREOF	f, the undersigned has executed this instrument this	day of
	, 2021		

#### **DEVELOPER**

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mission Rock Partners, LLC, its Sole Member

By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member

By: \_\_\_\_\_

Name: Carl Shannon

Its: Authorized Signatory

## Exhibit A

Legal Description and Plat

## Exhibit H

## **Assignment of Warranties**

#### CONDITIONAL ASSIGNMENT OF WARRANTIES AND GUARANTIES

FOR VALUE RECEIVED, MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), does hereby conditionally assign to the City and County of San Francisco (acting by and through its agencies, boards, departments, and commissions, including the Port of San Francisco) (collectively, "City"), to the extent permissible, all of its right, title and interest in and to any and all warranties and guaranties (individually a "Warranty", and collectively, "Warranties") applicable to the improvements set forth on Exhibit A attached hereto and incorporated herein by this reference (the "Acquisition Facilities").

This Conditional Assignment of Warranties and Guaranties (the "Assignment") is being made in connection with Section 4.1(e)(ii) of that certain Acquisition Agreement and Reimbursement Agreement dated for reference purposes as of August 15, 2018, by and between the City and County of San Francisco acting by and through the San Francisco Port Commission ("Port") and Seawall Lot 337 Associates, LLC (as may be further supplemented or amended from time to time, the "Acquisition Agreement").

The parties hereto agree that if the City or any of its respective successors and/or assigns exercise any right of repair, warranty, guaranty, or other right against Developer, if any, with respect to an Acquisition Facility which is also the subject of a Warranty, Developer, at its option, without any requirement that it do so, may enforce the Warranty. If Developer elects to enforce the Warranty, Developer shall provide notice to the City within ten (10) business days of receipt of notice that the City or any of its respective successors and/or assigns are exercising a right of repair, warranty, guaranty, and/or similar right with respect to the Acquisition Facility. If Developer fails to provide such notice to the City within ten (10) business days, or otherwise fails to diligently pursue the Warranty thereafter, the City shall have the sole right and privilege to enforce the Warranty.

This Assignment shall be binding upon and inure to the benefit of the successors and assigns of Developer and the City.

A notice or communication under this Assignment by any party to any other party shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

In the case of a notice or communication to the City:

Director of Public Works City and County of San Francisco 49 South Van Ness Avenue, Suite 1600 San Francisco, CA 94103 Reference: Mission Rock Project With a copy to:

Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Jr. Place, Room 234 San Francisco, CA 94102 Attention: Public Works General Counsel

Reference: Mission Rock Project

And in the case of a notice or communication to Developer:

Mission Rock Horizontal Sub (Phase 1), L.L.C. 24 Willie Mays Plaza San Francisco, CA 94107 Attn: Julian Pancoast

with a copy to:

Perkins Coie LLP 505 Howard Street, Suite 1000 San Francisco, CA 94105 Attn: Garrett Colli

Any mailing address may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Assignment shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

This Assignment may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one instrument.

The terms of this Assignment may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

The waiver or failure to enforce any provision of this Assignment shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

This Assignment shall be governed by and construed and enforced in accordance with the laws of the State of California.

Nothing in this Assignment shall be construed in any way to alter, amend or otherwise relieve Developer of its warranty or guaranty responsibilities, with respect to any improvements, under the Mission Rock Project documents or subsequent permits.

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed as of the day of, 2021.
DEVELOPER:
MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company
By: Sewall Lot 337 Associates, LLC, its Sole Member
By: Mission Rock Partners, LLC, its Sole Member
By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member
By: Name: Carl Shannon Its: Authorized Signatory
CITY:
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation
By:
Name:
Its:

#### Exhibit A

#### **List of Acquisition Facilities**

The facilities include the 12 kilovolt electric line improvements and ancillary facilities constructed or installed by or on behalf of DEVELOPER pursuant to Instructional Bulletin (IB) #3, dated March 10, 2021, and IB#3 Revision 1, dated March 19, 2021, proposing amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, conditionally approved on March 19, 2021, for said improvements, and the improvement plans and specifications described therein. The list of facilities delivered to and on file with the City is as follows:

Joint Trench & Dry Utilities - includes, but is not limited to, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas main, and anodes for dry utilities including electrical, gas, telephone, cable, internet, and information systems, as well as any payment obligations related to providing such services.

153905403.2 A-1

## Exhibit I

**Second Amendment to Public Improvement Agreement** 

Free Recording Requested Pursuant to Government Code Section 27383

Recording Requested by and When Recorded Mail Document To:

San Francisco Public Works Bureau of Street-Use and Mapping Office of the City and County Surveyor 1155 Market Street, 3rd Floor San Francisco, CA 94103

APN: 8719A-002, 8719A-003, 8719A-004

**USE ONLY** 

Address: 1051 Third Street, San Francisco CA

SPACE ABOVE THIS LINE FOR RECORDER'S

#### SECOND AMENDMENT TO

#### PUBLIC IMPROVEMENT AGREEMENT

(MISSION ROCK – PHASE 1A)

# SECOND AMENDMENT TO PUBLIC IMPROVEMENT AGREEMENT (MISSION ROCK - PHASE 1A)

#### **RECITALS**

- A. A tentative subdivision map, entitled "Tentative Map, Seawall Lot 337 / Mission Rock Project" for condominium and other purposes for the proposed subdivision of approximately 21.49 acres of property was approved by the Department of Public Works ("Public Works") Director, acting as the advisory agency for purposes of the Subdivision Map Act and the San Francisco Subdivision Code, subject to certain requirements and conditions contained in the Conditions of Approval set forth in Public Works Order No. 202,368 dated December 13, 2019.
- B. On June 2, 2020, the San Francisco Board of Supervisors approved Board Motion No. M20-60, which approved Final Map No. 9443 ("Final Map"). The property subdivided pursuant to the Final Map consists of Lots 1, 2, 3, 4, A, B, C, D, E, F, G, H, and I ("Property") and constitutes Phase 1A of the project. Lots J, K, and L of the Final Map will be subdivided pursuant to future phased final maps.

- C. The City, Port and Subdivider are parties to that certain Public Improvement Agreement (Mission Rock – Phase I), recorded in the Official Records on June 12, 2020 as DOC-2020-K940619-00 (the "Original Agreement") to secure the completion of public improvements required by the Conditions of Approval subsequent to the approval and recording of the Final Map.
- D. On October 1, 2020, Public Works issued Street Improvement Permit No. 20IE-00486, approving Improvement Plans and Specifications prepared by BKF Engineers, entitled "Seawall Lot 337 / Mission Rock Phase 1 On-Site Street Improvement Plans" dated September 25, 2020. Street Improvement Permit No. 20IE-00486 and the Seawall Lot 337 / Mission Rock Phase 1 On-Site Street Improvement Plans ("Phase 1 SIP"), as revised, constituted a Plan Revision as defined in Subsection 4(c) of the Original Agreement.
- E. Pursuant to the Subsection 4(c) of the Original Agreement, Subdivider requested, and the Director approved, that certain First Amendment to the Original Agreement recorded in the Official Records on December 2, 2020, as Document No. 2020061907 ("First Amendment"). The First Amendment addressed the above-referenced Plan Revision, the incorporation of the Approved Criteria (as defined in the First Amendment), Subdivider's obligations to complete certain Required Offsite Improvements (as defined in the First Amendment), and other amendments to the Original Agreement. Sections 8(b) and 8(c) of the Original Agreement became operative on the effective date of the First Amendment. The Original Agreement, as amended by the First Amendment, is referred to hereafter as the "Agreement."
- F. On March 19, 2021, Public Works conditionally approved Instructional Bulletin No. 3 to the Phase SIP ("IB No. 3"), authorizing the construction of a 12-kilovolt power line and associated subsurface and overhead facilities ("12-kV Line") to provide power for

construction and to buildings within the Project's initial Phase. Per the conditions of approval to IB No. 3, Subdivider is required to offer the 12-kV Line for Acceptance by the City as a discrete public improvement separate from other "City Improvements" as defined in the Agreement. Acceptance of the 12-kV Line shall be conditioned upon Subdivider's agreement to replace the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry François Boulevard within the Mission Rock project ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and remove the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line. The Permanent Power Line constitutes required public improvements subject to the security requirements set forth in the Subdivision Code and the Subdivision Regulations. An executed Irrevocable Offer of Dedication of Improvements for the 12-kV Line is attached hereto as Exhibit L. The conditions of approval for IB No. 3 contemplate that upon Acceptance, the 12-kV Line will be owned, operated, and maintained by the San Francisco Public Utilities Commission ("SFPUC") on property owned by the Port pursuant to an agreement between the Port and SFPUC. On September 16, 2021, Subdivider submitted a written request for Plan Revisions to the Interim Director of Public Works to implement the conditions of approval for IB No. 3. Subdivider's Request for a Plan Revision includes amendments to Exhibit A-1 (Plans and Specifications), Exhibit C (Estimated Costs), Exhibit D (Documentation Required for Public Improvement Agreement), and Exhibit F-1 (List of Documents Required by City in Order to Issue a Notice of Completion) as required by the conditions of approval for IB No. 3.

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G. The Interim Director of Public Works reviewed Subdivider's request for a Plan Revision and determined that the request satisfies the requirements of Section 4(c) of the Agreement and also that the proposed amendments to the Agreement are in the City's best interest and do not materially increase the City's obligations or materially diminish the City's rights.

#### **AGREEMENT**

NOW, THEREFORE, in order to ensure satisfactory performance of Subdivider's obligations under the Code, Subdivider, the Port, and the City agree to amend the Agreement as follows:

- Amended Agreement. The Agreement, as amended by this Second Amendment shall constitute the Public Improvement Agreement for the project phase and the Property depicted in the Final Map.
- 2. Amendments.
  - a. Amendments to Section 7. Section 7(b) is hereby amended as follows:
  - (b) Maintenance and Liability Following Acceptance. Following Acceptance, and subject to Subsection 7(c) and Section 8, City and Port shall assume the responsibility of operation, maintenance, and liability of the Mission Rock Infrastructure, unless otherwise provided. City shall indemnify Subdivider and the officers, agents and employees of each of them from, and if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims by third parties ("Losses") to the extent first arising from and after City's Acceptance of any applicable portion of the Mission Rock Infrastructure, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, *and except to the extent that such Losses consist of or result from Subdivider's damage to the 12-kV Line*, and except to the extent such Loss

is the result of the active negligence or willful misconduct of the Subdivider, or a party for whom Subdivider is liable, and except for losses due to a Failure (as defined in the Conditions of Approval) of LCC during the Initial Warranty Period or the Extended Warranty Period as defined in Subsections 8(b) and 8(c), respectively. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed to mean that Subdivider is responsible for the repair, replacement, restoration, or maintenance of the Mission Rock Infrastructure damaged by the actions of third parties following the City's Acceptance of such Mission Rock Infrastructure.

#### b. Amendments to Subsection 8(a). Section 8 is hereby amended as follows:

Acceptance Does Not Constitute Waiver of Warranties. Acceptance of the Mission Rock Infrastructure by the City or the Port shall not constitute a waiver of any defects covered by any applicable warranty under this Section 8. Subdivider covenants that all Mission Rock Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily during the applicable warranty period, described further below, provided that no warranty period shall commence until the date of issuance of the last Notice of Completion for all Mission Rock Infrastructure subject to this agreement, provided further that the warranty period for plant materials and trees planted as part of the Mission Rock Infrastructure shall not commence until the Director receives a certification from the City's Construction Manager that a plant establishment period set in accordance with the Plans and Specifications has passed. During the applicable warranty period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director, or the Director's designee, that the work be done ("Notice of Warranty Work"), inspect, correct, repair or replace any defects in the Mission Rock Infrastructure at its own expense, subject to Subsection 8(c)(ii) with respect to the Extended Warranty. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair or replacement, or should an

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emergency require that inspection, correction, repair or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), the City may, at its option, upon notice to Subdivider, make the necessary inspection, correction, repair or replacement or otherwise perform the necessary work and Subdivider shall reimburse the City for the actual cost thereof. During the applicable warranty period, the City shall hold the Subdivider's Security, reduced as described in Section 5 (as applicable to the Initial Warranty Period), to secure performance of Subdivider's foregoing warranty obligations. Subdivider's responsibility during the warranty period shall include repairing defects and defective material or workmanship, but not ordinary wear and tear or harm or damage from improper maintenance or operation of the Mission Rock Infrastructure by the City, or any agent or agency of either. Subsections 8(b) and 8(c) shall not become operative until the City Engineer has adopted the Approved Criteria and the City has issued a street improvement permit for LCC Infrastructure.

#### (b) Initial Warranty.

Condition No. 8.f.i of the Conditions of Approval states as follows:

Subdivider shall provide an "Initial Warranty" that covers the failure of the LCC Infrastructure to meet the Approved Criteria and any defects in materials or workmanship (each failure or defect a "Failure") of the LCC Infrastructure for a period of two (2) years from the date of issuance of the last Notice of Completion for all LCC Infrastructure for the applicable Phase.

Based on the foregoing, Subdivider covenants that all Mission Rock Infrastructure constructed or installed by Subdivider shall be free from <u>failure for a period of two</u> <u>years from the date of issuance of the last Notice of Completion for all LCC</u>

<u>Infrastructure for the applicable Phase (the "Initial Warranty Period"), provided</u>

<u>however, that all LCC Infrastructure shall be free from</u> "Failure" <u>during</u> the Initial

Warranty Period. The Initial Warranty Period shall not commence until Subdivider has requested a Final Notice of Completion pursuant to Section 6(a), and the Director has issued such Final Notice of Completion. Following the Initial Warranty Period, consistent with the Conditions of Approval, Subdivider shall provide an Extended Warranty against Failure for the duration of Extended Warranty Period, as defined in the Conditions of Approval and set forth in Section 8(c) below.

c. New Subsection 8(e). Section 8 is hereby amended to include the following as a new Subsection 8(e):

The City's Acceptance of the 12-kilovolt electrical line to provide power for construction and to buildings within the Project's initial Phase, as permitted through Instructional Bulletin No. 3 to the Phase SIP ("IB No. 3"), conditionally approved on March 19, 2021 ("12-kV Line"), and expressly contingent upon Subdivider's replacement of the 12-kV Line with a permanent underground electrical line consistent with the alignment depicted in Exhibit A-2 ("Permanent Power Line") and consistent with the Infrastructure Plan and the SFPUC Power Enterprise Rules and Regulations Governing Electric Service, effective May 9, 2017 ("SFPUC Power Rules"), and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line. Acceptance of the 12-kV Line shall not constitute a waiver of any defects. Notwithstanding any contrary provision in Subsection 8(b), Subdivider covenants that the 12-kV Line constructed and installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily ("12-kV Line Warranty") for a period of one (1) year ("12-kV Line Warranty **Period**"), which period shall begin upon the issuance of the Notice of Completion for

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the 12-kV Line. The 12-kV Line Warranty shall cover the satisfactory performance of the 12-kV Line installed by the Subdivider. During the 12-kV Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director or from the Port that the work be done, inspect, correct, repair, or replace any defects in the 12-kV Line at its own expense. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair, or replacement, or should an emergency require that inspection, correction, repair, or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), the City or the Port may, at either's option and upon providing notice to Subdivider, perform the required inspection, correction, repair, or replacement, or otherwise perform the necessary work and Subdivider shall reimburse the City or the Port for the actual cost thereof. The City shall hold the Security to secure completion of the Permanent Power Line, removal of the 12-kV Line, and performance of Subdivider's foregoing warranty obligations, reduced as described in Section 5, as applicable. Subdivider's responsibility during the Warranty Period shall include repairing defects and defective material or workmanship, but not ordinary wear and tear or harm or damage from improper maintenance or operation of the 12-kV Line by the City, the Port, or any agent or agency of either.

d. <u>Amendments to Section 9</u>. Section 9 is hereby amended as follows: Indemnification of City.

\* \* \*

(b) Construction Obligations. <u>Notwithstanding any contrary provisions in Section 9,</u>

<u>Subdivider shall comply with all the conditions and requirements set forth in the Phase 1 SIP</u>

<u>and IB#3, including the Subdivider's obligation to hold harmless, defend, and indemnify the City</u>

as specified in the Phase 1 SIP and IB#3. In addition, t<del>To the extent provided under the DDA</del>

and Master Lease, Subdivider as to the Horizontal Improvements, and to the extent provided under its Vertical DDA and Parcel Lease, each Vertical Developer as to the pertinent Vertical Improvements, agrees to indemnify the City Parties Losses arising from:

- (i) the failure of any Improvements constructed at the Project Site to comply
  with all applicable laws, including any New City Laws permitted under the Development
  Agreement; and
- (ii) any accident, bodily injury, death, personal injury, or loss or damage to property caused by the construction by Developer or any DA Successor or their agents or contractors, of any Improvements on the Project Site, or outside of the Project Site in connection with project activities.
- (c) Exclusions. Subdivider's and DA Successors' obligations will not apply to the extent that:
- (i) the indemnification obligations are found unenforceable by a final judgment; or
- (ii) the Loss is the result of the gross negligence or willful misconduct by City Parties or the breach by any City Party under a *Transaction Documentthis Agreement*.

#### 3. Amended Exhibits.

- a. Exhibit A-1. Plans and Specifications. Exhibit A-1 to the Agreement is hereby replaced in its entirety by Exhibit A-1 attached hereto.
- b. Exhibit A-2. Exhibit A-2 to the Agreement is hereby replaced in its entirety by Exhibit A-2 attached hereto.
- c. <u>Exhibit C. Security</u>. Exhibit C to the Agreement is hereby replaced in its entirety by Exhibit C attached hereto.

- d. Exhibit D. Documentation Required for Public Improvement Agreement. Exhibit
   D to the Original Agreement is hereby replaced in its entirety by Exhibit D
   attached hereto.
- e. Exhibit F-1. List of Documents Required by City in Order to issue a Notice of Completion. Exhibit F-1 to the Original Agreement is hereby replaced in its entirety by Exhibit F-1 attached hereto.

#### 4. New Exhibits.

a. <u>Exhibit L</u>, titled, "Executed Irrevocable Offer of Dedication of Improvements - Power Facilities" is incorporated into the Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the Effective Date set forth above.

SUBDIVIDER:

#### MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mis	ssion Rock Par	rtners, LLC, its Sole Member	
	By: TSCE 200	07 Mission Rock, L.L.C., Its Administra	ative Member
		: Carl Shannon Authorized Signatory	
CITY:			
CITY AND Co		SAN FRANCISCO,	
By: Carla Shor Its: Interim Pu		irector	
APPROVED A	S TO FORM:	:	
Dennis J. Herre	era, City Attor	ney	
By: Christophe Deputy Cit			

[Signature Pages Continue]

PORT:
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the San Francisco Port Commission
By: Elaine Forbes
Port Director
APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney
By:
Michelle Sexton
Deputy City Attorney

[SIGNATURE PAGES END]

#### **EXHIBIT A-1**

#### **Approved Street Improvement Permit Plans and Specifications**

- 1. Public Works Street Improvement Permit (SIP) No. 20IE-00486 (October 1, 2020)
- 2. Mission Rock Phase 1 Street Improvement Plans and Specifications prepared by BKF Engineers, including "Technical Specifications for Seawall Lot 337 / Mission Rock Phase 1 Street Improvement Plans" (dated September 25, 2020 and approved October 1, 2020 pursuant to SIP No. 20IE-00486)
- 3. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, Conditionally Approved on March 19, 2021
- 4. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021

#### EXHIBIT A-2

## Permits Authorizing Construction of Required Offsite Improvements (Prospective) and Corresponding Plans and Specifications

- 1. Improvement Plans and Specifications for Bioretention Facility (prospective)
- 2. Permit(s) Authorizing Construction of Bioretention Facility (prospective)
- 3. Improvement Plans and Specifications for Sanitary Sewer Pump Station (prospective)
- 4. Permit(s) Authorizing Construction of Sanitary Sewer Pump Station (prospective)
- 5. Permit(s) Authorizing Construction of Permanent Power Line (prospective); Diagram Depicting Permanent Power Line Alignment as of September , 2021

# EXHIBIT C ESTIMATED COSTS

#### **EXHIBIT D**

#### **Documentation Required for Public Improvement Agreement**

- 1. Public Works Street Improvement Permit No. 20IE-00486 (October 1, 2020)
- 2. Irrevocable Offer of Dedication of Improvements (recorded June 12, 2020 as Document No. 2020K940595)
- 3. Payment and Performance Bonds and Monument Bonds
- 4. Maintenance Matrix
- 5. Master Homeowner Association Covenants, Conditions and Restrictions (applies only if Final Map authorizes residential condominiums)
- 6. Bonding to complete the Mission Rock Improvements
- 7. Instructional Bulletin (IB) #3, dated March 10, 2021, and IB#3 Revision 1, dated March 19, 2021, Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486 ("IB#3"), Conditionally Approved on March 19, 2021
- 8. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021
- 9. Irrevocable Offer of Dedication of Improvements (12-kV Line)

#### **EXHIBIT F-1**

#### List of Documents Required by City in Order to issue a Notice of Completion

- 1. Subdivider's Letter Requesting Notice of Completion
- 2. Contractor Substantial Completion Letter
- 3. Civil Engineer Completion Notice
- 4. Geotechnical Engineer Completion Letter
- 5. Landscape Architect Completion Notice
- 6. Construction Manager Completion Notice
- 7. Record of City's approval of all required infrastructure testing including but not limited to SS/SD post-construction CCTV, SS/SD vacuum/pressure tests, LPW/AWSS hydrostatic tests, mandrel tests, in place density/compaction tests, concrete and LCC tests, irrigation tests, rolling straight edge tests, etc.
- 8. City's Confirmation that Final Punch-List Items Have Been Completed
- 9. Utility Conformance Letter
- 10. As-Built Plan Approval Letter
- 11. Final Draft of Notice of Completion (to be recorded)
- 12. Survey Monuments
- 13. Test Reports
- 14. Joint Trench Conduits Mandrel Test
- 15. Confirmation of Removal of all Non-Compliance Reports ("NCR")
- 16. Confirmation from City that all Change Orders/Instructional Bulletins have been approved
- 17. Confirmation from City that all required spare parts have been provided
- 18. Confirmation from City that Infrastructure satisfies all requirements of Public Works Order No. 203,636 and Public Works Order No. 203,637
- 19. Confirmation from City that all conditions of SIP have been satisfied
- 20. Operation and Maintenance Manuals
- 21. Executed Corporate Guaranty for the Extended Warranty Acceptable to the City (due at the time of first request for the final NOC within Phase 1A; Subdivider shall submit a final completed form of the Corporate Guaranty, including all parties and terms, with its first request for any NOC)
- 22. Final Form of Master Encroachment Permit(s) sufficient for consideration by the Board of Supervisors and associated agreement for Private Utility Improvements and other non-standard public or private improvements in the right-of-way
- 23. NOC Recommendation from Public Works
- 24. Separate agreement between the Port and SFPUC pursuant to which SFPUC may own, operate and maintain the 12-kilovolt electrical line authorized by Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No.20IE-00486, and which does not require SFPUC to compensate the Port for the right to occupy Port property. This requirement applies only to issuance of a NOC for the 12-kilovolt

line authorized by IB#3, and not to other improvements contemplated by this Public Improvement Agreement.

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#### EXHIBIT L

#### **Executed Irrevocable Offer of Dedication of Improvements - Power Facilities**

RECORDING REQUESTED BY, A	AND
WHEN RECORDED RETURN TO	<b>)</b> :
Real Estate Division	
City and County of San Francisco	
25 Van Ness Avenue, Suite 400	
San Francisco, CA 94102	
Attn: Director of Property	
Assessor's Block ("AB")	(Space above this line reserved for Recorder's use only)
AB:	

#### OFFER OF DEDICATION OF IMPROVEMENTS

(12-kV Distribution Line)

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), and its successors and assigns, does hereby irrevocably offer to dedicate to the City and County of San Francisco a municipal corporation ("City"), and its successors and assigns, all improvements constructed or installed by or on behalf of Developer, pursuant to Instructional Bulletin No. 3, dated March 10, 2021, inclusive of Revision No. 1 thereto, dated March 19, 2021, amending the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (Street Improvement Permit No. No. 20IE-00486), and the improvement plans and specifications described therein.

The property where the improvements are located is shown on <u>Exhibit A</u> hereto, which is located in the City.

It is understood and agreed that: (i) upon acceptance of this offer of public improvements the City shall own and be responsible for maintenance of the offered public improvements, and (ii) The City and its successors or assigns shall incur no liability or obligation whatsoever hereunder with respect to such offer of public improvements, and, except as may be provided by separate instrument, shall not assume any responsibility for the offered improvements, unless and until such offer has been accepted by appropriate action of the Board of Supervisors.

IN	WITNESS WHEREOF	, the undersigned has executed this inst	rument this day of	•
	, 2021			

#### **DEVELOPER**

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mission Rock Partners, LLC, its Sole Member

By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member

By: \_\_\_\_\_

Name: Carl Shannon

Its: Authorized Signatory

# Exhibit A

Legal Description and Plat

#### Exhibit J

Ordinance Accepting and Publicly Dedicating 12-kV Line (Seawall Lot 337 and Pier 48 Mixed-Use Project)

Free Recording Requested Pursuant to Government Code Section 27383

Recording Requested by and When Recorded Mail Document To:

San Francisco Public Works Bureau of Street-Use and Mapping Office of the City and County Surveyor 1155 Market Street, 3rd Floor San Francisco, CA 94103

APN: 8719A-002, 8719A-003, 8719A-004

**USE ONLY** 

Address: 1051 Third Street, San Francisco CA

SPACE ABOVE THIS LINE FOR RECORDER'S

#### SECOND AMENDMENT TO

#### PUBLIC IMPROVEMENT AGREEMENT

(MISSION ROCK – PHASE 1A)

# SECOND AMENDMENT TO PUBLIC IMPROVEMENT AGREEMENT (MISSION ROCK - PHASE 1A)

#### **RECITALS**

- A. A tentative subdivision map, entitled "Tentative Map, Seawall Lot 337 / Mission Rock Project" for condominium and other purposes for the proposed subdivision of approximately 21.49 acres of property was approved by the Department of Public Works ("Public Works") Director, acting as the advisory agency for purposes of the Subdivision Map Act and the San Francisco Subdivision Code, subject to certain requirements and conditions contained in the Conditions of Approval set forth in Public Works Order No. 202,368 dated December 13, 2019.
- B. On June 2, 2020, the San Francisco Board of Supervisors approved Board Motion No. M20-60, which approved Final Map No. 9443 ("Final Map"). The property subdivided pursuant to the Final Map consists of Lots 1, 2, 3, 4, A, B, C, D, E, F, G, H, and I ("Property") and constitutes Phase 1A of the project. Lots J, K, and L of the Final Map will be subdivided pursuant to future phased final maps.

- C. The City, Port and Subdivider are parties to that certain Public Improvement Agreement (Mission Rock – Phase I), recorded in the Official Records on June 12, 2020 as DOC-2020-K940619-00 (the "Original Agreement") to secure the completion of public improvements required by the Conditions of Approval subsequent to the approval and recording of the Final Map.
- D. On October 1, 2020, Public Works issued Street Improvement Permit No. 20IE-00486, approving Improvement Plans and Specifications prepared by BKF Engineers, entitled "Seawall Lot 337 / Mission Rock Phase 1 On-Site Street Improvement Plans" dated September 25, 2020. Street Improvement Permit No. 20IE-00486 and the Seawall Lot 337 / Mission Rock Phase 1 On-Site Street Improvement Plans ("Phase 1 SIP"), as revised, constituted a Plan Revision as defined in Subsection 4(c) of the Original Agreement.
- E. Pursuant to the Subsection 4(c) of the Original Agreement, Subdivider requested, and the Director approved, that certain First Amendment to the Original Agreement recorded in the Official Records on December 2, 2020, as Document No. 2020061907 ("First Amendment"). The First Amendment addressed the above-referenced Plan Revision, the incorporation of the Approved Criteria (as defined in the First Amendment), Subdivider's obligations to complete certain Required Offsite Improvements (as defined in the First Amendment), and other amendments to the Original Agreement. Sections 8(b) and 8(c) of the Original Agreement became operative on the effective date of the First Amendment. The Original Agreement, as amended by the First Amendment, is referred to hereafter as the "Agreement."
- F. On March 19, 2021, Public Works conditionally approved Instructional Bulletin No. 3 to the Phase SIP ("**IB No. 3**"), authorizing the construction of a 12-kilovolt power line and associated subsurface and overhead facilities ("**12-kV Line**") to provide power for

construction and to buildings within the Project's initial Phase. Per the conditions of approval to IB No. 3, Subdivider is required to offer the 12-kV Line for Acceptance by the City as a discrete public improvement separate from other "City Improvements" as defined in the Agreement. Acceptance of the 12-kV Line shall be conditioned upon Subdivider's agreement to replace the 12-kV Line with the permanent underground electrical line in an underground ductbank in the future Bridgeview Street running north from the terminus of the Bay Corridor Transmission Distribution vault at Mission Rock Street and Terry François Boulevard within the Mission Rock project ("Permanent Power Line"), consistent with the Infrastructure Plan and the SFPUC's Rules and Regulations for Electric Service, and remove the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line. The Permanent Power Line constitutes required public improvements subject to the security requirements set forth in the Subdivision Code and the Subdivision Regulations. An executed Irrevocable Offer of Dedication of Improvements for the 12-kV Line is attached hereto as Exhibit L. The conditions of approval for IB No. 3 contemplate that upon Acceptance, the 12-kV Line will be owned, operated, and maintained by the San Francisco Public Utilities Commission ("SFPUC") on property owned by the Port pursuant to an agreement between the Port and SFPUC. On September 16, 2021, Subdivider submitted a written request for Plan Revisions to the Interim Director of Public Works to implement the conditions of approval for IB No. 3. Subdivider's Request for a Plan Revision includes amendments to Exhibit A-1 (Plans and Specifications), Exhibit C (Estimated Costs), Exhibit D (Documentation Required for Public Improvement Agreement), and Exhibit F-1 (List of Documents Required by City in Order to Issue a Notice of Completion) as required by the conditions of approval for IB No. 3.

G. The Interim Director of Public Works reviewed Subdivider's request for a Plan Revision and determined that the request satisfies the requirements of Section 4(c) of the Agreement and also that the proposed amendments to the Agreement are in the City's best interest and do not materially increase the City's obligations or materially diminish the City's rights.

#### **AGREEMENT**

NOW, THEREFORE, in order to ensure satisfactory performance of Subdivider's obligations under the Code, Subdivider, the Port, and the City agree to amend the Agreement as follows:

- Amended Agreement. The Agreement, as amended by this Second Amendment shall constitute the Public Improvement Agreement for the project phase and the Property depicted in the Final Map.
- 2. Amendments.
  - a. Amendments to Section 7. Section 7(b) is hereby amended as follows:
  - (b) Maintenance and Liability Following Acceptance. Following Acceptance, and subject to Subsection 7(c) and Section 8, City and Port shall assume the responsibility of operation, maintenance, and liability of the Mission Rock Infrastructure, unless otherwise provided. City shall indemnify Subdivider and the officers, agents and employees of each of them from, and if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims by third parties ("Losses") to the extent first arising from and after City's Acceptance of any applicable portion of the Mission Rock Infrastructure, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, *and except to the extent that such Losses consist of or result from Subdivider's damage to the 12-kV Line*, and except to the extent such Losse

is the result of the active negligence or willful misconduct of the Subdivider, or a party for whom Subdivider is liable, and except for losses due to a Failure (as defined in the Conditions of Approval) of LCC during the Initial Warranty Period or the Extended Warranty Period as defined in Subsections 8(b) and 8(c), respectively. Without limiting the generality of the foregoing, nothing in this Agreement shall be construed to mean that Subdivider is responsible for the repair, replacement, restoration, or maintenance of the Mission Rock Infrastructure damaged by the actions of third parties following the City's Acceptance of such Mission Rock Infrastructure.

#### b. Amendments to Subsection 8(a). Section 8 is hereby amended as follows:

Acceptance Does Not Constitute Waiver of Warranties. Acceptance of the Mission Rock Infrastructure by the City or the Port shall not constitute a waiver of any defects covered by any applicable warranty under this Section 8. Subdivider covenants that all Mission Rock Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily during the applicable warranty period, described further below, provided that no warranty period shall commence until the date of issuance of the last Notice of Completion for all Mission Rock Infrastructure subject to this agreement, provided further that the warranty period for plant materials and trees planted as part of the Mission Rock Infrastructure shall not commence until the Director receives a certification from the City's Construction Manager that a plant establishment period set in accordance with the Plans and Specifications has passed. During the applicable warranty period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director, or the Director's designee, that the work be done ("Notice of Warranty Work"), inspect, correct, repair or replace any defects in the Mission Rock Infrastructure at its own expense, subject to Subsection 8(c)(ii) with respect to the Extended Warranty. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair or replacement, or should an

emergency require that inspection, correction, repair or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), the City may, at its option, upon notice to Subdivider, make the necessary inspection, correction, repair or replacement or otherwise perform the necessary work and Subdivider shall reimburse the City for the actual cost thereof. During the applicable warranty period, the City shall hold the Subdivider's Security, reduced as described in Section 5 (as applicable to the Initial Warranty Period), to secure performance of Subdivider's foregoing warranty obligations. Subdivider's responsibility during the warranty period shall include repairing defects and defective material or workmanship, but not ordinary wear and tear or harm or damage from improper maintenance or operation of the Mission Rock Infrastructure by the City, or any agent or agency of either. Subsections 8(b) and 8(c) shall not become operative until the City Engineer has adopted the Approved Criteria and the City has issued a street improvement permit for LCC Infrastructure.

#### (b) Initial Warranty.

Condition No. 8.f.i of the Conditions of Approval states as follows:

Subdivider shall provide an "Initial Warranty" that covers the failure of the LCC Infrastructure to meet the Approved Criteria and any defects in materials or workmanship (each failure or defect a "Failure") of the LCC Infrastructure for a period of two (2) years from the date of issuance of the last Notice of Completion for all LCC Infrastructure for the applicable Phase.

Based on the foregoing, Subdivider covenants that all Mission Rock Infrastructure constructed or installed by Subdivider shall be free from <u>failure for a period of two</u> <u>years from the date of issuance of the last Notice of Completion for all LCC</u>

<u>Infrastructure for the applicable Phase (the "Initial Warranty Period"), provided</u>

<u>however, that all LCC Infrastructure shall be free from "Failure" <u>during</u> the Initial</u>

Warranty Period. The Initial Warranty Period shall not commence until Subdivider has requested a Final Notice of Completion pursuant to Section 6(a), and the Director has issued such Final Notice of Completion. Following the Initial Warranty Period, consistent with the Conditions of Approval, Subdivider shall provide an Extended Warranty against Failure for the duration of Extended Warranty Period, as defined in the Conditions of Approval and set forth in Section 8(c) below.

c. New Subsection 8(e). Section 8 is hereby amended to include the following as a new Subsection 8(e):

The City's Acceptance of the 12-kilovolt electrical line to provide power for construction and to buildings within the Project's initial Phase, as permitted through Instructional Bulletin No. 3 to the Phase SIP ("IB No. 3"), conditionally approved on March 19, 2021 ("12-kV Line"), and expressly contingent upon Subdivider's replacement of the 12-kV Line with a permanent underground electrical line consistent with the alignment depicted in Exhibit A-2 ("Permanent Power Line") and consistent with the Infrastructure Plan and the SFPUC Power Enterprise Rules and Regulations Governing Electric Service, effective May 9, 2017 ("SFPUC Power Rules"), and removal of the 12-kV Line, at Subdivider's sole cost, no later than the date that is ninety (90) days after the date the SFPUC has determined that the Permanent Power Line has been electrified and all other electrical service facilities to the 12-kV Line have been disconnected from the 12-kV Line and transferred to the Permanent Power Line. Acceptance of the 12-kV Line shall not constitute a waiver of any defects. Notwithstanding any contrary provision in Subsection 8(b), Subdivider covenants that the 12-kV Line constructed and installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily ("12-kV Line Warranty") for a period of one (1) year ("12-kV Line Warranty **Period**"), which period shall begin upon the issuance of the Notice of Completion for

the 12-kV Line. The 12-kV Line Warranty shall cover the satisfactory performance of the 12-kV Line installed by the Subdivider. During the 12-kV Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director or from the Port that the work be done, inspect, correct, repair, or replace any defects in the 12-kV Line at its own expense. Should Subdivider fail to act with reasonable promptness to make such inspection, correction, repair, or replacement, or should an emergency require that inspection, correction, repair, or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), the City or the Port may, at either's option and upon providing notice to Subdivider, perform the required inspection, correction, repair, or replacement, or otherwise perform the necessary work and Subdivider shall reimburse the City or the Port for the actual cost thereof. The City shall hold the Security to secure completion of the Permanent Power Line, removal of the 12-kV Line, and performance of Subdivider's foregoing warranty obligations, reduced as described in Section 5, as applicable. Subdivider's responsibility during the Warranty Period shall include repairing defects and defective material or workmanship, but not ordinary wear and tear or harm or damage from improper maintenance or operation of the 12-kV Line by the City, the Port, or any agent or agency of either.

d. <u>Amendments to Section 9</u>. Section 9 is hereby amended as follows: Indemnification of City.

\* \* \*

(b) Construction Obligations. <u>Notwithstanding any contrary provisions in Section 9,</u>

<u>Subdivider shall comply with all the conditions and requirements set forth in the Phase 1 SIP</u>

<u>and IB#3, including the Subdivider's obligation to hold harmless, defend, and indemnify the City</u>

as specified in the Phase 1 SIP and IB#3. In addition, t<del>To</del> the extent provided under the DDA

and Master Lease, Subdivider as to the Horizontal Improvements, and to the extent provided under its Vertical DDA and Parcel Lease, each Vertical Developer as to the pertinent Vertical Improvements, agrees to indemnify the City Parties Losses arising from:

- (i) the failure of any Improvements constructed at the Project Site to comply with all applicable laws, including any New City Laws permitted under the Development Agreement; and
- (ii) any accident, bodily injury, death, personal injury, or loss or damage to property caused by the construction by Developer or any DA Successor or their agents or contractors, of any Improvements on the Project Site, or outside of the Project Site in connection with project activities.
- (c) Exclusions. Subdivider's and DA Successors' obligations will not apply to the extent that:
- (i) the indemnification obligations are found unenforceable by a final judgment; or
- (ii) the Loss is the result of the gross negligence or willful misconduct by City Parties or the breach by any City Party under a *Transaction Documentthis Agreement*.

#### 3. Amended Exhibits.

- a. Exhibit A-1. Plans and Specifications. Exhibit A-1 to the Agreement is hereby replaced in its entirety by Exhibit A-1 attached hereto.
- b. Exhibit A-2. Exhibit A-2 to the Agreement is hereby replaced in its entirety by Exhibit A-2 attached hereto.
- c. <u>Exhibit C. Security</u>. Exhibit C to the Agreement is hereby replaced in its entirety by Exhibit C attached hereto.

- d. Exhibit D. Documentation Required for Public Improvement Agreement. Exhibit
   D to the Original Agreement is hereby replaced in its entirety by Exhibit D
   attached hereto.
- e. Exhibit F-1. List of Documents Required by City in Order to issue a Notice of Completion. Exhibit F-1 to the Original Agreement is hereby replaced in its entirety by Exhibit F-1 attached hereto.

#### 4. New Exhibits.

a. <u>Exhibit L</u>, titled, "Executed Irrevocable Offer of Dedication of Improvements Power Facilities" is incorporated into the Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF,	the Parties	have execute	d this	First	Amendn	nent as	of	the
Effective Date set forth above.								

#### SUBDIVIDER:

By:

Christopher T. Tom Deputy City Attorney

#### MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C.,

a Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mission Rock Partners, LLC, its Sole Member

By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member

1 (01110)	Carl Shannon Authorized Signatory
CITY:	
CITY AND COUNTY OF S a municipal corporation	SAN FRANCISCO,
By: Carla Short Its: Interim Public Works Di	rector
APPROVED AS TO FORM:	
Dennis J. Herrera, City Attorn	ney

[Signature Pages Continue]

PORT:
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the San Francisco Port Commission
By: Elaine Forbes
Port Director
APPROVED AS TO FORM:
Dennis J. Herrera, City Attorney
•
By:
Michelle Sexton
Deputy City Attorney

[SIGNATURE PAGES END]

#### **EXHIBIT A-1**

#### **Approved Street Improvement Permit Plans and Specifications**

- 1. Public Works Street Improvement Permit (SIP) No. 20IE-00486 (October 1, 2020)
- 2. Mission Rock Phase 1 Street Improvement Plans and Specifications prepared by BKF Engineers, including "Technical Specifications for Seawall Lot 337 / Mission Rock Phase 1 Street Improvement Plans" (dated September 25, 2020 and approved October 1, 2020 pursuant to SIP No. 20IE-00486)
- 3. Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486, Conditionally Approved on March 19, 2021
- 4. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021

#### **EXHIBIT A-2**

# Permits Authorizing Construction of Required Offsite Improvements (Prospective) and Corresponding Plans and Specifications

- 1. Improvement Plans and Specifications for Bioretention Facility (prospective)
- 2. Permit(s) Authorizing Construction of Bioretention Facility (prospective)
- 3. Improvement Plans and Specifications for Sanitary Sewer Pump Station (prospective)
- 4. Permit(s) Authorizing Construction of Sanitary Sewer Pump Station (prospective)
- 5. Permit(s) Authorizing Construction of Permanent Power Line (prospective); Diagram Depicting Permanent Power Line Alignment as of September \_\_\_\_, 2021

# EXHIBIT C

# ESTIMATED COSTS

#### **EXHIBIT D**

#### **Documentation Required for Public Improvement Agreement**

- 1. Public Works Street Improvement Permit No. 20IE-00486 (October 1, 2020)
- 2. Irrevocable Offer of Dedication of Improvements (recorded June 12, 2020 as Document No. 2020K940595)
- 3. Payment and Performance Bonds and Monument Bonds
- 4. Maintenance Matrix
- 5. Master Homeowner Association Covenants, Conditions and Restrictions (applies only if Final Map authorizes residential condominiums)
- 6. Bonding to complete the Mission Rock Improvements
- 7. Instructional Bulletin (IB) #3, dated March 10, 2021, and IB#3 Revision 1, dated March 19, 2021, Proposing Amendments to Public Works Street Improvement Permit (SIP) No. 20IE-00486 ("IB#3"), Conditionally Approved on March 19, 2021
- 8. Instructional Bulletin (IB) #1 Revision 3 (dated June 14, 2021) Proposing Amendments to the Public Works Street Improvement Permit No. 20IE-00486, Approved on July 12, 2021
- 9. Irrevocable Offer of Dedication of Improvements (12-kV Line)

#### **EXHIBIT F-1**

#### List of Documents Required by City in Order to issue a Notice of Completion

- 1. Subdivider's Letter Requesting Notice of Completion
- 2. Contractor Substantial Completion Letter
- 3. Civil Engineer Completion Notice
- 4. Geotechnical Engineer Completion Letter
- 5. Landscape Architect Completion Notice
- 6. Construction Manager Completion Notice
- 7. Record of City's approval of all required infrastructure testing including but not limited to SS/SD post-construction CCTV, SS/SD vacuum/pressure tests, LPW/AWSS hydrostatic tests, mandrel tests, in place density/compaction tests, concrete and LCC tests, irrigation tests, rolling straight edge tests, etc.
- 8. City's Confirmation that Final Punch-List Items Have Been Completed
- 9. Utility Conformance Letter
- 10. As-Built Plan Approval Letter
- 11. Final Draft of Notice of Completion (to be recorded)
- 12. Survey Monuments
- 13. Test Reports
- 14. Joint Trench Conduits Mandrel Test
- 15. Confirmation of Removal of all Non-Compliance Reports ("NCR")
- 16. Confirmation from City that all Change Orders/Instructional Bulletins have been approved
- 17. Confirmation from City that all required spare parts have been provided
- 18. Confirmation from City that Infrastructure satisfies all requirements of Public Works Order No. 203,636 and Public Works Order No. 203,637
- 19. Confirmation from City that all conditions of SIP have been satisfied
- 20. Operation and Maintenance Manuals
- 21. Executed Corporate Guaranty for the Extended Warranty Acceptable to the City (due at the time of first request for the final NOC within Phase 1A; Subdivider shall submit a final completed form of the Corporate Guaranty, including all parties and terms, with its first request for any NOC)
- 22. Final Form of Master Encroachment Permit(s) sufficient for consideration by the Board of Supervisors and associated agreement for Private Utility Improvements and other non-standard public or private improvements in the right-of-way
- 23. NOC Recommendation from Public Works
- 24. Separate agreement between the Port and SFPUC pursuant to which SFPUC may own, operate and maintain the 12-kilovolt electrical line authorized by Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) Proposing Amendments to Public Works Street Improvement Permit (SIP) No.20IE-00486, and which does not require SFPUC to compensate the Port for the right to occupy Port property. This requirement applies only to issuance of a NOC for the 12-kilovolt

line authorized by IB#3, and not to other improvements contemplated by this Public Improvement Agreement.

#### **EXHIBIT L**

#### **Executed Irrevocable Offer of Dedication of Improvements - Power Facilities**

Assessor's Block ("AB")	(Space above this line reserved for Recorder's use only)
11	
Attn: Director of Property	
San Francisco, CA 94102	
25 Van Ness Avenue, Suite 400	
City and County of San Francisco	
Real Estate Division	
D 15 / D' '	
WHEN RECORDED RETURN TO	D:
RECORDING REQUESTED BY,	AND
DECORDING DECLIERED DV	AND

AB:

#### OFFER OF DEDICATION OF IMPROVEMENTS

(12-kV Distribution Line)

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., a Delaware limited liability company ("Developer"), and its successors and assigns, does hereby irrevocably offer to dedicate to the City and County of San Francisco a municipal corporation ("City"), and its successors and assigns, all improvements constructed or installed by or on behalf of Developer, pursuant to Instructional Bulletin No. 3, dated March 10, 2021, inclusive of Revision No. 1 thereto, dated March 19, 2021, amending the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (Street Improvement Permit No. No. 20IE-00486), and the improvement plans and specifications described therein.

The property where the improvements are located is shown on Exhibit A hereto, which is located in the City.

It is understood and agreed that: (i) upon acceptance of this offer of public improvements the City shall own and be responsible for maintenance of the offered public improvements, and (ii) The City and its successors or assigns shall incur no liability or obligation whatsoever hereunder with respect to such offer of public improvements, and, except as may be provided by separate instrument, shall not assume any responsibility for the offered improvements, unless and until such offer has been accepted by appropriate action of the Board of Supervisors.

IN WITNESS WHEREOF, the undersigned has executed this instrument this day of \_\_\_\_\_, 2021

#### **DEVELOPER**

MISSION ROCK HORIZONTAL SUB (PHASE 1), L.L.C., A Delaware limited liability company

By: Sewall Lot 337 Associates, LLC, its Sole Member

By: Mission Rock Partners, LLC, its Sole Member

By: TSCE 2007 Mission Rock, L.L.C., Its Administrative Member

By: \_\_\_\_\_

Name: Carl Shannon

Its: Authorized Signatory

# Exhibit A

Legal Description and Plat



San Francisco Public Works General – Director's Office 49 South Van Ness Ave., Suite 1600 San Francisco, CA 94103 (628) 271-3160 www.SFPublicWorks.org

**Public Works Order No: 205068** 

#### **Director's Finding for Mission Rock Phase 1 Project:**

Approval of Exceptions to Subdivision Code, Subdivision Regulations and Tentative Map Conditions of Approval Associated with Offer of Dedication of 12 Kilovolt Line Servicing the Mission Rock Project

WHEREAS, On October 5, 2017, the Planning Commission certified the Final Environmental Impact Report for Seawall Lot 337 and Pier 48 Mixed-Use Project ("EIR"), prepared pursuant to the California Environmental Quality Act (Cal. Pub. Resources Code §§ 21000 et seq., "CEQA") by Motion No. 20017 for the Seawall Lot 337 and Pier 48 Mixed-Use Project ("Project"), and approved CEQA findings and a Mitigation Monitoring Reporting Program pursuant to Motion No. 20018.

WHEREAS, On January 30, 2018, the Port Commission, through Resolution No. 18-03, approved the Disposition and Development Agreement by and between the Port of San Francisco ("Port") and SWL 337 Associates, LLC, ("DDA") concerning the development of the "Project Site" as defined in the DDA.

WHEREAS, On February 27, 2018, the Board of Supervisors adopted Ordinance No. 33-18 approving a Development Agreement for the Project between the City and County of San Francisco and SWL 337 Associates, LLC ("DA") and adopted the environmental findings set forth in Motion No. 20019, on file with the Clerk of the Board of Supervisors No. 171313.

WHEREAS, On February 27, 2018, the Board adopted Resolution No. 42-18 authorizing the approval of the DDA.

WHEREAS, On February 27, 2018, the Board adopted Ordinance No. 31-18, approving the Mission Rock Special Use District, Planning Code Section 249.80, which establishes zoning designations for the Property.

WHEREAS, On December 13, 2019, the Director issued Public Works Order No. 202,368 approving a tentative map covering the Project site ("Tentative Map") subject to conditions of approval.

WHEREAS, The Board of Supervisors approved the Project's first phased final map on June 2, 2020, pursuant Motion No. M20-060 ("Final Map").

WHEREAS, Exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and Tentative Map conditions of approval are authorized pursuant to Section III.A of the Subdivision Regulations, defining "Exceptions" and the procedure for approval of such Exceptions by reference to Subdivision Code Section 1712.

WHEREAS, The Director previously approved Exceptions relating to streetscape and utilities pursuant to Public Works Order No. 203,638.

WHEREAS, Public Works conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3") relating to a proposed 12 kilovolt electrical line as described in IB#3 ("12-kV Line").

WHEREAS, The conditions of approval for IB#3 direct Mission Rock Horizontal Sub (Phase 1), LLC ("Subdivider") to seek approval of Exceptions necessary to allow the City to publicly dedicate the 12-kV Line.

WHEREAS, Subdivider submitted a request for Exceptions associated with the 12-kV Line, which is appended as <u>Attachment 1</u>.

WHEREAS, The Director held a duly-noticed public hearing to solicit public comment on Subdivider's proposed Exceptions on June 9, 2021 and no public comment was received.

#### NOW THEREFORE BE IT ORDERED THAT

The Director approves the Exceptions described below, based on the findings stated herein:

Exception No. 1 - Exception from Subdivision Code Section 1337(a) authorizing installation of an overhead electric line.

The Director approves an Exception from Subdivision Code Section 1337(a), which provides that "all new utility lines shall be undergrounded as specified in Article 18 of the Public Works Code." This Exception will allow for Subdivider to install the 12-kV Line overheard as otherwise described in IB#3.

 Application of Subdivision Code Section 1337(a) would result in practical difficulties and unnecessary hardship affecting the Project Site inconsistent with the general purpose and intent of the Project documents and City regulations.

An overhead 12-kV line is necessary to deliver power to equipment and buildings within the Project's initial phase. Because of the Project's approved phasing plan and the point of interconnection with San Francisco Public Utilities Commission ("SFPUC") electrical infrastructure, the line cannot be undergrounded at this time. Subdivider will ultimately replace the 12-kV Line with permanent underground infrastructure as part of this Project.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The 12-kV Line will be temporarily located overhead and will ultimately be replaced by underground facilities. It will be built in a manner consistent with all applicable regulatory standards consistent with IB#3, and it will be subject to inspection. Upon acceptance, the 12-kV

Line will be operated by SFPUC consistent with its normal operational procedures. Further, SFPUC's Rules and Regulations for Electric Service ("SFPUC Rules") specifically contemplate the possible use of overhead electrical lines, and SFPUC has approved the 12-kV Line as depicted in IB#3. As proposed in the Project, the Exception will not be materially detrimental to the public welfare or injurious to other property in the area.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

The 12-kV Line is not inconsistent with the Project documents. As stated above, the SFPUC Rules authorize the SFPUC to permit overhead lines in certain limited circumstances, and SFPUC has approved the construction of the 12-kV Line for temporary use for the Project.

• The Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not prohibit the proposed construction of the 12-kV Line.

Exception No. 2 - Exception to Subdivision Regulations Appendix A, Section VII.D.1 to authorize Subdivider to offer the 12-kV Line for acceptance and public dedication prior to the completion of new full, complete and functional public streets.

Based on the unique circumstances regarding and the totality of factors surrounding this Project, the Director approves an Exception to Subdivision Regulations Appendix A, Section VII.D.1, which generally provides that the City will accept only full, complete and functional public streets for purposes of maintenance and liability. This Exception will allow Subdivider to offer the 12-kV line to the City for acceptance and public dedication in advance of the completion of any associated public street as contemplated by the conditions of approval for IB#3.

• Application of Subdivision Regulations Appendix A, Section VII.D.1 would result in practical difficulties and unnecessary hardship affecting the Project Site inconsistent with the general purpose and intent of the Project documents and City regulations.

Application of this provision of the Subdivision Regulations would preclude Subdivider from offering the 12-kV Line to the City, since the 12-kV Line will be completed significantly in advance of any future streets and independent of any street alignment. The Exception will allow for SFPUC to assume ownership of the line and operate it as an SFPUC-owned facility.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The Exception will ensure that the City accepts the 12-kV Line expeditiously such that SFPUC may operate the line as an SFPUC-owned asset. The subdivider will ultimately remove and replace the 12-kV Line with permanent, underground infrastructure as the Project is developed in phases. As such, the Exception will not be materially detrimental to the public welfare or injurious to other property in the area.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

Offering the 12-kV Line for acceptance and public dedication by the City is not contrary to the Project documents and will instead allow for the development of the Project consistent with the phasing program described in the Project approvals. Similarly, the acceptance and public dedication of the 12-kV Line separate from a complete street is not inconsistent with any other City regulation.

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not prevent the offer, acceptance, and public dedication of the 12-kV Line in advance of a complete street.

**Exception No. 3** - Exception from Subdivision Regulations, Appendix A, Section VII.D.2 authorizing dedication of the 12-kV Line without an accompanying irrevocable offer of a fee interest in real property or an easement.

The Director approves an Exception to Subdivision Regulations, Appendix A, Section VII.D.2 to allow Subdivider to offer the 12-kV Line to the City for acceptance and public dedication notwithstanding that Subdivider cannot concurrently dedicate a fee interest or easement concerning the underlying real property on the condition that the Port authorize the SFPUC to place the 12-kV Line on the Project Site until it is removed and replaced by Subdivider and Subdivider repairs and restores the Project Site to a condition acceptable by the Port.

 Application of Subdivision Regulations Appendix A, Section VII.D.2 would result in practical difficulties and unnecessary hardship affecting the Project Site inconsistent with the general purpose and intent of the Project documents and City regulations.

The Project Site is owned by the City by and through the Port as the trustee of the public trust. Because the City is the ultimate fee owner, Subdivider may not dedicate an interest in fee or an easement to the City. The Director acknowledges that in lieu of satisfying this requirement, the Port, SFPUC, and Subdivider have agreed to ensure the 12-kV Line may remain operational on the Project Site and shall be removed and replaced by Subdivider consistent with this Order.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The Exception will not be materially detrimental to the public welfare or injurious to other properties in the area. SFPUC will have all necessary rights to access, operate and maintain the 12-kV Line pursuant to an agreement with the Port which SFPUC has deemed to be sufficient in order for SFPUC to operate and maintain the 12-kV Line, upon acceptance, provided that Subdivider ultimately remove and replace the 12-kV Line.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

The Project documents recognize the fact that the Project Site is City-owned property subject to the public trust. The Tentative Map conditions reflect that Subdivider cannot offer fee interests or easements to the City in connection with the dedication of public improvements. Therefore, the granting of the Exception is not contrary to the Project documents or other City regulations.

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not require the City to compel a fee dedication or easement in relation to the dedication of public improvements, particularly where such an interest in real property cannot be dedicated. The Exception would not violate the Subdivision Map Act.

Exception No. 4 - Exception to Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 20 to authorize Subdivider's offer of dedication of the 12-kV Line subsequent to approval of the Project's first phased final map.

The Director approves an Exception to the above-referenced Tentative Map condition of approval. This Exception will allow for Subdivider to provide the offer of dedication for the 12-kV Line as part of an amendment to the existing Public Improvement Agreement ("PIA") as contemplated by the conditions of approval for IB#3.

Application of the Tentative Map condition would result in practical difficulties and unnecessary
hardship affecting the Project Site inconsistent with the general purpose and intent of the Project
documents and City regulations.

The Tentative Map condition of approval is intended to ensure that all future public improvements necessary for the Project phase are reviewed and approved by the City, incorporated into and bonded for in the PIA, and offered for dedication to the City prior to the earlier of the final map or street improvement plans. In this case, Subdivider and SFPUC had not yet determined how power would be delivered for construction purposes and within the Project's initial phase at the time of approval of Final Map No. 9443 and the Street Improvement Permit for the Project's initial phase. An exception to this condition is required to fulfill the intent of the Project documents and City regulations and to avoid practical difficulties in delivering electricity to the Project and unnecessary hardship.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The granting of the Exception to authorize subdivider to provide an offer of dedication of the 12-kV Line will not be materially detrimental to the public welfare or injurious to other properties provided that the subdivider remains responsible for removing the 12-kV Line and replacing it with a permanent underground 12-kV electrical line.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

Neither the Project documents nor the City regulations prevent Subdivider from submitting an offer of dedication of public improvements independent from the filing of a final map or the issuance of a street improvement permit.

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not prevent submittal of an offer of dedication independent from the filing of a final map or the issuance of a street improvement permit.

**Exception No. 5** - Exception to Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9, to authorize issuance of a Notice of Completion ("NOC") for temporary infrastructure.

The Director approves an Exception to the Tentative Map condition of approval to allow for issuance of a NOC for the 12-kV Line notwithstanding that the 12-kV Line is characterized as temporary infrastructure. While the 12-kV Line will be built to permanent specifications, it will ultimately be removed and replaced by Subdivider (at Subdivider's cost) and replaced with permanent underground facilities as described by the conditions of approval for IB#3.

Application of the Tentative Map condition would result in practical difficulties and unnecessary
hardship affecting the Project Site inconsistent with the general purpose and intent of the Project
documents and City regulations.

The 12-kV Line for which the Exception is sought is necessary to provide power within the Project's first phase and is capable of operation for this discrete purpose prior to the full completion of the other improvements that will be built immediately below and adjacent to the 12-kV Line. Further, the City anticipates that the Board of Supervisors will consider acceptance of the 12-kV Line through a future action. Accordingly, application of the condition to prevent issuance of a NOC for the 12-kV Line would result in practical difficulties and undue hardship.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

Issuance of a NOC for the 12-kV line will not be materially detrimental to the public welfare or injurious to other property. The 12-kV Line must be built pursuant to an approved permit issued by the City. The 12-kV Line will be inspected to ensure that is consistent with the approved plans before issuance of the NOC. The City contemplates the 12-kV Line will ultimately be operated by SFPUC as the electric utility. As such, the exception will not be materially detrimental to the public welfare or injurious to other property in the area.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

The Project documents do not preclude issuance of a NOC for the 12-kV Line. The proposed Exception, subject to the Director's approval of other Exceptions described in this Order, is consistent with the City regulations.

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not prevent issuance of a NOC for temporary improvements.

<u>Exception No. 6</u> - Exception to Tentative Map SFPUC Power Enterprise - Hetch Hetchy Power Condition No. 1, accounting for ongoing negotiation of an Electric Service Agreement between <u>Subdivider and SFPUC.</u>

The Director approves an Exception to the Tentative Map condition of approval, which presumed that the ESA would have been executed by July 31, 2019, in recognition of the fact that Subdivider and SFPUC continue to finalize the terms of the contemplated agreement. Resolution of a discrete financial issues is needed for the parties to progress toward a final agreement. A final ESA is expected imminently.

Application of the Tentative Map condition would result in practical difficulties and unnecessary
hardship affecting the Project Site inconsistent with the general purpose and intent of the Project
documents and City regulations.

The parties previously evaluated technical solutions for the delivery of power to the Project Site beyond the July 31, 2019 date anticipated by the condition of approval. These efforts included extensive engineering and coordination with third-party utilities all with the purpose of ensuring that SFPUC may provide power to serve the Project's needs. Declining to grant the exception would prevent further progress on mapping or infrastructure efforts pending execution of the ESA and would result in practical difficulties and unnecessary hardship to Subdivider, the Port, and the City.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property and the execution of the ESA is expected imminently.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

Provided that this Exception is granted, neither the Project documents nor the City regulations require execution of the ESA by a date certain.

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not preclude the granting of this Exception.

Exception No. 7 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 21, to allow Subdivider to seek NOC for the 12-kV Line notwithstanding that the 12-kV Line is not part of a full, complete and functional public street.

The Director approves an Exception to the Tentative Map condition of approval, which generally provides that the City will issue a NOC only for a full, complete and functional public street. This Exception will allow for the Subdivider to seek a NOC so that Subdivider can ultimately offer the 12-kV line to the City for acceptance and public dedication in advance of the completion of any associated public street as contemplated by the conditions of approval for IB#3.

 Application of the Tentative Map condition of approval would result in practical difficulties and unnecessary hardship affecting the Project Site inconsistent with the general purpose and intent of the Project documents and City regulations.

Application of the Tentative Map condition of approval would preclude Subdivider from obtaining an NOC since the 12-kV Line will be completed significantly in advance of any future streets and independent of any street alignment. The Exception would allow the SFPUC to assume ownership of the line and operate it as an SFPUC-owned facility until Subdivider removes and replaces the 12-kV Line with a permanent underground 12-kV electrical line.

• The granting of the Exception will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The Exception will facilitate the expeditious acceptance of the 12-kV Line by the City such that SFPUC may operate the line as an SFPUC-owned asset. The 12-kV Line will ultimately be removed and replaced with permanent, underground infrastructure as the Project is developed in phases. As such, the Exception will not be materially detrimental to the public welfare or injurious to other property in the area.

• The granting of the Exception will not be contrary to the Project documents or City regulations.

The City's issuance of a NOC for the 12-kV Line such that Subdivider may offer the 12-kV Line for acceptance and public dedication by the City is not contrary to the Project documents and will instead allow for the development of the Project consistent with the phasing program described in the Project approvals. Similarly, issuance of a NOC for the 12-kV Line separate from a complete street is not inconsistent with any other City regulation not otherwise addressed herein (see Exception No. 2 above).

• The granting of the Exception is not in violation of the Subdivision Map Act.

The Subdivision Map Act does not preclude issuance of a NOC for the 12-kV Line in advance of a complete street.

DocuSigned by:

Use to

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Attachment I

(Subdivider's Letter Requesting Exceptions)

No, Albert J-281DC30E04CF41A...

City Engineer

Docusigned by:

Varie Organia

Degrafinried, Alerie 336C84404A5...

Acting Director



June 4, 2021

Alaric Degrafinried Acting Director San Francisco Public Works 49 South Van Ness Avenue San Francisco, CA 94103

Re: Mission Rock Project ("Project") - 12 Kilovolt Line: Request for Exceptions from the Subdivision Code, the Subdivision Regulations, and Public Works Order No. 202,368 ("Tentative Map Conditions of Approval")

Dear Acting Director Degrafinried:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Mission Rock Horizontal Sub (Phase 1), L.L.C. ("Developer") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted on Exhibit A attached hereto. The 12-kV Line will be used to provide San Francisco Public Utilities Commission ("SFPUC") power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer is in the process of installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request approval of exceptions<sup>1</sup> from provisions of the Subdivision Code, the Subdivision Regulations, and the Tentative Map Conditions of Approval as

<sup>1</sup> Exceptions from provisions of the Subdivision Code, the Subdivision Regulations, and tentative map conditions of approval are authorized pursuant to Section III.A of the Subdivision Regulations ("Exceptions as that term is used within these Regulations shall refer to Section 1712, inclusive, as defined in the San Francisco Subdivision Code."). Per Section 1712(b) the Director of Public Works must find the following in order to approve an exception:

<sup>(1)</sup> That the application of certain provisions of this Code or the Subdivision Regulations would result in practical difficulties or unnecessary hardships affecting the property inconsistent with the general purpose and intent of the Project Document and City Regulations;

<sup>(2)</sup> That the granting of the exception, waiver, or deferral will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated; and

necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line.<sup>2</sup> The 12-kvV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. As contemplated by the conditions of approval for IB#3, the Port of San Francisco ("Port") and Developer are parties to a license agreement dated March 19, 2021, which authorizes the 12-kV Line on Port property prior to the City's acceptance of that facility. The 12-kV Line will remain in place until such time as Developer installs a separate 12-kV line and a new joint trench as part of improvements to Bridgeview Street in Phase 3 of the project.

Developer requests the approval of the Acting Public Works Director for the exceptions listed hereunder.

• Exception No. 1 - Subdivision Code, § 1337(a): "All new utility lines shall be undergrounded as specified in Article 18 of the Public Works Code."

Request: An exception is requested to authorize the overhead segment of the 12-kV Line.

• Exception No. 2 - Subdivision Regulations, App. A § VII.D.1: "The City shall accept only full, complete, and functional public streets for purposes of City maintenance and liability. Full, complete, and functional streets include all the aerial, surface, and subsurface public improvements necessary for, and the full width and length of the public right-of-way from intersection to intersection necessary to safely operate the public street and all other components as designed in perpetuity. The Subdivider shall not offer public improvements to the City for purposes of City maintenance and liability unless the improvements include the full, complete, and functional public street. The City shall not accept temporary streets or other temporary public improvements. Where proposed public streets or other public improvements connect to private, temporary, or non-functional streets or street improvements, the Subdivider shall not offer such public improvements and the City shall not accept such public streets or street improvements for City maintenance and liability purposes unless the Director, after consultation with other affected City Agencies, approves or conditionally approves the proposed connections."

Request: An exception is requested to allow for Developer to offer the 12-kvV Line for acceptance by the City through a future action of the Board of Supervisors notwithstanding that the 12-kV Line will not be part of a complete public street.

Additionally, permanent electrical distribution infrastructure within the Project's initial phase will connect to, and receive power from, the 12-kV Line until such time as the future 12-kV Line is completed in Bridgeview Street. Developer will seek acceptance of the permanent distribution infrastructure within the first phase before Bridgeview Street is completed in a later phase. Accordingly, Developer requests an exception to allow for the acceptance of those public improvements notwithstanding that those improvements may, at the time of acceptance, still be connected to the 12-kV Line.

<sup>(3)</sup> That the granting of such exception, waiver, or deferral will not be contrary to the Project Documents or City Regulations.

<sup>&</sup>lt;sup>2</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for exceptions within sixty days of the conditional of IB#3.

• Exception No. 3 - Subdivision Regulations, App. A § VII.D.2: "Dedications in fee shall be irrevocably offered to the City. In addition, the Subdivider shall include an irrevocable offer of interim easement such that the City can complete the Subdivider's public improvement obligation in the event of default at any time prior to the City's final acceptance of the fee dedication."

Request: An exception is required because neither the Port nor Developer can offer the City a fee interest or an easement for any portion of the Project site. This is because the City owns the Project site by and through the Port acting as the trustee of the public trust. As such, the City cannot dedicate a fee interest or an easement. Instead, and as contemplated by the conditions of approval for IB#3, SFPUC will ultimately own, operate and maintain the line pursuant to a memorandum of understanding from the Port or similar agreement on terms satisfactory to SFPUC.

Exception No. 4 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 20: "All Easement Agreements, Offers of Dedication, Offers of Improvements, Grant Deeds or any other documents shall be executed by Subdivider and submitted to Public Works prior to approval of the Final Map or Improvement Plans, whichever comes first, unless otherwise approved by the City. Review of the documents by the Director and City Attorney shall be concurrent with review and approval of the Public Improvement Agreement."

Request: An exception is required for Subdivider to offer the 12-kV Line for dedication to the City subsequent to the approval of Final Map No. 9443. As required by the conditions of approval for IB#3, the offer of dedication of improvements will be included as part of an amendment to the Public Improvement Agreement for the Project's initial phase. Acceptance of the offer and public dedication of the 12-kV Line will be subject to a separate action of the Board of Supervisors.

• Exception No. 5 - Tentative Map Condition of Approval - SFPUC Wastewater Enterprise No. 9. Subdivider shall not request a Notice of Completion (NOC) on any utility facility that does not operate as part of a complete system. This requires the construction of permanent infrastructure or an allowance for use of temporary infrastructure where the City grants an exception.

Request: As otherwise described in this letter, the 12kV Line will ultimately be removed in favor of permanent, underground infrastructure. The requested exception will allow for the Director of Public Works to issue a NOC for the 12kV Line provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

• Exception No. 6 - Tentative Map Condition of Approval - SFPUC Power Enterprise - Hetch Hetchy Power No. 1. Prior to July 31, 2019, unless an extension is granted by the SFPUC General Manager, Subdivider shall enter into an Electric Service Agreement (ESA) with SFPUC.

Request: An exception is requested to account for the fact that Developer and SFPUC continue to negotiate the terms of the Project's ESA concurrent with the parties' efforts to resolve technical issues relating to the delivery of power to the Project.

• Exception No. 7 - Tentative Map Condition of Approval - Public Works - Bureau of Street Use and Mapping - Division of Surveying and Mapping No. 21. Consistent with the Subdivision Regulations, Subdivider shall not request a Notice of Completion (NOC) on any portion of a street other than full, complete and functional street, except that NOC for LCC-related improvements shall be subject to the Public Works – Bureau of Streets and Mapping – Permits Division conditions for LCC.

Request: As contemplated by IB#3, Developer will seek, NOC for the 12kV Line notwithstanding that the 12kV Line will not be part of a full, complete and functional street. This exception will enable issuance of the NOC provided that the 12kV Line otherwise satisfies the criteria for NOC issuance.

Approval of the requested exceptions is supported based on the following:

Subdivision Code § 1712(b)(1): Application of the referenced provisions of the Subdivision Code, the Subdivision Regulations, and certain of the Tentative Map Conditions of Approval to the 12kv Line would result in practical difficulties and unnecessary hardships inconsistent with the Project approvals and the City Regulations.

Construction and operation of the 12-kV Line is necessary for the delivery of SFPUC power to meet the Project's construction schedule. The 12-kV Line will also be used to deliver permanent power to the Project's initial development phase. Timely completion and energization of the 12-kV Line is essential to the Project's schedule as contemplated by the Project approvals. Additionally, the 12-kV Line will serve to promote the delivery of SFPUC power to the Project pursuant to the City Charter and the Project approvals. Conversely, failure to timely install and energize the line will result in day-for-day delays in Project construction and a commensurate delay in the realization of market rate and affordable housing, open space, new infrastructure, and other public benefits.

Subdivision Code § 1712(b)(2): Granting of the exceptions will not be materially detrimental to the public welfare or injurious to other property in the area in which said property is situated.

The 12-kV Line will be located partially within a public street and the balance of the line will be on Port property. The portion within the public street will be subject to Public Works permitting requirements and otherwise subject to City regulatory requirements. As to the portion of the line on Port property, the Developer will be required to safely construct and maintain the 12-kV Line pursuant to the above-referenced license agreement. At such time that the 12-kV Line is accepted by the City, SFPUC will have adequate access to the 12-kV Line for maintenance and repair of the facility through a memorandum of understanding or similar agreement with the Port, as may be needed, akin to access rights which SFPUC would normally have pursuant to a public utility easement.

Subdivision Code § 1712(c): Granting of the exceptions is not contrary to the Project approvals or City regulations.

As described above, approval of the exceptions to authorize the construction, operation, and ultimately City acceptance of the 12-kV Line is consistent with the Project approvals and the City regulations. The 12-kV Line is essential to maintaining the Project schedule and the delivery of

associated housing and other public benefits. Further, the 12-kV Line will help to promote the use of SFPUC power consistent with the City Charter and related provisions of the Project approvals.

In addition to the requests for exceptions delineated here, Developer is submitting a concurrent request for certain authorizations relating to the 12-kV Line to SFPUC pursuant to its Rules & Regulations Governing Electric Service, as required by the conditions of approval for IB#3. A copy of that request is appended hereto as <u>Exhibit B</u>.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

cc Michael Carlin, Acting General Manager, SFPUC

Molly Petrick, SFPUC

Derek Adams, SFPUC

Fan Lau, SFPUC

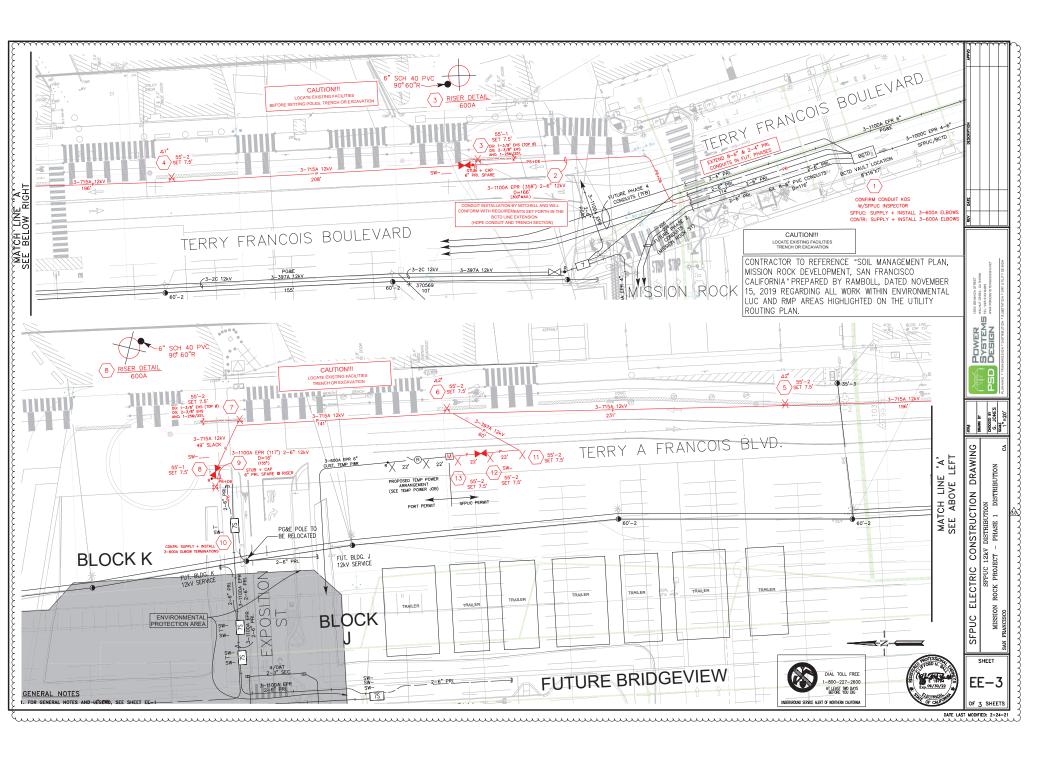
Phil Williamson, Port of San Francisco

Shawna Gates, Public Works - Infrastructure Task Force

Christopher Tom, City Attorney's Office

#### Exhibit A

(Diagram of 12kv Line)



#### Exhibit B

(Letter to SFPUC)



June 4, 2021

Catherine Spaulding
Deputy Manager, Programs & Planning
San Francisco Public Utilities Commission, Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102

Re: Mission Rock Project - 12 Kilovolt Line: Request for Written Authorizations Pursuant to the San Francisco Public Utilities Commission Rules & Regulations Governing Electric Service

Dear Deputy Manager Spaulding:

On March 19, 2021, San Francisco Public Works ("Public Works") conditionally approved Instructional Bulletin (IB) #3 (dated March 10, 2021) and IB#3 Revision 1 (dated March 19, 2021) proposing amendments to the Mission Rock Phase 1 Improvement Plans Street Improvement Permit (hereafter collectively "IB#3"). IB#3 authorizes Seawall Lot 337 Associates, LLC ("Developer"), the master developer for the Seawall Lot 337 & Pier 48 Mixed-Use Project ("Project") to construct a 12-kilovolt electrical line to provide power to the Project site ("12-kV Line").

The 12-kV Line is depicted in Exhibit A attached hereto. The 12-kV Line will be used to provide SFPUC power at first to construction equipment and trailers, and ultimately to two commercial office buildings and two residential apartment buildings within the Project's initial development phase. The SFPUC may also use the 12-kV line to provide service to Pier 48 and the Third Street Bridge, which are now served by Pacific Gas and Electric Company. Developer has completed installing the 12-kV Line, including all conductors, transformers, poles and substructures.

The purpose of this letter is to respectfully request your authorization of certain requests pursuant to the San Francisco Public Utilities Commission ("SFPUC") Rules and Regulations Governing Electric Service ("SFPUC Rules"), as described below, as necessary for Developer to construct, and for the City and County of San Francisco ("City") to accept, the 12-kV Line. The 12-kV Line includes an overhead portion and will otherwise be constructed separate from future public streets that will be improved and accepted. The 12-kV Line will remain in place until the Master Developer installs the joint trench and installs a separate 12-kV line in the joint trench and removes the 12-kV Line as part of the improvements to Bridgeview Street in Phase 3 of the Project. For

<sup>&</sup>lt;sup>1</sup> Developer notes that Public Works' conditional approval of IB#3 requires Developer to submit this request for authorizations within sixty days of the issuance of the conditional IB#3.

this reason, SFPUC has designated the 12-kV Line a Temporary Electric Service Line under the SFPUC Rules.

Developer will be solely responsible for the costs to remove the existing 12-kV Line when the joint trench has been installed and the electric facilities energized. The costs for the new 12-kV line in the joint trench will be shared by the SFPUC and Developer pursuant to Rule 15 of the SFPUC Rules.

A portion of the 12-kV Line will be constructed on property owned by the City acting by and through the Port of San Francisco ("Port") as the trustee of the public trust. As a result, neither the Port nor Developer can offer an easement to SFPUC for this facility. The conditions of approval for IB#3 recognize that the City's acceptance of the 12-kV Line and its ultimate ownership, operation and maintenance by SFPUC will require a separate agreement between the Port and SFPUC.

Developer respectfully requests the Acting General Manager's authorization pursuant to the provisions of the SFPUC Rules described below.

• SFPUC Rules, § XV.7.C.2: "SFPUC will construct Distribution and Service Line Extensions only along public streets or upon private property in which Applicant has obtained an Easement or other rights satisfactory to SFPUC without cost to SFPUC."

Request No. 1: As described above, a portion of the 12-kV Line is not located within a public street or an easement. The request is to confirm that SFPUC will operate and maintain the 12-kV Line and, provided that the Board of Supervisors accepts the line through a future action, own the line notwithstanding that it will not be located within a street or public utility easement. Per the conditions of approval for IB#3, Developer acknowledges that SFPUC's operation and maintenance of the 12-kV Line, between the date of City acceptance and Developer's removal of the 12-kV Line upon completion of replacement facilities in Bridgeview Street, will require a separate agreement between the Port and SFPUC at no cost to SFPUC and upon terms that are otherwise satisfactory to SFPUC.

• SFPUC Rules, § XV.7.C.3: "SFPUC will install all new Distribution and Service Line Extensions underground, unless specifically exempted by SFPUC for good cause."

Request No. 2: A portion of the 12-kV Line is overhead and not underground. This is a result of the Project's construction phasing and site constraints, particularly the need to temporarily bring power across the Project site. Per the terms of the SFPUC Rules, Developer requests an exemption to allow for SFPUC operation and eventually ownership of the 12-kV Line notwithstanding that a portion of the line will be overhead.

• SFPUC Rules, § XV.I.5: "Unless otherwise agreed to in writing, SFPUC will not accept ownership of any Distribution or Service Line Extension on any unaccepted public right-of-way until the Board of Supervisors had accepted the public right-of-way from Developer. In the event that electrical service is energized prior to the formal acceptance, Developer will grant SFPUC an easement or license without cost to the SFPUC that provides SFPUC with the same access to the Distribution or Service Line Extension for

## maintenance and operation that SFPUC would have to a Distribution or Service Line Extension in a public right-of-way."

Request No. 3: The 12-kV Line will need to be energized before the City accepts the line, and upon acceptance, a portion of the line will not be located within a public right-of-way accepted by the Board of Supervisors or a public utility easement. Per the terms of the SFPUC Rules, Developer requests SFPUC's written confirmation that, following the Developer's satisfaction of the conditions of approval for IB#3 and the Board of Supervisors' requisite approval actions to accept the 12-kV Line, SFPUC will take ownership of the 12-kV Line prior to the Board of Supervisors' acceptance of that portion of the public right-of-way.

In addition to the requests delineated here, Developer is submitting a concurrent request to the Acting Director of Public Works for exceptions from the Subdivision Code, the Subdivision Regulations, and the conditions of approval for Public Works Order No. 202,368 relating to the 12-kV Line as required by the conditions of approval for IB#3. A copy of that request is appended hereto as Exhibit B. Developer respectfully requests your consent to the exceptions requested therein.

Thank you in advance for your consideration of these requests. Please do not hesitate to contact me should you wish to discuss these matters further.

Sincerely,

Julian Pancoast Senior Director

Mission Rock Horizontal Sub (Phase 1), L.L.C.

Accepted and Agreed:

San Francisco Public Utilities Commission

By:

Catherine Spaulding

Deputy Manager, Programs & Planning

cc Alaric Degrafinried, Acting Director, Public Works Michael Carlin, Acting General Manager, SFPUC John Kwong, Public Works Shawna Gates, Public Works, Infrastructure Task Force Phil Williamson, Port of San Francisco

#### Exhibit A

(Diagram of 12-kV Line)

#### Exhibit B

(Letter to Public Works)

#### **Certificate Of Completion**

Envelope Id: 8CCF77224A154CFFB2A210AB20A6B911

Subject: Order 205068 - All Users 49SVN 2021 Template

Source Envelope:

Document Pages: 23 Signatures: 4 Certificate Pages: 5 Initials: 0

AutoNav: Enabled

Envelopeld Stamping: Enabled

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Status: Completed

**Envelope Originator:** DPW DocuSign

49 S Van Ness Ave

San Francisco, CA 94103

dpw-docusign.service@sfdpw.org IP Address: 208.121.36.177

**Record Tracking** 

Status: Original Holder: DPW DocuSign Location: DocuSign

dpw-docusign.service@sfdpw.org

6/29/2021 5:28:48 PM

**Signer Events** 

Albert.J.Ko@sfdpw.org

Signature

DocuSigned by:

albert to

Security Level: Email, Account Authentication

(None)

**Public Works** 

Albert Ko

-281DC30E04CF41A..

Signature Adoption: Pre-selected Style Using IP Address: 208.121.33.161

**Timestamp** 

Sent: 6/29/2021 5:28:55 PM Viewed: 6/30/2021 11:40:35 AM Signed: 6/30/2021 11:41:05 AM

**Electronic Record and Signature Disclosure:** 

Not Offered via DocuSign

Degrafinried, Alaric

Alaric.Degrafinried@sfdpw.org

**Acting Director** 

City and County of San Francisco

Security Level: Email, Account Authentication

(None)

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Signature Adoption: Drawn on Device Using IP Address: 208.121.33.161

Sent: 6/30/2021 11:41:10 AM Viewed: 6/30/2021 4:39:14 PM Signed: 6/30/2021 4:54:54 PM

**Electronic Record and Signature Disclosure:** 

Accepted: 2/3/2020 3:14:41 PM

ID: 1ffb5d1a-126a-4ea2-b728-9526f997d85c

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp

**Carbon Copy Events Status Timestamp** 

**Witness Events** Signature **Timestamp** 

**Notary Events Signature Timestamp** 

**Envelope Summary Events Status Timestamps** 6/29/2021 5:28:55 PM **Envelope Sent** Hashed/Encrypted Certified Delivered Security Checked 6/30/2021 4:39:14 PM Signing Complete Security Checked 6/30/2021 4:54:54 PM

Envelope Summary Events	Status	Timestamps
Completed	Security Checked	6/30/2021 4:54:54 PM
Payment Events	Status	Timestamps

#### ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Public Works (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

#### Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

#### Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

#### Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

#### All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

#### **How to contact Public Works:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: dannie.tse@sfdpw.org

#### To advise Public Works of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at dannie.tse@sfdpw.org and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

#### To request paper copies from Public Works

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to dannie.tse@sfdpw.org and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

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To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may; ii. send us an e-mail to dannie.tse@sfdpw.org and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

#### Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0,
	NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	
	•Allow per session cookies
	•Users accessing the internet behind a Proxy
	Server must enable HTTP 1.1 settings via
	proxy connection

<sup>\*\*</sup> These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

#### Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Public Works as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Public Works during the course of my relationship with you.

#### **Planning Commission Motion No. 20017**

**HEARING DATE: OCTOBER 5, 2017** 

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

Reception: 415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

Case No.:

2013.0208E

Project Title:

Seawall Lot 337 and Pier 48 Mixed-Use Project

Zoning:

MB-OS (Mission Bay-Open Space) and M-2 (Heavy Industrial)

Mission Rock Height and Bulk District

Block/Lot:

Assessor's Block 8719/Lot 006, and Block 9900/Lot 048.

Project Sponsor:

Phil Williamson Port of San Francisco Pier 1, The Embarcadero San Francisco, CA 94111

(415) 274-0453, phil.williamson@sfport.com

Jack Bair

Seawall Lot 337 LLC 24 Willie Mays Plaza San Francisco, CA 94107

(415) 972-1755, jbair@sfgiants.com

Staff Contact:

Tania Sheyner - (415) 575-9127

tania.sheyner@sfgov.org

ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the final Environmental Impact Report identified as Case No. 2013.0208E, the "Seawall Lot 337 and Pier 48 Mixed-Use Project" (hereinafter "Project"), based upon the following findings:

- The City and County of San Francisco, acting through the Planning Department (hereinafter "Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq.) (hereinafter "CEQA"), the State CEQA Guidelines (Cal. Code Regs. Title 14, Section 15000 et seq.) (hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
  - A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on December 11, 2013.

- B. The Department held a public scoping meeting on January 13, 2014, in order to solicit public comment on the scope of the Project's environmental review.
- C. On April 26, 2017, the Department published the Draft Environmental Impact Report (hereinafter "DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment and of the date and time of the Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice.
- D. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the project site on April 26, 2017.
- E. On April 26, 2017, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, and to government agencies, the latter both directly and through the State Clearinghouse.
- F. A Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on April 26, 2017.
- 2. The Commission held a duly advertised public hearing on said DEIR on June 1, 2017, at which opportunity for public comment was given, and public comment was received on the DEIR. The period for acceptance of written comments ended on June 12, 2017.
- 3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the 47-day public review period for the DEIR, prepared revisions to text of the DEIR in response to comments received or based on additional information that became available during the public review period, and corrected errors in the DEIR. This material was presented in a Comments and Responses document, published on September 20, 2017, distributed to the Commission and all parties who commented on the DEIR, and made available to others upon request at the Department.
- 4. A Final Environmental Impact Report (hereinafter "FEIR") has been prepared by the Department, consisting of the DEIR, any consultations and comments received during the review process, any additional information that became available, and the Comments and Responses document, all as required by law.
- 5. Project EIR files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.

- 6. On October 5, 2017, the Commission reviewed and considered the information contained in the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31.
- 7. The Commission hereby does find that the FEIR concerning File No. 2013.0208E reflects the independent judgement and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR that would require recirculation of the document pursuant to CEQA Guidelines Section 15088.5, and hereby does CERTIFY THE COMPLETION of said FEIR in compliance with CEQA, the CEQA Guidelines, and Chapter 31.
- 8. The Commission, in certifying the completion of said FEIR, hereby does find that the project described in the EIR would have the following significant unavoidable environmental impacts, which cannot be mitigated to a level of insignificance:
  - A. TR-4: The proposed Project would result in an adverse impact by increasing ridership by more than 5 percent on two individual Muni routes that exceed 85 percent capacity utilization under baseline conditions.
  - B. TR-6: The proposed Project would result in an adverse impact related to a substantial increase in transit delays on Third Street between Channel Street and Mission Rock Street.
  - C. TR-9: The proposed Project would have significant impacts on pedestrian safety at the unsignalized intersections of Fourth Street/Mission Rock Street and Fourth Street/Long Bridge Street.
  - D. C-TR-4: The proposed Project would contribute considerably to a significant cumulative transit impact because it would increase ridership by more than 5 percent on one individual Muni route that would exceed 85 percent capacity utilization.
  - E. **C-TR-6**: The proposed Project would contribute considerably to significant cumulative impacts related to transit delays.
  - F. C-TR-7: The proposed Project would contribute considerably to significant cumulative pedestrian impacts.

- G. NOI-1: Construction of the proposed Project would generate noise levels in excess of standards or result in substantial temporary increases in noise levels.
- H. NOI-2: Operation of the proposed Project could result in the exposure of persons to or generation of noise levels in excess of the San Francisco Noise Ordinance or a substantial temporary, periodic or permanent increase in ambient noise levels in the Project vicinity, above levels existing without the Project.
- I. NOI-3: Construction of the proposed Project would expose persons to or generate excessive ground-borne vibration or ground-borne noise levels related to annoyance. Construction of the proposed Project could expose persons to or generate excessive ground-borne vibration or ground-borne noise levels related to damage to buildings.
- J. C-NOI-1: Construction activities for the proposed Project, in combination with other past, present, and reasonable future projects in the city, would result in a substantial temporary increase in noise or noise levels in excess of the applicable local standards.
- K. C-NOI-2: Construction activities associated with Project-related development, in combination with other past, present, and reasonable future projects in the city, would expose sensitive receptors to excessive ground-borne vibration related to annoyance and could result in similar impacts related to damage to buildings. (Significant and Unavoidable for Annoyance).
- L. **C-NOI-3**: Operation of the proposed Project, in combination with other past, present, and reasonable future projects in the city, would result in the exposure of persons to noise in excess of the applicable local standards or a substantial permanent ambient noise level increase in the Project vicinity.
- M. AQ-1: Construction of the proposed Project would generate fugitive dust and criteria air pollutants, which for criteria air pollutants but not fugitive dust, would violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Significant and Unavoidable with Mitigation for Criteria Air Pollutants).
- N. AQ-2: During Project operations, the proposed Project would result in emissions of criteria air pollutants at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants.

- O. AQ-3: During combined Project construction and operations, the proposed Project would result in emissions of criteria air pollutants at levels that would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants.
- P. **C-AQ-1**: The proposed Project's construction and operation, in combination with other past, present, and reasonable future projects, would contribute to cumulative regional air quality impacts.
- Q. WS-1: The proposed Project would alter wind in a manner that would substantially affect public areas.
- R. C-WS-1: The proposed Project, in combination with past, present, and reasonably foreseeable future projects, would alter wind in a manner that would substantially affect public areas.
- 9. The Commission reviewed and considered the information contained in the FEIR prior to approving the proposed Project.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of October 5, 2017.

Jonas P. Ionin

Commission Secretary

AYES:

Hillis, Richards, Fong, Johnson, Koppel, Melgar, Moore

NOES:

None

ABSENT:

None

ADOPTED:

October 5, 2017

### Planning Commission Motion No. 20018

**HEARING DATE: OCTOBER 5, 2017** 

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

Reception:

Case No .:

2013.0208 ENV

415.558.6378

Project Name:

Mission Rock (aka Seawall Lot 337 and Pier 48 Mixed-UseFax:

Project)

415.558.6409

Existing Zoning:

Mission Bay Open Space (MB-OS); M-2 (Heavy Industrial) Zoning District; Planning

Mission Rock Height and Bulk Districts

Mission Rock Height and Bulk District

Information:

Block/Lot:

8719/006; 9900/048

415.558.6377

Proposed Zoning:

Mission Rock Mixed-Use District / Mission Rock Special Use District;

Project Sponsor:

Port of San Francisco and SWL 337 Associates, LLC

Staff Contact:

Mat Snyder - (415) 575-6891

mathew.snyder@sfgov.org

ADOPTING ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, INCLUDING FINDINGS OF FACT, FINDINGS REGARDING SIGNIFICANT IMPACTS AND SIGNIFICANT AND UNAVOIDABLE IMPACTS, EVALUATION OF MITIGATION MEASURES AND ALTERNATIVES, AND A STATEMENT OF OVERRIDING CONSIDERATIONS RELATED TO APPROVALS FOR THE MISSION ROCK (AKA SEAWALL LOT 337 AND PIER 48 MIXED-USE PROJECT) ("PROJECT"), LOCATED ON ASSESSOR'S BLOCK 8719 LOT 006 AND BLOCK 9900 LOTS 048.

#### **PREAMBLE**

The project sponsor, Seawall Lot 337 Associates, LLC, applied for environmental review of a mixed-use phased development at Seawall Lot 337, and rehabilitation and reuse of Pier 48 ("Project") on May 31, 2013.

The Project is located on an approximately 28-acre project site that consists of the following: the 14.2-acre Seawall Lot 337; the 0.3-acre strip of land on the south side of Seawall Lot 337, referred to as Parcel P20; the 6.0-acre Pier 48; the existing 2.2-acre China Basin Park; and 5.4 acres of streets and access areas within or adjacent to the boundaries of Seawall Lot 337 and Pier 48. The project site is adjacent to the Mission Bay neighborhood of the city and the Mission Bay South Redevelopment Area. The site is currently used for open space (China Basin Park); a surface parking lot (Seawall Lot 337 and P20); and indoor parking, storage, warehouse uses and special events (Pier 48).

The Project would include 2.7 to 2.8 million gross square feet ("gsf") of mixed-uses on 11 proposed development blocks on Seawall Lot 337, with building heights ranging from 90 feet to a maximum of 240 feet. The mixed use development would comprise approximately 1.1 to 1.6 million gsf of residential uses (estimated at 1,000 to 1,600 units, consisting of both market-rate and affordable housing), approximately 972,000 to 1.4 million gsf of commercial uses, and 241,000 to 244,800 gsf of active/retail uses on the lower floors of each block. Additionally, the Project would include approximately 1.1 million gsf of aboveground and underground parking (approximately 3,100 parking spaces) and rehabilitation of 242,500 gsf of space within Pier 48 to provide industrial, restaurant, active/retail, tour, exhibition, and meeting space for reuse by an industrial use, specifically analyzed as a proposed brewery. The Project would also include a total of approximately 8.0 acres of open space. The Project is more particularly described in Attachment A.

Pursuant to and in accordance with the requirements of Section 21094 of CEQA and Sections 15063 and 15082 of the CEQA Guidelines, the San Francisco Planning Department, as lead agency, published and circulated a Notice of Preparation ("NOP") on December 11, 2013, that solicited comments regarding the scope of the environmental impact report ("EIR") for the proposed project. The NOP and its 30-day public review comment period were advertised in a newspaper of general circulation in San Francisco and mailed to governmental agencies, organizations and persons interested in the potential impacts of the proposed project. The Planning Department held a public scoping meeting on January 13, 2014, in the Bayside Room at the Port of San Francisco, Pier 1, The Embarcadero.

During the approximately 51-day public scoping period that ended on January 31, 2014, the Planning Department accepted comments from agencies and interested parties who identified environmental issues that should be addressed in the EIR. On the basis of public comments submitted in response to the NOP and at the public scoping meeting, the Planning Department found that potential areas of controversy and unresolved issues for the proposed project included: consistency of the Project with the Mission Bay Plan, the San Francisco Waterfront Plan, and the Mission Bay development guidelines; potential impacts along specific viewpoints, the waterfront and surrounding areas; the scale and height of the proposed project and the future use of Parcel P20; provision of affordable housing and population density; potential impacts on submerged cultural resources in the project area; increases in traffic and traffic congestion, connections to the City's transportation network, lack of public transportation in the area, pedestrian safety, traffic during game days, fair share contributions, and potential impacts of increased traffic on emergency vehicle delay; potential noise impacts from additional residents; potential greenhouse gas ("GHG") impacts, adequate mitigation measures for GHG impacts, and inclusion of a GHG emissions analysis consistent with Assembly Bill 32, the California Global Warming Solutions Act; potential shadow impacts along the waterfront, China Basin Park, and the proposed Mission Rock Square; potential impacts on loss of green space, and preservation of public lands for public and recreational use; adequacy of water and sewer systems with the addition of the proposed project, including a Water Supply Assessment; and potential impacts on the marine environment, as well as stateand federally listed species, and pile-driving impacts on fish, birds, and mammals. Comments received during the scoping process also were considered in preparation of the Draft EIR.

In June 2014, subsequent to the publication of the NOP, the City's voters approved Proposition B (Voter Approval for Waterfront Development Height Increases), which states that voter approval is required for any height increases on property, such as the project site, within the jurisdiction of the Port of San Francisco. Accordingly, on November 3, 2015, the City's voters approved Proposition D (the Mission Rock Affordable Housing, Parks, Jobs, and Historic Preservation Initiative), which amended the height and bulk restrictions for the project site by establishing the Mission Rock Height and Bulk District. Under Proposition D, the proposed heights for buildings on some of the proposed development blocks are lower than originally contemplated in the NOP, and there have been no increases in the height, density or intensity of development for the proposed Project since publication of the NOP.

To allow for flexibility to respond to future market demands and conditions, the project sponsor proposes flexible zoning and land uses on 3 of the 11 proposed development blocks on Seawall Lot 337. Specifically, Blocks H, I, and J are proposed to be designated to allow either residential or commercial as

the predominant use above the lower-floor active/retail uses. The project sponsor would determine the primary land uses of the three flexible zoning blocks above the lower floor (i.e., residential or commercial) at the time of filing for design approvals for block development proposals. These flexible blocks are analyzed in the EIR as ranges and land use assumptions (High Commercial or High Residential).

The San Francisco Planning Department then prepared the Draft EIR, which describes the Project and the environmental setting, analyzes potential impacts, identifies mitigation measures for impacts found to be significant or potentially significant, and evaluates project variants and alternatives to the Draft EIR Project. The Draft EIR assesses the potential construction and operational impacts of the Project on the environment, and the potential cumulative impacts associated with the Project in combination with other past, present, and future actions with potential for impacts on the same resources. The analysis of potential environmental impacts in the Draft EIR utilizes significance criteria that are based on the San Francisco Planning Department Environmental Planning Division guidance regarding the environmental effects to be considered significant. The Environmental Planning Division's guidance is, in turn, based on CEQA Guidelines Appendix G, with some modifications.

The Planning Department published a Draft EIR for the project on April 26, 2017, and circulated the Draft EIR to local, state, and federal agencies and to interested organizations and individuals for public review. On April 26, 2017, the Planning Department also distributed notices of availability of the Draft EIR; published notification of its availability in a newspaper of general circulation in San Francisco; posted the notice of availability at the San Francisco County Clerk's office; and posted notices at locations within the project area. The Planning Commission held a public hearing on June 1, 2017, to solicit testimony on the Draft EIR during the public review period. The Draft EIR public review period ended on June 12, 2017. A court reporter, present at the public hearing, transcribed the oral comments verbatim, and prepared written transcripts. The Planning Department also received written comments on the Draft EIR, which were sent through mail, fax, hand delivery, or email.

The San Francisco Planning Department then prepared the Comments and Responses ("C&R"). The C&R document was published on September 21, 2017, and includes copies of all of the comments received on the Draft EIR and written responses to each comment.

The C&R document provided additional, updated information, clarification and modifications on issues raised by commenters, as well as Planning Department staff-initiated text changes to the Draft EIR. The Final EIR, which includes the Draft EIR, the C&R document, the Appendices to the Draft EIR and C&R document, and all of the supporting information, has been reviewed and considered. The C&R documents and appendices and all supporting information do not add significant new information to the Draft EIR that would individually or collectively constitute significant new information within the meaning of Public Resources Code Section 21092.1 or CEQA Guidelines Section 15088.5 so as to require recirculation of the Final EIR (or any portion thereof) under CEQA. The C&R documents and appendices and all supporting information contain no information revealing (1) any new significant environmental impact that would result from the Project or from a new mitigation measure proposed to be implemented, (2) any substantial increase in the severity of a previously identified environmental impact, (3) any feasible project alternative or mitigation measure considerably different from others previously analyzed that would clearly lessen the environmental impacts of the Project, but that was rejected by the project sponsor, or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

On October 5, 2017, the Planning Commission by Motion No. 20017, found that the Final EIR was adequate, accurate, and objective, reflected the independent judgment of the Planning Commission and that the C&R document contains no significant revisions to the Draft EIR, and adopted findings of significant impact associated with the Project and certified the completion of the Final EIR for the Project in compliance with CEQA, and the CEQA Guidelines and Chapter 31.

The Planning Department prepared proposed Findings, as required by CEQA, regarding the alternatives, mitigation measures and significant impacts analyzed in the Final EIR and overriding considerations for approving the Project and a proposed mitigation monitoring and reporting program ("MMRP"), attached as Exhibit 1 to Attachment A, which material was made available to the public and this Planning Commission for the Planning Commission's review, consideration and actions.

The Commission, in certifying the FEIR, found that the Project described in the FEIR will have the following significant and unavoidable environmental impacts:

- The proposed Project would result in an adverse impact by increasing ridership by more than 5
  percent on two individual Muni routes that exceed 85 percent capacity utilization under baseline
  conditions.
- The proposed Project would result in an adverse impact related to a substantial increase in transit delays on Third Street between Channel Street and Mission Rock Street.
- The proposed Project would have significant impacts on pedestrian safety at the unsignalized intersections of Fourth Street/Mission Rock Street and Fourth Street/Long Bridge Street.
- The proposed Project would contribute considerably to a significant cumulative transit impact because it would increase ridership by more than 5 percent on one individual Muni route that would exceed 85 percent capacity utilization.
- The proposed Project would contribute considerably to significant cumulative impacts related to transit delays.
- The proposed Project would contribute considerably to significant cumulative pedestrian impacts.
- Construction of the proposed Project would generate noise levels in excess of standards or result in substantial temporary increases in noise levels.
- Operation of the proposed Project could result in the exposure of persons to or generation of
  noise levels in excess of the San Francisco Noise Ordinance or a substantial temporary, periodic
  or permanent increase in ambient noise levels in the Project vicinity, above levels existing without
  the Project.
- Construction of the proposed Project would expose persons to or generate excessive groundborne vibration or ground-borne noise levels related to annoyance. Construction of the proposed Project could expose persons to or generate excessive ground-borne vibration or ground-borne noise levels related to damage to buildings.

- Construction activities for the proposed Project, in combination with other past, present, and
  reasonable future projects in the city, would result in a substantial temporary increase in noise or
  noise levels in excess of the applicable local standards.
- Construction activities associated with Project-related development, in combination with other
  past, present, and reasonable future projects in the city, would expose sensitive receptors to
  excessive ground-borne vibration related to annoyance and could result in similar impacts
  related to damage to buildings. (Significant and Unavoidable for Annoyance).
- Operation of the proposed Project, in combination with other past, present, and reasonable future
  projects in the city, would result in the exposure of persons to noise in excess of the applicable
  local standards or a substantial permanent ambient noise level increase in the Project vicinity.
- Construction of the proposed Project would generate fugitive dust and criteria air pollutants, which for criteria air pollutants but not fugitive dust, would violate an air quality standard, contribute substantially to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. (Significant and Unavoidable with Mitigation for Criteria Air Pollutants).
- During Project operations, the proposed Project would result in emissions of criteria air
  pollutants at levels that would violate an air quality standard, contribute to an existing or
  projected air quality violation, or result in a cumulatively considerable net increase in criteria air
  pollutants.
- During combined Project construction and operations, the proposed Project would result in
  emissions of criteria air pollutants at levels that would violate an air quality standard, contribute
  to an existing or projected air quality violation, or result in a cumulatively considerable net
  increase in criteria air pollutants.
- The proposed Project's construction and operation, in combination with other past, present, and reasonable future projects, would contribute to cumulative regional air quality impacts.
- The proposed Project would alter wind in a manner that would substantially affect public areas.
- The proposed Project, in combination with past, present, and reasonably foreseeable future projects, would alter wind in a manner that would substantially affect public areas.

The Planning Commission Secretary is the custodian of records for the Planning Department materials, located in the File for Case No. 2013.0208ENV, at 1650 Mission Street, Fourth Floor, San Francisco, California.

On October 5, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting and adopted this Motion No. 20018, adopting CEQA findings, including a Statement of Overriding Considerations, and adopting an MMRP, and adopted other Motions and Resolutions with respect to the Project.

On October 5, 2017, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting on the various approvals necessary to implement the Project, including, but not limited to, Planning Code Text and Zoning Map Amendments, approval of the Mission Rock Design

Controls document, approval of a Development Agreement and made findings of General Plan consistency. (See Planning Commission Resolution and Motions numbers 20019, 20020, and 20021. The Planning Commission makes these findings and adopts the MMRP as part of each and all of these approval actions.

MOVED, that the Planning Commission has reviewed and considered the Final EIR and the record associated therewith, including the comments and submissions made to this Planning Commission and the Planning Department's responses to those comments and submissions, and based thereon, hereby adopts the Project Findings required by CEQA attached hereto as Attachment A including a statement of overriding considerations, and adopts the MMRP, included as Exhibit 1 to Attachment A, as a condition of approval for each and all of the approval actions set forth in the Resolutions and Motions described above.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on Thursday, October 5, 2017.

Jonas P. Ionin

Commission Secretary

AYES:

Hillis, Richards, Fong, Johnson, Koppel, Melgar, Moore

NAYS:

None

ABSENT:

None

ADOPTED:

October 5, 2017

# Acceptance of Mission Rock 12kV Power Distribution

Board of Supervisors Land Use & Transportation Committee November 8, 2021

Presented By: Josh Keene Waterfront Development Director



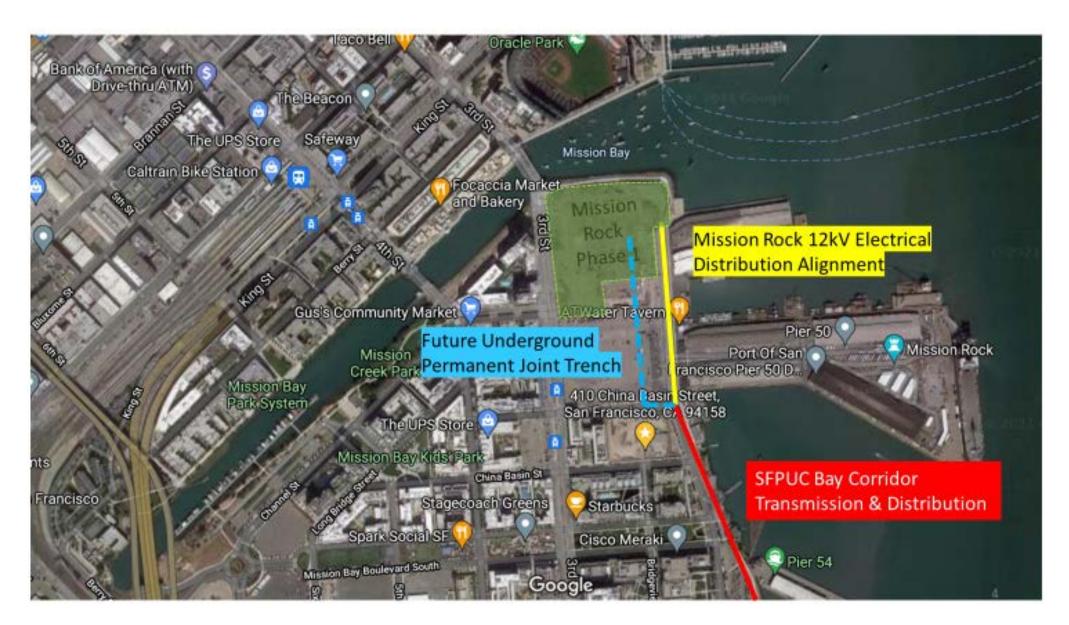




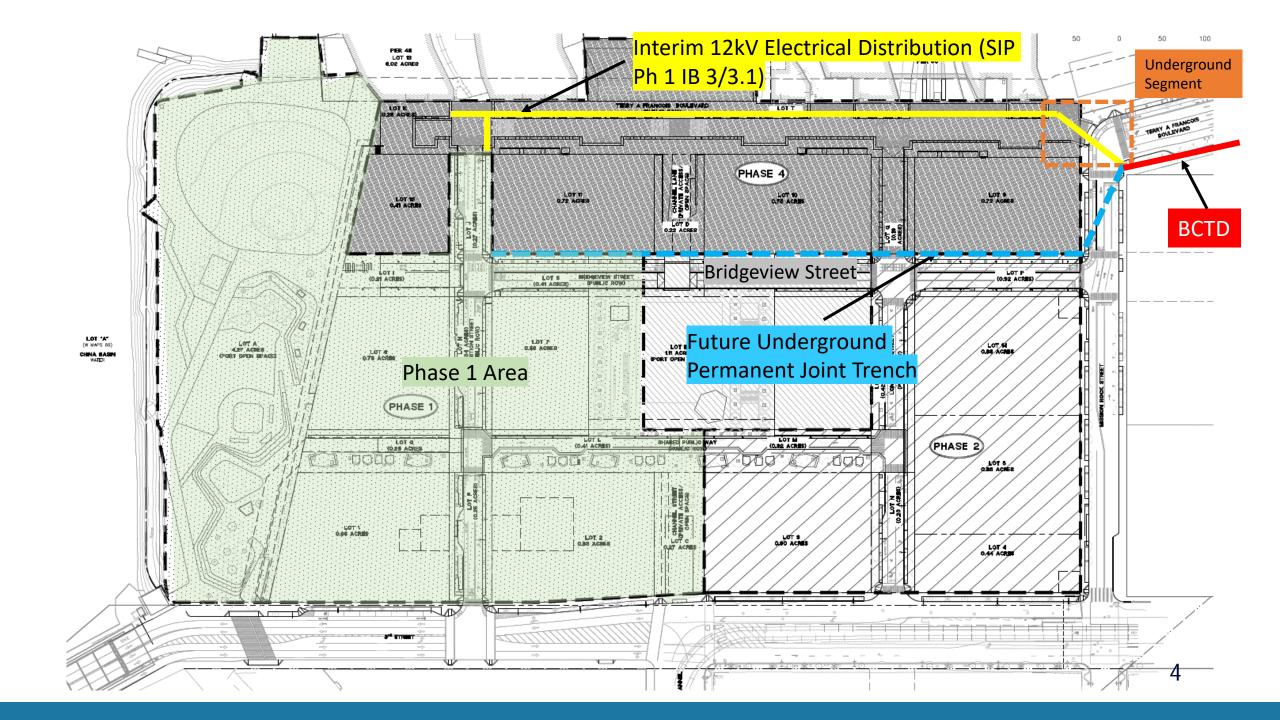
## Mission Rock 12kV Power Distribution Background

- "12kV Line" has been constructed by Developer, at Developer's cost, to connect SFPUC's Bay Corridor Transmission and Distribution ("BCTD") line to Phase 1 of the Mission Rock project
- 12kV Line currently provides construction power for trailers and three buildings currently under construction (fourth building to commence construction Q1 2022)
- 12kV Line will provide permanent power to the four Phase 1 buildings, streetlights and Port open space, which necessitates SFPUC ownership of the line
- After permanent power distribution infrastructure is installed in a future development phase, Developer is obligated to remove the 12-kV Line at Developer's cost









## **Acceptance Process**

- Mission Rock Phase 1 Public Improvement Agreement amended to include provisions regarding 12kV Line, including security for the completion of the improvements and warranties
- Developer completed 12kV Line improvements and requested Notice of Completion and Acceptance
- Exceptions to Subdivision Regulations approved by Public Works
  - Allows for temporary overhead line
  - Allows for acceptance of line prior to acceptance of other Phase 1 improvements
- Port and SFPUC entered into MOU to provide land rights for the 12kV Line
- Public Works, with concurrence from SFPUC, issued Notice of Completion for the 12kV Line
- Public Works, SFPUC and Port staff, recommend acceptance of the 12kV line



## Recommendation

- 12kV Line allows SFPUC to provide critical construction and permanent greenhouse gas-free Hetch Hetchy power to new customers in Mission Rock Phase 1
- Respectfully request approval by the Land Use & Transportation Committee





#### **BOARD of SUPERVISORS**



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#### MEMORANDUM

TO: Rich Hillis, Director, Planning Department

Elaine Forbes, Executive Director, Port Department

Carla Short, Interim Director, Public Works

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: October 1, 2021

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Mayor Breed on September 28, 2021:

File No. 211028

Ordinance accepting the irrevocable offer of a 12-kilovolt power line and associated facilities ("12-kV Line") servicing the Seawall Lot 337 and Pier 48 Mixed-Use Project, bounded by 3rd Street and Mission Rock Street, subject to conditions and limitations; dedicating the 12-kV Line to public use; designating the 12-kV Line for public power purposes; accepting the 12-kV Line for maintenance and liability purposes; adopting findings under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; accepting a Public Works Order recommending various actions regarding the 12-kV Line; and authorizing official acts in connection with this Ordinance, as defined herein.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: erica.major@sfgov.org.

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Aaron Starr, Planning Department
Andrea Ruiz-Esquide, Deputy City Attorney
Joy Navarrete, Planning Department
Boris Delepine, Port Department
David Steinberg, Public Works
Jeremy Spitz, Public Works
John Thomas, Public Works
Lena Liu, Public Works