

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

Public Works Order No: 211940

DIRECTOR'S DECISION FOR MAJOR ENCROACHMENT PERMIT NO. 25ME-00013 RELATED TO THE 530 SANSOME MIXED-USE TOWER AND FIRE STATION 13 DEVELOPMENT AGREEMENT PROJECT

APPLICANT: EQX JACKSON SQ HOLDCO LLC

c/o Related California

44 Montgomery Street, Suite 1300

San Francisco, CA 94104

LOCATION: On Merchant St between Sansome and Battery Street adjacent to 425 Washington Street, 439-447 Washington Street, and 530 Sansome Street as shown in attached Exhibit A

DESCRIPTION OF REQUEST: To occupy a portion of the public right-of-way on Merchant St between Sansome and Battery Streets adjacent to 425 Washington Street, 439-447 Washington Street, and 530 Sansome Street for the purpose of installing and maintaining encroachments generally including but not limited to: decorative roadway and sidewalk paving, tabletop crosswalks, overhead string lighting, various pedestrian- and bike-oriented improvements, other non-standard infrastructure, and new street trees as part of the 530 Sansome Mixed-Use Tower and Fire Station 13 Development Agreement Project (the "Project"); waive certain requirements under Public Works Code Sections 724.7 (construction occupancy fee), 786.4 (final review of certain City departments prior to Public Works hearing), and 806 (street tree removal notice and appeal and replacement at or exceeding requirements) and Administrative Code Section 1.51 (acceptance of public infrastructure) in order to implement the Major Encroachment Permit and the Project; and delegate to the Public Works Director the authority to accept an irrevocable offer for the public infrastructure in Merchant St, dedicate such infrastructure to public use, designate it for street and roadway purposes, and accept it for City maintenance and liability purposes.

BACKGROUND AND FINDINGS:

The Public Works Director ("Director") acknowledges the following facts and makes the findings set forth below in support of the decisions and recommendations in this Order:

- 1. This Order shall be dated for reference purposes as July 24, 2025.
- 2. The applicant requested a Major Encroachment Permit ("MEP") to occupy an approximately 9,580 square foot portion of the Merchant Street public right-of-way between Sansome and Battery Streets adjacent to 425 Washington Street, 439-447 Washington Street, and 530 Sansome Street to generally install and maintain: (1) decorative roadway and sidewalk surface paving treatment, (2) tabletop crosswalks at the entrances on Battery Street and Sansome Street, (3) overhead string lighting, (4) various pedestrian- and bike-oriented amenities, (5) other non-standard infrastructure, and (6) new street trees (collectively, the "Encroachments").

- 3. The Encroachments are a required component of the Development Agreement ("Development Agreement") associated with the 530 Sansome Mixed-Use Tower and Fire Station 13 Development Project (also known as the 530 Sansome and 447 Battery Street Development Project or "Project") and addressed in legislation on file with the Clerk of the Board of Supervisors in File No. 250698. The applicant's description of the Encroachments, the related schematic design plan, and a proposed maintenance matrix addressing the Encroachments are contained in the Development Agreement's Exhibit E, which is also included as Attachment B to this Order.
- 4. The Encroachments are based on a schematic design plan that has been reviewed in concept by City departments at previous meetings of the Street Design Advisory Team ("SDAT") led by the Planning Department and received no objections from impacted City departments.
- 5. The Encroachments will be constructed per a future street improvement permit ("SIP"), which shall be in general conformance with the previously reviewed schematic design plan, and reviewed by the impacted City departments and finally approved by Public Works.
- 6. The applicant proposes to assume maintenance and liability of the Encroachments subject to an executed MEP and Maintenance Agreement.
- 7. The Planning Department, by Resolution No. 21775, stated that the Encroachments are in conformity with the General Plan.
- 8. Public Works held a Public Hearing on the MEP application on July 23, 2025 in accordance with PWC Section 786 et seq, as duly noticed per Order 211900, and staff presented a recommendation to approve the proposed Encroachments to be maintained by EQX JACKSON SQ HOLDCO LLC, or its assignee.
- 9. There was no public comment or opposition to the application during the notification period or Public Hearing.
- 10. On July 23, 2025, following a Public Hearing, the Hearing Officer made a recommendation for approval of the proposed MEP.

ADDITIONAL FINDINGS:

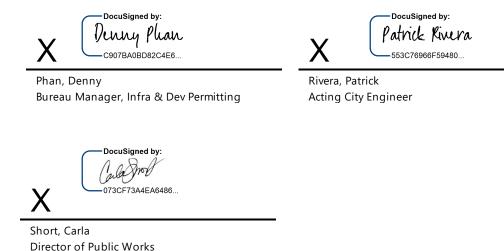
- a) In order to implement these Encroachments, the Development Agreement, and the Project, the waiver of certain requirements under Public Works Code Sections 724.7 (construction occupancy fee), 786.4 (final review of certain City departments prior to Public Works hearing), and 806 (street tree removal notice and appeal and replacement at or exceeding requirements) and Administrative Code Section 1.51 (acceptance of public infrastructure) are necessary as described below.
- b) The Director determines that given the construction schedule to build all elements of the Project contemplated in the Development Agreement and the public benefits associated with the Project, the Director determines that the waiver of the construction occupancy fee for the Project's use of Merchant Street for construction staging under Public Works Code Section 724.7 is necessary.
- c) The Director determines under Public Works Code Section 786.7(f)(3) that the waiver of the public right-of way occupancy assessment fee for improvements is necessary because said Encroachments are a condition of a City-approved Development Agreement.
- d) The Director determines that since the schematic design plan has been extensively reviewed in concept by City departments and in various public forums that have already occurred, and because the final design will be further reviewed in detail by City departments through the SIP process prior to permit issuance and construction, an

- additional review by the Transportation Advisory Staff Committee, as required by Public Works Code Section 786.4, is not necessary prior to the approval of this MEP, in general accordance with common practice on other Development Agreement projects that receive extensive City department review.
- e) The Director determines that since the street tree removal and replacement program associated with the MEP is pending before the Board of Supervisors, the waiver of a separate hearing and appeal process associated with street tree removal under Public Works Code Section 806 is necessary.
- f) The Director determines that the sidewalk width widening to be constructed by the Project is limited to one street block on Merchant Street between Sansome and Battery Streets and qualifies for administrative approval in accordance with Ordinance No. 34-12. A copy of this ordinance is on file with the Clerk of the Board of Supervisors in File No. 111281.
- g) The Director determines that in order to streamline the acceptance and timely reopening of the public right-of-way upon completion of the construction of the Encroachments, the delegation to the Public Works Director the authority under California Streets and Highways Code Section 1806 and Administrative Code Sections 1.51 et seq. to accept an irrevocable offer for the public infrastructure in Merchant St, dedicate such infrastructure to public use, designate if for street and roadway purposes, accept it for City maintenance and liability purposes, subject to specified limitations, would be advantageous to the Project, the Department, and the general public

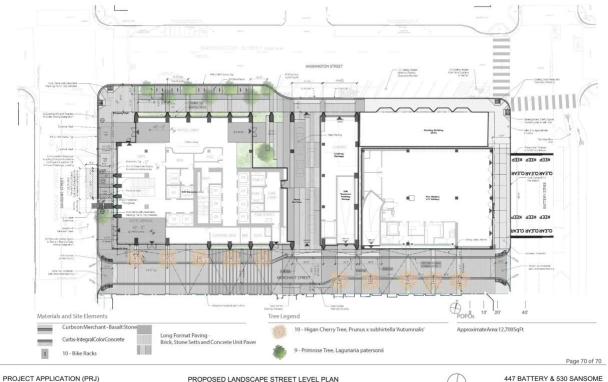
RECOMMENDATION:

- 1. The Director recommends that the Board of Supervisors (the "Board") approve the Major Encroachment Permit (MEP) to permit EQX JACKSON SQ HOLDCO LLC or its assignee to occupy an approximately 9,580 square foot portion of the Merchant Street public right-of-way between Sansome and Battery Streets adjacent to 425 Washington Street, 439-447 Washington Street, and 530 Sansome Street to generally install and maintain: (1) decorative roadway and sidewalk surface paving treatment, (2) tabletop crosswalks at the entrances on Battery Street and Sansome Street, (3) overhead string lighting, (4) various pedestrian- and bike-oriented amenities, (5) other non-standard infrastructure, and (6) new street trees, subject to the following conditions: (1) a final approved street improvement permit ("SIP") that shall be in general conformance with the schematic design plans approved with the application; (2) construction work shall not commence until Permittee obtains all construction authorizations from Public Works; (3) Permittee and Public Works execute a final maintenance agreement; and (4) Public Works inspects the completed work and issues a Notice of Completion.
- 2. The Director recommends that the Board approve the MEP described above subject to the Permit, Maintenance Agreement, or other such document ensuring maintenance of the encroachments as may be required by Public Works, being approved by the Director and, if required by the Director, recorded in the City and County Assessor-Recorder's Office.
- 3. The Director recommends that the Board waive certain requirements under Public Works Code Sections 724.7 (construction occupancy fee), 786.4 (final review of certain City departments prior to Public Works hearing), and 806 (street tree removal notice and appeal and replacement at or exceeding requirements) and Administrative Code Section 1.51 (acceptance of public infrastructure) to implement the Encroachments, the Development Agreement, and the Project.

- 4. The Director recommends that the Board acknowledge the Director's determination under Public Works Code Section 786.7(f)(3) that the public right-of way occupancy assessment fee for improvements is waived because said Encroachments are a condition of a Cityapproved Development Agreement.
- 5. The Director recommends that the Board acknowledge the Director's determination that the sidewalk width widening to be constructed by the Project qualifies for administrative approval in accordance with Ordinance No. 34-12.
- 6. The Director recommends that the Board delegate to the Director the authority to accept an irrevocable offer for the public infrastructure in Merchant Street, dedicate such infrastructure to public use, designate if for street and roadway purposes, and accept it for City maintenance and liability purposes, subject to specified limitations, in order to streamline the acceptance and timely reopening of the public right-of-way upon completion of the construction of the Encroachments.
- 7. The Director recommends that the Board delegate to the Director authority to approve assignments of rights and obligations from the original permittee to the permittee's agent, successor, or assignee or to such other assignees as may be described in the subject MEP.
- 8. The Director recommends that the MEP shall not be effective until the Permittee executes and acknowledges the Permit and delivers said permit and all required documents and fees to Public Works.



Attachment A: Schematic Design Plan of the Proposed Encroachments on Merchant Street between Sansome and Battery Street, adjacent to 425 Washington Street, 439-447 Washington Street, and 530 Sansome Street



PROJECT APPLICATION (PRJ) JUNE 2024 | JUNE 2025 PROPOSED LANDSCAPE STREET LEVEL PLAN SCALE: 1/32"=1'-0"

447 BATTERY & 530 SANSOME SKIDMORE, OWINGS & MERRILL LLP

Attachment B: Development Agreement Exhibit E

EQX JACKSON SQ HOLDCO LLC c/o Related California
44 Montgomery Street, Suite 1300
San Francisco, CA 94104

June 10, 2025

Denny Phan, PE Bureau Manager Infrastructure & Development Permitting San Francisco Public Works 49 South Van Ness Avenue, 9th Floor San Francisco, CA 94103

Re: 530 Sansome Street and Fire Station 13 Development Project – Merchant Street Improvements San Francisco Public Works' Consent for Schematic Design & Maintenance Approach

Dear Mr. Phan:

This letter is in reference to a proposed Development Agreement ("DA") by and between The City & County of San Francisco ("City") and EQX JACKSON SQ HOLDCO LLC ("Developer") relative to the development project known as the 530 Sansome Street and Fire Station 13 Development Project ("Project"). Pursuant to the DA, the Developer would construct across the entire existing public right-of-way on Merchant Street between Sansome Street and Battery Street privately-maintained public open space improvements ("Merchant Street Improvements").

The improvements (described in more detail below) would be nonstandard and maintained by Developer in accordance with a future Major Encroachment Permit ("MEP") granted by the Department of Public Works ("Public Works"). The DA provides for Developer, Planning, and jurisdiction-having City departments and agencies to work on the final design of the Merchant Street Improvements. The Board of Supervisors ("BOS") would conditionally approve the MEP at the same time as the Project's DA, subject to Public Works issuing a subsequent Street Improvement Permit ("SIP"), the City and Developer finalizing and executing a Maintenance Agreement ("MEP Maintenance Agreement"), and determining construction completion by issuing a written Notice of Completion.

Impacted City departments including Public Works, SFMTA, San Francisco Fire Department ("SFFD"), SFPUC, and the Planning Department have previously reviewed the preliminary design via the Street Design Advisory Team (SDAT) process. An SDAT Review Letter was issued on November 20, 2024, and the Developer provided a responses letter on January 10, 2025. A March 6, 2025 plan check letter from the Planning Department confirmed no further SDAT review was required. At the request of the City, Developer has since completed an update survey of Merchant Street, the details of which are reflected in the updated site and landscape sheets attached hereto as Attachment A.

The Developer now requests that Public Works (1) confirm that the schematic design submittal in Attachment A (to be attached to the DA) is consistent with the plans previously reviewed by DPW through SDAT and (2) consent to the intent of the schematic design and the MEP proposed for conditional approved by the BOS with the DA. Public Works' consent would be subject to the Developer's application for, and Public Works' design review and processing of a SIP, which will require the final review and approval of impacted City departments, and a MEP approved by Public Works in accordance with BOS' conditional approval. The SIP will approve the detailed design of the Merchant Street Improvements and would be conditioned upon issuance of the MEP.

Existing Conditions

Merchant Street is a public street and currently consists of an asphalt roadway running east-to-west between Battery Street and Sansome Street and is currently accepted by Public Works for maintenance. It is bordered by concrete sidewalks, curbs and gutters on both the north and south sides, with sidewalk widths ranging from approximately 4.68 to 5.95 feet. The street is improved with various existing elements, including traffic signs, bollards, meters, and other street furnishings, as detailed in the demolition plan within the schematic design set. Existing lighting infrastructure includes (i) an overhead fixture mounted onto the northern façade of 500 Sansome Street that will remain and (ii) a freestanding street light on the northwest corner of Merchant Street and Battery Street. There are telecommunication, gas, and electrical utilities located in the street as shown on the survey included in Attachment A; however, other than an 8" SFPUC water line located at the very eastern end of the street, there are no major SFPUC facilities located in the street.

Proposed Merchant Street Improvements Subject to the MEP

The proposed Merchant Street Improvements that will be subject to the MEP will generally feature (i) sidewalks, curbs and gutters constructed of stone and integral color concrete with widened sidewalk ranging from approximately 6.25 to 11.35 feet, (ii) decorative roadway surface treatment including brick, stone setts, and/or concrete unit pavers, (iii) new street tree plantings, (iv) tabletop crosswalks at the entrances on Battery Street and Sansome Street, and (v) other pedestrian- and bike-oriented amenities (e.g. bike racks) to be further defined during the design development and construction documentation process. The proposed lighting plan includes privately owned and maintained overhead string lights spanning the length of Merchant Street in-lieu of standard City streetlights. Final design and installation of the lighting will be subject to review and approval by SFPUC, including submission of a photometrics report, and the SFFD to confirm emergency vehicle access. The Project proposes a 6" water main extension on the eastern half of Merchant that would connect to the new SFFD Fire Station 13. The City will continue to maintain standard infrastructure, as detailed in Attachment B – Draft Maintenance Plan, which may be updated from time to time prior to final execution of the MEP Maintenance Agreement.

As part of the design and engineering assessment, the following utility and infrastructure considerations have been addressed:

- Critical public utility infrastructure (e.g. services from San Francisco Public Utilities Commission ("SFPUC")) is located on other perimeter streets and not on Merchant Street. Utilities such as services provided by Verizon and Pacific Gas & Electric Company ("PG&E") (including a high voltage electric vault) are the only utilities located within Merchant Street.
- Pursuant to the MEP, the Developer or its assignee will be responsible for maintenance and repair of all special paving within the street and sidewalks, including any restoration required following third-party excavations (e.g. PG&E, Verizon, other), or City excavations for water main replacement or any other emergency repairs, in a timely manner pursuant to the Maintenance Agreement
- If required, the Developer or its assignee will bear the full cost of relocating PG&E facilities within Merchant Street.
- The Developer shall coordinate with SFFD to ensure (i) adequate access to the existing and future fire department connections and standpipes on Merchant Street, (ii) adequate ladder access to adjacent buildings and the Project, and (iii) sufficient clearance for the proposed overhead string lights to accommodate emergency operations, including training activities by SFFD Fire Station 13.

- The Developer shall apply for a PG&E power connection for the privately owned and maintained overhead string lights that will be installed in-lieu of standard City streetlights and will be responsible for ensuring the ongoing maintenance and operation of the lighting at all times.
- The proposed curb and gutter design will comply with the currently applicable stormwater design requirements for an existing City street.

Please contact me should you have any questions about the Project's schematic design and maintenance plan for the Merchant Street Improvements. Thank you for your time and consideration.

Sincerely yours,

Jonathan Shum boxsign 4691X128-135P8ZR6

Jonathan Shum

CC:

Jonathan Vimr, Planning Department Jonathan Cherry, OEWD

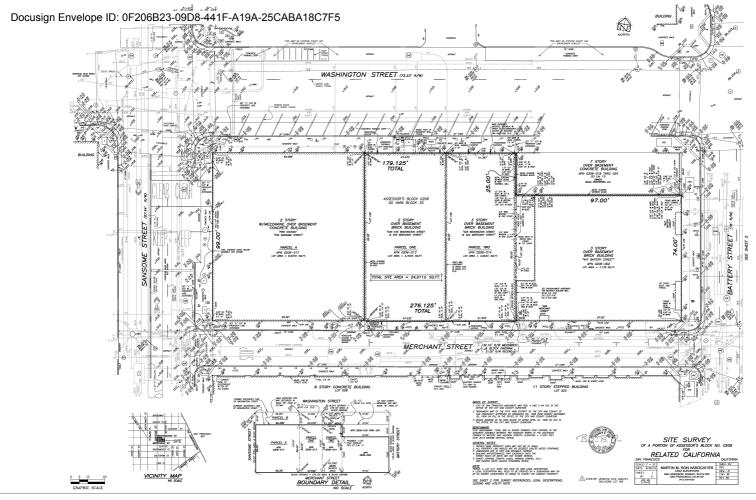
Attachments

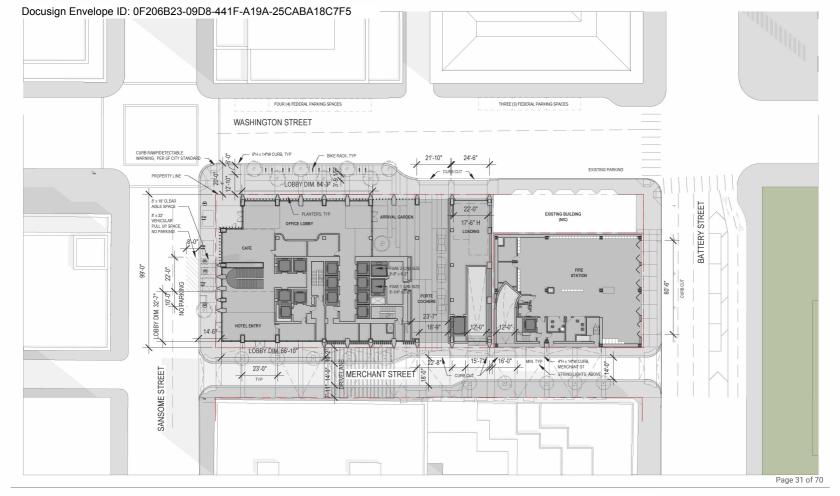
A. Schematic Design Set

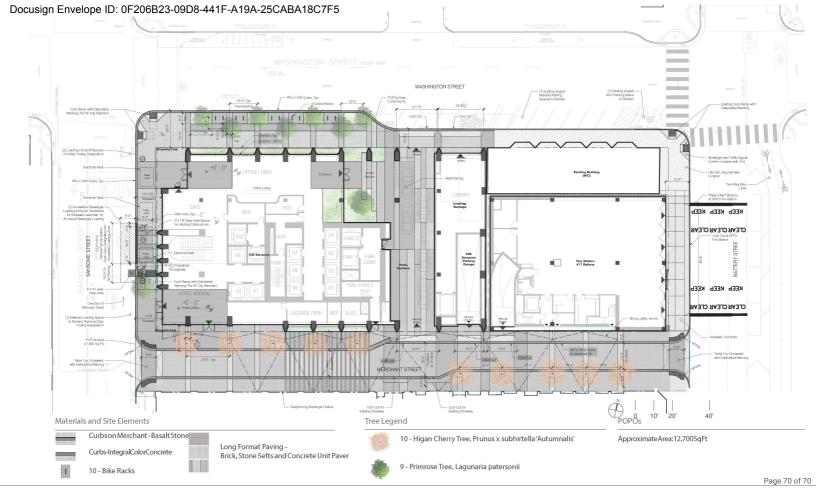
B. Draft Maintenance Plan

ATTACHMENT A

SCHEMATIC DESIGN SET







ATTACHMENT B

DRAFT MAINTENANCE PLAN

San Francisco Public Utilities Commission = SFPUC San Francisco Municipal Transportation Agency = SFMTA Major Encroachment Permit = MEP

Infrastructure Component	Ownership	Maintenance	Maintenance Standard	Instrument Memorializing Maintenance Duties	Maintenance Obligation Security?	Additional Notes
Existing Infrastructu	re to Remain					
Standard Street Lights	SFPUC	SFPUC	Public Works Code	N/A	N/A	-
Merchant Street Imp	rovements SIP Infi	rastructure				
6" SFPUC Water Main Extension	SFPUC	SFPUC	Public Works Code	N/A	N/A	Developer responsible for restoring SIP improvements damaged or removed by SFPUC to standards set forth in Operation and Maintenance Manual included in MEP
Nonstandard Street Paving	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	May include traffic-calming features designed to reduce vehicle speed

Infrastructure Component	Ownership	Maintenance	Maintenance Standard	Instrument Memorializing Maintenance Duties	Maintenance Obligation Security?	Additional Notes
Nonstandard Sidewalks	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	-
Driveways	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	Developer will replace all existing driveways on the south side of Merchant (ie serving adjacent properties) each with substantially the same curb cut width
Nonstandard curbs	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works and SFPUC stormwater standards	MEP	No	-
Bicycle Parking Racks	Developer or Assignee	Developer or Assignee	To standard defined in Operation and	MEP	No	-

Infrastructure Component	Ownership	Maintenance	Maintenance Standard	Instrument Memorializing Maintenance Duties	Maintenance Obligation Security?	Additional Notes
			Maintenance Manual included in MEP consistent with equivalent SFMTA and Public Works standards			
Street Trees	Public Works	Developer or Assignee, unless Voluntary Maintenance Agreement revoked	Public Works Code Article 16	Voluntary Maintenance Agreement under Charter 16.129(c) and Public Works Director's Order 187246	No	Developer or Assignee has planting responsibility and must ensure tree is viable through the establishment period before Public Works will assume ownership responsibility
Nonstandard Street Lighting	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with SFPUC photometric requirements and SFFD emergency vehicle clearance requirements	MEP	No	

Infrastructure Component	Ownership	Maintenance	Maintenance Standard	Instrument Memorializing Maintenance Duties	Maintenance Obligation Security?	Additional Notes
Standard Roadway and Traffic Routing Signage and Striping	SFMTA	SFMTA	Transportation Code	N/A	No	Any stop signs, speed limit signs, travel lane striping, and crosswalk striping as required in SIP.
Nonstandard living alley signage	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with SFPUC photometric requirements	MEP	No	Wayfinding and traffic-calming signage, which could be affixed to poles in the right of way or outside the right of way to the adjacent building on the north side of Merchant Street.
City standard trash receptacles	Public Works	Public Works	Public Works Code	MEP	No	To be determined if included in the SIP
Bollards or Other Temporary Street Closure Improvements	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	To be determined if included in the SIP
Non-City Utility Systems	Any 3 rd Party Utilities	Utility Owner	As required for Utility Owner	N/A	No	Developer responsible for restoring SIP improvements

Infrastructure Component	Ownership	Maintenance	Maintenance Standard	Instrument Memorializing Maintenance Duties	Maintenance Obligation Security?	Additional Notes
						damaged or removed by Utility Owner to standards set forth in Operation and Maintenance Manual included in MEP
Street furnishings (e.g. seating)	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	-
Any other standard infrastructure installed in accordance with SIP	Jurisdiction- having City Agency	Jurisdiction- having City Agency	Applicable City Code	N/A	No	-
Other nonstandard improvements agreed to by Developer, Planning Director, and Public Works in accordance with DA and approved by SIP	Developer or Assignee	Developer or Assignee	To standard defined in Operation and Maintenance Manual included in MEP consistent with equivalent Public Works standards	MEP	No	-