

1 [Development strategy and issuance of RFPs.]

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3 **Resolution endorsing the strategy for development of certain real property formerly**
4 **occupied by the Central Freeway and the issuance of requests for proposals.**

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6 WHEREAS, The City has acquired certain real property consisting of the area formerly
7 occupied by the Central Freeway between Market Street and Turk Street (the "Property"),
8 from the State of California, Department of Transportation, pursuant to Section 72.1 of the
9 California Streets and Highways Code and Board of Supervisors Resolution No. 000667; and,

10 WHEREAS, Section 72.1 of the California Streets and Highways Code requires that the
11 City use all proceeds from disposition of the former Central Freeway parcels acquired from
12 the State to finance the City's replacement of the former Central Freeway with a ground-level
13 boulevard along Octavia Street from Market to Fell Street, as described in that certain
14 Cooperative Agreement between the City and the State dated November 29, 2000, (the
15 "Octavia Boulevard Project") and, upon full funding of the Octavia Boulevard Project, for
16 transportation and related purposes authorized under Article XIX of the California Constitution;
17 and,

18 WHEREAS, In November 1998, the voters of the City and County of San Francisco
19 approved Proposition E, authorizing construction of the Octavia Boulevard Project. In
20 November 1999, the voters approved Proposition I, which encouraged the development of
21 housing, particularly affordable housing, on those portions of the former Central Freeway
22 parcels transferred to the City that are not necessary for the Octavia Boulevard Project (the
23 "Central Freeway Housing Parcels"), some of which are proposed to be developed as
24 affordable housing parcels (the "Affordable Housing Parcels") and the remaining of which are
25 proposed to be developed as market rate housing (the "Market Rate Housing Parcels"); and,

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1 WHEREAS, The City, through its Department of City Planning and Mayor's Office of
2 Economic Development, along with the Redevelopment Agency of the City and County of San
3 Francisco (the "Redevelopment Agency"), has conducted numerous public planning meetings
4 in order to determine the appropriate reuse of the former Central Freeway parcels, consistent
5 with Propositions E and I; and,

6 WHEREAS, The City's planning process has resulted in the preparation of a
7 development strategy for the Octavia Boulevard Project and for the Property (the
8 "Development Strategy"), dated September 2001, a copy of which is on file with the Clerk of
9 the Board of Supervisors in File No. _____; and,

10 WHEREAS, As set forth in the Development Strategy, the four principal goals of
11 proposed development are to (1) fund the construction of the Octavia Boulevard Project and
12 all associated transportation improvements, (2) reconnect the physical fabric of the
13 neighborhood by removing the barrier of the elevated freeway, (3) provide the maximum
14 feasible number of housing units on the vacant former Central Freeway parcels to address the
15 City's continuing housing crisis, and (4) provide the maximum feasible number of housing
16 units affordable to low and moderate income families to maintain the diversity of San
17 Francisco; and,

18 WHEREAS, The Development Strategy includes proposed transfers of the Affordable
19 Housing Parcels to the Redevelopment Agency for the development of affordable housing;
20 and,

21 WHEREAS, In addition to those certain transactions related to Parcels A, C, H and K
22 that are currently the subjects of separate resolutions before the Board of Supervisors, City
23 staff is prepared now to issue Requests for Proposals ("RFP") for development of Parcels H
24 and J, two Market Rate Housing Parcels, in order to begin implementation of the Development
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1 Strategy, in the form of RFP attached to the Development Strategy on file with the Clerk of the
2 Board of Supervisors in File No. _____; and,
3 WHEREAS, The City proposes to subsequently issue RFPs for development of the remaining
4 Market Rate Housing Parcels in substantially the same form as the RFP on file with the Clerk
5 of the Board of Supervisors in File No. _____ or to otherwise dispose of the parcels
6 through a bid process following the completion of the Department of City Planning's Better
7 Neighborhood 2002 Program; now, therefore, be it

8 RESOLVED, That, subject to the completion of all required environmental review under
9 the California Environmental Quality Act and the further review and approval of any specific
10 agreements for the disposition of such Central Freeway Parcels by the Board and the Mayor,
11 in their respective sole and absolute discretion, the Board of Supervisors hereby endorses the
12 Development Strategy and authorizes and urges the Director of Property, the Director of City
13 Planning, the Mayor's Office of Economic Development and the Executive Director of the
14 Redevelopment Agency to take any and all steps to effectuate the Development Strategy,
15 including issuance of RFPs substantially in the form presented to this Board.

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17 RECOMMENDED:

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Marc McDonald
Director of Property

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Richard Hillis
Mayor's Office of Economic Development

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