



Memo to the planning commission

HEARING DATE: January 7, 2021

Record No.: 2020-002347CWP
Project: UCSF Comprehensive Parnassus Heights Plan (CPHP): MOU between City and UCSF
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Recommendation: None - Informational

Executive Summary

The University of California San Francisco (UCSF) will be seeking approval from the UC Regents on January 20-21, 2021 of the proposed [Comprehensive Parnassus Heights Plan \(CPHP\)](#). The CPHP is a 30-year plan to reinvest in and substantially grow the Parnassus Heights campus, including a new hospital, additional research space, new campus housing, improved public spaces and circulation, and other changes. Approval of the CPHP would require the Regents to amend its “space ceiling” for non-residential development that it imposed on the Parnassus campus and that has largely capped growth there since 1976. UCSF presented the CPHP to the Planning Commission at an [informational hearing on June 4, 2020](#). As a state institution, UCSF is generally not subject to the jurisdiction of the City in its development activities. In response to the urging of Mayor London Breed and Supervisors Norman Yee and Dean Preston, the Planning Department, along with staff from other agencies, engaged UCSF and the public over the past several months in a process to craft a Memorandum of Understanding (MOU) between the City and UCSF to address City and community concerns regarding implementation of the CPHP. In addition to the multi-year public process conducted by UCSF in formulating the CPHP, the MOU-specific process, hosted by the Planning Department, and including representatives of the mayor’s office, SFMTA, OEWD, SFDPH and others, has included two community workshops to date (with a third to be held on January 6, 2021) and other direct outreach and discussions with community members and the Supervisors. The draft MOU, presented here as an informational item to the Planning Commission, is the result of this process and contains commitments by UCSF to make additional investments in housing, transportation, workforce development, health care services, and ongoing coordination with the City, among other items. Following certification of the CPHP FEIR by the Regents later in January, the MOU would be executed by the City and UCSF.

Background

The University of California San Francisco (UCSF) is one of 10 campuses in the UC system, and the only one solely focused on health sciences. UCSF functions include teaching, research, and a health system with a hospital that consistently ranks in the top ten nationwide. UCSF is San Francisco's second largest employer – after the City itself – with 22,500 faculty and staff per the UCSF 2014 Long Range Development Plan (LRDP). UCSF has a student population of over 6,000 comprised entirely of graduate level students and beyond (e.g. postdocs, clinical residents). There are three major campus sites at Parnassus Heights, Mount Zion, and Mission Bay, and a multitude of other owned and leased sites throughout San Francisco, including at Zuckerberg San Francisco General Hospital. All told, UCSF occupies approximately 8 million square feet of building space across approximately 200 acres. UCSF currently provides approximately 1,600 units of housing for students, clinical residents, and faculty, located at Parnassus and the Mission Bay area (with the vast majority located at Mission Bay and vicinity).

The most significant change in physical facilities for UCSF citywide over the past twenty years have occurred at Mission Bay where UCSF has constructed a new campus, which was the major thrust of the university's 1996 LRDP. The most recent LRDP, adopted in 2014, focused on further intensification of its Mission Bay campus and other modest changes and reinvestment systemwide. One the most notable most change to UCSF's facilities considered, and now implemented, in the 2014 LRDP was the decommissioning and sale its 10.3-acre Laurel Heights facility at 3333 California, which was approved in 2019 by the Planning Commission and Board of Supervisors to be redeveloped with housing. Another was UCSF's acquisition and development of three sites in the Dogpatch area off the Mission Bay campus. Related to these projects in Dogpatch included engagement with the neighbors and the City, including the Planning Department and others, in a "cushioning action plan" whereby UCSF agreed to contribute toward or under-take improvements in that neighborhood of mutual benefit to UCSF and the neighborhood, including investments in open space, transportation, and community facilities. Planning for changes and construction at Mount Zion and Parnassus Heights has been much less substantial over the recent decades.

Parnassus Heights

Over the last two years, UCSF has been engaged in efforts to identify how best to reinvest in the Parnassus Heights campus, which is the oldest and largest of UCSF's campuses, to address a range of challenges facing this campus, including the viability of aging buildings, limitations of its facilities to meet the challenges of the contemporary healthcare and research environment, building code/seismic requirements for inpatient and clinical facilities, a goal of providing more housing for its students and workforce, and a desire to improve its public spaces and connectivity to the surrounding city.

The campus comprises 107 acres. UCSF's facilities are concentrated on the north side of the campus site, where Moffitt and Long Hospitals, four professional schools, clinics, research, housing, parking, and other support uses are located. The 61-acre Mount Sutro Open Space Reserve (Reserve) occupies the central and southern portion of the campus property. The Aldea Housing complex is located in the southeast portion of the campus site adjacent to the Reserve. The current average daily population at Parnassus Heights is estimated at approximately 17,400 persons, including faculty and staff, students, patients, and visitors. There are currently

nearly 7,400 UCSF faculty and staff employed at the campus site. About 580 residents currently reside in UCSF housing at the Parnassus Heights campus site.

Since the 1976 LRDP, the framework for growth at the Parnassus Heights campus has been contained in a Regents-adopted resolution (“1976 Resolution”), committing, among other things, to the following key elements:

- A “space ceiling” of 3.55 million gross square feet (gsf) of non-residential space (though existing space slightly exceeds this at approximately 3.7m gsf)
- A permanent campus boundary, with no further expansion of UCSF within the area bounded by Golden Gate Park/Oak Street, Ninth Avenue, Clarendon Avenue, and Clayton Street.
- A permanent Mount Sutro Open Space Reserve (that at the time was set at 58 acres and has since been increased to 61).

In October 2019 UCSF released the “Comprehensive Parnassus Heights Plan Final Report” (“CPHP”) which sets forth the vision and strategy for a revitalization/redevelopment effort anticipated to occur over a 30-year period. The plan, which would require an amendment by the UC Regents to the 2014 LRDP, calls for development of up to approximately 2.05 million net additional square feet, and anticipates a substantial increase in the campus daytime population. Approximately 750 housing units (constituting about 673,000 square feet of the net growth) would be added in total, split between the Aldea area near the top of Mount Sutro and along a restored 4th Avenue at the western side of the campus between Parnassus and Kirkham Avenues, more than quadrupling the housing stock currently at Parnassus campus (222 units). The remaining 1.37 million square feet would primarily consist of net new clinical and research space, including a new hospital. The LRDP amendment would result in an increase in the estimated average daily population from approximately 18,500 in horizon year 2035 to about 25,300 in horizon year 2050, a net increase of approximately 6,800. When compared to the existing average daily population at the campus site of 17,400, the proposed LRDP amendment would result in a net increase in the average daily population by nearly 7,900 by 2050.

This proposed LRDP amendment would require the UC Regents to increase the space ceiling limit from the current 3.55 million square feet to a proposed 5.05 million square feet, and to adjust the boundaries but maintain the current minimum size of the Mount Sutro Open Space Reserve.

UCSF published a Draft Environmental Impact Report (DEIR) on the proposed CPHP in July 2020 and will seek FEIR certification and plan approval from the UC Regents at their meeting on January 20-21, 2021. UCSF would follow up afterwards with a project-specific EIR on the new hospital, which UCSF seeks to complete by 2030.

UCSF-City Coordination on CPHP

As a state institution, UCSF is generally not subject to the jurisdiction of the City, including the Planning Code, General Plan and Building Code, for approval of its plans and construction projects on its properties, though certain elements of UCSF’s plans may require approval or cooperation of the City, such as improvements or changes to City-owned right-of-way and other City-owned infrastructure. The UC Regents certify CEQA documents prepared for UC projects, and the City may submit comments on these documents.

UCSF included in their community engagement efforts representatives from Planning staff along with other City agencies (including SFMTA, Office of Resilience & Capital Planning, Recreation & Parks). These efforts included a

Community Working Group and Community Advisory Committee, both of which were primarily comprised residents, merchants and stakeholder groups representing the immediately surrounding neighborhoods. As part of its Community Advisory Group process from late 2019 through May 2020, UCSF solicited and generated ideas for how the university could provide additional community investments and improvements that would address core issues of concern, particularly around transportation, housing, and open space.

On January 16, 2020, Mayor Breed, along with Board of Supervisors President Norman Yee and Supervisor Dean Preston (whose districts, D7 and D5, include the Parnassus campus), authored a letter to UCSF Chancellor Sam Hawgood. The letter expressed a desire that UCSF work collaboratively with the City to address the growth and changes proposed by the CPHP. Specifically, the Mayor and Supervisors called for the Planning Department to convene a “stakeholder process” with UCSF to ensure City and community voices are heard and addressed, such as around issues of transportation and housing, among other issues. The ultimate goal of this process would be to draft a mutually-ratified Memorandum of Understanding (MOU) between the City and UCSF that addresses these issues by describing commitments of both parties and processes for moving forward.

On June 4, 2020, Planning Department staff and UCSF staff presented the CPHP to the Planning Commission as an [informational item](#).

MOU Process

Following completion of the comment period on UCSF’s Draft EIR for the CPHP in late summer 2020, the City and UCSF initiated a [community process](#) to solicit input on an MOU between the City and UCSF and began negotiations with UCSF. Two public workshops have been held to date (as of publication of this memo), attended by over 50 members of the public:

September 29, 2020: This workshop provided an introduction to the concept and legal framework for an MOU to the public and provided opportunity for the public to weigh in, through both small break-out discussion groups as well as comment/Q&A session with the whole attendance, on their ideas and priorities for community investments by UCSF and MOU terms.

December 9, 2020: This workshop provided a description for each topic of the then-proposed draft MOU terms that resulted from the City-UCSF discussions following the September workshop. Staff provided an overview, for each topic, of what was contained within the CPHP itself on that topic, a summary of the public input at the September 29 workshop, and a description of the MOU terms for that topic. Staff from the City and UCSF fielded questions and comments from the attendees in their reactions to the draft terms to date.

Following the December 9 workshop, City and UCSF staff continued to negotiate and refine draft MOU terms, especially in response to feedback given by the public on December 9 and thereafter.

A third public workshop is scheduled for Wednesday January 6, 2021, in order to provide an update on MOU changes since the December 9 workshop and answer questions and seek comment on the specific MOU language which will be available for review upon publication of this packet on December 31.

The Draft MOU provided in the Commission's packet for this hearing is the culmination of this process. Additional changes to the MOU could be made up until execution by both parties. As the execution of the MOU requires CEQA coverage itself, which is provided by UCSF's EIR on the CPHP, execution of the MOU will happen after the UC Regents certify the FEIR for the CPHP at their meeting on January 20-21, 2021. The signatories of the MOU on the City side will likely include the Planning Director, Executive Director of SFMTA, and other affected agency heads.

Draft MOU Terms

Following is a high-level summary of key MOU terms by topic, highlighting the proposals in the CPHP that relate to this issue, key community input, and draft MOU terms. The full draft MOU is attached to this memo for review. Note that some UCSF commitments and obligations on some topics will be delineated as mitigations in the CPHP FEIR, to be published at least 10 days prior to the Regents' consideration of the plan. These mitigations are not generally reflected or reiterated in the MOU to avoid confusion between the MOU and the EIR. For convenience and a full accounting of these key obligations, key mitigations to be included in the FEIR are noted below.

General City Coordination and Community Engagement

MOU Terms:

- UCSF will provide an **annual written report** to the City on progress in meeting the terms of the MOU, buildout of the CPHP, and a variety of information and data, including transportation and TDM data.
- UCSF will provide an **annual informational briefing to the Planning Commission**, if desired, on the status of the CPHP buildout, major projects, and progress toward meeting the terms of the MOU
- UCSF will provide the City, through the Planning Department, the opportunity to **preview and comment on early (schematic) designs of major buildings**
- City will make good faith effort to support implementation of the Project, including **timely inter-agency coordination** of any permits (eg infrastructure, streets) needed by UCSF and will establish a working group to help coordinate implementation of the MOU commitments.
- UCSF will continue to host at least one **annual community meeting** and post information online about the CPHP progress
- UCSF will **increase its spending in local, small businesses** by 50% by 2024 and **implement "Shop Local" campaigns** to promote local businesses in the campus vicinity.

Housing

CPHP Proposal:

- Add 762 housing units to the Parnassus campus, including a redevelopment of the Aldea complex and new housing along a re-established 4th Avenue

Community Input:

- Housing that is affordable to and available to UCSF's workforce, in addition to students and faculty, should be prioritized
- The pace of new housing should match the construction of non-residential, job-producing development

MOU Terms:

- UCSF will deliver a total of 1,263 net new units in San Francisco by 2050 (inclusive of the 762 included in the CPHP), half delivered by 2030, with the remaining half divided equally by 2040 and 2050. This would double UCSF's current housing portfolio citywide.
- UCSF will dedicate a share of its overall housing portfolio (i.e. existing plus new) as units **affordable to UCSF employee households at up to 90% of AMI and up to 120% AMI** according to the following schedule, with the affordable units split evenly between 90%AMI and 120%AMI:
 - 2030: 20% of all UC portfolio units will be affordable
 - 2040: 30% of all UC portfolio units will be affordable
 - 2050: 40% of all UC portfolio units will be affordable
- UCSF would commit to maintaining this affordable housing portfolio at least 30 years past the termination of the CPHP in 2050 (ie until at least 2080).
- Expansion of UC's **Down Payment Support Program** to include all employees who have worked at least 2 years in education or health care.
- Provision that UCSF can opt to satisfy up to 200 of its affordable housing obligation through payment of in-lieu fee, provision of land to the City, and other measures.

Transportation & Streets

CPHP Proposal:

- Various loading and drop-off improvements around the campus
- Improved circulation, safety and wayfinding on Irving and Parnassus

Community Input:

- Increase Muni service and capacity, especially N-Judah
- Improved multi-modal connections
- Comprehensive TDM program
- Early implementation of transportation investments

MOU Terms:

- UCSF to pay a **Transportation Contribution** of \$10.58/sf towards transit improvements serving campus,

estimated at roughly \$20m for the full plan. SFMTA will use these funds to improve transit service to the Parnassus campus. The Contribution will be paid at issuance of foundation permit for each building.

- N-Judah stop improvements at 2nd/Irving
- UCSF will work with SFMTA to pursue better multi-modal connections to campus, including an **improved bicycle route from Golden Gate Park**.

CPHP EIR Mitigations:

- UCSF will implement **Transportation Demand Management program** enhancements to reduce average daily vehicle trips by at least 15% from estimated new average daily vehicle trips without these enhancements
- UCSF will implement a **patient transit pass program** by June 30, 2025, and a petition to run a **referendum on a student transit pass** will be reviewed and voted on by the UCSF student government assembly by June 30, 2025

Workforce Development (Jobs) and Education

CPHP Proposal:

- Utilize City-UCSF partnerships on job- training/internships (EXCEL – Excellence Through Community Engagement Learning) and construction employment opportunities (CCOP – Community Construction Outreach Program) to provide local employment opportunities from the Project.

Community Input:

- Train and hire SF residents to stabilize local communities
- Expand programs that provide STEM educational and internship opportunities to San Francisco youth, especially low-income students of color

MOU Terms:

- Increase the number of participants in the EXCEL program and expand to include additional job classifications
- Negotiate a First Source hiring agreement, with a 30% local hire goal for certain operational jobs, within two years of MOU execution
- City and UCSF to develop “upskill training” programs for graduates of the EXCEL Programs
- 30% local hire goal for construction jobs in the Project
- Extend the CCOP/CityBuild partnership
- **Maintain and expand UCSF partnerships with SFUSD**, including, but not limited to, support for the Science and Health Educational Partnership (SEP) High School Internship Program and the Center for

Science, Education and Outreach (CSEO).

Health Care Services

CPHP Proposal:

- Maintain ongoing partnerships with City and other providers:
 - Physician support for ZSFG hospital, including emergency psychiatric services and Level 1 trauma care
 - Behavioral health services
 - Supportive housing programs
 - HIV prevention, mental health, and substance abuse services
 - Infant, child, and adolescent psychiatry
 - Covid Community Public Health Initiative

Community Input:

- Psychiatric care
- Geriatric primary care
- Skilled Nursing Facilities (SNF) and subacute services

MOU Terms:

- Identify opportunities to **increase care, especially adult inpatient psychiatric beds, to Medi-Cal recipients**
- Identify opportunities with DPH for **pediatric inpatient psychiatric care and expansion of mental health support services for school-age children**
- Explore developing a **Crisis Stabilization Unit**
- Increase **mental health care career opportunities for underrepresented populations**

Open Space and Cultural Resources

CPHP Proposal:

- Wayfinding to Mt Sutro from Golden Gate Park and city streets
- Publicly accessible elevators in UCSF buildings to assist with vertical ascent to Mt Sutro trails
- UCSF financial support for the Sutro Stewards' "Health in Nature" Program + access to classroom space for educational activities

Community Input:

- Improved connections to Mt Sutro from Golden Gate Park
- Preservation of WPA-era “History of Medicine in California” murals in Toland Hall

MOU Terms:

- **Maintain total Reserve acreage** and natural trail design
- **Wayfinding improvements** for campus and Reserve trails
- Continued implementation of Mt. Sutro Vegetation Management Plan and coordination with City Recreation & Parks Department on management of adjacent Interior Greenbelt

CPHP EIR Mitigations:

- UCSF will convene a Task Force by the end of 2021 to advise on options for the **display of the “History of Medicine” murals in a publicly accessible setting**, either on a UCSF campus or a museum or other institution. The Task Force will include the Chair of the City’s Historic Preservation Commission, or their designee. (In October 2020 UCSF contracted with a historic preservation contractor to safely remove and store the murals for future relocation).

Required Commission Action

No action by the Commission is being requested at this time.

Recommendation: None - Informational

Attachments:

Draft Memorandum of Understanding between City and UCSF

MEMORANDUM OF UNDERSTANDING

University of California, San Francisco – Comprehensive Parnassus Heights Plan

This MEMORANDUM OF UNDERSTANDING (this “**MOU**” or “**Agreement**”) dated as of _____, 2020, is made by and between the City and County of San Francisco, a municipal corporation (the “**City**”), acting by and through its Planning Department, Municipal Transportation Authority, and Mayor’s Office of Economic and Workforce Development, and the Regents of the University of California, on behalf of its San Francisco campus (“**UCSF**”) (collectively, the “**Parties**,” and each a “**Party**”) in connection with UCSF’s implementation of the Comprehensive Parnassus Heights Plan (the “**CPHP**” or “**Project**”) at its oldest and largest campus, which includes the UCSF Helen Diller Medical Center Program at Parnassus Heights.

RECITALS

A. The Parties acknowledge that UCSF is a recognized leader in the regional health care system by providing highly specialized health care, with acclaimed faculty physicians, and multi-disciplinary teams of psychologists, nurses, pharmacists, dentists, social workers, and physical therapists who are leading in comprehensive and compassionate patient care, pioneering research, training the next generation of leaders, and shaping public policy to advance mental and physical health. The Parties acknowledge UCSF’s longstanding commitment to diversity and reducing health disparities through discovery, policy, advocacy, and community partnerships. UCSF is dedicated to advancing mental and physical health across the lifespan for the people of the Bay Area and northern California. UCSF has ongoing agreements with the City and other partners in the City to implement a variety of mental health programs including, supportive housing programs; emergency psychiatric services and Level 1 trauma care; HIV prevention, mental health, and substance abuse services; infant, child and adolescent psychiatry; and substance abuse and addiction therapy, for the benefit of a diverse patient population.

B. UCSF affirms its continued partnerships with the City in response to the COVID-19 pandemic through its COVID Community Public Health Initiative and ongoing pandemic response efforts in key areas, including strategic testing, contact tracing, and safe campus re-opening.

C. The Parties acknowledge UCSF’s commitment to address healthcare priorities that serve diverse populations and advance healthcare and health equity through its efforts with the Anchor Institution Initiative, the UCSF Center for Vulnerable Populations, the launch of the Partnership for Research in Implementation Science for Equity Center, and other programs.

D. The City recognizes the significant contributions UCSF makes by providing world-class care at Zuckerberg San Francisco General Hospital and Trauma Center (“**ZSFG**”), a historic partnership that began in 1873 and recently included the collaboration to build a new UCSF research facility at ZSFG. The City further recognizes the major economic impact that UCSF has on the neighborhood, City, and Bay Area regional communities, including providing approximately \$273.5 million annually in uncompensated care and charity health care for

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patients, and supports UCSF's current efforts to responsibly plan for its future needs. As the second-largest employer in the City and the fourth largest in the Bay Area, UCSF's estimated economic output in the nine-county region was nearly \$9 billion, according to its last economic impact report in 2016.

E. State law requires hospital facilities to comply with seismic safety building standards as defined by the Office of Statewide Health Planning and Development (“**OSHPD**”). In order to comply with these standards, Moffitt Hospital must be structurally retrofitted or decommissioned as an inpatient facility by 2030. UCSF seeks to reimagine and create a 21st century health sciences campus that will aesthetically complement, and be fully integrated into the surrounding neighborhood and natural beauty of the Mount Sutro Reserve, keep pace with the growing health care needs of the City with a new hospital, and better serve its public mission through new, contemporary facilities that leverage the advantage of connecting world-class scientific research and health sciences education to patient care.

F. UCSF is part of the University of California, a constitutionally created entity of the State of California, with “full powers of organization and government” (Cal. Const. Art. IX, Section 9).

G. The UCSF Parnassus Heights campus site comprises approximately 107 acres of land located in the Inner Sunset mixed-use neighborhood and adjacent to the Haight Ashbury, Cole Valley and Forest Knolls neighborhoods in the City (the “**Campus**”). UCSF's facilities are concentrated at the north end of the Campus, where Moffitt and Long hospitals, five professional programs, clinics, research, housing, parking, and other support uses are located. The physical core of the Campus is located along Parnassus Avenue, which extends east-west, bisecting this portion of the Campus. The Campus is located south of Golden Gate Park, and is bounded in the north by Irving Street which includes the SFMTA N-Judah line. The 61-acre Mount Sutro Open Space Reserve (the “**Reserve**”) occupies the central and southern portion of the Campus. The Aldea Housing complex is located in the southeast portion of the Campus adjacent to the Reserve.

H. In 2018, UCSF began a planning process to create a new vision for the Campus, which involved engagement with various campus and community stakeholders, including the City, to develop the CPHP. UCSF established a Community Working Group and an Advisory Committee that met between October 2018 and June 2020 to solicit public input on the Project, including meetings, open houses, walking tours, town halls, and other workshops. In 2019, UCSF published a Community Ideas Report that summarized the ideas and feedback received during the community outreach process.

I. The CPHP provides for the development of approximately 2.90 million gross square feet (“**gsf**”) of new building space. The net increase in building space at the Campus under the CPHP would be approximately 2.04 million gsf, when accounting for demolition that was approved under the 2014 Long Range Development Plan (“**LRDP**”) but yet not implemented, and potential additional building demolition that would occur under the CPHP. The CPHP includes an “**Initial Phase**” that comprises: (1) Irving Street Arrival improvements, (2) Research and Academic Building, (3) New Hospital, and (4) initial Aldea Housing Densification, and as well as other Initial Phase improvements. The Initial Phase would account

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for approximately 1.43 million gsf of new building development, and is anticipated to be completed by approximately year 2030. Beyond the Initial Phase, the “**Future Phase**” encompasses the remaining approximately 1.47 million gsf of new building development described in the CPHP envisioned for completion by the horizon year of 2050.

J. Approval of the Project by the Board of Regents would comprise an amendment to the adopted 2014 LRDP. The Board of Regents has the responsibility for considering the LRDP amendment. If the LRDP amendment to incorporate the CPHP is approved, it would be used to guide the development of the Campus through the next 30 years.

K. In 1976, the Board of Regents adopted a resolution to address potential impacts associated with development of the Parnassus Heights campus site, the Regents designated the Mount Sutro Open Space Reserve as a permanent open space; adopted a limit on the amount of built space of 3.55 million gsf, commonly referred to as the “space ceiling,” within the newly designated campus site boundaries among other actions taken. At that time, the space ceiling applied to all building space, but excluded residential uses in UCSF buildings on Third, Fourth, Fifth, and Parnassus Avenues and Kirkham and Irving Streets. The 2014 LRDP revised the Regents’ Resolution to exclude other residential square footage within the campus site from the space ceiling (i.e., Aldea Housing and University House). The 2014 LRDP identified strategies to reduce the space ceiling overage over the life of the 2014 LRDP. Project approval of the space ceiling increase by the Board of Regents allows UCSF to create modern healthcare facilities at the Campus, reflecting the growing needs of the region.

L. On January 16, 2020, Mayor London Breed, along with then Board of Supervisor President Norman Yee and Supervisor Dean Preston, sent a letter to UCSF Chancellor Sam Hawgood indicating a desire to engage UCSF in creating an MOU to address issues related to the Project, including additional stakeholder engagement to solicit public input. On January 27, 2020, Chancellor Sam Hawgood sent a letter in response and acknowledged UCSF’s commitment to ongoing engagement with the community and the City.

M. The Parties acknowledge the Memorandum of Understanding entered into by the Parties on February 17, 1987 regarding the coordination of UCSF planning activities citywide (“**1987 MOU**”). The Parties further acknowledge that the 1987 MOU remains in effect and the scope of this Agreement is limited to the Parties’ collaboration regarding the Project.

N. In the fall and winter of 2020, the City hosted and conducted public meetings and outreach to directly solicit input regarding this MOU, which included expanding on and refining the community investment concepts UCSF presented from its CPHP community process that culminated in June 2020.

O. The Parties enter into this MOU to recognize their mutual interests and goals; address community concerns expressed during the extensive community input process with respect to the CPHP; and to advance investment in UCSF’s facilities and programs in research, patient care, education, and community service while improving the aesthetic and functional design of the campus environment.

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P. The Parties acknowledge that UCSF and the City voluntarily agree to enter into this Agreement. The community investments contained herein are in addition to the Project's Mitigation Monitoring and Reporting Program ("MMRP") required under the California Environmental Quality Act ("CEQA") and are not part of the CEQA process related to the Project.

AGREEMENT

NOW, THEREFORE, for the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, the Parties agree as follows:

I. RECITALS; EFFECTIVE DATE

The Parties agree that the above Recitals are true and correct, and incorporate the Recitals into this Agreement. This Agreement will become effective on the date (the "**Effective Date**") that it is executed and delivered by both Parties, following the necessary Project approvals.

II. COORDINATION TO IMPLEMENT THE PROJECT

A. General UCSF - City Coordination.

1. The City acknowledges that this MOU applies to the Project and any implementing projects of the CPHP, including the Helen Diller Hospital (the "**New Hospital**"). UCSF staff and City staff, through the City's Planning Department, will meet annually through completion of the Project or 30 years following approval of the CPHP, whichever occurs first. The City's Planning Department will invite and coordinate with relevant City agencies, including but not limited to the San Francisco Municipal Transportation Agency ("**SFMTA**"). Such meetings will be used to review:

(a) Implementation of the Project, compliance with this MOU by both Parties, and progress toward meeting the commitments herein;

(b) UCSF's long-range development plan and ongoing development, projects, transportation and housing programs, including progress toward implementing the Project and any new or pending major proposals to amend the LRDP; and

(c) The City's long-range development, transit and infrastructure plans, and projects of relevance to the Project.

~~2.~~ In an effort to efficiently review and process any permits for the Project, the City will refer such matters to the City's Infrastructure Task Force or to the City department responsible for review and issuance of the permit. City Planning, SFMTA, Office of Economic and Workforce Development ("**OEWD**"), and Mayor's Office of Housing and Community Development ("**MOHCD**") will also create a working group, with a single contact person from each department, responsible for meeting and reviewing requests from UCSF that relate to the Project (the "**Parnassus Work Group**"). The Parnassus Work Group will meet periodically to

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ensure that all matters relating to this MOU are coordinated and efficiently prosecuted to completion.

3. Key Contacts. UCSF and the City each will assign designated key contacts (i.e., manager, employee, or other agent with management level authority) and key staff members who will meet, collaborate and negotiate diligently in good faith on its behalf in implementing this MOU.

(a) The City's initial designated key contacts are Joshua Switzky of the City's Planning Department, and Sarah Jones of SFMTA and Jon Lau of the OEWD.

(b) UCSF's initial designated key contacts are _____ and _____.

(c) Designated key contacts may be changed by notice given in accordance with the Notices provision of this Agreement.

4. Recommendations. In addition to the annual meeting described in Section II.A.1 of this Agreement, either Party may choose to advise the other in writing on any matters concerning master planning, construction and infrastructure, including suggestions for amendments to such plans or projects. The receiving Party will make a good faith effort to respond to the other Party regarding said recommendations in writing.

5. Design. UCSF will provide the City, through the Planning Department, the opportunity to preview the design and site plan of a new project under the CPHP that exceeds 100,000 gross square feet of total building space and abuts the City right-of-way, including but not limited to the New Hospital, prior to the conclusion of the schematic design process. Upon mutual agreement of the Parties, other major capital projects that do not meet the above criteria, will be made available for preview by the City. The City and other relevant City agencies, including but not limited to the SFMTA, may share concerns regarding relevant design or performance guidelines, standards and policies of the City. UCSF will make a good faith effort to respond, and address concerns raised by the City, in writing.

6. Planning Commission Briefings. At the City's Planning Director's request, UCSF will provide one annual informational briefing to update the City Planning Commission on the Project.

7. Annual Report. UCSF will provide an annual written report to the City's Planning Director regarding the status of all MOU commitments, including but not limited to: (a) status of major construction projects completed, underway, or pending; (b) the Housing Contribution including the number of UC Affordable Units located at each project site, the unit type, and the associated AMI level and rent of each UC Affordable Unit, and upon further request, the City may review additional reasonable information related to the distribution and occupancy of the UC Affordable Units (c) data related to travel patterns of UCSF's populations, including mode share, transit use by provider, parking utilization, shuttle ridership, and existing transportation demand management ("TDM") programs that are regularly evaluated to identify new and/or improved TDM strategies; and (d) available data regarding population growth as it becomes available for future CPHP projects. The first annual report will be provided to the City within

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ninety (90) days following the anniversary date of the Effective Date, and subsequent annual reports before the end of each calendar year. Each annual report will be a public document, posted on UCSF's and the Planning Department's websites.

B. Community and Small Business Engagement.

1. UCSF will conduct community engagement meetings for the general public and interested stakeholders regarding the Project at least once per year. Such community meetings will focus on providing Project-related updates and soliciting feedback from the community. The community engagement commitments in this Section are in addition to any statutorily required public process pursuant to CEQA, for the Project.

2. UCSF will strive to ensure that its engagement herein, including any community advisory bodies or committees composed of members of the public, includes a diverse population representative of the socio-economic, cultural and racial diversity of both the surrounding neighborhoods and the City at large.

3. During the Initial Phase of the CPHP and until the New Hospital is complete, UCSF will continue to explore opportunities to convene community stakeholders and the City regarding the design and development of the New Hospital.

4. UCSF will make information about the Project readily accessible to the public through online platforms, including but not limited to, the UCSF website, electronic newsletters, or other digital platforms, which will include an option for the public to contact UCSF with questions or comments.

5. In 2019, UCSF launched the Anchor Institution Initiative in which UCSF pledges to leverage its business operations to advance economic security and opportunity in under-resourced communities to expressly aid in improving health equity. The goal of the Anchor Institution Initiative is to collaborate with community partners in the San Francisco Bay Area by leveraging UCSF's workforce development, procurement and community investment resources. The Anchor Institution Initiative plan includes an initial three-year build that focuses on four strategic areas: workforce development, procurement, community investment, and creation of an anchor office to manage the work, track the outcomes, and engage internal and external stakeholders. UCSF has committed to increase its spend with small, local and diverse businesses by at least fifty (50) percent by 2024. In addition to this effort, UCSF commits to increase its support local, small and diverse businesses in the City by hosting targeted supplier diversity events and launching seasonal campaigns, such as "UCSF Shop Local" to promote businesses in the Campus vicinity, including but not limited to the Inner Sunset and Cole Valley merchants. UCSF will meet annually with MOED to investigate potential partnering with respect to these business promotion activities and to determine ways in which the parties can collaborate and collectively build upon their respective efforts.

III. PROJECT IMPROVEMENTS AND INVESTMENTS BY UCSF

A. Community Workforce.

1. UCSF has a longstanding commitment to workforce development programming and employment pipelines for under-resourced populations. Through the Anchor Institution Initiative, UCSF remains committed to strengthening employment opportunities for San Francisco youth through education and internship opportunities. The commitments set forth in this MOU are in addition to the robust efforts underway.

2. The Parties share a mutual commitment to advance equity, invest in the growth and development of the City's workforce and continue to create employment training opportunities through a work-based learning program and provide classroom and paid work experience to low-income San Franciscans seeking entry-level employment opportunities in the health and life sciences sectors through UCSF's flagship workforce development program, Excellence through Community Engagement and Learning ("EXCEL").

3. UCSF agrees to align the Anchor Institution Initiative and existing workforce development efforts and allocate financial resources to the following initiatives during the Initial Phase of the CPHP:

(a) Evaluate expansion of the EXCEL program to accommodate approximately forty-five (45) program participants annually. Representatives from UCSF and OEWD will meet within one year of the Effective Date to discuss this evaluation and intended program expansion.

(b) Help to develop and participate in a consistent funding source for EXCEL internship wages.

(c) Launch new training programs, within two years of the Effective Date, that expands workforce development to possibly include the following job classifications: Janitorial, Sterile Processing, Medical Assistant, Psychiatric Technician, Patient Safety Attendant, Tech and IT Support and Clinical Research Coordinator.

(d) Partner with the City to implement upskill training for graduates of EXCEL programs (e.g., Medical Administrative Assistant to Medical Coding, Sterile Processing, etc.).

(e) Collaborate with the City to improve the effectiveness of OEWD program reporting, training curriculum feedback, participation in hiring fairs, and donations of surplus equipment for use in training programs.

(f) Within two years of the Effective Date, the Parties will meet to negotiate a first source hiring agreement that establishes a first source hiring goal for UCSF Parnassus Heights operations goals. The purpose of this agreement will be for the Parties to make a good faith effort of 30% of available entry level positions with referrals from the City's Workforce Development System and Health Care Academy and similar UCSF job training programs for disadvantaged individuals, for the Initial Phase of the Project. Qualifying positions can be

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vocational jobs, non-clerical/clerical, long and short term temporary assignments and internship/externship opportunities. Any agreement will be subject to and in accordance with University of California and UCSF policies and collective bargaining unit agreements, including but not limited to Regents Policy 5402, and UCSF's obligations as set forth by the Office of Federal Contract Compliance Programs. On or before the start of the Future Phase, the parties will negotiate in good faith to extend this first source hiring agreement, with such terms as the parties wish to keep and to change, with respect to operations for facilities to be constructed in the Future Phase.

4. The UCSF Office of Community & Government Relations has general oversight of its hiring program through the management of UCSF's Community Construction Outreach Program ("**CCOP**"). The CCOP is charged with ensuring that San Francisco resident workers are made aware of employment opportunities, and are fairly and equitably considered for hire at the time job opportunities become available. Throughout the Project, UCSF will make a good faith effort to reach a hiring goal of at least 30% of total construction hours to be performed by qualified San Francisco resident tradespersons. UCSF's intent in adopting this goal is to strengthen the economic opportunities it provides to the community, increase employment opportunities for San Francisco residents and engage local unions in innovative partnerships. Accordingly, UCSF will require the Project's prime contractor and all subcontractors to make a good faith effort to assist UCSF in reaching the 30% goal. Following the Initial Phase, the Parties acknowledge that the 30% hiring goal may change to reflect future goals and the then availability of local workers. The Parties will work together in good faith so that the Project goals are consistent with other development projects in San Francisco and other University of California projects in California. UCSF commits to make a good faith effort to:

(a) Extend the CCOP/OEWD-CityBuild partnership, where possible under UCSF contracting requirements, for the Initial Phase of the Project.

(b) In partnership with the City, UCSF will enter into a workforce development agreement ("**Workforce Development Agreement**"), similar in structure and intent to the ZSFG/UCSF agreement, focused on pre-apprentice training and supportive services specific to local hire construction opportunities emerging from the Project consistent with a mutually agreed upon budget. Representatives from UCSF and OEWD will meet to discuss and finalize the Workforce Development Agreement prior to certification of the EIR for the New Hospital. The Workforce Development Agreement will include the 30% hiring goals set forth above.

(c) As part of the Workforce Development Agreement, examine the possibility of including CityBuild's Construction Administrative Professional Services Academy for training and referral to administrative/professional positions associated with the Initial Phase of the Project.

5. UCSF, through and by and among the third-party contractors selected to develop the New Hospital, will enter into a Community Workforce Agreement with the San Francisco Building and Construction Trades Council and its affiliated unions, regarding certain wage terms, individual trade separations, or other labor-specific benefits related to construction of the New Hospital.

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B. Community Care Initiatives: Supportive Housing and Mental Health Care.

1. UCSF reaffirms its commitment to maintain supportive housing programs operated by Community Housing Partnership or other similar nonprofit organizations, including providing behavioral health services. UCSF recognizes that these programs perform the critical function of housing individuals who have previously experienced homelessness, and constitute permanent supportive housing solutions for vulnerable populations in the City.

2. UCSF will continue providing physician support for ZSFG and other medical facilities, subject to and in accordance with the existing affiliation agreements and future service agreements between UCSF and the San Francisco Department of Public Health (the “DPH”). The Parties recognize the mutual benefits in this cooperative effort, in recognition that ZSFG is a community “safety net” hospital and the City’s sole provider of emergency psychiatric services and Level 1 trauma care in the region.

3. UCSF reaffirms its desire to continue maintaining inpatient psychiatric beds at UCSF facilities in the City, subject to existing and future service agreements between UCSF and ZSFG or other medical facilities. In recognition of the substantial need, and subject to available space and funding, UCSF will make a good faith effort to maintain at least thirty (30) inpatient psychiatric beds.

4. The Parties acknowledge UCSF’s consistent support for community-wide supportive housing and mental health care initiatives. UCSF reiterates its support for these programs and commits to further exploring innovative approaches to providing these services in the City, in partnership with the City.

5. The Parties acknowledge that in 2018, UCSF contributed \$1 million to fund new inpatient psychiatry beds at St. Mary’s Medical Center through collaborative efforts between various stakeholders, including UCSF, the City’s Office of the Mayor and DPH.

C. Equity and Educational Opportunities

1. The Parties recognize UCSF’s longstanding commitment and support of more than forty (40) pathway and pipeline programs that target elementary, high school and community college age students, through partnerships with San Francisco Unified School District (“SFUSD”) and community-based organizations, to increase the number of underserved, low income students of color exposed to health and other professions related to science, engineering, technology and math (“STEM”). The Parties recognize that UCSF has a separate agreement with SFUSD that further documents UCSF’s extensive commitments and investments in STEM programs in addition to those described in this Section III(C). UCSF will continue to identify and expand efforts that provide job shadowing and support STEM curriculum for SFUSD students, as identified in a separate memorandum of understanding between UCSF and SFUSD.

2. As part of UCSF’s ongoing commitment to youth internship opportunities, UCSF hired its first Pipeline Manager in the Center for Science, Education and Outreach, based in the Office of Diversity and Outreach. This role will be focused on maximizing internship program capacity, and strengthening external partnerships with SFUSD and community based

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organization in the City and County of San Francisco. UCSF agrees to continue to invest in pipeline programs to promote STEM opportunities for youth up to age 24, conduct outreach and provide training and internship opportunities for San Francisco youth. UCSF further affirms its commitment to collaborate with SFUSD and community organizations to advance equity in the health professions by exploring new strategic partnerships to increase participation in its pipeline programs, and continuing to promote STEM and Non-STEM educational and employment opportunities for San Francisco youth.

3. UCSF acknowledges its partnerships, subject to and in accordance with any related existing and future agreements, with: (i) the Science and Health Educational Partnership (“SEP”) High School Intern Program, which selects SFUSD high school students to participate in an 8-week paid summer internship; (ii) the Center for Science, Education and Outreach (“CSEO”), CURE Internship that provides Black and LatinX students from SFUSD with an opportunity to participate in an 8-week paid research experience program; (iii) the CSEO year around school-based program that places CSEO coordinators in SFUSD partner schools where program staff are providing health career exposure and college access support directly to students throughout the year; and (iv) the partnership with UCSF, SFUSD, CSEO and SEP to support the SFUSD Mission Bay Link Learning Hub.

D. UCSF Investment in Behavioral Health Service Needs.

1. The Parties acknowledge UCSF’s role in the City as a health care delivery system. UCSF has worked in consistent and close partnership with the City and DPH to deliver health care services to San Franciscans. The Parties will in good faith, continue to identify opportunities in the City to partner and collaborate on the expansion of behavioral health and substance use services.

2. UCSF reaffirms its desire to maintain inpatient psychiatric beds at UCSF facilities throughout the City, subject to existing and future service agreements between UCSF and ZSFG or other medical facilities. The Parties acknowledge that UCSF is a state-funded Institution for Mental Diseases and is prohibited from billing Medi-Cal for adult inpatient services. The Parties will explore partnerships and opportunities to increase the number of adult inpatient psychiatric beds for patients with Medi-Cal that are consistent with UCSF’s licensure status in the City.

3. UCSF will continue to engage the City about the potential to develop a Crisis Stabilization Unit in the City.

4. The Parties will continue to explore increased access to care for Medi-Cal recipients with complex and treatment refractory illness. The Parties will collaboratively work to identify opportunities in the City to contract for the delivery of children’s behavioral specialty health services in the areas of autism spectrum disorders, eating disorders, evidence-based therapies for suicidal and self-injurious adolescents, and other specialty mental health services.

5. UCSF, in collaboration with DPH, will explore the development of a children’s inpatient psychiatric unit for children and adolescents in the City.

6. The Parties recognize the need in the behavioral health field to develop a workforce pipeline of diverse clinicians in the City and reinforce the Parties’ mutual

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commitment to identify resources to: (a) expand mentorship opportunities and support of child and adolescent psychiatric clinicians and practitioners, (b) provide scholarship opportunities for underrepresented medical and nursing students, (c) create new clinical learning opportunities within adolescent and adult psychiatry programs, and (d) partner with stakeholders such as the San Francisco Human Rights Commission to develop a workforce pipeline program specific for mental health career exploration for San Francisco’s underrepresented and minority youth and young adults ages 13 through 24.

E. Housing: Contributing New Units.

1. Housing Contribution. UCSF seeks to continue to provide a range of affordable housing units for its population, especially for those employee households earning at or below 90% AMI and at or below 120% AMI. To the extent feasible, UCSF will identify opportunities to provide housing options that serve different households across income ranges. As used in this MOU, “**AMI**” means area median income as published annually by the MOHCD, which is derived from the income limits determined by U.S. Department of Housing and Urban Development (“**HUD**”) for the City, adjusted solely for household size but not high housing cost area. If HUD ceases to publish such data for 18 or more months, the City will use credible substitute data to determine the affordability levels City-wide. UCSF commits to providing a minimum two thousand five hundred twenty (2,520) rental units in the City (the “**Housing Contribution**”), comprised of one thousand two hundred fifty-seven (1,257) units existing as of January 1, 2021 and one thousand two hundred sixty-three (1,263) net new units.

2. UC Affordable Units. By 2050, forty percent (40%) of the Housing Contribution, or one thousand eight (1,008) units, will be designated for UCSF employee households including trainee households earning at or below 90% and 120% AMI (the “**UC Affordable Units**”). The rent for the UC Affordable Units shall not exceed the maximum rent set by MOHCD by unit type for employee households earning at or below 90% and 120% AMI. The UC Affordable Units will be comprised of new and existing units of all unit types and will remain affordable at the designated AMI level for a minimum of thirty (30) years beyond the expiration of the CPHP in 2050.

UCSF will deliver:

(a) By 2030: six hundred thirty-one (631) net new units for a total of one thousand eight hundred eighty-eight (1,888) total units of the Housing Contribution, of which 20%, or three hundred seventy-eight (378) units will be UC Affordable Units. Of the UC Affordable Units at least one hundred eighty-nine (189) will be affordable for employee households earning at or below 90% AMI and one hundred eighty nine (189) units will be affordable for employee households earning at or below 120% AMI;

(b) By 2040: three hundred sixteen (316) net new units for a total of two thousand two hundred four (2,204) total units of the Housing Contribution of which 30%, or six hundred sixty-one (661) units will be UC Affordable Units. Of the UC Affordable Units at least three hundred thirty (330) units will be affordable for employee households earning at or below 90% AMI and three hundred thirty-one (331) units will be affordable for employee households earning at or below 120% AMI; and

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(c) By 2050: three hundred sixteen (316) net new units for a total of two thousand five hundred twenty (2,520) total units of the Housing Contribution, of which 40%, or one thousand eight (1,008) units will be UC Affordable Units. Of the UC Affordable Units at least five hundred four (504) will be affordable for employee households earning at or below 90% AMI and five hundred four (504) units will be affordable for employee households earning at or below 120% AMI.

(d) Housing Program Credit. UCSF will receive a one to one credit towards the UC Affordable Units contribution for each employee household earning at or below 90% AMI or at or below 120% AMI that purchases a home through the Down Payment Support Program or other home buying assistance program sponsored by UCSF or UC.

3. Down Payment Support Program. In addition to home buying support programs offered to academic senate faculty and senior management executives through the UC Office of the President, the San Francisco campus offers a down payment support program (“Down Payment Support Program”) to UCSF employees pursuing home ownership but who are not eligible for the UCOP program, and who have worked in health care or education for at least two years, work at least twenty (20) hours a week at UCSF, and commit to continuing to work at UCSF for at least two years after buying a home. This Down Payment Support Program provides eligible employees financial support for down-payment and other costs associated with purchasing a home in eligible areas. UCSF will continue to invest in other housing assistance programs for its employees.

4. Additional Options for Certain UC Affordable Units. UCSF reserves the option to provide up to two hundred (200) of the new UC Affordable Units through any combination of the following:

(a) Pay the City’s per-unit equity gap financing cost published annually by the MOHCD (the “**Gap Financing Cost**”) into the Citywide Affordable Housing Fund; and/or

(b) Subject to prior approval of the Director of MOHCD, partner with a third-party developer to deliver permanently affordable units for non-UCSF populations; and/or

(c) Subject to City’s prior approval and MOHCD’s willingness to accept the land, provide land to the City consistent with Section 413.6 of the San Francisco Planning Code, in which case UCSF will be given credit for the number of units determined under Section 413.6; and/or

(d) Subject to prior approval of the Planning Commission (and the Board of Supervisors if any approval is appealed to it), convert an exclusively tourist hotel to residential use subject to and in accordance with the requirements of the Tourist Hotel Conversion Ordinance, San Francisco Administrative Code Chapter 41F; and/or

(e) Receive a one to one credit pursuant to the Housing Program Credit, Section III(E)(4).

5. Rent Ordinance. No existing housing unit currently under the jurisdiction of the San Francisco Rent Ordinance (SF Administrative Code, Chapter 37) will be used to satisfy the

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Housing Contribution, and UCSF agrees not to acquire any existing housing units currently subject to the San Francisco Rent Ordinance.

6. Further Review. In accordance with Section V.C.4 of this Agreement, the Parties acknowledge that the full buildout of the CPHP would not satisfy the Housing Contribution and therefore, a portion of the Housing Contribution may require future permitting and environmental review in compliance with CEQA. The Parties retain discretion to make revisions based on the environmental review documents and information.

7. Modification of Housing Contribution. The obligations contained hereunder will be contingent on UCSF proceeding with the Project as contemplated and securing successful entitlement and requisite approvals to implement the Project. UCSF agrees to proportionally satisfy its obligations hereunder, if UCSF reduces the scope and scale of the Project. The Parties will meet and confer on any proportional reductions to the Housing Contribution based on the extent to which the Project has been reduced, at which time UCSF and the Planning Director may revise the Housing Contribution. Any change to the Housing Contribution must be agreed upon by UCSF and the Planning Director in writing. UCSF and Planning will work together diligently and in good faith to satisfy the Housing Contribution. MOHCD agrees to use any payments made by UCSF per this Section for affordable housing, in neighborhoods surrounding the Campus, to the extent possible.

F. Transportation and Mobility Improvements.

1. Shared Transportation Responsibility. The Parties acknowledge the interdependent relationship between UCSF and the surrounding transportation system, and recognize their shared responsibility to provide a full complement of transportation services to the Campus community.

2. N Judah Capacity. SFMTA will endeavor to increase capacity serving UCSF, potentially including modifications to support three-car trains and provide more frequent service including during non-peak hour periods to align with UCSF travel demand and/or augmenting or modifying bus service, in order to better meet the needs of the Campus as well as the broader City. UCSF will support SFMTA in the analysis and planning for increased transit service to the Campus.

3. UCSF Transit Improvements. Concurrently with the Irving Street Arrival Improvements project, UCSF will upgrade, and/or pay SFMTA to upgrade the platform at the UCSF Parnassus stop for three-car trains as an in-kind contribution to improve the pedestrian realm and encourage transit use by making the area more comfortable for people waiting for SFMTA transit service. Upon completion, the City will apply an “**Applicable Credit**” towards the Transportation Contribution. The Applicable Credit means the actual and reasonable out of pocket costs paid by UCSF for completing the platform upgrade. UCSF will also improve wayfinding and implement other circulation and arrival improvements. UCSF will also implement feasible safety improvements at the intersection of Arguello Boulevard, Carl Street, and Irving Street. All improvements within the City’s right-of-way will comply with SFMTA standards and guidelines, which will be approved through SFMTA review.

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4. Transportation Contribution. UCSF will pay to SFMTA a transportation contribution (the “**Transportation Contribution**”) for the Project to increase the capacity and the frequency of service of the N-Judah and/or other Muni lines, services, facilities provided by SFMTA that directly serve Campus community. Funds collected from the Transportation Contribution shall be utilized for transportation improvements that benefit UCSF’s populations and serve the Campus community, subject to the approval of the SFMTA Board.

(a) Calculation. The Transportation Contribution will be calculated on the basis of the amount of net new gross square feet resulting from the Project, multiplied the following fixed rate: \$10.58 per gross square foot. This rate was mutually agreed upon by the Parties and will apply to all land use categories except parking uses, including parking structures. The rate will be adjusted on an annual basis every January 1, starting January 1, 2022, based on annual changes to the Consumer Price Index (“**CPI Index**”). CPI Index means the Consumer Index for All Urban Consumers (base years 1982-1984 = 100) for the San Francisco-Oakland-San Jose area, published by the United States Department of Labor, Bureau of Labor Statistics. If the CPI Index is discontinued during the term of this MOU, such other government index or computation with which it is replaced will be used in order to obtain substantially the same result as would be obtained if the CPI Index had not been discontinued or revised.

(b) Timing of Payment. The Transportation Contribution will be paid upon issuance of the foundation permit for the commencement of construction for each project under the CPHP.

5. Parnassus Avenue Streetscape Plan. The Parties acknowledge that prior to the CPHP planning process and CEQA process, UCSF developed the Parnassus Avenue Streetscape Plan in collaboration with SFMTA, which aims to create a sense of place on the street while balancing competing needs of different street users by reallocating curbside uses and installing pedestrian safety improvements such as widened crosswalks and curb extensions (i.e., bulb-outs). UCSF continues to implement the Parnassus streetscape plan and commits to the following: (a) explore additional pick-up and drop-off activities and commercial loading activities related to the CPHP, (b) refresh the plan to include a curb management plan within two years of the Environmental Impact Report (“**EIR**”) certification for the New Hospital and share said plan with SFMTA, and (c) evaluate the streetscape plan to consider intersection modifications and traffic control devices at Judah Street – Parnassus Avenue/Fifth Avenue; Parnassus Avenue/Fourth Avenue; Parnassus Avenue/Third Avenue; Parnassus Avenue/Hillway Avenue, as needed to address additional traffic delay and accessibility concerns related to the CPHP.

6. Streets. The Parties further acknowledge that all design and construction within the City right-of-way will be subject to City standards, review processes, permits and approvals. UCSF further commits to:

(a) Engage SFMTA in the design and implementation of street and intersection improvements for the Project in the City right-of-way; and

(b) Design campus pathways to become more naturalistic as the pathways approach the Reserve, and improve wayfinding along trails throughout the Campus.

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7. Bicycle Route. UCSF will continue to partner with the City to identify a bicycle route between Golden Gate Park and the Campus.

8. Sidewalks and Streets. UCSF acknowledges that any work and/or encroachment into the public right-of-way, including certain sidewalks and streets adjacent to the Project, is subject to all laws and requirements of the City, including compliance with the City's Planning Code Section 138.1 for an equivalent private project at the Campus. In addition, UCSF commits to abide by the City's Public Works Code Section 706 concerning maintenance of all City sidewalks adjacent to the Project.

9. Amendment of Transit Commitments. The obligations contained in this MOU are contingent on UCSF proceeding with the Project as contemplated and securing successful entitlement and requisite approvals to implement the Project. UCSF agrees to satisfy its obligations hereunder, unless UCSF reduces the scope and scale of the Project as contemplated and at which time the Parties may revisit the commitments, based on the changes to the Project following CEQA review as necessary. UCSF agrees to proportionally satisfy its obligations hereunder if UCSF reduces the scope and scale of the Project. If UCSF proposes to reduce or materially alter the scope of the Project, the Parties will meet and confer in good faith to determine the manner in which the commitments made in this MOU will be proportionally revised. Any such revision will be subject to mutual agreement following any required environmental review.

G. Conservation, Stewardship, and Open Space.

1. Modification to the Reserve Footprint. The Parties acknowledge that there is the potential for the footprint of the New Hospital and/or the widening of Medical Center Way to extend into the Reserve. UCSF will replace any area of the Reserve that is lost due to development under the CPHP by designating new Reserve area elsewhere on the Campus and contiguous to the Reserve in an amount equal to or greater than the area lost, in order to maintain no less than sixty-one (61) acres of the Reserve. Any areas newly proposed for Reserve designation, if presently developed with structures or paved areas, must be appropriately landscaped and returned to a natural condition consistent with the character of the Reserve prior to disturbance or construction of any areas of the Reserve to be removed from such status.

2. Wayfinding to Reserve. In connection with the completion of the Initial Phase, UCSF will provide wayfinding signage to clearly indicate trailhead locations for the Reserve that may not be immediately obvious to the community.

3. Vegetation Management Plan. UCSF seeks to ensure the safety of the Reserve for its residents, patients, visitors, campus buildings, and neighboring homes. Across California, the multi-year drought caused widespread decline in the overall health of trees, resulting in at least 66 million dead trees statewide. This decline is also evident in the Reserve. UCSF began a process in 2015 to develop a management plan to ensure the long-term health and sustainability of the Reserve.

To develop the Mount Sutro Open Space Reserve Vegetation Management Plan (the "**Vegetation Management Plan**"), UCSF led an extensive public process involving a Technical

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Advisory Committee (“TAC”), comprised of local experts in forestry, hazard reduction, biology and habitat restoration to provide guidance on best practices in forest management. UCSF held four TAC meetings, which were open to the public, followed by two community meetings and public tours of the Reserve, giving the public many opportunities to help shape the plan, discuss their concerns and provide feedback. This was followed by the launch of an environmental review process. UCSF held a scoping meeting in February 2017, followed by a public hearing on the Draft EIR in August 2017. During the extended public comment period, UCSF received and responded to more than 340 public comments. UCSF has published and approved the Vegetation Management Plan to manage the Reserve over the next 20 years. The Vegetation Management Plan addresses the short-term and long-term management of the Reserve to achieve its goals to protect the safety of residents and visitors, improve ecosystem health, regenerate the forest, and maintain and ensure public access to the Reserve.

UCSF will continue to implement the Vegetation Management Plan in good faith, subject to funding availability. UCSF will make good faith efforts to ensure adequate funding for the implementation, and will coordinate with the City’s Recreation and Parks Department on management of the Interior Greenbelt. UCSF will invite the City to participate in the community process regarding the Vegetation Management Plan.

IV. COOPERATION BY THE CITY TO IMPLEMENT THE PROJECT

A. General.

1. The City will make good faith, cooperative, and timely efforts to support implementation of those elements of the Project that were analyzed in the Project’s Final EIR (inclusive of any mitigations to impacts of the Project according to the Project’s Final EIR and MMRP), including participation of and coordination with City agencies and review and consideration of any approvals, permits or easements. This commitment does not require the City to initiate or undertake any projects, programs or expenditures for capital improvements or operational investments other than staff time necessary to review, coordinate, and process elements of implementing the Project and other commitments of the City expressly described in this MOU.

B. Transportation and Mobility Improvements.

1. The City will support transit improvements to the Campus community by encouraging SFMTA to undertake improvements to transit infrastructure serving the Campus. Such improvements should include expansions of the N-Judah Metro light rail line capacity and frequency during times and directions of peak usage by UCSF employees, students, and patients.

2. The City will support targeted improvements at the UCSF N-Judah Metro light rail line stop, as well as improvements to the existing crossover track so that it is west of Carl Street and Hillway Avenue (current location) to provide for a short-run N-Judah train to serve UCSF.

3. The City will support targeted expansions of frequency and reliability of other nearby SFMTA service lines and stops. Specifically, the City will support increased access for

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the Aldea San Miguel community, including increased coordination between the SFMTA and UCSF regarding shuttle and SFMTA service schedules.

V. GENERAL PROVISIONS

A. No Waiver of Authority.

1. By entering into this Agreement, the City is in no way modifying or limiting the obligations of UCSF to develop the Project in accordance with all laws applicable to UCSF. Nothing in this Agreement will be construed as a waiver by UCSF of its constitutional status, sovereignty or exemptions available to it as a California constitutional corporation regarding its exemption from compliance with local regulations or other local laws as related to the Project. UCSF meeting its obligations under the MOU is separate and apart from, and cannot be related in any form to its constitutional status.

2. UCSF understands that its construction of the improvements and development of portions of the Project will require certain limited approvals, authorizations and permits from governmental agencies with jurisdiction. UCSF will use good faith efforts to obtain any regulatory approvals required for portions of the Project applicable to UCSF, and the City will cooperate reasonably on processing any such approvals within its jurisdiction.

3. In addition to any rights or obligations as a responsible agency under CEQA, the City retains the right to oppose UCSF projects, including any projects that involve significant and material amendments to the LRDP that, based on substantial evidence, result in new or substantially more severe environmental impacts than described in the 2014 LRDP EIR, the CPHP EIR, and the forthcoming Hospital EIR, as defined by CEQA statutes, guidelines, and standards.

B. Enforcement of MOU; Default; Remedies.

1. Enforcement. As of the date of this MOU, the only Parties to this MOU are the City and UCSF. This MOU is not intended, and will not be construed, to benefit or be enforceable by any other person or entity whatsoever.

2. Meet and Confer Process. Before sending a notice of default in accordance with Section V.B.3 of this Agreement, the Party which may assert that the other Party has failed to perform or fulfill its obligations under this MOU will first attempt to meet and confer with the other Party to discuss the alleged failure and will permit such Party a reasonable period, but not less than ten (10) days, to respond to or cure such alleged failure. The Party asserting such failure will request that such meeting and conference occur within twenty-one (21) days following the request and if, despite the good faith efforts of the requesting Party, such meeting has not occurred within thirty (30) days of such request, then such Party will be deemed to have satisfied the requirements of this Section and may proceed in accordance with the issuance of a notice of default under Section V.B.3 of this Agreement.

3. Default. The following will constitute a “**Default**” under this MOU: the failure to perform or fulfill any material term, provision, obligation, or covenant of this MOU and the continuation of such failure for a period of ninety (90) days following notice and demand for

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compliance. Notwithstanding the foregoing, if a failure can be cured but the cure cannot reasonably be completed within ninety (90) days, then it will not be considered a Default if a cure is commenced within said 90-day period and diligently prosecuted to completion thereafter. Any notice of default given by a Party will specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured (if at all). If UCSF is in substantive Default regarding performance of the Housing or Transportation Contribution commitments contained in this MOU, pending requests that require action by the City may be tolled until the Default is remedied.

4. Dispute Resolution. The Parties recognize that disputes may arise from time to time regarding the Project and the Parties obligations under this Agreement. Accordingly, before seeking any judicial remedy, the Parties agree to follow the dispute resolution procedure in this Section that is designed to expedite the resolution of such disputes. If, from time to time, a dispute arises between the Parties, the dispute will be presented by City staff and UCSF staff to a joint meeting with the Planning Director and UCSF's Vice Chancellor of Campus Development for resolution.

5. Remedies.

(a) Specific Performance. Subject to, and as limited by, this Section, in the event of a Default, the remedies available to a Party will include demand for specific performance of this MOU and other equitable remedies.

(b) Termination. In the event of a Default, the non-defaulting Party may elect to terminate this MOU by sending a notice of termination to the other Party, which notice of termination will state the Default. Any such termination will be effective upon the date set forth in the notice of termination, which will in no event be earlier than ninety (90) days following delivery of the notice.

(c) No Damages. The Parties have determined that (i) monetary damages are generally inappropriate, (ii) it would be extremely difficult and impractical to fix or determine the actual damages suffered by a Party as a result of a Default hereunder, and (iii) equitable remedies, not including damages but including demands for specific performance and termination, are particularly appropriate remedies for enforcement of this MOU. Consequently, UCSF agrees that the City will not be liable to UCSF for damages under this MOU, and the City agrees that UCSF will not be liable to the City for damages under this MOU, and each expressly waives its right to recover damages under this MOU.

6. Time Limits; Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict or timely performance of any of the provisions of this MOU by the other Party, irrespective of the length of time for which such failure continues, will not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of any condition or failure of performance, including a Default, will be effective or binding upon such Party unless made in writing by such Party, and no such waiver will be implied from any omission by a Party to take any action with respect to such failure. No express written waiver will affect any other condition, action or inaction, or cover any other period of time, other than any condition, action or inaction and/or period of time specified in such express waiver. One or

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more written waivers under any provision of this MOU will not be deemed to be a waiver of any subsequent condition, action or inaction, and the performance of the same or any other term or provision contained in this MOU.

C. Other General Provisions.

1. Miscellaneous. (a) This MOU may be amended or modified only by a writing signed by the Parties. (b) No waiver by any Party of any of the provisions of this MOU will be effective unless in writing and signed by an authorized representative, and only to the extent expressly provided in the written waiver. (c) All approvals and determinations of City requested, required, or permitted under this MOU may be made in the sole and absolute discretion of the Director of Planning or the head of the City department with jurisdiction over the matter. Any request for approvals or consents under this MOU by the staff (as opposed to boards or commissions) of either party will not be unreasonably withheld. (d) This instrument contains the entire agreement between the Parties and all prior written or oral negotiations, discussions, understandings and agreements are merged into this MOU. (e) The section and other headings of this MOU are for convenience of reference only and will be disregarded in the interpretation of this MOU. (f) Time is of the essence. (g) This MOU will be governed by California law. (h) This MOU may be executed in one or more counterparts, all of which taken together will be deemed to be one original.

2. Contingent Obligations. The obligations contained in this MOU will be contingent on UCSF proceeding with the Project as contemplated and securing successful entitlement and requisite approvals to implement the Project. UCSF agrees to satisfy its obligations hereunder, unless UCSF reduces the scope and scale of the Project as contemplated, in which case UCSF will meet its obligations in proportionate manner and at which time the Parties will revisit the commitments, including CEQA review as necessary.

3. Termination. This MOU will terminate upon completion of all projects, phases, and other activities contemplated in the Project or 30 years following approval of the CPHP, whichever occurs first, subject to any provisions which, by their express terms, survive termination or expiration (i.e., the commitment to maintain the affordable housing). Further, if the City files a CEQA lawsuit challenging the Project, including but not limited to the New Hospital, this MOU will be null and void and will be automatically terminated upon service of a petition on the respondent public agency and/or any real party in interest.

4. Environmental Review. To the extent any action contemplated by this MOU requires additional environmental review, notwithstanding anything to the contrary in this MOU, neither Party is in any way limiting their discretion with respect to such action, and agrees to take such action, if at all, only after completing environmental review, as required under CEQA, and considering the impacts disclosed by such review. In addition to any conditions described in this MOU, the obligations of each Party are expressly subject to the receipt of all legally required approvals following environmental review, in compliance with CEQA. Upon request, the Parties agree to meet and confer as needed in order to ensure that all environmental review has been completed or updated, as needed, before a specific action.

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5. Notices. All notices sent by one Party to the other will be sent to the following addresses unless a Party notifies the other of a change of address in writing:

If to the City: City and County of San Francisco
Director of Planning

San Francisco, CA 94102
Attn: _____
Phone: 415-_____
e-mail: _____

with copy to: _____
City and County of SF

San Francisco, CA 94102
Email: _____

If to UCSF: University of California, San Francisco

Attn: _____
Phone: _____
e-mail: _____

with copy to: _____

Email: _____

All notices will be either (a) hand delivered, (b) sent via US Postal Service postage prepaid, by certified or registered mail, return receipt requested, or (c) sent by a nationally recognized commercial carrier. Courtesy copies of notices may be sent by e-mail, but official notices must be sent by utilizing a delivery system listed in (a), (b) or (c) above.

6. Force Majeure. In the event that either Party is delayed or hindered in or prevented from the performance of any act required in this MOU by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium or other governmental action or inaction (including failure, refusal or delay in issuing permits, inspections, approvals and/or authorizations), injunction or court order, riots, insurrection, war, terrorism, bioterrorism, fire, earthquake, flood or other natural disaster or other reason of a like nature beyond the reasonable control of the Party delayed in performing work or doing acts required under the terms of this MOU (collectively, "**Force Majeure Delays**"), then performance of such act will be excused for the period of the delay and the period for the

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performance of any such act will be extended for a period equivalent to the period of such delay. Force Majeure Delays include epidemic; pandemic; national, regional or local emergency; quarantine; and governmental order.

[signature page follows]

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IN WITNESS WHEREOF, the Parties have executed this MOU on the date set forth below.

City and County of San Francisco, a
municipal corporation, acting by and through its
Planning Department.

By: _____
Name: Rich Hillis, Planning Director
Date: _____

RECOMMENDED:

San Francisco Municipal Transportation Authority

By: _____
Name: _____
Date: _____

Mayor's Office of Economic and Workforce Development

By: _____
Name: _____
Date: _____

University of California, San Francisco.

By: _____
Name: _____
Date: _____