File No. 210812 **Committee Item No.** 2
Board Item No. 11

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget & Finance Committee **Date** July 28, 2021

Board of Supervisors Meeting **Date** September 7, 2021

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Completed by: Linda Wong **Date** July 22, 2021
Completed by: Linda Wong **Date** August 10, 2021

[Loan Agreement - Hunters View Associates, L.P. - Hunters View HOPE SF - Not to Exceed $33,903,540 for Infrastructure]

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute an Infrastructure Loan Agreement with Hunters View Associates, L.P., a California limited partnership, for a total loan amount not to exceed $33,903,540 to finance the third phase of infrastructure improvements related to the revitalization and master development of up to 800 units of replacement public housing, affordable housing and market rate housing, commonly known as the Hunters View HOPE SF Development ("Hunters View Project"); and adopting findings that the loan agreement is consistent with the California Environmental Quality Act, the General Plan, and the priority policies of Planning Code, Section 101.1.

WHEREAS, HOPE SF is the nation's first large-scale public housing transformation collaborative aimed at disrupting intergenerational poverty, reducing social isolation, and creating vibrant mixed-income communities without mass displacement of current residents; and

WHEREAS, HOPE SF, the City's signature anti-poverty and equity initiative, is committed to breaking intergenerational patterns related to the insidious impacts of trauma and poverty, and to creating economic and social opportunities for current public housing residents through deep investments in education, economic mobility, health and safety; and

WHEREAS, The Housing Authority of the City and County of San Francisco ("SFHA") previously owned and operated 267 units of public housing on the approximately 23-acre site, known as Huntersview; and

WHEREAS, The Hunters View Project, which is located in Bayview Hunters Point, is generally bounded by property owned by Pacific Gas & Electric to the north, residential development on the west, Hunters Point Boulevard to the east, and Youth Park and Malcom X Academy to the south, is a mixed-use, mixed-income development with several different components: (i) construction of the public infrastructure to support the Hunters View Project; (ii) development of private affordable housing on affordable parcels in accordance with an affordable housing plan; (iii) development of private residential projects on market rate parcels; and (iv) development of community improvements (e.g., open space areas, community facilities) throughout Hunters View Project; and

WHEREAS, In 2007, SFHA issued a Request for Proposals ("RFP"), seeking submittals from qualified respondents to develop the Hunters View Project; and

WHEREAS, The John Stewart Company, a California corporation ("JSCo"), in collaboration with Ridge Point Nonprofit Housing Corporation, a California nonprofit public benefit corporation ("Ridge Point"), and Devine and Gong, Inc, a California corporation ("DGI"), jointly responded to the RFP and were selected to be the developer for the Hunters View Project; and

WHEREAS, JSCo, Ridge Point, and DGI established a separate entity named Hunters View Associates, L.P., (the "Developer") under which to plan and develop the Hunters View Project; and

WHEREAS, The Hunters View HOPE SF master plan consists of (i) three phases of development that when completed will total a maximum of 800 units, of which at least 267 are replacement units for existing Hunters View households, approximately 137 are additional affordable housing units, and up to 396 units will be for market rate homeownership or rental, (ii) all new streets and utility infrastructure, (iii)

2.5 acres of new open spaces, and (iv) approximately 16,000 square feet of new neighborhood serving spaces; and

WHEREAS, Hunters View Phase I and Phase II have completed new streets and utilities, along with privately owned publicly accessible parks and new affordable housing containing public housing replacement units and new affordable housing, and rough graded lots for market rate homeownership or rental; and

WHEREAS, Hunters View Phase III is the third and final phase of the Hunters View Project; and

WHEREAS, Hunters View Phase III is an approximately 7.43-acre infill area that includes the former public housing building foundations and the vacated streets of Wills and Hare Streets, along with West Point Road, all of which is secured with fencing; and

WHEREAS, Hunters View Associates, L.P. now desires to complete open space improvements and Public Infrastructure Improvements, as defined in the Public Improvement Agreement for Hunters View Phase III that has been executed by the Developer and is pending City approval, including demolition of existing conditions, mass grading, roadway and utility improvements and the construction of a privately owned publicly accessible park and additional open space improvements ("Project"); and

WHEREAS, The Planning Commission, on June 12, 2008, in Motion No. 17617, certified the Hunters View Redevelopment Project Environmental Impact Report ("EIR"), and on February 20, 2020, in Motion No. 20663, adopted an addendum to the EIR dated January 16, 2020, pursuant to the California Environmental Quality Act (California Public Resources Code, Sections 21000 et seq., "CEQA"), and adopted findings in connection with the development of the Hunters View Project, including the Project ("Environmental Findings"); and

WHEREAS, The Planning Commission reviewed the Hunters View Project, including the City support as provided by the Project, and found pursuant to CEQA Guidelines (California Code of Regulations Title 14, Sections 15000 et seq.), Sections 15162 and 15164, that the actions completed herein are consistent with, and within the scope, of the Hunters View Project analyzed in the EIR and addendum, and that (1) no substantial changes are proposed in the Hunters View Project and no substantial changes have occurred with respect to the circumstances under which this Project will be undertaken that would require major revisions to the EIR due to the involvement of any new significant environmental effects or a substantial increase in the severity of previously identified effects and (2) no new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified as complete shows that the Project will have any new significant effects not analyzed in the EIR, or a substantial increase in the severity of any effect previously examined, or that new mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, or that mitigation measures or alternatives which are considerably different from those analyzed in the EIR would substantially reduce one or more significant effects on the environment; and

WHEREAS, The Planning Commission, in Motion No. 20663, dated February 20, 2020, which incorporated by reference the General Plan Findings set forth in Planning Commission Motion No. 17621, declared that the Hunters View Project (including the Project) is in conformity with the General Plan, and consistent with the eight priority policies of Planning Code, Section 101.1; and

WHEREAS, Copies of the Planning Commission Motions, the Environmental Findings, and additional environmental determination are on file with the Clerk of the

Board of Supervisors in File No. 210812 and incorporated herein by reference; and

WHEREAS, The City, acting through the Mayor's Office of Housing and Community Development ("MOHCD"), administers a variety of housing programs that provide financing for the development of new affordable housing and the rehabilitation of single- and multi-family housing for low- and moderate-income households and resources for homeowners in San Francisco; and

WHEREAS, MOHCD enters into loan agreements with affordable housing developers and operators; administers loan agreements; reviews annual audits and monitoring reports; monitors compliance with affordable housing requirements in accordance with capital funding regulatory agreements; and if necessary, takes appropriate action to enforce compliance; and

WHEREAS, MOHCD provided Developer with loans to commence predevelopment activities for the Project; and

WHEREAS, The Developer desires to commence the Project, which includes infrastructure improvements to facilitate the construction of approximately 53 public housing replacement units and 63 new affordable rental units, a new approximately one-acre park, four market rate developments, and two new street segments; and

WHEREAS, On July 2, 2021, the Citywide Affordable Housing Loan Committee, consisting of representatives of MOHCD, the Department of Homelessness and Supportive Housing, the Office of Community Investment and Infrastructure, the Controller's Office of Public Financing, and SFHA, recommended approval to the Mayor of a loan to the Developer for the Project in a total amount not to exceed $33,903,540 pursuant to an Infrastructure Loan Agreement in substantially the form on file with the Clerk of the Board in File No. 210812, and in such final form as

approved by the Director of MOHCD and the City Attorney ("Infrastructure Loan Agreement"); and

WHEREAS, The material terms of the Infrastructure Loan Agreement also include: (i) a minimum term of 30 years; (ii) will bear 0.25% interest; and (iii) will be forgiven once the City accepts the improvements and new streets; now, therefore, be it

RESOLVED, The Board adopts the Environmental Findings as its own; and, be it

FURTHER RESOLVED, That the Board finds that the Project is consistent with the General Plan for the reasons set forth in the February 20, 2020, determination of the Planning Commission and hereby incorporates such findings by reference as though fully set forth in this Resolution; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby approves the Infrastructure Loan Agreement and authorizes the Director of MOHCD or the Director's designee to enter into any amendments or modifications to the Agreement (including, without limitation, preparation and attachment or, or changes to, any of all of the exhibits and ancillary agreements) and any other documents or instruments necessary in connection therewith that the Director determines, in consultation with the City Attorney, are in the best interest of the City, do not materially increase the obligations or liabilities for the City or materially diminish the benefits of the City, are necessary or advisable to effectuate the purposes and intent of this Resolution and are in compliance with all applicable laws, including the City Charter; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and delegates to the Director of MOHCD and/or the Director of Property, and their designees, the authority to undertake any actions necessary to protect the City's financial security in the Property and enforce the affordable housing restrictions, which

may include, without limitation, acquisition of the Property upon foreclosure and sale at a trustee sale, acceptance of a deed in lieu of foreclosure, or curing the default under a senior loan; and, be it

FURTHER RESOLVED, That all actions authorized and directed by this Resolution and heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Infrastructure Loan Agreement being fully executed by all parties, MOHCD shall provide the final Infrastructure Loan Agreement to the Clerk of the Board for inclusion into the official file.

Recommended

/s/_____
Eric D. Shaw, Director
Mayor's Office of Housing and Community Development

Item 2 File 21-0812	**Department:** Mayor's Office of Housing and Community Development (MOHCD)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would approve an infrastructure loan agreement between the Mayor's Office of Housing and Community Development (MOHCD) and Hunters View Associates, L.P. for an amount not to exceed $33,903,540.

Key Points

- Hunters View HOPE SF is a 21-acre site that will provide up to 800 units of housing by replacing the 267 units of public housing on site, adding 137 affordable rental units, and developing up to 396 market-rate units. Construction of 286 affordable units, two parks, and community service spaces are complete as Phases I and II of the project.
- Hunters View Phase III will include 118 affordable housing units, a large neighborhood park, and community-serving spaces. Phase III infrastructure improvements include asbestos abatement, demolition of the foundations, mass grading of the 7.43-acre site, rough grading of all parcels, roadway and utility installation, and park landscaping and furnishings. The infrastructure would also support development of up to 332 market-rate units.
- In June 2021, the Citywide Affordable Housing Loan Committee recommended approval of a $33,903,540 loan for infrastructure improvements for Phase III of the Hunters View project. Of this amount, $3,000,000 had already been disbursed from the Low and Moderate Income Housing Asset Fund (LMIHAF) and $30,903,540 is new funding.

Fiscal Impact

- The proposed infrastructure loan would provide $33,903,540 for Hunters View Phase III infrastructure improvements. MOHCD intends to forgive the loan when infrastructure improvements are accepted by the City. The total development cost for the 404 affordable housing units in the Hunters View project (Phases I through III), including infrastructure to support the development of both affordable housing and market-rate housing, is approximately $385,127,986.

Policy Consideration

- The financing plan for Phase III affordable housing development includes $52.7 million in tax credit financing; a $35 million mortgage for Phase III is also dependent on state tax credit and tax-exempt bond funding for this amount. To date, the Hunters View Phase III affordable housing project has not received an allocation of tax-exempt bond financing.

Recommendation

- Because the proposed loan agreement is consistent with prior Board of Supervisors actions, the Budget and Legislative Analyst recommends approval of the proposed resolution.

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of $10 million or more, or (3) requires a modification of more than $500,000 is subject to Board of Supervisors approval.

BACKGROUND

In 2007, the San Francisco Housing Authority (SFHA) in partnership with the Mayor's Office of Housing and Community Development (MOHCD) launched the HOPE SF initiative to revitalize the City's most distressed public housing sites into mixed-income communities comprised of affordable housing, including replacement units for existing public housing and new affordable units, and production of market-rate housing. Hunters View is one of the four sites undergoing revitalization as part of the HOPE SF initiative, which also includes Potrero Terrace, Alice Griffith, and Sunnydale. Hunters View is located in the Bayview Hunters Point neighborhood and was originally comprised of 267 public housing units on approximately 21 acres of land.

In 2007, SFHA released a Request for Qualifications (RFQ) for developers to develop the Hunters View site. SFHA selected The John Stewart Company, in collaboration with Ridge Point Nonprofit Housing Corporation and Devine and Gong, Inc., to develop the master development plan for the Hunters View site. The three developers established a separate entity named Hunters View Associates, L.P. to plan and develop the Hunters View project.

The proposed Hunters View development will provide up to 800 residential units by replacing the 267 units of public housing on the site, adding 137 affordable rental units (for households earning up to 50 percent of the Area Median Income, or AMI), and developing approximately 396 market-rate for-sale units. The master plan also includes developing new street and utility infrastructure, parks, and space for community-based organizations.

The Hunters View HOPE SF project is being developed over three phases. Phase I, completed in 2013, includes 107 public housing and affordable housing units across three new buildings, as well as new infrastructure, offices, and Promontory Park. Phase II, completed in 2018, includes 179 public housing and affordable housing units over three new buildings, as well as new infrastructure, Ironwood Park, and a community hub with a childcare center, wellness center, and additional services offices. Approximately 64 market rate units are awaiting Planning Department approval.

Phase III will include 118 public housing and affordable housing units over two buildings located on two lots, new infrastructure, community-serving ground-floor spaces, and a large neighborhood park. Demolition of the former Phase III public housing buildings to their foundation is complete, and infrastructure improvements are anticipated to begin by September 2021. Up to 332 market-rate ownership units are planned for Phase III. Exhibit 1 below shows the site plan for Phase III development.

Exhibit 1: Phase III Development Site Plan

Market rate housing: Lots 1, 2, 5, 6, and 7



Public & affordable housing: Lots 3 and 4

Source: Disposition and Development Agreement between SFHA and Hunters View Associates L.P.

Development Agreements

SFHA and Hunters View Associates L.P. executed a master development agreement in 2009, and disposition and development agreements for Phases I and II in 2010 and 2013. SFHA and Hunters View Associates L.P. entered into a disposition and development agreement (DDA) for Phase III in January 2021.

Under the Phase III DDA, Hunters View Associates, L.P. is responsible for horizontal infrastructure work and construction of public and affordable housing units. Horizontal infrastructure work

consists of new streets (including to-be-named Streets 1 and 2, shown as Hunters View Drive and Fairfax Avenue in Exhibit 1 above), utilities lines and conduits, sewer and other site work and improvements. The DDA provides for horizontal infrastructure work to begin by November 30, 2022 and be completed by October 31, 2023. SFHA will convey the new streets to the City once the City has accepted the public street improvements in accordance with the Subdivision Map.[1] SFHA will retain ownership of the land for the parcels that are developed as public and affordable housing and the City will have the option to purchase the parcels once affordability restrictions of anticipated tax credit financing expire.

Hunters View L.P. will solicit developers for market rate housing units, which will be evaluated by MOHCD and SFHA. SFHA will ground lease the parcels intended for market rate development to Hunters View L.P. during construction and then sell the land to the selected market rate developer. Under a separate agreement between MOHCD and SFHA, proceeds from land sales of market rate parcels are transferred to MOHCD to be used for HOPE SF projects.

Tenant Relocation

The SFHA has developed a tenant relocation plan for tenants impacted by the Hunters View demolitions. Hunters View tenants have a right of return to newly constructed public housing units. According to MOHCD, all residents living on site at the initiation of negotiations of the Exclusive Negotiation Rights Agreement ("ENRA") in 2005 have relocated to the completed affordable housing units in Phase I and Phase II.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve an infrastructure loan agreement between MOHCD and Hunters View Associates, L.P. to finance Phase III infrastructure improvements for an amount not to exceed $33,903,540. The proposed resolution would also adopt findings that the loan agreement is consistent with the California Environmental Quality Act (CEQA), the General Plan, and the eight priority policies of Planning Code Section 101.1.

Phase III Infrastructure

According to the Phase III DDA, infrastructure improvements include asbestos abatement, demolition of the foundations, mass grading of the 7.43-acre site, rough grading of all parcels, roadway and utility installation, and park landscaping and furnishings. Under the DDA, SFHA will convey the street improvements to the City. The three parks in the Hunters View project, including one in Phase III, will be owned and maintained by Hunters View L.P.

Infrastructure Loan

In June 2021, the Citywide Affordable Housing Loan Committee recommended approval of a $33,903,540 loan for infrastructure improvements for Phase III of the Hunters View project. Of this amount, $3,000,000 had already been disbursed from the Low and Moderate Income

[1] The DDA provides recordation of a Subdivision Map, and three separate ground leases between SFHA and Hunters View Associates L.P., after recordation of the Subdivision Map, to facilitate Hunters View Associates predevelopment and infrastructure work.

Housing Asset Fund (LMIHAF) and $30,903,540 is new funding. The loan sources and terms are shown in Table 1 below.

Exhibit 2: Loan Sources and Terms

Sources	Amount	Terms	Status
LMIHAF	$3,000,000	30 years @ 0.25% residual receipts	Previously disbursed
General Fund	20,982,916	30 years @ 0.25% residual receipts	This request
HOPE SF General Fund	6,500,000	30 years @ 0.25% residual receipts	This request
Assets from Office of Community Investment and Infrastructure (OCII) from a previous Hunters View Phase II-III loan	3,000,000	30 years @ 0.25% residual receipts	This request
Streets Bond (Proposition A)	420,624	30 years @ 0.25% residual receipts	This request
Total	**$33,903,540**		

Source: Proposed Loan Agreement

The proposed loan amount of $33,903,540 would be used for infrastructure improvements to support both affordable and market-rate housing.

The proposed loan agreement provides for a 30-year maturity with a simple annual interest rate of 0.25 percent, shown in Exhibit 2 above. Outstanding principal and interest are due on the maturity date. According to the loan agreement, the loan repayment obligation will be considered satisfied when (1) the project is completed and the Notice of Completion issued, (2) the Department of Building Inspection approves the permit for open space improvements at Bayview Park, and (3) the public infrastructure improvements are delivered to and accepted by the City. According to Ms. Cindy Heavens, MOHCD Project Manager, MOHCD intends to forgive the loan when infrastructure improvements are accepted by the City, subject to future Board of Supervisors approval.

FISCAL IMPACT

The proposed infrastructure loan agreement would have an amount not to exceed $33,903,540. The sources and uses of funds are shown in Exhibit 3 below.

Exhibit 3: Infrastructure Loan Sources and Uses

Sources	Amount
LMIHAF	$3,000,000
General Fund	20,982,916
HOPE SF General Fund	6,500,000
OCII	3,000,000
Streets Bond (Proposition A)	420,624
Total Sources	**$33,903,540**

Uses	Amount
Demolition	$1,115,501
Bayview Park	2,976,064
Infrastructure Improvements	19,392,978
Detention Basin	375,000
Contingency (8.1%)	1,939,297
Construction Subtotal	*$25,798,840*
Architecture & Design	1,521,991
Engineering & Environmental Studies	2,730,724
Legal Costs	192,000
Other Development Costs	1,700,801
Contingency (5.7%)	350,658
Soft Costs Subtotal	*$6,496,174*
Developer Fees	1,608,526
Total Uses	**$33,903,540**

Source: Proposed Loan Agreement

The total development cost for the 267 public housing units and 137 affordable housing units in the Hunters View project (Phases I through III) is approximately $385,127,986. This amount includes horizontal infrastructure to support the development of both affordable housing and market-rate housing. It does not include the construction of market-rate units. The sources and uses of funds are shown in Exhibit 4 below.

Exhibit 4: Hunters View Project: Public & Affordable Housing Budget, All Phases

Sources	Amount
OCII Funds	$43,475,442
MOHCD Funds	87,879,524
DPW Streets Funds	5,337,124
Proposition AA	1,844,994
Stewardship and Citibank Grants	110,000
First Mortgage	43,582,000
Housing and Community Development (HCD) Funds	44,220,623
SFHA Loan	8,299,333
Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP)	1,000,000
NOI/Accrued Interest/Other	2,664,613
Owner Funds	46,093
Rebates	804,676
Deferred Developer Fee	1,504,095
SFMTA Lifeline Transportation Program	490,160
Tax Credit Equity	143,869,309
Total Sources	**$385,127,986**

Uses	Amount
Master Planning	$2,665,867
Phase I Development	92,760,314
Phase II Development	139,121,568
Phase III Development[2]	153,246,104
Total Uses	**$385,127,986**

The Hunters View financing plan includes tax credit equity of $143,869,309 of which $91,147,864 has been previously allocated for Hunters View Phases I and II and $52,721,445 has not yet been allocated for Phase III. Additionally, approximately $35,320,000 in First Mortgage loans are dependent on allocations of tax-exempt bonds for Hunters View Phase III.

POLICY CONSIDERATION

Project Costs and State Tax Credit Allocation

As noted above, the financing plan for Phase III public housing and affordable housing development includes $52.7 million in tax credit financing; a $35 million mortgage for Phase III is also dependent on state tax credit and tax-exempt bond funding for this amount. The Hunters View Phase III affordable housing project did not receive an allocation of tax-exempt bond financing in either Round 1 or Round 2 of the 2021 funding competition. Currently, the statewide demand for such allocations is three times greater than funding available. The 2021 process favors lower cost projects that are located in high resource areas. According to Ms. Amy Chan, MOHCD Director of Policy and Legislative Affairs, MOHCD has requested that the State modify its criteria for awarding bond financing, but the earliest the change would occur is in 2022. Hunters

[2] The Phase III development amount of $385,127,986 includes infrastructure costs of $33,903,540 funded by the proposed resolution.

View will reapply for State financing until an allocation is granted. In May 2021 the Governor's Office announced that the State Department of Housing and Community Development (HCD) will make $1.75 billion available for stalled projects awaiting a bond allocation that also have an HCD award. While the specifics of the deployment of the funds has yet to be determined, MOHCD staff will work with the State to ensure that Hunters View Phase III, which was previously awarded HCD IIG funds eligible for the funds.

Infrastructure Costs

According to MOHCD, the infrastructure plans were approved by the Department of Public Works (DPW), who noted that the costs originally estimated by the master developer were high. However, according to MOHCD, construction subcontractor bids provided by the master developer were consistent with the original cost estimate.

The uncertainty in the State allocation of federal low-income housing tax credits to Hunters View Phase III, as well as a longer than expected DPW review process, has resulted in an approximately one-year delay to begin the infrastructure improvements.

Horizontal Infrastructure Improvements

The $33.9 million of infrastructure work funded by the City and to be performed by Hunters View Associates L.P. will support affordable housing development on Lots 3 and 4, and the market-rate development on Lots 1, 2, 5, 6, and 7. According to MOHCD staff, although the proposed loan will pay for infrastructure construction that supports market rate housing development, MOHCD determined that the use of these funds for horizontal infrastructure supporting market rate and affordable housing was appropriate because proceeds from the sale of the market rate parcels will be returned to MOHCD. The market rate parcels – Lots 1, 2, 5, 6, and 7 – are owned by the San Francisco Housing Authority, and under the Cashflow Memorandum of Understanding between the San Francisco Housing Authority and MOHCD, MOHCD will receive the proceeds from the sale of the Hunters View parcels owned by SFHA.

Because the proposed loan of $33.9 million to fund horizontal infrastructure development for the Hunters View Phase III is consistent with prior Board of Supervisors actions, the Budget and Legislative Analyst recommends approval of the proposed resolution.

RECOMMENDATION

Approve the proposed resolution.

INFRASTRUCTURE LOAN AGREEMENT
(CITY AND COUNTY OF SAN FRANCISCO LOW AND MODERATE INCOME HOUSING ASSET FUND, GENERAL FUNDS, STREET FUNDS, TAX INCREMENT EXCESS PROCEEDS, AND CERTIFICATES OF PARTICIPATION)

By and Between

THE CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, represented by the Mayor,
acting by and through the Mayor's Office of Housing and Community Development,

and

HUNTERS VIEW ASSOCIATES, L.P.,
A California limited partnership,

for

HUNTER'S VIEW HOPE SF INFRASTRUCTURE PHASE IIIA(2-3)
Middle Point Road at Hare Street, Fairfax Avenue, and Catalina Street
$33,903,540
LMIHAF: $3,000,000
GENERAL FUNDS: $20,982,916
HOPE SF FUNDS: $6,500,000
STREET FUNDS: $420,624
TAX INCREMENT EXCESS PROCEEDS: $3,000,000

Dated as of [_____]

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INFRASTRUCTURE LOAN AGREEMENT
(City and County of San Francisco
Low and Moderate Income Housing Asset Fund, HOPE SF Funds, General Funds, Street Funds, and Tax Increment Excess Proceeds)
(Middle Point Road at Hare Street, Fairfax Avenue, and Catalina Street)

THIS INFRASTRUCTURE LOAN AGREEMENT ("Agreement") is entered into as of [_____], by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (the "City"), represented by the Mayor, acting by and through the Mayor's Office of Housing and Community Development ("MOHCD"), and **HUNTERS VIEW ASSOCIATES, L.P.**, a California limited partnership ("Borrower").

RECITALS

A. The San Francisco Board of Supervisors designated the Mayor's Office of Housing and Community Development the Successor Housing Agency of the San Francisco Redevelopment Agency, effective February 1, 2012, upon dissolution of state redevelopment agencies. Pursuant to California Assembly Bill 1484, the Successor Housing Agency was required to create a fund called the Low and Moderate Income Housing Asset Fund ("LMIHAF") to collect proceeds from former redevelopment agency housing assets transferred to the City and County of San Francisco. Monies in the LMIHAF are derived from loan repayments and other housing asset program income and must be used in accordance with California Redevelopment Law. The funds provided from the LMIHAF under this Agreement shall be referred to herein as "LMIHAF."

B. On June [XX], 2021, through the Fiscal Year End 2021 through 2022 Annual Appropriation Ordinance [XX-XX], the San Francisco Board of Supervisors appropriated funds from the City's General Fund to the Mayor's Office of Housing and Community Development for the redevelopment of public housing and associated infrastructure. The City is authorized by this ordinance to provide a portion of the funds under this Agreement (the "General Fund") to Borrower for the development of affordable housing and/or associated infrastructure improvements. The funds provided from the General Fund under this Agreement shall be referred to herein as the "General Funds."

C. Pursuant to Ordinance No. 180-07, adopted by the City's Board of Supervisors on July 24, 2007, approved by the City's Mayor on August 3, 2007, the City created the HOPE SF Fund (the "HOPE SF Funds") and is authorized to use moneys there to provide financial assistance to the San Francisco Housing Authority ("SFHA") and housing developers for the demolition and construction of public housing in conjunction with affordable housing and market-rate housing, as further specified in the Section 10.100-370 of the San Francisco Administrative Code and the rules and regulations adopted by the City's Board of Supervisors on October 16, 2007, through Resolution No. 556-07, approved by the City's Mayor on October 22, 2007.

D. Pursuant to that certain Memorandum of Understanding between MOHCD and the San Francisco Department of Public Works ("DPW") dated March 2014 (the "MOU"), DPW has provided funds to MOHCD (the "Street Funds") generated from DPW's General Fund budget. Pursuant to the MOU, the City is authorized to distribute the Street Funds under this Agreement for the specific purpose of financing, in part, the design and reconstruction of roadway and new transit improvements along Middle Point Road, Street 1 and Street 2 that are intended to provide safer, more accessible pedestrian access to Muni bus stops and residential units that will be constructed at Hunters View HOPE SF Phase III, all of which is intended to benefit the residents of the Hunters View HOPE SF.

E. On April 19, 2011, the San Francisco Redevelopment Agency and Borrower as Master Developer entered into that certain Phase II-III Rental Tax Increment Loan Agreement (the "2011 Loan Agreement") pursuant to which it agreed to provide up to $31,406,982 to Master Developer (the "2011 Loan") for predevelopment and construction activities for Phases II and III of Hunters View HOPE SF. At the time of the 2011 Loan Agreement, the development and financial structure of Phases II and III of Hunters View HOPE SF were still being determined. As required by Redevelopment Dissolution Law (as defined in Section 1), OCII transferred the 2011 Loan obligation and asset to MOHCD as the designated Successor Housing Agency of the City and County of San Francisco under Board Resolution 11-12. Additionally, as identified in the 2011 Loan Agreement, the excess proceeds from Hunters View Phase II excess proceeds were transferred to MOHCD for use on the development of Hunters View Phase III. These transferred excess proceeds provided under this Agreement shall be referred to herein as "Tax Increment Funds". Together the LMIHAF, HOPE SF Funds, General Funds, Street Funds, and Tax Increment Funds shall be referred to herein as the "Funds."

F. Borrower intends to acquire a leasehold interest in the real property located at Middle Point Road at Hare Street, Fairfax Avenue, and Catalina Street, San Francisco, California under a Ground Lease (Hunters View Phase IIIA(2) – Park) dated [_____,] and a Ground Lease (Hunters View Phase IIIA(3) – Streets/Public Rights of Way) dated [_____] (collectively, the "Ground Lease"), each by and between Borrower and the Housing Authority of the City and County of San Francisco ("Ground Lessor"). Borrower desires to use the Funds to complete the Public Infrastructure Improvements (as defined in **Section 1**) and open space improvements on the Site (as defined in **Section 1**), including demolition of existing conditions, mass grading, roadway and utility improvements and the construction of a privately owned publicly accessible park and additional open space improvements, which will be known as Hunter's View HOPE SF Infrastructure Phase IIIA(2-3). The Project (as defined in **Section 1**) will also include site preparation work, mass grading and construction of utility improvements on Lots 3 and Lot 4 as shown on Final Map No. 9677, collectively also referred to herein as Phase IIIA(1), on which affordable housing will be developed by HV Partners 3, LP, a California limited partnership and an affiliate of Borrower ("HVP3"), in accordance with the Disposition and Development Agreement (as defined in **Section 1**). The Project (as defined in **Section 1**) will also include site preparation work, mass grading and construction of utility improvements on Lots 1, 2, 5, 6 and 7 as shown on Final Map No. 9677, collectively also referred to herein as "Phase IIIB", on which market rate housing will be developed by an assignee of Borrower, in accordance with the Disposition and Development Agreement (as defined in **Section 1**).

G. The City previously loaned a total of $9,455,027 (the “Predevelopment Loan”) to fund predevelopment activities associated with Hunters View HOPE SF Phase III and the construction of 53 public housing rental units, 64 additional affordable housing units and one managers unit (the “Residential Project”). The Predevelopment Loan was evidenced by (1) a Loan Agreement dated June 15, 2017 in the amount of the Predevelopment Loan, as amended by that certain First Amendment to the Loan Agreement dated October 4, 2017; and (2) Secured Promissory Note dated October 4, 2019 in favor of the City. In consideration of Borrower assigning some of the Predevelopment Loan funds to the Project, the City has agreed to restructure a portion of the Predevelopment Loan in the amount of $3,000,000 into a permanent loan for the Project and to amend the Predevelopment Loan and associated Secured Promissory Note to include costs only for the Residential Project.

H. The City has reviewed Borrower's application for Funds and, in reliance on the accuracy of the statements in that application, has agreed to make a loan of Funds to Borrower (the "Loan") in the amount of Thirty-Three Million Nine Hundred Three Thousand Five Hundred Forty and No/100 Dollars ($33,903,540.00) (the "Funding Amount") under this Agreement to fund certain costs related to the Project. The Funding Amount is comprised of (i) LMIHAF in the amount of One Million Five Hundred Thousand and No/100 Dollars ($3,000,000.00), (ii) HOPE SF Funds in the amount of Six Million Five Hundred Thousand and No/100 Dollars ($6,500,000.00), (iii) General Funds in the amount of Twenty Million Nine Hundred Eighty-Two Thousand Nine Hundred Sixteen and No/100 Dollars ($20,982,916.00), (iv) Street Funds in the amount of Four Hundred Twenty Thousand Six Hundred Twenty-Four and No/100 Dollars ($420,624.00), and (v) Tax Increment Funds in the amount of Three Million and No/100 Dollars ($3,000,000.00).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

ARTICLE 1 DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following words and phrases have the following meanings:

"Accounts" means all depository accounts, including reserve and trust accounts, required or authorized under this Agreement or otherwise by the City in writing. All Accounts must be maintained in accordance with **Section 2.3**.

"Agency" means the Redevelopment Agency of the City and County of San Francisco.

"Agreement" means this Loan Agreement.

"Agreement Date" means the date first written above.

“Approved Plans” has the meaning set for in **Section 5.2**.

“Approved Specifications” has the meaning set forth in **Section 5.2**.

"Authorizing Resolutions" means: (a) in the case of a corporation, a certified copy of resolutions adopted by its board of directors; (b) in the case of a partnership (whether general or limited), a certificate signed by all of its general partners; and (c) in the case of a limited liability company, a certified copy of resolutions adopted by its board of directors or members, satisfactory to the City and evidencing Borrower's authority to execute, deliver and perform the obligations under the City Documents to which Borrower is a party or by which it is bound.

"Borrower" means Hunters View Associates, L.P., a California limited partnership, whose general partners are JSCo HVA LLC, a California limited liability company, Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation, and HV Mafanikio, LLC, a California limited liability company (collectively, the “General Partner”), and its authorized successors and assigns.

"CFR" means the Code of Federal Regulations.

"Charter Documents" means: (a) in the case of a corporation, its articles of incorporation and bylaws; (b) in the case of a partnership, its partnership agreement and any certificate or statement of partnership; and (c) in the case of a limited liability company, its operating agreement and any LLC certificate or statement. The Charter Documents must be delivered to the City in their original form and as amended from time to time and be accompanied by a certificate of good standing for Borrower issued by the California Secretary of State and, if Borrower is organized under the laws of a state other than California, a certificate of good standing issued by the Secretary of State of the state of organization, issued no more than ninety (90) days before the Agreement Date.

"City" means the City and County of San Francisco, a municipal corporation, represented by the Mayor, acting by and through MOHCD. Whenever this Agreement provides for a submission to the City or an approval or action by the City, this Agreement refers to submission to or approval or action by MOHCD unless otherwise indicated.

“City Acceptance” means the City’s acceptance of the Public Infrastructure Improvements for public use and/or maintenance which shall be deemed to have occurred when (i) the Public Infrastructure Improvements, which Borrower, as the assignee of Subdivider pursuant to the Public Improvement Agreement, requests for acceptance have been completed, the City Engineer has issued the Notice of Completion, and the Clerk of the Board of Supervisors certifies all payments have been made in accordance with Section 8 of the Public Improvement Agreement; (ii) the City Engineer has certified to the Board of Supervisors that the Public Infrastructure Improvements have been deemed complete and are ready for their intended use; and (iii) the Board of Supervisors, by ordinance, Accepts the Public Infrastructure Improvements, or portion thereof, for public use, maintenance, and liability purposes in accordance with the provisions of San Francisco Administrative Code Sections 1.51 et seq. and Borrower’s maintenance and warranty obligations under Public Improvement Agreement Sections 7, 9, and 10, as assignee of Subdivider.

"City Documents" means this Agreement, the Note, and any other documents executed or, delivered in connection with this Agreement.

"City Project" has the meaning set forth in **Exhibit E, Section 13(c)**.

“Completion” means the completion of the construction of the Public Infrastructure Improvements and the open space improvements on the Site and the Project in substantial accordance with the Approved Plans and the Approved Specifications, as evidenced by issuance of the City engineer’s “Notice of Completion,” as defined in the Public Improvement Agreement and, with regard to the construction of Bayview Park, the Department of Building Inspection’s approval of the [_____ (Bayview Park permit)].

"Completion Date" has the meaning set forth in **Section 5.6**.

“Construction Contract” has the meaning set forth in **Section 5.2**.

“Contracting Manual” means the Contracting Manual (2006 Amendment) for Federally Funded Construction Projects Financed by the Mayor’s Office of Housing, issued by MOHCD on November 18, 2002, as amended on May 22, 2007, as the same may be further amended from time to time.

“Control of the Site” means execution of the Ground Lease by Borrower and the Housing Authority of the City and County of San Francisco as Ground Lessor of the Site.

“Department of Building Inspection” has the meaning set forth in **Section 5.2**.

"Developer Fees" has the meaning set forth in **Section 15.1**.

“Developer Fee Agreement” has the meaning set forth in **Section 15.1**.

"Disbursement" means the disbursement of all or a portion of the Funding Amount by the City as described in **Article 4**.

“Disposition and Development Agreement” or “DDA” means the Disposition and Development Agreement For Phase III of Hunters View Housing Development (Phase IIIA(1), Phase IIIA(2), Phase IIIA(3) and Phase IIIB) between SFHA and Borrower dated January 28, 2021 between the SFHA and Hunters View Associates, L.P. for the HOPE SF Hunters View Phase III master development, as assigned as to Phase IIIA(1) only to HVP3.

“Early Retention Release Contractors” means contractors who will receive retention payments upon satisfaction of requirements set forth in **Section 4.7.**

"Environmental Activity" means any actual, proposed or threatened spill, leak, pumping, discharge, leaching, storage, existence, release, generation, abatement, removal, disposal, handling or transportation of any Hazardous Substance from, under, into or on the Site.

"Environmental Laws" means all present and future federal, state, local and administrative laws, ordinances, statutes, rules and regulations, orders, judgments, decrees,

agreements, authorizations, consents, licenses, permits and other governmental restrictions and requirements relating to health and safety, industrial hygiene or the environment or to any Hazardous Substance or Environmental Activity, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (commonly known as the "Superfund" law) (42 U.S.C. §§ 9601 *et seq*.), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (42 U.S.C. §§ 6901 *et seq*.); the National Environmental Policy Act of 1969 ("NEPA") (24 CFR §§ 92 and 24 CFR §§ 58); the California Hazardous Substance Account Act (also known as the Carpenter-Presley-Tanner Hazardous Substance Account Law and commonly known as the "California Superfund" law) (Cal. Health & Safety Code §§ 25300 *et seq*.); and the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65") (Cal. Health & Safety Code §§ 25249.2 *et seq*.); and Sections 25117 and 25140 of the California Health & Safety Code.

"Event of Default" has the meaning set forth in **Section 19.1**.

"Expenditure Request" means a written request by Borrower for a Disbursement from the Funding Amount, which must certify that the Project costs covered by the Expenditure Request have been paid or incurred by Borrower.

"Funding Amount" has the meaning set forth in **Recital G**.

"Funds" has the meaning set forth in **Recital E**.

"GAAP" means generally accepted accounting principles in effect on the date of this Agreement and at the time of any required performance.

"General Partner" means JSCo HVA, LLC, a California limited liability company, as Managing General Partner of Borrower. Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation, as Co-General Partner and HV Mafanikio, LLC, a California limited liability company, as Co-General Partner.

"Governmental Agency" means: (a) any government or municipality or political subdivision of any government or municipality; (b) any assessment, improvement, community facility or other special taxing district; (c) any governmental or quasi-governmental agency, authority, board, bureau, commission, corporation, department, instrumentality or public body; or (d) any court, administrative tribunal, arbitrator, public utility or regulatory body.

"Ground Lease" has the meaning set forth in **Recital F**.

"Ground Lessor" has the meaning specified in **Recital F**.

"Hazardous Substance" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Substance includes any material or substance listed, defined or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified

as "hazardous" or "toxic" under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the construction, operation or maintenance of developments similar to the Project will not be deemed "Hazardous Substances" for the purposes of this Agreement if used in compliance with applicable Environmental Laws.

"HOPE SF Monthly Report" has the meaning set forth in **Section 10.2**.

"HSH" means the San Francisco Department of Homelessness and Supportive Housing, or other successor agency.

"HUD" means the United States Department of Housing and Urban Development acting by and through the Secretary of Housing and Urban Development and any authorized agents.

"in balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will be sufficient to complete construction of the Project, as determined by the City in its sole discretion.

"Indemnitee" means, individually or collectively, (i) City, including MOHCD and all commissions, departments, agencies and other subdivisions of City; (ii) City's elected officials, directors, officers, employees, agents, successors and assigns; and (iii) all persons or entities acting on behalf of any of the foregoing.

"Land" means the real property owned by Ground Lessor on which the Site is located.

"Laws" means all statutes, laws, ordinances, regulations, orders, writs, judgments, injunctions, decrees or awards of the United States or any state, county, municipality or Governmental Agency.

"Loan" has the meaning set forth in **Recital H**.

"Loss" or "Losses" includes any and all loss, liability, damage, obligation, penality, claim, action, suits, judgment, fee, cost, expense or charge and reasonable attorneys' fees and costs, including those incurred in an investigation or a proceeding in court or by mediation or arbitration, on appeal or in the enforcement of the City's rights or in defense of any action in a bankruptcy proceeding.

"Maturity Date" has the meaning set forth in **Section 3.1**.

"MOHCD" means the Mayor's Office of Housing and Community Development or its successor.

"Note" means the promissory note executed by Borrower in favor of the City in the original principal amount of the Funding Amount, in form and substance acceptable to the City.

"Notice of Completion" has the meaning set forth in the definition of Completion.

"OCII" means the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco.

"Official Records" means the official records of San Francisco County.

"open space improvements" means the construction by Borrower of a privately owned publicly accessible park and other related open space facilities, furniture, fixtures and equipment. All open space improvements on Site shall be built in accordance with the implementing approvals (i.e., the Approved Plans and Approved Specifications) approved by the City, the DDA, and the Public Improvement Agreement, as applicable.

"Opinion" means an opinion of Borrower's California legal counsel, satisfactory to the City and its legal counsel, that Borrower is a duly formed, validly existing California limited partnership in good standing under the laws of the State of California, has the power and authority to enter into the City Documents and will be bound by their terms when executed and delivered, and that addresses any other matters the City reasonably requests.

"Out of Balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will not be sufficient to complete acquisition/construction/rehabilitation of the Project, as determined by the City in its sole discretion.

"Permitted Exceptions" means liens in favor of the City, real property taxes and assessments that are not delinquent, and any other liens and encumbrances the City expressly approves in writing in its escrow instructions.

"Project" means the development described in **Recital F**. If indicated by the context, "Project" means the Site and the Public Infrastructure Improvements and open space improvements developed on the Site.

"Public Improvement Agreement" means the agreement attached as **Exhibit P** between Subdivider and the City, providing for the construction and installation of the Public Infrastructure Improvements on the Site. The Public Improvement Agreement provides that Subdivider may assign its rights and obligations thereunder to Borrower and/or to HVP3, provided that thereafter Borrower, HVP3, and Subdivider will be jointly and severally liable for such assigned obligations.

"Public Infrastructure Improvements" or "PII" shall mean the facilities, both on- and off-Site, to be improved, constructed and dedicated to the City by Borrower or Subdivider as part of the Project. Public Infrastructure Improvements include streets within the Project, sidewalks (and associated street trees), furniture, fixtures and equipment, Public Stormwater Management Improvements, all public utilities within the public right of way (such as electricity, water, street lights, pedestrian lights, joint trenches and sewer lines but excluding any non-municipal utilities),

bicycle lanes and paths in the public right of way, off-site intersection improvements (including, but not limited to, curbs, medians, signaling, traffic controls devices, signage, and striping), and SFMTA infrastructure. All Public Infrastructure Improvements on Site shall be built in accordance with the implementing approvals (i.e., the Approved Plans and Approved Specifications) approved by the City, the DDA, and the Public Improvement Agreement, as applicable. Sufficient construction bonds or guarantees, based on the amount required to complete the Public Infrastructure Improvements as determined from the approved Street Improvement Plans for Hunters View HOPE SF Phase III must also be submitted as required by the City consistent with the Subdivision Map Act and the San Francisco Subdivision Code.

"Redevelopment Dissolution Law" means by operation of law pursuant to California Health and Safety Code Sections 34170 *et seq*, on February 1, 2012, the State of California dissolved all redevelopment agencies, including the Agency. Under the authority of the Redevelopment Dissolution Law and under San Francisco Ordinance No. 215-12 (Oct. 4, 2012) (establishing the Successor Agency Commission and delegating to it state authority under the Redevelopment Dissolution Law), OCII is administering the enforceable obligations of the former Agency.

"Retention" has the meaning set forth in **Section 4.7**.

"SBE Manual" means that certain Small Business Enterprise Program manual dated July 1, 2015, as the same may be amended from time to time.

"Senior Lien" has the meaning set forth in **Section 22.1**.

"SFHA" means the San Francisco Housing Authority.

"Site" means the real property upon which Borrower will build the Public Infrastructure Improvements and open space improvements as more particularly described in **Exhibit A**.

"Subdivider" means the Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation. Subdivider is the subdividing party pursuant the Public Improvement Agreement and is the co-general partner of Borrower.

"Table" means the Table of Sources and Uses.

"Table of Sources and Uses" means a table of sources and uses of funds attached hereto as **Exhibit A**, including a line item budget for the use of the Funding Amount, which table may not be adjusted without the City's prior written approval.

"Work Product" has the meaning set forth in **Section 22.21**.

"Workforce MOU" means that certain Interagency Memorandum of Understanding dated January 20, 2011 between Agency, SFHA, MOHCD, the Mayor's Office of Economic and Workforce Development for the Hunters View Development Project Contract/Workforce Compliance, Workforce Development and Training, which is **Exhibit N** to the DDA.

1.2 Interpretation. The following rules of construction will apply to this Agreement and the other City Documents.

(a) The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any language in this Agreement. References to days, months and years mean calendar days, months and years unless otherwise specified. References to a party mean the named party and its successors and assigns.

(b) Headings are for convenience only and do not define or limit any terms. References to a specific City Document or other document or exhibit mean the document, together with all exhibits and schedules, as supplemented, modified, amended or extended from time to time in accordance with this Agreement. References to Articles, Sections and Exhibits refer to this Agreement unless otherwise stated.

(c) Accounting terms and financial covenants will be determined, and financial information must be prepared, in compliance with GAAP as in effect on the date of performance. References to any Law, specifically or generally, will mean the Law as amended, supplemented or superseded from time to time.

(d) The terms and conditions of this Agreement and the other City Documents are the result of arms'-length negotiations between and among sophisticated parties who were represented by counsel, and the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not apply to the construction and interpretation of the City Documents. The language of this Agreement must be construed as a whole according to its fair meaning.

1.3 Contracting Manual. Borrower shall use the Contracting Manual as a guide to Borrower’s responsibilities under Laws and regulations regarding soliciting, awarding and administering contracts associated with projects assisted by federal funds and some City funds. In the event of a conflict between the terms of the Contracting Manual and this Agreement, the terms of the Agreement shall prevail.

ARTICLE 2 FUNDING.

2.1 Funding Amount. The City agrees to lend to Borrower a maximum principal amount equal to the Funding Amount in order to finance the Public Infrastructure Improvements and open space improvements on the Site. The Funding Amount will be disbursed according to the terms and subject to the conditions set forth in this Agreement.

2.2 Use of Funds. Borrower acknowledges that the City's agreement to make the Loan is based in part on Borrower's agreement to use the Funds solely for the purpose set forth in

Section 2.1 and agrees to use the Funds solely for that purpose in accordance with the approved Table of Sources and Uses. Notwithstanding anything to the contrary contained herein, City will not approve expenditure of Funds for expenses incurred by Borrower prior to January 1, 2016.

2.3 Accounts; Interest. Each Account to be maintained by Borrower under this Agreement must be held in a bank or savings and loan institution acceptable to the City as a segregated account that is insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program. Any interest earned on funds in any Account must be used for the benefit of the Project.

2.4 Records. Borrower must maintain and provide to the City upon request records that accurately and fully show the date, amount, purpose and payee of all expenditures from each Account authorized under this Agreement or by the City in writing and keep all estimates, invoices, receipts and other documents related to expenditures from each Account. In addition, Borrower must provide to the City promptly following Borrower's receipt, complete copies of all monthly bank statements, together with a reconciliation, for each Account until all funds (including accrued interest) in each Account have been disbursed for eligible uses.

2.5 Conditions to Additional Financing. The City may grant or deny any application by Borrower for additional financing for the Project in its sole discretion.

ARTICLE 3 TERMS. Borrower's repayment obligations with respect to the Funding Amount will be evidenced and governed by the Note, which will govern in the event of any conflicting provision in this Agreement.

3.1 Maturity Date. Borrower must repay all amounts owing under the City Documents on the thirtieth (30th) anniversary of MOHCD authorization of the issuance of the Notice to Proceed for the Project (the "Maturity Date"). Notwithstanding the foregoing, Borrower’s Loan repayment obligations may be satisfied, at Borrower’s election, when all of the following have occurred: (a) issuance of the Notice of Completion of the Project, (b) Department of Building Inspection’s approval of the permit for open space improvements at Bayview Park, and (c) delivery of the completed Public Infrastructure Improvements at the time of City Acceptance.

3.2 [Intentionally Omitted.]

3.3 Interest. The outstanding principal balance of the Loan will bear simple interest at a rate of twenty-five hundredths of a percent (.25%) per annum, as provided in the Note.

3.4 Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, the principal balance of the Loan will bear interest at the default interest rate set forth in the Note, with such default interest rate commencing as of the date an Event of Default occurs and continuing until such Event of Default is fully cured. In addition, the default interest rate will apply to any amounts to be reimbursed to the City under any City Document if not paid when due or as otherwise provided in any City Document.

3.5 Repayment of Principal and Interest. The outstanding principal balance of the Loan, together with all accrued and unpaid interest, if any, will be due and payable on the Maturity Date according to the terms set forth in full in the Note.

3.6 [Intentionally Omitted].

3.7 [Intentionally Omitted].

3.8 Additional City Approvals. Borrower understands and agrees that City is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Borrower understands and agrees that neither entry by City into this Agreement nor any approvals given by City under this Agreement shall be deemed to imply that Borrower will obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Property. By entering into this Agreement, City is in no way modifying or limiting the obligations of Borrower to develop the Property in accordance with all local laws. Borrower understands that any development of the Property shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Property, which may include, without limitation, the San Francisco City Planning Commission and the San Francisco Board of Supervisors. Notwithstanding anything to the contrary in this Agreement, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the Project, including but not limited to a party hereto, from exercising any discretion available to such department, board or commission with respect thereto, including but not limited to the discretion to (i) make such modifications deemed necessary to mitigate significant environmental impacts, (ii) select other feasible alternatives to avoid such impacts, including the "No Project" alternative; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided, or (iv) determine not to proceed with the proposed Project.

ARTICLE 4 CLOSING; DISBURSEMENTS.

4.1 Generally. Subject to the terms of this Agreement, the City will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Borrower in accordance with this Agreement and the approved line item budget contained in the Table of Sources and Uses.

4.2 Closing. In the event Borrower does not satisfy all of the conditions to closing within a reasonable time, as determined by the City in its sole discretion, the City may declare this Agreement to be null and void.

4.3 Conditions Precedent to Closing. The City will authorize the close of the Loan upon satisfaction of the conditions in this Section.

(a) Borrower must have delivered to the City fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the City: (i) the Note; (ii) this Agreement (in duplicate); (iii) the

Opinion; (iv) the Authorizing Resolutions; (v) the Developer Fee Agreement; and (vi) any other City Documents reasonably requested by the City.

(b) Borrower must have delivered to the City: (i) Borrower's Charter Documents.

(c) Borrower must have delivered to the City insurance endorsements and, if requested by the City, copies of policies for all insurance required under **Exhibit G** of this Agreement.

(d) The City must have reviewed and approved the Ground Lease.

(e) Borrower must have completed a parking study to the City's satisfaction.

(f) The Predevelopment Loan and associated Secured Promissory Note must be amended to reflect a reduction in the principal amount due of $3,000,342.

4.4 Disbursements. The City's obligation to approve any expenditure of Funds after Loan closing is subject to Borrower's satisfaction of the following conditions precedent.

(a) Borrower must have delivered to the City an Expenditure Request in form and substance satisfactory to the City, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. The City may grant or withhold its approval of any line item contained in the Expenditure Request that, if funded, would cause it to exceed the budgeted line item as previously approved by the City. Additionally, the City must approve all requested reallocations of Funds for line items previously approved by the City.

(b) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, may have occurred that remains uncured as of the date of the Expenditure Request.

(c) With respect to any Expenditure Request that covers rehabilitation or construction costs, Borrower must have certified to the City that the Project complies with the labor standards set forth in **Exhibit B, Section 1**, if applicable.

(d) With respect to any Expenditure Request that covers travel expenses, Borrower's travel expenses must be reasonable and must comply with the following:

(i) Lodging, meals and incidental expenses shall not exceed the then-current per diem rates set forth by the United States General Services Administration for the County of San Francisco found at: https://www.gsa.gov/portal/category/104711.

(ii) Air transportation expenses must use fares for coach-class accommodations, provided that purchases for air travel must occur no less than one week before the travel day.

(iii) If ground transportation is required, the City urges the use of public transit or courtesy shuttles if provided by a lodging. If courtesy transportation is not provided by a lodging, ground transportation expenses for travel to or from regional airports must not exceed Fifty Dollars ($50.00) each way. Other ground transportation expenses must not exceed then-current San Francisco taxi rates found at: https://www.sfmta.com/getting-around/taxi/taxi-rates. Ground transportation must not include any expenses for luxury transportation services, such as a limousine, or any expenses related to travel to or from Project site meetings by Borrower's employees.

(iv) Miscellaneous travel expenses must not exceed Fifty Dollars ($50.00) without prior written approval of the City.

(v) Any Expenditure Request for travel expenses must include supporting documentation, including, without limitation, original itemized receipts showing rates and cost, air travel itinerary, proof of payment, and any written justification requested by the City.

For the purpose of this Section, the terms "lodging," "meals" and "incidental expenses" shall have the same meanings defined in 41 CFR Part 300-3; the term "coach-class" shall have the same meaning defined in 41 CFR Part 301-10.121(a); and the term "miscellaneous" means copying services, printing services, communication services, or other services reasonably related to travel for the Project and approved by the City.

(e) The Loan must be in balance.

4.5 Loan In Balance. To the extent that the Project is financed with multiple funding sources, the City may require Borrower to pay certain costs incurred in connection with the Project from sources of funds other than the Loan at any time the City determines that the Loan is out of balance. When the City is satisfied that the Loan is again in balance, the City will recommence making Disbursements for Expenditure Requests meeting the conditions set forth above.

4.6 Retention. In addition to the other conditions to Disbursements, Borrower acknowledges that the amount of hard costs included in any Expenditure Request associated with rehabilitation or construction, when added to previously approved costs, may not exceed ninety percent (90%) of the approved budgeted costs on a line item basis. The remaining ten percent (10%) of approved budgeted hard costs associated with rehabilitation or construction will be held by the City and/or other Project lenders (the "Retention") and may be released only upon satisfaction of all requirements listed in the Construction Manager's Checklist for Release of Retention included in the Contracting Manual and as follows:

(a) Early Retention Release. After fifty percent (50%) of the rehabilitation or construction of the Project is complete as determined by the City, Borrower may submit a written request to the City to release up to fifty percent (50%) of the Retention, provided that the following prerequisites have been met: (i) all work required to be performed by all parties for whom the City agrees to release the Retention (the "Early Retention Release Contractors") has been completed in conformance with the terms of the applicable contract documents, the plans and specifications approved by the City and all applicable Laws; (ii) the applicable Early Retention Release Contractors have filed unconditional lien waivers satisfactory to the City; (iii) no liens or stop notices have been filed against the Project and no claims are pending; (iv) the City determines that the contingency is in balance and adequate to complete the Project; (v) the Project is on schedule, and (vi) Expenditure Requests will not exceed 95% of the approved budgeted costs on a line item basis.

(b) Retention Release After Project Completion. Borrower may request disbursement of the remaining percentage amount of the Retention only upon the satisfaction of each of the following conditions, unless otherwise approved in writing by the City: (i) completion of rehabilitation or construction of the Project in accordance with the plans and specifications approved by the City, as evidenced by a certification provided by the relevant inspecting and/or approving City governmental agency for such portion of the Project, and an architect's or engineer's certificate of completion; (ii) timely recordation of a notice of completion; and (iii) either expiration of the lien period and the absence of any unreleased mechanics' liens or stop notices or recordation of the lien releases of all contractors, subcontractors and suppliers who provided labor or materials for the Project.

4.7 Limitations on Approved Expenditures. The City may refuse to approve any expenditure: (a) during any period in which an event that, with notice or the passage of time or both, would constitute an Event of Default remains uncured, or during the pendency of an uncured Event of Default; or (b) for disapproved, unauthorized or improperly documented expenses. The City is not obligated to approve expenditure of the full Funding Amount unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all Funds disbursed to Borrower under this Agreement exceed the Funding Amount.

ARTICLE 5 DEMOLITION, REHABILITATION OR CONSTRUCTION.

5.1 Selection Requirements. In the selection of all contractors and professional consultants for the Project, Borrower must comply with the City's procurement requirements and procedures as described in the Contracting Manual and with the requirements of the Small Business Enterprise Program ("SBE Program") as set forth in the SBE Manual according to the procedures established by the City's Contract Monitoring Division.

5.2 Plans and Specifications. Before starting any demolition, rehabilitation or construction on the Site, Borrower must have delivered to the City, and the City must have reviewed and approved, plans and specifications and the construction contract for the Project entered into between Borrower and Borrower's general contractor and approved by the City (the "Construction Contract"). The plans approved by the City must also be approved by the City and County of San Francisco's Department of Building Inspection (the "Department of Building Inspection") (collectively, the "Approved Plans") which Approved Plans shall be consistent with the requirements of the Master Infrastructure Plan and the Public Improvement Agreement, prior to the start of any demolition, rehabilitation or construction on the Site. The Approved Plans must be explicitly identified in the Construction Contract. The specifications approved by the City, including the funder requirements and the technical specifications (the "Approved Specifications") must also be explicitly identified in the Construction Contract. The Construction Contract may include funder requirements not otherwise addressed in the Approved Specifications. The Contracting Manual provides further guidance to Borrower regarding the City's policies for the review and approval of plans, specifications and construction contracts. After completion of the Project, Borrower must retain the Approved Plans as well as "as-built" plans for the Project, the Approved Specifications and the Construction Contract, all of which Borrower must make available to the City upon request, and submitted to DPW consistent with the requirements of the Public Improvement Agreement.

5.3 Change Orders. Borrower may not approve or permit any change orders to the Approved Specifications without the City's prior written consent. Borrower must provide adequate and complete justification for analysis of any change order request to the City. The City will provide any questions, comments or requests for additional information to Borrower within five (5) business days of receipt of a change order request. City will review and approve or disapprove of a change order request within ten (10) business days of a complete submission by Borrower. Borrower acknowledges that the City's approval of any change order will not constitute an agreement to amend the Table of Sources and Uses or to provide additional Funds for the Project, unless the City agrees in its sole discretion to amend the Table of Sources and Uses or provide additional Funds for that purpose.

5.4 Insurance, Bonds and Security. Before starting any demolition, rehabilitation or construction on the Site, Borrower must deliver to the City insurance endorsements and bonds as described in **Exhibit G**. At all times, Borrower must take prudent measures to ensure the security of the Site.

5.5 Notice to Proceed. No demolition, rehabilitation or construction may commence until Borrower has issued a written notice to proceed with the City's approval, which approval shall be provided in writing upon completion of items listed in the Notice To Proceed Checklist.

5.6 Commencement and Completion of Project. Unless otherwise extended in writing by the City, Borrower must: (a) commence demolition, rehabilitation or construction of the Public Infrastructure Improvements by a date no later than [October 1, 2021]; (b) complete demolition, rehabilitation or construction of the Public Infrastructure Improvements and open space improvements on the Site by a date no later than [October 1, 2023], in accordance with the Approved Plans and Approved Specifications, as evidenced by issuance of a Notice of

Completion or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion (the "Completion Date"), and; (c) obtain City Acceptance of the Project by no later than five (5) years after completion of the Residential Project.

5.7 Rehabilitation/Construction Standards. All rehabilitation or construction must be performed in a first class manner, substantially in accordance with final plans and specifications approved by the City and in accordance with all applicable codes.

ARTICLE 6 [INTENTIONALLY OMITTED].

ARTICLE 7 [INTENTIONALLY OMITTED].

ARTICLE 8 MAINTENANCE AND MANAGEMENT OF THE PROJECT.

Prior to City Acceptance of the Public Infrastructure Improvements, Borrower, as assignee of Subdivider under the Public Improvement Agreement, shall be responsible for the care, sweeping, maintenance and repair of the Public Infrastructure Improvements consistent with the requirements of the Public Improvement Agreement; provided, however, the costs for all such obligations shall be included as Project costs to be funded by City to Borrower, subject to Borrower's compliance with all requirements necessary to apply for, secure and continue to receive such funding from the City consistent with the terms included in Exhibit O of the Disposition and Development Agreement and in this Agreement. Following City Acceptance, the City shall assume the responsibility of maintaining the Public Infrastructure Improvements consistent with the terms of the Public Improvement Agreement.

ARTICLE 9 GOVERNMENTAL APPROVALS AND REQUIREMENTS .

9.1 Approvals. Borrower covenants that it has obtained or will obtain in a timely manner and comply with all federal, state and local governmental approvals required by Law to be obtained for the Project. Subject to **Section 17.2**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

9.2 Borrower Compliance. Borrower must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of Funds for the construction, rehabilitation and/or operation of the Project, including those set forth in **Exhibit C** and **Exhibit G**. Borrower acknowledges that its failure to comply with any of these requirements will constitute an Event of Default under this Agreement.

9.3 Additional Federal Requirements. If Borrower obtains any federal funds with respect to its acquisition of Control of the Site or the construction of the Project or any other project thereon, Borrower shall comply with the requirements specified in this Section.

(a) Compliance With Laws. Borrower agrees to abide by all applicable Laws, including HUD regulations, pertaining to this Agreement and to any contracts pertaining to the Project. In the event HUD formally amends, waives or repeals any HUD administrative regulation previously applicable to Borrower's performance under this Agreement, MOHCD expressly reserves the right, upon giving notice to HUD and Borrower, to require Borrower's performance as though the regulation were not amended, waived or repealed, subject only to written and binding objection by HUD.

(b) Drug-Free Workplace. Borrower acknowledges that under the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 701 et seq.), the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited on its premises. Borrower agrees that any violation of this prohibition by Borrower, its employees, agents or assigns will be deemed an Event of Default under this Agreement.

(c) Restrictions on Lobbying Activities.

(i) This Agreement is subject to 31 U.S.C. Section 1352, which provides in part that, with specified exceptions, no appropriated funds may be expended by the recipient of a federal contract, grant, loan or cooperative agreement to pay any person for influencing, or attempting to influence, an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

(ii) If the Funding Amount exceeds $100,000, Borrower must file with MOHCD at or prior to the date of this Agreement and promptly after the occurrence of any change in the facts certified or disclosed:

(A) a certification substantially the same as that attached hereto as Exhibit E, and otherwise, in form and content satisfactory to the City and to HUD, that Borrower, its employees, officers and agents have not made, and will not make, any payment prohibited by Subsection (i) above; and

(B) a disclosure form, Federal Standard Form-LLL, "Disclosure of Lobbying Activities," if Borrower, its employees, officers or agents have made or agreed to make any payment using funds from a source other than the funds that would be prohibited under Subsection (i) above if payment were made with funds. The City will file the disclosure form with HUD and retain the certification for the City's records as required by Law.

(d) Debarment or Suspension. Borrower must certify in form and content substantially the same as that attached hereto as Exhibit E that neither it nor any of its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the funds on the Agreement Date. In addition, Borrower will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of $100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities in addition to obtaining the certification of each contractor or subcontractor whose bid is accepted.

ARTICLE 10 PROJECT MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

(a) Borrower understands and agrees that it will be monitored by the City from time to time to assure compliance with all terms and conditions in this Agreement and all Laws. Borrower acknowledges that the City may also conduct periodic on-site inspections of the

Project. Borrower must cooperate with the monitoring by the City and ensure full access to the Project and all information related to the Project as reasonably required by the City.

(b) Borrower must keep and maintain books, records and other documents relating to the receipt and use of all Funds, including all documents evidencing any Project Income and Project Expenses. Borrower must maintain records of all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility and condition of the Project. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

(c) Borrower must provide written notice of the replacement of its executive director, director of housing development, director of property management and/or any equivalent position within thirty (30) days after the effective date of such replacement.

10.2 Monthly Reporting. Borrower must submit monthly reports (the "HOPE SF Monthly Report") in the form attached hereto as Exhibit F describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, procuring architects, consultants and contractors, changes in scope, cost or schedule and significant milestones achieved in the past month and expected to be achieved in the coming month. The HOPE SF Monthly Report must be submitted by email in substantially the form to be found in the Contracting Manual until such time as the Project Completion Report is submitted to the City pursuant to **Section 10.5** below.

10.3 [Intentionally Omitted].

10.4 [Intentionally Omitted].

10.5 Project Completion Report. Within the specific time periods set forth below after the completion of the Public Infrastructure Improvements and open space improvements, Borrower must provide to the City the reports listed below certified by Borrower to be complete and accurate. Subsequent to the required submission of the reports listed below, Borrower must provide to the City information or documents reasonably requested by the City to assist in the City's review and analysis of the submitted reports:

(a) within ninety (90) days after the Completion Date, a draft cost certification (or other similar project audit performed by an independent certified public accountant identifying the sources and uses of all Project funds including the Funds;

(b) compliance with all reporting requirements of the Workforce MOU within the time frames and in the forms required of Borrower pursuant to the Workforce MOU; and

(c) within one hundred-eighty (180) days after the Completion Date, a report on use of Small Disadvantaged Business Enterprises as defined in the SBE Manual, including the type of work and the dollar value of such work.

10.6 Response to Inquiries. At the request of the City, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations and condition of the Project, the status of any mortgage encumbering the Project and any other requested information with respect to Borrower or the Project.

10.7 Delivery of Records. At the request of the City, made through its agents, employees, officers or attorneys, Borrower must provide the City with copies of each of the following documents, certified in writing by Borrower to be complete and accurate:

(a) all tax returns filed with the United States Internal Revenue Service, the California Franchise Tax Board and/or the California State Board of Equalization on behalf of Borrower and any general partner or manager of Borrower;

(b) all certified financial statements of Borrower and, if applicable, its general partner or manager, the accuracy of which must be certified by an auditor satisfactory to the City; and

(c) any other records related to Borrower's ownership structure and the use and occupancy of the Site.

10.8 Access to the Project and Other Project Books and Records. In addition to Borrower's obligations under **Sections 2.4, 10.1, 10.2, 10.5**, **10.6** and **10.7** and any other obligations to provide reports or maintain records in any City Document, Borrower agrees that duly authorized representatives of the City will have: (a) access to the Project throughout the Compliance Term to monitor the progress of work on the Project and compliance by Borrower with the terms of this Agreement; and (b) access to and the right to inspect, copy, audit and examine all books, records and other documents Borrower is required to keep at all reasonable times, following reasonable notice, for the retention period required under **Section 10.9.**

10.9 Records Retention. Borrower must retain all records required for the periods required under applicable Laws.

ARTICLE 11 [INTENTIONALLY OMITTED].

ARTICLE 12 [INTENTIONALLY OMITTED].

ARTICLE 13 [INTENTIONALLY OMITTED].

ARTICLE 14 [INTENTIONALLY OMITTED].

ARTICLE 15 DEVELOPER FEES.

15.1 Amount. The City has approved the payment of development fees from the Loan to Borrower in an amount not to exceed One Million Six Hundred Eight Thousand Five Hundred Twenty-Six and No/100 Dollars ($1,608,526.00) for developing the Project ("Developer Fees"), subject to the terms and conditions of the Infrastructure & Master Planning Developer Fee Agreement by and between the City and Borrower relating to the Project.

ARTICLE 16 TRANSFERS.

16.1 Permitted Transfers/Consent. Borrower may not cause or permit any voluntary transfer, assignment or encumbrance of its interest in the Site or Project or of any ownership interests in Borrower, or lease or permit a sublease on all or any part of the Project, other than: (a) security interests for the benefit of lenders securing loans for the Project as approved by the City on terms and in amounts as approved by City in its reasonable discretion. Any other transfer, assignment, encumbrance or lease without the City's prior written consent will be voidable and, at the City's election, constitute an Event of Default under this Agreement. The City's consent to any specific assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of the City's rights under this Agreement.

ARTICLE 17 INSURANCE AND BONDS; INDEMNITY.

17.1 Borrower's Insurance. Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in **Exhibit F** from the date of this Agreement until City Acceptance.

17.2 Borrower's Indemnity Obligations. Borrower must indemnify, protect, defend and hold harmless each of the Indemnitees from and against any and all Losses arising out of: (a) any default by Borrower in the observance or performance of any of Borrower's obligations under the City Documents (including those covenants set forth in **Article 18** below); (b) any failure of any representation by Borrower to be correct in all respects when made; (c) injury or death to persons or damage to property or other loss occurring on or in connection with the Site or the Project, whether caused by the negligence or any other act or omission of Borrower or any other person or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation or maintenance or any other condition or otherwise; (d) any claim of any surety in connection with any bond relating to the construction or rehabilitation of any improvements or offsite improvements; (e) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee that relates to or arises out of the City Documents, the Loan, the Site or the Project or any transaction contemplated by, or the relationship between Borrower and the City or any action or inaction by

the City under, the City Documents; (f) the occurrence, until City Acceptance, of any Environmental Activity or any failure of Borrower or any other person to comply with all applicable Environmental Laws relating to the Project or the Site; (g) the occurrence, after City Acceptance, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring before City Acceptance; (h) any liability of any nature arising from Borrower's contest of or relating to the application of any Law, including any contest permitted under **Sections 9.1, 9.2** and **18.2**; or (i) any claim, demand or cause of action, or any investigation, inquiry, order, hearing, action or other proceeding by or before any Governmental Agency, whether meritorious or not, that directly or indirectly relates to, arises from or is based on the occurrence or allegation of any of the matters described in clauses (a) through (h) above, *provided that* no Indemnitee will be entitled to indemnification under this Section for matters caused solely by its own gross negligence or willful misconduct.

17.3 Duty to Defend. Borrower acknowledges and agrees that its obligation to defend the Indemnitees under **Section 17.2**: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of **Section 17.2**, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Borrower by the Indemnitee and continues at all times thereafter. In the event any action or proceeding is brought against an Indemnitee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, upon written notice, Borrower must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnitee at Borrower's sole expense. Each Indemnitee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnitee in connection with the matters covered by this Agreement. The Indemnitee must give Borrower prompt notice of any Loss and Borrower has the right to defend, settle and compromise any such Loss; provided, however, that the Indemnitee has the right to retain its own counsel at the expense of Borrower if representation of such Indemnitee by the counsel retained by Borrower would be inappropriate due to conflicts of interest between such Indemnitee and Borrower. An Indemnitee's failure to notify Borrower promptly of any Loss does not relieve Borrower of any liability to such Indemnity under **Section 17.2**, unless such failure materially impairs Borrower's ability to defend such Loss. Borrower must seek the Indemnified Party's prior written consent to settle or compromise any Loss if Borrower contends that such Indemnitee shares in liability with respect thereto.

17.4 No Limitation. Borrower's obligations under **Section 17.2** are not limited by the insurance requirements under this Agreement.

17.5 Survival. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement.

ARTICLE 18 HAZARDOUS SUBSTANCES.

18.1 Borrower's Representations. Borrower represents and warrants to the City that, to the best of Borrower's actual knowledge, without independent investigation or inquiry as of the

Agreement Date, the following statements are true and correct except as disclosed otherwise in writing: (a) the Site is not in violation of any Environmental Laws; (b) the Site is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Substances, except in limited quantities customarily used in residences and offices and in compliance with Environmental Laws; (c) the Site does not consist of any landfill or contain any underground storage tanks; (d) the improvements on the Site do not consist of any asbestos-containing materials or building materials that contain any other Hazardous Substances; (e) no release of any Hazardous Substances in the improvements on the Site has occurred or in, on, under or about the Site; and (f) the Site is not subject to any claim by any Governmental Agency or third party related to any Environmental Activity or any inquiry by any Governmental Agency (including the California Department of Toxic Substances Control and the Regional Water Quality Control Board) with respect to the presence of Hazardous Substances in the improvements on the Site or in, on, under or about the Site, or the migration of Hazardous Substances from or to other real property.

18.2 Covenant. Unless the City otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Borrower must: (a) comply with all applicable Environmental Laws relating to the Site and the Project, and not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Laws or that is not customary and incidental to the intended use of the Site, *provided that* nothing contained in this Section will prevent Borrower from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws; and (b) deliver to the City notice of the discovery by Borrower of any event rendering any representation contained in this Section incorrect in any respect promptly following Borrower's discovery.

ARTICLE 19 DEFAULT.

19.1 Event of Default. Any material breach by Borrower of any covenant, agreement, provision or warranty contained in this Agreement or in any of the City Documents that remains uncured upon the expiration of any applicable notice and cure periods contained in any City Document will constitute an "Event of Default," including the following:

(a) Borrower fails to make any payment required under this Agreement within ten (10) days after the date when due; or

(b) Any lien is recorded against all or any part of the Site or the Project without the City's prior written consent, and the lien is not removed from title or otherwise remedied to the City's satisfaction within thirty (30) days after Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(c) Borrower fails to perform or observe any other term, covenant or agreement contained in any City Document, and the failure continues for thirty (30) days after

Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(d) Any representation or warranty made by Borrower in any City Document proves to have been incorrect in any material respect when made; or

(e) All or a substantial or material portion of the improvements on the Site is damaged or destroyed by fire or other casualty, and the City has determined that the repair, restoration or replacement of the Public Infrastructure Improvements and open space improvements on the Site is not economically practicable, or such repair, restoration or replacement is not completed within two (2) years of the receipt of insurance proceeds; or all or a substantial or material portion of the improvements is condemned, seized or appropriated by any non-City Governmental Agency or subject to any action or other proceeding instituted by any non-City Governmental Agency for any purpose with the result that the improvements cannot be operated for their intended purpose; or

(f) Borrower is dissolved or liquidated or merged with or into any other entity; or, if Borrower is a corporation, partnership, limited liability company or trust, Borrower ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or, if Borrower is an individual, Borrower dies or becomes incapacitated; or all or substantially all of the assets of Borrower are sold or otherwise transferred except as permitted under **Section 16.1**; or

(g) Without the City's prior written consent, Borrower assigns or attempts to assign any rights or interest under any City Document, whether voluntarily or involuntarily, except as permitted under **Section 16.1**; or

(h) Without the City's prior written consent, Borrower voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Borrower or of its right, title or interest in the Project or the Site except as permitted under **Article 16**; or

(i) Without the City's prior written consent, Borrower transfers, or authorizes the transfer of, funds in any Account required or authorized under this Agreement; or

(j) Borrower is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee or similar official for Borrower or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to Borrower or to all or any part of its

property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against the Site, the improvements or any other property of Borrower and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or

(k) Any material adverse change occurs in the financial condition or operations of Borrower, such as a loss of services funding or rental subsidies, that has a material adverse impact on the Project; or

(l) Borrower fails to make any payments or disbursements required to bring the Loan in balance after the City determines that the Loan is out of balance; or

(m) Borrower is in default of its obligations with respect to the Ground Lease (but only after the Ground Lease has been executed) or any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable notice and cure periods; or

(n) Borrower is in default of its obligations under any other agreement entered into with the City and County of San Francisco, and the default remains uncured following the expiration of any applicable notice and cure periods.

19.2 Remedies. During the pendency of an uncured Event of Default, the City may exercise any right or remedy available under this Agreement or any other City Document or at law or in equity. All of the City's rights and remedies following an Event of Default are cumulative, including:

(a) The City at its option may declare the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other City Documents, immediately due and payable without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which Borrower expressly waives.

(b) The City at its option may terminate all commitments to make Disbursements, or, without waiving the Event of Default, the City may determine to make further Disbursements upon terms and conditions satisfactory to the City in its sole discretion.

(c) The City may perform any of Borrower's obligations in any manner, in the City's reasonable discretion.

(d) The City, either directly or through an agent or court-appointed receiver, may take possession of the Project and enter into contracts and take any other action the City deems appropriate to complete or construct all or any part of the improvements, subject to modifications and changes in the Project the City deems appropriate.

(e) The City may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions necessary or desirable to correct Borrower's noncompliance with this Agreement.

(f) Upon the occurrence of an Event of Default described in **Section 19.1(k)**, the unpaid principal balance of the Note, together with default interest as provided in the Note and any other charges due under the Note and the other City Documents, will become due and payable automatically.

(g) All costs, expenses, charges and advances of the City in exercising its remedies or to protect the Project will be deemed to constitute a portion of the principal balance of the Note, even if it causes the principal balance to exceed the face amount of the Note, unless Borrower reimburses the City within ten (10) days of the City's demand for reimbursement.

19.3 Force Majeure. The occurrence of any of the following events will excuse performance of any obligations of the City or Borrower rendered impossible to perform while the event continues: strikes; lockouts; labor disputes; acts of God; inability to obtain labor, materials or reasonable substitutes for either; governmental restrictions, regulations or controls; judicial orders; enemy or hostile governmental actions; civil commotion; fire or other casualty and other causes beyond the control of the party obligated to perform. The occurrence of a force majeure event will excuse Borrower's performance only in the event that Borrower has provided notice to the City within thirty (30) days after the occurrence or commencement of the event or events, and Borrower's performance will be excused for a period ending thirty (30) days after the termination of the event giving rise to the delay.

19.4 City's Recourse. The City's recourse against Borrower following an Event of Default is limited as set forth more specifically in the Note.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Borrower Representations and Warranties. As a further inducement for the City to enter into this Agreement, Borrower represents and warrants as follows:

(a) The execution, delivery and performance of the City Documents will not contravene or constitute a default under or result in a lien (other than the lien created by the City Documents) upon assets of Borrower under any applicable Law, any Charter Document of Borrower or any instrument binding upon or affecting Borrower, or any contract, agreement, judgment, order, decree or other instrument binding upon or affecting Borrower.

(b) When duly executed and delivered, the City Documents will constitute the legal, valid and binding obligations of Borrower in accordance with their respective terms. Borrower hereby waives any defense to the enforcement of the City Documents related to alleged invalidity of the City Documents.

(c) No action, suit or proceeding is pending or, to the best of Borrower's knowledge, threatened that might affect Borrower or the Project adversely in any material respect.

(d) Borrower is not in material default under any agreement to which it is a party, including any lease of real property.

(e) None of Borrower, Borrower's principals or Borrower's general contractor has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Borrower, any of its principals or its general contractor been suspended, disciplined or prohibited from contracting with any Governmental Agency.

(f) The Loan is in balance, and the Funding Amount, together with all other committed sources of financing for the Project, are sufficient to complete the Project in accordance with this Agreement.

(g) All statements and representations made by Borrower in connection with the Loan remain true and correct as of the date of this Agreement.

(h) Borrower is duly organized and in good standing under applicable laws of the State of California and is qualified to do business with the City and County of San Francisco.

ARTICLE 21 NOTICES.

21.1 Written Notice. All notices required by this Agreement must be made in writing and may be communicated by personal delivery, by a nationally recognized courier that obtains receipts, facsimile (if followed within one (1) business day by first class mail) or by United States certified mail, postage prepaid, return receipt requested. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

To the City:	Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, 5th Floor San Francisco, CA 94103 Attn: Director
To Borrower:	Hunters View Associates, L.P. c/o The John Stewart Company 1388 Sutter Street, 11th Floor San Francisco, CA 94109 Attn: President

or any other address a party designates from time to time by written notice sent to the other party in manner set forth in this Section.

21.2 Required Notices. Borrower agrees to provide notice to the City in accordance with **Section 21.1** of the occurrence of any change or circumstance that: (a) will have an adverse effect on the physical condition or intended use of the Project; (b) causes the Loan to be out of balance; or (c) will have a material adverse effect on Borrower's operation of the Property or ability to repay the Loan.

ARTICLE 22 GENERAL PROVISIONS.

22.1 [Intentionally Omitted.]

22.2 No Third Party Beneficiaries. Nothing contained in this Agreement, nor any act of the City, may be interpreted or construed as creating the relationship of third party beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between the City and Borrower or Borrower's agents, employees or contractors.

22.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any claim against the City by any person or entity with respect to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Project. Borrower must include this requirement as a provision in any contracts for the development of the Project.

22.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by the City and Borrower with regard to the subject matter of this Agreement. No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto. No oral understandings or agreements not incorporated herein will be binding on the City or Borrower.

22.5 City Obligations. The City's sole obligation under this Agreement is limited to providing the Funds as described in this Agreement, up to the Funding Amount. Under no circumstances, including breach of this Agreement, will the City be liable to Borrower for any special or consequential damages arising out of actions or failure to act by the City in connection with any of the City Documents.

22.6 Borrower Solely Responsible. Borrower is an independent contractor with the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance contemplated under this Agreement. Borrower is solely responsible for: (a) its own acts and those of its agents, employees and contractors and all matters relating to their performance, including compliance with Social Security, withholding and all other Laws governing these matters and requiring that contractors include in each contract that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Borrower, any of its contractors or subcontractors and the City and its officers, representatives, agents and employees on account of any act, error or omission of Borrower in the performance of this Agreement or any other City Document and the development and operation of the Project; and (c) all costs and expenses relating to Borrower's performance of obligations under the City Documents, the delivery to the City of documents,

information or items under or in connection with any of the City Documents and taxes, fees, costs or other charges payable in connection with the execution, delivery, filing and/or recording of any City Document or document required under any City Document.

22.7 No Inconsistent Agreements. Borrower warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of this Agreement.

22.8 Inconsistencies in City Documents. In the event of any conflict between the terms of this Agreement and any other City Document, the terms of this Agreement control unless otherwise stated; *provided, however,* that any provision in this Agreement in conflict with any Law will be interpreted subject to that Law.

22.9 Governing Law. This Agreement is governed by California law without regard to its choice of law rules.

22.10 Joint and Several Liability. If Borrower consists of more than one person or entity, each is jointly and severally liable to the City for the faithful performance of this Agreement.

22.11 Successors. Except as otherwise limited herein, the provisions of this Agreement bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns. This provision does not relieve Borrower of its obligation under the City Documents to obtain the City's prior written consent to any assignment or other transfer of Borrower's interests in the Loan, the Site or the ownership interests in Borrower.

22.12 Attorneys' Fees. If any legal action is commenced to enforce any of the terms of this Agreement or rights arising from any party's actions in connection with this Agreement, the prevailing party will have the right to recover its reasonable attorneys' fees (including allocated fees of the City Attorney's Office) and costs of suit from the other party, whether incurred in a judicial, arbitration, mediation or bankruptcy proceeding or on appeal. For the purposes of this Agreement, reasonable fees of attorneys in the City Attorney's office will be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter of law for which the City Attorney's services were rendered, who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office. An award of attorneys' fees and costs will bear interest at the default rate under the Note from the date of the award until paid.

22.13 Severability. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

22.14 Time. Time is of the essence in this Agreement. Whenever the date on which an action must be performed falls on a Saturday, Sunday or federal holiday, the date for performance will be deemed to be the next succeeding business day.

22.15 Further Assurances. Borrower agrees to: (a) pursue in an effective and continuous manner; (b) use best efforts to achieve; and (c) take all actions reasonably required by the City from time to time to confirm or otherwise carry out the purpose of this Agreement.

22.16 Binding Covenants. The provisions of the City Documents constitute covenants running with the land and will be binding upon Borrower and Borrower's successors and assigns, and all parties having or acquiring any right, title or interest in whatever form, including leasehold interests (other than Tenants and approved commercial tenants), in or to any part of the Property, except that the same will terminate and become void automatically at the expiration of the Compliance Term of this Agreement. Any attempt to transfer any right, title or interest in the Property in violation of these covenants will be void.

22.17 Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any City Document, that party agrees not to withhold or delay its consent or approval unreasonably.

22.18 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute but one agreement.

22.19 Borrower’s Personnel. The Project shall be implemented only by competent personnel under the direction and supervision of Borrower.

22.20 Borrower’s Board of Directors. Borrower, or Borrower’s manager or general partner, as applicable, shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in the bylaws and other governing documents of Borrower, Borrower’s manager or Borrower’s general partner, as applicable, and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Such board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Borrower of its obligations under this Agreement.

22.21 Ownership of Results. Any interest of Borrower or any sub-borrower, in drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of computer diskettes, or other documents or Publications prepared by or on behalf of Borrower or any sub-borrower in connection with this Agreement, the implementation of the Project, the services to be performed under this Agreement, or acquired through the use of any Loan proceeds ("Work Product"), is hereby pledged to City as security for Borrower's obligations under this Agreement and the Note, and upon an Event of Default, shall become the property of and be promptly transmitted by Borrower to the City. Notwithstanding the foregoing, Borrower may retain and use copies for reference and as documentation of its experience and capabilities.

This Agreement constitutes a security agreement under the California Uniform Commercial Code, as it may be amended from time to time, and Borrower authorizes City to file any financing statements City elects and deems necessary to perfect its security interest in the Work Product.

22.22 Works for Hire. If, in connection with this Agreement or the implementation of the Project, Borrower or any sub-borrower creates artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any other original works of authorship or Publications, such creations shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such creations shall be the property of the City. If it is ever determined that any such creations are not works for hire under applicable law, Borrower hereby assigns all copyrights thereto to the City, and agrees to provide any material, execute such documents and take such other actions as may be necessary or desirable to effect such assignment. With the prior written approval of the City, Borrower may retain and use copies of such creations for reference and as documentation of its experience and capabilities. Borrower shall obtain all releases, assignments or other agreements from sub-borrowers or other persons or entities implementing the Project to ensure that the City obtains the rights set forth in this Section.

22.23 Exhibits. The following exhibits are attached to this Agreement and incorporated by reference:

EXHIBITS

A	Legal Description of Site
B	Table of Sources & Uses
C	Reserved
D	First Source Hiring Requirements and Numerical Goals
E	Governmental Requirements
F	Lobbying/Debarment Certification Form
G	Form of HOPE SF Monthly Report
H	Reserved
I	Reserved
J	Reserved
K	Reserved
L	Insurance Requirements
M	Reserved
N	Interagency Workforce MOU
O	Disposition and Development Agreement For Phase III of Hunters View Housing Development (Phase IIIA(1), Phase IIIA(2), Phase IIIA(3) and Phase IIIB) between SFHA and Hunters View Associates, L.P., dated January 28, 2021
P	Form of Public Improvement Agreement dated [_____], 2021 between Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation, and the City and County of San Francisco

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

THE CITY:

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: _____
London N. Breed
Mayor

By: _____
Eric D. Shaw
Director, Mayor's Office of Housing and Community Development

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: _____
Deputy City Attorney

Hunters View Associates, L.P.,_,
a California limited partnership

By: JSCo HVA LLC, a California limited liability company, its managing general partner

By: John Stewart Company, a California corporation, its managing member

By: _____
Jack D. Gardner
President

By: HUNTERS POINT AFFORDABLE HOUSING, INC., a California nonprofit public benefit corporation, Co-General Partner

By: _____
Regina Coleman
President

By: HV MAFANIKIO LLC, a California limited liability company, its co-general partner

By: Devine & Gong, Inc., a California corporation, its managing member

By: _____
Chan U Lee
President

EXHIBIT A

Legal Description of Site

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Lot 10, as shown on Final Map No. 5461, filed for record in the Office of the Recorder of the City and County of San Francisco, State of California on December 23, 2010 in Book DD of Survey Maps, Pages 90 through 97, inclusive.

Assessor's Lot 032 (formerly Lot 003); Block 4624

EXHIBIT B

Table of Sources & Uses

CITY LOAN ONLY
MOHCD CONSTRUCTION LOAN

Application Date: 4/20/19
Project Name: Hunters View Phase III Infrastructure
Project Address: 112 Middle Point Road
Project Sponsor: The John Stewart Co/Ridgepoint/Devine & Gong

							Total Sources	Comments
SOURCES	**20,982,916**	**3,000,000**	**6,500,000**	**3,000,000**	**420,624**	**-**	**33,903,540**	
Name of Sources:	General Funds	Predev Infrastructure Funds	HOPE SF General Funds	OCII	Streets Bond			
USES								
ACQUISITION								
Acquisition cost or value							0	
Legal / Closing costs / Broker's Fee							0	
Holding Costs							0	
Transfer Tax							0	
TOTAL ACQUISITION	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
CONSTRUCTION (HARD COSTS)								
Unit Construction/Rehab							0	
Commercial Shell Construction							0	
Demolition		1,115,501					1,115,501	
Environmental Remediation							0	
Onsight Improvements/Landscaping							0	
Bayview Park	0			2,976,064			2,976,064	
Infrastructure Improvements	12,994,019		5,954,399	23,936	420,624		19,392,978	
Detention Basin	375,000						375,000	
GC Bond Premium/GC Insurance/GC Taxes							0	
GC Overhead & Profit							0	
CG General Conditions							0	
Sub-total Construction Costs	*13,369,019*	*1,115,501*	*5,954,399*	*3,000,000*	*420,624*	*0*	*23,859,543*	
MNHC Allowance for Cost Coverruns							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+
Bid Contingency (remove at bid)							0	5% up to $30MM HC, 4% $30-$45MM, 3% $45MM+
Plan Check Contingency (remove/reduce during Plan Review)							0	4% up to $30MM HC, 3% $30-$45MM, 2% $45MM+
Hard Cost Construction Contingency	1,939,297						1,939,297	5% new construction / 15% rehab
Sub-total Construction Contingencies	*1,939,297*	*0*	*0*	*0*	*0*	*0*	*1,939,297*	
TOTAL CONSTRUCTION COSTS	**15,308,316**	**1,115,501**	**5,954,399**	**3,000,000**	**420,624**	**0**	**25,798,840**	
SOFT COSTS								
Architecture & Design								
Architect design fees	546,436	975,555					1,521,991	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms
Design Subconsultants to the Architect (incl. Fees)							0	
Architect Construction Admin							0	
Reimbursables							0	
Additional Services							0	
Sub-total Architect Contract	*546,436*	*975,555*	*0*	*0*	*0*	*0*	*1,521,991*	
Other Third Party design consultants (not included under Architect contract)							0	
Total Architecture & Design	**546,436**	**975,555**	**0**	**0**	**0**	**0**	**1,521,991**	
Engineering & Environmental Studies								
Survey	48,000						48,000	
Geotechnical studies	144,595	15,405					160,000	
Testing/Special Inspections	48,000						48,000	
Other Sub-Consultants	335,000						335,000	
Dust Control	1,878,335	121,665					2,000,000	
Uttility Engineering	139,724						139,724	
Demo Soft Costs							0	
Total Engineering & Environmental Studies	**2,593,654**	**137,070**	**0**	**0**	**0**	**0**	**2,730,724**	
Financing Costs								
Construction Financing Costs								
Construction Loan Origination Fee							0	
Construction Loan Interest							0	
Title & Recording							0	
CDLAC & CDIAC fees							0	
Bond Issuer Fees							0	
Other Bond Cost of Issuance							0	
Other: Lender Cost							0	
Sub-total Const. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	
Permanent Financing Costs								
Permanent Loan Origination Fee							0	
Credit Enhance. & Appl. Fee							0	
Title & Recording							0	
Sub-total Perm. Financing Costs	*0*	*0*	*0*	*0*	*0*	*0*	*0*	
Total Financing Costs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
Legal Costs								
Borrower Legal fees	192,000						192,000	
Land Use / CEQA Attorney fees							0	
Tax Credit Counsel							0	
Bond Counsel							0	
Construction Lender Counsel							0	
Permanent Lender Counsel							0	
Other: Lender Cost							0	
Total Legal Costs	**192,000**	**0**	**0**	**0**	**0**	**0**	**192,000**	
Other Development Costs								
Appraisal							0	
Market Study							0	
* Insurance			545,601				545,601	
* Property Taxes							0	
Accounting / Audit							0	
* Organizational Costs							0	
Entitlement / Permit Fees	65,674	174,326					240,000	
* Marketing / Rent-up							0	
* Furnishings							0	$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms
PGE / Utility Fees							0	
TCAC App / Alloc / Monitor Fees							0	
* Financial Consultant fees							0	
Construction Management fees / Owner's Rep	290,978	69,022					360,000	
Security during Construction	60,000						60,000	
* Relocation							0	
Interim Conditions Before Vertical Start	461,000						461,000	Cost of security, etc. during the lag time between completion of infrastructure and start of vertical.
Interim Conditions Before City Acceptance	34,200						34,200	
							0	
Total Other Development Costs	**911,852**	**243,348**	**545,601**	**0**	**0**	**0**	**1,700,801**	
Soft Cost Contingency								
Contingency (Arch, Eng, Fin, Legal & Other Dev)	350,658						350,658	Should be either 10% or 5% of total soft costs.
TOTAL SOFT COSTS	**4,594,600**	**1,355,973**	**545,601**	**0**	**0**	**0**	**6,496,174**	
RESERVES								
* Operating Reserves							0	
Replacement Reserves							0	
* Tenant Improvements Reserves							0	
Subsidy Transition Reserve							0	
Commercial Operating Reserve							0	
Other (specify)							0	
TOTAL RESERVES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
DEVELOPER COSTS								
Developer Fee - Cash-out Paid at Milestones	1,080,000	528,526					1,608,526	
Developer Fee - Cash-out At Risk							0	
Developer Fee - GP Equity (also show as source)							0	
Developer Fee - Deferred (also show as source)							0	
Development Consultant Fees							0	
Other: Commercial Developer Fee							0	
TOTAL DEVELOPER COSTS	**1,080,000**	**528,526**	**0**	**0**	**0**	**0**	**1,608,526**	
TOTAL DEVELOPMENT COST	**20,982,916**	**3,000,000**	**6,500,000**	**3,000,000**	**420,624**	**0**	**33,903,540**	
Development Cost/Unit by Source								
Development Cost/Unit as % of TDC by Source								
Acquisition Cost/Unit by Source								
Construction Cost (inc Const Contingency)/Unit By Source								
Construction Cost (inc Const Contingency)/SF	147.25	10.73	57.28	28.86	4.05	0.00	248.16	
** Possible non-eligible GO Bond/COP Amount:*	545,601						**-34,200**	
City Subsidy/Unit								
Tax Credit Equity Pricing:	N/A							
Construction Bond Amount:	3,369,340.00							
Construction Loan Term (in months):	14.00							
Construction Loan Interest Rate (as %):	0.25							

EXHIBIT C

Reserved

EXHIBIT D

First Source Hiring Requirements and Numerical Goals

Borrower's use of Funds triggers the following hiring requirements imposed by the City's First Source Hiring Ordinance (San Francisco Administrative Code Chapter 83) as incorporated into MOHCD's Section 3 Plan.

1. Section 3 Requirements.

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u ("Section 3"), based on Borrower's receipt of City funds under MOHCD's Section 3 Plan. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing, to the greatest extent feasible.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and to post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions and the qualifications for each, the name and location of the person(s) taking applications for each of the positions and the anticipated date work will begin.

(d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled: (i) after the contractor is selected but before the contract is executed; and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

2. Recommended Minimum Numerical Goals. Contractors may demonstrate compliance with the "greatest extent feasible" requirement of Section 3 by meeting the numerical goals set forth below for training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns, which represent minimum numerical goals.

(a) Training and Employment of Section 3 Residents (24 CFR § 135.30(b)). Contractors and subcontractors may demonstrate compliance by committing to employ Section 3 residents as thirty percent (30%) of the aggregate number of new hires (full-time employees for permanent, temporary or seasonal employment) and an overall goal of thirty percent (30%) of total work hours for the entire project.

(b) Contracts with Section 3 Business Concerns (24 CFR § 135.30). Contractors and subcontractors may demonstrate compliance with the requirements of this part by committing to award to Section 3 business concerns:

(i) At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and

(ii) At least three percent (3%) of the total dollar amount of all other Section 3 covered contracts.

EXHIBIT E

Governmental Requirements

1. Prevailing Wages. Every contract for the rehabilitation or construction of housing assisted with Funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. §§ 276a-276a-5), to all laborers and mechanics employed in the development of any part of the housing, and contracts involving their employment will be subject to the provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-332). The prevailing wage requirements of this Section apply to all laborers and mechanics employed in the development of the Project.

2. Environmental Review. The Project must meet the requirements of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 *et seq.*) and implementing regulations.

3. Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Borrower or the City who exercises or has exercised any function or responsibilities with respect to activities assisted by Funds, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Borrower must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Borrower will be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Borrower must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Borrower represents that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of the San Francisco Campaign and Governmental Conduct Code, and Sections 1090 through 1097 and 87100 *et seq*. of the California Government Code, all of which relate to prohibited conflicts of interest in connection with government contracts. Borrower certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify the City immediately if Borrower at any time obtains knowledge of facts constituting a violation.

(c) In the event of any violation of the conflict of interest prohibitions, Borrower agrees that the City may refuse to consider any future application for funding from Borrower or any entity related to Borrower until the violation has been corrected to the City's satisfaction, in the City's sole discretion.

4. Disability Access. Borrower must comply with all applicable disability access Laws, including the Americans With Disabilities Act (42 U.S.C. §§ 1201 *et seq.*), Section 504 of the Rehabilitation Act (29 U.S.C. § 794) and the Fair Housing Amendments Act (42 U.S.C. §§ 3601 *et seq.*). Borrower is responsible for determining which disability access Laws apply to the Project, including those applicable due to the use of Funds. In addition, before occupancy of the Project, Borrower must provide to the City a written reasonable accommodations policy that indicates how Borrower will respond to requests by disabled individuals for accommodations in Units and common areas of the Project.

5. Lead-Based Paint. Borrower must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq*.) and implementing regulations at 24 CFR part 35. Borrower must also comply with the provisions contained in 17 CCR 350000 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

6. Relocation. Borrower must meet any applicable requirements of the California Relocation Assistance Act (Cal. Gov. Code §§ 7260 *et seq*.) and implementing regulations in Title 25, Chapter 6 of the California Administrative Code and similar Laws.

7. Interagency Workforce MOU. The use of Funds for the Project triggers compliance with the Interagency Workforce MOU. To ensure compliance with those requirements, Borrower must include the provisions attached as **Exhibit N** and the Interagency Workforce MOU attached as **Exhibit N** in its contract with the general contractor for the Project. Borrower will be responsible to the City for ensuring compliance with the requirements listed on **Exhibit N** and the requirements of the Interagency Workforce MOU.

8. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) Borrower Shall Not Discriminate. In the performance of this Agreement, Borrower agrees not to discriminate against any employee, City and County employee working with Borrower or any subcontractor, applicant for employment with Borrower or any subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by Borrower on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Subcontracts. Borrower shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) Non-Discrimination in Benefits. Borrower does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Condition to Contract. As a condition to this Agreement, Borrower shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the executed form by the San Francisco Contract Monitoring Division.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B ("Nondiscrimination in Contracts") and 12C ("Nondiscrimination in Property Contracts") of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Borrower shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Borrower understands that pursuant to Sections 12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of $50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this

Agreement may be assessed against Borrower and/or deducted from any payments due Borrower.

9. MacBride Principles. Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Borrower acknowledges and agrees that he or she has read and understood this Section.

10. Tropical Hardwood & Virgin Redwood Ban. Pursuant to § 804(b) of the San Francisco Environment Code, City urges all grantees and borrowers not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

11. Preservative-Treated Wood Containing Arsenic. Borrower may not purchase preservative-treated wood products containing arsenic unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Borrower may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Borrower from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

12. Submitting False Claims; Monetary Penalties. Any borrower, grantee, contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A borrower, grantee, contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the borrower, grantee, contractor, subcontractor or consultant:

(a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval;

(b) knowingly makes, uses or causes to be made or used a false record or statement to get a false claim paid or approved by the City;

(c) conspires to defraud the City by getting a false claim allowed or paid by the City;

(d) knowingly makes, uses or causes to be made or used a false record or statement to conceal, avoid or decrease an obligation to pay or transmit money or property to the City; or

(e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

13. Sunshine Ordinance.

(a) Borrower acknowledges and agrees that this Agreement and the Application Documents are subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Borrower that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request. Further, Borrower specifically agrees that any meeting of the governing body of its general partner/manager that addresses any matter relating to the Project or to Borrower's performance under this Agreement will be conducted as a passive meeting.

(b) By executing this Agreement, Borrower agrees to comply with the provisions of Chapter 12L of the San Francisco Administrative Code to the extent applicable.

(c) In accordance with the Citizen's Right to Know Act of 1998 (S. F. Admin. Code Chapter 79), no officer, department, board or commission of the City may approve a City Project, as defined in Chapter 79, unless a sign has been posted on the applicable property at least fifteen (15) days before approval. A City Project is a project that involves new construction, a change in use or a significant expansion of an existing use where the City funding for the project is $50,000 or more. If the Loan will be used for a City Project, this Agreement will not become effective until fifteen (15) days following the posting of the requisite sign, or, in the alternative, thirty (30) days following the delivery of written notices to residents and owners within 300 feet of the Site, and the City will have the right to nullify or revoke this Agreement without cost or liability of any sort whatsoever at any time before that date. If Borrower believes that this Agreement relates to a City Project and that the requisite sign has not been posted, Borrower must notify the City so that the City may determine the applicability of Chapter 79, and, if necessary, post the requisite sign.

14. Prohibition on Use of Public Funds for Political Activities. Borrower shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Borrower is subject to the enforcement and penalty provisions in Chapter 12G.

15. Nondisclosure of Private Information. Borrower has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12.M.2, "Nondisclosure of Private Information", and 12M.3, “Enforcement” of Administrative Code Chapter 12M, “Protection of Private Information,” which are incorporated herein as if fully set forth. Borrower agrees that any failure of Borrower to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Agreement, bring a false claim action against Borrower pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar Borrower.

16. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti.

(a) Borrower shall remove all graffiti from any real property owned or leased by Borrower in the City and County of San Francisco within forty eight (48) hours of the earlier of Borrower's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Borrower to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et

seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

(b) Any failure of Borrower to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

17. Resource-Efficient Building Ordinance. Borrower acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Chapter 7 relating to resource-efficient City buildings and resource-efficient pilot projects. Borrower hereby agrees it shall comply with the applicable provisions of such code sections as such sections may apply to the Property.

18. Consideration of Criminal History in Hiring and Employment Decisions.

(a) Borrower agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at www.sfgov.org/olse/fco. A partial listing of some of Borrower's obligations under Chapter 12T is set forth in this Section. Borrower is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

(b) The requirements of Chapter 12T shall only apply to a Borrower's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

(c) Borrower shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(d) Borrower or Subcontractor shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(e) Borrower or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 16.16(d), above. Borrower or Subcontractor shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(f) Borrower or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that Borrower or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(g) Borrower and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under Borrower or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

(h) Borrower understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of $50 for a second violation and $100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

19. Food Service Waste Reduction Requirements. Borrower agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Borrower agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Borrower agrees that the sum of one hundred dollars ($100) liquidated damages for the first breach, two hundred dollars ($200) liquidated damages for the second breach in the same year, and five hundred dollars ($500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Borrower's failure to comply with this provision.

20. Bottled Drinking Water. Unless exempt, Borrower agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be

amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Agreement as though fully set forth.

EXHIBIT F

Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for such failure.

3. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of $100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

HUNTERS VIEW ASSOCIATES, L.P.:

BY: _____

NAME: _____

TITLE: _____

DATE: _____

EXHIBIT G

Form of HOPE SF Monthly Report

[To be attached]

HOPE SF Monthly Project Update

Please email your completed Monthly Project Update to your MOHCD Project Manager [Insert Name, and *email address*], *Lisa Motoyama (lisa.motoyama@sfgov.org), Erin Caron (erin.carson@sfgov.org), Malik Looper (malik.looper@sfgov.org) and Saidah Leatutufu (saidah.leatutufu@sfgov.org), by the* ***tenth of each month***.

Project:	[PROJECT NAME]
Sponsor:	
Sponsor PM:	
MOHCD PM:	

Month Covered:	[MONTH, YEAR]	**Date of Report:**	[Month, Day, Year]

Instructions:

1	The Project Name and Month covered will show up on each tab, after it is inputted on the Intro Tab
2	Multiple contributors may be responsible for different tabs, Developer PM should review all information for consistency and accura
3	Reporting pertains to active MOHCD loans (Master Planning, Vertical, and Infrastructure).
4	For each infrastructure and vertical loan, create a new tab and label appropriately with Phase # or Parcel/Block #
5	Blue text is included as instructions on each tab, save a blank template for reference. Please change color to black once new text is a
6	Master Planning Loan tabs are yellow, infrastructure are orange and vertical are blue.

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

MASTER PLANNING

Completed By:	Name of person filling out this form	**Date Completed:**	
Total Master Planning Loan amount:		**Total Remaining Funds for Disbursement:**	
Repayment Amount to Date (indicate in-kind, assigned or paid):	**In-kind**	**Assigned**	**Paid**
Report on Affordable Units completed to date (Build/Planned/unit set asides):	List total # of affordable and # of replacement required in DA; List total of affordable in predevelopment, in construction and completed with # of replacement		
Report on Master Planning Market Rate Units completed to date:	List total # total units buildable under DA; List approximate number of market rate to be built as described in purchase agreements		

Any changes in the Master Planning scope?
Any Major Costs implications or changes*?
Any Schedule Modifications*?
SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.
Milestones Achieved in Reporting Month
Milestones Targeted for Upcoming Month

For MOHCD/HOPE SF Staff Use Only	
Major issues, delays, etc.	
Items for discussion with Director	

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

WORKFORCE DEVELOPMENT - Non Construction

Completed By:	Name of person filling out this form		**Date Completed:**	
HOPE SF Resident Hire Information (non-construction only):	**Total # of hours worked by all employees:**	**Total # of hours worked by HOPE SF resident hires:**	**% of hours worked by HOPE SF resident hires (Section 3):**	
	% of HOPE SF resident employment retention (consecutive 90 days):	**Total # of HOPE SF residents hired in the reporting month:**	**Total number of HOPE SF residents hired to date:**	
	Total # of HOPE SF residents still employed to date:	**Total # of new HOPE SF residents still employed in the reporting month:**	**#/% of HOPE SF residents referred to employment and job training:**	

Placement Details*

Location Employed	Status: FTE/PTE	Training Received	Successes	Barriers

Discuss current placement trends (including employment, education, and training) and what factors have contributed to increases or decreases in placement.

Identify ongoing challenges for workforce and plans to address them :**

Client Success Stories:

SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.

Milestones Achieved in Reporting Month

Milestones Targeted for Upcoming Month

For MOHCD/HOPE SF Staff Use Only

Major issues, delays, etc.	
Items for discussion with Director	

*In this section, please list where residents are employed, PTE or FTE, Training received, etc. Add additional lines for each resident as needed

**Under the Challenges section, please include specific barriers for individual participants, including issues of violence, transportation, education, etc.

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

WORKFORCE DEVELOPMENT - Construction

Completed By:	Name of person filling out this form		**Date Completed:**	
HOPE SF Resident Hire Information (construction only):	**% of HOPE SF resident employment retention (consecutive 90 days):**	**Total # of HOPE SF residents hired in the reporting month:**	**Total number of HOPE SF residents hired to date:**	
	Total # of HOPE SF residents employed in date:	**Total # of new HOPE SF residents employed in the reporting month:**	**#/% of HOPE SF residents referred to employment and job training:**	

Placement Details*

Location Employed	Status: FTE/PTE	Training Received	Successes	Barriers

Discuss current placement trends (including employment, education, and training) and what factors have contributed to increases or decreases in placement.

Identify ongoing challenges for workforce and plans to address them :**

Client Success Stories:

SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.

Milestones Achieved in Reporting Month

Milestones Targeted for Upcoming Month

For MOHCD/HOPE SF Staff Use Only

Major issues, delays, etc.	
Items for discussion with Director	

*In this section, please list where residents are employed, PTE or FTE, Training received, etc. Add additional lines for each resident as needed

**Under the Challenges section, please include specific barriers for individual participants, including issues of violence, transportation, education, etc.

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

HOUSING RETENTION and RENT PAYMENT

Completed By:	Name of person filling out this form		**Date Completed:**	
# of Notices to terminate tenancy served:	**Reasons for Notices**			
	# of nonpayment of rent:		**# of house Rules violation***	
# Formal/Informal grievance hearings requested:		**# Formal/ Informal grievance hearings held:**		
Unlawful detainers filed during reporting month:	**Outcome of UDs:**			
	Move out:		**Stay:**	
Notes:				
List number of evictions in process and reason:				
Households current on rent:	**Households delinquent on rent (this monthly only):**		**Total households delinquent on rent (cumulative):**	
Total Back Rent Due:	**Households in repayment agreements:**			
	In Compliance:		**Out of compliance:**	
Notes:				
# of Incident reports made in reporting month:		**# of SFFD calls made in reporting month:**		
		# of SFPD calls made in reporting month:		
Notes:				
SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.				
Milestones Achieved in Reporting Month				
Milestones Targeted for Upcoming Month				
For MOHCD/HOPE SF Staff Use Only				
Major issues, delays, etc.				
Items for discussion with Director				

*Harassment and violent behavior

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

INFRASTRUCTURE PHASE [#]

Completed By:	Name of person filling out this form		**Date Completed:**	
Date License signed with SFHA:		**Total # of units to be demolished:**		
Mapping Status:				
Current MOHCD Loan Type (predev/gap):		**Total Remaining Funds for Disbursement:**		
Projected MOHCD gap commitment (excluding MOHCD funding committed to date):			**Expected date when MOHCD infrastructure gap funds needed:**	
Repayment Amount to Date (indicate in-kind, assigned or paid):				

Infrastructure construction start date:	**% Complete as of latest Pay Application:**	**On Schedule?**	**On Budget?**	**Projected Board of Supervisors acceptance date:**

Please explain any changes in the scope, major costs implications, or schedule modifications*

Procurement and bidding (architect, consultants and contractors)

Entitlements, permits and utilities (Planning Dept., DBI, SFFD, DPW, SFWD, MOD, PG&E etc.)

Description of Community Amenities scope and work completed within this phase

SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.

Milestones Achieved in Reporting Month

Milestones Targeted for Upcoming Month

For MOHCD/HOPE SF Staff Use Only	
Major issues, delays, etc.	
Items for discussion with Director	

*Attach updated budget and/or schedule if any have occurred since prior month.

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

Vertical [#]				
Completed By:	Name of person filling out this form		**Date Completed:**	
Current MOHCD Loan Type (predev/gap):		**Total Remaining Funds for Disbursement:**		
Previous amount committed by MOHCD:		**Date Funds expended:**		
Projected MOHCD gap commitment (excluding MOHCD funding committed to date)*:			**Expected date when MOHCD gap funds needed by phase:**	
Amount of Infrastructure/Master Plan to be Assigned to Project:				
Total # Affordable Units to be built in this Project:		**Total # PBV & RAD units to be built in this Project:**		
Date of Construction Closing/Ground Lease execution	**Housing construction start date:**	**% Complete as of latest Pay Application:**	**On Schedule?**	**On Budget?**
Describe any changes in the scope, major costs implications, or schedule modifications**				
Procurement and bidding (architect, consultants and contractors) status:				
SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.				
Milestones Achieved in Reporting Month				
Milestones Targeted for Upcoming Month				
For MOHCD/HOPE SF Staff Use Only				
Major issues, delays, etc.				
Items for discussion with Director				

*N/A if already in Gap commitment

**Attach updated budget and/or schedule if any have occurred since prior month.

HOPE SF Monthly Project Update

[PROJECT NAME]

[MONTH, YEAR]

Vertical [#]				
Completed By:	Name of person filling out this form		**Date Completed:**	
Current MOHCD Loan Type (predev/gap):		**Total Remaining Funds for Disbursement:**		
Previous amount committed by MOHCD:		**Date Funds expended:**		
Projected MOHCD gap commitment (excluding MOHCD funding committed to date)*:			**Expected date when MOHCD gap funds needed by phase:**	
Amount of Infrastructure/Master Plan to be Assigned to Project:				
Total # Affordable Units to be built in this Project:		**Total # PBV & RAD units to be built in this Project:**		
Date of Construction Closing/Ground Lease execution	**Housing construction start date:**	**% Complete as of latest Pay Application:**	**On Schedule?**	**On Budget?**
Describe any changes in the scope, major costs implications, or schedule modifications**				
Procurement and bidding (architect, consultants and contractors) status:				
SUPPORT REQUESTED – Issues/concerns that may require MOHCD or HOPE SF involvement.				
Milestones Achieved in Reporting Month				
Milestones Targeted for Upcoming Month				
For MOHCD/HOPE SF Staff Use Only				
Major issues, delays, etc.				
Items for discussion with Director				

*N/A if already in Gap commitment

**Attach updated budget and/or schedule if any have occurred since prior month.

EXHIBIT H

Reserved

EXHIBIT I

Reserved

EXHIBIT J

Reserved

EXHIBIT K

Reserved

EXHIBIT L

Insurance Requirements

Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below from the date of this Agreement or other applicable date set forth below throughout the Compliance Term at no expense to the City. Any reduction in coverage is subject to approval by Risk Manager, Project Manager and City Attorney.

1. Liability Insurance. Borrower must obtain and maintain, or cause its contractors, subcontractors, property managers and/or agents, as appropriate for each, to obtain and maintain, insurance and bonds as follows:

(a) to the extent Borrower or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars ($1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than Two Million Dollars ($2,000,000) combined single limit per occurrence and Four Million Dollars ($4,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Borrower is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards. Borrower may obtain Umbrella/Excess liability insurance to meet coverage amounts.

(c) business automobile liability insurance, with limits not less than One Million Dollars ($1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than One Million Dollars ($1,000,000) per claim and Two Million Dollars ($2,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Borrower’s architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers , or surveryors is “Claims made” coverage, Borrower shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over [Fifty Thousand Dollars ($50,000)] each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Borrower's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars ($75,000) each loss, with any deductible not to exceed [Five Thousand Dollars ($5,000)] each loss, including the City as additional obligee or loss payee;

(f) as applicable, pollution liability and/or asbestos pollution liability covering the work being performed with a limit no less than Two Million Dollars ($2,000,000) per claim or occurrence and Two Million Dollars ($2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by Borrower's contractor, provided that the policy must be "claims made" coverage and Borrower must require Borrower's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

2. Property Insurance. Borrower must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed [Ten Thousand Dollars ($10,000)] each loss, including the City and all subcontractors as loss payees. This requirement shall only apply if structures exist on Site prior to construction which will be incorporated into the Project.

(b) During the course of construction:

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis; and with a deductible not to exceed [Ten Thousand Dollars ($10,000)] each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Borrower as dual obligees or other completion security approved by the City in its sole discretion.

(c) Upon completion of construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of Borrower or its contractor. For rehabilitation/construction projects that are unoccupied by residential or commercial tenants, Tenant must obtain Property Insurance by the date that the project receives a Certificate of Substantial Completion.

(ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Site that is used by Borrower for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars ($10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

3. General Requirements.

(a) General and automobile liability policies of Borrower, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective. The endorsement must provide the City with the same rights as the named insured in the event of cancellation or intended non-renewal.

(c) With respect to any property insurance, Borrower hereby waives all rights of subrogation against the City to the extent of any loss covered by Borrower's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Borrower's insurance by the City will not relieve or decrease the liability of Borrower under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Borrower demonstrates to the City’s satisfaction that the increased coverage is commercially unreasonable and unavailable to Borrower.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or

otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Borrower must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

EXHIBIT M

Reserved

EXHIBIT N

Interagency Workforce MOU

INTERAGENCY MEMORANDUM OF UNDERSTANDING

BETWEEN

	SAN FRANCISCO REDEVELOPMENT AGENCY
	SAN FRANCISCO HOUSING AUTHORITY
	MAYOR'S OFFICE OF HOUSING
SAN FRANCISCO Office of Economic and Workforce Development	**DEPARTMENT OF ECONOMIC & WORKFORCE DEVELOPMENT**

FOR THE
HUNTERS VIEW DEVELOPMENT PROJECT

CONTRACT/WORKFORCE COMPLIANCE
WORKFORCE DEVELOPMENT & TRAINING

SECTION I. PURPOSE

This Inter-Agency Memorandum of Understanding (MOU) is between the San Francisco Redevelopment Agency (SFRA), San Francisco Housing Authority (SFHA), Mayor's Office of Housing (MOH), and Department of Economic and Workforce Development (DEWD), collectively referred to as the "MOU members."

The primary purpose of this MOU is to clarify and define the roles, responsibilities, goals and procedures of each of the aforementioned parties in relation to the City's "community benefit" program for the Hunters View Development Project. This "community benefit" program is designed to institute the mechanisms by which the Project's developer, Hunters View Associates L.P. (Developer), will demonstrate the requisite good faith efforts necessary to achieve the specified goals for the project. The specific programs to be enforced or executed are:

1. Small Business Enterprise Program
2. Bayview Hunters Point Employment & Contracting Policy*
3. Housing and Urban Development Act of 1968
4. San Francisco Housing Authority Resolutions No. 4967 and 3639

(*) These SFRA programs/goals are amended to incorporate SFHA goals and define how the developer and/or contractors/subcontractors can demonstrate their good faith efforts.

SECTION II. AGREEMENTS AMONG PARTICIPATING PARTIES

The San Francisco Redevelopment Agency (SFRA), San Francisco Housing Authority (SFHA), Mayor's Office of Housing (MOH), and Department of Economic and Workforce Development (DEWD) all agree as follows.

1. DEVELOPER COMPLIANCE

Compliance by the Developer with all the requirements contained in this MOU will relieve the Developer from all other workforce requirements, programs and policies of the MOU members.

2. CONSTRUCTION WORKFORCE

a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs construction workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
b. SFRA will monitor and enforce the BVHP ECP.
c. SFRA will provide access to all MOU members through an electronic certified payroll system (e.g., Elations).
d. DEWD/CityBuild will serve as the lead and initial point of contact between the Bayview Hunters Point community and construction (sub)contractors for construction worker placement.
e. Contractor and/or subcontractors will also submit to SFRA copies of all correspondences to/from CityBuild, SFHA, and/or trade unions requesting

resident workers and will attach these documents to their Certified Payroll Reports.

3. PROFESSIONAL SERVICES TRAINEE REQUIREMENTS

a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs trainee hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
b. SFRA will monitor and enforce the BVHP ECP.
c. DEWD will serve as the lead and initial point of contact between the Bayview Hunters Point community and professional services (sub)consultants for trainee placement.

4. PERMANENT WORKFORCE

a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs permanent workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
b. According to HUD, Section 3, at least 30 percent of the permanent, full-time employees hired should be Section 3 residents. After a Section 3 employee has been employed for 3 years, the employee may no longer be counted as a Section 3 employee to meet the 30 percent requirement. This requires recipients to continue hiring Section 3 residents when employment opportunities are available.
c. SFRA will monitor and enforce the BVHP ECP.
d. DEWD will serve as the lead and initial point of contact between the Bayview Hunters Point community and businesses for permanent workforce placement.
e. For permanent workforce tracking, the developer and/or retail tenants will submit a permanent workforce report provided by SFRA. The developer and/or retail tenants will submit to SFRA copies of all correspondence to/from SFHA, or DEWD requesting assistance to ensure that permanent employment placement occurs according to the Section III priority.

SECTION III. SFHA REQUIREMENTS AND SFRA BVHP ECP MODIFICATIONS

1. Workforce Hiring Goals

San Francisco Housing Authority Goal: at least 25 percent of all workforce hours going toward Public Housing Residents as defined in San Francisco Housing Authority's Resolution number 4967 requirement. This goal is not additional; the hiring of Public Housing Residents counts toward the goal for participation of San Francisco residents.

San Francisco Redevelopment Agency Goal: The Goal for participation of San Francisco residents in each trade in the construction workforce: 50 percent of the total hours worked in each trade.

2. Permanent Workforce Hiring Goals
The Owner and the on-site retail tenants' permanent workforce requirements are outlined below.

a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs permanent workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.

b. According to HUD, Section 3, at least 30 percent of the permanent, full-time employees hired should be Section 3 residents. After a Section 3 employee has been employed for 3 years, the employee may no longer be counted as a Section 3 employee to meet the 30 percent requirement. This requires recipients to continue hiring Section 3 residents when employment opportunities are available.

3. Employment Placement Priority
Individuals will be placed in employment opportunities in the following order of preference, using good faith efforts:

1. Hunters View Public Housing residents (named on lease);
2. San Francisco Housing Authority residents within 94124;
3. San Francisco Housing Authority residents in 94134 and 94107;
4. San Francisco Housing Authority residents in other zip codes;
5. Hunters View Communities of Opportunities members;
6. Bayview Hunters Point Project Area residents; AND
7. San Francisco residents.

SECTION IV. ROLES AND RESPONSIBILITIES

A. San Francisco Redevelopment Agency: will serve as the primary agency to collect and share employment data with participating agencies. In addition, SFRA will be responsible for contract compliance. The SFRA is specifically responsible for workforce construction data collection and enforcement of the BVHP Employment and Contracting Policy.

B. San Francisco Housing Authority: will confirm residency in a public housing development and ensure qualified residents are referred to DEWD for employment opportunities. SFHA will also provide resident data to SFRA to track resident employment.

C. Mayor's Office of Housing: will not have any workforce related role.

D. Department Of Economic & Workforce Development: DEWD is the primary entity for developing and executing job-training program(s) specifically targeting residents to meet the goals and requirements outlined earlier. DEWD will also serve as the lead for referrals and placements.

To ensure an efficient work referral system, DEWD is the single point of contact and to work with the developer, its retail tenants and BVHP community for placement of San Francisco residents for permanent employment opportunities.

To ensure an efficient work referral system, the DEWD's CityBuild Program ("CityBuild") will be the lead and initial point of contact between the developer, its contractor/subcontractors and the BVHP community for placement of San Francisco residents for construction work.

SECTION V. PREVAILING WAGE REQUIREMENTS

All contractors are required to pay not less than the prevailing wage rate as determined by the General Prevailing Wage Determination made by the Director of Industrial Relations.

SECTION VI. COUNTERPARTS, FACSIMILE COPIES. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement shall be effective upon transmission by any party to the other parties of a fully signed facsimile copy of the Agreement, so long as a copy of the Agreement signed by the transmitting party is delivered to the other parties within five (5) days thereafter.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — 12/21/10 Date

APPROVED AS TO FORM:

By: _____
for SFRA General Counsel, James B. Morales 12/20/10

SFHA Executive Director, Henry A. Alvarez, III — Date

APPROVED AS TO FORM:

By: _____
SFHA Assistant General Counsel, Roger Crawford — Date

MOH Director, Douglas Shoemaker — 1/7/11 Date

DEWD Director, Jennifer Matz — Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — Date

APPROVED AS TO FORM:

By: _____
SFRA General Counsel, James B. Morales

SFHA Executive Director, Henry A. Alvarez, III — Date 1/20/11

APPROVED AS TO FORM:

By: _____
SFHA Assistant General Counsel — Date 1/14/11

MOH Director, Douglas Shoemaker — Date

DEWD Director, Jennifer Matz — Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — Date

APPROVED AS TO FORM:

By:
SFRA General Counsel, James B. Morales

SFHA Executive Director, Henry A. Alvarez, III — Date

APPROVED AS TO FORM:

By:
SFHA Assistant General Counsel, Roger Crawford — Date

MOH Director, Douglas Shoemaker — Date

DEWD Director, Jennifer Matz — 1/21/10 Date

Redevelopment Agency of the
City and County of San Francisco

BAYVIEW HUNTERS POINT EMPLOYMENT AND CONTRACTING POLICY

Adopted December 4, 2007
Resolution No. 127-2007

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I. PURPOSE

A. Purpose

1. Pursuant to California Community Redevelopment Law ("**CRL**") and consistent with long standing practice, the San Francisco Redevelopment Agency ("**Agency**") hereby adopts this Employment and Contracting Policy to ensure training and employment opportunities for lower-income residents in the Bayview Hunters Point ("**BVHP**") Redevelopment Project Area, including residents in the 94124 zip code, subject to the criteria set forth below.

2. In adopting the BVHP Redevelopment Plan, the Agency and the City and County of San Francisco ("**City**") have made a commitment to vigorous equal opportunity and diversity in employment. Thus, the Agency has proposed programs to encourage local hiring and contracting by the private sector engaged in development in the Project Area.

3. This BVHP Employment and Contracting Policy is designed to ensure that Agency Action Projects and private Significant Projects (which do not receive Agency assistance), provide employment opportunities for lower-income BVHP Residents and San Francisco Residents in the areas of construction, professional services, and permanent jobs. This Policy will supplement and not supplant the existing Agency employment and contracting policies found in the Agency's Equal Opportunity Program and the Agency Purchasing Policy, which are briefly summarized in Section X. The Employment and Contracting Policy seeks to provide economic benefits to existing BVHP Residents and San Francisco Residents from redevelopment activities within the Project Area. BVHP Residents have disproportionately lower income levels. As part of this policy, residents will be referred by the CBOs (defined below) that serve San Francisco lower-income residents. Therefore, the BVHP residential preference fulfills the purpose of providing economic opportunity to lower-income residents.

4. This Employment and Contracting Policy meets or exceeds the requirements of the City of San Francisco's Administrative Code Chapter 83 (First Source policy) and CityBuild Program. Thus, entering into and complying with the terms of an Employment and Contracting Policy Agreement will satisfy the requirements of the City's First Source Policy. It is also intended to satisfy the requirements of Health and Safety Code Section 33422.3 which states that for any contract over $100,000, the Agency may set specific percentages by craft or trade for the employment of available project area residents.

5. The Agency is committed to facilitating Project Sponsor, Contractor and Employer access to and the hiring of qualified BVHP and San Francisco Residents. To further this goal, the Agency will continue to contract with CBOs to provide education and referral programs and services which will allow BVHP and San Francisco Residents to be considered for employment.

6. The Agency and the Planning Department of the City and County of San Francisco ("**Planning**") entered into a delegation agreement as of September 19, 2006 (the "**Delegation Agreement**"). Per the Delegation Agreement, Planning shall not approve a Significant Project in the Project Area unless the Project Sponsor has entered into an Employment and Contracting Agreement(s) with the Agency. Ongoing compliance with such Agreements(s) shall become a condition of the permit.

7. This Employment and Contracting Policy shall be effective on or after December 4, 2007 ("**Effective Date**").

8. The Agency and the PAC shall review the effectiveness of the new Employment and Contracting Policy after one (1) year of implementation.

II. HIRING GOALS

A. Construction Workforce Hiring Goal

1. The Employment and Contracting Policy has a goal that **fifty percent (50%)** of construction workforce hires for each trade be qualified BVHP Residents and then San Francisco Residents with First Consideration to BVHP Residents. This goal is expressed as a percentage of each Contractor's total hours of employment and training by trade on the project. The procedure for meeting the construction workforce goal is set forth in Section VII.

B. Permanent / Temporary Workforce Goal

1. The Employment and Contracting Policy has a goal that **fifty percent (50%)** of permanent / temporary workforce hires be qualified BVHP Residents and then San Francisco Residents with First Consideration given to BVHP Residents. The procedure for meeting the permanent / temporary workforce goal is set forth in Section IX.

C. Trainee Goals

1. The Employment and Contracting Policy requires that all design professionals (architects, engineers, planners, and environmental consultants) on contracts over $100,000, hire qualified BVHP Residents and then San Francisco Residents with First Consideration given to BVHP Residents as trainees. The trainee hiring goal for architects, engineers and other design professionals is based upon the total amount of the design professional's contract as follows:

Trainees	**Design Professional Fees**
0	$ 0 - $ 99,000
1	$100,000 - $ 249,999
2	$250,000 - $ 499,999
3	$500,000 - $ 999,999
4	$1,000,000 - $1,499,999
5	$1,500,000 - $1,999,999
6	$2,000,000 - $4,999,999
7	$5,000,000 - $7,999,999
8	$8,000,000 - or more

2. The procedure for meeting the trainee hiring goal is set forth in Section VIII.

III. DEFINITIONS

1. **Agency-Action Project** means, as applicable, the Agency's funding (including conduit bond financing), acquisition, disposition, or development of property through a Development and Disposition Agreement ("**DDA**"), Owner Participation Agreement ("**OPA**"), loan agreement, grant agreement or other transactional and/or funding documents between a Project Sponsor and the Agency, provided however, that the Agency's Model Block Program is excluded from this definition, as it will contain its own local hiring and contracting requirements.

2. **Agency Compliance Officer** means the Agency's Contract Compliance Specialist assigned to oversee the Project Sponsor's compliance with the requirements of the Employment and Contracting Policy Agreement.

3. **Agreement** means an Employment and Contracting Agreement entered into between the Agency and the Project Sponsor pursuant to this Employment and Contracting Policy.

4. **Arbitration Parties** means the Agency, Project Sponsor, Contractors, Employers and all persons who attend the arbitration hearing pursuant to Section XII, as well as those persons and Project Sponsors who are subject to a default award provided that all of the requirements in Section XII (11) have been met.

5. **BVHP Resident** means, for the purposes of this Employment and Contracting Policy only, any person who resides in the BVHP Project Area or within the 94124 zip code as it is defined on the Effective Date.

6. **CBO** means any community based organization that provides training, education and referral services to BVHP Residents, including but not limited to:

Young Community Developers, Inc., 1715 Yosemite Avenue, San Francisco, CA 94124, (415) 822-3491;
Mission Hiring Hall, 3042 – 16th Street, San Francisco, CA 94103, (415) 626-1919 (Construction jobs only);
South of Market Employment Center, 288 – 7th Street, San Francisco, CA 94103, (415) 865-2105 (Permanent Jobs only) and
Ella Hill Hutch Community Center, 1050 McAllister Street, San Francisco, CA 94115, (415) 921-6276

7. **City** means the City and County of San Francisco.

8. **Commercial Project** means (for purposes of this Employment and Contracting Policy only): (1) any building permit application for a commercial activity over 25,000 square feet in floor area and involving new construction, an addition, or alteration which results in over $2,000,000 in improvements as stated on the City's building permit application (including any tenant improvements covered by said building permit); or (2) any application which requires discretionary action by the City's Planning Commission relating to a commercial activity over 25,000 square feet including, but not limited to conditional use project authorization under San Francisco Planning Code section 309, and office development under San Francisco Planning Code Sections 320, et seq.

9. **Contractor** means any person(s), firm, partnership, corporation (whether for profit or nonprofit), or combination thereof, who is a general contractor, subcontractor (regardless of tier) or consultant working on: (i) an Agency Action Project, (ii) a Significant Project in the Project Area, or (iii) a development project when the Project Sponsor has voluntarily subscribed to this Employment and Contracting Policy.

10. **Delegation Agreement** means the delegation agreement between the Agency and Planning dated September 19, 2006 as such agreement may be amended from time to time.

11. **Employer** means any person(s), firm, partnership, corporation (whether for profit or nonprofit), or combination thereof, who owns or operates a retail or commercial business which is part of: (i) an Agency Action Project, (ii) a Significant Project in the Project Area, or (iii) a

development project when the Project Sponsor has voluntarily subscribed to this Employment and Contracting Policy.

12. **Employment and Contracting Agreement or ("Agreement")** means the written agreement entered into between the Project Sponsor and the Agency which details the particular requirements the Project Sponsor must meet in order to be in compliance with this Employment and Contracting Policy.

13. **First Consideration** means that a Project Sponsor, Contractor and/or Employer shall give first consideration to qualified BVHP Residents in accordance with Section VII.A. (6) - (8) of this Employment and Contracting Policy and then to San Francisco residents for hiring opportunities in the areas of construction workforce, permanent / temporary workforce and trainee hires prior to offering the hiring opportunity to other applicants.

14. **Housing Project** means (for purposes of this Employment and Contracting Policy only) new construction, an addition, a conversion, or substantial rehabilitation that results in the creation or addition of ten or more residential units.

15. **PAC** means the Bayview Hunters Point Project Area Committee.

16. **Planning** means the Planning Department and/or the Planning Commission of the City and County of San Francisco.

17. **Position** means a permanent / temporary position not related to construction or construction trades.

18. **Project Area** means the Bayview Hunters Point Project Areas as delineated in the Bayview Hunters Point Redevelopment Plan, adopted June 1, 2006 and recorded June 23, 2006, (Document Number 2006I199495) as it may be amended from time to time.

19. **Project Sponsor** means the developer of commercial space or new housing units defined herein as a Significant Project in the Project Area.

20. **San Francisco Resident** means any person who resides in the City and County of San Francisco.

21. **Significant Project** means, for purposes of this Employment and Contracting Policy only, a Commercial Project or Housing Project as defined in this Employment and Contracting Policy.

IV. APPLICATION OF POLICY BY PROJECT TYPE [1]

A. Agency Action Projects

1. The Employment and Contracting Policy is mandatory for Agency Action Projects. Agency Action Projects will require the Project Sponsor to execute an Employment and Contracting Agreement with the Agency as a condition of approval. The construction workforce goal, permanent / temporary workforce goal and the trainee hiring goal for professional services contracts all apply to this type of project.

[1] Page 24 contains a BVHP Employment and Contracting Policy Matrix which also gives an overview of the application of the policy by project type.

2. Additionally, the Agency's Small Business Enterprise ("**SBE**") Program, as amended from time to time, will apply when Project Sponsors on Agency Action Projects contracts for professional / personal services related to the project, such as planning studies, building and/or landscape design, economic or feasibility studies, community outreach services, printing or graphic production. The SBE participation goal is a good faith effort that 50% of the subcontracting opportunities go to Agency certified SBEs with First Consideration given to SBEs within the Project Area.

3. In addition to the local hiring and small business contracting programs listed above, Project Sponsors will be **required to comply** with the Agency's Equal Opportunity Program which include:

- Nondiscrimination in Contracts and Equal Benefits Policy
- Minimum Compensation Policy
- Health Care Accountability Policy
- Agency Prevailing Wage Policy (Labor Standards)

4. The Agency's Equal Opportunity Program is described briefly in Section X.

5. The requirements of the Employment and Contracting Policy and the Agency's Equal Opportunity Policies will be incorporated into an Agreement. The Agency's Executive Director will review and approve the Agreement on behalf of the Agency. Adherence to the Agreement shall be monitored by the Agency's Contract Compliance Division. Agency staff shall periodically report to the BVHP PAC and the Agency Commission on the compliance status of Agency Action Projects.

B. Private Significant Projects

1. The Employment and Contracting Policy is mandatory for private Significant Projects (not requiring Agency assistance) in the Project Area that exceed the following thresholds:

- **Housing Projects**: new construction, an addition, a conversion, or substantial rehabilitation that results in the creation or addition of ten or more residential units ; or
- **Commercial Projects**: (1) any building permit application for a commercial activity over 25,000 square feet in floor area and involving new construction, an addition, or alteration which results in over $2,000,000 in improvements as stated on the City's building permit application (including any tenant improvements covered by said building permit); or (2) any application which requires discretionary action by the City's Planning Commission relating to a commercial activity over 25,000 square feet including, but not limited to conditional use project authorization under San Francisco Planning Code section 309, and office development under San Francisco Planning Code Sections 320, et seq.

2. Private Significant Projects shall be entitled by Planning as set forth in the Delegation Agreement and will require the Project Sponsor to execute an Employment and Contracting Agreement with the Agency as a condition of approval. The construction workforce

goal, permanent / temporary workforce goal and the trainee hiring goal for professional services contracts all apply to this type of project.

3. In addition to the hiring program, Project Sponsors will be encouraged to subscribe **voluntarily** to the Agency's Equal Opportunity Program which include:

- Small Business Enterprise Program
- Nondiscrimination in Contracts and Equal Benefits Policy
- Minimum Compensation Policy
- Health Care Accountability Policy
- Prevailing Wage Provisions (Labor Standards)

4. The Agency's Equal Opportunity Program is described briefly in Section X.

5. The mandatory programs and the programs which the Project Sponsor has voluntarily subscribed to, if any, will be incorporated into an Agreement and at that point become mandatory. The Agency's Executive Director will review and approve the Agreement on behalf of the Agency. Adherence to the Agreement shall be monitored by the Agency's Contract Compliance Division. Agency staff shall periodically report to the BVHP PAC and the Agency Commission on the compliance status of private Significant Projects.

C. CityBuild and Public Improvements

1. While not part of the Employment and Contracting Policy, the CityBuild workforce initiative applies to all public infrastructure and other public improvements projects that the City funds in the Project Area. CityBuild is an initiative of the Mayor's Office of Economic and Workforce Development, in partnership with other City departments, that utilizes City-sponsored construction as a vehicle to deliver training and employment opportunities to San Francisco residents. When the Agency is providing additional funding for a City funded public project, Agency staff shall work with CityBuild and the lead City department to consider implementation of elements of the Agency Employment and Contacting Policy as well as the Equal Opportunity Program.

2. The purpose of CityBuild is to ensure equal employment opportunities for San Francisco residents of all backgrounds and genders in construction workforce activities provided under City-sponsored construction projects. CityBuild establishes a goal of 50% participation for San Francisco residents in each trade for total hours worked on a project. CityBuild creates a single, responsible and accountable entity, Mayor's Office of Economic and Workforce Development, to direct construction employment and training efforts across projects and departments and develops trained, committed men and women to become the construction workforce of the future.

3. The Agency's Equal Opportunity Program is described briefly in Section X.

D. Small Private Projects

1. The Employment and Contracting Policy does not mandate local hiring or contracting for purely private projects that fall below the threshold of Significant Projects.

However, Project Sponsors will be encouraged to subscribe **voluntarily** to the following Agency's Equal Opportunity Programs and other policies which include:

- BVHP Employment and Contracting Policy
- Small Business Enterprise Policy
- Nondiscrimination in Contracts and Equal Benefits Policy
- Minimum Compensation Policy
- Health Care Accountability Policy
- Agency Prevailing Wage Policy (Labor Standards)

2. The Agency's Equal Opportunity Program is described briefly in Section X.

V. TERM

1. The term for meeting the obligations under the Employment and Contracting Policy ("**Term**") shall be as follows:

For Construction Workforce – From the date of the Employment and Contracting Agreement until two (2) years thereafter or the expiration of the building permit for the project, whichever is later.

For Trainee Hiring – From the date of the Employment and Contracting Agreement until two (2) years thereafter or the expiration of the building permit for the project, whichever is later.

For Permanent / Temporary Workforce – Up to ten (10) years from the date of the temporary certificate of occupancy per building , as determined through good faith negotiations between the Project Sponsor and the Agency based upon the anticipated number of permanent and/or temporary positions created by the Project.

VI. APPLICABLE COMMUNITY REDEVELOPMENT LAWS

1. The Employment and Contracting Policy is designed to further the objectives of the Community Redevelopment Law that redevelopment project areas support local businesses and lower-income BVHP Residents in the revitalization efforts of the Agency. Specifically, the Community Redevelopment law (which is codified in the California Health and Safety Code) states:

33422.1. Preference in Awarding Contracts to Local Businesses.

To the greatest extent feasible, contracts for work to be performed in connection with any redevelopment project shall be awarded to business concerns which are located in, or owned in the substantial part by persons residing in, the project area.

33422.3. Agency Specification of Workmen to be Lower-Income Project Area Residents for Certain Contracts.

To insure training and employment opportunities for lower-income project area residents, the agency may specify in the call for bids for any contract over one hundred thousand dollars ($100,000) for work to be performed in connection with any redevelopment project that project area

residents, if available, shall be employed for a specified percentage of each craft or type of workmen needed to execute the contract or work.

33423. Prevailing Wage Rates Required.

Before awarding any contract for such work to be done in a project, the agency shall ascertain the general prevailing rate of per diem wages in the locality in which the work is to be performed, for each craft or type of workman needed to execute the contract or work, and shall specify in the call for bids for the contract and in the contract such rate and the general prevailing rate for regular holiday and overtime work in the locality, for each craft or type of workman needed to execute the contract.

33424. Payment of Prevailing Wages.

The contractor to whom the contract is awarded and any subcontractor under him shall pay not less than the specified prevailing rate of wages to all workmen employed in the execution of the contract.

33425. Penalty for Noncompliance with Prevailing Wages.

As a penalty to the agency which awarded the contract, the contractor shall forfeit ten dollars ($10) for each calendar day or portion thereof for each workman paid less than the stipulated prevailing rates for any public work done under the contract by him or by any subcontractor under him. A stipulation to this effect shall be included in the contract.

33426. Record of Wages.

Each contractor and subcontractor shall keep an accurate record showing the name, occupation, and actual per diem wages paid to each workman employed by him in connection with the work. The record shall be kept open at all reasonable hours to the inspection of the agency.

VII. CONSTRUCTION WORKFORCE HIRES[2]

A. Procedures For Construction Workforce Hires

1. Compliance with the Policy

The Project Sponsor agrees and will require each Contractor and all subcontractors to use its good faith efforts to employ 50% of its construction workforce hires by trade and by hours from qualified BVHP Residents and then San Francisco Residents with First Consideration to BVHP Residents. Project Sponsors and Contractors will be deemed in compliance with this Employment and Contracting Policy by meeting or exceeding the goal or by taking the following steps in good faith towards compliance.

2. Execute Employment and Contracting Agreement

The Project Sponsor shall execute an Agreement which details the requirements of the Employment and Contracting Policy, as well as the Agency's Equal Opportunity Program, if

[2] The same procedure for construction workforce hires applies to all Project Sponsors regardless of whether the project is an Agency Action, private Significant Project, or small Private Project when the Project Sponsor has voluntarily subscribed to the Employment and Contracting Policy.

applicable. The Project Sponsor shall incorporate by reference or attach the Agreement to its contract with the general contractor. The general contractor shall do the same in its contracts with its subcontractors. Thus, each Contractor will be obligated to comply with the terms of the Agreement. The Project Sponsor and/or Contractors shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. **Submission of Labor Force Projections and Other Data**

The general contractor shall submit, to the extent available, labor force projections to the Compliance Officer within two (2) weeks of award.

4. **Submit Subcontractor Information Form**

The general contractor shall submit to the Compliance Officer the Subcontractor Information Forms, twenty-four (24) hours prior to the preconstruction meeting. The Subcontractor Information Forms are available from the Compliance Officer upon request.

5. **Preconstruction Meeting**

The general contractor shall hold a preconstruction meeting which shall be attended by the Compliance Officer, the CBO assigned to the proposed project, all prime contractor(s) and all subcontractor(s). The preconstruction meeting shall be scheduled between two (2) days and thirty (30) days prior to the start of construction at a time and place convenient to all attendees. The purpose of the meeting is to discuss: the hiring goals, workforce composition, role of the CBOs, worker referral process, certified payroll reporting, procedure for termination and replacement of workers covered by this policy and to explore any anticipated problems in complying with the Employment and Contracting Policy. All questions regarding how this Employment and Contracting Policy applies to the Project Sponsor, general contractor, subcontractors and consultants should be answered at this meeting. Failure to hold or attend at least one (1) preconstruction meeting will be a breach of this Employment and Contracting Policy that may result in the Agency ordering a suspension of work until the breach has been cured. Suspension under this provision is not subject to arbitration.

6. **Submit Construction Worker Request Form**

For the Term of the Agreement, each time the Project Sponsor or Contractor seeks to hire workers for the construction or rehabilitation of improvements, they must first submit, by fax, email or hand delivery, an executed construction worker request form to the CBO. Preferably this request will be submitted at least two (2) business days before the workers are needed. However, requests with less than two (2) business days notice will be accepted. The construction worker request form will indicate generally: the number of workers needed, duration needed, required skills or trade and date/time to report. The construction worker request form is available from the CBO or Compliance Officer upon request.

7. **Response from CBO**

The CBO shall respond, in writing, via fax, email or hand delivery to each request for construction workers. The response shall state that the CBO was able to satisfy the request in full, in part or was unable to satisfy the request. The CBOs shall look to their own referral lists, as well as confer with other CBOs and CityBuild in an attempt to find qualified BVHP Residents and San

Francisco Residents. If the CBO is able to satisfy the request in full or in part, it shall direct the qualified BVHP Resident(s) or San Francisco Resident(s) to report to the Contractor on the date and time indicated in the request. If the CBO is unable to satisfy the request, then the CBO shall send a fax or email stating that no qualified BVHP Residents or San Francisco Residents are currently available.

8. **Action by Contractor When Referrals Available**

The Project Sponsor or Contractor whose request has been satisfied in full or in part shall make the final determination of whether the BVHP Residents or San Francisco Residents are qualified for the positions and the ultimate hiring decision. The Agency strongly encourages the Contractor to hire the qualified BVHP Residents or San Francisco Residents referred by the CBO. However, if the Contractor finds the BVHP Residents or San Francisco Residents are not qualified, then the Contractor shall send the BVHP Residents or San Francisco Residents back to the CBO. Before the close of business on the same day, the Contractor shall fax or email a statement addressed to the CBO stating in detail the reason(s) the BVHP Residents or San Francisco Residents were not qualified or the reason(s) for not hiring the BVHP Residents or San Francisco Residents. The CBO shall, within one (1) business day of receipt of the fax or email, send new qualified BVHP Residents or San Francisco Residents that meet the legitimate qualifications set by the Contractor or alternatively, send a fax or email stating that no qualified BVHP Residents or San Francisco Residents are currently available.

9. **Action by Contractor When Referrals Unavailable**

If a Contractor receives a response from the CBO stating that no qualified BVHP Residents or San Francisco Residents are currently available, then the Contractor may hire the number of construction workers requested from the CBO, using its own recruiting methods, giving first consideration to BVHP Residents and then San Francisco Residents. Any additional new construction workforce hires (including the replacement of any terminated workers) must comply with this Employment and Contracting Policy, unless the Contractor has already met or exceeded the goal. The Contractor must keep a copy of the response it receives from the CBO as proof of compliance and submit a copy of each response received to the Agency Compliance Officer upon request.

10. **Action by Contractor When No Response From CBO**

If a Contractor has not received a response to its construction worker request from the CBO within two (2) business days, then the Contractor should immediate advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause a response to be sent to the Contractor within two (2) business days of being notified. If the Contractor does not receive a response from the CBO within four (4) business days (the original two (2) business days plus the additional two (2) business days), then the Contractor may hire the number of construction workers requested from the CBO, using its own recruiting methods, giving first consideration to BVHP Residents and then San Francisco Residents. Any construction workforce hires (including the replacement of any terminated workers) must comply with this Employment and Contracting Policy, unless the Contractor has already met or exceeded the goal. The Contractor must keep a copy of the response it receives from the CBO as proof of compliance and submit a copy of each response received to the Agency Compliance Officer upon request. This Employment and Contracting Policy is intended to provide qualified BVHP and San Francisco

Residents with employment opportunities without causing undue delay in hiring needed construction workers.

11. Action by Contractor When No Response From Union

The Contractor should immediately advise the Agency Compliance Officer by phone, fax or email when the Contractor has sent a qualified BVHP Resident or San Francisco Resident to a union hall for referral in accordance with a collective bargaining agreement and the union did not refer the qualified BVHP or San Francisco Resident back for employment or when the union referral process impedes the Contractor's ability to meet its obligations under this policy. Conflicts between this Employment and Contracting Policy and any collective bargaining agreements will be resolved pursuant to Section XI (4).

12. Hiring Apprentices

A Contractor may meet part of the Construction Workforce Goal by hiring apprentices. However, hiring an apprentice does not satisfy or waive the trainee hiring obligation, if any, for design professionals. Unless otherwise permitted by law, apprentices must be trained pursuant to training programs approved by the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training or the California Department of Industrial Relations, Division of Apprenticeship Standards. Credit towards compliance will only be given for paid apprentices actually working on the project. No credit is available for apprentices while receiving class room training. Under no circumstances shall the ratio of apprentices to journeymen in a particular trade or craft exceed 1:5.

13. Termination and Replacement of Referrals

If at any time it becomes necessary to terminate for cause a construction worker who was hired under this Employment and Contracting Policy, the Contractor shall notify the CBO in writing via fax or email and submit a report of termination pursuant to Section VII (B)(4). If the Contractor intends to fill the vacant position, then the Contractor shall follow the process set forth in this Employment and Contracting Policy beginning at Section VII (A)(6).

B. Reporting Requirements For Construction Workforce

1. Submission of Certified Payroll Reports

Each Contractor subject to this Employment and Contracting Policy shall submit to the Agency a certified payroll report for the preceding work week on each of its employees. The Project Sponsor is ultimately responsible for the submission of these reports by the Contractors. The certified payroll report is due to the Agency by noon each Wednesday. To facilitate compliance, the Agency uses the online LCP Tracker system (www.lcptracker.com) for submission of certified payroll reports. This system is available at no cost to the Contractor and LCP Tracker is compatible with all major computer payroll systems. Training and educational materials for LCP Tracker are available at no cost online and through the Compliance Officer. Contractors are required to report certified payroll using the LCP Tracker system at www.lcptracker.com. However, a waiver shall be granted pursuant to Section XI (10) to any Contractors who do not have a computer, online access or who use a computer payroll system that is incompatible with LCP Tracker.

2. **Contents of Certified Payroll Reports**

If certified payroll records are submitted via the LCP Tracker system, the required data points are already listed. If certified payroll records are submitted in paper form, the records shall be organized in an easily understandable format and contain **all** the following information: the name, address, telephone number, residency (Bayview Hunters Point, another redevelopment project area, San Francisco or other), last four (4) digits of the worker's Social Security number[3], gender, ethnicity (see codes in Section VII (B)(8)), construction trade (see codes in Section VII (B)(8)), classification (e.g., mechanic, apprentice, trainee, helper or laborer), union affiliation (if any), dates of changes in status, daily and weekly number of hours worked, hourly wage rates (including rates of contributions for costs anticipated for fringe benefits or cash equivalents thereof), deductions made and actual wages paid. The foregoing notwithstanding, the reporting of hourly wage rates, deductions and actual wages paid are not required for Significant Projects unless the Project Sponsor has voluntarily subscribed to the Agency's Prevailing Wage Policy or the payment of prevailing wages is otherwise required by law. To the degree that existing certified payroll records satisfy these requirements, the Contractor shall not be required to maintain separate records.

3. **Additional Information**

In order to prevent unlawful discrimination in the selection, hiring and termination of employees on the basis of race, ethnicity, gender or any other basis prohibited by law and to identify and correct such unlawful practices, the Agency will monitor and collect information on the ethnicity and gender of each construction worker and apprentice. If an identifiable pattern of apparent discrimination is revealed by this additional information, it will be treated as a breach of this Employment and Contracting Policy and may be addressed as set forth in Section XII, Arbitration of Disputes.

4. Report on Terminations

In the event a BVHP Resident or San Francisco Resident hired pursuant to this Employment and Contracting Policy is terminated for cause, the responsible Contractor shall within two (2) days fax or email a termination report to the CBO with a copy to the Agency Compliance Officer stating in detail: (1) the name of the worker(s) terminated; (2) his/her job title and duties; (3) the reasons and circumstances leading to the termination(s); (4) whether the Contractor replaced the construction worker(s); and (5) whether the replacement worker(s) were BVHP Resident(s) or San Francisco Resident(s).

5. **Inspection of Records**

The Project Sponsor and each Contractor shall make the records required under this Employment and Contracting Policy available for inspection or copying by authorized representatives of the Agency, and shall permit such representatives to interview construction workers and apprentices during working hours on the job.

6. **Failure to Submit Reports**

[3] Note: The Project Sponsor is required to provide complete Social Security numbers upon the request of the Agency.

If a Contractor fails or refuses to provide the reports as required it will be treated as a breach of this Employment and Contracting Policy and may be addressed as set forth in Section XII, Arbitration of Disputes.

7. **Submission of Good Faith Effort Documentation**

If the Project Sponsor's or Contractor's good faith efforts are at issue, the Contractor shall provide the Agency with the documentation of its efforts to comply with this Employment and Contracting Policy and the Agreement. The Project Sponsor or Contractor must maintain for the duration of the Term, a current file of the names, addresses and telephone numbers of each BVHP Resident or San Francisco Resident applicant referral whether self referral, union referral or CBO referral and what action was taken with respect to each such individual.

8. **Coding Certified Payrolls**

Each Contractor shall include, on the weekly payroll submissions, the code designating each construction worker's and apprentice's craft, skill level, protected class status and domicile in accordance with the following tables:

CRAFT CODE	DESCRIPTION	CRAFT CODE	DESCRIPTION
1	Electrician	22	Carpet, Linoleum and Vinyl Tile Layer
2	Iron Worker	23	Elevator Constructor
3	Sheet Metal Worker	24	Cement Mason
4	Asbestos Worker/ Heat & Frost Insulator	25	Laborer or Allied Worker
5	Plumber, Pipe or Steamfitter	26	Glazier & Glassmaker
6	Refrigeration	27	Painter, Paperhanger, Taper
7	Boilermaker	28	Sign Installer
8	Sprinkler Fitter	29	Scrapper
9	Brick, Caulk, Marble, Point, Terrazzo		
10	Hod Carrier		
11	Terrazzo Finisher	32	Low Voltage Electrician
12	Plasterer	33	Towboat Operator-Marine Engineer
13	Lather	34	Towboat Deckhand-Inland Boat worker
14	Carpenter or Drywall Hanger	35	Owner/Operator - Truck
15	Mill Worker or Cabinetmaker	36	Owner/Operator - Heavy Equipment
16	Millwright	37	Upholsterer
17	Roofer	38	Teamster, Construction
18	Pile Driver	39	Janitor
19	Surveyor/Operating Engineer	40	Environmental Control System Installer
20	Tile (Ceramic)/Marble Finisher	41	Window Cleaner
21	Tile (Ceramic)Setter	89	Security Guard

ETHNICITY CODE	DESCRIPTION
B	African American
L	Latino
I	American Indian
C	Caucasian/White
A	Asian
PI	Pacific Islander
F	Female (all females regardless of ethnicity)

PROJECT AREA CODE	DESCRIPTION
BIT	Bayview Industrial Triangle
BVHP	Bayview Hunters Point
HPSY	Hunters Point Shipyard
IB	India Basin Industrial Park
GG	Golden Gateway
MBN	Mission Bay (North)
MBS	Mission Bay (South)
MM	Mid-Market
RPSB	Rincon Point/South Beach
SF	San Francisco (not in any redevelopment project areas)
SOM	South of Market
TB	Transbay
VV	Visitacion Valley
WA	Western Addition Area A-2
YBC	Yerba Buena Center

VIII. TRAINEE HIRES[4]

A. Procedures For Trainee Hires

1. Compliance with the Policy

For architects, engineers and other design professionals only, there is a trainee hiring goal as set forth in Section II (C) above. These design professionals will be deemed in compliance with this Employment and Contracting Policy by meeting or exceeding the trainee hiring goal or by take the following steps in good faith towards compliance.

2. Execute Employment and Contracting Agreement

The Project Sponsor shall execute an Agreement which details the requirements of the Employment and Contracting Policy, as well as the Agency's Equal Opportunity Program, if applicable. The Project Sponsor shall incorporate by reference or attach the Agreement to its contract with the architects, engineers and other design professionals. Thus, each design professional will be obligated to comply with the terms of the Agreement. The Project Sponsor

[4] The same procedure for trainee hires applies to all design professionals regardless of whether the project is an Agency Action, private Significant Project, or small Private Project when the Project Sponsor has voluntarily subscribed to the Employment and Contracting Policy.

and/or the design professionals shall retain the executed Agreements and make them available to the Agency Compliance Officer upon request.

3. Contact Educational Institutions

The Agency works with the City, as well as educational institutional within the City, to provide a pool of student referrals to assist design professionals in meeting the trainee hiring goal. Within thirty (30) days of execution of the Agreement, the Agency Compliance Officer shall contact each design professionals and provide it with the name, address and telephone number of a point of contact at the City, **City College or other educational institutions in the Bay Area** who have a current list of students who are BVHP Residents or San Francisco Residents and are available for hire as trainees. Each design professional shall call the City or educational institution(s) and request referrals for the required trainee positions. The request will indicate generally: (1) the number of trainees sought; (2) the required skills set (keeping in mind that these are trainee positions); (3) a brief description of job duties; (4) the duration of the trainee period; and (5) any other information that would be helpful or necessary for the educational institution to make the referral. The minimum duration of assignment is part-time for one semester. However, design professionals are strongly encouraged to offer longer trainee employment periods to allow a more meaningful learning experience. (For example, a half-time or full-time assignment over the summer.) Although the initial contact shall be made by phone, the educational institution(s) may require the design professionals to send a confirming letter or fill out a form which the educational institution will provide. Each design professional is required to timely provide all of the information requested by the City or educational institution(s) in order to get the referrals.

4. Response from Educational Institutions

Each educational institution may have a different way of referring applicants, such as: sending resumes directly to the design professional; having the applicant contact the design professional by phone; require design professionals to conduct on-campus interviews; or some other method. The timing and method of the response will normally have be discussed with the design professional during the initial phone request. The design professional is required to follow the process set by the educational institution(s) in order to get the referrals.

5. Action by Design Professionals When Referrals Available

The design professional shall give First Consideration to BVHP Residents and then to San Francisco Residents referred by the educational institution(s). The design professional shall interview each applicant prior to making the decision to hire or not to hire. The design professional shall make the final determination whether the applicant is qualified for the trainee position and the ultimate hiring decision. The Agency strongly encourages the design professional to hire a qualified BVHP Resident or San Francisco Resident referred by the educational institution(s). The design professional shall notify each BVHP Resident and San Francisco Resident interviewed and the CBO in writing of the hiring decision.

6. Action by Design Professionals When Referrals Unavailable

If after contacting all of the educational institutions provided by the Agency Compliance Officer, the design professional is informed that no qualified BVHP residents or San Francisco Residents are currently available, then the design professional should wait thirty (30) days and contact the educational institutions a second time to inquire whether qualified San Francisco

Residents are currently available for hire as trainees. If no qualified San Francisco Residents are currently available after the second request, then the design professional has fulfilled its obligation under this Section VIII, provided that the design professional has acted in good faith. The design professional must retain its file on all of the steps it took to comply with this policy and submit a copy of its file to the Agency Compliance Officer upon request.

7. **Action by Design Professional When No Response From Educational Institutions**

If a design professional has not received a response to its request for referrals from any of the educational institutions within five (5) business days after the design professional has fully complied with the procedures, if any, set by the educational institution(s) for obtaining referrals; then the design professional should immediately advise the Agency Compliance Officer by phone, fax or email. The Agency Compliance Officer or his/her designee shall cause the educational institution(s) to respond to the design professional within five (5) business days of the Agency Compliance Officer being notified. If the design professional still has not received a response from the educational institution(s) after this additional five (5) business day period has run, then the design professional has fulfilled its obligation under this Section VIII, provided that the design professional has acted in good faith. Each design professional must retain its file on all of the steps it took to comply with this policy and submit a copy of its file to the Agency Compliance Officer upon request.

8. **Termination of Trainee for Cause**

If at any time during the Term, it becomes necessary to terminate for cause a trainee who was hired under this Employment and Contracting Policy and the design professional has not met the minimum duration requirements under this policy, then the design professional shall hire a new trainee by following the process set forth in Section VIII(A)(3) above.

B. Reporting Requirements For Trainee Hires

1. **Annual Reporting**

Annually, during the Term of the Agreement or the term of the design professional's contract with the Project Sponsor, whichever is less, the Employer shall fax or email a report to the Agency Compliance Officer stating in detail: (1) the names of the BVHP Resident(s) or San Francisco Resident(s) interviewed in the past year for trainee positions; (2) the date(s) of each interview; (3) the reasons for not hiring the BVHP Residents or San Francisco Residents interviewed; (4) the name, address, gender and racial/ethic background of the successful candidate for the trainee position; (5) whether the successful candidate is a BVHP or San Francisco Resident; (6) the maximum number of trainees the Employer has had within the last calendar year; and (7) the number of BVHP Residents and San Francisco Residents hired within the last calendar year.

2. **Report on Terminations**

In the event a BVHP Resident or San Francisco Resident hired pursuant to this Employment and Contracting Policy is terminated for cause, the responsible design professional shall within five (5) days fax or email a termination report to the Agency Compliance Officer stating in detail: (1) the name of the trainee(s) terminated; (2) his/her job title and duties; (3) the reasons and

circumstances leading to the termination(s); (4) whether the design professional replaced the trainee(s); and (5) whether the new trainee(s) are BVHP Resident(s) or San Francisco Resident(s).

IX. PERMANENT / TEMPORARY WORKFORCE POLICY[5]

A. Permanent / Temporary Workforce Hires

1. Policy Statement

Due to the wide variety of development, both public and private, that occurs in the City and is anticipated to occur in the Project Area as redevelopment commences, it is difficult to develop a single hiring requirement or procedure that is appropriate in all situations. The Agency seeks to ensure that BVHP Residents have the opportunity to share in the permanent and temporary jobs that come from redevelopment in the Project Area. At the same time, the Agency seeks to assist Employers in meeting workforce demands for Significant Projects within the Project Area. The Agency has adopted a flexible approach to achieve these goals. The Employment and Contracting Policy sets an overall goal of 50% for permanent / temporary workforce hires but allows flexibility to tailor the remaining key terms of the Agreement to fit the specific project.

2. Compliance with the Policy

The Project Sponsor agrees and will require each Employer to use its good faith efforts to employ 50% of its permanent / temporary workforce from qualified BVHP Residents and then San Francisco Residents with First Consideration to BVHP Residents. Project Sponsors and Employers will be deemed in compliance with this Employment and Contracting Policy by meeting or exceeding the goal or by documenting the good faith efforts as set forth in the Agreement.

3. Negotiate and Execute Employment and Contracting Agreement

The Project Sponsor shall negotiate in good faith with the Agency's Contract Compliance staff to reach agreement on: (a) the Term of the Agreement; (b) the job titles or type of positions subject to this hiring obligation; (c) procedures for fulfilling the hiring obligation or meeting the good faith efforts; and (d) reporting requirements. These negotiations will be based upon the anticipated number of permanent and/or temporary positions created by the project. The executed Agreement will set forth the mutually agreed upon details, as well as the requirements of the Agency's Equal Opportunity Program, if applicable. The Project Sponsor shall incorporate by reference or attach the Agreement to its contract with the Employer. The Project Sponsor and/or Employer shall retain the executed Agreement and make it available to the Agency Compliance Officer upon request.

4. Review of Permanent / Temporary Workforce Policy

Working with the PAC, the CBOs and the City's workforce development systems, the Agency will review the Permanent / Temporary Workforce Policy and will revise the procedures

[5] The same procedure for permanent / temporary workforce hires applies to all Project Sponsors regardless of whether the project is an Agency Action, private Significant Project, or small Private Project when the Project Sponsor has voluntarily subscribed to the Employment and Contracting Policy.

and goals as necessary to ensure that BVHP and San Francisco Residents are given First Consideration for these job opportunities.

X. AGENCY EQUAL OPPORTUNITY PROGRAM

A. Compliance with Agency's Equal Opportunity Program

Compliance with some or all of the Agency's Equal Opportunity Program may be mandatory or voluntary depending on whether the development is an Agency Action Project, private Significant Project, CityBuild / public improvement project or a small Private Project. The components of the Agency's Equal Opportunity Program are described briefly below for reference. The full policies and procedures associated with these programs are available from the Agency's Contract Compliance Division.

1. Small Business Enterprise Program

The Agency's Small Business Enterprise ("**SBE**") Program was adopted by Agency Resolution No. 133-2004 on November 16, 2004, as part of the Agency's Interim Purchasing Policy and Procedures, and may be amended from time to time. The SBE Program provides for first consideration in awarding subcontracts and sub-consulting opportunities to Agency certified local small business enterprises. The SBE Program is designed to help ensure that SBEs have a fair opportunity to compete for and participate in contracts related to Agency- Action Projects and other projects that are subject to the SBE Program. SBEs are divided into three groups: (1) Project Area SBEs, (2) Local SBEs (outside an Agency project or survey area, but within San Francisco), and (3) all other SBEs (outside of San Francisco). If subject to the SBE Program, the Project Sponsor and its Contractors and Employers must make good faith efforts to achieve the goal of 50% SBE participation for professional / personal services, and construction contracts. The SBE Program sets a contracting goal and thus is different from the Employment and Contracting Policy which sets hiring goals. The Project Sponsor's obligations under the SBE Program will be incorporated into a SBE Agreement ("**SBE Agreement**"). The Agency Executive Director will review and approve the SBE Agreement on behalf of the Agency. The Agency's Compliance Officer will ensure compliance with the requirements and will report periodically to the BVHP PAC and the Agency Commission on compliance matters.

2. Nondiscrimination in Contracts and Equal Benefits Policy

The Agency's Nondiscrimination in Contracts and Equal Benefits Policy was adopted by Agency Resolution No. 175-97 on September 9, 1997 and may be amended from time to time. The Nondiscrimination in Contracts and Equal Benefits Policy prohibits discrimination in contracting and which includes a prohibition on discrimination in providing benefits between employees with spouses and employees with domestic partners. This policy requires the Project Sponsor to agree not to discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status). This policy also requires that employee benefits be equally available to domestic partners as they are to spouses.

3. Minimum Compensation Policy and Health Care Accountability Policies

The Agency's Minimum Compensation Policy ("**MCP**") and Health Care Accountability Policy ("**HCAP**") were adopted by Agency Resolution 168-2001 on September 25, 2001 and may be amended from time to time. MCP requires that all "Covered Employees," as defined therein, receive a minimum level of compensation. HCAP requires offering health plan benefits to Covered Employees or to make payments to the City and County of San Francisco's Department of Public Health, or to participate in a health benefits program developed by the City and County of San Francisco's Director of Health.

4. Agency's Prevailing Wage Policy

The Agency's Prevailing Wage Policy (Labor Standards) was adopted by Agency Resolution No. 327-85 on November 12, 1985 and may be amended from time to time. The Agency's Prevailing Wage Policy applies to projects: (i) covered under Labor Code Section 1720 *et seq.*, (ii) that are Agency-Action Projects) or (iii) for which the Project Sponsor has voluntarily subscribed to this requirement. The Agency's Prevailing Wage Policy references the State's Labor Standards and the prevailing wage, benefits, eligibility, etc. are all calculated using the State's standards. In many instances, both the California Labor Code and the Agency's Prevailing Wage Policy will apply.

XI. EMPLOYMENT AND CONTRACTING POLICY - ADDITIONAL PROVISIONS

Project Sponsors, Contractors and Employers that are subject to this Employment and Contracting Policy (including those who have voluntarily subscribed to this policy) are subject to the following additional provisions.

1. **Designate a Point of Contact**

Each Project Sponsor, Contractor and Employer shall designate a responsible representative, manager or agent to monitor all employment-related activity under this Employment and Contracting Policy and to be the primary point of contact for issues arising under this policy.

2. No Retaliation

No person hired pursuant to this policy shall be discharged or in any other manner discriminated against by the Project Sponsor, Contractor or Employer because such person has filed any complaint or instituted or caused to be instituted any proceeding under or relating to enforcement of this Employment and Contracting Policy.

3. **No Discrimination**

There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status). The Project Sponsor, Contractors and Employers will ensure that applicants are employed, and that persons are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or

recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations.

4. **Collective Bargaining Exclusion**

Notwithstanding anything to the contrary in this Employment and Contracting Policy, if an Agreement conflicts with an existing labor agreement or collective bargaining agreement to which a Project Sponsor, Contractor or Employer is a party, the labor agreement or collective bargaining agreement shall prevail. Nothing in this Employment and Contracting Policy shall be interpreted to interfere with or prohibit existing labor agreements or collective bargaining agreements. However, the Project Sponsor, Contractor or Employer will still be obligated to provide workforce needs information to the CBO prior to hiring and the Employer will be obligated to make good faith efforts to comply with the requirements of its Employment and Contracting Policy Agreement that do not conflict with the collective bargaining agreement.

5. **No Conflict with State or Federal Law**

This Employment and Contracting Policy is to be implemented in a manner that does not conflict with applicable federal or state laws.

6. **Existing Workforce**

Nothing in this Employment and Contracting Policy shall be interpreted in a manner that would require termination of the Project Sponsor's, Contractor's or Employer's existing workers and employees.

7. **Use of Debarred Entities Prohibited**

Neither the Project Sponsor, Contractor nor Employer shall enter into any subcontract with any person or firm that the Project Sponsor, Contractor or Employer knows or should have known is debarred from federal, state or local government contracts.

8. **Incorporation**

Whenever the Project Sponsor, Contractor or Employer subcontracts a portion of the work, it shall set forth verbatim and make binding on each subcontractor the provisions of this Employment and Contracting Policy. That subcontract shall then be deemed a Contractor or Employer for the purposes of this Employment and Contracting Policy and shall be subject to all of the requirements hereto.

9. **Severability**

If any part or provision of this Employment and Contracting Policy or the application thereof to any person or circumstance is held to be invalid, then the remainder of this Employment and Contracting Policy, including the application of such part or provision to other persons or circumstances, shall not be affected thereby and shall continue in full force and effect. To this end, the provisions of this Employment and Contracting Policy are severable.

10. **Waiver**

Any of the Employment and Contracting Policy requirements may be waived by the Agency's Executive Director, if he/she determines for good cause shown that a specific requirement

is not relevant to the particular situation, would cause undue hardship, or that an alternative approach would better meet the goals of the Employment and Contracting Policy.

XII. ARBITRATION OF DISPUTES

1. **Arbitration by AAA**

Any dispute involving the alleged breach or enforcement of an Employment and Contracting Policy Agreement, including but not limited to disputes over qualification of referrals; whether termination was for good cause; and whether the Project Sponsor, Contractor or Employer has complied with this Employment and Contracting Policy Agreement in good faith shall be submitted to arbitration. The arbitration shall be submitted to the American Arbitration Association, San Francisco, California office ("**AAA"**) which will use the Commercial Rules of the AAA then applicable, but subject to the further revisions thereof. If there is a conflict between the Commercial Rules of the AAA and the arbitration provisions in this Employment and Contracting Policy, this Employment and Contracting Policy shall govern. The arbitration shall take place in the City and County of San Francisco.

2. **Demand for Arbitration**

The party seeking arbitration shall make a written demand for arbitration ("**Demand for Arbitration"**). The Demand for Arbitration shall contain at a minimum: (1) a cover letter demanding arbitration under this provision and identifying the entities believed to be involved in the dispute; (2) a copy of the notice of default, if any, sent from one party to the other; and (3) any written response to the notice of default.

3. **Parties' Participation**

The Agency, Project Sponsor, Contractor, Employer and all persons or entities affected by the dispute shall be made Arbitration Parties. Any such person or entity not made an Arbitration Party in the Demand for Arbitration may intervene as an Arbitration Party and in turn may name any other such affected person or entity as an Arbitration Party.

4. **Agency Request to AAA**

Within seven (7) business days after service or receipt of a Demand for Arbitration, the Agency shall transmit to AAA a copy of the Demand for Arbitration and any written response thereto from the Project Sponsor, Contractor and/or Employer. Such material shall be made part of the arbitration record.

5. **Selection of Arbitrator**

One arbitrator shall arbitrate the dispute. The arbitrator shall be selected from the panel of arbitrators from AAA by the Arbitration Parties in accordance with the AAA rules. The parties shall act diligently in this regard. If the Arbitration Parties fail to agree on an arbitrator within seven (7) business days from the receipt of the panel, AAA shall appoint the arbitrator. A condition to the selection of any arbitrator shall be the arbitrator's agreement to: (i) submit to all Arbitration Parties the disclosure statement required under California Code of Civil Procedure Section 1281.9; and (ii) render a decision within thirty (30) days from the date of the conclusion of the arbitration hearing.

6. **Setting of Arbitration Hearing**

A hearing shall be held within ninety (90) days of the date of the filing of the Demand for Arbitration with AAA, unless otherwise agreed by the parties. The arbitrator shall set the date, time and place for the arbitration hearing(s) within the prescribed time periods by giving notice by hand delivery or first class mail to each Arbitration Party.

7. **Discovery**

In arbitration proceedings hereunder, discovery shall be permitted in accordance with Code of Civil Procedure §1283.05 as it may be amended from time to time.

8. **California Law Applies**

California law, including the California Arbitration Act, Code of Civil Procedure §§ 1280 through 1294.2, shall govern all arbitration proceedings in any Employment and Contracting Agreement.

9. **Arbitration Remedies and Sanctions**

The arbitrator may impose only the remedies and sanctions set forth below:

a. Order specific, reasonable actions and procedures, in the form of a temporary restraining order, preliminary injunction or permanent injunction, to mitigate the effects of the non-compliance and/or to bring any non-compliant Arbitration Party into compliance with the Employment and Contracting Policy Agreement.

b. Require any Arbitration Party to refrain from entering into new contracts related to work covered by the Employment and Contracting Policy Agreement, or from granting extensions or other modifications to existing contracts related to services covered by the Employment and Contracting Policy Agreement, other than those minor modifications or extensions necessary to enable compliance with the Employment and Contracting Policy Agreement.

c. Direct any Arbitration Party to cancel, terminate, suspend or cause to be cancelled, terminated or suspended, any contract or portion(s) thereof for failure of any Arbitration Party to comply with any of the requirements in the Employment and Contracting Policy Agreement. Contracts may be continued upon the condition that a program for future compliance is approved by the Agency.

d. If any Arbitration Party is found to be in willful breach of its obligations hereunder, the arbitrator may impose a monetary sanction not to exceed Fifty Thousand Dollars ($50,000.00) or ten percent (10%) of the base amount of the breaching party's contract, whichever is less, for each such willful breach; provided that, in determining the amount of any monetary sanction to be assessed, the arbitrator shall consider the financial capacity of the breaching party. No monetary sanction shall be imposed pursuant to this paragraph for the first willful breach of the Employment and Contracting Policy Agreement unless the breaching party has failed to cure after being provided written notice and a reasonable opportunity to cure. Monetary sanctions may be imposed for subsequent willful breaches by any Arbitration Party

whether or not the breach is subsequently cured. For purposes of this paragraph, "willful breach" means a knowing and intentional breach.

e. Direct any Arbitration Party to produce and provide to the Agency any records, data or reports which are necessary to determine if a violation has occurred and/or to monitor the performance of any Arbitration Party.

10. **Arbitrator's Decision**

The arbitrator will normally make his or her award within twenty (20) days after the date that the hearing is completed but in no event past thirty (30) days from the conclusion of the arbitration hearing; provided that where a temporary restraining order is sought, the arbitrator shall make his or her award not later than twenty-four (24) hours after the hearing on the motion. The arbitrator shall send the decision by certified or registered mail to each Arbitration Party.

11. **Default Award; No Requirement to Seek an Order Compelling Arbitration**

The arbitrator may enter a default award against any person or entity who fails to appear at the hearing, provided that: (1) the person or entity received actual notice of the hearing; and (2) the complaining party has a proof of service for the absent person or entity. In order to obtain a default award, the complaining party need not first seek or obtain an order to arbitrate the controversy pursuant to Code of Civil Procedure §1281.2.

12. **Arbitrator Lacks Power to Modify**

Except as expressly provided above in this Section XII, the arbitrator shall have no power to add to, subtract from, disregard, modify or otherwise alter the terms of the Employment and Contracting Policy Agreement or to negotiate new agreements or provisions between the parties.

13. **Jurisdiction/Entry of Judgment**

The inquiry of the arbitrator shall be restricted to the particular controversy which gave rise to the Demand for Arbitration. A decision of the arbitrator issued hereunder shall be final and binding upon all Arbitration Parties. The prevailing Arbitration Party (ies) shall be entitled to reimbursement for the arbitrator's fees and related costs of arbitration. Each Arbitration Party shall pay its own attorneys' fees, provided, however, that attorneys' fees may be awarded to the prevailing party if the arbitrator finds that the arbitration action was instituted, litigated, or defended in bad faith. Judgment upon the arbitrator's decision may be entered in any court of competent jurisdiction.

BVHP EMPLOYMENT AND CONTRACTING POLICY MATRIX

	Agency-Action Projects	Private Significant Projects	CityBuild & Public Improvements	Small Private Projects
BVHP Employment and Contracting Policy	Mandatory[6]	Mandatory	Voluntary but Encouraged	Voluntary but Encouraged
Small Business Enterprise Policy	Mandatory	Voluntary but Encouraged[7]	Voluntary but Encouraged	Voluntary but Encouraged
Nondiscrimination and Equal Benefits Policy	Mandatory	Voluntary but Encouraged	Voluntary but Encouraged	Voluntary but Encouraged
Minimum Compensation Policy	Mandatory	Voluntary but Encouraged	Voluntary but Encouraged	Voluntary but Encouraged
Healthcare Accountability Policy	Mandatory	Voluntary but Encouraged	Voluntary but Encouraged	Voluntary but Encouraged
Agency's Prevailing Wage Policy	Mandatory	Voluntary but Encouraged	Voluntary but Encouraged[8]	Voluntary but Encouraged

[6] Mandatory means that the Project Sponsor **is required** to comply with the Agency's policy. However, each Agency policy has its own threshold and compliance requirements. For example, the Agency's Minimum Compensation Policy ("MCP") will apply to all Agency-Action projects but MCP has no compliance requirements for Project Sponsors with less than 25 employees.

[7] Voluntary but Encouraged means that the Project Sponsor **is not required** to comply with the Agency's policy as a condition to developing the project. However, the Agency's Contract Compliance Department will encourage the Project Sponsor to subscribe voluntarily to these Agency policies. If the Project Sponsor voluntarily agrees to comply with one or more Agency's policies, then those policies will be added as a condition to the building permit and at that point will become mandatory.

[8] Public Improvements and public/private project receiving City funds are subject to the State of California's prevailing wage requirements per California Labor Code Section 1720 *et seq.*

EXHIBIT O

Disposition and Development Agreement
For Phase III of Hunters View Housing Development (Phase IIIA(1), Phase IIIA(2), Phase IIIA(3) and Phase IIIB) between SFHA and Hunters View Associates, L.P.,
dated January 28, 2021

DISPOSITION
AND DEVELOPMENT AGREEMENT
FOR PHASE III OF THE
HUNTERS VIEW HOUSING DEVELOPMENT

(Phase IIIA(1), Phase IIIA(2), Phase IIIA(3) and Phase IIIB)

between the

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO

and

HUNTERS VIEW ASSOCIATES, L.P.

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DISPOSITION AND DEVELOPMENT AGREEMENT
FOR PHASE III OF THE HUNTERS VIEW HOUSING DEVELOPMENT
(Phase IIIA-Development and Phase IIIB-Development)

This Disposition and Development Agreement ("Agreement") is entered into as of the 28th day of January 2021 by and between the HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic (the "Authority") and HUNTERS VIEW ASSOCIATES, L.P., a California limited partnership (the "Master Developer").

A. These Recitals refer to and utilize certain capitalized terms that are defined in Article 1 of this Agreement. The Parties intend to refer to those definitions in connection with their use in these Recitals.

B. Hunters View is a public housing development owned by the Authority in the City and County of San Francisco, California and which consisted of 267 rental units which is undergoing a multiphase renovation to create a new viable mixed-finance project, pursuant to 24 CFR Part 905, the Public Housing Capital Fund Program, Subpart F, 24 CFR 905.604- Mixed Finance Development (previously, Subpart F, Public/Private Partnerships for the Mixed-Finance Development of Public Housing Units, 24 CFR Part 941), the Rental Assistance Demonstration ("RAD") Program, authorized by the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55), as permitted by HUD, and or the Project Based Voucher Program, pursuant to 24 CFR 983. In addition, it was the first project being developed under the City and County of San Francisco, a subdivision of the State of California (the "City") and the Authority under the City's HOPE SF ("HOPE SF") Program.

C. The entire development will consist of, collectively: (i) the demolition of the original two hundred and sixty-seven (267) public housing apartment units on the Property; and (ii) (a) the new construction of two hundred and sixty-seven (267) replacement public housing units, plus up to an additional five hundred and thirty-three (533) mixed income housing units, (b) the construction of off street parking, new roadways, and sidewalks, (c) the construction of up to six thousand five hundred (6,500) square feet of neighborhood servicing retail space, and (d) the construction of up to eight thousand five hundred (8,500) square feet of child care space, community parks, and landscaping to be developed (collectively, the "Improvements") on the Property (the "Development"). The Development will be constructed as a green and sustainable community and meet both the HUD Renewable Energy and Green Construction requirements (described below) and LEED ND. All of the existing public housing units will be replaced with newly constructed apartment units (the "PHA-Replacement Units") with Annual Contributions Contract ("ACC"), Project-Based Section 8 Vouchers under the RAD Program, and/ or Project-Based Section 8 Vouchers, and all except for six (6) of such units will be low-income housing tax credit units for households with incomes at or below fifty percent (50%) of the area median income, as adjusted for household size. The non-tax credit units shall be designated for Existing Hunters View Residents who are not eligible to occupy a tax-credit unit. The Master Developer intends to construct the Development in three (3) or more phases, which may include sub-phases, as described herein.

D. The Development is located in the City of San Francisco, as is more particularly described in Exhibit A (the "Property").

E. The Master Developer and the Authority have negotiated and have executed a Master Development Agreement dated July 23, 2009 ("MDA") governing the various components of the Development. The MDA sets forth the preliminary agreements and the framework within which the Master Developer and the Authority will conduct further negotiations intended to result in one or more additional disposition and development or similar agreements specific to each component of the Revitalization. This Agreement governs the third phase of the Development, the Phase III-Development.

F. The first phase of the Development has been partially completed and is governed by that certain Disposition and Development Agreement for the Hunters View Housing Development by and between the Authority and the Master Developer dated as of July 8, 2010, and the Ground Lease Agreement (Phase IA(1)- Hunters View Project) dated as of January 13, 2011, the Ground Lease Agreement (Phase IA(2)- Hunters View Project) dated as of January 13, 2011, the Ground Lease Agreement (Phase IB- Hunters View Project) and the Master Declaration of Covenants and Restrictions For Hunters View Planned Development, dated as of July 21, 2011, and recorded on July 29, 2011 as Instrument Number 2011-J22966 in the City's Recorder Office, as amended (the "Master Declaration of Restrictions").

G. The second phase of the Development also has been partially completed and is governed by among other documents that certain Disposition and Development Agreement for Phase II of the Hunters View Housing Development (Phase IIA(1), Phase IIA(2) and Phase IIB dated December 19, 2013; the Ground Lease Agreement (Phase IIA(1)- Hunters View Project-Rental Housing dated December 19, 2013, as amended by that First Amendment to Ground Lease Agreement (Phase IIA(1)- Hunters View Project- Rental Housing, dated January 1, 2015; that certain Ground Lease Agreement for Lot 5 of Phase IIB- (Block 10) – Hunters View Project-Rental Housing dated June 12, 2014, as amended by that certain First Amendment to Ground Lease Agreement (Lot 5 of Phase IIB- Hunters View Project Rental Housing) dated November 1, 2015, and that certain Ground Lease Agreement (Phase IIA(2)- Open Space), dated December 19, 2013; that certain Ground Lease Agreement-Phase IIB- Hunters View Project dated December 19, 2013; the Master Declaration of Restrictions, as amended by the First Amendment to the Master Declaration of Restrictions, and the Declaration of Annexation dated September 25, 2014.

H. The first market rate development is currently being developed which consists of Blocks 2 and 3 in Phase IB of the Hunters View Project and Block 9 of Phase II of the Hunters View Project. The project will consist of approximately sixty (60) market rate townhouse ownership housing, and is expected to be constructed and developed in the spring of 2022.

I. All of the buildings in the former public housing Hunters View were deteriorated and physically obsolete, and have been demolished. Prior to their demolition, the Existing Residents were relocated pursuant to the Relocation Plan. The Existing Residents have the right to return to the newly constructed units within the Development, and many Existing Residents have returned to the new constructed units in the Development.

J. This Agreement is the specific development agreement for the third phase of the Development, the Phase III-Development, and consists of two components:

(i) Phase IIIA-Development will have three subparts: The Phase IIIA-Development consists of the construction of: (a) approximately one hundred eighteen (118) multi-family housing units, including fifty-three (53) PHA-Replacement Units, and all except the manager's unit, will be designated as low income tax credit housing units (collectively, the "Phase IIIA(1)-Development"); (b) certain open space and ancillary park improvements, which may be named Bayview Park (the "Phase IIIA(2)-Development"); and (c) public street and rights of way improvements, to be named Fairfax Avenue and Hunters View Drive, which will be conveyed to the City (the "Phase IIIA(3)-Development"). The Phase IIIA(1)-Development, the Phase IIIA(2)-Development and the Phase IIIA(3)-Development are located on a portion of the Property, and shown and described in Exhibit B (the "Phase IIIA-Development Site"); and

(ii) As currently contemplated, the Phase IIIB-Development (Blocks 12, 13, 15, 16 and 18) consists of the development and construction of approximately three hundred and fifty (350) housing units, which may include market rate rental units and for-sale housing (the "Phase IIIB-Development"), which will be located on that portion of the Property shown in Exhibit C (the "Phase IIIB-Development Site"). The Parties acknowledge that the Master Developer is still in the preliminary stages in the development and construction of the Phase IIIB-Development, and further that the primary purpose of this Agreement in regard to Phase IIIB-Development is to evidence that the Master Developer has site control of the Phase IIIB-Development Site and to establish the terms of disposition thereof.

K. The Phase IIIA-Development will be constructed on the Phase IIIA-Development Site as described in the Phase IIIA-Scope of Development. To facilitate the Phase IIIA-Development, this Agreement provides for the Authority to convey a leasehold interest in the Phase IIIA-Development Site under three separate ground leases to the Master Developer or an Affiliate after the recordation of the final Hunters View Phase III Subdivision Map (the "Subdivision Map"). The Authority intends to convey a fee interest to the City in those portions of the Phase IIIA-Development Site designated for public street improvements, at such time as the City has accepted such public street improvements in accordance with the Subdivision Map. The Phase IIIA(1)-Development shall be owned and operated during the Tax Credit Compliance Period by the Phase IIIA-Developer, and the rent-restricted residential units shall be leased to income qualified-tenants at affordable rents pursuant to the requirements of HUD and other applicable funding programs. MOHCD and/or the general partner of the Affiliate shall have an option to purchase the Phase IIIA(1)-Development after expiration of the Tax Credit Compliance Period, and the right of first refusal to purchase the Phase IIIA(1)-Development, subject to the terms and conditions as set forth in Section 11.5 hereof. The park improvements will be conveyed to HV Community Association.

L. The Authority and the Master Developer have entered into that certain License and Preconstruction Services Agreement dated April 27, 2017 (the "LPSA"), in which the Master Developer has agreed on behalf of the Authority to perform certain preconstruction work on the Property, as provided therein related to the demolition of existing buildings on site, the

installation of a perimeter fence and related improvements, and the remediation of hazardous materials on the Property.

M. The Phase IIIB-Development will be constructed on the Phase IIIB-Development Site as described in the Phase IIIB-Scope of Development. To facilitate the Phase IIIB-Development, this Agreement provides for the Authority to convey a leasehold interest in the Phase IIIB-Development Site under a ground lease to the Master Developer or an Affiliate after the recordation of the Subdivision Map in two or more phases. The initial phase will be a short-term lease for no more than five (5) years, with a right to extend such term for another five (5) year period, to facilitate grading and site improvement work to be constructed on both the Phase IIIA-Development Site and the Phase IIIB-Development Site. The subsequent transfer of the Phase IIIB-Development Site will be in the form of a fee conveyance from the Authority to the Master Developer or Phase IIIB-Developer, in which the Master Developer will complete the Phase IIIB-Development.

N. The Parties agree that "community building" activities, including economic development, revitalization planning, self-sufficiency and supportive services (collectively, the "Community Services"), must be a core part of the revitalization effort in order to assist current and future low income residents to gain self-sufficiency and in order to support the revitalization of the neighborhood. The Authority, the Master Developer and the City shall implement measures pursuant to this Agreement to ensure that Community Services at the Development are an integral part of the revitalization of the Property, and that members of the Hunters View community, Existing Hunters View Residents and other public housing residents are provided with the maximum feasible opportunity to participate extensively in the Community Services. In addition, the implementation of HUD's Section 3 requirements and the Authority's Affirmative Action Requirements as provided in the MOU, will provide residents with the maximum feasible opportunity to participate in the revitalization effort. In this regard, the Authority has agreed that the MOU shall govern the Master Developer's obligation to provide community participation in the Development. The Master Developer, in partnership with the City and the Authority, as necessary, will coordinate the implementation of any applicable community services plan, which plan shall be agreed upon among the Parties with input from the Hunters View residents. Any community services plan shall set forth each Party's responsibilities regarding its implementation.

O. Pursuant to NEPA, on July 30, 2008, the Mayor's Office of Housing of the City and County of San Francisco made a Finding of No Significant Impact ("FONSI") in connection with the Authority's request to HUD to (i) approve the property disposition and demolition application for the Property, dated August 14, 2008, and (ii) the Release of Funds and Certification for 2006-2007 Replacement Housing Factor Funds, dated August 6, 2008. HUD approved the availability of funding for the Improvements based upon the environmental certification on September 28, 2008. On November 3, 2009, HUD made a determination that the initial environmental assessment failed to address certain Federal standards set forth in 24 CFR 58.5. In response to such determination, the City prepared an additional environmental assessment in compliance with the foregoing regulations and on February 1, 2010, the Mayor's Office of Housing of the City and County of San Francisco made a Finding of No Significant Impact in connection with the Authority's request to HUD for the Request for Release of Funds

and Certification for American Recovery and Reinvestment Act of 2009 funds. HUD authorized the Release of Funds on March 15, 2010. The Master Developer prepared an additional Environmental Assessment for HUD- Funded Proposals dated March 2012, in which the City and HUD determined that the FONSI will still be applicable to such assessment

P. Pursuant to the California Environmental Quality Act ("CEQA") and its implementing regulations, the San Francisco City Planning Commission, as the "lead agency" under CEQA, certified a Final Environmental Impact Report on June 12, 2008, (the "EIR"), for use in consideration of the planning approvals related to the Development, following conduct of a duly noticed public hearing. The EIR called for the implementation of certain CEQA mitigation measures through the Mitigation Monitoring and Reporting Program. On January 16, 2020, the San Francisco Planning Department issued an Addendum to the EIR, for use in consideration of modifications and an extension of the planning approvals related to the Development, and determined that there are no further environmental impacts. The Authority as the "responsible agency" has considered, approved and made the required CEQA findings in connection with the EIR that has served as the environmental documentation under CEQA for the Authority's consideration of approval of this Agreement and the Development.

NOW, THEREFORE, in consideration of the foregoing recitals and underlying promises, which the Parties agree to be good and valuable consideration, the Parties agree as follows:

ARTICLE 1.
MASTER DEVELOPMENT AGREEMENT; DEFINITIONS; NEPA

Section 1.1 Master Development Agreement. The Master Development Agreement, as it may be amended with HUD approval, is hereby terminated as to the Phase III-Development.

Section 1.2 Relation of the Phase IIIA-Developer and Phase IIIB-Developer to the Master Developer. The Parties anticipate that the Phase IIIA-Development and the Phase IIIB-Development will be developed by the Phase IIIA-Developer and the Phase IIIB-Developer, respectively. The Master Developer shall be deemed for the purpose of this Agreement to be the Phase IIIA-Developer and the Phase IIIB-Developer until such time as the Phase IIIA-Developer and Phase IIIB-Developer are formed and approved in accordance with this Agreement as the respective developer of the Phase IIIA-Development and the Phase IIIB-Development.

Section 1.3 Definitions. All capitalized terms used in this Agreement, but not defined shall have the meanings set forth below.

(a) "Act" means the United States Housing Act of 1937 (42 U.S.C. Section 1437, et seq.), as amended from time to time, and any successor legislation, and all implementing regulations issued thereunder or in furtherance thereof.

(b) "Additional Land Payment" means an amount equal to the fair market value of the unimproved value of the Phase III-Development Site at the time of conveyance

under the Phase IIIA(1)-Ground Lease, the Phase IIIA(2)-Ground Lease, the Phase IIIA(3)-Ground Lease and Phase IIIB-Ground Lease.

(c) "Affiliate" means, with respect to the Master Developer: (1) any entity which has the power to direct the Master Developer's management and operation, or any entity whose management and operation is controlled by the Master Developer; or (2) any entity in which an entity described in (1) has a controlling interest; or (3) any entity a majority of whose voting equity is owned by the Master Developer, or for which the Master Developer serves as the managing member or general partner; or (4) any entity in which, or with which, the Master Developer, its successors or assigns, is merged or consolidated, in accordance with applicable statutory provisions for merger or consolidation, so long as the liabilities of the entities participating in such merger or consolidation are assumed by the entity surviving such merger or created by such consolidation.

(d) "Agency" means the former Redevelopment Agency of the City and County of San Francisco, a public body corporate and politic, and now the Office of Community Investment and Infrastructure as its successor agency established pursuant to California Health and Safety Code Section 34173.

(e) "Agreement" means this Agreement (including all Exhibits attached hereto and made a part hereof), as supplemented and revised by the incorporation herein of the following documents as and when finalized or subsequently amended: (1) the Project Plan; and (2) any Mixed-Finance Proposal, if applicable.

(f) "Applicable Requirements" means Federal, State, and local applicable laws, rules and regulations.

(g) "Approved Phase IIIA-Development Budget" refers to the Phase IIIA-Development Budget approved by the Authority.

(h) "Architect" shall refer to Mithun Solomon, and Paulett Taggart Architects & David Baker + Partners JV or any successor approved by the Authority.

(i) "Authority" means the Housing Authority of the City and County of San Francisco organized pursuant to Section 34200, et seq. of the California Health and Safety Code, as amended, including any successor in interest or assigns by act of the Authority, or by operation of law, or otherwise.

(j) "Authority Board" means the Board of Commissioners of the Authority.

(k) "Authority Closing Documents" means all documents between the Master Developer and the Authority as may be necessary to comply HUD Requirements and otherwise ensure the availability of housing assistance payments under the HUD PBV program required by the Project Plan, including but not limited to a DDA and/or a Ground Lease, a Declaration of Trust, if applicable, or other documents as may be necessary to effectuate the requirements of this Agreement, including but not restricted to conveyance, financing and security documents

(l) Cash-Flow MOU" means that Memorandum of Understanding For the Proposed Redevelopment of Hunters View Housing Project, dated November 10, 2010, among the Authority, the Agency and the City, as amended on April 8, 2014, the provisions of which are incorporated herein by this reference.

(m) "CEQA" shall have the meaning set forth in Recital O.

(n) "Certificate of Preference Holders" or "COP" means a person or household on the Housing Authority's waiting list with a Certificate of Preferences (as defined in the Authority's Admissions and Continued Occupancy Policy) from the Authority. Certificate of Preference Holders are identified in the Authority's Admissions and Continued Occupancy Policy as a preference group.

(o) "City" means the City and County of San Francisco, California, a subdivision of the State of California.

(p) "DDA" shall refer to this Disposition and Development Agreement for Phase III of the Hunters View Housing Development, also referred to as this "Agreement".

(q) "Declaration of Trust" shall refer to a Declaration of Trust and Restrictive Covenants recorded against the Phase III-Development Site, or a portion thereof, evidencing long-term use restrictions required by HUD under the Act, if applicable.

(r) "Development" shall have the meaning set forth in Recital C.

(s) "EIR" means the Hunters View Redevelopment Project Final Environmental Impact Report, Case No. 2007.0168E certified on June 12, 2008, by the Planning Department of the City, and the Addendum to the EIF issued on January 16, 2020 by the Planning Department of the City.

(t) "Engineers" shall mean Carlile Macy, or any successor approved by the Authority.

(u) "Environmental Law" shall mean any present or future federal, State or local law, ordinance, rule, regulation, permit, license or binding determination of any governmental authority relating to, imposing liability or standards concerning, or otherwise addressing the environment, health or safety, including, but not limited to: the National Environmental Policy Act, 42 U.S.C. 4321 et seq. ("NEPA"), the Protection and Enhancement of Environmental Quality 24 CFR Part 50, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., ("CERCLA"); the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq. ("TOSCA"); the Clean Air Act, 42 U.S.C. Section 7401 et seq.; and the Clean Water Act, 33 U.S.C. Section 1251 et seq., and any so-called "Superfund" or "Superlien" law; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq. ("OSHA"); the California Environmental Quality Act, as amended, the California Public Resource Code, Section 21000 et seq. ("CEQA"); the State CEQA Guidelines (Calif. Admin. Code Title 14, Section 15000 et seq. ("CEQA Guidelines"); the Polanco

Redevelopment Act, California Health and Safety Code 33459 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act of 1999, California Health and Safety Code Section 25300 et seq.; as each is from time to time amended and hereafter in effect.

(v) "Environmental Reports" means collectively, the reports included in Exhibit Q of this Agreement, incorporated herein by this reference.

(w) "Event of Default" shall have the meaning set forth in Section 21.1 with respect to the Phase IIIA Developer and Section 33.1 with respect to the Phase IIIB-Developer and Section 21.2 and Section 33.2 with respect to the Authority.

(x) "Existing Hunters View Residents" shall mean any resident who occupied a residential unit located on the Property on or after November 1, 2005 through April 1, 2017, who received the required relocation notices consistent with the Relocation Plan.

(y) "Guarantor" means any guarantor required to execute a guaranty under Section 8.2(c).

(z) "Hazardous Materials" means:

(1) "hazardous substances" as defined by CERCLA;

(2) "hazardous wastes" as defined by RCRA;

(3) any hazardous, dangerous or toxic chemical, waste, pollutant, contaminant or substance ("pollutant") within the meaning of any Environmental Law prohibiting, limited or otherwise regulating the use, exposure, release, emission, discharge, generation, manufacture, sale, transport, handling, storage, treatment, reuse, presence, disposal or recycling of such pollutant;

(4) any radioactive material, including any source, special nuclear or by-product material as defined in 42 U.S.C. Section 2011 et seq. and amendments thereto and reauthorizations thereof;

(5) asbestos-containing materials in any form or condition;

(6) petroleum crude oil or fraction thereof; or

(7) polychlorinated biphenyls in any form or condition.

Hazardous Materials shall not include commercially reasonable amounts of such material used in the ordinary course of operation of the Property or the Development which are used and stored in accordance with all applicable environmental laws, ordinances and regulations.

(aa) "Hazardous Materials Documents" shall have the meaning set forth in Section 7.12(a)

(bb) "HOPE SF" shall have the meaning set forth in Recital B.

(cc) "HOPE VI Program" means the Revitalization of Severely Distressed Public Housing Program as authorized by Section 24 of the Act and, for this HOPE VI Grant, by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 1999.

(dd) "HUD" means the United States Department of Housing and Urban Development.

(ee) "HUD Funds" shall mean funds provided to the Authority by HUD, including but not limited to any HUD funds that the Authority will be providing to the Phase III-Development, including but not limited to Project-Based Section 8 Vouchers.

(ff) "HUD Funds Agreement(s)" shall mean those agreements to be entered into between HUD and the Authority to evidence and any HUD funds that the Authority will be providing to the Phase III-Development, including but not limited to Project-Based Section 8 Vouchers.

(gg) "HUD Requirements" means all requirements of HUD and federal law, regulation or HUD guidance as applicable to the Phase IIIA-Development or a given element thereof (including, as applicable in a given context, requirements relating to the public housing program, a Choice Neighborhoods Initiative Implementation Grant, and/or Section 8 rental assistance) including (as applicable, in a given context): the Housing Act; HUD regulations; the Authority's Consolidated Annual Contributions Contract with HUD, including amendments; a Declaration of Trust in favor of HUD (as the same may be amended); HUD notices; and all applicable federal statutes, executive orders and regulatory requirements; as such requirements may be amended from time to time.

(hh) "HV Community Association" means HV Community Association, Inc., a nonprofit mutual benefit corporation.

(ii) "Improvements" shall have the meaning set forth in Recital C.

(jj) "Infrastructure Improvements" has the meaning set forth in Section 2.4.

(kk) "Low-Income Housing Tax Credit" or "LIHTC" refers to the credit available under Section 42 of the Internal Revenue Code of 1986, as amended.

(ll) "LPSA" has the meaning set forth in recital L above.

(mm) "Market Rate Housing" has the meaning set forth in Article 24.

(nn) "Master Declaration of Restrictions" has the meaning set forth in Recital F above.

(oo) "Master Developer" means Hunters View Associates, L.P., a California limited partnership, and shall mean the Phase IIIA-Developer or the Phase IIIB-Developer, as applicable.

(pp) "Master Development Agreement" or "MDA" means that certain Master Development Agreement between the Authority and the Master Developer dated July 23, 2009, for the Revitalization.

(qq) "Memorandum of Phase IIIA(1)-Ground Lease" shall have the meaning set forth in Section 4.4(b)(1).

(rr) "Memorandum of Phase IIIA(2)-Ground Lease" shall have the meaning set forth in Section 13.4(b)(2).

(ss) "Memorandum of Phase IIIA(3)-Ground Lease" shall have the meaning set forth in Section 4.5(b)(1).

(tt) "Memorandum of Phase IIIB-Initial Ground Lease" shall have the meaning set forth in Section 25.4(c).

(uu) "MOU" means the Interagency Memorandum of Understanding for the Hunters View Development Project by and among the Authority, the Agency, MOHCD, the Mayor's Office of Community Investment/"Communities of Opportunities" and the Department of Economic and Workforce Development to govern Contract/Workforce Compliance Workforce Development & Training, as the same may be amended from time to time.

(vv) "NEPA" means the National Environmental Policy Act as amended ("NEPA") and its implementing regulations.

(ww) "Official Records" means the official records of the City and County of San Francisco, California.

(xx) "Parties" or "Party" means the Authority and the Master Developer or individually, the Authority or the Master Developer.

(yy) "Permitted Exceptions" shall have the meaning set forth in Section 4.5(a).

(zz) "PHA-Replacement Units" means collectively, the public housing replacement units designated to receive Project Based Section 8 Vouchers, or any other units designated in the Phase III-Development to provide replacement housing for the public housing units demolished in connection with the Development.

(aaa) "Phase III-Development" means collectively, the Phase IIIA-Development and the Phase IIIB-Development.

(bbb) "Phase IIIA(1)-Construction Completion" means the date on which a Certificate of Occupancy or Temporary Certificate of Occupancy is issued for all units in the Phase IIIA(1)-Vertical Component by the appropriate local authority.

(ccc) "Phase IIIA-Developer" means the Master Developer and/or HV Partners 3, LP, a California limited partnership, as applicable, which will be the developer of the Phase IIIA-Development.

(ddd) "Phase IIIA(1)-Developer Fee" shall have the meaning set forth in Section 8.3(a).

(eee) "Phase IIIA-Development" has the meaning set forth in Recital H hereof, and shall also mean the Phase IIIA(1)-Development, the Phase IIIA(2)-Development or the Phase IIIA(3)-Development, as applicable.

(fff) "Phase IIIA-Development Budget" means the budget for the Phase IIIA-Development included in Exhibit I attached hereto, as it may be amended by the Parties.

(ggg) "Phase IIIA-Development Contingencies" shall have the meaning described in Section 20.1.

(hhh) "Phase IIIA(1)-Development Site" means the portion of the Property on which the Phase IIIA(1)-Development is to be constructed, which shall include Blocks 14 and 17 (Lots 3 and 4), as shown in Exhibit B.

(iii) "Phase IIIA(2)-Development Site" means the portion of the Property on which the Phase IIIA(2)-Development is to be constructed, which shall include the private open space improvements, Lots A and B, as shown in Exhibit B.

(jjj) "Phase IIIA(3)-Development Site" means the portion of the Property on which the Phase IIIA(1)-Development is to be constructed, which shall include Lots 8 and 9 (Fairfax Avenue and Hunters View Drive), as shown in Exhibit B.

(kkk) "Phase IIIA-First Closing" means the date on which the LPSA was executed, and was the date on which the Master Developer commenced portions of the Preconstruction and Horizontal Component Activities in accordance to the Phase IIIA-Schedule of Performance.

(lll) "Phase IIIA(1)-Ground Lease" shall have the meaning set forth in Section 3.3.

(mmm)"Phase IIIA(2)-Ground Lease" shall have the meaning set forth in Section 12.3.

(nnn) "Phase IIIA(3)-Ground Lease" shall have the meaning set forth in Section 3.4.

(ooo) "Phase IIIA(3)-Horizontal Component" shall have the meaning set forth in Section 2.4.

(ppp) "Phase IIIA(3)-Horizontal Construction Documents" shall include, or incorporate as they come into existence all documents relating to the construction of the Phase IIIA(3)-Horizontal Component, including: (a) the construction contract(s) and the general, special, and supplemental conditions to such contract(s); (b) the purchase orders for materials and equipment; (c) site surveys, soil boring tests and any other tests, examinations or documents prepared from time to time in connection with the Phase IIIA(3)-Horizontal Component; (d) the

Phase IIIA(3)-Horizontal Final Construction Drawings; and (e) all written or graphic interpretations, clarifications, amendments, shop drawings and changes of any of the foregoing.

(qqq) "Phase IIIA(3)-Horizontal Construction/Permanent Loans" means the loans to be made by any lender, to the Phase IIIA-Developer or its Affiliate, to construct the Phase IIIA(3)-Horizontal Component.

(rrr) "Phase IIIA(3)-Horizontal Contractor" means any person or entity who or which performs a portion of the Phase IIIA(3)-Horizontal Component Work or supplies labor, materials, or equipment for use in connection with the Phase IIIA(3)-Horizontal Work.

(sss) "Phase IIIA(3)-Horizontal Design Drawings" shall have the meaning set forth in Section 6.3(a).

(ttt) "Phase IIIA(3)-Horizontal Design Documents" shall have the meaning set forth in Section 6.3.

(uuu) "Phase IIIA(3)-Horizontal Financing Plan" means the plan for financing the Phase IIIA(3)-Horizontal Component including the applicable portion of the Approved Phase IIIA-Development Budget and sources and use analysis, as further detailed in Section 14.1 and attached hereto as Exhibit H.

(vvv) "Phase IIIA(3)-Horizontal Final Construction Drawings" shall have the meaning set forth in Section 6.3.

(www) "Phase IIIA(3)-Horizontal Schematic Design" means the schematic rendering of the improvements to be constructed as part of the Phase IIIA(3)-Horizontal Component included in the Phase IIIA(3)-Horizontal Schematic Design attached hereto as Exhibit J-1 as the Parties may revise from time to time.

(xxx) "Phase IIIA(3)-Horizontal Work" is the total construction of the Phase IIIA(3)-Horizontal Component as described in the Phase IIIA(3)-Horizontal Construction Documents.

(yyy) "Phase IIIA(2)-Component" shall have the meaning set forth in Section 2.4.

(zzz) "Phase IIIA(2)-Construction Documents" shall include, or incorporate as they come into existence all documents relating to the construction of the Phase IIIA(2)-Component, including: (a) the construction contract(s) and the general, special, and supplemental conditions to such contract(s); (b) the purchase orders for materials and equipment; (c) site surveys, soil boring tests and any other tests, examinations or documents prepared from time to time in connection with the Phase IIIA(2)-Component written or graphic interpretations, clarifications, amendments, shop drawings and changes of any of the foregoing.

(aaaa) "Phase IIIA(2)-Construction/Permanent Loans" means the loans to be made by any lender to the Phase IIIA-Developer or its Affiliate, to construct the Phase IIIA(2)-Component.

(bbbb) "Phase IIIA(2)-Contractor" means any person or entity who or which performs a portion of the Phase IIIA(2)-Component Work or supplies labor, materials, or equipment for use in connection with the Phase IIIA(2)-Work.

(cccc) "Phase IIIA(2)-Design Drawings" shall have the meaning set forth in Section 15.2.

(dddd) "Phase IIIA(2)-Design Documents" shall have the meaning set forth in Section 15.2.

(eeee) "Phase IIIA(2)-Financing Plan" means the plan for financing the Phase IIIA(2)-Component including the applicable portion of the Approved Phase IIIA-Development Budget and sources and use analysis, as further detailed in Section 14.1 and attached hereto as Exhibit H.

(ffff) "Phase IIIA(2)-Final Construction Drawings" shall have the meaning set forth in Section 15.3.

(gggg) "Phase IIIA(2)-Schematic Design" means the schematic rendering of the improvements to be constructed as part of the Phase IIIA(2)-Component included in the Phase IIIA(2)-Schematic Design attached hereto as Exhibit K as the Parties may revise from time to time.

(hhhh) "Phase IIIA(2)-Work" is the total construction of the Phase IIIA(2)-Component as described in the Phase IIIA(2)-Construction Documents.

(iiii) "Phase IIIA(1)-Schedule of Performance" means the development schedule for the Phase IIIA(1)-Development attached hereto as Exhibit J as may be amended by the Parties from time to time.

(jjjj) "Phase IIIA(2)-Schedule of Performance" means the development schedule for the Phase IIIA(2)-Development attached hereto as Exhibit J as may be amended by the Parties from time to time.

(kkkk) "Phase IIIA(3)-Schedule of Performance" means the development schedule for the Phase IIIA(3)-Development attached hereto as Exhibit J as may be amended by the Parties from time to time.

(llll) "Phase IIIA-Scope of Development" means the description of the improvements to be constructed as part of the Phase IIIA-Development attached hereto as Exhibit L as the Parties may revise from time to time.

(mmmm) "Phase IIIA-Second Closing" means the date on which the Phase IIIA(1)-Development Site, the Phase IIIA(2)-Development Site and the Phase IIIA(3)-

Development Site are conveyed to the Phase IIIA-Developer pursuant to the terms of the Phase IIIA(1)-Ground Lease, the Phase IIIA(2)-Ground Lease, and the Phase IIIA(3)-Ground Lease which shall occur by the time set forth in the Phase IIIA(1)-Schedule of Performance, the Phase IIIA(2)-Schedule of Performance and the Phase IIIA(3)-Schedule of Performance. After the leasehold conveyance of the Phase III-Development Site, the Phase IIIA-Developer shall commence construction of the Phase IIIA-Horizontal Component.

(nnnn) "Phase IIIA-Third Closing" means the date on which: (i) the Tax Credit Investor is admitted into the Phase IIIA(1)-Developer; (ii) the construction loans for the Phase IIIA(1)-Development are recorded; and (iii) the Phase IIIA(1)-Developer commences construction of the Phase IIIA(1)-Vertical Component.

(oooo) "Phase IIIA(1)-Vertical Component" shall mean the improvements which consist of the affordable housing units to be constructed on the Phase IIIA(1) Development Site, and ancillary improvements related thereto, all as shown in Exhibit B.

(pppp) "Phase IIIA(1)-Vertical Construction Documents " shall include, or incorporate as they come into existence: (a) the construction contract(s) and the general, special, and supplemental conditions to such contract(s); (b) the purchase orders for materials and equipment; (c) site surveys, soil boring tests and any other tests, examinations or documents prepared from time to time in connection with the Phase IIIA(1)-Vertical Component; (d) the Phase IIIA(1)-Vertical Final Construction Drawings; and (e) all written or graphic interpretations, clarifications, amendments, shop drawings and changes of any of the foregoing.

(qqqq) Phase IIIA(1)-Vertical Construction/Permanent Loans" means the loans to be made by any lender, to the Phase IIIA-Developer or its Affiliate, to construct the Phase IIIA(1)-Vertical Component.

(rrrr) "Phase IIIA(1)-Vertical Contractor" means any person or entity who or which performs a portion of the Phase IIIA(1)-Vertical Component Work or supplies labor, materials, or equipment for use in connection with the Phase IIIA(1)-Vertical Work.

(ssss) "Phase IIIA(1)-Vertical Design Drawings" shall have the meaning set forth in Section 9.3(a).

(tttt) "Phase IIIA(1)-Vertical Design Documents" shall have the meaning set forth in Section 9.2.

(uuuu) "Phase IIIA(1)-Vertical Financing Plan" means the plan for financing the Phase IIIA(1)-Vertical Component including the applicable portion of the Approved Phase IIIA-Development Budget and sources and use analysis, as further detailed in Section 8.1 and attached hereto as Exhibit H.

(vvvv) "Phase IIIA(1)-Vertical Schematic Design" means the schematic rendering of the improvements to be constructed as part of the Phase IIIA(1)-Vertical Component, included in the Phase IIIA(1)-Schematic Design attached hereto as Exhibit J-2 as the Parties may revise from time to time

(wwww) "Phase IIIA(1)-Vertical Work" is the total construction of the Phase IIIA(1)-Vertical Component as described in the Phase IIIA(1)-Vertical Construction Documents.

(xxxx) "Phase IIIB-Construction Completion" means the date on which a Certificate of Occupancy or Temporary Certificate of Occupancy is issued for all of the units in the Phase IIIB-Vertical Component by the appropriate local authority.

(yyyy) "Phase IIIB-Developer" the Master Developer or a to-be formed entity, approved by the Authority and subject to 2 CFR Part 200, which will be the developer of the Phase IIIB-Development.

(zzzz) "Phase IIIB-Development" has the meaning set forth in Recital H hereof.

(aaaaa) "Phase IIIB-Development Budget" refers to the preliminary budget for the Phase IIIB-Development (attached hereto as Exhibit L), as it may be amended.

(bbbbb) "Phase IIIB-Development Contingencies" shall have the meaning set forth in Section 26.1.

(ccccc) "Phase IIIB-Development Site" means the portion of the Property on which the Phase IIIB-Development is to be constructed, which shall include Blocks 12, 13, 15. 16 and 18, shown as Lots 1, 2 and 5-7 on Exhibit B.

(ddddd) "Phase IIIB-Disposition and Development Agreement" shall have the meaning set forth in Section 27.1

(eeeee) "Phase IIIB-First Closing" means the date on which the Phase IIIB-Development Site is conveyed to the Master Developer pursuant to the terms of the Phase IIIB-Ground Lease. Such conveyance shall occur by the time set forth in the Phase IIIB-Schedule of Performance and is anticipated to occur concurrently with the Phase IIIA-Second Closing.

(fffff) "Phase IIIB-Ground Lease" shall have the meaning set forth in Section 27.1.

(ggggg) "Phase IIIB-Initial Ground Lease" shall have the meaning set forth in Section 25.1.

(hhhhh) "Phase IIIB-Horizontal Component" shall mean those certain Infrastructure Improvements to be constructed on the Phase IIIB-Development Site as described in Exhibit E.

(iiiii) "Phase IIIB-Horizontal Construction Documents" shall include, or incorporate as they come into existence: (a) the construction contract(s) and the general, special, and supplemental conditions to such contract(s); (b) the purchase orders for materials and equipment; (c) site surveys, soil boring tests and any other tests, examinations or documents prepared from time to time in connection with the Phase IIIB-Horizontal Component; (d) the

Phase IIIB-Horizontal Final Construction Drawings; and (e) all written or graphic interpretations, clarifications, amendments, shop drawings and changes of any of the foregoing.

(jjjjj) "Phase IIIB-Horizontal Construction/Permanent Loans" means the loans to be made by the Authority or any lender, to the Phase IIIB-Developer or its Affiliate, to construct the Phase IIIB-Horizontal Component.

(kkkkk) "Phase IIIB-Horizontal Contractor" means any person or entity who or which performs a portion of the Phase IIIB-Horizontal Component Work or supplies labor, materials, or equipment for use in connection with the Phase IIIB-Horizontal Work.

(llllll) "Phase IIIB-Horizontal Design Drawings" shall have the meaning set forth in Section 28.3(a).

(mmmmm) "Phase IIIB-Horizontal Design Documents" shall have the meaning set forth in Section 28.2.

(nnnnn) "Phase IIIB-Horizontal Financing Plan" means the plan for financing the Phase IIIB-Horizontal Component including the applicable portion of the Approved Phase IIIB-Development Budget and sources and use analysis, as further detailed in Section 26.5 and attached hereto as Exhibit N.

(ooooo) "Phase IIIB-Horizontal Final Construction Drawings" shall have the meaning set forth in Section 28.3(b).

(ppppp) "Phase IIIB-Horizontal Schematic Design" means the schematic rendering of the improvements to be constructed as part of the Phase IIIB-Horizontal Component included in the Phase IIIB-Horizontal Schematic Design as the Parties may revise from time to time.

(qqqqq) "Phase IIIB-Horizontal Work" is the total construction of the Phase IIIB-Horizontal Component as described in the Phase IIIB-Horizontal Construction Documents.

(rrrrr) "Phase IIIB-Schedule of Performance" shall mean the development schedule for the Phase IIIB-Development attached hereto as Exhibit N, as may be amended by the Parties from time to time.

(sssss) "Phase IIIB-Scope of Development" means the description of the improvements to be constructed as part of the Phase IIIB-Development attached hereto as Exhibit S as the Parties may revise from time to time.

(ttttt) "Phase IIIB-Vertical Component" shall mean the housing units and ancillary improvements to be constructed on the Phase IIIB-Development Site, as more particularly set forth in the Phase IIIB-Vertical Construction Documents.

(uuuuu) "Phase IIIB-Vertical Construction Documents " shall include, or incorporate as they come into existence: (a) the construction contract(s) and the general, special, and supplemental conditions to such contract(s); (b) the purchase orders for materials and

equipment; (c) site surveys, soil boring tests and any other tests, examinations or documents prepared from time to time in connection with the Phase IIIB-Vertical Component; (d) the Phase IIIB-Vertical Final Construction Drawings; and (e) all written or graphic interpretations, clarifications, amendments, shop drawings and changes of any of the foregoing.

(vvvvv) "Phase IIIB-Vertical Construction/Permanent Loans" means the loans to be made by the Authority or any lender, to the Phase IIIB-Developer or its Affiliate, to construct the Phase IIIB-Vertical Component.

(wwwww) "Phase IIIB-Vertical Contractor" means any person or entity who or which performs a portion of the Phase IIIB-Vertical Component Work or supplies labor, materials, or equipment for use in connection with the Phase IIIB-Vertical Work.

(xxxxx) "Phase IIIB-Vertical Design Drawings" shall have the meaning set forth in Section 30.3(a).

(yyyyy) "Phase IIIB-Vertical Design Documents" shall have the meaning set forth in Section 30.2.

(zzzzz) "Phase IIIB-Vertical Schematic Design" means the schematic rendering of the improvements to be constructed as part of the Phase IIIB-Vertical Component, included in the Phase IIIB-Vertical Schematic Design as the Parties may revise from time to time.

(aaaaaa) "Phase IIIB-Vertical Work" is the total construction of the Phase IIIB-Vertical Component as described in the Phase IIIB-Vertical Construction Documents.

(bbbbbb) "Preconstruction and Horizontal Component Activities" shall have the meaning set forth in Section 2.1.

(cccccc) "Project-Based Section 8 Vouchers" shall mean the Project-Based Section 8 Vouchers allocated to the Authority by HUD to cover a certain number of the affordable housing units, including some of the PHA Replacement Units, pursuant to 24 CFR 983.

(dddddd) "Project Plan" means, as applicable, the development proposal described in the Authority Demolition and Disposition Application, as amended to HUD or the development proposal described in the Authority Mixed-Finance Project application to HUD, which will describe the overall development proposal.

(eeeeee) "Property" has the meaning set forth in Recital D hereof.

(ffffff) "Purchase Option" shall have the meaning set forth in Section 11.5.

(gggggg) "Release of Declaration of Trust" means release of that certain Declaration of Trust recorded on November 1, 1955, as Recorder’s Serial Number 1955-C28806; that certain Declaration of Trust recorded on January 24, 1989, as Recorder’s Serial Number 1989-E312299; and that certain Declaration of Trust recorded on March 19, 2007, as Recorder’s Serial Number 2007-I354630.

(hhhhhh) "Relocation Plan" means the Relocation Plan for the Revitalization approved by Authority Board on January 9, 2009.

(iiiiii) "Revitalization" means the totality of activities and tasks described in the Project Plan.

(jjjjjj) "Rider to Section 8 PBV" means the Rider to the Section 8 Project Based Voucher (PBV) Housing Assistance Payments (HAP) Contract for New Construction or Rehabilitation Housing (Public Housing Conversions: First Component).

(kkkkkk) "Section 3" means Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and its implementing regulations at 24 CFR Part 135.

(llllll) "Subdivision Map" shall have the meaning set forth in Recital I hereof.

(mmmmmm) "Surplus Cash Flow" shall have the meaning set forth in Section 8(a)(1).

(nnnnnn) "Tax Credit Compliance Period" means the fifteen (15) year compliance period as described in Section 42(i)(1) of the Internal Revenue Code of 1986 starting with the first year of the credit period.

(oooooo) "Tax Credit Investor" means the reputable low income housing tax credit equity investor, reasonably acceptable to the Authority, committed to purchase a limited partner interest in the Phase IIIA-Developer.

(pppppp) "TCAC" shall refer to the California Tax Credit Allocation Committee.

(qqqqqq) "Term" shall have the meaning set forth in Section 38.1.

(rrrrrr) "Title Company" means the Old Republic Title Company, its San Francisco office, or another title insurance company agreed upon by the Parties.

(ssssss) "Transfer" shall have the meaning set forth in Section 38.8.

Section 1.4 List of Exhibits.

Exhibit A-1	Property Legal Description
Exhibit B-1	Phase IIIA-Development Site Description
Exhibit B-2	Phase IIIA(1)-Vertical Component
Exhibit C	Phase IIIB-Development Site Description
Exhibit D	Abatement and Demolition Work
Exhibit E	Infrastructure Work
Exhibit F	Schedule for Preconstruction and Horizontal Component Activities
Exhibit G-1	Phase IIIA(1), Phase IIIA(2) and Phase IIIA(3)-Horizontal Financing Plan
Exhibit G-2	Phase IIIA(1)-Vertical Financing Plan

Exhibit H	Phase IIIA(1) and Phase IIIA(3)-Development Budget
Exhibit I-1	Phase IIIA(1)-Schedule of Performance and Phase IIIA(3)-Schedule of Performance
Exhibit I-2	Phase IIIA(2)-Schedule of Performance
Exhibit J-1	Phase IIIA(3)-Horizontal Schematic Design
Exhibit J-2	Phase IIIA(1)-Vertical Schematic Design
Exhibit K	Phase IIIA-Scope of Development
Exhibit L	Phase IIIB-Development Budget
Exhibit M	Phase IIIB-Horizontal Financing Plan
Exhibit N	Phase IIIB-Schedule of Performance
Exhibit O-1	Phase IIIB-Horizontal Schematic Design
Exhibit O-2	Phase IIIB-Vertical Schematic Design
Exhibit P	Site Plan
Exhibit Q	List of Hazardous Materials Documents
Exhibit R	Memorandum of Understanding
Exhibit S	Phase IIIB-Scope of Development

ARTICLE 2.
PRECONSTRUCTION AND HORIZONTAL COMPONENT ACTIVITIES

Section 2.1 Overview.The Master Developer and the Authority agree that the Master Developer intends to perform certain preconstruction and infrastructure activities required to prepare portions of the Property for the construction of the Phase III-Development. Such preconstruction and infrastructure activities include the Abatement Work, the Demolition Work, and the Infrastructure Improvement Work (collectively, the "Preconstruction and Horizontal Component Activities").

Section 2.2 Abatement Work.The Parties acknowledge and agree that the Property is in need of certain hazardous material remediation work, which must be completed prior to the commencement of the start of the Infrastructure Improvement Work. For the purpose of this Agreement, "Abatement Work" shall mean the scope of work to be completed by the Master Developer on the Property, as identified in Exhibit D attached hereto and incorporated herein by this reference. The Master Developer shall commence and complete the Abatement Work within the time set forth in the Schedule for the Preconstruction and Horizontal Component Activities, attached hereto as Exhibit F, and incorporated herein by this reference.

Section 2.3 Demolition Work.The Master Developer completed the demolition of the existing buildings and other improvements on the Property on February 23, 2018 (the "Demolition Work").

Section 2.4 Infrastructure Improvements.The Master Developer (or an Affiliate approved by the Authority) intends to construct certain infrastructure improvements on the Property, contemplated in connection with the Phase III-Development. Such infrastructure improvements include construction of the new street improvements as shown on the Site Plan attached hereto as Exhibit P, and incorporated herein by this reference. For the purpose of this Agreement, "Infrastructure Improvement Work" or "Infrastructure Improvements" shall mean

the scope of work or the improvements to be completed by the Master Developer on the Property, as identified in Exhibit E, attached hereto and incorporated herein by this reference. The Master Developer shall commence and complete the Infrastructure Improvement Work within the time set forth in the Schedule for the Preconstruction and Horizontal Component Activities, which the Master Developer intends to do immediately after the Phase IIIA-Second Closing.

(a) Subject to the City's acceptance of the public Infrastructure Improvements, the Master Developer will convey the Infrastructure Improvements to the City upon the recordation of the Subdivision Map. The Authority will concurrently with such conveyance, convey the fee interest by grant deed, to the City that portion of the Property associated with such public Infrastructure Improvements. Upon such conveyance to the City: (i) Authority and Master Developer shall execute and record a termination of the Phase IIIA(3)-Ground Lease with respect to that portion of the Property; and (ii) Authority shall record partial or full reconveyances with respect to any deeds of trust or other liens secured by such portion of the Property for the benefit of the Authority, if any.

(b) Upon completion of the Phase IIIA(2)-Development, the Master Developer intends to transfer such Infrastructure Improvements to the HV Community Association which will own and manage such Infrastructure Improvements for the benefit of the entire Development. Concurrent with the transfer from the Master Developer, the Authority, intends to transfer the fee interest in the Phase IIIA(2)-Development Site by grant deed to the HV Community Association, conditioned upon the Master Developer meeting its obligations under this DDA, the Phase IIIA(2)-Ground Lease, and any other conditions imposed on the Phase III(A)(2)-Development, by a government entity with jurisdiction over the Phase III(A)(2)-Development.

Section 2.5 Relocation Activities.

(a) The Authority has relocated the Existing Hunters View Residents to relocation housing in accordance with the Relocation Plan, in accordance with all applicable Federal, State and local requirements governing the relocation of residents and the provision of replacement housing under this Section 2.5 including the Uniform Relocation Act (46 U.S.C. 4600 et seq.), and its implementing regulations (49 C.F.R. Part 24), the relocation requirements of Section 18 of the United States Housing Act of 1937 (46 U.S.C. 1437p), and its implementing regulations, the Demolition or Disposition of Public Housing Project (24 CFR Part 970), the California Relocation Assistance Law (California Government Code Section 7260 et seq. and the California Relocation Assistance and Real Property Acquisition Guidelines (Title 25, California Code of Regulations, Chapter 6, Section 6009 et seq.).

(b) Any displaced Existing Hunters View Residents shall have the first right to move into the newly developed PHA Replacement Units. The Authority and the Master Developer shall jointly develop (in consultation with the Hunters View Tenant's Association, as required by the Relocation Plan) a rehousing policy which will contain the following elements, at a minimum:

(1) Existing Hunters View Residents who apply to move to the Development in accordance with established procedures and who meet eligibility standards shall have a preference for the PHA Replacement Units over other applicants who are not Existing Hunters View Residents.

(2) Eligibility for Existing Hunters View Residents will be determined in accordance with the requirements set forth in the Relocation Plan.

ARTICLE 3.
PHASE IIIA(1)-DEVELOPMENT AND PHASE IIIA(3)-DEVELOPMENT

Section 3.1 Phase IIIA(1)-Scope of Development and Phase IIIA(3)-Scope of Development. As more fully described in the Phase IIIA(1)-Scope of Development, situated within the Phase IIIA(1)-Development Site shown in the Subdivision Map attached in Exhibit B, and consistent with the other Exhibits attached hereto, the Phase IIIA(1)-Development will consist of the construction of approximately one hundred eighteen (118) housing units, and all except one (1) PHA-Replacement Unit, which will serve as the manager's unit, will be assisted by the LIHTC and restricted to families eligible thereunder. Of that total, approximately fifty-three (53) of the Units will be PHA-Replacement Units. The preliminary unit types are shown on the Site Plan, attached hereto as Exhibit P. The Phase IIIA(3)-Scope of Development will consist of the development of Lots 8 and 9 (Fairfax Avenue and Hunters View Drive) as public street improvements/rights-of-way within the Phase IIIA(3)-Development Site as shown in the Subdivision Map attached in Exhibit B.

Section 3.2 Ownership Structure. The Authority will lease the Phase IIIA(1)-Development Site and Phase IIIA(3)-Development Site to the Master Developer pursuant to separate grounds leases. Subject to any legal obligations the Authority must fulfill as the current owner of the Phase IIIA(1)-Development Site and Phase IIIA(3)-Development Site, the Master Developer shall be responsible for obtaining, with assistance from the Authority, any necessary land use approvals for the development of the Phase IIIA(1)-Development Site and Phase IIIA(3)-Development Site, which approvals shall be obtained prior to the Phase IIIA-Third Closing. The Authority agrees to cooperate fully with the Master Developer's efforts to obtain such land use approvals for the Phase IIIA(1)-Development Site. The Authority shall convey in fee, by grant deed to the City, those portions of the Phase IIIA(3)-Development Site containing public street improvements at such time as the City has accepted such public improvements in accordance with the Subdivision Map, subject to the provisions of Section 2.4.

Section 3.3 Phase IIIA(1)-Ground Lease.

(a) By the time set forth in the Phase IIIA(1)-Schedule of Performance, the Authority shall enter into a ground lease to lease the Phase IIIA(1)-Development Site, and in which HUD has approved prior to its execution to the Master Developer, the terms and conditions of which shall be negotiated between the Parties (the "Phase IIIA(1)-Ground Lease"). It is the intent of the Parties that the Phase IIIA(1)-Developer shall pay a lease payment capitalized at the fair market value of the unimproved value of the leasehold interest in the Phase IIIA(1)-Development Site determined at the time of conveyance, payable at One Dollar ($1.00)

annually as the base rent and the Additional Land Payment, payable out of Surplus Cash Flow pursuant to Section 8.2(b)(2) below.

(b) The Phase IIIA(1)-Ground Lease will provide for, without limitation, subject to final negotiations with lenders and the Tax Credit Investor, a term commencing on the date of Phase IIIA-Second Closing and expiring approximately seventy-five (75) years after recordation of the Memorandum of Phase IIIA(1)-Ground Lease. Notwithstanding anything to the contrary contained herein, the Phase IIIA(1)-Ground Lease shall include a provision in which the Authority acknowledges and agrees that the affordability restrictions imposed by the City on the Phase IIIA(1)-Development Site shall survive MOHCD's or the general partner of the Phase IIIA-Developer's exercise of the Purchase Option, the Right of First Refusal, and/or the termination of the Phase IIIA(1)-Ground Lease.

Section 3.4 Phase IIIA(3)-Ground Lease.

(a) By the time set forth in the Phase IIIA(3)-Schedule of Performance, the Authority shall enter into a ground lease to lease the Phase IIIA(3)-Development Site, and in which HUD has approved, prior to its execution the Master Developer, the terms and conditions of which shall be negotiated between the Parties (the "Phase IIIA(3)-Ground Lease"). It is the intent of the Parties that the Phase IIIA-Developer shall pay a lease payment capitalized at the fair market value of the unimproved value of the leasehold interest in the Phase IIIA(3)-Development Site determined at the time of conveyance, payable at One Dollar ($1.00) annually as the base rent.

(b) The Phase IIIA(3)-Ground Lease will provide for, without limitation, subject to final negotiations with lenders, a term commencing on the date of Phase IIIA-Second Closing and expiring approximately five (5) years after recordation the Memorandum of Phase IIIA(3)-Ground Lease. Upon completion of the public Infrastructure Improvements, the public Infrastructure Improvements will be transferred in fee by the Master Developer to the City. Concurrently with the transfer from the Master Developer, the Authority intends to transfer, subject to the satisfaction of the conditions in Section 2.4(a), the fee interest in the Phase IIIA(3)-Development Site by grant deed to the City.

Section 3.5 Budgetary Controls. The Authority shall have no contractual liability to pay or provide any amount to the Master Developer or for the Phase IIIA(1)-Development under this Agreement. The Parties recognize that financial needs may arise which require budget revisions so that the Phase IIIA(1)-Development may be accomplished, and they will consider and pursue such revisions in good faith. The Authority shall not be obligated to pay any moneys to the Master Developer in the event the HUD Funds are terminated, withheld or are insufficient. The Authority may suspend the Revitalization until sufficient funding is secured, or if necessary, terminate this Agreement pursuant to Article 20.

Section 3.6 Master Developer Designation. Subject to events of Force Majeure as defined in Section 21.1(c), the Master Developer will implement the Phase IIIA(1)-Development in accordance with the Phase IIIA(1)-Schedule of Performance. The Master Developer will develop the Phase IIIA(1)-Development in its own name and for its own account, and not as agent or contractor of the Authority. For the purposes of 2 CFR Part 200, the Parties do not

deem the Master Developer to be performing a contract for property or services, or operating under a subgrant of federal funds, while developing the Phase IIIA(1)-Development.

Section 3.7 Mixed-Finance Rental Site. Mixed-Finance Rental Developments are housing developments developed and operated pursuant to Section 35 of the Act and regulations appearing at 24 CFR 905.604. In general terms, using the mixed-finance model, the Phase IIIA-Developer will develop, own, lease and operate the Phase IIIA(1)-Development. The remainder of the units shall be subject to tax credit restrictions and may be subject to restrictions attributable to other financing sources, other statutory or regulatory restrictions, or the agreements of the Parties.

(a) The Phase IIIA(1)-Development will be comprised of approximately one hundred eighteen (118) rental units, and all except one PHA-Replacement Unit, which will serve as the manager's unit, will be assisted by the LIHTC and restricted to families eligible thereunder. Of that total, approximately fifty-three (53) units will be PHA-Replacement Units and will receive Project-Based Section 8 Vouchers.

(b) Each Mixed-Finance Rental Unit of a given unit type will be indistinguishable from other Mixed-Finance Rental Units of the same unit type, and distributed throughout the Phase IIIA(1)-Development.

Section 3.8 Authority Commitments. Upon the performance by the Master Developer of all its prior obligations with respect to the Phase IIIA(1)-Development, as set forth herein, and upon such HUD approvals as may be required, Authority shall take the following actions and execute and deliver such documents as are required to commence construction as contemplated by the Phase IIIA(1)-Vertical Component:

(a) Site Conveyance. The Authority shall have leased the Phase IIIA(1)-Development Site pursuant to Section 4.4 to the Master Developer through the Phase IIIA(1)-Ground Lease.

(b) Project-Based Section 8 Vouchers. Upon receipt of an allocation from HUD, the Authority agrees that it will provide fifty-three (53) Project-Based Section 8 Vouchers to the PHA-Replacement Units.

ARTICLE 4.
PHASE IIIA(1) AND PHASE IIIA(3)– CONDITIONS PRECEDENT TO PERFORMANCE OF THE PHASE IIIA-SECOND CLOSING AND PHASE IIIA-THIRD CLOSING

Section 4.1 Mutual Conditions Precedent to the Phase IIIA-Second Closing and Phase IIIA-Third Closing.

(a) The following are conditions precedent to the Phase IIIA-Second Closing:

(1) Phase IIIA(1)-Ground Lease. The Phase IIIA(1)-Ground Lease required by Section 3.3(a) shall have been executed by Authority and the Master Developer.

(2) Phase IIIA(3)-Ground Lease. The Phase IIIA(3)-Ground Lease required by Section 3.4(a) shall have been executed by Authority and the Master Developer.

(b) The following are conditions precedent to the Phase IIIA-Third Closing:

(1) Additional Negotiated Agreements. The following agreements shall have been negotiated in substance and form satisfactory to HUD and executed by the respective parties thereto:

(i) Purchase Option;

(ii) Loan documents from other governmental and private lenders as shown on the Approved Phase IIIA(1)-Development Budget for the construction and permanent funding of the Phase IIIA(1)-Development, provided however, that to the extent a specific source is solely a permanent financing source, a commitment letter shall be deemed sufficient to satisfy this requirement for such source(s);

(iii) The Master Developer guaranties pursuant to Section 8.2(c);

(iv) LIHTC and syndication documents (including all guaranties required by the Tax Credit Investor pursuant to Section 8.2(c).);

(v) Management Agreement;

(vi) Management Plan;

(vii) Release of Declaration of Trust;

(viii) PBV HAP Contract

(ix) Rider to Section 8 PBV, if applicable.

(2) HUD Approvals. HUD shall have approved the Project Plan, if applicable;

(3) Funding Commitments. The Phase IIIA(1)-Development shall have received commitments of all the sources of projected assistance as enumerated in the Phase IIIA(1)-Vertical Financing Plan for the Phase IIIA(1)-Development, or substitutions mutually acceptable to Authority and the Master Developer therefor, including but not limited to equity investments, loans from private lenders, grants, loans or land transfers from the Authority and assistance from other public agencies, and all construction loans and funding sources shall be in a position to close concurrently with the Phase IIIA-Third Closing under this Agreement.

(4) Tax Credit Allocation. The Master Developer shall have: (a) obtained from issuing agencies such allocations of tax exempt bond volume cap and/or of LIHTC as will have allowed it to attract equity investments at least in the amount shown on the Approved Phase IIIA-Development Budget for the Phase IIIA-Development and as required by

Section 8.2(c); (b) ensured that any allocations were preserved through the Phase IIIA-Third Closing by meeting any carryover tests; and (c) ensured the making of such equity investments as and when required in the development process. The Master Developer shall confer and consult with the Authority before submitting any application for an allocation of tax-exempt bond volume cap or LIHTC and shall submit budgets and financial information and any other available components of such application reasonably requested by the Authority at least five (5) business days prior to the submission date. No such application will contain representations or commitments inconsistent with the Project Plan, unless with the written approval of the Authority (and the Parties' agreement to amend the Plan if such application is accepted).

(c) The conditions set forth in Section 4.1(a) and Section 4.1(b) shall be satisfied by the Phase IIIA-Second Closing and Phase IIIA-Third Closing, respectively, or such other dates as may be agreed upon by the Master Developer and Authority, unless both the Master Developer and Authority waive the condition in writing. If any of the conditions set forth in Section 4.1(a) or 4.1(b) is not waived or satisfied by the date for waiver or satisfaction set forth above, then either Party may terminate this Agreement upon thirty (30) days written notice to the other Party without further liability, except for such liability as may be provided for under any predevelopment loans or separate contracts entered into pursuant to this Agreement and except for continuing indemnities provided elsewhere in this Agreement.

(d) Once the Phase IIIA-Third Closing has occurred, this Agreement, in regards to the Phase IIIA(1)-Development, will terminate, except for any surviving indemnity provisions, and the Phase IIIA(1)-Ground Lease will govern the Parties' obligations as to matters set forth in them. In the event of any conflict between the Phase IIIA(1)-Ground Lease and this Agreement, the provisions of the Phase IIIA(1)-Ground Lease will govern. No termination of this portion of this Agreement, in and of itself, shall release the other party from the obligations it has undertaken in the Phase IIIA(1)-Ground Lease nor increase the rights and remedies it may have under such documentation.

Section 4.2 Conditions Precedent to Authority Performance.

(a) The following is the condition precedent to Authority's obligation to enter into the Phase IIIA(1)-Ground Lease and Phase IIIA(3)-Ground Lease, and close escrow at the Phase IIIA-Second Closing:

(1) No Defaults. The Phase IIIA(1)-Developer or an Affiliate(s), as applicable, shall not be in default, and shall have completed all its predevelopment obligations required to be completed prior to Phase IIIA-Second Closing hereunder.

(2) The Title Company is prepared to issue to the Authority all title insurance required by Section 4.6 to be delivered to the Authority.

(3) HUD has approved the Phase IIIA(1)-Ground Lease and the Phase IIIA(3)-Ground Lease.

(b) The following are conditions precedent to the Authority's obligation to perform at the Phase IIIA-Third Closing:

(1) Phase IIIA-Construction Documents. The Master Developer will have prepared, or will have seen to the preparation of: (i) construction plans, budgets, schedules and a construction contract as provided in Article 7 for the Phase IIIA(3)-Horizontal Construction Documents; and (ii) construction plans, budgets, schedules and a construction contract as provided in Article 10 for the Phase IIIA(1)-Vertical Construction Documents.

(2) Permits and Approvals. To the extent required for Phase IIIA-Third Closing, the Master Developer shall have obtained (in its own name, or where appropriate and with the approval of the Authority, in the name of the Authority) all building and construction permits, licenses, easements, zoning and approvals, including commitments to provide the utilities necessary for the Phase IIIA(1)-Development.

(3) Tax Credit Investor. The Master Developer (directly, through an Affiliate, or through a third party) shall have solicited a limited partner to join and make equity contributions to the Master Developer to develop the Phase IIIA(1)-Development.

(4) Developer Guaranties. The Master Developer shall provide the guaranty and/or performance and labor bonds to the Authority, in connection with the Phase IIIA(1)-Vertical Component and the Tax Credit Investor as required by Section 8.2(c).

(c) The conditions set forth in this Section 4.2 shall have been satisfied as of the Phase IIIA-Third Closing, unless the Authority waives them in writing. If there is no waiver or satisfaction by the Phase IIIA-Third Closing, the Authority may terminate this Agreement upon written notice to the Master Developer without further liability, except for such liability as may be provided for under any predevelopment loans or separate contracts entered pursuant to this Agreement and except for continuing indemnities provided elsewhere in this Agreement.

Section 4.3 Conditions Precedent to the Master Developer's Performance.

(a) The following are conditions precedent to the Master Developer's obligation to enter into the Phase IIIA(1)-Ground Lease and Phase IIIA(3)-Ground Lease at the Phase IIIA-Second Closing:

(1) Property Condition. There shall have been no material adverse change in the condition of the Phase IIIA(1)-Development Site, or discovery of a physical condition that would materially adversely interfere with the development of the Phase IIIA(1)-Development.

(2) Title Insurance. The Title Company is prepared to issue to the Master Developer all title insurance required by Section 4.6 to be delivered to the Master Developer.

(b) The following are the conditions precedent to the Master Developer's obligation to perform at the Phase IIIA-Third Closing:

(1) Phase IIIA(1)-Vertical Construction Documents. The Authority shall have reviewed and approved the Phase IIIA(3)-Horizontal Construction Documents and the Phase IIIA(1)-Vertical Construction Documents.

(2) Land Use Approvals. The Master Developer, with assistance from the Authority, shall have obtained the approvals set forth in Section 4.2(b)(2).

(3) Government Approvals. The Phase IIIA-Developer shall have received (in its own name, or, when appropriate and with the approval of the Authority, in the name of the Authority) all necessary governmental approvals and permits, including without limitation HUD's approval of this Agreement, all building and construction permits, licenses, easements, zoning and approvals necessary for the commencement of construction of the Phase IIIA(1)-Vertical Component, including commitments to provide the utilities necessary for the Phase IIIA(1)-Vertical Component.

(4) No Litigation. No litigation or claim with any governmental entity shall have been filed and be pending which may have a material, adverse impact on the Phase IIIA(1)-Vertical Component.

(5) No Authority Default. No Event of Default on the part of the Authority exists and is continuing under this Agreement.

(c) The conditions set forth in Section 4.3(a) and Section 4.3(b) shall be satisfied as of the Phase IIIA-Second Closing and the Phase IIIA-Third Closing, respectively, unless the Master Developer waives them in writing. If there is no waiver or satisfaction by the Phase IIIA-Third Closing, the Master Developer may terminate this Agreement upon written notice to the Authority without further liability, except for such liability as may be provided for under any predevelopment loans or separate contracts entered pursuant to this Agreement and except for continuing indemnities provided elsewhere in this Agreement.

Section 4.4 Phase IIIA-Second Closing and Phase IIIA-Third Closing.

(a) Authority's Obligation to Ground Lease. Provided that the conditions precedent in Sections 4.1(a), 4.2(a) and 4.3(a) have been satisfied or expressly waived, the Authority and the Master Developer shall instruct the Title Company to complete the Phase IIIA-Second Closing as set forth below. The Parties hereby acknowledge and agree that Old Republic Title Company is an approved title company under this Section 4.4(a). At the Phase IIIA-Second Closing, the Authority shall deliver the Phase IIIA(1)-Development Site to the Master Developer under the Phase IIIA(1)-Ground Lease.

(b) Phase IIIA-Second Closing Related to the Phase IIIA(1)-Development. The Phase IIIA-Second Closing related to the Phase IIIA(1)-Development shall be completed as follows:

(1) The Authority shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(1)-Ground Lease, a

memorandum of the Phase IIIA(1)-Ground Lease in form and substance acceptable to HUD, Authority and the Master Developer ("Memorandum of Phase IIIA(1)-Ground Lease").

(2) The Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(1)-Ground Lease and the Memorandum of Phase IIIA(1)-Ground Lease, and the Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the agreements listed in Section 4.1(a).

(3) The Authority and the Master Developer shall instruct the Title Company to consummate the escrow and upon Phase IIIA-Second Closing, the Title Company shall record in the Official Records the Memorandum of Phase IIIA(1)-Ground Lease and any other documents required to be recorded under the terms of this Agreement.

(4) The Title Company shall issue title policies to the Master Developer, and the Authority, as required in Section 4.6 below.

(c) Phase IIIA-Second Closing Related to the Phase IIIA(3)-Development. The Phase IIIA-Second Closing related to the Phase IIIA(3)-Development shall be completed as follows:

(1) The Authority shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(3)-Ground Lease, a memorandum of the Phase IIIA(3)-Ground Lease in form and substance acceptable to HUD, Authority and the Master Developer ("Memorandum of Phase IIIA(3)-Ground Lease").

(2) The Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(3)-Ground Lease and the Memorandum of Phase IIIA(3)-Ground Lease, and the Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the agreements listed in Section 4.1(a).

(3) The Authority and the Master Developer shall instruct the Title Company to consummate the escrow and upon Phase IIIA-Second Closing, the Title Company shall record in the Official Records the Memorandum of Phase IIIA(3)-Ground Lease and any other documents required to be recorded under the terms of this Agreement.

(4) The Title Company shall issue title policies to the Master Developer, and the Authority, as required in Section 4.6 below.

Section 4.5 Conditions of Title.

(a) Permitted Title Exceptions for Phase IIIA(1). The Authority shall convey the Phase IIIA(1)-Development Site to the Master Developer under and subject to the provisions of the Phase IIIA(1)-Ground Lease and subject only to such title exceptions as the Parties may agree prior to conveyance and such other matters as the Master Developer shall cause or suffer to arise ("Permitted Title Exceptions").

(b) Developer's Remedies for Uncured Title Defect for Phase IIIA(1).

(1) If on or before the Phase IIIA-Second Closing, a title defect not caused by the Master Developer, its agents or Affiliates and which would materially and adversely affect the Phase IIIA(1)-Development Site arises and which the Authority does not elect to cure, (which election shall be at Authority's sole discretion, excepted as provided below), the Master Developer may by written notice to the Authority either (i) terminate this Agreement, or (ii) accept the Phase IIIA(1)-Development Site under the Phase IIIA(1)-Ground Lease.

(2) The Authority shall be obligated, at Authority's expense, to cure any title defect which is curable by the payment of money or the posting of a bond if such title defect arises after the date of this Agreement and on or before the Phase IIIA-Second Closing, and is caused solely by the Authority, its agents or employees.

(3) Notwithstanding the above, the Master Developer shall take all necessary action to remove any utility easements which would materially and adversely affect the Phase IIIA(1)-Development.

(c) Permitted Title Exceptions for Phase IIIA(3). The Authority shall convey the Phase IIIA(3)-Development Site to the Master Developer under and subject to the provisions of the Phase IIIA(3)-Ground Lease and subject only to such title exceptions as the Parties may agree prior to conveyance and such other matters as the Master Developer shall cause or suffer to arise ("Permitted Title Exceptions").

(d) Developer's Remedies for Uncured Title Defect for Phase IIIA(3).

(1) If on or before the Phase IIIA-Second Closing, a title defect not caused by the Master Developer, its agents or Affiliates and which would materially and adversely affect the Phase IIIA(3)-Development Site arises and which the Authority does not elect to cure, (which election shall be at Authority's sole discretion, excepted as provided below), the Master Developer may by written notice to the Authority either (i) terminate this Agreement, or (ii) accept the Phase IIIA(3)-Development Site under the Phase IIIA(3)-Ground Lease.

(2) The Authority shall be obligated, at Authority's expense, to cure any title defect which is curable by the payment of money or the posting of a bond if such title defect arises after the date of this Agreement and on or before the Phase IIIA-Second Closing, and is caused solely by the Authority, its agents or employees.

(3) Notwithstanding the above, the Master Developer shall take all necessary action to remove any utility easements which would materially and adversely affect the Phase IIIA(3)-Development.

Section 4.6 Title Insurance to be Issued at Phase IIIA-Second Closing. The Title Company shall issue title insurance policies as to Phase IIIA(1) and Phase IIIA(3), respectively:

(a) To the Phase IIIA-Developer, an ALTA extended coverage title insurance policy with such coinsurance or reinsurance and direct access agreements as the Master

Developer may request reasonably, in an amount designated by the Master Developer insuring that the leasehold estate in the Phase IIIA(1)-Development Site is vested in the Master Developer subject only to the Permitted Title Exceptions, and with the CLTA form endorsements and such other endorsements as may be requested reasonably by the Master Developer.

(b) To the Phase IIIA-Developer or Master Developer, as applicable, an ALTA extended coverage title insurance policy with such coinsurance or reinsurance and direct access agreements as the Master Developer may request reasonably, in an amount designated by the Master Developer insuring that the leasehold estate in the Phase IIIA(3)-Development Site is vested in the Master Developer subject only to the Permitted Title Exceptions, and with the CLTA form endorsements and such other endorsements as may be requested reasonably by the Master Developer.

(c) To the Authority, a 2006 ALTA Owner's Policy of insurance in an amount designated by the Authority insuring the Authority's fee interest in the Property, subject only to such exceptions and exclusions as may be reasonably acceptable to the Authority, and containing such endorsements as may be requested reasonably by the Authority.

ARTICLE 5.
PHASE IIIA(3)-HORIZONTAL COMPONENT FINANCING ARRANGEMENTS

Section 5.1 Phase IIIA(3)-Horizontal Financing Plan and Financial Commitments. The Parties acknowledge that subject to financing commitments and other requirements, the Master Developer shall use diligent efforts to comply with the Phase IIIA(3)-Horizontal Financing Plan. The Phase IIIA(3)-Horizontal Financing Plan shall consist of the information set forth in subsection (a) below. The Approved Phase IIIA-Development Budget shall provide, the budget sources, and separately the budget uses for the Phase IIIA(3)-Horizontal Component. The remaining information in subsections (a)(1)-(4) shall be submitted by the Master Developer to the Authority prior to the Phase IIIA-Second Closing.

(a) Phase IIIA(3)-Horizontal Component.

(1) the Approved Phase IIIA(3)-Horizontal Component Budget;

(2) the sources and uses analysis for the period of the construction, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public bodies, if any;

(3) the sources and uses analysis from the date of the origination of the permanent loan, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public entities, if any; and

(4) all underlying assumptions for each of the above, including terms, conditions, and pricing of all debt and equity.

(b) Approvals. The Master Developer shall also submit to the Authority for approval any revisions to the Financing Plan for the Phase IIIA(3)-Horizontal Component. The Master Developer shall submit to the Authority for review any and all commitments for financing necessary to undertake the construction of the Phase IIIA(3)-Horizontal Component and for permanent financing necessary for the Phase IIIA(3)-Development.

ARTICLE 6.
PHASE IIIA(3)-HORIZONTAL COMPONENT DESIGN

Section 6.1 Phase IIIA(3)-Horizontal Design in Conformance with Scope of Development and Schematic Design.

(a) In designing and constructing the Phase IIIA(3)-Horizontal Component, the Master Developer shall cause all subsequent design documents to be consistent with the Phase IIIA-Scope of Development as it pertains to the Phase IIIA(3)-Horizontal Component and the Phase IIIA(3)-Horizontal Schematic Design approved by the Authority. The Phase IIIA-Scope of Development and the Phase IIIA(3)-Horizontal Schematic Design shall establish the baseline design standards from which the Master Developer shall prepare all subsequent Phase IIIA(3)-Horizontal Design Documents.

(b) The design of the Phase IIIA(3)-Horizontal Component shall meet or exceed the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, and the Fair Housing Act and their implementing regulations, to the extent applicable to the Phase IIIA(3)-Horizontal Component.

Section 6.2 Phase IIIA(3)-Horizontal Design Documents. The Master Developer shall cause its Engineer to proceed diligently to prepare design development and construction documents for the proposed Phase IIIA(3)-Horizontal Component, consistent with the Phase IIIA(1)-Scope of Development and the Phase IIIA(3)-Horizontal Schematic Design, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Phase IIIA(3)-Horizontal Component. In connection with its submittal to the Authority (and the Authority's submittal to HUD) for approval, the Master Developer shall provide to the Authority such elevations, sections, plot plans, specifications, diagrams and other design documents ("Phase IIIA(3)-Horizontal Design Documents") at each of the stages described in Section 6.3, as may reasonably be required by the Authority and HUD for review. The Phase IIIA(3)-Horizontal Design Documents shall incorporate any conditions imposed by the City's planning and entitlements process.

Section 6.3 Submittal and Review of Phase IIIA(3)-Horizontal Design Documents. Within the times set forth in the Phase IIIA(3)-Schedule of Performance, the Master Developer shall submit to the Authority the Phase IIIA(3)-Horizontal Design Documents in the following stages:

(a) Phase IIIA(3)-Horizontal Design Drawings. The Phase IIIA(3)-Horizontal Design Drawings shall be based on the Phase IIIA(3)-Horizontal Schematic Design and the

Phase IIIA-Scope of Development. The Phase IIIA(3)-Horizontal Design Drawings shall indicate estimated structural dimensions, and delineation of site features and elevations, materials and colors, landscaping and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the entire Phase IIIA(3)-Horizontal Component as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form. The Authority shall submit the Phase IIIA(3)-Horizontal Design Drawings to HUD for review and approval, as required.

(b) Phase IIIA(3)-Horizontal Final Construction Drawings. Phase IIIA(3)-Horizontal Final Construction Drawings are to be a continuation of approved Phase IIIA(3)-Horizontal Design Drawings. The Phase IIIA(3)-Horizontal Final Construction Drawings shall provide all the detailed information necessary to allow for the Master Developer to obtain any required permits to build the Phase IIIA(3)-Horizontal Component including complete building, site, landscape, requirements, standards, and specifications. The Master Developer shall provide material samples upon the reasonable request of the Authority.

Section 6.4 Project Approvals. Within the times set forth in Phase IIIA(3)-Schedule of Performance, the Authority shall have the right to review and approve the Phase IIIA(3)-Horizontal Design Documents. The purpose of the Authority's review of the Phase IIIA(3)-Horizontal Design Documents is to ensure consistency with the Phase IIIA-Scope of Development and the provisions of this Agreement. Provided that the architectural submittals meet the requirements set forth in Section 6.3, the Authority shall be required to approve those Phase IIIA(3)-Horizontal Design Documents which are logical progressions from concepts set forth in previously approved Phase IIIA(3)-Horizontal Design Documents. For purposes of this Article 6, "approval" means approval of the Authority Executive Director or the Authority Executive Director's designee.

Section 6.5 New Material Concerns. If the Authority determines that there are material changes which are not logical progressions from previously approved Phase IIIA(3)-Horizontal Design Documents or which raise material concerns that were not reviewable in previously approved Phase IIIA(3)-Horizontal Design Documents, then in approving or disapproving such Phase IIIA(3)-Horizontal Design Documents, the Authority shall act in its reasonable discretion.

Section 6.6 No Change in Phase IIIA(3)-Horizontal Design Documents. Once the Authority has approved Phase IIIA(3)-Horizontal Final Construction Drawings, the Master Developer shall not make any changes in those documents which would materially impact the matters set forth in Section 6.3 without the prior written approval of the Authority, which approval shall be granted in the Authority's reasonable discretion and within the time periods set out in Section 38.4.

Section 6.7 Submittal and Review of Horizontal Construction Contract. Within the times set forth in the Phase IIIA(3)-Schedule of Performance, the Master Developer shall submit to the Authority for its approval the proposed construction contract and other construction documents for the Phase IIIA(3)-Horizontal Component.Additional Permits and Approvals. Within the times specified in the Phase IIIA(3)-Schedule of Performance, the Master Developer shall obtain all permits and approvals necessary to construct the Phase IIIA(3)-Horizontal Component including demolition and building permits. All applications for such permits and

approvals shall be consistent with the approved Phase IIIA(3)-Horizontal Design Documents. The Master Developer shall not commence construction under a building or site permit, excluding any necessary demolition work pursuant to a separate agreement regarding demolition, until the Authority has approved the Final Phase IIIA(3)-Horizontal Construction Drawings. The Master Developer acknowledges that execution of this Agreement by the Authority does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, allocation and approval process.

Section 6.9 Authority Review. The Master Developer shall be solely responsible for all aspects of the Master Developer's conduct in connection with the Phase IIIA(3)-Horizontal Component, including, but not limited to, the quality and suitability of the Phase IIIA(3)-Horizontal Design Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Authority with reference to the Phase IIIA(3)-Horizontal Component is solely for the purpose of determining whether the Master Developer is properly discharging its obligations to the Authority, and should not be relied upon by the Master Developer or by any third parties as a warranty or representation by the Authority as to the quality of the design or construction of the Phase IIIA(3)-Development, or the Phase IIIA(3)-Horizontal Component.

ARTICLE 7.
PHASE IIIA(3)-HORIZONTAL COMPONENT CONSTRUCTION

Section 7.1 Commencement of Phase IIIA(3)-Horizontal Component Construction. Subject to events of Force Majeure as defined in Section 21.1(c), the Master Developer shall commence or cause to be commenced construction of the Phase IIIA(3)-Horizontal Component after the Phase IIIA-Second Closing in accordance with the Phase IIIA(3)-Schedule of Performance, which shall be known as the Phase IIIA(3)-Horizontal Component.

Section 7.2 Completion of Phase IIIA(3)-Horizontal Component Construction. The Master Developer shall diligently prosecute or cause to be prosecuted to completion the construction of the Phase IIIA(3)-Horizontal Component, and shall complete or cause to be completed the construction of the Phase IIIA(3)-Horizontal Component no later than the time specified in the Phase IIIA(3)-Schedule of Performance, subject to events of Force Majeure as defined in Section 21.1(c).

Section 7.3 Phase IIIA(3)-Horizontal Component Construction Pursuant to Plans.

(a) The Master Developer shall construct or cause to be constructed the Phase IIIA(3)-Horizontal Component substantially in accordance with the Final Phase IIIA(3)-Horizontal Construction Drawings and the terms and conditions of all City and other governmental approvals.

(b) The Master Developer shall submit or cause to be submitted for Authority approval any proposed change in the Final Phase IIIA(3)-Horizontal Construction Drawings which materially changes the size, location or elevation of the Phase IIIA(3)-Horizontal

Component or which would require an amendment to any approval or permits obtained from the City or other governmental agencies.

(c) No change which is required for compliance with building codes or other laws, codes or regulation shall be deemed material. However, the Master Developer must submit or cause to be submitted to the Authority, in writing, any change that is required for such compliance within ten (10) business days after making such change, and such change shall become a part of the approved Final Phase IIIA(3)-Horizontal Construction Drawings, binding on the Master Developer.

Section 7.4 Phase IIIA(3)-Horizontal Component Construction Bonds. The Master Developer shall require its contractor to procure and deliver to the Authority copies of labor and material (payment) bonds and performance bonds, or a dual bond which covers both payment and performance obligations, in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction of the Phase IIIA(3)-Horizontal Component, and one hundred percent (100%) payment bond. Said bonds shall be issued by a surety that is authorized to issue bonds in the State of California and is named in the current list of "Surety Companies acceptable on Federal Bonds" as published in Circular 570 by the U.S. Treasury Department, Financial Management Service, and that the amount of the bond is within the limit set by the Treasury Department as the net limit on any single risk. The labor and materials (payment) bond shall name the Authority as a co-obligee or assignee.

Section 7.5 Compliance with Applicable Law. The Master Developer shall cause all work performed in connection with the Phase IIIA(3)-Horizontal Component to be performed in compliance with (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter, (including, without limitation, the federal Davis-Bacon Act and state prevailing wages) and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Master Developer shall be responsible to the Authority for the procurement and maintenance thereof, as may be required of the Master Developer and all entities engaged in work on the Phase IIIA(3)-Horizontal Component.

Section 7.6 Non-Discrimination During Construction; Equal Opportunity. The Master Developer, for itself and its successors and assigns, and transferees agrees that in the construction of the Phase IIIA(3)-Horizontal Component provided for in this Agreement:

(a) It will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition, age, marital status, gender identity status, sex, sexual orientation, HIV status or Acquired Immune Deficiency Syndrome (AIDS) condition or perceived condition, or retaliation for having filed a discrimination complaint (nondiscrimination factors). The Master Developer will take affirmative action to ensure that applicants are considered for employment by the Master Developer without regard to the nondiscrimination factors, and that the Master Developer's employees are treated without regard to the nondiscrimination factors during employment

including, but not limited to, activities of: upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Master Developer agrees to post in conspicuous places, available to its employees and applicants for employment, the applicable nondiscrimination clause set forth herein;

(b) It will ensure that its solicitations or advertisements for employment are in compliance with the aforementioned nondiscrimination factors; and

(c) It will cause the foregoing provisions to be inserted in all contracts for the construction of the Phase IIIA(3)-Horizontal Component entered into after the date of this Agreement; provided, however, that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Section 7.7 Equal Opportunity/Non-Discrimination in Employment and Contracting Procedures, Including Utilization of Minority and Women Businesses. The Master Developer and the Authority acknowledge and agree that it is the policy of the Authority to promote and ensure equal opportunity through employment and in the award of contracts and subcontracts for construction. During the period of this Agreement, the Master Developer shall not discriminate on the basis of race, color, creed, religion, national origin, ancestry, disability, medical condition, age, marital status, gender identity status, sex, sexual orientation, HIV status or Acquired Immune Deficiency Syndrome (AIDS) condition or perceived condition, in the hiring, firing, promoting or demoting of any person. Subject to the foregoing, the Master Developer shall employ or select employees, contractors and subcontractors in accordance with the MOU.

(a) During the construction of the Phase IIIA(3)-Horizontal Component, the Master Developer shall provide to the Authority such information and documentation as reasonably requested by the Authority.

(b) The Master Developer shall use reasonable efforts to monitor and enforce, or shall cause its general contractor to monitor and enforce, the equal opportunity requirements imposed by this Agreement. In the event, after notice from the Authority and an opportunity to cure such failure as set forth in Article 21 of this Agreement, the Master Developer fails to use reasonable efforts to monitor or enforce these requirements, the Authority may declare the Master Developer in default of this Agreement and pursue any of the remedies available under this Agreement.

(c) As requested, the Authority shall provide such technical assistance necessary to implement this Section 7.7.

Section 7.8 Prevailing Wages. In the construction of the Phase IIIA(3)-Horizontal Component, for all on-site and adjacent construction activities, the Master Developer shall pay and assure that all contractors and subcontractors pay the general prevailing rate of per diem wages, as determined by the U.S. Labor Department pursuant to the federal Davis-Bacon Act and implementing rules and regulations, and the prevailing wage provisions of Sections 1720 et seq. of the California Labor Code and implementing rules and regulations. The Master Developer shall comply with all applicable reporting and recordkeeping requirements.

Section 7.9 Progress Reports. Until the notice of completion is filed, the Master Developer shall provide the Authority with periodic progress reports, as reasonably requested in writing by the Authority, regarding the status of the construction of the Phase IIIA(3)-Horizontal Component.

Section 7.10 Entry by the Authority. The Master Developer shall permit the Authority, through its officers, agents, or employees, to enter the Phase IIIA-Development Site with advance written notice, at all reasonable times and in a safe, unobtrusive manner to review the work of construction to determine that such work is in conformity with the approved Final Phase IIIA(3)-Horizontal Construction Drawings or to inspect the Phase IIIA(3)-Horizontal Component for compliance with this Agreement. The Authority is under no obligation to (a) supervise construction, (b) inspect the Phase IIIA(3)-Horizontal Component, or (c) inform the Master Developer of information obtained by the Authority during any review or inspection, and the Master Developer shall not rely upon the Authority for any supervision, inspection, or information. However, the Master Developer shall work with the Authority to remedy any adverse conditions raised in the Authority's construction inspections.

ARTICLE 8.
PHASE IIIA(1)-VERTICAL COMPONENT FINANCING ARRANGEMENTS

Section 8.1 Phase IIIA(1)-Vertical Financing Plan and Financial Commitments. The Parties acknowledge that subject to financing commitments and other requirements, the Master Developer shall use diligent efforts to comply with the Phase IIIA(1)-Vertical Financing Plan. The Phase IIIA(1)-Vertical Financing Plan shall consist of the information set forth in subsection (a) below. The Approved Phase IIIA-Development Budget shall provide the budget sources, and separately the budget uses, for the Phase IIIA(1)-Vertical Development. The remaining information in subsections (a)(2)-(7) shall be submitted by the Master Developer to the Authority prior to the Phase IIIA-Third Closing.

(a) Phase IIIA(1)-Vertical Component.

(1) the Approved Phase IIIA(1)-Vertical Component budget;

(2) the sources and uses analysis for the period of the construction, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public bodies, if any;

(3) the sources and uses analysis from the date of the origination of the permanent loan, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public entities, if any;

(4) the twenty (20)-year cash flow projections of the Phase IIIA(1)-Development, including an analysis of the Phase IIIA(1)-Vertical Component from the date of the issuance of the Certificate of Occupancy;

(5) the initial operating budget for the Phase IIIA(1)-Vertical Component, including without limitation an operating reserve fund and capital replacement reserve fund;

(6) all underlying assumptions for each of the above, including terms, conditions, and pricing of all debt and equity; and

(7) a rent schedule showing the number of units by bedroom size and rent amount.

(b) Approvals. The Master Developer shall also submit to the Authority for approval any revisions to the Financing Plan for the Phase IIIA(1)-Vertical Component. The Master Developer shall submit to the Authority for review any and all commitments for financing necessary to undertake the construction of the Phase IIIA(1)-Vertical Component and for permanent financing necessary for the Phase IIIA(1)-Vertical Component. The Master Developer shall further submit to the Authority for its reasonable approval copies of any proposed partnership agreements and funding agreements between the Master Developer and the Tax Credit Investor; any documents proposed to be entered by the Master Developer with respect to any subsidies; and loan agreements and all other documents which the Master Developer and its proposed construction lender(s) and permanent lender(s) propose to execute in connection with such financing for the Phase IIIA(1)-Vertical Component.

(c) No Subordination. The Authority will not approve any subordination of its fee interest in the Phase IIIA(1)-Development Site.

Section 8.2 Financing for Phase IIIA(1)-Vertical Component.

(a) Authority Role. There shall be no lien or encumbrance on the Authority's fee interest in the Phase IIIA(1)-Development Site, except for any required HUD restrictions.

(1) Payment of the Additional Land Payment shall be made by the Master Developer from the Phase IIIA(1)-Development's cash flow ("Surplus Cash Flow") after paying Development Expenses, and subject to the provisions of subsection (2) below. "Development Expenses" means: (1) all necessary and reasonable operating expenses of the Phase IIIA(1)-Vertical Component, including those shown as line items on Form HUD-92547-A (Budget Worksheet) and including debt service requirements of any fixed payment mortgages issued by lenders and real property taxes, if any; (2) deposits to any lender- or the Tax Credit Investor- required reserve for replacement and/or operating reserves; (3) management fees payable pursuant to the Management Agreement; (4) legal and accounting expenses associated with the operation of the Phase IIIA-Development pursuant to HUD Handbook 4370.2 REV – 1, Financial Operation and Accounting Procedures for Insured Multifamily Projects, or any successor thereto; and (5) any amounts paid to tenants as a utility allowance.

(2) Any Surplus Cash Flow generated from the Vertical Component shall be distributed as indicated and in the following order:

(i) first, to pay the Tax Credit Investor the approved asset management fee;

(ii) second, to pay any outstanding deferred developer fee;

(iii) third, to pay the approved partnership management fee;

(iv) fourth, to pay to the Master Developer or Phase IIIA-Developer an incentive management fee, if applicable; and

(v) fifth, to pay on a proportional basis to the Authority and the City the Additional Land Payment and the City loans, in accordance with their respective documents.

(3) Notwithstanding the provisions of subsequent (2) above, the Parties acknowledge and agree that no Surplus Cash Flow shall be disbursed to the Authority and the City until the completion of the Development, but shall instead be deposited into a separate account, where upon such funds shall be available to provide additional financial assistance to the Development. The Surplus Cash Flow shall be disbursed in accordance with the Cash Flow MOU.

(b) The Master Developer shall provide, and the Master Developer shall have those Affiliates of the Master Developer whose finances are represented on the financial statements presented to the Authority, in connection with the Master Developer's procurement provide, with respect to the Phase IIIA(1)-Vertical Component all guarantees required by Tax Credit Investors, including completion (development deficit), operating deficit, and tax credit recapture guarantees, and by lenders and provide, and shall have such Affiliates provide, the Authority with a payment and performance bond and completion guarantee.

(1) The Authority will assist and support in good faith the Master Developer's effort to obtain other public and private financing for the Phase IIIA(1)-Vertical Component.

(c) Master Developer Role. The Master Developer shall be primarily responsible for seeking all financing for the Phase IIIA(1)-Vertical Component.

The Master Developer shall coordinate the Parties' preparation of, and assist in securing HUD's approval of, any applicable HUD Documents. The evidentiary documentation, including attorneys' opinions, shall be provided to the Authority for review and approval and shall comply with HUD Requirements, if applicable, and each party shall reasonably agree to any changes required by HUD which do not materially and adversely affect the feasibility of the Phase IIIA(1)-Development or the level of risk and return to the Master Developer, or the Authority. Notwithstanding anything herein to the contrary, at its option the Authority shall prepare, for the Master Developer's review and approval, evidentiary documentation which relates specifically to the Authority-Master Developer relationship, including but not necessarily restricted to any Phase IIIA(1)-Ground Lease, and loan and security documents.

Section 8.3 Amounts to be Paid to the Master Developer.

(a) The Phase IIIA-Developer shall receive a developer fee for the Phase IIIA(1)-Development (the "Phase IIIA(1)-Developer Fee") payable from available sources in the amounts and at times to be shown on the final Phase IIIA(1)-Vertical Component Financing Plan, and on draw schedules to be entered into between the Master Developer and its lenders, including the Authority. The Phase IIIA(1)-Developer Fee will be paid solely out of Phase IIIA-Developer's equity, private debt, cash flow, or other non-HUD Funds. The Parties recognize that the amount and timing of fees will require the agreement of the Authority, HUD, and other lenders and Tax Credit Investor. Provided that there is no financing shortfall, and subject to the foregoing, the Authority approves the following fee to the Master Developer:

(1) The Phase IIIA-Developer shall be entitled to receive a Phase IIIA-Developer Fee for the Phase IIIA(1)-Vertical Component of up to Two Million Three Hundred and Eighty Thousand Dollars ($2,380,000) as shown in the Phase IIIA(1)-Development Budget, but in no event shall the amount of the Phase IIIA(1)-Developer Fee exceed the lesser of the amount allowed by TCAC or the City, and in no event shall the amount of the Phase IIIA(1)-Developer Fee exceed either HUD guidelines or nine percent (9%) of total project costs, as defined by HUD. Such fee does not include the developer fee that the Phase IIIA Developer will receive for construction of the Infrastructure Improvements as part of the Phase IIIA(1) Horizontal Component and the Phase IIIA(2) Development.

(b) Except as expressly provided elsewhere herein, the Phase IIIA-Developer (or its Affiliate) shall not receive any additional payment that would be considered by HUD as a Phase IIIA(1)-Developer Fee for providing goods or services to the Phase IIIA(1)-Development unless it is with the express written consent of the Authority. The Master Developer will disclose any such proposed relationship to the Authority and will provide the Authority sufficient terms, information about the terms and conditions of the proposed relationship to enable the Authority to evaluate its propriety and commercial reasonableness.

ARTICLE 9.
PHASE IIIA(1)-VERTICAL COMPONENT DESIGN

Section 9.1 Phase IIIA(1)-Vertical Design in Conformance with Phase IIIA(1)-Scope of Development and Phase IIIA(1)-Vertical Schematic Design.

(a) In designing and constructing the Phase IIIA(1)-Vertical Component, the Master Developer shall cause all subsequent design documents to be consistent with the Phase IIIA-Scope of Development as it pertains to the Phase IIIA(1)-Vertical Component and the Phase IIIA(1)-Vertical Schematic Design approved by the Authority. The Phase IIIA-Scope of Development and the Phase IIIA(1)-Vertical Schematic Design shall establish the baseline design standards from which the Master Developer shall prepare all subsequent Phase IIIA(1)-Vertical Design Documents.

(b) The design of the Phase IIIA(1)-Vertical Component shall meet or exceed the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, the Americans

with Disabilities Act, and the Fair Housing Act and their implementing regulations, to the extent applicable to the Phase IIIA(1)-Vertical Component.

Section 9.2 Phase IIIA(1)-Vertical Design Documents. The Master Developer shall cause its Engineers and Architect to proceed diligently to prepare design development and construction documents for the proposed Phase IIIA(1)-Vertical Component, consistent with the Phase IIIA-Scope of Development and the Phase IIIA(1)-Vertical Schematic Design, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Phase IIIA(1)-Development. In connection with its submittal to the Authority (and the Authority's submittal to HUD) for approval, the Master Developer shall provide to the Authority such elevations, sections, plot plans, specifications, diagrams and other design documents ("Phase IIIA(1)-Vertical Design Documents") at each of the stages described in Section 9.3, as may reasonably be required by the Authority and HUD for review. The Phase IIIA(1)-Vertical Design Documents shall incorporate any conditions imposed by the City's planning and entitlements process.

Section 9.3 Submittal and Review of Phase IIIA(1)-Vertical Design Documents. Within the times set forth in the Phase IIIA(1)-Schedule of Performance, the Master Developer shall submit to the Authority the Phase IIIA(1)-Vertical Design Documents in the following stages:

(a) Phase IIIA(1)-Vertical Design Drawings. The Phase IIIA(1)-Vertical Design Drawings shall be based on the Phase IIIA(1)-Vertical Schematic Design and the Phase IIIA(1)-Scope of Development. The Phase IIIA(1)-Vertical Design Development Drawings shall indicate estimated structural dimensions, and delineation of site features and elevations, materials and colors, landscaping and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the entire Phase IIIA(1)-Vertical Component as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form. The Authority shall submit the Phase IIIA(1)-Vertical Design Drawings to HUD for review and approval, as required.

(b) Phase IIIA(1)-Vertical Final Construction Drawings. Phase IIIA(1)-Vertical Final Construction Drawings are to be a continuation of approved Phase IIIA(1)-Vertical Design Drawings. The Phase IIIA(1)-Vertical Final Construction Drawings shall provide all the detailed information necessary to allow for the Master Developer to obtain the superstructure building permit, and shall provide all the detailed information necessary to obtain building or site permits to build the Phase IIIA(1)-Vertical Component including complete building, site, landscape, requirements, standards, and specifications. The Master Developer shall provide material samples upon the reasonable request of the Authority.

Section 9.4 Project Approvals. Within the times set forth in Phase IIIA(1)-Schedule of Performance, the Authority shall have the right to review and approve the Phase IIIA(1)-Vertical Design Documents. The purpose of the Authority's review of the Phase IIIA(1)-Vertical Design Documents is to ensure consistency with the Phase IIIA-Scope of Development and the provisions of this Agreement. Provided that the architectural submittals meet the requirements set forth in Section 9.3, the Authority shall be required to approve those Phase IIIA(1)-Vertical Design Documents which are logical progressions from concepts set forth in previously

approved Phase IIIA(1)-Vertical Design Documents. For purposes of this Article 9, "approval" means approval of the Authority Executive Director or the Authority Executive Director's designee.

Section 9.5 New Material Concerns. If the Authority determines that there are material changes which are not logical progressions from previously approved Phase IIIA(1)-Vertical Design Documents or which raise material concerns that were not reviewable in previously approved Phase IIIA(1)-Vertical Design Documents, then in approving or disapproving such Phase IIIA(1)-Vertical Design Documents, the Authority shall act in its reasonable discretion.

Section 9.6 No Change in Phase IIIA(1)-Vertical Design Documents. Once the Authority has approved Phase IIIA(1)-Vertical Final Construction Drawings, the Master Developer shall not make any changes in those documents which would materially impact the matters set forth in Section 9.3 without the prior written approval of the Authority, which approval shall be granted in the Authority's reasonable discretion and within the time periods set out in Section 38.4.

Section 9.7 Submittal and Review of Vertical Construction Contract. Within the times set forth in the Phase IIIA(1)-Schedule of Performance, the Master Developer shall submit to the Authority for its approval the proposed construction contract and other Phase IIIA(1)-Vertical Construction Documents for the Phase IIIA(1)-Vertical Component.

Section 9.8 Additional Permits and Approvals. Within the times specified in the Phase IIIA(1)-Schedule of Performance, the Master Developer shall obtain all permits and approvals necessary to construct the Phase IIIA(1)-Vertical Component including demolition and building permits. All applications for such permits and approvals shall be consistent with the approved Phase IIIA(1)-Vertical Design Documents. The Master Developer shall not commence construction under a building or site permit, excluding any necessary demolition work pursuant to a separate agreement regarding demolition, until the Authority has approved the Phase IIIA(1)-Vertical Final Construction Drawings. The Master Developer acknowledges that execution of this Agreement by the Authority does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, allocation and approval process.

Section 9.9 Authority Review. The Master Developer shall be solely responsible for all aspects of the Master Developer's conduct in connection with the Phase IIIA(1)-Vertical Component, including, but not limited to, the quality and suitability of the Phase IIIA(1)-Vertical Design Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Authority with reference to the Phase IIIA(1)-Vertical Component is solely for the purpose of determining whether the Master Developer is properly discharging its obligations to the Authority, and should not be relied upon by the Master Developer or by any third parties as a warranty or representation by the Authority as to the quality of the design or construction of the Phase IIIA(1)-Vertical Component.

ARTICLE 10.
PHASE IIIA(1)-VERTICAL COMPONENT CONSTRUCTION

Section 10.1 Commencement of Phase IIIA(1)-Vertical Component Construction. Subject to events of Force Majeure as defined in Section 21.1(c), the Master Developer shall commence or cause to be commenced construction of the Phase IIIA(1)-Vertical Component after the Phase IIIA-Third Closing in accordance with the Phase IIIA(1)-Schedule of Performance, which shall be known as the Phase IIIA(1)-Vertical Component.

Section 10.2 Completion of Phase IIIA(1)-Vertical Component Construction. The Master Developer shall diligently prosecute or cause to be prosecuted to completion the construction of the Phase IIIA(1)-Vertical Component, and shall complete or cause to be completed the construction of the Phase IIIA(1)-Vertical Component no later than the time specified in the Phase IIIA(1)-Schedule of Performance, subject to events of Force Majeure as defined in Section 21.1(c).

Section 10.3 Phase IIIA(1)-Vertical Construction Pursuant to Plans. The provisions of Section 7.3 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.3 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.3.

Section 10.4 Phase IIIA(1)-Vertical Component Construction Bonds. The provisions of Section 7.4 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.4 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.4.

Section 10.5 Compliance with Applicable Law. The provisions of Section 7.5 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.5 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.5.

Section 10.6 Non-Discrimination During Construction; Equal Opportunity. The provisions of Section 7.6 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.6 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.6.

Section 10.7 Equal Opportunity/Non-Discrimination in Employment and Contracting Procedures, Including Utilization of Minority and Women Businesses. The provisions of Section 7.7 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.7 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.7.

Section 10.8 Prevailing Wages. The provisions of Section 7.8 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.8 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.8.

Section 10.9 Progress Reports. The provisions of Section 7.9 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.9 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.9.

Section 10.10 Entry by the Authority. The provisions of Section 7.10 shall also apply to the Phase IIIA(1)-Vertical Component. All references to the Phase IIIA(3)-Horizontal Component in Section 7.10 shall be deemed to mean the Phase IIIA(1)-Vertical Component for purposes of this Section 10.10.

Section 10.11 Taxes. The Master Developer, with such reasonable assistance and cooperation from the Authority as may be necessary, shall be responsible for obtaining a property tax exemption for the Phase IIIA-Development. In the event that a property tax exemption is not available for reasons beyond the control of the Master Developer or the Authority, the Master Developer and the Authority shall provide for payment of property taxes in the Phase IIIA(1)-Ground Lease.

Section 10.12 Hazardous Materials.

(a) Disclosure. In fulfillment of the requirements of Health and Safety Code Section 25359.7(a), the Authority has provided the Master Developer with copies of the Hazardous Materials Documents listed in the attached Exhibit R (the "Hazardous Materials Documents"). To the best of the Authority's knowledge, the Hazardous Material Documents depict the condition of the Property with respect to the matters covered in such documents as of the date of such documents and as of the date of this Agreement.

(b) Certain Covenants and Agreements. The Master Developer hereby covenants and agrees that:

(1) The Master Developer shall not knowingly permit the Phase IIIA(1)-Development Site or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence of Hazardous Materials in, on or under the Phase IIIA(1)-Development Site in violation of any applicable law;

(2) The Master Developer shall keep and maintain the Phase IIIA(1)-Development Site and each portion thereof in compliance with, and shall not cause or permit the Phase IIIA(1)-Development Site or any portion thereof to be in violation of, any Environmental Law;

(3) Upon receiving actual knowledge of the same the Master Developer shall immediately advise the Authority in writing of:

(i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Master Developer or the Phase IIIA(1)-Development pursuant to any applicable Environmental Laws;

(ii) any and all claims made or threatened by any third party against the Master Developer or the Phase IIIA(1)-Development relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (A) and this clause (B) are hereinafter referred to as "Hazardous Materials Claims");

(iii) presence of any Hazardous Materials in, on or under the Phase IIIA(1)-Development Site in such quantities which require reporting to a government agency; or

(iv) the Master Developer's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Phase IIIA(1)-Development Site classified as "border zone property" under the provisions of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Phase IIIA(1)-Development Site under any Environmental Laws.

If the Authority reasonably determines that the Master Developer is not adequately responding to a Hazardous Material Claim or any condition in Section 10.12(b)(3)(iii) or (iv), the Authority shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any such Hazardous Materials Claims and to have its reasonable attorney's fees paid by the Master Developer.

(4) Without the Authority's prior written consent, which shall not be unreasonably withheld or delayed, the Master Developer shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Phase IIIA(1)-Development Site (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

(c) No Limitation. Except as otherwise provided herein, the Master Developer hereby acknowledges and agrees that the Master Developer's duties, obligations and liabilities under this Agreement are in no way limited or otherwise affected by any information the Authority may have concerning the development and/or the presence on the Phase IIIA(1)-Development Site of any Hazardous Materials, whether the Authority obtained such information from the Master Developer or from its own investigations.

(d) Master Developer Indemnity. The Master Developer hereby agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the Authority) the Authority, its board members, officers, agents, successors, assigns and employees (the "Indemnitees") from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, reasonable attorney's fees and expenses), arising directly or indirectly, in whole or in part, out of:

(1) the failure of the Master Developer or any other person or entity on or after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any person under the control of the Master Developer to the extent resulting in material harm to an Indemnitee), to comply with any Environmental Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the Phase IIIA(1)-Development Site;

(2) any release or discharge of any Hazardous Materials into, on, under or from the Phase IIIA(1)-Development Site, arising on or after Phase IIIA-Second Closing, or the presence in, on, or under the Phase IIIA(1)-Development Site of any Hazardous Materials that occurs on the Phase IIIA(1)-Development Site after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any person under the control of the Master Developer to the extent resulting in material harm to an Indemnitee); or

(3) any activity or omission of activity carried on or undertaken on or off the Phase IIIA(1)-Development Site, on or after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer to the extent resulting in material harm to an Indemnitee), and whether by the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer or any successor in title that is related to the Master Developer occupying or present on the Phase IIIA(1)-Development Site, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials located or present on or under the Phase IIIA(1)-Development Site. The Master Developer's indemnity obligations as they pertain to activities occurring off the Property shall only extend to activities performed by or arising from activities performed by the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer.

The foregoing indemnity shall further apply to any residual contamination on or under the Phase IIIA(1)-Development Site, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Environmental Law. The provisions of this subsection shall survive expiration of the Term or other termination of this Agreement, and shall remain in full force and effect. This indemnity obligation shall not extend to any claim arising solely from the Authority's negligence or willful misconduct.

Section 10.13 Environmental Provisions in Ground Lease.

(a) Any Phase IIIA(1)-Ground Lease for the Phase IIIA(1)-Development Site shall contain:

(1) the provisions of Sections 10.12, 10.14 and 10.16; and

(2) a list of the Hazardous Materials Documents and any additional environmental reports disclosing known Hazardous Materials.

(b) Any deed for the Phase IIIA(1)-Development Site shall be subject to the environmental provisions set forth in this Agreement, as incorporated in the applicable DDA.

Section 10.14 As-Is Conveyance.

(a) Any deed or ground lease for the Phase IIIA(1)-Development Site shall be made "AS IS," with no warranties or representations by the Authority concerning the condition of the site or any improvements, but subject to the Hazardous Materials provisions of Section 10.12 above. The Master Developer hereby agrees and acknowledges that subject to the preceding sentence and except in the event of any fraud, misrepresentation, or withholding of information by Authority: (i) neither Authority, nor anyone acting for or on behalf of Authority, has made any representation, statement, warranty or promise to the Master Developer concerning the development potential or condition of the Phase IIIA(1)-Development Site; (ii) in entering into this Agreement, the Master Developer has not relied on any representation, statement or warranty of Authority, or anyone acting for or on behalf of Authority, other than as may expressly be contained in writing in this Agreement; (iii) all matters concerning the Phase IIIA(1)-Development Site have been or shall be independently verified by the Master Developer and that the Master Developer shall purchase or lease the Phase IIIA(1)-Development Site based on the Master Developer's own prior examination thereof; and (iv) THAT THE MASTER DEVELOPER IS LEASING THE PHASE IIIA(1)-DEVELOPMENT SITE, AS APPLICABLE, IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR.

(b) General Release. Subject to Sections 10.12 above, the Master Developer and its owners, employees, agents, assigns and successors agree that upon the Phase IIIA-Second Closing, the Master Developer shall be deemed conclusively to have released and discharged Authority and its agents, employees, trustees, assigns and successors, from any and all damages, losses, demands, claims, debts, liabilities, obligations, causes of action and rights, whether known or unknown, by the Master Developer regarding conveyance of the Phase IIIA(1)-Development Site, including but not limited to the environmental condition of any the Phase IIIA(1)-Development Site.

(c) Waiver of Civil Code § 1542. The Master Developer agrees that, with respect to the General Release contained in Section 10.14(b) above, the General Release extends to all matters regarding conveyance of the Phase IIIA(1)-Development Site, whether or not claimed or suspected, to and including the date of execution hereof, and constitutes a waiver of each and all the provisions of the California Civil Code § 1542, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

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(2) a list of the Hazardous Materials Documents and any additional environmental reports disclosing known Hazardous Materials.

(b) Any deed for the Phase IIIA(1)-Development Site shall be subject to the environmental provisions set forth in this Agreement, as incorporated in the applicable DDA.

Section 10.14 As-Is Conveyance.

(a) Any deed or ground lease for the Phase IIIA(1)-Development Site shall be made "AS IS," with no warranties or representations by the Authority concerning the condition of the site or any improvements, but subject to the Hazardous Materials provisions of Section 10.12 above. The Master Developer hereby agrees and acknowledges that subject to the preceding sentence and except in the event of any fraud, misrepresentation, or withholding of information by Authority: (i) neither Authority, nor anyone acting for or on behalf of Authority, has made any representation, statement, warranty or promise to the Master Developer concerning the development potential or condition of the Phase IIIA(1)-Development Site; (ii) in entering into this Agreement, the Master Developer has not relied on any representation, statement or warranty of Authority, or anyone acting for or on behalf of Authority, other than as may expressly be contained in writing in this Agreement; (iii) all matters concerning the Phase IIIA(1)-Development Site have been or shall be independently verified by the Master Developer and that the Master Developer shall purchase or lease the Phase IIIA(1)-Development Site based on the Master Developer's own prior examination thereof; and (iv) THAT THE MASTER DEVELOPER IS LEASING THE PHASE IIIA(1)-DEVELOPMENT SITE, AS APPLICABLE, IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR.

(b) General Release. Subject to Sections 10.12 above, the Master Developer and its owners, employees, agents, assigns and successors agree that upon the Phase IIIA-Second Closing, the Master Developer shall be deemed conclusively to have released and discharged Authority and its agents, employees, trustees, assigns and successors, from any and all damages, losses, demands, claims, debts, liabilities, obligations, causes of action and rights, whether known or unknown, by the Master Developer regarding conveyance of the Phase IIIA(1)-Development Site, including but not limited to the environmental condition of any the Phase IIIA(1)-Development Site.

(c) Waiver of Civil Code § 1542. The Master Developer agrees that, with respect to the General Release contained in Section 10.14(b) above, the General Release extends to all matters regarding conveyance of the Phase IIIA(1)-Development Site, whether or not claimed or suspected, to and including the date of execution hereof, and constitutes a waiver of each and all the provisions of the California Civil Code § 1542, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

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(2) a list of the Hazardous Materials Documents and any additional environmental reports disclosing known Hazardous Materials.

(b) Any deed for the Phase IIIA(1)-Development Site shall be subject to the environmental provisions set forth in this Agreement, as incorporated in the applicable DDA.

Section 10.14 As-Is Conveyance.

(a) Any deed or ground lease for the Phase IIIA(1)-Development Site shall be made "AS IS," with no warranties or representations by the Authority concerning the condition of the site or any improvements, but subject to the Hazardous Materials provisions of Section 10.12 above. The Master Developer hereby agrees and acknowledges that subject to the preceding sentence and except in the event of any fraud, misrepresentation, or withholding of information by Authority: (i) neither Authority, nor anyone acting for or on behalf of Authority, has made any representation, statement, warranty or promise to the Master Developer concerning the development potential or condition of the Phase IIIA(1)-Development Site; (ii) in entering into this Agreement, the Master Developer has not relied on any representation, statement or warranty of Authority, or anyone acting for or on behalf of Authority, other than as may expressly be contained in writing in this Agreement; (iii) all matters concerning the Phase IIIA(1)-Development Site have been or shall be independently verified by the Master Developer and that the Master Developer shall purchase or lease the Phase IIIA(1)-Development Site based on the Master Developer's own prior examination thereof; and (iv) THAT THE MASTER DEVELOPER IS LEASING THE PHASE IIIA(1)-DEVELOPMENT SITE, AS APPLICABLE, IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR.

(b) General Release. Subject to Sections 10.12 above, the Master Developer and its owners, employees, agents, assigns and successors agree that upon the Phase IIIA-Second Closing, the Master Developer shall be deemed conclusively to have released and discharged Authority and its agents, employees, trustees, assigns and successors, from any and all damages, losses, demands, claims, debts, liabilities, obligations, causes of action and rights, whether known or unknown, by the Master Developer regarding conveyance of the Phase IIIA(1)-Development Site, including but not limited to the environmental condition of any the Phase IIIA(1)-Development Site.

(c) Waiver of Civil Code § 1542. The Master Developer agrees that, with respect to the General Release contained in Section 10.14(b) above, the General Release extends to all matters regarding conveyance of the Phase IIIA(1)-Development Site, whether or not claimed or suspected, to and including the date of execution hereof, and constitutes a waiver of each and all the provisions of the California Civil Code § 1542, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

JJG (initials) ____ (initials)

The Master Developer herein acknowledges that the effect and import of the provisions of Civil Code § 1542 have been explained to it by its own counsel. The Master Developer understands and acknowledges the significance and the consequence of such specific waiver of unknown claims and hereby assumes full responsibility for any injuries, damages, losses or liabilities that it may hereinafter incur from the waiver of these unknown claims.

Section 10.15 City and Other Governmental Authority Permits. Before the commencement of construction or development of any buildings, structures or other work of improvement upon the Phase IIIA(1)-Development Site, the Master Developer shall, at its own expense, secure or cause to be secured any and all permits or other authorizations which may be required by the City or any other governmental agency regulating such construction, development or work. The Authority shall provide all assistance deemed appropriate by the Authority to the Master Developer in securing these permits.

Section 10.16 Mitigation Monitoring and Reporting Program. The Master Developer shall comply with the Mitigation Monitoring and Reporting Program adopted by the Authority concurrently with its approval of the MDA as that program may be amended from time to time, and expressly incorporated with this Agreement by this reference.

ARTICLE 11.
OWNERSHIP, OPERATION AND DISPOSITION OF PHASE IIIA(1)-DEVELOPMENT

Section 11.1 Ownership. The Phase IIIA(1)-Development shall be owned by the Master Developer or its Affiliate and all net income therefrom shall be subject to the terms and provisions of the documents governing the operation of such Phase IIIA(1)-Development.

Section 11.2 Management of Developer. The managing general partner of Phase IIIA-Developer shall exercise day-to-day authority over the routine operations of the Phase IIIA-Developer. However, the partnership agreement will specify a list of decisions which require the consent of the other partners.

(a) Use. The Phase IIIA(1) Development shall be operated in accordance with the HUD Agreement.

(b) To the maximum extent permissible consistent with statutory and regulatory rights of public housing applicants and residents, the Master Developer will employ admission and occupancy standards, rent policies, lease provisions, and other management practices which represent best practices in the private sector, require responsibility, accountability and self-sufficiency efforts of residents to the maximum extent possible, and contribute to the success of the mixed-income community. The Authority shall have the right to review and approve all policies and lease documents (including, but not necessarily restricted to, the Master Developer's form of lease, management agreement, management plan, and any policies substantially relating to statutory or regulatory rights of public housing residents, such as admissions policies, continued occupancy policies, and grievance procedures).

(c) The Master Developer will draw applicants for the PHA-Replacement Units in a Mixed-Finance Rental Development first from the Existing Hunter View Residents, second from eligible Certificate of Preference Holders from the Agency's Certificate of Preference List, and then from a site-based waiting list, subject to applicable HUD requirements, and shall utilize screening and selection criteria approved by the Authority as set forth in the preceding subsection. The Master Developer acknowledges that Certificate of Preference Holders will also have a preference in the Mixed-Finance Rental Development since they were included in the Authority's approved Admissions and Continued Occupancy Policy.

(d) Property Management. The Master Developer's selection of a management agent, and the terms of any management agreement and management plan, will be subject to HUD's and the Authority's review and approval. Notwithstanding the foregoing (but still subject to the Authority's review of the management agreement), the initial management agent will be The John Stewart Company, the manager of the administrative general partner of the Master Developer.

(e) Property management fees will not exceed industry norms or HUD Safe Harbor Standards for comparable services involving subsidized properties in the San Francisco Bay Area market. The property manager will be subject to removal based upon strict performance-based standards, including high performance under the Public Housing Assessment System or any successor HUD system and, unless the property manager or an Affiliate is providing and performing under an operating deficit guarantee, meeting an annual cash-flow threshold established by the Phase IIIA-Developer and the Authority and approved by the development's lenders and the Tax Credit Investor.

Section 11.3 Purchase Option and Right of First Refusal. Following the close of the Tax Credit Compliance Period and subject to the approval of the Tax Credit Investor, the City (directly or through an affiliate) shall have an option (the "Purchase Option") to acquire the entire fee interest in the Phase IIIA(1)-Development, as further set forth in the Phase IIIA(1)-Ground Lease, for a purchase price equal to the greater of the (i) the sum of outstanding indebtedness and Tax Credit Investor's exit tax liability with a target level of such taxes established by the Authority that the Phase IIIA-Developer will make reasonable efforts not to exceed, or (ii) the fair market value of the Phase IIIA(1)-Development. Phase IIIA-Developer and the Authority shall make diligent efforts to structure the transaction with investors so as to minimize the exit tax liability. In addition, the City shall have a right of first refusal ("Right of First Refusal") with respect to transfer of the Phase IIIA(1)-Development to third parties, provided the Master Developer has received the minimum price permitted by the Internal Revenue Code without jeopardizing tax benefits promised to the Tax Credit Investor. The terms of the Purchase Option and Right of First Refusal shall be negotiated between the Parties prior and as a condition precedent to the Phase IIIA-Third Closing, and shall be set forth in a Purchase Option and Right of First Refusal Agreement (the "Purchase Option Agreement"), subject to the provisions of Section 3.3(b). The Purchase Option Agreement shall grant the City the right to exercise the Purchase Option and/or the Right of First Refusal, if the Authority elects not to exercise the Purchase Option and/or the Right of First Refusal, pursuant to the terms of the Purchase Option Agreement. If the City fails to exercise the Purchase Option and/or the Right of First Refusal, then the nonprofit managing general partner of the Phase IIIA-Developer shall

have the right to exercise the Purchase Option and/or the Right of First Refusal, pursuant to the terms of the Purchase Option Agreement.

ARTICLE 12.
PHASE IIIA(2)-DEVELOPMENT

Section 12.1 Phase IIIA(2)-Scope of Development. The Phase IIIA(2)-Development will consist of the construction of a park and open space , as shown on Lot A and Lot B on the Phase IIIA(2)-Development Site attached hereto as Exhibit B.

Section 12.2 Ownership Structure. The Authority will lease the Phase IIIA(2)-Development Site to the Master Developer. Subject to any legal obligations the Authority must fulfill as the current owner of the Phase IIIA(2)-Development Site, the Master Developer shall be responsible for obtaining, with assistance from the Authority, any necessary land use approvals for the development of the Phase IIIA(2)-Development Site, which approvals shall be obtained by the time set forth in the Phase IIIA(2)- Schedule of Performance. The Authority agrees to cooperate fully with the Master Developer's efforts to obtain such land use approvals for the Phase IIIA(2)-Development Site.

(a) Phase IIIA(2)-Ground Lease. By the time set forth in the Phase IIIA(2)-Schedule of Performance, the Authority shall enter into a ground lease to lease the Phase IIIA(2)-Development Site, and in which HUD has approved, prior to its execution the Master Developer, the terms and conditions of which shall be negotiated between the Parties (the "Phase IIIA(2)-Ground Lease"). It is the intent of the Parties that the Phase IIIA-Developer shall pay a lease payment capitalized at the fair market value of the unimproved value of the leasehold interest in the Phase IIIA(2)-Development Site determined at the time of conveyance, payable at One Dollar ($1.00) annually as the base rent and the Additional Land Payment, payable out of Surplus Cash Flow pursuant to Section 8.2(b)(2).

(b) The Phase IIIA(2)-Ground Lease will provide for, without limitation, subject to final negotiations with lenders, a term commencing on the date of Phase IIIA-Second Closing and expiring approximately five (5) years after recordation the Memorandum of Phase IIIA(2)- Ground Lease. Upon completion of the Infrastructure Improvements, the Infrastructure Improvements will be transferred in fee by the Master Developer to the HV Community Association. Concurrently with the transfer from the Master Developer, the Authority intends to transfer, subject to the satisfaction of the conditions in Section 2.4(b), the fee interest in the Phase IIIA(2)-Development Site by grant deed to the HV Community Association.

Section 12.3 Master Developer Designation. Subject to events of Force Majeure as defined in Section 21.1(c), the Master Developer will implement the Phase IIIA(2)-Development in accordance with the Phase IIIA(2)-Schedule of Performance. The Master Developer will develop the Phase IIIA(2)-Development in its own name and for its own account, and not as agent or contractor of the Authority. For the purposes of 2 CFR Part 200, the Parties do not deem the Master Developer to be performing a contract for property or services, or operating under a subgrant of federal funds, while developing the Phase IIIA(2)-Development.

Section 12.4 Authority Commitments. Upon the performance by the Master Developer of all its prior obligations with respect to the Phase IIIA(2)-Development, as set forth herein, and upon such HUD approvals as may be required, Authority shall have leased the Phase IIIA(2)-Development Site pursuant to Section 12.3 to the Master Developer through the Phase IIIA(2)-Ground Lease.

ARTICLE 13.
PHASE IIIA(2) – CONDITIONS PRECEDENT TO PERFORMANCE OF THE PHASE IIIA-SECOND CLOSING

(a) Mutual Conditions Precedent to the Phase IIIA Second Closing.The following are conditions precedent to the Phase IIIA-Second Closing:

(1) Phase IIIA(2)-Ground Lease. The Phase IIIA(2)-Ground Lease required by Section 12.3(a) shall have been executed by Authority and the Master Developer.

(b) The conditions set forth in Section 13.1(a) shall be satisfied by the Phase IIIA-Second Closing.

(c) Once final approval has been obtained from the City for the Infrastructure Improvements constructed on the Phase IIIA(2)-Development Site and the Infrastructure Improvements have been conveyed to HV Community Association, this Agreement and the Phase IIIA(2)-Ground Lease, in regards to the Phase IIIA(2)-Development, will terminate, except for any surviving indemnity provisions, and the Master Declaration of Restrictions will govern the Parties' obligations as to matters set forth in them. In the event of any conflict between the Phase IIIA(2)-Ground Lease and this Agreement, the provisions of the Phase IIIA(2)-Ground Lease will govern. No termination of this portion of this Agreement, in and of itself, shall release the other party from the obligations it has undertaken in the Phase IIIA(2)-Ground Lease nor increase the rights and remedies it may have under such documentation.

(d) Conditions Precedent to Authority Performance. The following is the condition precedent to Authority's obligation to enter into the Phase IIIA(2)-Ground Lease and close escrow at the Phase IIIA-Second Closing:

(1) No Defaults. The Phase IIIA-Developer or an Affiliate(s), as applicable, shall not be in default, and shall have completed all its predevelopment obligations required to be completed prior to Phase IIIA-Second Closing hereunder.

(2) The Title Company is prepared to issue to the Authority all title insurance required by Section 13.6(b) to be delivered to the Authority.

(3) HUD has approved the Phase IIIA(2)-Ground Lease. .

(e) Conditions Precedent to the Master Developer's Performance. The following are conditions precedent to the Master Developer's obligation to enter into the Phase IIIA(2)-Ground Lease at the Phase IIIA-Second Closing:

(1) Property Condition. There shall have been no material adverse change in the condition of the Phase IIIA(2)-Development Site, or discovery of a physical condition that would materially adversely interfere with the development of the Phase IIIA(2)-Development.

(2) Title Insurance. The Title Company is prepared to issue to the Master Developer all title insurance required by Section 13.6(a) to be delivered to the Master Developer.

(f) Phase IIIA-Second Closing. Authority's Obligation to Ground Lease. Provided that the conditions precedent in Sections 13.1 and 13.2 have been satisfied or expressly waived, the Authority and the Master Developer shall instruct the Title Company to complete the Phase IIIA-Second Closing as set forth below. The Parties hereby acknowledge and agree that Old Republic Title Company is an approved title company under this Section 13.4(a). At the Phase IIIA-Second Closing, the Authority shall deliver the Phase IIIA(2)-Development Site to the Master Developer under the Phase IIIA(2)-Ground Lease.

(g) Phase IIIA-Second Closing. The Phase IIIA-Second Closing related to the Phase IIIA(2)-Development shall be completed as follows:

(1) The Authority shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(2)-Ground Lease, a memorandum of the Phase IIIA(2)-Ground Lease in form and substance acceptable to HUD, Authority and the Master Developer ("Memorandum of Phase IIIA(2)-Ground Lease"). .

(2) The Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIA(2)-Ground Lease and the Memorandum of Phase IIIA(2)-Ground Lease, and the Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the agreements listed in Section 13.1(a).

(3) The Authority and the Master Developer shall instruct the Title Company to consummate the escrow and upon Phase IIIA-Second Closing, the Title Company shall record in the Official Records the Memorandum of Phase IIIA(2)-Ground Lease and any other documents required to be recorded under the terms of this Agreement.

(4) The Title Company shall issue title policies to the Master Developer, and the Authority, as required in Section 13.6 below.

(h) Conditions of Title. Permitted Title Exceptions. The Authority shall convey the Phase IIIA(2)-Development Site to the Master Developer under and subject to the provisions of the Phase IIIA(2)-Ground Lease and subject only to such title exceptions as the Parties may agree prior to Conveyance and such other matters as the Master Developer shall cause or suffer to arise ("Permitted Title Exceptions").

(i) Developer's Remedies for Uncured Title Defect.

(1) If on or before the Phase IIIA-Second Closing, a title defect not caused by the Master Developer, its agents or Affiliates and which would materially and adversely affect the Phase IIIA(2)-Development Site arises and which the Authority does not elect to cure, (which election shall be at Authority's sole discretion, excepted as provided below), the Master Developer may by written notice to the Authority either: (i) terminate this Agreement; or (ii) accept the Phase IIIA(2)-Development Site under the Phase IIIA(2)-Ground Lease.

(2) The Authority shall be obligated, at Authority's expense, to cure any title defect which is curable by the payment of money or the posting of a bond if such title defect arises after the date of this Agreement and on or before the Phase IIIA-Second Closing, and is caused solely by the Authority, its agents or employees.

(3) Notwithstanding the above, the Master Developer shall take all necessary action to remove any utility easements which would materially and adversely affect the Phase IIIA(2)-Development.

Section 13.2 Title Insurance to be Issued at Phase IIIA-Second Closing. The Title Company shall issue:

(a) To the Phase IIIA-Developer, an ALTA extended coverage title insurance policy with such coinsurance or reinsurance and direct access agreements as the Master Developer may request reasonably, in an amount designated by the Master Developer insuring that the leasehold estate in the Phase IIIA(2)-Development Site is vested in the Master Developer subject only to the Permitted Title Exceptions, and with the CLTA form endorsements and such other endorsements as may be requested reasonably by the Master Developer.

(b) To the Authority, a 2006 ALTA Owner's Policy of insurance in an amount designated by the Authority insuring the Authority's fee interest in the Phase IIIA(2)-Development Site, subject only to such exceptions and exclusions as may be reasonably acceptable to the Authority, and containing such endorsements as may be requested reasonably by the Authority.

ARTICLE 14.
PHASE IIIA(2)-FINANCING ARRANGEMENTS

Section 14.1 Phase IIIA(2)-Financing Plan and Financial Commitments. The Parties acknowledge that subject to financing commitments and other requirements, the Master Developer shall use diligent efforts to comply with the Phase IIIA(2)-Financing Plan. The Phase IIIA(2)-Financing Plan shall consist of the information set forth in subsection (a) below. The Approved Phase IIIA(2)-Development Budget shall provide the budget sources, and separately the budget uses for the Phase IIIA(2)-Component. The remaining information in subsections (a)(1)-(4) shall be submitted by the Master Developer to the Authority prior to the Phase IIIA-First Closing.

(a) Phase IIIA(2)-Component.

(1) the Approved Phase IIIA(2)-Component Budget;

(2) the sources and uses analysis for the period of the construction, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public bodies, if any;

(3) the sources and uses analysis from the date of the origination of the permanent loan, including an analysis of subsidized financing necessary from the Authority, if any, and/or other public entities, if any; and

(4) all underlying assumptions for each of the above, including terms, conditions, and pricing of all debt and equity.

(b) Approvals. The Master Developer shall also submit to the Authority for approval any revisions to the Financing Plan for the Phase IIIA(2)-Component. The Master Developer shall submit to the Authority for review any and all commitments for financing necessary to undertake the construction of the Phase IIIA(2)-Component and for permanent financing necessary for the Phase IIIA(2)-Development.

ARTICLE 15.
PHASE IIIA(2)-COMPONENT DESIGN

Section 15.1 Phase IIIA(2)-Design in Conformance with Scope of Development and Schematic Design. In designing and constructing the Phase IIIA(2)-Component, the Master Developer shall cause all subsequent design documents to be consistent with the Phase IIIA(2)-Scope of Development as it pertains to the Phase IIIA(2)-Component and the Phase IIIA(2)-Schematic Design approved by the Authority. The Phase IIIA-Scope of Development and the Phase IIIA(2)-Schematic Design shall establish the baseline design standards from which the Master Developer shall prepare all subsequent Phase IIIA(2)-Design Documents.

(a) The design of the Phase IIIA(2)-Component shall meet or exceed the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, and the Fair Housing Act and their implementing regulations, to the extent applicable to the Phase IIIA(2)-Component.

Section 15.2 Phase IIIA(2)-Design Documents. The Master Developer shall cause its Engineer to proceed diligently to prepare design development and construction documents for the proposed Phase IIIA(2)-Component, consistent with the Phase IIIA-Scope of Development and the Phase IIIA(2)-Schematic Design, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Phase IIIA(2)-Component. In connection with its submittal to the Authority (and the Authority's submittal to HUD) for approval, the Master Developer shall provide to the Authority such elevations, sections, plot plans, specifications, diagrams and other design documents ("Phase IIIA(2)-Design Documents") at each of the stages described in Section 15.3, as may reasonably be required by the Authority and HUD for review. The Phase IIIA(2)-Design

Documents shall incorporate any conditions imposed by the City's planning and entitlements process.

Section 15.3 Submittal and Review of Phase IIIA(2)-Design Documents. Within the times set forth in the Phase IIIA(2)-Schedule of Performance, the Master Developer shall submit to the Authority the Phase IIIA(2)-Design Documents in the following stages:

(a) Phase IIIA(2)-Design Drawings. The Phase IIIA(2)-Design Drawings shall be based on the Phase IIIA(2)-Schematic Design and the Phase IIIA-Scope of Development. The Phase IIIA(2)-Design Drawings shall indicate estimated structural dimensions, and delineation of site features and elevations, materials and colors, landscaping and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the entire Phase IIIA(2)-Component as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form.

(b) Phase IIIA(2)-Final Construction Drawings. Phase IIIA(2)-Final Construction Drawings are to be a continuation of approved Phase IIIA(2)-Design Drawings. The Phase IIIA(2)-Final Construction Drawings shall provide all the detailed information necessary to allow for the Master Developer to obtain the building or site permits to build the Phase IIIA(2)-Component including complete building, site, landscape, requirements, standards, and specifications. The Master Developer shall provide material samples upon the reasonable request of the Authority.

Section 15.4 Project Approvals. Within the times set forth in Phase IIIA(2)-Schedule of Performance, the Authority shall have the right to review and approve the Phase IIIA(2)-Design Documents. The purpose of the Authority's review of the Phase IIIA(2)-Design Documents is to ensure consistency with the Phase IIIA-Scope of Development and the provisions of this Agreement. Provided that the architectural submittals meet the requirements set forth in Section 6.3, the Authority shall be required to approve those Phase IIIA(2)-Design Documents which are logical progressions from concepts set forth in previously approved Phase IIIA(2)-Design Documents. For purposes of this Article 15, "approval" means approval of the Authority Executive Director or the Authority Executive Director's designee.

Section 15.5 New Material Concerns. If the Authority determines that there are material changes which are not logical progressions from previously approved Phase IIIA(2)-Design Documents or which raise material concerns that were not reviewable in previously approved Phase IIIA(2)-Design Documents, then in approving or disapproving such Phase IIIA(2)-Design Documents, the Authority shall act in its reasonable discretion.

Section 15.6 No Change in Phase IIIA(2)-Design Documents. Once the Authority has approved Phase IIIA(2)-Final Construction Drawings, the Master Developer shall not make any changes in those documents which would materially impact the matters set forth in Section 15.3 without the prior written approval of the Authority, which approval shall be granted in the Authority's reasonable discretion and within the time periods set out in Section 38.4.

Section 15.7 Submittal and Review of Phase III(A)(2) Construction Contract. Within the times set forth in the Phase IIIA(2)-Schedule of Performance, the Master Developer shall

submit to the Authority for its approval the proposed construction contract and other construction documents for the Phase IIIA(2)-Component.

Section 15.8 Additional Permits and Approvals. Within the times specified in the Phase IIIA(2)-Schedule of Performance, the Master Developer shall obtain all permits and approvals necessary to construct the Phase IIIA(2)-Component. All applications for such permits and approvals shall be consistent with the approved Phase IIIA(2)-Design Documents. The Master Developer shall not commence construction under any permit, excluding any necessary demolition work pursuant to a separate agreement regarding demolition, until the Authority has approved the Final Phase IIIA(2)-Construction Drawings. The Master Developer acknowledges that execution of this Agreement by the Authority does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, allocation and approval process.

Section 15.9 Authority Review. The Master Developer shall be solely responsible for all aspects of the Master Developer's conduct in connection with the Phase IIIA(2)-Component, including, but not limited to, the quality and suitability of the Phase IIIA(2)-Design Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Authority with reference to the Phase IIIA(2)-Component is solely for the purpose of determining whether the Master Developer is properly discharging its obligations to the Authority, and should not be relied upon by the Master Developer or by any third parties as a warranty or representation by the Authority as to the quality of the design or construction of the Phase IIIA-Development, or the Phase IIIA(2)-Component.

ARTICLE 16.
PHASE IIIA(2)-COMPONENT CONSTRUCTION

Section 16.1 Commencement of Phase IIIA(2)-Component Construction. Subject to events of Force Majeure as defined in Section 21.1(c), the Master Developer shall commence or cause to be commenced construction of the Phase IIIA(2)-Component after the Phase IIIA-Second Closing in accordance with the Phase IIIA(2)-Schedule of Performance, which shall be known as the Phase IIIA(2)-Component.

Section 16.2 Completion of Phase IIIA(2)-Component Construction. The Master Developer shall diligently prosecute or cause to be prosecuted to completion the construction of the Phase IIIA(2)-Component, and shall complete or cause to be completed the construction of the Phase IIIA(2)-Component no later than the time specified in the Phase IIIA(2)-Schedule of Performance, subject to events of Force Majeure as defined in Section 21.1(c).

(a) Phase IIIA(2)-Component Construction Pursuant to Plans. The Master Developer shall construct or cause to be constructed the Phase IIIA(2)-Component substantially in accordance with the Final Phase IIIA(2)-Construction Drawings and the terms and conditions of all City and other governmental approvals.

(b) The Master Developer shall submit or cause to be submitted for Authority approval any proposed change in the Final Phase IIIA(2)-Construction Drawings which materially changes the size, location or elevation of the Phase IIIA(2)-Component or which would require an amendment to any approval or permits obtained from the City or other governmental agencies.

(c) No change which is required for compliance with building codes or other laws, codes or regulation shall be deemed material. However, the Master Developer must submit or cause to be submitted to the Authority, in writing, any change that is required for such compliance within ten (10) business days after making such change, and such change shall become a part of the approved Final Phase IIIA(2)-Construction Drawings, binding on the Master Developer.

Section 16.3 Phase IIIA(2)-Component Construction Bonds. The Master Developer shall require its contractor to procure and deliver to the Authority copies of labor and material (payment) bonds and performance bonds, or a dual bond which covers both payment and performance obligations, in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction of the Phase IIIA(2)-Component, and one hundred percent (100%) payment bond. Said bonds shall be issued by a surety that is authorized to issue bonds in the State of California and is named in the current list of "Surety Companies acceptable on Federal Bonds" as published in Circular 570 by the U.S. Treasury Department, Financial Management Service, and that the amount of the bond is within the limit set by the Treasury Department as the net limit on any single risk. The labor and materials (payment) bond shall name the Authority as a co-obligee or assignee.

Section 16.4 Compliance with Applicable Law. The Master Developer shall cause all work performed in connection with the Phase IIIA(2)-Component to be performed in compliance with (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter, (including, without limitation, the federal Davis-Bacon Act and state prevailing wages) and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Master Developer shall be responsible to the Authority for the procurement and maintenance thereof, as may be required of the Master Developer and all entities engaged in work on the Phase IIIA(2)-Component.

Section 16.5 Non-Discrimination During Construction; Equal Opportunity. The Master Developer, for itself and its successors and assigns, and transferees agrees that in the construction of the Phase IIIA(2)-Component provided for in this Agreement:

(a) It will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition, age, marital status, gender identity status, sex, sexual orientation, HIV status or Acquired Immune Deficiency Syndrome (AIDS) condition or perceived condition, or retaliation for having filed a discrimination complaint (nondiscrimination factors). The Master Developer will take affirmative action to ensure that applicants are considered for employment by the Master

Developer without regard to the nondiscrimination factors, and that the Master Developer's employees are treated without regard to the nondiscrimination factors during employment including, but not limited to, activities of: upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Master Developer agrees to post in conspicuous places, available to its employees and applicants for employment, the applicable nondiscrimination clause set forth herein;

(b) It will ensure that its solicitations or advertisements for employment are in compliance with the aforementioned nondiscrimination factors; and

(c) It will cause the foregoing provisions to be inserted in all contracts for the construction of the Phase IIIA(2)-Component entered into after the date of this Agreement; provided, however, that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Section 16.6 Equal Opportunity/Non-Discrimination in Employment and Contracting Procedures, Including Utilization of Minority and Women Businesses. The Master Developer and the Authority acknowledge and agree that it is the policy of the Authority to promote and ensure equal opportunity through employment and in the award of contracts and subcontracts for construction. During the period of this Agreement, the Master Developer shall not discriminate on the basis of race, color, creed, religion, national origin, ancestry, disability, medical condition, age, marital status, gender identity status, sex, sexual orientation, HIV status or Acquired Immune Deficiency Syndrome (AIDS) condition or perceived condition, in the hiring, firing, promoting or demoting of any person. Subject to the foregoing, the Master Developer shall employ or select employees, contractors and subcontractors in accordance with the MOU.

(a) During the construction of the Phase IIIA(2)-Component, the Master Developer shall provide to the Authority such information and documentation as reasonably requested by the Authority.

(b) The Master Developer shall use reasonable efforts to monitor and enforce, or shall cause its general contractor to monitor and enforce, the equal opportunity requirements imposed by this Agreement. In the event, after notice from the Authority and an opportunity to cure such failure as set forth in Article 21 of this Agreement, the Master Developer fails to use reasonable efforts to monitor or enforce these requirements, the Authority may declare the Master Developer in default of this Agreement and pursue any of the remedies available under this Agreement.

(c) As requested, the Authority shall provide such technical assistance necessary to implement this Section 16.7.

Section 16.7 Prevailing Wages. In the construction of the Phase IIIA(2)-Component, for all on-site and adjacent construction activities, the Master Developer shall pay and assure that all contractors and subcontractors pay the general prevailing rate of per diem wages, as determined by the U.S. Labor Department pursuant to the federal Davis-Bacon Act and implementing rules and regulations, and the prevailing wage provisions of Sections 1720 et seq.

of the California Labor Code and implementing rules and regulations. The Master Developer shall comply with all applicable reporting and recordkeeping requirements.

Section 16.8 Progress Reports. Until the notice of completion is filed, the Master Developer shall provide the Authority with periodic progress reports, as reasonably requested in writing by the Authority, regarding the status of the construction of the Phase IIIA(2)-Component.

Section 16.9 Entry by the Authority.The Master Developer shall permit the Authority, through its officers, agents, or employees, to enter the Phase IIIA(2)-Development Site with advance written notice, at all reasonable times and in a safe, unobtrusive manner to review the work of construction to determine that such work is in conformity with the approved Final Phase IIIA(2)-Construction Drawings or to inspect the Phase IIIA(2)-Component for compliance with this Agreement. The Authority is under no obligation to: (a) supervise construction; (b) inspect the Phase IIIA(2)-Component; or (c) inform the Master Developer of information obtained by the ;Authority during any review or inspection, and the Master Developer shall not rely upon the Authority for any supervision, inspection, or information. However, the Master Developer shall work with the Authority to remedy any adverse conditions raised in the Authority's construction inspections.

Section 16.10 Taxes. The Master Developer, with such reasonable assistance and cooperation from the Authority as may be necessary, shall be responsible for obtaining a property tax exemption for the Phase IIIA(2)-Development. In the event that a property tax exemption is not available for reasons beyond the control of the Master Developer or the Authority, the Master Developer and the Authority shall provide for payment of property taxes in the Phase IIIA(2)-Ground Lease.

(a) Hazardous Materials. Disclosure. In fulfillment of the requirements of Health and Safety Code Section 25359.7(a), the Authority has provided the Master Developer with copies of the Hazardous Materials Documents listed in the attached Exhibit Q (the "Hazardous Materials Documents"). To the best of the Authority's knowledge, the Hazardous Material Documents depict the condition of the Property with respect to the matters covered in such documents as of the date of such documents and as of the date of this Agreement.

(b) Certain Covenants and Agreements. The Master Developer hereby covenants and agrees that:

(1) The Master Developer shall not knowingly permit the Phase IIIA(2)-Development Site or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence of Hazardous Materials in, on or under the Phase IIIA(2)-Development Site in violation of any applicable law;

(2) The Master Developer shall keep and maintain the Phase IIIA(2)-Development Site and each portion thereof in compliance with, and shall not cause or permit the Phase IIIA(2)-Development Site or any portion thereof to be in violation of, any Environmental Law;

(3) Upon receiving actual knowledge of the same the Master Developer shall immediately advise the Authority in writing of:

(i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Master Developer or the Phase IIIA(2)-Development pursuant to any applicable Environmental Laws;

(ii) any and all claims made or threatened by any third party against the Master Developer or the Phase IIIA(2)-Development relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (i) and this clause (ii) are hereinafter referred to as "Hazardous Materials Claims");

(iii) the presence of any Hazardous Materials in, on or under the Development Site in such quantities which require reporting to a government agency; or

(iv) the Master Developer's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Phase IIIA(2)-Development Site classified as "border zone property" under the provisions of California Health and Safety Code, Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Phase IIIA(2)-Development Site under any Environmental Laws.

If the Authority reasonably determines that the Master Developer is not adequately responding to a Hazardous Material Claim or any condition in Section 13.12(b)(3)(iii) or (iv), the Authority shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any such Hazardous Materials Claims and to have its reasonable attorney's fees paid by the Master Developer.

(4) Without the Authority's prior written consent, which shall not be unreasonably withheld or delayed, the Master Developer shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Phase IIIA(2)-Development Site (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

(c) No Limitation. Except as otherwise provided herein, the Master Developer hereby acknowledges and agrees that the Master Developer's duties, obligations and liabilities under this Agreement are in no way limited or otherwise affected by any information the Authority may have concerning the development and/or the presence on the Phase IIIA(2)-Development Site of any Hazardous Materials, whether the Authority obtained such information from the Master Developer or from its own investigations.

(d) Master Developer Indemnity. The Master Developer hereby agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the Authority) the Authority, its board members, officers, agents, successors, assigns and employees (the "Indemnitees") from and against any and all claims, losses, damages, liabilities, fines,

penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, reasonable attorney's fees and expenses), arising directly or indirectly, in whole or in part, out of:

(1) the failure of the Master Developer or any other person or entity on or after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any person under the control of the Master Developer to the extent resulting in material harm to an Indemnitee), to comply with any Environmental Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the Phase IIIA(2)-Development Site;

(2) any release or discharge of any Hazardous Materials into, on, under or from the Phase IIIA(2)-Development Site, arising on or after Phase IIIA-Second Closing , or the presence in, on, or under the Phase IIIA(2)-Development Site of any Hazardous Materials that occurs on the Phase IIIA(2)-Development Site after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any person under the control of the Master Developer to the extent resulting in material harm to an Indemnitee); or

(3) any activity or omission of activity carried on or undertaken on or off the Phase IIIA(2)-Development Site, on or after Phase IIIA-Second Closing (or prior to Phase IIIA-Second Closing if due to the negligence or willful misconduct of the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer to the extent resulting in material harm to an Indemnitee), and whether by the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer or any successor in title that is related to the Master Developer occupying or present on the Phase IIIA(2)-Development Site, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials located or present on or under the Phase IIIA(2)-Development Site. The Master Developer's indemnity obligations as they pertain to activities occurring off the Property shall only extend to activities performed by or arising from activities performed by the Master Developer or any Affiliates, employees, agents, contractors or subcontractors of the Master Developer.

The foregoing indemnity shall further apply to any residual contamination on or under the Phase IIIA(2)-Development Site, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Environmental Law. The provisions of this subsection shall survive expiration of the Term or other termination of this Agreement, and shall remain in full force and effect. This indemnity obligation shall not extend to any claim arising solely from the Authority's negligence or willful misconduct.

(e) Environmental Provisions in Ground Lease. Any Phase IIIA(2)-Ground Lease for the Phase IIIA(2)-Development Site shall contain:

(1) the provisions of Sections 16.12, 16.14 and 16.16; and

(2) a list of the Hazardous Materials Documents and any additional environmental reports disclosing known Hazardous Materials.

Any deed for the Phase IIIA(2)-Development Site shall be subject to the environmental provisions set forth in this Agreement, as incorporated in the applicable DDA.

Section 16.11 As-Is Conveyance.

(a) Any deed or ground lease for the Phase IIIA(2)-Development Site shall be made "AS IS," with no warranties or representations by the Authority concerning the condition of the site or any improvements, but subject to the Hazardous Materials provisions of Section 16.12 above. The Master Developer hereby agrees and acknowledges that subject to the preceding sentence and except in the event of any fraud, misrepresentation, or withholding of information by Authority: (i) neither Authority, nor anyone acting for or on behalf of Authority, has made any representation, statement, warranty or promise to the Master Developer concerning the development potential or condition of the Phase IIIA(2)-Development Site; (ii) in entering into this Agreement, the Master Developer has not relied on any representation, statement or warranty of Authority, or anyone acting for or on behalf of Authority, other than as may expressly be contained in writing in this Agreement; (iii) all matters concerning the Phase IIIA(2)-Development Site have been or shall be independently verified by the Master Developer and that the Master Developer shall purchase or lease the Phase IIIA(2)-Development Site based on the Master Developer's own prior examination thereof; and (iv) THAT THE MASTER DEVELOPER IS LEASING THE PHASE IIIA(2)-DEVELOPMENT SITE, AS APPLICABLE, IN AN "AS IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR.

(b) General Release. Subject to Sections 16.12 above, the Master Developer and its owners, employees, agents, assigns and successors agree that upon the Phase IIIA-Second Closing, the Master Developer shall be deemed conclusively to have released and discharged Authority and its agents, employees, trustees, assigns and successors, from any and all damages, losses, demands, claims, debts, liabilities, obligations, causes of action and rights, whether known or unknown, by the Master Developer regarding conveyance of the Phase IIIA(2)-Development Site, including but not limited to the environmental condition of any the Phase IIIA(2)-Development Site.

(c) Waiver of Civil Code § 1542. The Master Developer agrees that, with respect to the General Release contained in Section 16.14(b) above, the General Release extends to all matters regarding conveyance of the Phase IIIA(2)-Development Site, whether or not claimed or suspected, to and including the date of execution hereof, and constitutes a waiver of each and all the provisions of the California Civil Code § 1542, which reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

RC (initials) ____ (initials)

The Master Developer herein acknowledges that the effect and import of the provisions of Civil Code § 1542 have been explained to it by its own counsel. The Master Developer understands and acknowledges the significance and the consequence of such specific waiver of unknown claims and hereby assumes full responsibility for any injuries, damages, losses or liabilities that it may hereinafter incur from the waiver of these unknown claims.

Section 16.12 City and Other Governmental Authority Permits. Before the commencement of construction or development of any buildings, structures or other work of improvement upon the Phase IIIA(2)-Development Site, the Master Developer shall, at its own expense, secure or cause to be secured any and all permits or other authorizations which may be required by the City or any other governmental agency regulating such construction, development or work. The Authority shall provide all assistance deemed appropriate by the Authority to the Master Developer in securing these permits.

Section 16.13 Mitigation Monitoring and Reporting Program. The Master Developer shall comply with the Mitigation Monitoring and Reporting Program adopted by the Authority concurrently with its approval of the MDA as that program may be amended from time to time, and expressly incorporated with this Agreement by this reference.

ARTICLE 17.
PHASE IIIA – OBLIGATIONS WHICH CONTINUE THROUGH AND BEYOND THE COMPLETION OF CONSTRUCTION

Section 17.1 Maintenance. The Master Developer hereby agrees that, upon Phase IIIA-Third Closing, and prior to completion of the construction of Phase IIIA-Development, the Phase IIIA-Development Site shall be maintained in a neat and orderly condition to the extent practicable and in accordance with industry health and safety standards.

Section 17.2 Non-Discrimination. The Master Developer covenants by and for itself and its successors and assigns acting as the Master Developer that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Phase IIIA-Development Site or of the Phase IIIA-Development by the Master Developer, nor shall the Master Developer or any person claiming under or through the Master Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessee or vendees of the Phase IIIA-Development Site or of the Phase IIIA-Development.

Section 17.3 Mandatory Language in All Subsequent Deeds, Leases and Contracts. All deeds, leases or contracts entered into by the Master Developer on or after the date of execution of this Agreement as to any portion of the Phase IIIA-Development Site shall contain the following language:

CL (initials) ____ (initials)

The Master Developer herein acknowledges that the effect and import of the provisions of Civil Code § 1542 have been explained to it by its own counsel. The Master Developer understands and acknowledges the significance and the consequence of such specific waiver of unknown claims and hereby assumes full responsibility for any injuries, damages, losses or liabilities that it may hereinafter incur from the waiver of these unknown claims.

Section 16.12 City and Other Governmental Authority Permits. Before the commencement of construction or development of any buildings, structures or other work of improvement upon the Phase IIIA(2)-Development Site, the Master Developer shall, at its own expense, secure or cause to be secured any and all permits or other authorizations which may be required by the City or any other governmental agency regulating such construction, development or work. The Authority shall provide all assistance deemed appropriate by the Authority to the Master Developer in securing these permits.

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Section 17.2 Non-Discrimination. The Master Developer covenants by and for itself and its successors and assigns acting as the Master Developer that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Phase IIIA-Development Site or of the Phase IIIA-Development by the Master Developer, nor shall the Master Developer or any person claiming under or through the Master Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessee or vendees of the Phase IIIA-Development Site or of the Phase IIIA-Development.

Section 17.3 Mandatory Language in All Subsequent Deeds, Leases and Contracts. All deeds, leases or contracts entered into by the Master Developer on or after the date of execution of this Agreement as to any portion of the Phase IIIA-Development Site shall contain the following language:

JDG (initials) ____ (initials)

The Master Developer herein acknowledges that the effect and import of the provisions of Civil Code § 1542 have been explained to it by its own counsel. The Master Developer understands and acknowledges the significance and the consequence of such specific waiver of unknown claims and hereby assumes full responsibility for any injuries, damages, losses or liabilities that it may hereinafter incur from the waiver of these unknown claims.

Section 16.12 City and Other Governmental Authority Permits. Before the commencement of construction or development of any buildings, structures or other work of improvement upon the Phase IIIA(2)-Development Site, the Master Developer shall, at its own expense, secure or cause to be secured any and all permits or other authorizations which may be required by the City or any other governmental agency regulating such construction, development or work. The Authority shall provide all assistance deemed appropriate by the Authority to the Master Developer in securing these permits.

Section 16.13 Mitigation Monitoring and Reporting Program. The Master Developer shall comply with the Mitigation Monitoring and Reporting Program adopted by the Authority concurrently with its approval of the MDA as that program may be amended from time to time, and expressly incorporated with this Agreement by this reference.

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Section 17.1 Maintenance. The Master Developer hereby agrees that, upon Phase IIIA-Third Closing, and prior to completion of the construction of Phase IIIA-Development, the Phase IIIA-Development Site shall be maintained in a neat and orderly condition to the extent practicable and in accordance with industry health and safety standards.

Section 17.2 Non-Discrimination. The Master Developer covenants by and for itself and its successors and assigns acting as the Master Developer that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Phase IIIA-Development Site or of the Phase IIIA-Development by the Master Developer, nor shall the Master Developer or any person claiming under or through the Master Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessee or vendees of the Phase IIIA-Development Site or of the Phase IIIA-Development.

Section 17.3 Mandatory Language in All Subsequent Deeds, Leases and Contracts. All deeds, leases or contracts entered into by the Master Developer on or after the date of execution of this Agreement as to any portion of the Phase IIIA-Development Site shall contain the following language:

(a) In Deeds.(1) "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code , as those bases are defined in Sections 12926 , 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code , in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51, Section 4760, and Section 6714 of the Civil Code, and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

(b) In Leases: (1) "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code , as those bases are defined in Sections 12926 , 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code , in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51, Section 4760, and Section 6714 of the Civil Code, and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

(c) In Contracts: In contracts entered into by the Master Developer relating to the sale, transfer, or leasing of land or any interest therein acquired by the Master Developer within the Phase IIIA Development Site the foregoing provisions in substantially the forms set forth shall be included and the contracts shall further provide that the foregoing provisions shall

be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties, or other transferees under the instrument.

Section 17.4 Employment Opportunity. During the operation of the Phase IIIA-Development, there shall be no discrimination by the Master Developer on the basis of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry, or handicap in the hiring, firing, promoting, or demoting of any person engaged in the operation of the Phase IIIA-Development.

Section 17.5 Selection of Professionals, Contractors and Consultants.

(a) General. In no event shall Master Developer contract with any party which has been debarred or suspended by HUD under 2 CFR Part 200. All contracts entered into by the Master Developer with third parties shall contain all standard provisions required by HUD and shall otherwise be consistent with the requirements of this Agreement.

(b) Prohibited Arrangement. The Authority and Master Developer hereby represent and warrant that: (i) if there is an identity of interest between the Master Developer and the General Contractor, the Authority has demonstrated to HUD's satisfaction that the General Contractor was the lowest bidder in response to solicitation; or (ii) HUD has provided a written waiver of the certification requirement of 24 CFR § 941.606(n)(1)(ii)(B).

(c) MBE and WBE Participation. To achieve greater participation of minority business enterprises ("MBEs") and women's business enterprises ("WBEs") in contracts administered directly or indirectly by the Authority pursuant to Executive Orders 11625 and 12138, the Master Developer agrees to use its good faith and best efforts to:

(1) place qualified MBEs and WBEs and small business concerns on solicitation lists;

(2) divide the development services into smaller tasks or quantities to permit maximum participation by MBEs and WBEs and small business concerns;

(3) use the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, any local minority assistance organizations and various state and local government small business agencies;

(4) comply with such additional requirements relating to MBEs, WBEs, and Section 3 as set forth in the hiring and training plans developed by the Master Developer, and approved by the Authority.

(d) MBE/WBE Report. Each quarter, Master Developer shall, and shall cause each subcontractor to prepare and submit to the Master Developer the Section 3, MBE and WBE Report in the form prescribed by the Master Developer.

(e) Section 3. Master Developer shall, and to the extent practicable shall require its subcontractors to, ensure that employment opportunities shall be directed to (1) low-income housing residents of Hunters View, then (2) the Authority's other Section 8 and public housing residents, then (iii) low income residents of the City.

(f) MOU. The Master Developer shall comply with applicable provisions of the MOU. To the extent that requirements of the MOU are consistent with federal requirements described in this Section 17.5, the Master Developer's compliance with the MOU, shall be deemed in compliance with the federal provisions of this Section 17.5. The terms of the MOU attached hereto as Exhibit S are incorporated herein by this reference. The Master Developer shall comply with any federal requirements provided herein, which are not set forth in the MOU.

ARTICLE 18.
PHASE IIIA – INSURANCE

Section 18.1 Insurance Requirements. The Master Developer shall maintain and keep in force insurance for the Phase IIIA-Development, of the following types, if applicable:

(a) Workers' Compensation insurance to the extent required by law, including Employer's Liability coverage, with limits not less than One Million Dollars ($1,000,000) each accident.

(b) "All Risk" insurance against loss or damage by fire, flood and such other risks and matters, including without limitation, business interruption, rental loss, public liability, and boiler damage and liability. The amount of such insurance will not be less than one hundred percent (100%) of the full replacement value of the Development, including the cost of debris removal, without deduction for depreciation.

(c) Commercial General Liability insurance with limits not less than Five Million Dollars ($5,000,000) each occurrence combined single limit for Bodily Injury and Property Damage, including coverages for Contractual Liability, Personal Injury, Broadform Property Damage, Products and Completed Operations.

(d) Commercial Automobile Liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence combined single limit for Bodily Injury and Property Damage, including coverages for owned, non-owned and hired vehicles, as applicable; provided, however, that if the Master Developer does not own or lease vehicles for purposes of this Agreement, then no automobile insurance shall be required.

(e) The insurance coverages set forth in Part B, Attachment VII of the ACC. All such insurance shall provide that the Authority be given thirty (30) days prior written notice of any renewal, termination, cancellation, or other changes to such policies.

(f) The Master Developer shall cause architects working on the Phase IIIA-Development under direct contract with the Master Developer to maintain insurance of the types and in at least the minimum amounts described in subsections (a), (b), (c) and (d) above, except

that the limit of liability for design professional liability insurance for architects shall be Two Million Dollars ($2,000,000).

(g) The required insurance shall be provided under an occurrence form, and the Master Developer shall maintain such insurance until Phase IIIA-Construction Completion. Should any of the required insurance be provided under a form of coverage that includes an annual aggregate limit that does not apply separately to this Phase IIIA-Development or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be twice the occurrence limits specified above.

(h) Commercial General Liability, Commercial Automobile Liability and Property insurance policies shall be endorsed to name as an additional insured the Authority and its officers, agents, employees and members of the Authority Commission.

(i) All policies and bonds shall be endorsed to provide thirty (30) days prior written notice of cancellation, reduction in coverage, or intent not to renew to the address established for notices to the Authority.

Each policy shall name the Authority, its officers and employees as an additional insureds and, in instances where the Authority is acting as a lender, as a loss payee. Each such policy shall be underwritten and issued by companies authorized to do business in California, with Best's Rating of at least A:VII or better. The Master Developer shall provide the Authority with certificates of insurance evidencing the limits and coverages required by this Article 18.

ARTICLE 19.
PHASE IIIA – GENERAL DUTIES OF PARTIES

Section 19.1 Master Developer's Obligations. In addition to any obliations stated elsewhere in this Agreement, the Master Developer shall have the following duties and responsibilities:

(a) Affiliates. All obligations of the Master Developer stated herein shall include, without explicit mention, its obligation to cause any Affiliate to meet the same obligations with respect to matters in which the Affiliate is involved.

(b) Requirements. The Master Developer shall diligently and in good faith seek to develop the Phase IIIA-Development in accordance with the requirements of this Agreement and all Applicable Requirements.

(c) Phase IIIA-Development Schedule. The Master Developer shall use its best efforts accomplish all tasks shown on the Phase IIIA-Schedule of Performance by the date shown on the Phase IIIA-Schedule of Performance.

(d) Financing. The Master Developer shall use best efforts to obtain binding commitments for all construction and permanent financing, including any public funding, needed for the Phase IIIA-Development, and shall prepare or negotiate appropriate documentation to

close such financing or obtain such funding. All financing placed on the Phase IIIA-Development Site shall be subject to the review and approval of the Authority.

(e) Employees, Agents and Contractors. Except as otherwise stated herein and upon consultation and coordination with the Authority, the Master Developer shall be solely responsible for the selection, hiring, contracting with, directing, and discharging of all employees, agents and contractors whom or which the Master Developer utilizes in accomplishing its duties hereunder. The Master Developer shall use reasonable care and due diligence to select qualified, competent and trustworthy entities and individuals for such purposes. Notwithstanding the foregoing, the Authority shall have the right to require the Master Developer to terminate or reassign any employee, agent or contractor upon evidence of a conflict of interest causing the Authority to violate its obligations under Applicable Requirements.

(f) Approvals. The Master Developer shall, on an ongoing and timely basis, advise the Authority as to the status of the processing of all applications necessary to obtain all governmental approvals required in accordance with this Agreement and all applicable federal, State and local laws, rules and regulations, subject to Section 30.4 hereof. The Master Developer shall advise the Authority of any hearings regarding matters described in this Agreement with sufficient advance notice to enable the Authority to elect to attend such hearings.

(g) Applications. The Master Developer shall keep the Authority fully informed, and consult with the Authority concerning the development of all applications for government assistance and public or private financing. The Master Developer will provide the Authority with a reasonable number of copies of all formal submissions.

(h) Cooperation and Skill. The Master Developer recognizes the relationship of trust and confidence established between it and the Authority by this Agreement and agrees to: (i) keep itself and the Authority fully informed as to the progress of the Development; (ii) consult and cooperate fully with the Authority (and for this purpose the Authority shall include the Authority's representatives) in furthering the interest of the Authority in the Development as set forth in the Project Plan; (iii) furnish its best skill and judgment in the accomplishment of the Phase IIIA-Development; and (iv) furnish sound business administration and superintendence.

(i) Indemnification. Except as otherwise provided in Sections 7.12(d), 7.14, and 16.12(d) of this Agreement relating to Hazardous Materials, the Master Developer shall indemnify, defend and hold harmless the Authority and its commissioners, council members, board members, directors, officers, employees and agents (the "Indemnified Parties") from and against any and all losses, costs, damages, claims, causes of action, demands, suits, liabilities, obligations, judgments and expenses (including any reasonable attorney's fees and other costs of litigation) arising out of or relating to any injury, disease or death of persons or damage to or loss of property resulting from or in connection with any breach by the Master Developer, its Affiliates, or its or their respective agents or employees of any provision of this Agreement, or arising out of any performance of activities under this Agreement by the Master Developer, its Affiliates, or its or their respective agents or employees, except to the extent such claims arise from the gross negligence or willful misconduct of the Indemnified Parties. The Master

Developer's liability shall not be limited by any provisions or limits of insurance set forth in this Agreement. This indemnification shall survive the expiration or termination of this Agreement.

(j) Additional Responsibilities. Except at the election of the Authority, the Master Developer, in consultation with the Authority, shall prepare for execution by the Authority all required applications, evidentiaries, reports to HUD or any and all other agencies that may be required to obtain permits, approvals and the like.

Section 19.2 Authority Obligations. In addition to any obligations stated elsewhere in this Agreement, the Authority shall have the following duties and responsibilities.

(a) Approvals. The Authority shall review on an expeditious basis any matter submitted and advise the Master Developer of approval or of why approval is being withheld. The Authority's approval, where called for in this Agreement, shall in all instances be evidenced by a writing explicitly granting such approval and signed by the Executive Director, or his written designee.

(b) Access to Site. So long as it retains title to or control of any portion of the Property, the Authority shall provide the Master Developer reasonable access to such portion of the Property.

(c) Execution of Documents. The Authority shall maintain sole authority for the execution of documents as the grantee under applicable grant agreements with HUD or applicable law or regulation. Whenever statute or regulation or the successful implementation of the Agreement requires the Authority to take actions or execute documents consistent with the Authority's powers and obligations under this Agreement, the Authority will do so promptly, provided that any documents prepared for the Authority's execution shall be in form and substance acceptable to the Authority in its sole discretion.

(d) HUD Approvals. The Authority will endeavor, with the Master Developer's assistance, to secure the approval of HUD for any activities contemplated herein over which HUD has authority.

(e) Mutual Obligations. External Communications. The Parties agree to cooperate and consult with each other regarding any public statements or publications made regarding the Revitalization. The Authority, as grant recipient, shall have the final decision with regard to communications with local elected officials, former and prospective tenants, and with HUD relating to the HUD Funds. The Parties agree that the foregoing sentences shall not prevent the Master Developer from continuing to meet with the Existing Hunters View Residents regarding the Development.

(f) Information. The Authority and the Master Developer shall provide each other all necessary information relating to the Project Plan, as expeditiously as possible for the orderly progress of the Revitalization. In addition, the Authority and the Master Developer shall coordinate regarding all relevant communications with HUD, and each shall provide the other with copies of all relevant correspondence, directives, and other written material either to or from HUD with respect to this Revitalization. The Authority and the Master Developer will meet as

frequently as may be necessary, but no less often than monthly, for regular briefings and progress reports.

ARTICLE 20.
PHASE IIIA– TERMINATION WITHOUT FAULT

Section 20.1 Phase IIIA-Development Contingencies. The Parties agree that the following matters are conditions precedent to the Authority's and the Master Developer's ability to proceed with the Phase IIIA-Development and to fulfill the terms and conditions of this Agreement. The Parties' ability to perform responsibilities hereunder is substantially contingent upon actions by third parties over which the Master Developer and Authority have limited control, or upon factual circumstances which cannot be fully determined as of the date of this Agreement ("Development Contingencies"). Such Development Contingencies are as follows:

(a) Initial Development Contingencies. The following initial Development Contingencies must be met as to the Phase IIIA-Development at the time set forth in the Phase IIIA(1)-Schedule of Performance, the Phase IIIA(2)-Schedule of Performance or the Phase IIIA(3)-Schedule of Performance, as applicable:

(1) The award of tax credits or tax-exempt bond financing allocations in commercially reasonable and feasible amounts;

(2) The commitment of all projected assistance or reasonable substitutions therefor, including grants, loans and land transfers from other governmental bodies; and

(3) The receipt of all other necessary government approvals and permits which are required in order to obtain a tax credit allocation.

(b) Development Contingencies after Tax Credit Award. In addition, the following Development Contingencies must be met no later than the date by which construction must begin on the Phase IIIA(1)-Development in order to reasonably meet tax credit requirements after receipt of an award of tax credits:

(1) The commitment of an equity investment at projected or other commercially reasonable rates;

(2) The commitment of private loans and other financing sources under projected or other commercially reasonable terms and conditions;

(3) The identification and commitment of funds sufficient to perform environmental remediation to the levels required by the appropriate regulatory agencies; and

(4) The receipt of HUD approval of the Project Plan, if applicable, and all evidentiaries.

Section 20.2 Revision or Termination. In the event a Development Contingency does not occur, so long as the Master Developer is in full compliance with this Agreement and has used its best efforts to cause it to occur, in a manner generally consistent with the Project Plan and in a manner which reasonably permits the accomplishment of the Revitalization in accordance with this Agreement, the Parties will attempt to revise the Project Plan in a mutually acceptable fashion by extending deadlines, revising goals, or otherwise. If the Parties cannot, within sixty (60) days after the failure of a Development Contingency to occur, agree to amend the Project Plan or cannot thereafter secure HUD approval of any amendment so agreed to, then the Authority or the Master Developer may terminate this Agreement as to the Phase IIIA-Development only, unless indicated otherwise, by delivering written notice to the other party.

Section 20.3 No Liability.In the event that the Master Developer or the Authority terminates this Agreement as provided in this Article 20, neither party shall have any liability to the other except under any predevelopment loans or separate contracts entered pursuant to this Agreement and except for continuing indemnities provided elsewhere in this Agreement.

ARTICLE 21.
PHASE IIIA– TERMINATION FOR CAUSE

Section 21.1 Events of Default by the Phase IIIA-Developer. The following shall constitute an Event of Default by the Phase IIIA-Developer:

(1) if the Phase IIIA-Developer shall fail to use diligent efforts comply with the Phase IIIA-Schedule of Performance (other than due to Force Majeure as defined in Section 21.1(c)) and such failure shall continue after expiration of the notice and cure period set forth in Section 21.3(a); or

(2) if the Phase IIIA-Developer or its Affiliate(s), as applicable shall materially breach or fail to diligently pursue its obligations under this Agreement (other than due to Force Majeure as defined in Section 21.1(c)) and such failure shall continue after expiration of the notice and cure period set forth in Section 21.3(a); or

(3) any fraud or willful misconduct on the part of the Phase IIIA-Developer; or

(4) if the Phase IIIA- Developer or any of Phase IIIA-Developer's partners, or any Guarantor: (i) is or becomes insolvent or bankrupt or otherwise ceases to pay its debts as they mature or makes any arrangement with or for the benefit of its creditors or consents to or acquiesces in the appointment of a receiver, trustee or liquidator for the Phase III-Development or for any substantial part of it; (ii) institutes any bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding under the laws of any jurisdiction, or any such proceeding is instituted against the Phase IIIA-Developer or any the Phase IIIA-Developer's partners in any jurisdiction which is not stayed or dismissed within ninety (90) days after its institution; (iii) files any action or answer admitting, approving or consenting to any such proceeding; (iv) becomes subject to levy of any distress, execution or attachment upon its property which interferes with its performance hereunder, and the Phase IIIA-Developer or

Phase IIIA-Developer's partners fails within thirty (30) days to discharge such levy, execution or attachment, or to substitute another entity (whether or not an Affiliate) acceptable to the Authority to perform the obligations of the Phase IIIA-Developer without material delay in performance; or (v) is convicted of any criminal offense or violation of law; provided, however, that the bankruptcy or insolvency of any of the Phase IIIA-Developer's partners shall not be considered an Event of Default of the Phase IIIA-Developer provided: (a) such events would not trigger a default (subject to all applicable notice and cure periods) under the Phase IIIA(1)-Developer's partnership agreement; (b) the Phase IIIA-Developer is not otherwise in violation or in breach of any provision of this Agreement; and (c) the Phase IIIA-Developer, subject to the Authority's concurrent, has the ability to continue to meet its obligations under the Agreement.

(b) An Event of Default hereunder by the Phase IIIA-Developer with respect to any portion of the Phase III-Development shall constitute an Event of Default by the Phase IIIA-Developer for which the Authority may exercise any of its remedies under this Agreement with respect to the Phase IIIA-Developer and the entire Phase III-Development.

(c) For purposes hereof, "Force Majeure" shall mean causes beyond the control and without the fault or negligence the Phase IIIA-Developer. Such causes shall include without limitation: (i) acts of God, or of the public enemy; (ii) court order, acts, delays, failure or refusal to act on the part of a governmental entity in either its sovereign or contractual capacity; (iii) acts of a contractor other than Phase IIIA-Developer, or subcontractor, in the performance of an agreement with the Authority (and not pursuant to a contract with the Phase IIIA-Developer); (iv) riots, war or acts of terrorism; (v) fires; (vi) floods or earthquakes; (vii) epidemics; (viii) quarantine restrictions; (ix) strikes or lockouts; (x) freight embargoes; (xi) litigation; (xii) non-issuance of permits; (xiii) lack of HUD approval; (xiv) unusually severe weather; (xv) the presence of hazardous materials or archeological finds on the Phase III-Development Site; or (xvi) delays of subcontractors or suppliers at any tier arising from unforeseeable causes.

(d) Events of Default by the Authority. It shall be an Event of Default by the Authority if the Authority shall fail to use diligent efforts to perform its obligations under this Agreement and such failure shall continue after expiration of notice and cure periods set forth in Section 21.3(a).

(e) It shall not be an Event of Default if any failure by Authority arises due to Force Majeure. For purposes hereof, "Force Majeure" shall mean causes beyond the control and without the fault or negligence of Authority. Such causes shall include without limitation: (i) acts of God, or of the public enemy; (ii) court order, acts, refusal, delay or failure to act on the part of a governmental entity (other than the Authority) in either its sovereign or contractual capacity; (iii) acts of another contractor or subcontractor in the performance of an agreement with the Master Developer (and not pursuant to a contract with the Authority or an affiliate of Authority); (iv) riots, war or acts of terrorism; (v) fires; (vi) floods or earthquakes; (vii) epidemics; (viii) quarantine restrictions; (ix) strikes or lockouts; (x) freight embargoes; (xi) litigation; (xii) non-issuance of permits; (xiii) lack of HUD approval; (xiv) unusually severe weather; (xv) the presence of hazardous materials of archeological finds on the Phase IIIA-

Development Site; or (xvi) delays of subcontractors or suppliers at any tier arising from unforeseeable causes.

(f) Procedure for Termination for Cause/Remedies. The occurrence of any event described in Sections 21.1(a)(1) or (2) or 21.2(a) shall not constitute an Event of Default unless the non-defaulting party has delivered written notice of default to the defaulting party, and such defaulting party shall fail to cure the default within thirty (30) days from its receipt of such notice or, if such cure cannot reasonably be completed within such thirty (30) day period, fails to commence such cure or having commenced, does not prosecute such cure with diligence and dispatch to completion within a reasonable time period thereafter, provided that such time period does not exceed one hundred twenty (120) days. Notwithstanding the foregoing, if any event described in Section 21.1(a)(1) or (2) or 21.2(a) occurs within thirty (30) days of the Phase IIIA-Third Closing, the defaulting party shall have only until the Phase IIIA-Third Closing to cure such default.

(g) Upon the occurrence of an Event of Default by either party, the non-defaulting party shall be entitled to all remedies permitted by law or at equity, including but not limited to specific performance.

(h) Except with respect to any rights and remedies and expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties to this Agreement, whether provided by law, in equity or by this Agreement, are cumulative, and not in derogation of other rights and remedies found in this Agreement and, after the Phase IIIA-Second Closing, in the Phase IIIA(1)-Ground Lease. The exercise by either party of any one or more of such remedies will not preclude the exercise by it, at the same or a different time, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance, or manner or time of performance, or any obligation of the other party or any condition to its own obligation under this Agreement will be considered a waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived to the extent of such waiver, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

ARTICLE 22.
RESERVED

ARTICLE 23.
REPRESENTATIONS AND WARRANTIES

Section 23.1 The Master Developer's Warranty of Good Standing and Authority. The Master Developer hereby represents and warrants to the Authority as follows:

(a) Organization. The Master Developer is duly organized and validly existing and is (or shall be prior to the commencement of activities under this Agreement) in good standing under the laws of the State of California and has the power and authority to own

its property and carry on its business as now being conducted. The Master Developer shall provide an opinion to this effect from its counsel at the time of execution of this Agreement.

(b) Authority of the Master Developer. The Master Developer has full power and authority to execute and deliver this Agreement and to make and accept the borrowings contemplated hereunder, to execute and deliver all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.

(c) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been or will be executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of the Master Developer, and all actions required under the Master Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken (to the extent such actions are required as of the date of execution and delivery of the above-named documents).

(d) Valid and Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Master Developer enforceable against it in accordance with their respective terms, subject to the laws affecting creditors rights and principles of equity.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission or agency whatsoever binding on the Master Developer, or any provision of the organizational documents of the Master Developer, or will conflict with or constitute a breach of or a default under any agreement to which the Master Developer is a party, or will result in the creation or imposition of any lien upon any assets or property of the Master Developer, other than liens established pursuant hereto.

(f) Pending Proceedings. Except as disclosed in writing to Authority prior to execution of this Agreement, the Master Developer is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and, to the best of its knowledge, there are no claims, actions, suits or proceedings pending or, to the knowledge of the Master Developer, threatened against or affecting the Master Developer or the Phase IIIA-Development, at law or in equity, before or by any court, board, commission or agency whatsoever.

(g) Financial Statements. The financial statements of the Master Developer and other financial data and information furnished by the Master Developer to the Authority

fairly present the information contained therein. As of the date of this Agreement, there has not been any adverse, material change in the financial condition of the Master Developer from that shown by such financial statements and other data and information.

Section 23.2 Authority's Warranty of Good Standing and Authority. The Authority represents and warrants to the Master Developer that: (i) the Authority is a duly organized, validly organized, public body, corporate and politic, and is in good standing under the laws of California; (ii) the Authority has all necessary power and authority under California law; (iii) this Agreement has been duly entered into and is the legally binding obligation of the Authority; (iv) this Agreement will not violate any judgment, law, consent decree, or agreement to which the Authority is a party or is subject to and will not violate any law or ordinance under which the Authority is organized; and (v) there is no claim pending, or to the best knowledge of the Authority, threatened, that would impede the Authority's ability to perform its obligation hereunder.

Articles 24 through 35 are related solely to the Phase IIIB-Development.

ARTICLE 24.
PHASE IIIB-DEVELOPMENT

The primary purpose of this Agreement in regards to the Phase IIIB-Development is to evidence to potential lenders that the Master Developer has site control of the Phase IIIB-Development Site. The Parties acknowledge and agree that the Master Developer has not yet determined the configuration of the Phase IIIB Development. The Parties further agree that as of the date of this Agreement, the Master Developer anticipates that the Phase IIIB-Development will be market rate rental and ownership housing (the "Market Rate Housing Component"). The Authority agrees that in connection with the Market Rate Housing Component, that it will not have any rights to review and approve the design, plans and specifications and construction documents related to the Market Rate Housing Component, but shall instead rely upon the City's approval process; subject to the conditions provided in that certain agreement between the City and the Authority agreeing to such process. Once the Market Rate Housing Component of the Phase IIIB Development has been established, the Parties agree to amend this Agreement in a manner consistent with the foregoing.

ARTICLE 25.
PHASE IIIB – INITIAL SHORT-TERM GROUND LEASE

Section 25.1 Initial Ground Lease. To facilitate the commencement of certain preconstruction improvements on the Phase IIIB-Development Site, the Authority and the Master Developer shall enter into a short-term ground lease for the conveyance of the Phase IIIB-Development Site from the Authority to the Master Developer for an initial lease term of five (5) years (the "Phase IIIB-Initial Ground Lease"), subject to an extension for an additional five (5) year term if requested by the Master Developer, pursuant to the terms hereof, and approved by the Authority.

The terms and obligations of the Parties shall be set forth in the Phase IIIB-Initial Ground Lease. The Phase-IIIB Development Site shall revert back the Authority if the Master Developer fails to commence the Phase IIIB-Vertical Construction on the Phase IIIB-Development Site by the time set forth in the Phase IIIB-Schedule of Performance. The provisions of this Section 25.1 shall be set forth in the Phase IIIB-Initial Ground Lease and the Declaration of Trust. The Parties acknowledge and agree that HUD approval of the Phase IIIB-Initial Ground Lease is required, as a condition precedent for the execution of such Phase IIIB-Initial Ground Lease.

Section 25.2 Opening Escrow. To accomplish the leasing of the Phase IIIB-Development Site from the Authority to the Master Developer, the Parties shall establish an escrow account with the Title Company. The Parties shall execute and deliver all written instructions to the Title Company to accomplish the terms hereof, which instructions shall be consistent with this Agreement.

Section 25.3 Phase IIIB-First Closing. Escrow for the leasing of the Phase IIIB-Development Site shall close on a date mutually acceptable to the Authority and the Master Developer, but in no event later than the date set forth in the Phase IIIB-Schedule of Performance, as it may be amended, or such later date that the Authority and the Master Developer agree upon (the "Phase IIIB-First Closing"), which the Parties have agreed will occur at the same time of the Phase IIIA-Second Closing. In addition, the following conditions shall be satisfied prior to or concurrently with, and as conditions of, conveyance of the Phase IIIB-Development Site:

(a) The Master Developer shall provide the Authority with certified copies of the Master Developer's formation documents, authorizing resolutions, approving the Phase IIIB-Initial Ground Lease and all Authority documents to be executed by the Master Developer, as applicable.

(b) The Master Developer shall have furnished the Authority with evidence of insurance coverage pursuant to Section 29.6 below.

(c) There shall exist no condition, event or act which would constitute a breach or default under this Agreement or any other Authority document or which, upon the giving of notice or the passage of time, or both, would constitute such a breach or default.

(d) All representations and warranties of the Master Developer contained in any Authority Document shall be true and correct as of the Phase IIIB-First Closing.

(e) Costs of Escrow and Phase IIIB-First Closing. Ad valorem taxes, if any, shall be prorated as of the date of conveyance. All costs of closing the leasing the Phase IIIB-Development Site, including but not limited to, the cost of title insurance, transfer tax, title company document preparation, recordation fees and the escrow fees of the title company shall be paid by the Master Developer.

(f) The Authority shall obtain written approval from HUD for the disposition of the Phase IIIB-Development Site.

(g) The Authority shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIB-Initial Ground Lease, a memorandum of the Phase IIIB-Initial Ground Lease in form and substance acceptable to HUD, the Authority and the Master Developer ("Memorandum of Phase IIIB-Initial Ground Lease").

(h) The Master Developer shall execute, acknowledge, deposit and deliver to the Title Company, as necessary and appropriate, the Phase IIIB-Initial Ground Lease and the Memorandum of Phase IIIB-Ground Lease.

(i) The Authority and the Master Developer shall instruct the Title Company to consummate the escrow and upon Phase IIIB-First Closing, the Title Company shall record in the Official Records the Memorandum of Phase IIIB-Initial Ground Lease and any other documents required to be recorded under the terms of this Agreement.

(j) The Title Company shall issue title policies to the Master Developer, and the Authority, as requested.

Section 25.4 Grading and Site Preparation. Immediately after the Phase IIIB-First Closing (which is also the Phase IIIA(1)-Second Closing), the Master Developer shall commence construction of that portion of the Phase IIIB-Infrastructure Improvements related to grading and site preparation work on the Phase IIIB-Development Site. Such work shall commence and be completed by the time set forth in the Phase IIIB-Schedule of Performance.

ARTICLE 26.
PHASE IIIB – CONDITIONS PRECEDENT TO AUTHORITY PERFORMANCE

Section 26.1 Conditions Precedent to Authority Performance. As conditions precedent to the Authority's obligation to convey the Phase IIIB-Development Site to the Master Developer, the conditions set forth in this Article 26 must first be met by the Master Developer or waived by the Authority where applicable by the times specified in the Phase IIIB-Schedule of Performance or such other date as may be agreed upon by the Parties.

Section 26.2 Timing of Phase IIIB-Development. The Parties acknowledge and agree that at the time of this Agreement, the Master Developer has not determined the timing or the exact configuration of the Phase IIIB-Development. Therefore, the Phase IIIB-Schedule of Performance provides an estimated time of performance based on the current information available to the Master Developer for the construction of the Phase IIIB-Development. It is the intent that Lots 1, 2, 5, 6 and 7 and the Phase IIIB-Infrastructure Improvement construction under Section 25.5, on the Phase IIIB-Development Site as shown on Exhibit C, will be conveyed to the Master Developer under the Phase IIIB-Ground Lease when the Phase IIIB-Developer is ready to proceed with the construction of the Phase IIIB-Development. Upon the conveyance of the leasehold interest in the Phase IIIB-Development Site as set forth in Section 26.1, the Master Developer intends to continue the rest of the construction of the Phase IIIB-Horizontal Component.

(a) Approvals. The Master Developer shall have provided all necessary information and documentation necessary for City, Agency and Authority review of the Phase IIIB-Development under CEQA, and all necessary CEQA approvals shall have been obtained. The Authority acknowledges that the provisions of this Section 26.3 have been met by the Master Developer.

(b) HUD shall have approved the Phase IIIB-Ground Lease.

Section 26.3 Phase IIIB-Schedule of Performance. The Master Developer shall have complied with the Phase IIIB-Schedule of Performance attached to this Agreement as Exhibit N.

(a) Phase IIIB-Horizontal Financing Plans and Financial Commitments. Phase IIIB-Horizontal Financing Plan. The initial Financing Plan for the Phase IIIB-Horizontal Component is attached hereto as Exhibit M.

(b) Approvals. The Master Developer shall have submitted to the Authority for approval any revisions to the Phase IIIB-Horizontal Financing Plan for the Phase IIIB-Horizontal Component and, by the time set forth in the Phase IIIB-Schedule of Performance any and all commitments for financing necessary to undertake the construction of the Phase IIIB-Horizontal Component. The Master Developer shall further submit to the Authority for approval by the Authority copies of any documents proposed to be entered by the Master Developer with respect to any subsidies and loan agreements and all other documents which the Master Developer and its proposed construction lender(s) propose to execute in connection with such financing for the Development.

Section 26.4 Phase IIIB-Scope of Development.The Master Developer will have prepared, or will have seen to the preparation of, a Phase IIIB-Scope of Development (the "Phase IIIB-Scope of Development") situated within the Phase IIIB-Development Site, and consistent with the other Exhibits attached hereto, the Phase IIIB-Development shall consist of the development and construction of approximately two hundred thirty (230) housing units, which may be for market-rate rental housing or for market-rate for sale housing. The Parties acknowledge and agree that of the Phase IIIB-Development, shall, subject to HUD approval (as applicable), be conveyed to the Master Developer or the Master Developer's assignee in fee. The Parties acknowledge that the Master Developer is still in the preliminary stages in the development and construction of the Phase IIIB-Development and further refinement of the Phase IIIB-Scope of Development is expected.

Section 26.5 Phase IIIB-Horizontal Construction Documents.The Master Developer will have prepared, or will have seen to the preparation of, construction plans, budgets, schedules and a construction contract as provided in Article 28 (the "Phase IIIB-Horizontal Construction Documents") and will diligently perform all obligations described in that Article. The Phase IIIB-Horizontal Construction Documents shall be subject to the review and approval of the Authority. The Master Developer will make best efforts to minimize development costs, consistent with long-term efficient operation and upkeep, marketability, and contribution to family and neighborhood quality of life.

Section 26.6 Permits and Approvals. The Master Developer shall have obtained all permits, licenses, easements, zoning and approvals necessary for the Phase IIIB-Horizontal Component, including necessary utilities, and roads, transportation, and other facilities or physical improvements contemplated by the Project Plan and Phase IIIB-Horizontal Construction Documents. The Master Developer shall, on an ongoing and timely basis, advise the Authority as to the status of the processing of all applications required to obtain all governmental approvals required in accordance with this Agreement, applicable HUD approvals and requirements, and the Phase IIIB-Horizontal Construction Documents. The Master Developer shall advise the Authority of any hearings regarding matters described in this section with sufficient advance notice to enable the Authority to elect to attend such hearings.

Section 26.7 Close of Phase IIIB-Horizontal Construction Financing. No later than the date set forth in the Phase IIIB-Schedule of Performance, the Master Developer shall submit to the Authority evidence reasonably satisfactory to the Authority that any conditions to release or expend funds described in the approved Phase IIIB-Horizontal Financing Plan for the purpose of constructing the Phase IIIB-Horizontal Component have been met precedent to the Authority's obligation to convey the Phase IIIB-Development Site to the Master Developer. No application for financing will contain representations or commitments inconsistent with the Project Plan, unless with the written approval of the Authority (and the Parties' agreement to amend the Project Plan if such application is accepted).

ARTICLE 27.
PHASE IIIB-DISPOSITION AND DEVELOPMENT AGREEMENT

Section 27.1 Phase IIIB-Disposition and Development Agreement. By the time indicated in the Phase IIIB-Schedule of Performance, the Authority intends to enter into a disposition and development agreement to sell the Phase IIIB-Development Site to the Master Developer or its assignee at the fair market price of the Phase IIIB-Development Site, the terms and conditions of which shall be negotiated between the Parties (the "Phase IIIB-Disposition and Development Agreement"). The Parties acknowledge that HUD's approval of the Phase IIIB-Disposition and Development Agreement is required before the Parties may execute the Phase IIIB-Disposition and Development Agreement. Upon the execution of the Phase IIIB-Disposition and Development Agreement, the Phase IIIB-Initial Ground Lease will terminate. The Phase IIIB-Disposition and Development Agreement will govern the construction of the Market Rate Component on the Phase IIIB-Development Site.

ARTICLE 28.
PHASE IIIB-HORIZONTAL COMPONENT DESIGN

Section 28.1 Design in Conformance with Phase IIIB-Horizontal Schematic Design. In designing and constructing the Phase IIIB-Horizontal Component, the Master Developer shall cause all subsequent design documents to be consistent with the Phase IIIB-Scope of Development as it pertains to the Phase IIIB-Horizontal Component and the Phase IIIB-Horizontal Schematic Design, attached as Exhibit O, approved by the Authority. The Phase IIIB-Scope of Development and the Phase IIIB-Horizontal Schematic Design shall establish the

baseline design standards from which the Master Developer shall prepare all subsequent Phase IIIB-Horizontal Design Documents.

Section 28.2 Phase IIIB-Horizontal Design Documents. The Master Developer shall cause its architect to proceed diligently to prepare design development and construction documents for the proposed Phase IIIB-Horizontal Component, consistent with the Phase IIIB-Scope of Development and the Phase IIIB-Horizontal Schematic Design, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Phase IIIB-Horizontal Component. In connection with its submittal to the Authority for its approval, the Master Developer shall provide to the Authority such elevations, sections, plot plans, specifications, diagrams and other design documents ("Phase IIIB-Horizontal Design Documents") at each of the stages described in Section 28.3 as may reasonably be required by the Authority for its review. The Phase IIIB-Horizontal Design Documents shall incorporate any conditions imposed by the City's entitlements process.

Section 28.3 Submittal and Review of Phase IIIB-Horizontal Design Documents. Within the times set forth in the Phase IIIB-Schedule of Performance, the Master Developer shall submit to the Authority the Phase IIIB-Horizontal Design Documents in the following stages:

(a) Phase IIIB-Horizontal Design Drawings. The Phase IIIB-Horizontal Design Drawings shall be based on the Phase IIIB-Horizontal Schematic Design and the Phase IIIB-Scope of Development. The Phase IIIB-Horizontal Design Drawings shall indicate estimated structural dimensions, and delineation of site features and elevations, materials and colors, landscaping and other features.

(b) Phase IIIB-Horizontal Final Construction Drawings. Phase IIIB-Horizontal Final Construction Drawings are to be a continuation of approved Phase IIIB-Horizontal Design Drawings. The Phase IIIB-Horizontal Final Construction Drawings must provide all the detailed information necessary to obtain a building permit. The Phase IIIB-Horizontal Final Construction Drawings shall allow for the Master Developer to obtain a building permit to build the Phase IIIB-Development. The Master Developer shall provide material samples upon the reasonable request of the Authority.

Section 28.4 Project Approvals. Within the times set forth in the Phase IIIB-Schedule of Performance, the Authority shall have the right to review and approve the Phase IIIB-Horizontal Design Documents. The purpose of the Authority's review of the Phase IIIB-Horizontal Design Documents is to ensure consistency with the Phase IIIB-Horizontal Schematic Design and the provisions of this Agreement. Provided that the architectural submittals meet the requirements set forth in Section 28.1, the Authority shall be required to approve those Phase IIIB-Horizontal Design Documents which are logical progressions from concepts set forth in previously approved Phase IIIB-Horizontal Design Documents. For purposes of this Article 28, "approval" means approval of the Authority Executive Director or the Authority Executive Director's designee.

Section 28.5 New Material Concerns.If the Authority determines that there are material changes which are not logical progressions from previously approved Phase IIIB-Horizontal Design Documents or which raise material concerns that were not reviewable in previously approved Phase IIIB-Horizontal Design Documents, in approving or disapproving such Phase IIIB-Horizontal Design Documents, the Authority shall act in its reasonable discretion.

Section 28.6 No Change in Phase IIIB-Horizontal Design Documents. Once the Authority has approved Phase IIIB-Horizontal Final Construction Drawings, the Master Developer shall not make any changes in those documents which would materially impact the matters set forth in Section 28.4 without the prior written approval of the Authority, acting in its reasonable discretion and within the time periods set out in Section 38.4; provided, however, that after the commencement of construction, any document submitted to the Authority for its approval shall be deemed approved if not reasonably disapproved within ten (10) days following receipt by the Authority.

Section 28.7 Submittal and Review of Phase IIIB-Horizontal Construction Contract. Within the times set forth in the Phase IIIB-Schedule of Performance, the Master Developer shall submit to the Authority for its approval the proposed construction contract and other Phase IIIB-Horizontal Construction Documents for the Phase IIIB-Horizontal Component.

Section 28.8 Additional Permits and Approvals.Within the times specified in the Phase IIIB-Schedule of Performance, the Master Developer shall obtain all permits and approvals necessary to construct the Phase IIIB-Horizontal Component including demolition and building permits. All applications for such permits and approvals shall be consistent with the approved Phase IIIB- Horizontal Design Documents. The Master Developer shall not obtain a building permit until the Authority has approved the Phase IIIB-Horizontal Final Construction Drawings. The Master Developer acknowledges that execution of this Agreement by the Authority does not constitute approval by the City of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, application and approval process.

Section 28.9 Authority Review.The Master Developer shall be solely responsible for all aspects of the Master Developer's conduct in connection with the Phase IIIB-Horizontal Component, including, but not limited to, the quality and suitability of the Phase IIIB-Horizontal Design Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Authority with reference to the Phase IIIB-Horizontal Component is solely for the purpose of determining whether the Authority is properly discharging its obligations to the Authority, and should not be relied upon by the Authority or by any third parties as a warranty or representation by the Authority as to the quality of the design or construction of the Phase IIIB-Development, or the Phase IIIB-Horizontal Component.

ARTICLE 29.
PHASE IIIB-HORIZONTAL COMPONENT CONSTRUCTION

Section 29.1 Commencement of Phase IIIB-Horizontal Component Construction. The Master Developer shall commence or cause to be commenced construction of the Phase IIIB-Horizontal Component in accordance with the Phase IIIB-Schedule of Performance.

Section 29.2 Completion of Phase IIIB-Horizontal Component Construction.The Master Developer shall diligently prosecute or cause to be prosecuted to completion the construction of the Phase IIIB-Horizontal Component, and shall complete or cause to be completed the construction of the Phase IIIB-Horizontal Component no later than the time specified in the Phase IIIB-Schedule of Performance. Upon completion of the Phase IIIB-Horizontal Component, and subject to the acceptance thereof by the City, the Master Developer will convey all of the Infrastructure Improvements that are public improvements to the City, pursuant to the Subdivision Map. Concurrently with such conveyance, the Authority will convey to the City the fee interest in the applicable portion of the Phase IIIB-Development Site. Upon such conveyance, the Authority and the Master Developer shall terminate the Phase IIIB-Ground Lease with respect to the Phase IIIB-Development Site related to such public improvements.

Section 29.3 Phase IIIB-Horizontal Component Construction Pursuant to Plans.

(a) The Master Developer shall construct or cause to be constructed the Phase IIIB-Horizontal Component substantially in accordance with the Phase IIIB-Horizontal Final Construction Drawings and the terms and conditions of all City and other governmental approvals.

(b) The Master Developer shall submit or cause to be submitted for Authority approval any proposed change in the Phase IIIB-Horizontal Final Construction Drawings which materially changes the size, location or elevation of the Phase IIIB-Horizontal Component or which would require an amendment to any approval or permits obtained from the City or other governmental agencies. The process for approving or disapproving change orders shall be negotiated further by the Authority and the Master Developer before the closing of the construction loans.

(c) No change which is required for compliance with building codes or other laws, codes or regulation shall be deemed material. However, the Master Developer must submit or cause to be submitted to the Authority, in writing, any change that is required for such compliance within ten (10) days after making such change, and such change shall become a part of the approved Phase IIIB-Horizontal Final Construction Drawings, binding on the Master Developer.

Section 29.4 Phase IIIB-Horizontal Construction Bonds. The Master Developer shall require its contractor to procure and deliver to the Authority copies of labor and material (payment) bonds and performance bonds, or a dual bond which covers both payment and performance obligations, in a penal sum each of not less than one hundred percent (100%) of the scheduled cost of construction of the Phase IIIB-Horizontal Component, and one hundred percent (100%) payment bond. Said bonds shall be issued by a surety that is authorized to issue

bonds in the State of California and is named in the current list of "Surety Companies acceptable on Federal Bonds" as published in Circular 570 by the U.S. Treasury Department, Financial Management Service, and that the amount of the bond is within the limit set by the Treasury Department as the net limit on any single risk. The labor and materials (payment) bond should name both the Authority and the City as a co-obligee or assignee.

Section 29.5 Compliance with Applicable Law.The Master Developer shall cause all work performed in connection with the Phase IIIB-Horizontal Component to be performed in compliance with: (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter, (including, without limitation, the federal Davis-Bacon Act); and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Master Developer shall be responsible to the Authority for the procurement and maintenance thereof, as may be required of the Master Developer and all entities engaged in work on the Phase IIIB-Development Site.

Section 29.6 Insurance. The Master Developer shall maintain and keep in full force and effect, and shall cause all of its Contractors to maintain and keep in full force and effect, during the term of this Agreement, such insurance as is set forth in the Phase IIIB-Ground Lease.

Section 29.7 Non-Discrimination During Construction, Equal Opportunity. The Master Developer, for itself and its successors and assigns, and transferees agrees that in the construction of the Phase IIIB-Development Site provided for in this Agreement:

(a) It will not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, disability, medical condition, age, marital status, sex, sexual preference/orientation, Acquired Immune Deficiency Syndrome (AIDS) acquired or perceived, or retaliation for having filed a discrimination complaint (nondiscrimination factors). The Master Developer will take affirmative action to ensure that applicants are considered for employment by the Master Developer without regard to the nondiscrimination factors, and that the Master Developer's employees are treated without regard to the nondiscrimination factors during employment including, but not limited to, activities of: upgrading, demotion or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Master Developer agrees to post in conspicuous places, available to its employees and applicants for employment, the applicable nondiscrimination clause set forth herein:

(b) It will ensure that its solicitations or advertisements for employment are in compliance with the aforementioned nondiscrimination factors; and

(c) It will cause the foregoing provisions to be inserted in all contracts for the construction of the Phase IIIB-Development entered into after the Effective Date of this Agreement; provided, however, that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Section 29.8 Equal Opportunity/Non-Discrimination in Employment and Contracting Procedures, Including Utilization of Minority and Women Businesses. The Master Developer and the Authority acknowledge and agree that it is the policy of the Authority to promote and ensure equal opportunity through employment and in the award of contracts and subcontracts for construction. Subject to the foregoing, the Master Developer shall employ or select employees, contractors and subcontractors in accordance with the MOU.

(a) During the construction of the Phase IIIB-Horizontal Component, the Master Developer shall provide to the Authority such information and documentation as reasonably requested by the Authority.

(b) The Master Developer shall use reasonable efforts to monitor and enforce, or shall cause its general contractor to monitor and enforce, the equal opportunity requirements imposed by this Agreement. In the event, after notice from the Authority and an opportunity to cure such failure as set forth in Article 33 of this Agreement, the Master Developer fails to use reasonable efforts to monitor or enforce these requirements, the Authority may declare the Master Developer in default of this Agreement and pursue any of the remedies available under this Agreement.

Section 29.9 Prevailing Wages. In the construction of the Phase IIIB-Horizontal Component, for all on-site and adjacent construction activities, the Master Developer shall pay and assure that all contractors and subcontractors pay an amount no less than the general prevailing rate of per diem wages, as determined by the U.S. Labor Department pursuant to the federal Davis-Bacon Act and implementing rules and regulations, and the prevailing wage provisions of Sections 1720 et seq. of the California Labor Code and implementing rules and regulations. The Master Developer shall comply with all applicable reporting and recordkeeping requirements of applicable prevailing wage statutes and regulations.

Section 29.10 Progress Reports. Until the notice of completion is filed, the Master Developer shall provide the Authority with periodic progress reports, as reasonably requested in writing by the Authority, regarding the status of the construction of the Phase IIIB-Horizontal Component.

Section 29.11 Entry by the Authority. The Master Developer shall permit the Authority, through its officers, agents, or employees, to enter the Phase IIIB-Development Site at all reasonable times and in a safe, unobtrusive manner to review the work of construction to determine that such work is in conformity with the approved Phase IIIB-Horizontal Final Construction Drawings or to inspect the Phase IIIB-Horizontal Component for compliance with this Agreement. The Authority is under no obligation to: (a) supervise construction; (b) inspect the Property; or (c) inform the Master Developer of information obtained by the Authority during any review or inspection, and the Master Developer shall not rely upon the Authority for any supervision, inspection, or information.

Section 29.12 Taxes.At all times both prior to and after obtaining any applicable property tax exemptions, the Master Developer shall pay when due all real property taxes and assessments assessed and levied on the Phase IIIB-Development Site after the Master Developer takes title to the Phase IIIB-Development Site or portions thereof, and shall remove any levy or

attachment made on the Phase IIIB-Development Site. The Master Developer may, however, contest the validity or amount of any tax, assessment, levy, attachment or lien on the Phase IIIB-Development Site.

ARTICLE 30.
INTENTIONALLY OMITTED

ARTICLE 31.
INTENTIONALLY OMITTED

ARTICLE 32.
INTENTIONALLY OMITTED

ARTICLE 33.
PHASE IIIB – TERMINATION FOR CAUSE

Section 33.1 Events of Default by the Phase IIIB-Developer. The following shall constitute an Event of Default by the Phase IIIB-Developer:

(a) Subject to Section 33.1(c), (i) if the Phase IIIB-Developer shall fail to complete any part of the Phase IIIB-Development within the time set forth in the Phase IIIB-Schedule of Performance or any other development schedule adopted pursuant to this Agreement; or (ii) if the Phase IIIB-Developer shall materially breach or fail to diligently pursue its obligations under this Agreement or any other agreement between the Authority and the Master Developer or its Affiliates.

(b) Subject to Section 33.1(c), if the Phase IIIB-Developer or an Affiliate participating in this Revitalization: (i) is or becomes insolvent or bankrupt or otherwise ceases to pay its debts as they mature or makes any arrangement with or for the benefit of its creditors or consents to or acquiesces in the appointment of a receiver, trustee or liquidator for the Phase IIIB-Development or for any substantial part of it; (ii) institutes any bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding under the laws of any jurisdiction, or any such proceeding is instituted against the Master Developer in any jurisdiction which is not stayed or dismissed within ninety (90) days after its institution; (iii) files any action or answer admitting, approving or consenting to any such proceeding; (iv) becomes subject to levy of any distress, execution or attachment upon its property which interferes with its performance hereunder, and the Phase IIIB-Developer or Affiliate fails within thirty (30) days to discharge such levy, execution or attachment, or to substitute another entity (whether or not an Affiliate) acceptable to the Authority to perform the obligations of the Master Developer or Affiliate without material delay in performance provided, however, that the foregoing shall not continue to be an Event of Default if the Phase IIIB-Developer commences to cure such failure within

(30) days and thereafter diligently prosecutes the cure thereof, and causes such failure to be cured within sixty (60) days; or (v) is convicted of any criminal offense or violation of law.

(c) It shall not be an Event of Default if the delay in completing the work arises from the failure to occur of any Development Contingency as hereinafter defined or from unforeseeable causes beyond the control and without the fault or negligence of the Master Developer and materially interferes with the work. Examples of such causes shall include without limitation: (i) acts of God, or of the public enemy; (ii) court order, acts, delays, failure or refusal to act on the part of a governmental entity in either its sovereign or contractual capacity; (iii) acts of a contractor other than Master Developer, or subcontractor, in the performance of an agreement with the Authority (and not pursuant to a contract with the Master Developer); (iv) riots, war or acts of terrorism; (v) fires; (vi) floods or earthquakes; (vii) epidemics; (viii) quarantine restrictions; (ix) strikes or lockouts; (x) freight embargoes; (xi) litigation; (xii) non-issuance of permits; (xiii) lack of City approvals; (xiv) lack of HUD approval (xv) unusually severe weather; (xvi) the presence of hazardous materials or archeological finds on the Property; or (xvii) delays of subcontractors or suppliers at any tier arising from unforeseeable causes.

(d) It shall not be an Event of Default if the delay in completing the work arises from a Development Contingency, and the Authority determines in its judgment that the Master Developer exercised its best efforts in attempting to secure the occurrence of the Development Contingency.

Section 33.2 Events of Default by the Authority.

(a) It shall be an Event of Default by the Authority if the Authority shall fail to diligently perform its obligations under this Agreement and such failure materially impairs the ability of the Master Developer to accomplish the Phase IIIB-Development within the time required by the Phase IIIB-Schedule of Performance or otherwise perform its material obligations hereunder.

(b) It shall not be an Event of Default if any failure by Authority arises from the failure to occur of any Development Contingency as hereinafter defined or of unforeseeable causes beyond the control and without the fault or negligence of Authority. Examples of such causes shall include without limitation: (i) acts of God, or of the public enemy; (ii) court order, acts, refusal, delay or fail to act on the part of a governmental entity (other than the Authority) in either its sovereign or contractual capacity; (iii) acts of another contractor or subcontractor in the performance of an agreement with the Authority (and not pursuant to a contract with the Authority or an affiliate of Authority); (iv) riots, war or acts of terrorism; (v) fires; (vi) floods or earthquakes; (vii) epidemics; (viii) quarantine restrictions; (ix) strikes or lockouts; (x) freight embargoes; (xi) litigation; (xii) non-issuance of permits; (xiii) lack of HUD approval; (xiv) unusually severe weather; (xv) the presence of hazardous materials of archeological finds on the Property; or (xvi) delays of subcontractors or suppliers at any tier arising from unforeseeable causes.

Section 33.3 Procedure for Termination for Cause. Upon the occurrence of an Event of Default by either the Authority or the Master Developer, the other party shall have the right to

notify the defaulting party in writing of such Event of Default, whereupon the defaulting party shall have sixty (60) days from its receipt of such notice to cure such Event of Default (or such longer period as may be reasonably necessary to commence to cure the Event of Default, provided such defaulting party is diligently proceeding to cure such default). If the defaulting party shall fail to cure the default within the time provided in such notice, the non-defaulting party may, by written notice, terminate this Agreement and pursue such other remedies as may be available at law or equity. If the defaulting party is the Authority, in the absence of wrongful intent by the Authority, the Master Developer shall not be entitled to any remedy greater than it would be entitled to under a Termination for Convenience.

Section 33.4 Continuing Obligations. In no event shall a termination of this Agreement impair or delay the performance by the Authority or the Master Developer of their obligations under any of the other Authority Closing Documents.

Section 33.5 Phase IIIB-Construction Plans. If this Agreement is terminated pursuant to Section 33.1, the Master Developer, at the request of the Authority, shall deliver to the Authority copies of any construction plans in the Master Developer's possession or to which the Master Developer is entitled for development of the Phase IIIB-Development.

ARTICLE 34.
PHASE IIIB – TERMINATION WITHOUT FAULT

Section 34.1 Phase IIIB-Development Contingencies. The Parties agree that the following matters are conditions precedent to the Authority's and the Master Developer's ability to proceed with the Phase IIIB-Development and to fulfill the terms and conditions of this Agreement ("Phase IIIB-Development Contingencies"). Notwithstanding that the Master Developer and Authority shall use best efforts to comply with the Phase IIIB-Schedule of Performance, the Phase IIIB-Development Contingencies (with regard to which the Agreement may be terminated as provided below) are as follows:

(a) The receipt of all necessary government approvals and permits including HUD, including without limitation the Authority's approval of the Phase IIIB-Development after the completion of all required environmental review;

(b) The determination by the Authority and the Master Developer that any Preconstruction Activities required under Article 2 of this Agreement are not so expensive as to make the Phase IIIB-Development financially infeasible.

(c) Satisfaction of all conditions set forth in Article 26.

Section 34.2 Revision or Termination. In the event a Phase IIIB-Development Contingency does not occur, so long as the Phase IIIB-Developer is in full compliance with this Agreement and has used its best efforts to cause it to occur, in a manner generally consistent with the Project Plan, the Parties will attempt to revise this Agreement in a mutually acceptable fashion by extending deadlines, revising goals, or otherwise. If the Parties cannot, within sixty (60) days after either party provides the other with notice that a Phase IIIB-Development

Contingency has not occurred, agree to amend this Agreement, then either party may terminate this Agreement as to the Phase IIIB-Development only, by delivering written notice to the other party.

Section 34.3 No Liability. In the event that either party terminates this Agreement as provided in this Article 34, neither party shall have any liability to the other except under any separate contracts entered pursuant to this Agreement and except for continuing indemnities provided elsewhere in this Agreement.

ARTICLE 35.
INTENTIONALLY OMITTED

ARTICLE 36.
NON-DISCRIMINATION AND OTHER FEDERAL AND STATE REQUIREMENTS

Section 36.1 Certain Requirements. The Master Developer will comply with all applicable state and federal laws, rules and regulations, including but not limited to the requirements of the following, as the same may be amended from time to time:

(a) The Fair Housing Act, 42 U.S.C. 3601-19, and regulations issued there under, 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and regulations issued there under, 24 CFR Part 107; the fair housing poster regulations, 24 CFR Part 110, and advertising guidelines, 24 CFR Part 109.

(b) Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, and regulations issued there under relating to nondiscrimination in housing, 24 CFR Part 1.

(c) Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and regulations issued there under, 24 CFR Part 146.

(d) Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, and regulations issued there under, 24 CFR Part 8; the Americans with Disabilities Act, 42 U.S.C. 12181-89, and regulations issued there under, 28 CFR Part 36.

(e) Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and its implementing regulations at 24 CFR Part 135.

Section 36.2 Access to Records.

(a) Recordkeeping; Access. The Master Developer's books and records pertaining to its performance under this Agreement shall be kept in accordance with generally accepted accounting principles and as required by the Applicable Requirements, and shall be retained for at least three (3) years after the Authority makes final payment to the Master Developer under this Agreement and all other pending matters are closed. The Master Developer agrees to grant a right of access to the Authority, HUD, any agency providing funds to Authority, the Comptroller General of the United States, and any of their authorized

representatives, with respect to any books, documents, papers, or other records pertinent to this Agreement in order to make audits, examinations, excerpts, and transcripts, during normal business hours upon reasonable notice.

(b) Audit. Authority, HUD, any agency providing funds to Authority, the Comptroller General of the United States, or any of their duly authorized representatives, shall have the right to perform any audit of Master Developer's finances and records related to its performance under this Agreement, including without limitation, the financial arrangement with anyone Master Developer may delegate to discharge any part of its obligations under this Agreement.

(c) Contractors. Master Developer agrees to ensure that the recordkeeping, access, audit and reporting requirements set forth in this Article 36 are also made legally binding upon any contractor or subcontractor that receives funds derived from the Authority in connection with the Phase III-Development.

(d) The period of access and examination of the records under this Section 36.2 relating to (1) litigation or settlements of disputes arising from the performance of this Agreement, or (2) costs and expenses of this Agreement to which the Authority, HUD or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

Section 36.3 Interest of Members of Congress. No Member of or delegate to the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit to arise there from.

Section 36.4 Interest of Member, Officer, or Employee and Former Member, Officer, or Employee of Authority. No member, officer, or employee of the Authority, no member of the governing body of the locality in which the Phase III-Development is situated, no member of the governing body by which the Authority was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Development, shall, during his or her tenure, or for one (1) year thereafter or such longer time as the Authority's Code of Ethics may require, have any interest, direct or indirect, in this Agreement or the proceeds thereof, unless the conflict of interest is waived by the Authority and by HUD.

Section 36.5 Master Developer Conflict of Interest. Master Developer covenants that neither it nor any of its directors, officers, partners or employees has any interest, nor shall acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of the services hereunder. Master Developer further covenants that in the performance of this Agreement, no person having such interest shall be employed by it. Notwithstanding the foregoing, nothing herein shall prevent Master Developer or any of its members or affiliates from (1) engaging in or managing other development projects in the San Francisco area or elsewhere, which shall include without limitation the management thereof, or (2) competing for or undertaking any other similar development in any other city.

Section 36.6 Lobbying Activities. The Master Developer shall comply with 31 USC § 1352 which prohibits the use of Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, loan, or cooperative agreement. The Master Developer further agrees to comply with the requirement of such legislation to furnish a disclosure (OMB Standard Form LLL) if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with a Federal contract, grant, loan, or cooperative agreement, which payment would be prohibited if made from Federal appropriated funds.

ARTICLE 37.
ROLE OF HUD

Section 37.1 HUD Approval. The Parties hereto acknowledge that this Agreement, the conveyance of the Phase IIIA-Development Site and the Phase IIIB-Development Site, and the consummation of the transactions contemplated by this Agreement are subject to HUD approval. Master Developer and the Authority agree to cooperate to obtain all necessary HUD approvals and acknowledge that HUD approvals must be obtained as a condition precedent to certain obligations contained herein. Nothing herein shall be understood to authorize or obligate the Authority or Master Developer to act in the absence of required HUD approvals, and the Parties acknowledge that HUD's approval of this Agreement will not constitute approval of particular transactions which by their nature require specific HUD approval following a submission of particulars.

Section 37.2 Transfer Not An Assignment. The Authority and Master Developer acknowledge that any transfer of HUD grant funds by the Authority to Developer shall not be or be deemed to be an assignment of grant funds, and Developer shall not succeed to any rights or benefits of the Authority under the HUD Funds Agreement, or attain any privileges, authorities, interests, or rights in or under the HUD Funds Agreement.

Section 37.3 Disclaimer of Relationships. Nothing contained in the [ACC], the HUD Funds Agreement or this Agreement nor any act of HUD or the Authority, shall be deemed or construed to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD, except between HUD and the Authority as provided under the terms of the [ACC] or HUD Funds Agreement, as appropriate.

Section 37.4 Applicability to Other Contracts. Master Developer agrees to ensure that Sections 37.2 and 37.3 of this Article 37 are inserted into any contract or subcontract involving the use of HUD funds in connection with the Phase III-Development.

ARTICLE 38.
MISCELLANEOUS

Section 38.1 Term. This Agreement shall commence with the execution hereof and shall terminate upon the Phase IIIA-Third Closing as to the Phase IIIA-Development, and upon the commencement of construction of the Phase IIIB-Vertical Component as to the Phase IIIB-Development, except for the general and environmental indemnification provisions incorporated in this Agreement, unless sooner terminated in accordance with provisions herein.

Section 38.2 No Liens. Without the prior written consent of the Authority and HUD, the Master Developer shall not place a lien or other encumbrance on the Phase IIIA-Development or the Phase IIIB-Development, nor pledge the Phase IIIA-Development or Phase IIIB-Development as collateral for any debts or financing.

Section 38.3 Decision Standards.

(a) In any approval, consent or other determination by any party required under this Agreement, the party shall act reasonably and in good faith, unless a different standard is explicitly stated.

(b) "Good faith" shall mean honesty in fact in the conduct or transaction concerned based on the facts and circumstances actually known to the individual(s) acting for the party.

(c) "Discretion," "sole discretion," "option," "election" or words of similar import in this Agreement denote the party's privilege to act in furtherance of the party's interest.

(d) "Judgment" denotes a subjective standard obligating the party to use good faith in forming its professional opinion or estimate.

(e) "Reasonable judgment" denotes an objective standard obligating the party in good faith to act in a manner which is consistent with usual and customary practices of entities similarly situated, and not arbitrarily or capriciously.

Section 38.4 Approval Process. After the Master Developer submits to the Authority for approval any item provided for in this Agreement, the Authority shall have ten (10) days following the submission to approve or disapprove such submission. If rejected by the Authority in whole or in part, the Authority shall provide the Master Developer with reasons for the rejection, either orally or in writing. The Master Developer shall then submit modified documents to the Authority within ten (10) days. The Authority shall then have ten (10) days to review and approve or disapprove the modified submission, and shall provide the Master Developer with reasons for any disapproval. If, by the end of the Authority's period of review, the Master Developer does not receive the written approval of the Authority, and has not received any reason for a disapproval, the Master Developer must provide the Authority with written notice pursuant to Section 38.5 that the Authority will be deemed to have approved the submission unless the Authority approves or disapproves the submission within five (5) days.

The Master Developer and the Authority may repeat the foregoing process and time periods if both parties shall so agree in writing.

Section 38.5 Notices. Any notice or other communication given or made pursuant to this Agreement shall be in writing and shall be deemed given if (i) delivered personally or by courier, (ii) telecopied, (iii) sent by overnight express delivery, or (iv) mailed by registered or certified mail (return receipt requested), postage prepaid, to a party at its respective address set forth below (or at such other address as shall be specified by the party by like notice given to the other party):

If to Authority, to:	San Francisco Housing Authority 1815 Egbert Avenue San Francisco, CA 94124 Attention: Tonia Lediju, PhD, Acting Executive Director
and a copy to:	Goldfarb & Lipman 1300 Clay Street, 11th Floor City Center Plaza Oakland, CA 94612 Attention: Dianne Jackson McLean, Esq.
If to Master Developer, to:	Hunters View Associates, L.P. c/o The John Stewart Company 1388 Sutter Street, 11th Floor San Francisco, CA 94109 Attention: Jack D. Gardner, President and CEO
and a copy to:	Hunters Point Affordable Housing, Inc. 140 Cashmere Street San Francisco, CA 94124 Attention: Regina Coleman, President
and to:	Devine & Gong, Inc. 101 Montgomery Street, Suite 1350 San Francisco, CA 94104 Attention: Chan U Lee, President
and to:	Lubin Olson & Niewiadomski LLP The Transamerica Pyramid 600 Montgomery St., 14th Floor San Francisco, CA 94111-2716 Attention: Charles Olson, Esq.

and a copy to HUD: U.S. Department of Housing and Urban Development
Office of Public Housing Investments
451 Seventh Street, S.W., 4th Floor
Washington, D.C. 20410

Section 38.6 Representatives. To facilitate communication, the parties to this Agreement shall designate a representative with responsibility for the routine administration of each party's obligations under this Agreement. The Parties initially appoint the following as representatives:

Authority: Tonia Lediju, PhD

Master Developer: Jack D. Gardner

Section 38.7 Further Assurances. Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement.

Section 38.8 Restrictions on Transfers and Assignments.

(a) As used in this Section, the term "Transfer" shall mean:

(1) Any total or partial sale, assignment or conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to this Agreement or any aspect of the Development or any part thereof or any interest therein or any contract or agreement to do any of the same; or

(2) Any total or partial sale, assignment or conveyance, or any trust or power, or any transfer in any other mode or form, of or with respect to any interest in the Master Developer, including, but not limited to, any transfer of the interest of a partner or a member of the Master Developer, or any contract or agreement to do any of the same; or

(3) Any merger, consolidation, sale or lease of all or substantially all of the assets of the Master Developer.

(b) Purpose of Restrictions on Transfer. The Master Developer recognizes that the qualifications and identity of the Master Developer, including Affiliates of the Master Developer, are of particular concern to the Authority, in view of:

(1) The importance of the Revitalization to the general welfare of the community;

(2) The financial assistance and other public aids that have been made available by law and by the government for the purpose of making such Revitalization possible;

(3) The reliance by the Authority upon the unique qualifications and ability of the Master Developer to serve as the catalyst for the Development and, after conveyance of the Property, upon the continuing interest which the Master Developer will have

in the Property to assure the quality of the use, operation and maintenance deemed critical by the Authority for the development;

(4) The fact that the Property is not to be acquired or used for speculation, but only for development and operation by the Master Developer in accordance with the Agreement;

(5) The importance to the Authority and the community of the standards of use, operation and maintenance of the Property.

The Master Developer further recognizes that it is because of such qualifications and identity that the Authority is entering into this Agreement with the Master Developer and that Transfers are permitted only as provided in this Agreement.

(c) Prohibited Transfers. Except as expressly permitted in this Agreement, the Master Developer represents and agrees that the Master Developer has not made or created, and will not make or create or suffer to be made or created, any Transfer, either voluntarily or by operation of law without the prior written approval of the Authority and HUD, if required pursuant to this Agreement. Any Transfer made in contravention of this Section 38.8 shall be void and shall be deemed to be a default under this Agreement whether or not the Master Developer knew of or participated in such Transfer unless such Transfer is rescinded by the Master Developer within thirty (30) days following written notice by the Authority to the Master Developer to rescind such Transfer.

Section 38.9 Transfers with Authority Consent. Subject to the prior written approval of HUD, the Authority may, in its sole discretion, approve in writing other Transfers as requested by the Master Developer. In connection with such request, there shall be submitted to the Authority for review all instruments and other legal documents proposed to affect any such Transfer. If a requested Transfer is approved by the Authority such approval shall be indicated to the Master Developer in writing. Such approval shall be granted or denied by the Authority within thirty (30) days of receipt by the Authority of the Master Developer's request for approval of a Transfer. Consent to Transfers requested by the Tax Credit Investor, such as the removal of a general partner for default under a limited partnership agreement, shall not be unreasonably withheld, and shall be provided for with respect to the Phase IIIA-Development or the Phase IIIB-Development in the documentation.

Section 38.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed original, but all of which, together, shall constitute one instrument.

Section 38.11 Interpretation and Governing Law. This Agreement shall not be construed against the party who prepared it but shall be construed as though prepared by both Parties. This Agreement shall be construed, interpreted, and governed by the laws of California without regard to the choice of law provisions thereof. The Parties acknowledge and agree that in the event of a conflict or inconsistency between the HUD Requirements and any requirement set forth in this Agreement, the HUD Requirements shall in all instances be controlling.

Section 38.12 Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable such portion shall be deemed severed from this Agreement and the remaining parts shall continue in full force as though such invalid or unenforceable provision had not been part of this Agreement.

Section 38.13 Final Agreement. Unless otherwise provided herein, this Agreement constitutes the final understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings and agreements between the Parties, whether written or oral. This Agreement may be amended, supplemented or changed only by a writing signed or authorized by or on behalf of the party to be bound thereby.

Section 38.14 Non-Recourse. No member, official, employee, agent, or consultant of the Authority or of any Affiliate of the Authority shall be personally liable to the Master Developer, or any successor in interest or person claiming by, through or under the Master Developer, in the event of any default or breach, or for or on account of any amount which may be or become due, or in any claim, cause or obligation whatsoever under the terms of this Agreement. No member, officer, director, shareholder (which is an individual), principal (which is an individual), employee, agent or consultant or member of the Master Developer or of any Affiliate of the Master Developer shall be personally liable to the Authority or any successor in interest or person claiming by, through or under the Authority, in the event of any default or breach, or for or on account of any amount which may be or become due, or in any claim, cause or obligation whatsoever under the terms of this Agreement.

Section 38.15 Master Developer Employees and Liabilities. It is understood that persons engaged or employed by the Master Developer as employees, agents, or independent contractors shall be engaged or employed by the Master Developer and not by the Authority. The Master Developer alone is responsible for their work, direction, compensation and personal conduct. Nothing included in any provision of this Agreement shall impose any liability or duty upon the Authority to persons, firms, or corporations employed or engaged by the Master Developer in any capacity whatsoever, or make the Authority liable to any such persons, firms, or corporations, or to any government, for the acts, omissions, liabilities, obligations, and taxes, of whatsoever nature, of the Master Developer or of its employees, agents, or independent contractors.

Section 38.16 Master Developer Not an Agent. Nothing in this Agreement shall be deemed to appoint the Master Developer as an agent for or representative of the Authority, and the Master Developer is not authorized to act on behalf of the Authority with respect to any matters except those specifically set forth in this Agreement. The Authority shall not have any liability or duty to any person, firm, corporation, or governmental body for any act of omission or commission, liability, or obligation of the Master Developer, whether arising from actions under this Agreement or otherwise.

Section 38.17 Waivers. The failure of either party to insist in any one or more cases upon the strict performance of any of the other party's obligations under this Agreement or to exercise any right or remedy herein contained shall not be construed as a waiver or a relinquishment for the future of such obligation, right or remedy. No waiver by either party of any provision of this

Agreement shall be deemed to have been made unless set forth in writing and signed by that party.

Section 38.18 Successors. The terms, covenants, agreements, provisions, and conditions contained herein shall bind and inure to the benefit of the Parties hereto, their successors and assigns.

Section 38.19 Headings; Exhibits. The headings in this Agreement are inserted for convenience only and shall not be used to define, limit or describe the scope of this Agreement or any of the obligations herein. All attachments that are labeled Exhibits are attached hereto and incorporated herein by reference thereto.

Section 38.20 Construction. Whenever in this Agreement a pronoun is used, it shall be construed to represent either the singular or the plural, either the masculine or the feminine, as the case shall demand.

Section 38.21 Cumulative Rights. Except as expressly limited by the terms of this Agreement, all rights, powers and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

Section 38.22 Business Licenses. The Master Developer warrants that the Master Developer has a valid San Francisco City business license and all other licenses required by law.

Section 38.23 Time of Performance.

(a) Expiration. All performance dates (including cure dates) expire at 5:00 p.m., San Francisco, California time, on the performance or cure day, subject to subsection (b).

(b) Weekends and Holidays. A performance date which falls on a Saturday, Sunday or Authority holiday is deemed extended to the next working day.

(c) Days for Performance. All periods for performance specified in this Agreement in terms of days shall be calendar days, and not business days, unless otherwise expressly provided in this Agreement.

Section 38.24 Amendment. Neither this Agreement nor any of its terms may be terminated, amended or modified except by a written instrument executed by the Parties and the written approval of HUD.

Section 38.25 Attorneys' Fees. If either Party fails to perform any of its respective obligations under this Agreement or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other Party on account of such default or in enforcing or establishing its rights under this Agreement, including, without limitation, court costs and reasonable attorneys' fees and costs. Any such attorneys' fees and costs incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees and costs obligation is intended to be

separate from the other provisions of this Agreement and to survive and not be merged into any such judgment.

Section 38.26 Recitals. The Recitals of the Agreement are expressly made a part of this Agreement and incorporated herein by this reference.

IN WITNESS WHEREOF, the Parties have duly executed this Disposition and Development Agreement by their duly authorized signatories effective on or as of the date written at the commencement of this Disposition and Development Agreement.

APPROVED AS TO FORM AND LEGALITY:

_____

Dianne Jackson McLean, Esq.
Goldfarb & Lipman LLP
Special Legal Counsel to Authority

AUTHORITY:

HOUSING AUTHORITY OF THE CITY OF AND COUNTY OF SAN FRANCISCO, public body corporate and politic

By: _____
Tonia Lediju, PhD, Acting Executive Director

MASTER DEVELOPER:

HUNTERS VIEW ASSOCIATES, L.P., a California limited partnership

By: JSCo HVA LLC, a California limited liability company, its managing general partner

By: John Stewart Company, a California corporation, its managing member

By: _____
Jack D. Gardner
President and CEO

By: Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation, its co-general partner

By: _____
Regina Coleman
President

By: HV Mafanikio LLC, a California limited liability company, its co-general partner

By: Devine & Gong, Inc., a California corporation, its managing member

By: _____
Chan U Lee
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By: Chan U Lee
Chan U Lee
President

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

The land referred to herein is situated in the City and County of San Francisco State of California, and is described as follows:

Lot 10, as shown on Final Map No. 5461, filed for record in the Office of the Recorder of the City and County of San Francisco, State of California on December 23, 2010 in Book DD of Survey Maps, Pages 90 through 97, inclusive.

Assessor's Lot 032 (formerly Lot 003); Block 4624

EXHIBIT B-1

PHASE IIIA-DEVELOPMENT SITE DESCRIPTION

Phase IIIA(1)- Development Site Description

Phase IIIA(1) – Vertical Housing Component

Blocks 14 and 17, which are shown as Lots 3 and 4 on Final Map No. 9677.

Phase IIIA(2)-Development Site Description

Open Space and Bayview Park

Lots A and B on Final Map No. 9677.

Phase IIIA(3)- Development Site Description

Phase IIIA(3) – Horizontal Component

Public Right of Way/Infrastructure for Fairfax Avenue and Hunters View Drive, which are shown as Lots 8 and 9 on Final Map No. 9677.

Hunters View Phase III Land Use Plan

Phase	Site Plan Name	Final Map Reference	Square Footage/ Acreage	Description	Initially Ground Leased To	Ultimate Owner/Operator
Phase IIIA(1)	Block 14	Lot 3	23,862 sq. ft. .55 ac	Housing	HVP3	HVP3
	Block 17	Lot 4	39,307 sq. ft. .90 ac			
Phase IIIA(2)	Bayview Park	Lot A	31,135 sq. ft. .71 ac	Park	HVA	HVCA
	Open Space	Lot B	3,314 sq. ft. .08 ac	Open Space	HVA	HVCA
Phase IIIA(3)	Public Right of Way/Infrastructure	Lot 9	53,881 sq. ft. 1.22 ac	Hunters View Drive	HVP3	DPW
	Public Right of Way/ Infrastructure	Lot 8	9801 sq. ft. .23 ac	Fairfax Avenue	HVP3	DPW
Phase IIIB	Block 12	Lot 1	26,904 sq. ft. .62 ac	For-Sale and/or Rental Housing	HVA	To Be Determined
	Block 13	Lot 2	42,012 sq. ft. .96 ac	For-Sale and/or Rental Housing		
	Block 15	Lot 7	40,369 sq. ft. .93 ac	For-Sale and/or Rental Housing		
	Block 16	Lot 6	38,823 sq. ft .75 ac	For-Sale and/or Rental Housing		
	Block 18	Lot 5	22,845 sq. ft. .48 ac	For-Sale and/or Rental		

				Housing		

HVA – Hunters View Associates
HVCA – HV Community Association. Inc.
HVP3 – HV Partners 3, LP
DPW – Department of Public Works

EXHIBIT B-2

PHASE III-MAP



EXHIBIT C

PHASE IIIB(1)-DEVELOPMENT SITE DESCRIPTION

Lots 1, 2, 5, 6, and 7 on Final Map No. 9677.

EXHIBIT D

ABATEMENT AND DEMOLITION WORK

1. Removal and disposal of any Hazardous Materials (as defined below) from the Existing Improvements, including below-grade asbestos thermal system insulation mitigation in accordance with the Department of Toxic Substances Controls "universal waste" procedures;

2. Mass grading to stabilize any soil pursuant to the Dust Control Plan and Asbestos Dust Management Plan;

3. Street and infrastructure demolition as set forth in the Demolition Plan and Budget, prepared by the Master Developer and approved by the Authority, and removal of debris in accordance with all regulations and requirements;

4. Installation of off-site utilities;

5. Such other tasks as may be necessary to effectuate the work contemplated in subsection (1) through (4) hereinabove, including, without limitation, implementing dust control and preparing for construction and environmental testing.

EXHIBIT E

INFRASTRUCTURE WORK

The infrastructure work shall consist of the roads, streets, utilities lines and conduits, sewer and other site improvements as set forth in the Hunters View Phase III Infrastructure Improvement Plans dated January 30, 2020, including Fairfax Avenue and Hunters View Drive.

EXHIBIT F

SCHEDULE FOR PRECONSTRUCTION ACTIVITIES
AND HORIZONTAL COMPONENT ACTIVITIES

ACTION	DATE
1. Abatement Work Commencement. Master Developer shall commence the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than September 30, 2020.
2. Abatement Work Completion. Master Developer shall complete the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than October 31, 2021.
3. Demolition Work Commencement. Master Developer shall commence the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than September 30, 2020.
4. Demolition Work Completion. Master Developer shall complete the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than November 30, 2020.
5. Infrastructure Improvement Work Commencement. The Master Developer shall commence the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than November 30, 2022.
6. Infrastructure Improvement Work Completion. The Master Developer shall complete the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than October 31, 2023.

EXHIBIT G-1

PHASE IIIA(1), PHASE IIIA(2) and PHASE IIIA(3)-HORIZONTAL FINANCING PLAN

Infrastructure Sources	
SF Mayor's Office of Housing + CD (MOHCD)	16,189,347
Existing OCII Funds (Phase IIA) Roll-over	4,500,000
SF DPW Streets Bonds	5,000,000
HCD Infill Infrastructure (IIG)	3,871,317
Total Infrastructure Sources	**29,560,664**

EXHIBIT G-2

PHASE IIIA(1)-VERTICAL FINANCING PLAN

Vertical Sources	
Permanent 1st Mortgage	26,315,000
SF Mayor's Office of Housing + CD (MOHCD)	16,760,000
HCD Multifamily Housing Program (MHP)	20,000,000
FHLB Affordable Housing Program (AHP)	0
Contributed Developer Fee	7,200,000
Accrued Interest	0
Deferred Developer Fee	1,300,000
Tax Credit Equity	44,347,509
Total Vertical Sources	**115,922,509**

EXHIBIT H

PHASE IIIA(1) and PHASE IIIA(3)-DEVELOPMENT BUDGET

INFRASTRUCTURE	
Phases III Infrastructure	
Demolition	1,512,149
Infrastructure Construction Phase III	17,580,409
Contingency	1,758,041
Detention Basin/Retaining Wall	375,000
Park: Bayview	2,125,760
Soft Costs	4,600,779
Developer Fee - Infrastructure	1,608,526
Total Infrastructure Cost	**29,560,664**

VERTICAL	
Phase IIIA - Vertical	
Total Hard Costs	84,628,945
Total Design Costs	3,373,197
Total Fees & Permits	2,702,126
Total Financing Costs	8,622,705
Total Reserves	4,511,685
Total Other Soft Costs	1,203,850
Contributed Fee	8,500,000
Developer Fee - Vertical	2,380,000
Total Residential Cost	**115,922,509**

EXHIBIT I

PHASE IIIA(1), PHASE IIIA(2) and PHASE IIIA(3)-SCHEDULE OF PERFORMANCE

This Phase IIIA(1)-Schedule of Performance, Phase IIIA(2)-Schedule of Performance and Phase IIIA(3)-Schedule of Performance summarize the schedule for various activities under the Agreement to which this exhibit is attached. The description of items in this Phase IIIA(1)-Schedule of Performance, Phase IIIA(2)-Schedule of Performance and Phase IIIA(3)-Schedule of Performance are meant to be descriptive only, and shall not be deemed to modify in any way the provisions of the Agreement to which such items relate. Section references herein to the Agreement are intended merely as an aid in relating this Phase IIIA(1)-Schedule of Performance, Phase IIIA(2)-Schedule of Performance and Phase IIIA(3)-Schedule of Performance to other provisions of the Agreement and shall not be deemed to have any substantive effect. Times for performance are subject to Force Majeure, as further provided in Section 21.1(c) of the Agreement.

Whenever this Phase IIIA(1)-Schedule of Performance, Phase IIIA(2)-Schedule of Performance, or Phase IIIA(3)-Schedule of Performance requires the submission of plans or other documents at a specific time, such plans or other documents, as submitted, shall be complete and adequate for review by the Authority or other applicable governmental entity within the time set forth herein. Prior to the time set forth for each particular submission, the Master Developer shall consult with Authority staff informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

As provided in the Agreement, this Phase IIIA(1)-Schedule of Performance, Phase IIIA(2)-Schedule of Performance and Phase IIIA(3)-Schedule of Performance may only be modified in a writing executed by all Parties, in accordance with Section 38.24 of the Agreement.

EXHIBIT I-1

PHASE IIIA(1)-SCHEDULE OF PERFORMANCE AND PHASE IIIA(3)-SCHEDULE OF PERFORMANCE

ACTION	DATE
1. Phase IIIA-First Closing. The Authority and the Master Developer shall execute the License and Preconstruction Services Agreement for the Preconstruction and Horizontal Component Activities. [§2.1]	No later than July 31, 2020.
2. Abatement Work Commencement. Master Developer shall commence the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than February 28, 2021.
3. Abatement Work Completion. Master Developer shall complete the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than March 31, 2022.
4. Demolition Work Commencement. Master Developer shall commence the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than February 28, 2021.
5. Demolition Work Completion. Master Developer shall complete the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than April 30, 2021.
6. Infrastructure Improvement Work Commencement. The Master Developer shall commence the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than April 30, 2022.
7. Infrastructure Improvement Work Completion. The Master Developer shall complete the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than March 31, 2023.

ACTION	DATE
8. Negotiation of Additional Agreements. The Parties shall commence to negotiate the additional agreements listed in [§4.1 and §4.1(b)(1)(i)-(ix)]	No later than September 30, 2021.
9. HUD Approvals. HUD shall have approved the Project Plan, if applicable, and all evidentiary documentation required thereunder. [§4.1(b)(2) and §8.2]	No later than May 31, 2021.
10. Third Party Funding Commitment Applications. Master Developer shall apply for all third party funding commitments necessary to fund construction of the Phase IIIA(1)Vertical Component, included allocations of tax exempt bond volume cap and/or LIHTC. [§4.1(b)(3) and (b)(4)]	No later than May 31, 2022.
11. Funding Commitments for Phase IIIA-Third Closing. Master Developer shall have received commitments of all the sources of projected assistance. [§4.1(b)(3) and (b)(4)]	No later than June 30, 2022.
12. Ground Lease and Memorandum of Ground Lease. Execute, acknowledge, deposit and deliver to Title Company the Ground Lease and the Memorandum of Ground Lease. [§4.4(b)(2) and (c)(2)]	No later than October 31, 2021.
13. Phase IIIA(3)-Horizontal Component Financing Plan. Master Developer shall have submitted and received approval from the Authority for the Financing Plan for the Phase IIIA(3)-Horizontal Component. [§5.1]	No later than October 31, 2021.
14. Submission of Phase IIIA(3)-Horizontal Design Drawings. Master Developer shall submit the Phase IIIA(3)-Horizontal Design Drawings based on the Schematic Design and the Scope of Development. [§6.3(a)]	No later than June 1, 2021.

ACTION	DATE
15. Approval of Phase IIIA(3)-Horizontal Design Drawings. The Authority shall approve the Phase IIIA(3)-Horizontal Design Drawings based on the Schematic Design and the Scope of Development. [§6.3(a)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
16. Submission of Phase IIIA(3)-Horizontal Final Construction Drawings. Master Developer shall submit the Phase III(A)(3)-Horizontal Construction Drawings based on the Phase IIIA(3)-Horizontal Design Drawings. [§4.2 and §6.3(b)]	No later than August 31, 2021.
17. Approval of Phase IIIA(3)-Horizontal Final Construction Drawings. The Authority shall approve the Phase IIIA(3)-Horizontal Final Construction Drawings based on the Phase IIIA(3)-Horizontal Design Drawings. [§6.3(b)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
18. Application for Permits and Approvals. Master Developer shall apply for all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(3)-Horizontal Component. [§4.2(b)(2) and §6.4]	No later than July 31, 2020.
19. Phase IIIA(3)-Horizontal Construction Contract. Master Developer shall have submitted and received approval from the Authority for the Phase IIIA(3)-Horizontal Construction Contract. [§6.7]	No later than January 31, 2022.
20. Obtain Permits and Approvals. Master Developer shall have obtained all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(3)-Horizontal Component. [§4.2(b)(2) and §6.8]	No later than January 31, 2022.

ACTION	DATE
21. Phase IIIA(3)-Horizontal Component Construction Commencement. Master Developer shall commence construction of the Phase IIIA(3)-Horizontal Component. [§7.1]	No later than March 31, 2022.
22. Phase IIIA(3)-Horizontal Component Construction Completion. Master Developer shall complete construction of the Phase IIIA(3)-Horizontal Component. [§7.2]	No later than July 31, 2023.
23. Phase IIIA(1)-Vertical Component Financing Plan. Master Developer shall have submitted and received approval from the Authority for the Financing Plan for the Phase IIIA(1)-Vertical Component. [§8.1(b)]	No later than June 30, 2022.
24. Submission of Phase IIIA(1)-Vertical Design Drawings. Master Developer shall submit the Phase IIIA(1)-Vertical Design Drawings based on the Schematic Design and the Scope of Development. [§9.3(a)]	No later than August 31, 2021.
25. Approval of Phase IIIA(1)-Vertical Design Drawings. The Authority shall approve or disapprove the Phase IIIA(1)-Vertical Design Drawings based on the Schematic Design and the Scope of Development. [§9.3(a)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
26. Submission of Phase IIIA(1)-Vertical Final Construction Drawings. Master Developer shall submit the Phase IIIA(1)-Vertical Construction Drawings based on the Phase IIIA(1)-Vertical Design Drawings. [§9.3(b)]	No later than June 30, 2022
27. Approval of Phase IIIA(1)-Vertical Final Construction Drawings. The Authority shall approve the Phase IIIA(1)-Vertical Final Construction Drawings based on the Phase IIIA(1)-Vertical Design Drawings. [§9.3(b)]	Within ten (10) business days of receipt of the submittal from the Master Developer.

ACTION	DATE
28. Application for Permits and Approvals. Master Developer shall apply for all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(1)-Vertical Component. [§4.2(b)(2) and §9.4]	No later than August 31, 2021
29. Phase IIIA(1)-Vertical Construction Contract. Master Developer shall have submitted and received approval from the Authority for the Phase IIIA(1)-Vertical Construction Contract. [§9.7]	No later than August 31, 2022.
30. Obtain Permits and Approvals. Master Developer shall have obtained all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(1)-Vertical Component. [§4.2(b)(2) and §9.8]	No later than October 31, 2022.
31. Phase IIIA-Third Closing. The date on which the Tax Credit Investor is admitted into the Phase IIIA(1)-Developer; the construction loans for the Phase IIIA(1)-Development are recorded. [§1.4(xxxx)]	No later than June 30, 2022.
32. Phase IIIA(1)-Vertical Component Construction Commencement. Master Developer shall commence construction of the Phase IIIA(1)-Vertical Component. [§10.1]	No later than December 31, 2022.
33. Phase IIIA(1)-Vertical Component Construction Completion. Master Developer shall complete construction of the Phase IIIA(1)-Vertical Component. [§10.2]	No later than December 31, 2024.
34. Phase IIIA(1)-Insurance. Master Developer shall provide the Authority with the insurance certificates required [Article 18]	No later than October 31, 2021.

EXHIBIT I-2

PHASE IIIA(2)- SCHEDULE OF PERFORMANCE

ACTION	DATE
1. Abatement Work Commencement. Master Developer shall commence the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than February 28, 2021.
2. Abatement Work Completion. Master Developer shall complete the Abatement Work for the Preconstruction and Horizontal Component Activities. [§2.2]	No later than March 31, 2022.
3. Demolition Work Commencement. Master Developer shall commence the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than February 28, 2021.
4. Demolition Work Completion. Master Developer shall complete the Demolition Work for the Preconstruction and Horizontal Component Activities. [§2.3]	No later than April 30, 2021.
5. Infrastructure Improvement Work Commencement. The Master Developer shall commence the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than April 30, 2022.
6. Infrastructure Improvement Work Completion. The Master Developer shall complete the Infrastructure Improvement Work for the Preconstruction and Horizontal Component Activities. [§2.4]	No later than April 30, 2023.
7. Land Use Approvals. The Master Developer shall obtain any necessary land use approvals for the Phase IIIA(2)-Development. [§12.2]	No later than December 31, 2021.

ACTION	DATE
8. Phase IIIA-Second Closing. The Authority shall lease to the Master Developer the Phase IIIA(2)-Development Site. [§12.3]	No later than January 31, 2022.
9. Ground Lease and Memorandum of Ground Lease. Execute, acknowledge, deposit and deliver to Title Company the Phase IIIA(2)-Ground Lease and the Memorandum of Phase IIIA(2)-Ground Lease. [§13.4(b)(2)]	No later than January 31, 2022.
10. Phase IIIA(2)-Horizontal Component Financing Plan. Master Developer shall have submitted and received approval from the Authority for the Financing Plan for the Phase IIIA(2)-Horizontal Component. [§14.1]	No later than June 30, 2022.
11. Submission of Phase IIIA(2)-Horizontal Design Drawings. Master Developer shall submit the Phase IIIA(2)-Horizontal Design Drawings based on the Schematic Design and the Scope of Development. [§15.3(a)]	No later than May 31, 2022.
12. Approval of Phase IIIA(2)-Horizontal Design Drawings. The Authority shall approve the Phase IIIA(2)-Horizontal Design Drawings based on the Schematic Design and the Scope of Development. [§15.3(a)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
13. Submission of Phase IIIA(2)-Horizontal Final Construction Drawings. Master Developer shall submit the Phase IIIA(2)-Horizontal Construction Drawings based on the Phase IIIA(2)-Horizontal Design Drawings. [§15.3(b)]	No later than November 30, 20212.
14. Approval of Phase IIIA(2)-Horizontal Final Construction Drawings. The Authority shall approve the Phase IIIA(2)-Horizontal Final Construction Drawings based on the Phase IIIA(2)-Horizontal Design Drawings. [§15.3(b)]	Within ten (10) business days of receipt of the submittal from the Master Developer.

ACTION	DATE
15. Application for Permits and Approvals. Master Developer shall apply for all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(2)-Horizontal Component. [§15.4]	No later than February 28, 2022.
16. Phase IIIA(2)-Horizontal Construction Contract. Master Developer shall have submitted and received approval from the Authority for the Phase IIIA(2)-Horizontal Construction Contract. [§15.7]	No later than May 31, 2022.
17. Obtain Permits and Approvals. Master Developer shall have obtained all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIA(2)-Horizontal Component. [§15.8]	No later than May 31, 2022.
18. Phase IIIA(2)-Horizontal Component Construction Commencement. Master Developer shall commence construction of the Phase IIIA(2)-Horizontal Component. [§16.1]	No later than June 30, 2022.
19. Phase IIIA(2)-Horizontal Component Construction Completion. Master Developer shall complete construction of the Phase IIIA(2)-Horizontal Component. [§16.2]	No later than October 31, 2023.
20. Phase IIIA(2)-Insurance. Master Developer shall provide the Authority with the insurance certificates required [Article 18]	No later than October 31, 2021.

EXHIBIT J-1

PHASE IIIA(3)-HORIZONTAL SCHEMATIC DESIGN

The Horizontal Schematic Designs are set forth in the Hunters View Phase III Infrastructure Improvement Plans dated January 30, 2020.

EXHIBIT J-2

PHASE IIIA(1)-VERTICAL SCHEMATIC DESIGN

The Phase IIIA(1)-Vertical Schematic Designs for Block 14 (Lot 3) are set forth in the Hunters View Schematic Design set dated October 24, 2019. The Phase IIIA(1)-Vertical Schematic Designs for Block 17 (Lot 4) are set forth in the Hunters View Schematic Design set dated October 24, 2019.

EXHIBIT K

PHASE IIIA-SCOPE OF DEVELOPMENT

Phase IIIA-Development will have three subparts: Phase IIIA(1)-Development consists of the construction of: (a) approximately one hundred twelve (118) multi-family housing units, including fifty-three (53) PHA-Replacement Units and all except one (1) PHA-Replacement Unit, which will serve as the manager's unit, will be designated as tax credit housing units, one (1) PHA-Replacement Unit will be a non-tax credit unit (collectively, the "Phase IIIA(1)-Development"); (b) construction of one park (collectively, the "Phase IIIA(2)-Development"); and (c) the infrastructure improvements, public street and rights of way improvements, to be named Fairfax Avenue and Hunters View Drive, which will be conveyed to the City (the "Phase IIIA(3)-Development").

EXHIBIT L

PHASE IIIB-DEVELOPMENT BUDGET

[to be inserted later]

EXHIBIT M

PHASE IIIB-HORIZONTAL FINANCING PLAN

[to be inserted later]

EXHIBIT N

PHASE IIIB-SCHEDULE OF PERFORMANCE

This Phase IIIB-Schedule of Performance summarizes the schedule for various activities under the Agreement to which this exhibit is attached. The description of items in this Phase IIIB-Schedule of Performance is meant to be descriptive only, and shall not be deemed to modify in any way the provisions of the Agreement to which such items relate. Section references herein to the Agreement are intended merely as an aid in relating this Phase IIIB-Schedule of Performance to other provisions of the Agreement and shall not be deemed to have any substantive effect. Times for performance are subject to Force Majeure, as further provided in Section 21.11 of the Agreement.

Whenever this Phase IIIB-Schedule of Performance requires the submission of plans or other documents at a specific time, such plans or other documents, as submitted, shall be complete and adequate for review by the Authority, within the time set forth herein. Prior to the time set forth for each particular submission, the Developer shall consult with Authority staff informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

As provided in the Agreement, this Phase IIIB-Schedule of Performance may only be modified in a writing executed by all Parties, in accordance with Section 38.23(c)(1) of the Agreement.

Notwithstanding anything to the contrary contained in this Phase IIIB-Schedule of Performance, the Authority acknowledges that the Master Developer anticipates that the Phase IIIB-Horizontal Component will be developed on a similar schedule as the Phase IIIA(3)-Horizontal Component.

PHASE IIIB-SCHEDULE OF PERFORMANCE

ACTION	DATE
1. Phase IIIB-First Closing Short-Term Ground Lease. The Authority and Master Developer shall execute the short-term ground lease for the Phase IIIB-Development Site. [§25.3]	No later than October 31, 2021.
2. Commence Grading and Site Preparation Work. Master Developer shall commence a portion of the Phase IIIB Infrastructure Improvements related to grading and site preparation work on the Phase IIIB-Development Site. [§25.5]	No later than February 28, 2022.
3. Complete Grading and Site Preparation Work. Master Developer shall complete a portion of the Phase IIIB Infrastructure Improvements related to grading and site preparation work on the Phase IIIB-Development Site. [§25.5]	No later than October 31, 2023.
4. Market Report. The Master Developer shall have submitted to the Authority a Market Report, prepared by the Marketing Consultant for Hunters View, outlining the current market conditions of the for-sale market in Bayview Hunters Point. [§26.6]	No later than October 31, 2022.
5. Developer Report. The Master Developer shall have submitted to the Authority a Developer Report, which shall incorporate the findings of the Market Report and also provide a feasibility analysis and a Determination of Feasibility for proceeding with the development of Blocks 12, 13, 15, 16, and 18. [§26.2]	No later than December 31, 2022.
6. Market Report. The Master Developer shall have submitted to the Authority a Market Report, prepared by the Marketing Consultant for Hunters View, outlining the current market conditions of the for-sale market in Bayview Hunters Point. [§26.6]	No later than October 31, 2023.

ACTION	DATE
7. Developer Report. The Master Developer shall have submitted to the Authority a Developer Report, which shall incorporate the findings of the Market Report and also provide a feasibility analysis and a Determination of Feasibility for proceeding with the development of Blocks 12, 13, 15, 16, and 18. [§26.6]	No later than December 31, 2023.
8. Market Report. The Master Developer shall have submitted to the Authority a Market Report, prepared by the Marketing Consultant for Hunters View, outlining the current market conditions of the for-sale market in Bayview Hunters Point. [§26.6]	No later than October 31, 2024.
9. Developer Report. The Master Developer shall have submitted to the Authority a Developer Report, which shall incorporate the findings of the Market Report and also provide a feasibility analysis and an updated Determination of Feasibility for proceeding with the development of Blocks 12, 13, 15, 16, and 18. [§26.6]	No later than December 31, 2024.
10. Market Report. The Master Developer shall have submitted to the Authority a Market Report, prepared by the Marketing Consultant for Hunters View, outlining the current market conditions of the for-sale market in Bayview Hunters Point. [§26.6]	No later than October 31, 2025.
11. Development Proposal. The Master Developer shall have submitted to the Authority a Developer Report, which incorporates the findings of the Market Report and also provide an updated feasibility analysis and a Determination of Feasibility for the development of Blocks 12, 13, 15, 16, and 18. [§26.6]	No later than December 31, 2025

ACTION	DATE
12. Request for Extension. To the extent required, the Master Developer shall have submitted to the Authority a written request for an Extended Term to the Lease. [§26.6]	No later than six (6) months prior to the expiration of the Lease.
13. Review of Extension. Authority shall have responded to the Request for Extension. [§25.1]	Within forty-five (45) business days of receipt of the submittal from the Master Developer.
14. Phase IIIB-Horizontal Component Financing Plan. Master Developer shall have submitted and received approval from the Authority for any updated to the Financing Plan for the Phase IIIB-Horizontal Component. [§26.5]	No later than one (1) year following a Determination of Feasibility.
15. Phase IIIB-Horizontal Component Scope of Development. Master Developer shall have submitted and received approval from the Authority for the Phase IIIB-Horizontal Component Scope of Development. [§26.6]	No later than one (1) year following a Determination of Feasibility.
16. Phase IIIB-Horizontal Construction Financing. Master Developer shall submit to the Authority evidence reasonably satisfactory to the Authority that any conditions to release or expend funds described in the approved Phase IIIB-Horizontal Financing Plan have been met. [§26.9]	No later than one (1) year following a Determination of Feasibility.
17. Phase IIIB-Second Closing. Master Developer and the Authority shall execute, acknowledge, deposit and deliver to Title Company the long term Ground Lease and the Memorandum of Ground Lease. [§27.1]	No later than two (2) years following a Determination of Feasibility.
18. Phase IIIB-Horizontal Component Schematic Design. Master Developer shall have submitted and received approval from the Authority for the Phase IIIB-Horizontal Component Schematic Design. [§28.1]	No later than one (1) year following a Determination of Feasibility.

ACTION	DATE
19. Submission of Phase IIIB-Horizontal Design Drawings. Master Developer shall submit the Phase IIIB-Horizontal Design Drawings based on the Phase IIIB-Horizontal Schematic Design and the Phase IIIB-Horizontal Scope of Development. [§28.3(a)]	No later than sixteen (16) months following a Determination of Feasibility.
20. Approval of Phase IIIB-Horizontal Design Drawings. The Authority shall approve the Phase IIIB-Horizontal Design Drawings based on the Phase IIIB-Horizontal Schematic Design and the Phase IIIB-Horizontal Scope of Development. [§28.3(a)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
21. Submission of Phase IIIB-Horizontal Final Construction Drawings. Master Developer shall submit the Phase IIIB-Horizontal Construction Drawings based on the Phase IIIB-Horizontal Design Drawings. [§28.3(b)]	No later than twenty (20) months following a Determination of Feasibility.
22. Approval of Phase IIIB-Horizontal Final Construction Drawings. The Authority shall approve the Phase IIIB-Horizontal Final Construction Drawings based on the Phase IIIB-Horizontal Design Drawings. [§28.3(b)]	Within ten (10) business days of receipt of the submittal from the Master Developer.
23. Application for Permits and Approvals. Master Developer shall apply for all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIB-Horizontal Component. [§28.4 and §28.8]	No later than twenty (20) months following a Determination of Feasibility.
24. Phase IIIB-Horizontal Construction Contract. Master Developer shall have submitted and received approval from the Authority for the Phase IIIB-Horizontal Construction Contract. [§28.7]	No later than two (2) years following a Determination of Feasibility.

ACTION	DATE
25. Obtain Permits and Approvals. Master Developer shall have obtained all necessary building and construction permits, licenses, easements, zoning and approvals, including commitments to provide utilities for the Phase IIIB-Horizontal Component. [§28.4 and §28.8]	No later than two (2) years following a Determination of Feasibility.
26. Phase IIIB-Horizontal Component Construction Commencement. Master Developer shall commence construction of the Phase IIIB-Horizontal Component. [§29.1]	No later than two (2) years following a Determination of Feasibility.
27. Phase IIIB-Horizontal Component Construction Completion. Master Developer shall complete construction of the Phase IIIB-Horizontal Component. [§29.2]	No later than forty (40) months following a Determination of Feasibility.
28. Phase IIIB-Insurance. Master Developer shall provide the insurance certificates for the Phase IIIB-Development. [§29.6]	No later than the date at which the Phase IIIB-Ground Lease is entered into.

EXHIBIT O-1

PHASE IIIB-HORIZONTAL SCHEMATIC DESIGN

[to be inserted later]

EXHIBIT O-2

PHASE IIIB-VERTICAL SCHEMATIC DESIGN

[to be inserted later]

EXHIBIT P

SITE PLAN



EXHIBIT Q

LIST OF HAZARDOUS MATERIALS DOCUMENTS

Transportation Studies

Title	Author	Date
Transportation Study Draft Report	CHS Consulting Group, for SF Planning Dept.	07-07-2004
Transportation Study Draft Report	CHS Consulting Group, for SF Planning Dept.	09-09-2004
Transportation Study: Technical Appendix	DMJM Harris | AECOM	02-29-2008
Transportation Study Final Report: Major Environmental Analysis	DMJM Harris | AECOM	02-29-2008

Geotechnical Studies

Title	Author	Date
Geotechnical Engineering Services Report + Appendix	PSI	10-10-2003
Geotechnical Exploration (+ Response to Comments from Various Consultants)	ENGEO	09-11-2008
Supplemental Geotechnical Design Recommendations	ENGEO	12-14-2009
Retaining Wall Stability Evaluation Near PG&E Trench	ENGEO	04-28-2010, Revised 04-30-2010
Additional Geotechnical Exploration	ENGEO	05-21-2010
Clarification and Supplemental Geotechnical Design Recommendations	ENGEO	08-04-2010
Review of Foundation Plans: Phase I Block 4	ENGEO	08-19-2010
Review of Foundation Plans (5A, 5B, 6A, 6B)	ENGEO	08-26-2010
Phase III Geotechnical Investigation	Rockridge/Divis	06-05-2013

Environmental Studies

Title	Author	Date
Phase I Environmental Site Assessment (+ Appendices in a second PDF)	Smith-Emery Co., for SFHA	07-25-2003
Summary Report: Exterior Lead-Based Paint Risk Assessment	SCA Environmental, Inc.	03-19-2004
Biological Assessment (resources survey)	PBS&J (EIP Associates)	10-03-2007
Environmental Impact Report	PBS&J, for SF Planning	03-2008
Environmental Assessment	PBS&J, for HUD	08-2008
Environmental Noise Study	Charles M. Salter Associates, Inc.	09-05-2008

Combined Phase I and Phase III Environmental Site Assessment Report	ENGEO	11-20-2009
Environmental Assessment	Tetra Tech, for SF MOH	01-2010
Dust Control Plan	ENGEO	01-11-2010
Naturally Occurring Asbestos Dust Mitigation Plan	ENGEO	02-12-2010 Revised 02-17-2010
Naturally Occurring Asbestos Dust Mitigation Plan Amendment	ENGEO	10-28-2011
Bird Survey Report/Letter	PBS&J	03-08-2010
Consultation Regarding Project Soil Conditions	ENGEO	09-01-2010 Revised 09-03-2010
Memo Documenting Section 106 Compliance and Fulfillment of Mitigation Measures for Phase I	Garcia & Associates	11-16-2010
Combined Phase I and Phase III Environmental Site Assessment Update	ENGEO	02-17-2011 Revised 03-11-2011
Phase I Environmental Site Assessment	ENGEO	04-04-2011
HV Phase III Hazardous Material Survey Summary Data Tables and Laboratory Reports	PSI	06-17-2013
Phase I Environmental Site Assessment	PSI	02-13-2020

Environmental: Historic Studies

Historic Resource Evaluation	Carey & Co.	07-26-2001, Updated 09-10-2007
Archeological Resources Investigations for BVHP Redevelopment Plan	David Chavez & Associates, via EIP Associates	08-2001
Archeological Resources Investigations for BVHP Redevelopment Plan: Oakinba and South Basin Addition Activity Nodes	David Chavez & Associates, via EIP Associates	05-2004
Archeological Resources Investigations for BVHP Redevelopment Plan: Evans Avenue Addition	David Chavez & Associates, via EIP Associates	08-2004
Historic Resource Evaluation Response, MEA	SF Planning Dept.	11-05-2007
MEA Preliminary Archeological Review: Checklist	SF Planning Dept.	02-07-2008

Environmental: Administrative Items

Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources	SFHA	07-30-2009

Code		

Environmental: Lab Studies

Asbestos Survey Report (Volumes I & II)	SCA Environmental, for SFHA	09-1994
Phase I Hazardous Material Bidding Information / Building	PSI	09-14-2009
ACM Survey (Tables for each Phase I building)	PSI	09-25-2009
Subsurface Pipe Insulation Sampling Results	PSI	07-15-2010
Phase I Asbestos Abatement Activities Final Report	Twegbe, Inc.	05-07-2010
Subsurface Piping Removal – Site Observations Report	PSI	06-13-2011

Other Studies

Title	Author	Date
Housing Environmental Services, Inc.: Risk Assessment Report Form	Environmental Science & Engineering, Inc. for SFHA	02-07-1994
Arborist Report (Street & Significant Trees)	Walter Levinson	01-12-2007
Custom Market Analysis	Polaris Group	01-2008
Preliminary Market Assessment Letter	Zimmerman/Volk Associates, for SFHA	10-26-2009
Environmental Health & Safety Plan	PSI	02-11-2010
Health & Safety Work Plan for Concrete Demolition Work Involving NOA & Lead Containing Paint	PSI	05-20-2011

EXHIBIT R

MEMORANDUM OF UNDERSTANDING

INTERAGENCY MEMORANDUM OF UNDERSTANDING

BETWEEN

SFRA	SAN FRANCISCO REDEVELOPMENT AGENCY
SAN FRANCISCO HOUSING AUTHORITY	SAN FRANCISCO HOUSING AUTHORITY
	MAYOR'S OFFICE OF HOUSING
SAN FRANCISCO Office of Economic and Workforce Development	DEPARTMENT OF ECONOMIC & WORKFORCE DEVELOPMENT

FOR THE
HUNTERS VIEW DEVELOPMENT PROJECT

CONTRACT/WORKFORCE COMPLIANCE
WORKFORCE DEVELOPMENT & TRAINING

SECTION I. PURPOSE

This Inter-Agency Memorandum of Understanding (MOU) is between the San Francisco Redevelopment Agency (SFRA), San Francisco Housing Authority (SFHA), Mayor's Office of Housing (MOH), and Department of Economic and Workforce Development (DEWD), collectively referred to as the "MOU members."

The primary purpose of this MOU is to clarify and define the roles, responsibilities, goals and procedures of each of the aforementioned parties in relation to the City's "community benefit" program for the Hunters View Development Project. This 'community benefit' program is designed to institute the mechanisms by which the Project's developer, Hunters View Associates L.P. (Developer), will demonstrate the requisite good faith efforts necessary to achieve the specified goals for the project. The specific programs to be enforced or executed are:

1. Small Business Enterprise Program
2. Bayview Hunters Point Employment & Contracting Policy*
3. Housing and Urban Development Act of 1968
4. San Francisco Housing Authority Resolutions No. 4967 and 3639

(*) These SFRA programs/goals are amended to incorporate SFHA goals and define how the developer and/or contractors/subcontractors can demonstrate their good faith efforts.

SECTION II. AGREEMENTS AMONG PARTICIPATING PARTIES

The San Francisco Redevelopment Agency (SFRA), San Francisco Housing Authority (SFHA), Mayor's Office of Housing (MOH), and Department of Economic and Workforce Development (DEWD) all agree as follows.

1. DEVELOPER COMPLIANCE

Compliance by the Developer with all the requirements contained in this MOU will relieve the Developer from all other workforce requirements, programs and policies of the MOU members.

2. CONSTRUCTION WORKFORCE

a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs construction workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
b. SFRA will monitor and enforce the BVHP ECP.
c. SFRA will provide access to all MOU members through an electronic certified payroll system (e.g., Elations).
d. DEWD/CityBuild will serve as the lead and initial point of contact between the Bayview Hunters Point community and construction (sub)contractors for construction worker placement.
e. Contractor and/or subcontractors will also submit to SFRA copies of all correspondences to/from CityBuild, SFHA, and/or trade unions requesting

resident workers and will attach these documents to their Certified Payroll Reports.

3. **PROFESSIONAL SERVICES TRAINEE REQUIREMENTS**
   a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs trainee hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
   b. SFRA will monitor and enforce the BVHP ECP.
   c. DEWD will serve as the lead and initial point of contact between the Bayview Hunters Point community and professional services (sub)consultants for trainee placement.

4. **PERMANENT WORKFORCE**
   a. The rules of the San Francisco Redevelopment Agency's Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs permanent workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.
   b. According to HUD, Section 3, at least 30 percent of the permanent, full-time employees hired should be Section 3 residents. After a Section 3 employee has been employed for 3 years, the employee may no longer be counted as a Section 3 employee to meet the 30 percent requirement. This requires recipients to continue hiring Section 3 residents when employment opportunities are available.
   c. SFRA will monitor and enforce the BVHP ECP.
   d. DEWD will serve as the lead and initial point of contact between the Bayview Hunters Point community and businesses for permanent workforce placement.
   e. For permanent workforce tracking, the developer and/or retail tenants will submit a permanent workforce report provided by SFRA. The developer and/or retail tenants will submit to SFRA copies of all correspondence to/from SFHA, or DEWD requesting assistance to ensure that permanent employment placement occurs according to the Section III priority.

SECTION III. SFHA REQUIREMENTS AND SFRA BVHP ECP MODIFICATIONS

1. Workforce Hiring Goals

San Francisco Housing Authority Goal: at least 25 percent of all workforce hours going toward Public Housing Residents as defined in San Francisco Housing Authority's Resolution number 4967 requirement. This goal is not additional; the hiring of Public Housing Residents counts toward the goal for participation of San Francisco residents.

San Francisco Redevelopment Agency Goal: The Goal for participation of San Francisco residents in each trade in the construction workforce: 50 percent of the total hours worked in each trade.

2. Permanent Workforce Hiring Goals
The Owner and the on-site retail tenants' permanent workforce requirements are outlined below.

a. The rules of the San Francisco Redevelopment Agency s Bayview Hunters Point Employment and Contracting Policy (BVHP ECP) governs permanent workforce hiring and placement, with a residency modification to accommodate provisions in the Housing and Urban Development (HUD) Act of 1968, Section 3 and the San Francisco Housing Authority's Resolution Number 4967. These modifications are detailed in Section III of this MOU.

b. According to HUD, Section 3, at least 30 percent of the permanent, full-time employees hired should be Section 3 residents. After a Section 3 employee has been employed for 3 years, the employee may no longer be counted as a Section 3 employee to meet the 30 percent requirement. This requires recipients to continue hiring Section 3 residents when employment opportunities are available.

3. Employment Placement Priority
Individuals will be placed in employment opportunities in the following order of preference, using good faith efforts:

1. Hunters View Public Housing residents (named on lease);
2. San Francisco Housing Authority residents within 94124;
3. San Francisco Housing Authority residents in 94134 and 94107;
4. San Francisco Housing Authority residents in other zip codes;
5. Hunters View Communities of Opportunities members;
6. Bayview Hunters Point Project Area residents; AND
7. San Francisco residents.

SECTION IV. ROLES AND RESPONSIBILITIES

A. San Francisco Redevelopment Agency: will serve as the primary agency to collect and share employment data with participating agencies. In addition, SFRA will be responsible for contract compliance. The SFRA is specifically responsible for workforce construction data collection and enforcement of the BVHP Employment and Contracting Policy.

B. San Francisco Housing Authority: will confirm residency in a public housing development and ensure qualified residents are referred to DEWD for employment opportunities. SFHA will also provide resident data to SFRA to track resident employment.

C. Mayor's Office of Housing: will not have any workforce related role.

D. Department Of Economic & Workforce Development: DEWD is the primary entity for developing and executing job-training program(s) specifically targeting residents to meet the goals and requirements outlined earlier. DEWD will also serve as the lead for referrals and placements.

To ensure an efficient work referral system, DEWD is the single point of contact and to work with the developer, its retail tenants and BVHP community for placement of San Francisco residents for permanent employment opportunities.

To ensure an efficient work referral system, the DEWD's CityBuild Program ("CityBuild") will be the lead and initial point of contact between the developer, its contractor/subcontractors and the BVHP community for placement of San Francisco residents for construction work.

SECTION V. PREVAILING WAGE REQUIREMENTS

All contractors are required to pay not less than the prevailing wage rate as determined by the General Prevailing Wage Determination made by the Director of Industrial Relations.

SECTION VI. COUNTERPARTS, FACSIMILE COPIES. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement shall be effective upon transmission by any party to the other parties of a fully signed facsimile copy of the Agreement, so long as a copy of the Agreement signed by the transmitting party is delivered to the other parties within five (5) days thereafter.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — Date

APPROVED AS TO FORM:

By: _____
SFRA General Counsel, James B. Morales

SFHA Executive Director, Henry A. Alvarez, III — Date

APPROVED AS TO FORM:

By: _____
SFHA Assistant General Counsel, Roger Crawford — Date

MOH Director, Douglas Shoemaker — Date

DEWD Director, Jennifer Matz — Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — Date

APPROVED AS TO FORM:

By: _____
SFRA General Counsel, James B. Morales

1/20/11
SFHA Executive Director, Henry A. Alvarez, III — Date

APPROVED AS TO FORM:

By: _____ 1/19/11
SFHA Assistant General Counsel — Date

MOH Director, Douglas Shoemaker — Date

DEWD Director, Jennifer Matz — Date

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first specified herein.

SFRA Executive Director, Fred Blackwell — Date

APPROVED AS TO FORM:

By:
SFRA General Counsel, James B. Morales

SFHA Executive Director, Henry A. Alvarez, III — Date

APPROVED AS TO FORM:

By:
SFHA Assistant General Counsel, Roger Crawford — Date

MOH Director, Douglas Shoemaker — Date

DEWD Director, Jennifer Matz — 1/21/11 Date

EXHIBIT S

PHASE IIIB-SCOPE OF DEVELOPMENT

Phase IIIB-Development consists of the planning, development and construction of approximately two hundred thirty (230) housing units, which may include for-sale housing at a purchase price at market rate or below market rate or rental housing at market rate (collectively, the "Phase IIIB-Development"), which will be located on that portion of the Property shown in Exhibit C (the "Phase IIIB-Development Site"). The Parties acknowledge that the Master Developer is still in the preliminary stages in the planning, development and construction of the Phase IIIB-Development, and further that the primary purpose of this Agreement in regard to Phase IIIB-Development is to evidence that the Master Developer has site control of the Phase IIIB-Development Site and to establish the terms of disposition thereof.

EXHIBIT P

Form of

Public Improvement Agreement dated [_____], 2021 between

Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation,

and the City and County of San Francisco

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Attn: Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102

No fee for recording pursuant to Government Code Section 27383

APN: **[Space Above for Recorder's Use]**

HUNTERS VIEW PHASE III
PUBLIC IMPROVEMENT AGREEMENT

This HUNTERS VIEW PHASE III PUBLIC IMPROVEMENT AGREEMENT (this "**Agreement**") is entered into as of _____, 2021 (the "**Effective Date**"), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation of the State of California (the "**City**"), and Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation ("**HPAH**" or "**Subdivider**").

RECITALS

A. Except as specifically defined herein, capitalized terms shall have the meanings given in (i) the San Francisco Subdivision Code and Subdivision Regulations (the "**Code**"), (ii) the Hunters View Design for Development Document (the "**D for D**") and (iii) the Plans and Specifications (as defined below).

B. Whereas, pursuant to the Development and Disposition Agreement, by and between the Housing Authority of the City and County of San Francisco, a public body corporate and politic ("**SFHA**"), and Hunters View Associates, LP, a California limited partnership ("**HVA**") dated January 28, 2021 (the "**Phase III DDA**"), SFHA has transferred all the responsibilities, obligations and liabilities for the construction of the Phase III Required Infrastructure (as defined below) on the land shown on Final Map Tract No. 9677 (the "**Final Map**") to HVA as "Master Developer", and has authorized HVA to be its representative.

C. Whereas, HPAH is the co-general partner of HVA and is the designated Subdivider under this Agreement, and pursuant to the terms of this Agreement, the Subdivider may assign to HVA and/or HV Partners 3, LP, a California limited partnership, ("**HVP3**") the Subdivider's obligations under this Agreement, provided that Subdivider, HVA and/or HVP3, as the case may be, shall be jointly and severally liable for the Subdivider's obligations following such assignment.

D. Whereas, San Francisco Public Works ("**PW**") acknowledges that as described above in Recital B, SFHA has transferred all of the responsibilities, obligations and liabilities for the construction of the Phase III Required Infrastructure from SFHA to HVA, HVP3 or their assignees and has authorized HVA, HVP3 or their assignees to be its representative.

E. Whereas, Owner (as defined below) is engaged in subdividing, and Subdivider and its affiliates are developing the land shown on the Final Map commonly known as Assessor's Block 4624, Lots 32 (the "**Property**"). A tentative map, entitled "Hunters View Phase III Tentative Subdivision Map" (the "**Tentative Map**"), for the proposed subdivision of the Property was approved by the PW Director, acting as the Advisory Agency (the "**Director**" or "**PW Director**"), subject to certain requirements and conditions contained in the section titled "Conditions" in the Director's Public Works Order No. 203737 regarding the Tentative Map application (the "**Conditions of Approval**").

F. Whereas, pursuant to the Code relating to the filing, approval, and recordation of subdivision maps and the Conditions of Approval, Owner submitted to the City, for approval and recordation, the Final Map which, upon approval by the City, will be filed in the Official Records of the City and County of San Francisco.

G. Whereas, Owner and Subdivider have requested that the Final Map be approved prior to the completion of construction and installation of the public improvements required by the Conditions of Approval of the Tentative Map and which are part of or appurtenant to the Property. Such public improvements are more particularly described in those certain improvement plans identified in Exhibit A-1 (as such plans may be revised from time to time, the "**Plans and Specifications**"). The Plans and Specifications provide for the construction, installation and completion of the public improvements identified therein (the "**Phase III Required Infrastructure**"), and include the specifications and details of such public improvements. The term "Phase III Required Infrastructure" also includes any interim or temporary facilities, if any, shown on the Plans and Specifications, and the Middle Point Repairs (as defined below in Recital I). The estimated costs of completing the Phase III Required Infrastructure are described on Exhibit B (the "**Estimated Costs**"). Copies of the Plans and Specifications are on file with the PW.

H. Whereas, the Code provides that before a final subdivision map or parcel map is approved by the City, Subdivider shall have either (i) installed and completed all of the public improvements required by the City and detailed in the plans and specifications approved by the Director, or (ii) entered into an agreement (the "**Public Improvement Agreement**" or "**PIA**") with the City to install and complete, free of liens, all of such public improvements within a definite period of time and provided improvement securities to secure satisfactory performance of such agreement.

I. Whereas, the parties had previously entered into that certain Hunters View Phase II Public Improvement Agreement dated October 27, 2014, for the construction, installation and completion of the Phase II Required Infrastructure (as defined therein); however, Subdivider has requested and the City has agreed to defer a portion of the Phase II Required Infrastructure relating to (i) the eastern curb ramps at Middle Point Road and Fairfax Avenue Intersection, (ii) the Middle Point Road concrete pavement from lip of gutter to lip of gutter from station 62+18.50 to 65+12, and (iii) eastern curb ramps at Middle Point Road and Hare Street, and concrete pavement, curb and gutter between Hare Street and Innes Avenue, all as more specifically provided in Instructional Bulletin – IB-15 dated October 15, 2020, and shown on Sheets 32, 33, 37, 39 and 40 of the "Hunters View Development Project, Phase II Infrastructure" Improvement Plans and Specifications dated September 5, 2014 (collectively, "**Middle Point Repairs**"), to be constructed, installed and completed concurrent with the construction and installation of the Phase III Required

Infrastructure. The Middle Point Repairs are more particularly described on Sheets 34-45 in the Plans and Specifications.

J. Whereas, in order to permit the approval and recordation of the Final Map by the City (including the dedications contained therein), to implement the Conditions of Approval, and to simultaneously satisfy the security provisions of the Code, the City and Subdivider desire to enter into this Agreement.

AGREEMENT

NOW THEREFORE, in order to ensure satisfactory performance of Subdivider's obligations under the Code, and in consideration of the approval and recordation by the City of the Final Map (including the dedications contained therein), and to implement the Conditions of Approval, and other valuable consideration, Subdivider and the City agree as follows:

1. Definitions.

(a) SFHA means the Housing Authority of the City and County of San Francisco, a public body corporate and politic, who is the Fee Title holder of interest of the Property and signatory to the Final Map.

(b) Owner means SFHA.

(c) HVA means Hunters View Associates, L.P.

(d) HVP3 means HV Partners 3, LP.

(e) HPAH means Hunters Point Affordable Housing, Inc.

(f) Subdivider means HPAH.

(g) General Contractor means Cahill-Nibbi Joint Venture.

(h) Progress Payment means a payment made in compliance with the schedule of partial payment agreed upon in the contract for the work.

2. Subdivider's Obligations.

(a) Completion of Phase III Required Infrastructure; Completion of Middle Point Repairs. Subdivider shall, in good and workmanlike manner, furnish all necessary materials and complete construction of the Phase III Required Infrastructure, including the Middle Point Repairs, as set forth in Exhibit A-1 in accordance with the performance schedule(s) set forth in Exhibit A-2 provided, however, that the periods of time provided in this condition may be extended in accordance with Section 4(b) hereof.

(b) Delivery of As-Built Plans. Within three (3) months after Completion of the Phase III Required Infrastructure, or portion thereof, Subdivider shall furnish to PW and, if requested, the City Department of Building Inspection, as-built plans for such Phase III Required

Infrastructure, or portion thereof, in both electronic (in a reasonably current version of AutoCAD) and Mylar formats and any reports required in connection with such Phase III Required Infrastructure, or portion thereof, by the Plans and Specifications.

(c) Assignment of Subdivider's Obligations. Subdivider may assign to HVA and/or HVP3 the Subdivider's Obligations, which shall be in writing and clearly identify the scope of the rights and/or obligations assigned. Following any such assignment, Subdivider, HVA and/or HVP3, as the case may be, shall be jointly and severally liable for any and all of the Subdivider's Obligations.

3. Improvement Security.

(a) Security. Subject to Subdivider being a nonprofit corporation in the State of California, City agrees that Subdivider, as an eligible nonprofit corporation under Section 66499.3(c) of the Government Code, shall not be required to comply with the bonding requirements set forth in Section 66499.3(a) and (b) provided the following conditions are satisfied:

(i) Subdivider shall post with the City a performance bond that secures its faithful performance in an amount equal to 100 percent of the construction contract attached hereto as Exhibit C-1 (the "**Performance Bond**"), a payment bond required to secure the labor and materials in an amount equal to 100 percent of the construction contract for the payment of labor and materials attached hereto as Exhibit C-2 (the "**Labor and Materials Bond**"), and further a bond required to secure the survey monuments to be installed attached hereto as Exhibit C-3 (the "**Monument Bond**," and together with the Labor and Materials Bond and Performance Bond, the "**Bonds**"). The Bonds under this Section 3(a)(i), or other security deemed acceptable to the City in accordance with California Government Code Sections 66499 et seq., shall be provided to the City prior to the issuance of any Street Improvement Permit by the City. Any assignee of Subdivider shall be a co-obligee on the Bonds. The San Francisco Mayor's Office of Housing and Community Development ("**MOHCD**") shall be designated as the depository under Section 66499.3(c)(2) for moneys ultimately payable to the general contractor in the form of progress payments. The required Bonds, in the amounts that the City Engineer has certified, shall be as follows:

(A) Performance bonds in the amount of $8,710,800 (100% of estimated cost of completion of the construction and installation of the Phase III Required Infrastructure as determined by the PW Director) to secure the satisfactory performance of Subdivider's obligations (Exhibit C-1); and

(B) A payment bond or other acceptable security in the amount of $4,355,400 (50% of the estimated cost of completion of the Phase III Required Infrastructure as determined by the PW Director) as guarantee of payment for the labor, materials, equipment, and services required for Required Infrastructure (Exhibit C-2).

(C) Monument bonds in the total amount of $37,500 for each of the 35 monuments to be installed, representing 100% of the cost of installation of the monuments

in as guarantee of payment for the labor, materials, equipment, and services required for the required monuments (Exhibit C-3).

(ii) All progress payments to the general contractor shall be conditioned on (i) the general contractor's certification to Subdivider that all labor performed in the work, and all materials furnished to and installed in the work, have been paid for in full to the date of certification, (ii) the written approval of Subdivider, and (iii) review and approval of progress payment billings by City. Subdivider shall require the general contractor to deliver all such certifications through the United States mail.

(iii) Final payment to the general contractor shall not be made until 30 days have expired after the filing and recording of the Notice of Completion of the work and acceptance of the work by, and a waiver of lien rights provided by the general contractor to, City in accordance with Section 6(a).

(b) Other Acceptable Security. In lieu of providing any of the security described in Section 3(a)(i) above, Subdivider may, subject to the approval of the Director, provide other security as described in Section 66499 of the Government Code. The Director has entered into a Memorandum of Agreement ("**MOA**") with MOHCD that commits MOHCD to provide at least 20% of the financing for the Subdivider's Obligations. The Director determines that the MOA provides the equivalent security to that of Government Code Section 66499(a)(3) because both departments are constituent parts of the City and County of San Francisco, and therefore, such a MOA is acceptable security in lieu of an actual instrument of credit. A copy of this MOA is attached hereto as Exhibit C-4. When the Subdivider posts the security specified in Section 3(a)(i) with the City and copies of such bonds made part of this Agreement, the MOA shall automatically terminate and there shall be no requirement to amend this Agreement to reflect the change in security from that provided under this Section 3(b) to the bonds specified in Section 3(a)(i). Any security provided under Section 3(a)(i) or Section 3(b) shall be referred to collectively as the "**Security**".

4. Construction of Phase III Required Infrastructure.

(a) Permits and Fees. Subdivider shall not allow the performance of any work subject to this Agreement until all required permits have been obtained for the portion of work involved, and all applicable fees, including inspection and testing fees, have been paid.

Prior to the approval of the Final Map, and as requested by the City, Subdivider shall arrange for all easements to be granted to the City to allow for construction of the required public improvements on the Property and provide irrevocable Offers of Dedication in Fee Title of the portions of the Property where said public improvements will be constructed and used as future public right-of-way. The PW Director, in his or her discretion, may allow the Subdivider to defer this requirement until prior to approval of an improvement permit or to a later specified date. The PW Director shall issue such deferral in writing.

(b) Extensions.

(i) Requested Extensions. Subdivider may request extensions of the time periods specified in Section 2(a) by submission of a request(s) to the Director. A request shall

be in writing, state adequate evidence to justify the extension, and shall be made not less than thirty (30) days prior to expiration of this Agreement. The Director shall in good faith attempt to determine within such time whether an extension of time shall be granted. The Director's failure to respond within the time specified shall, however, not constitute either a grant or denial of the requested extension. The periods of time for performance under this Agreement shall be automatically extended for the period during which a request for an extension is pending a determination by the Director. The Director shall not unreasonably withhold, condition or delay a request for an extension. The Director may reasonably condition an extension subject to the terms of this Agreement and the conditions provided in the Code, including execution of an Extension Agreement.

(ii) Permit Processing. The periods of time for performance under this Agreement shall be extended for Unavoidable Delay as determined in Section 4(b)(iii) for the period of time associated with permit processing, including, without limitation, permit processing by and obtaining permits and approvals from all agencies with jurisdiction over the Phase III Required Infrastructure.

(iii) Unavoidable Delay. The periods of time for performance under this agreement shall be automatically extended for Unavoidable Delay which is a delay in a Party's performance of its obligations hereunder that is caused by (a) acts of God, enemy action, civil commotion, fire, flood, earthquake or other casualty, (b) strikes or other labor disputes (to the extent not resulting from the labor practices of the Party claiming the benefit of Unavoidable Delay), (c) material shortages of or inability to obtain labor or materials beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay, (d) lawsuits brought by plaintiffs unaffiliated with the Party claiming the benefit of Unavoidable Delay, (e) delays by governmental or quasi-governmental entities in issuing requisite approvals or consents beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay, including without limitation failure of the City to respond to Subdivider's submissions within the time periods set forth in this Agreement, (f) quarantine or other restrictions on operations or activities as a result of epidemic, disease, contagion or other health conditions, including the COVID-19 pandemic in effect as of the Effective Date and any subsequent force majeure events caused by or resulting from such COVID-19 pandemic, including measures taking by any governmental authority that prohibits or makes it reasonably impractical for a party to perform any obligation hereunder or for any governmental body or authority to conduct any operations or work necessary to permit a party to perform its obligations hereunder, or (g) any other event beyond the reasonable control of the Party claiming the benefit of Unavoidable Delay. Delays beyond a Party's reasonable control exclude delays to the extent caused by the negligent act or omission or willful misconduct of the Party claiming the benefit of Unavoidable Delay. This Unavoidable Delay provision shall not apply, however, unless (g) the party seeking to rely upon such provisions shall have given notice to the other party, within thirty (30) days after obtaining actual knowledge of the beginning of an enforced delay, of such delay and the cause or causes thereof, to the extent known, and (h) a party claiming the Unavoidable Delay must at all times be acting diligently and in good faith to avoid foreseeable delays in performance, to remove the cause of the delay or to develop a reasonable alternative means of performance.

(iv) Extensions Generally. The provisions in this Section 4(b) are in addition to and not a limitation of any other provision for extensions in this Agreement or in the

Plans and Specifications. No extension approved hereunder shall relieve the surety's liability under the Security.

(c) Revisions to Plans and Specifications. Requests by Subdivider or its agent for revisions, modifications or amendments to the approved Plans and Specifications (each, a "**Plan Revision**") shall be submitted in writing to the Director (or the Director's designee). If the Plan Revision is acceptable to the Director (or the Director's designee), the Director (or the Director's designee) shall approve proposed Plan Revisions which are substantially consistent with the Plans and Specifications and the Final Map. Construction of any proposed Plan Revision shall not commence without prior approval pursuant to this Section 4(c). Construction of any Plan Revision prior to approval shall be at the Subdivider's risk. Plan Revisions shall be accompanied by drawings and specifications and other related documents showing the proposed Plan Revision so as to adequately describe the proposed change and the cost and effect thereof.

(d) Subdivider shall, at no cost to the City, cause all new or replacement electricity distribution facilities, telephone, community cable, and other distribution facilities located as part of the work in Exhibit A-1 to be placed underground. The Plans and Specifications must demonstrate that underground utilities and structures are designed to accommodate future settlement. All utilities, vaults, splice boxes and appurtenances shall be placed underground, subject to approval of the Director.

5. Release of Security. The Security, or any portions thereof, not required to secure completion of Subdivider's obligation for construction or installation of the Phase III Required Infrastructure; to satisfy claims by contractors, subcontractors, and/or persons furnishing materials or equipment; or for setting monuments, set forth on the Final Map, shall be released to the general contractor, or its successors in interest, or reduced, as follows:

(a) Release of Security.

One Year Warranty Bond. Upon the Director's determination of completion of the Phase III Required Infrastructure in accordance with Section 6(a), the Security shall be reduced to ten percent (10%) of the original amount for the purpose of warranting repair of any defect of the Phase III Required Infrastructure which occurs within one year of when: (i) the Phase III Required Infrastructure (or portion thereof), and specifically including each of the respective Phase III Required Infrastructure described on Exhibit A-1 has been completed to the satisfaction of the Director in accordance with Section 6(a) below and provided that the one year warranty period for plant materials, and trees shall commence after the Director receives certification from the City Construction Manager that the plant materials and trees have passed a plant establishment period as set forth in the Plans and Specifications, and (ii) the Clerk of the Board of Supervisors (or the Clerk's designee) certifies that no claims by any contractor, subcontractor or person furnishing labor, materials or equipment for the Phase III Required Infrastructure have been filed against the City within the one hundred (100) day period following completion of the Phase III Required Infrastructure as determined upon review by the Director in accordance with Section 6(a). If any claims by any contractor, subcontractor or person furnishing labor, materials or equipment to the Subdivider have been filed against the City, then the Security applicable to such Phase III Required Infrastructure shall be reduced to an amount equal to the greater of (i) the amount of all such claims filed or (ii) ten percent (10%) of the original amount.

(i) Partial Release of Security. Notwithstanding the release provisions in Section 5(a), the Security may be reduced in conjunction with completion of any portion of the Phase III Required Infrastructure to the satisfaction of the Director and may be reduced in connection and conjunction with completion of each of the respective Phase III Required Infrastructure separately described on Exhibit A-1 upon review in accordance with Section 6(a) hereof, by an amount determined by the Director that is not less than the actual cost of the completed portion of the Phase III Required Infrastructure. In no event, however, shall the amount of the Security be reduced below the greater of (i) the amount required to guarantee the completion of the remaining portion of the Phase III Required Infrastructure and any other obligation imposed by the Subdivision Map Act, the Code, this Agreement, the Street Improvement Permit or any other agreement relating to the completion of the Phase III Required Infrastructure or (ii) ten percent (10%) of the original amount of the Security.

(ii) Release of Remaining Security. The remaining Security shall be released when all of the following have occurred:

(A) One (1) year following the date of Acceptance (as defined in Section 6(b)) of the Phase III Required Infrastructure, or portion thereof, by the Board of Supervisors, or, with respect to street trees and park trees one year after the commencement of the warranty period as described in Section 8(a), or, with respect to any specific claim of defects or deficiency in the Phase III Required Infrastructure, one (1) year following the date that any such deficiency which the Director identified in the Phase III Required Infrastructure in accordance with Section 4(a) has been corrected or waived in writing; and

(B) the Clerk of the Board of Supervisors (or the Clerk's designee) certifies that no claims by any contractor, subcontractor or person furnishing labor, materials or equipment for the Phase III Required Infrastructure have been filed against the City, all such claims have been satisfied, withdrawn, or otherwise secured by bond or other security approved by the Director (or the Director's designee).

6. Completion and Acceptance.

(a) Director's Inspection. No sooner than ninety (90) days prior to the date that Subdivider intends to request the Director issue a Notice of Completion, Subdivider shall make a written request to the Director of the Subdivider's intent to initiate the Notice of Completion process ("**Letter of Intent to Request Notice of Completion**"). Upon written request from the Subdivider for a "**Notice of Completion**" as defined in the Code, accompanied with any and all materials that are required as listed in Exhibit E related to the Notice of Completion, the Director shall initiate the inspection. If the Subdivider fails to submit a Letter of Intent to Request Notice of Completion, the Director need not consider the Subdivider's request for the Director's issuance of a Notice of Completion until such a Letter of Intent to Request Notice of Completion is submitted to the Director and ninety (90) days have passed from the submission of the Letter; provided, however, that the Director, in his or her discretion, may agree in writing to a period of less than ninety (90) days from receipt of the Letter to consider issuance of a Notice of Completion. If the Director determines that the Phase III Required Infrastructure has not been completed or does not satisfy the above requirements, Director shall notify Subdivider of such determination

together with a statement setting forth with particularity the basis for that determination. If the Director determines that the Phase III Required Infrastructure has been completed and meets the above requirements, the Director shall issue the Notice of Completion.

(b) Acceptance. "**Acceptance**" by the City of the Phase III Required Infrastructure, or portion thereof, for public use and maintenance shall be deemed to have occurred when:

(i) The Director has issued a Notice of Completion for the Phase III Required Infrastructure, or portion thereof, in accordance with Section 6(a);

(ii) The Subdivider submits all the documents required pursuant to Exhibit F to the Director to initiate acceptance legislation or other appropriate action, before the Board of Supervisors as appropriate; and

(iii) The Board of Supervisors by ordinance or other appropriate action accepts the Phase III Required Infrastructure, or portion thereof; for public use and maintenance, in accordance with the provisions of San Francisco Administrative Code Section 1.52 and Subdivider's maintenance and warranty obligations under Sections 7 and 8(a), respectively hereof.

(c) Offers of Dedication. The owners' statements of the Final Map include or shall include to the extent applicable certain irrevocable offers of dedication of improvements, easements shown only on the map, easements by agreement, and real property in fee simple. In addition, the offers of dedication of improvements shall be made by separate instrument(s); the offers of dedication of real property in fee simple shall be made by separate instrument(s) and separate quitclaim deed(s); and the offers of dedication of easements shall be made by separate instrument(s). The Board of Supervisors shall accept, conditionally accept or reject such offers. The City, at its discretion, may accept these easements at its convenience through formal action of the Board of Supervisors or as otherwise provided in local law. The Board of Supervisors shall also by ordinance accept, conditionally accept, or reject for public right of way and utility purposes the lots designated for public streets and the Phase III Required Infrastructure (or portions thereof) in accordance with Section 6(b). The Final Map includes certain offers of dedication as more particularly set forth therein. Upon the Director's issuance of a Notice of Completion for the Phase III Required Infrastructure, or portion thereof, in accordance with Section 6(a) of this Agreement, the Board of Supervisors shall by ordinance or other appropriate action accept, conditionally accept, or reject such offers. Subdivider will coordinate with the City and assist in the City's process for dedication and Acceptance of Phase III Required Infrastructure by (i) providing necessary deeds, maps, legal descriptions and plats for street openings, easements and/or dedications for right of way or utility purposes and for relinquishment of existing rights of access and utilities associated with on-site and off-site development; (ii) executing easement agreements consistent with the Conditions of Approval for the Tentative Map; and (iii) providing easement agreement documents consistent with the Conditions of Approval of the Tentative Map and the completion and Acceptance of the Phase III Required Infrastructure as follows: easements for emergency vehicle access and emergency exiting, private easements for those uses described in the master declarations and the declaration of restrictions, and public service easements for access by the City and for public utilities.

(d) No Acceptance of Interim or Temporary Facilities. The City shall not be obligated to accept or maintain any Interim or Temporary Facilities shown on the Plans and Specifications for the Phase III Required Infrastructure. Parties acknowledge that Subdivider shall continue to maintain all Interim or Temporary Facilities until such time as the final Public Infrastructure that will replace the need for the Interim or Temporary Facilities as determined by the Director is completed unless the parties, by mutual written instrument and any necessary City Approvals, agree otherwise.

(e) Termination of Existing Access and Utility Easements. Existing access and utility easements in any proposed right of way areas that are included as part of the Phase III Required Infrastructure shall be terminated, quitclaimed, vacated or relinquished, in whole or in part, in accordance with the terms of such easements upon: (1) the provision of alternative facilities; (2) the determination by the Director that such utility or access rights are no longer required; or (3) the City's Acceptance of dedicated public streets and associated utility facilities. The City shall not be obligated to accept any such right of way area unless and until any easements that could interfere or conflict with such facilities have been addressed to the City's satisfaction.

7. Maintenance of Phase III Required Infrastructure.

(a) Maintenance Prior to Acceptance. Prior to Acceptance, Subdivider shall be responsible for the maintenance and repair of the Phase III Required Infrastructure.

(b) Maintenance Following Acceptance. Following Acceptance, the City shall assume the responsibility of operating and maintaining the Phase III Required Infrastructure, or portion thereof subject to the limitations in Section 6(b)(iii) above, and Subdivider's obligations under Section 8(a) of this Agreement. The City shall have no obligation to accept or maintain any Interim or Temporary Facilities.

8. Warranty and Indemnity.

(a) Warranty. Acceptance of Phase III Required Infrastructure, or portion thereof, by the City shall not constitute a waiver of defects by the City. Subdivider covenants that all Phase III Required Infrastructure constructed or installed by Subdivider shall be free from defects in material or workmanship and shall perform satisfactorily for a period of one (1) year following the completion of the Phase III Required Infrastructure (or portion thereof), except that the Warranty period for the plant materials and trees planted pursuant to the Phase III Required Infrastructure shall not commence until the Director receives a certification from the City's Construction Manager that the trees have passed a plant establishment period set in accordance with the Plans and Specifications (the "**Warranty Period**"). During the Warranty Period, Subdivider shall, as necessary, and upon receipt of a request in writing from the Director that the work be done, correct, repair or replace any defects in the Phase III Required Infrastructure at its own expense. During the Warranty Period, should Subdivider fail to act with reasonable promptness to make such correction, repair or replacement, or should an emergency require that correction, repair or replacement be made before Subdivider can be notified (or prior to Subdivider's ability to respond after notice), City may, at its option, provided that notice thereof is provided to Subdivider, make the necessary correction, repair or replacement or otherwise perform the necessary work and Subdivider shall reimburse the City for the actual cost thereof.

During the Warranty Period, the City shall hold Subdivider's reduced performance bond (or separate warranty bond in the same amount) as described in Section 5, to secure performance of Subdivider's foregoing warranty obligations.

(b) Indemnity. Subdivider, its successors and assigns shall indemnify, defend and hold the City and each of the City's Agencies harmless for, from and against any and all Losses arising out of the breach of this Agreement by the Subdivider, the Subdivider's or any of its contractors', agents', consultants' or representatives' negligent or defective construction of the Phase III Required Infrastructure, constructed or installed by the Subdivider under this Agreement, the Subdivider's nonpayment under contracts between the Subdivider and its consultants, engineers, advisors, contractors, subcontractors or suppliers in the provision of such Phase III Required Infrastructure, or any claims of persons employed by the Subdivider or its contractors, agents, consultants or representatives to construct such Phase III Required Infrastructure, all subject to the terms, conditions, and exceptions of the Phase III DDA, provided, however, that Subdivider's obligations to indemnify, defend and hold the City harmless shall not extend to any claims to the extent arising out of or relating to the negligence or willful misconduct of the City or its agents, and further provided that any demand for indemnification hereunder with respect to negligent or defective construction must be brought, if at all, within one (1) year after the related Phase III Required Infrastructure, or portion therefore, is determined to be complete by the Director in accordance with Section 6(a) hereof. The City shall not be an insurer or surety for the design or construction of the Phase III Required Infrastructure pursuant to the Plans and Specifications, nor shall any officer or employee thereof be liable or responsible for any accident, loss, or damage happening or occurring during the construction of the Phase III Required Infrastructure as specified in this Agreement, except as may arise due to the negligence or willful acts or omissions of the City.

9. Other Items.

(a) Private Roadway Funding Mechanisms. All private roadways shown on the Final Map shall be constructed by the Subdivider or its affiliate.

10. Miscellaneous.

(a) Final Map Recordation. The City, in accordance with the Code, shall record the Final Map with the County Recorder in the Official Records of the City and County of San Francisco. The City shall notify Subdivider and Owner of the time of recordation of the Final Map. In the event the Final Map is not recorded, this Agreement shall be null and void.

(b) Independent Contractor. In performing its obligations under this Agreement, Subdivider is not an agent or employee of the City.

(c) Notices.

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

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

Director of Public Works
City and County of San Francisco
49 South Van Ness Avenue
San Francisco, CA 94103
Attn: Infrastructure Task Force Manager
Telefacsimile: (415) 581-2569

With copies to:

Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Land Use Team
Reference: Hunters View Phase III Project
Telefacsimile: (415) 554-4757

And in the case of a notice or communication to Subdivider at:

Hunters Point Affordable Housing, Inc.
c/o John Stewart Company
1388 Sutter Street, 11th Floor
San Francisco, CA 94109
Attn: Jack D. Gardner
Telefacsimile: (415) 614-9175

With copies to:

Lubin Olson & Niewiadomski LLP
600 Montgomery Street, 14th Floor
San Francisco, CA 94111
Attn: Charles R. Olson, Esq.
Telefacsimile: (415) 981-4343

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO
1815 Egbert Avenue
San Francisco, CA 94124
Attn: Executive Director
Telefacsimile: (415) 715-3211

For the convenience of the parties, copies of notice may also be given by telefacsimile.

Every notice given to a party hereto, pursuant to the terms of this Agreement, must state (or must be accompanied by a cover letter that states) substantially the following:

(A) the section of this Agreement pursuant to which the notice is given and the action or response required, if any;

(B) if applicable, the period of time within which the recipient of the notice must respond thereto;

(C) if approval is being requested, shall be clearly marked "Request for Approval under the Hunters View Phase III Public Improvement Agreement"; and

(D) if a notice of disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

(ii) Any mailing address or telefacsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt. A party may not give official or binding notice by telefacsimile.

(iii) Any notice or request for review, consent or other determination or action by the Director that could be subject to deemed approval under any provision of this Agreement shall display prominently on the envelope enclosing such request (if any) and the first page of such request, substantially the following words: "HUNTERS VIEW INFRASTRUCTURE: IMMEDIATE ATTENTION REQUIRED; FAILURE TO RESPOND COULD RESULT IN THE REQUEST BEING DEEMED APPROVED."

(d) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, and upon such transfer, Owner or Subdivider shall be released from its obligations hereunder upon providing written evidence of a proper Assignment and Assumption Agreement. Any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned and shall be subject to the reasonable approval of the Director.

(e) Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist upon and demand strict compliance by the other party with the terms of this Agreement thereafter.

(f) Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the parties hereto any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof; and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the City or Subdivider shall be for the sole and exclusive benefit of such parties.

(g) Amendment. This Agreement may be amended, from time to time, by written supplement or amendment hereto and executed by the City and Subdivider. The Director is authorized to approve and execute on behalf of the City any amendment that the Director

determines is in the City's best interests and does not materially increase the City's obligations or materially diminish the City's rights under this Agreement.

(h) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

(i) Interpretation of Agreement. Unless otherwise provided in this Agreement, whenever approval, consent or satisfaction is required of Subdivider or the City pursuant to this Agreement, it shall not be unreasonably withheld or delayed. Captions used in this Agreement are for convenience or reference only and shall not affect the Interpretation or meaning of this Agreement. This Agreement shall in no way be construed to limit or replace any other obligations or liabilities which the parties may have under the Plans and Specifications, any permit to enter, Street Improvement Permit or any other agreement entered into in accordance therewith.

11. Insurance. At all times prior to Acceptance of the Phase III Required Infrastructure, Subdivider shall comply with the insurance requirements as required by applicable City regulations. Subdivider shall furnish to the City, from time to time upon request by the City's Risk Manager, a certificate of insurance (and/or, upon request by the City's Risk Manager, a complete copy of any policy) regarding each insurance policy required to be maintained by Subdivider as by the City.

12. Recording.

(a) Recording Agreement. The parties to this Agreement acknowledge that this Agreement shall be recorded against the title of the Property.

(b) Purpose and Effect of Recording. This Agreement shall be recorded for the purpose of providing constructive notice to any future owner of the Property of Subdivider's obligations and responsibilities under Section 2. This Agreement shall not be interpreted as creating a lien or security interest against any parcel against which it is recorded, or to effect any secured interest now or in the future, as the obligations hereunder are personal to Subdivider and its successors and assigns as may be authorized pursuant to Sections 2(c) and 10(d).

(c) Notice of Termination. At the time all the obligations and requirements specified in this Agreement are fully satisfied as determined by the Director in consultation with affected City departments, the parties shall record a Notice of Termination, the form of which is contained in Exhibit G. Alternatively, Subdivider may request the Director's authorization to record a Notice of Termination with respect to an individual parcel. In evaluating such a request, approval of which shall be in the Director's reasonable discretion, the Director shall consider with respect to Phase III Required Infrastructure necessary to serve the parcel, whether: (i) all Phase III Required Infrastructure has been completed and accepted by the City, as applicable; (ii) all corresponding bond amounts have been released; (iii) all defects and punch list items have been addressed; and (iv) all warranty and guarantee periods have terminated.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Subdivider and the City have executed this Agreement as of the Effective Date.

Subdivider:

HUNTERS POINT AFFORDABLE HOUSING, INC.,
A California nonprofit public benefit corporation

By: _____
Regina Coleman
Its President

City:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation of the State of California

Approved as to Form:

By: _____
Name: _____
Title: Deputy City Attorney

By: _____
Name: _____
Title: Director of Public Works

HUNTERS POINT AFFORDABLE HOUSING, INC. ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Francisco

On April 29, 2021 before me, Linda Daggs (here insert name and title of officer), personally appeared Regina Coleman, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Linda M Daggs (seal)

LINDA M. DAGGS
COMM. # 2239230
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
MY COMM. EXP. APR. 22, 2022

NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

) ss

County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

LIST OF EXHIBITS

Exhibit A-1 – Plans and Specifications

Exhibit A-2 – Performance Schedule

Exhibit B – Estimated Costs

Exhibit C-1 – Performance Bond

Exhibit C-2 – Labor and Materials Bond

Exhibit C-3 – Monument Bond

Exhibit C-4 – Memorandum of Agreement between MOHCD and Public Works Regarding Security

Exhibit D – Reserved

Exhibit E – List of Documents Required by City in Order to Issue a Notice of Completion

Exhibit F – List of Documents Required by the City in Order to Make a Request for Acceptance

Exhibit G – Form of Notice of Termination

EXHIBIT A-1

Plans and Specifications

1. Permanent Improvements included in Improvement Plans and Specifications prepared by Carlile Macy entitled "Hunters View Development Project, Phase III Infrastructure," Permit Number 21IE-00193, dated April 23, 2021 and approved by or on behalf of the Director, on April 23, 2021.

EXHIBIT A-2

Performance Schedule

ACTION	DATE
1. Issue Notice to Proceed for Phase III Required Infrastructure Improvements.	No later than September 1, 2021
2. Complete Phase III Required Infrastructure Improvements including As-Built Drawings and secure the Notice of Completion from the Department of Public Works.	No later than November 30, 2023
3. Dedicate Phase III Public Right of Way Improvements to the City of San Francisco.	No later than two months after the Board of Supervisors' Acceptance of Improvements is received.

EXHIBIT B

Estimated Costs

See attached schedule of values.

Hunter View - Phase 3
Sample Cost Estimate
Engineer's Construction Cost Estimate
Based on on 100% Improvement Plans Dated 4-8-21
May 3, 2021

Item	Description	Quantity	Unit	Unit Price	Amount	Totals
A)	**Earthwork**					
1	Clear & Grub	1	LS	200,000.00	200,000	
2	Demolition	1	LS	500,000.00	500,000	
3	Cut	9,578	CY	15.00	143,670	
4	Fill	9,578	CY	15.00	143,670	
	Subtotal					$987,340
B)	**Street Work & Miscellaneous**					
5	0.67 ft. Concrete Paving	45,414	SF	13.00	590,382	
6	0.5 ft. Class II Aggregate Base	33,178	SF	6.00	199,068	
7	0.166 ft. ACWS	33,178	SF	4.00	132,712	
8	Edge Grind AC (10 ft. wide)	524	SF	50.00	26,200	
8	Std. Curb	2,538	LF	50.00	126,900	
10	Std. Gutter (24" Gutter)	2,563	LF	70.00	179,410	
10	Sidewalk & Driveway Apron	20,841	SF	8.00	166,728	
12	Handicap Ramps	18	EA	5,000.00	90,000	
13	Paving Markings	1	LS	15,000.00	15,000	
14	Monuments	5	EA	1,000.00	5,000	
15	Street Signs	34	EA	500.00	17,000	
16	Street Light-Pedestrian	25	EA	10,000.00	250,000	
15	Concrete Retaining Walls	172	LF	1,500.00	258,000	
17	Collapsible Bollards	4	EA	500.00	2,000	
18	Bus shelter	1	EA	15,000.00	15,000	
21	Temp. Tree Protection Fence	135	LF	5.00	675	
21	Fire Call Box	1	EA	10,000.00	10,000	
	Subtotal					$2,084,075

Hunter View - Phase 3
Sample Cost Estimate
Engineer's Construction Cost Estimate
Based on on 100% Improvement Plans Dated 4-8-21
May 3, 2021

Item	Description	Quantity	Unit	Unit Price	Amount	Totals
C)	**Combined Sewer System**					
22	10" VCP Combined Sewer Main	97	LF	400.00	38,800	
23	12" VCP Combined Sewer Main	257	LF	450.00	115,650	
24	12" Private Combined Sewer Main	25	LF	450.00	11,250	
25	15" VCP Combined Sewer Main	553	LF	500.00	276,500	
26	48" CS Manholes	11	EA	22,000.00	242,000	
27	Sewer & Storm Drain Lateral	4	EA	5,000.00	20,000	
28	Sewer Lateral	4	EA	300.00	1,200	
	Subtotal					$705,400
D)	**Storm Drainage**					
29	4" Perforated Pipe	3	LF	50.00	150	
30	8" Storm Drains	87	LF	100.00	8,700	
31	10" PVT Storm Drains	30	LF	110.00	3,300	
32	12" PVT Storm Drains	1,168	LF	115.00	134,320	
33	15" Storm Drains	110	LF	120.00	13,200	
34	Storm Drain Lateral	3	EA	5,000.00	15,000	
35	Catch Basin-SF STD	6	EA	8,000.00	48,000	
36	DI (24"x24")	3	EA	3,000.00	9,000	
37	DI w/ Sand Trap (24"x24")	7	EA	3,200.00	22,400	
38	FD (24"x24")	14	EA	3,000.00	42,000	
39	FD w/Sand trap (24"x24")	7	EA	3,200.00	22,400	
40	Storm Water Infiltration Basin (IB)	1	EA	250,000.00	250,000	
41	48" SD Manhole	3	EA	22,000.00	66,000	
42	Storm Drain Treatment Unit	1	EA	89,700.00	89,700	
43	Earth Swale	1,271	LF	5.00	6,355	
44	Fabric Lined Swale	445	LF	8.00	3,560	
45	Rock Lined Swale	1,178	LF	10.00	11,780	
	Subtotal					$745,865

Hunter View - Phase 3
Sample Cost Estimate
Engineer's Construction Cost Estimate
Based on on 100% Improvement Plans Dated 4-8-21
May 3, 2021

Item	Description	Quantity	Unit	Unit Price	Amount	Totals
E)	**Water System**					
46	12" Low Point Water Main	883	LF	600.00	529,800	
47	8" Reclaimed Water	932	LF	400.00	372,800	
48	8" Gate Valves	3	EA	2,000.00	6,000	
49	12" Gate Valves	4	EA	3,000.00	12,000	
50	Fire Hydrant Assembly	4	EA	15,000.00	60,000	
51	8" Blowoff & Tie-in to Ex W	4	EA	3,000.00	12,000	
52	12" Blowoff & Tie-in to Ex W	6	EA	3,500.00	21,000	
53	2" Air Release Valve	9	EA	3,000.00	27,000	
54	1" Water Service	1	EA	2,000.00	2,000	
55	3" Water Service	7	EA	2,000.00	14,000	
56	3" Reclaimed Water Service	9	EA	2,000.00	18,000	
57	6" Fire Service	7	EA	6,000.00	42,000	
	Subtotal					$1,116,600
F)	**Utilities**					
58	Joint Trench	2,108	LF	500.00	1,054,000	
59	Gas line	1,362	LF	200.00	272,400	
	Subtotal					$1,326,400
G)	**Landscape & Irrigation**					
60	Landscape Pavers	11,518	SF	18.00	207,324	
61	Street trees	86	EA	1,000.00	86,000	
	Subtotal					$293,324
	Total					$7,259,004
	20% Contingency					$1,451,801
	Grand Total					8,710,800

The above figures prepared by the Engineer are an OPINION OF PROBABLE COST of items, including labor and materia costs, noted and are supplied as a guide only. The above figures are NOT a guarantee of maximum cost. The Engineer is n responsible for fluctuations in cost of materials or labor.

EXHIBIT C-1

Performance Bond

[To be added when the Subdivider posts such bond.

Copies of such bond will be on file with San Francisco Public Works and/or Subdivider.]

EXHIBIT C-2

Labor and Materials Bond

[To be added when the Subdivider posts such bond.

Copies of such bond will be on file with San Francisco Public Works and/or Subdivider.]

EXHIBIT C-3

Monument Bond

[To be added when the Subdivider posts such bond.

Copies of such bond will be on file with San Francisco Public Works and/or Subdivider.]

EXHIBIT C-4

Mayor's Office of Housing and Community Development/Public Works

Memorandum of Agreement Concerning Improvement Security

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MEMORANDUM OF AGREEMENT

(Hunters View Phase 3 Public Improvement Security)
(Exhibit C-4 to Public Improvement Agreement)

This Memorandum of Agreement ("**MOA**") is dated as of _____ by and between the Mayor's Office of Housing and Community Development ("**MOHCD**") and San Francisco Public Works ("**SFPW**"). MOHCD and SFPW are both departments of the City and County of San Francisco, a municipal corporation ("**City**").

RECITALS

A. In 2003, San Francisco Housing Authority ("**SFHA**") issued a Request for Qualifications for a developer to redevelop the Hunters View public housing site, which totaled 22.56-acres. In August 2005, SFHA selected the development team originally formed as Hunters View Community Partners, and now currently formed as Hunters View Associates, a California nonprofit public benefit corporation ("**Developer**"). Developer is comprised of the John Stewart Company ("**JSCo**"), Devine & Gong, Incorporated ("**DGI**"), and Hunters Point Affordable Housing, Inc., a California nonprofit public benefit corporation ("**HPAP**" or "**Subdivider**").

B. Hunters View is a public housing development owned by the San Francisco Housing Authority in the City and County of San Francisco, California, which originally consisted of 267 rental units and is undergoing a multiphase renovation to create a new viable mixed-finance project ("**Hunters View**"). In addition, Hunters View was the first project developed under the City and the SFHA under the City's HOPE SF Program ("**HOPE SF**"). HOPE SF is the nation's first large-scale community development and reparations initiative aimed at creating vibrant, inclusive, mixed-income communities without mass displacement of the original residents. The entire Hunters View development will consist of the demolition of the original 267 public housing apartment units on the property, and new construction of (a) 267 replacement public housing units, (b) up to an additional 533 mixed-income housing units, (c) off-street parking, new roadways, and sidewalks, (d) up to 6,500 square feet of neighborhood servicing retail space, and (d) up to 8,500 square feet of child care space, community parks, and landscaping.

C. Hunters View Phase 3 is 5.98-acres (260,489 square feet) (the "**Site**") within Hunters View. The Site is bordered to the south by residential homes on Innes Avenue, to the west by Middle Point Road, and to the north and east by PGE sites. Infrastructure improvements for Hunters View Phase 3 will support two new affordable buildings, Block 14 and Block 17 at the Site, as well as future market rate developments on Blocks 12, 13, 15, 16, and 18 adjacent to the Site. Blocks 14 and 17 will contain a total of 118 units of affordable housing, including 53 public housing replacement units. Block 14 and 17 will be situated on a new drive, currently named Hunters Point Drive. A garage entry to Block 14 will also be located on Hunters View Drive. No off-street parking will be provided at Block 17. The Site will also include a new 0.71-acre park, situated between Blocks 14 and 17.

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D. In cooperation with SFHA and residents, MOHCD is leading the development and financing plan for the Site. In preparation for the development of new permanently affordable rental housing on the Site, MOHCD, SFPW and other City agencies are supporting subdivision actions for the Site. The Hunters View Phase 3 Final Subdivision Map (the "**Final Map**") is anticipated to be reviewed by the San Francisco Board of Supervisors on May 11, 2021. Subdivider is a party to a Public Improvement Agreement with City ("**PIA**") that will be approved and recorded concurrently with the Final Map. This MOA is an exhibit to the PIA and part of the PIA.

E. The Subdivision Map Act and the City's 2015 Subdivision Regulations, Section 2.c require that security (performance bond or other acceptable security as provided in Section 66499 of the California Government Code) be posted at the time of Board of Supervisors' approval of the Final Map to cover the cost of all required public improvements.

H. Subdivider is unable to provide a payment and performance bond until it has a contract with a general contractor ("**GC**") to construct the Subdivider's Obligations (as defined in the PIA) in late 2021. MOHCD and SFPW have agreed to the terms of this MOA in order to provide adequate security for City to approve the Final Map.

AGREEMENT

MOHCD and SFPW hereby agree as follows:

1. MOHCD Assurances. MOHCD has budgeted and allocated at least 20% of the costs of Subdivider's Obligations, and will keep such funds allocated until Subdivider's Obligations under the PIA are complete. If Subdivider fails to complete Subdivider's Obligations or stops work on them and fails to cure after notice of default, MOHCD will terminate or modify the loan agreement with Subdivider that provides the funding for Subdivider's Obligations, will keep such funds allocated to the Subdivider Obligations, and if needed, will transfer the remaining funds to the appropriate City department to complete the Subdivider's Obligations.

2. Adequate Security. SFPW affirms that the provisions of this MOA provide assurances of security in accordance with California Government Code Section 66499(a)(3), and therefore it is acceptable security under California Government Code Section 66499(a)(5).

4. Term. This MOA shall be effective on the date that (a) it is fully executed, and (b) the PIA is effective. This MOA will terminate when (a) Subdivider posts the security specified in Section 3(a) of the PIA and (b) copies of such bonds are made part of the PIA. Such termination shall occur automatically, and there shall be no requirement to amend the PIA to reflect any change in security from this MOA to the bonds specified in Section 3(a) of the PIA. Once terminated, MOHCD and SFPW will cooperate to take any action reasonably necessary to remove this MOA as a lien or charge against the Site.

6. Authority; Amendments. Unless otherwise required, all matters requiring MOHCD's approval shall be approved by the Director of MOHCD or his or her designee, and all matters requiring

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SFPW's approval shall be approved by the Director of SFPW or his or her designee. This MOA may be amended or modified only by a writing signed by the Director of SFPW and the Director of MOHCD. No waiver by any party of any of the provisions of this MOA will be effective unless in writing and signed by an authorized representative, and only to the extent expressly provided in such waiver.

7. Applicable Laws. All actions described herein are subject to and must be conducted in accordance with the applicable requirements of the City's Charter and codes and applicable state and federal laws.

IN WITNESS WHEREOF the Parties have caused this MOA to be executed by their duly appointed representatives this _____ day of _____2021.

Mayor's Office of Housing and Community Development

DocuSigned by:
Eric D. Shaw
65EBDF91D096444...

By: Eric D. Shaw
Its: Director
Date: 5/1/2021 | 3:35 PM PDT

San Francisco Public Works

_____

By: Alaric Degrafinried
Its: Director
Date: _____

EXHIBIT D

Reserved

EXHIBIT E

List of Documents Required by the City in Order to Issue a Notice of Completion

1. Developer Request Letter for Determination of Completeness ("DOC")
2. Contractor Substantial Completion Letter
3. Civil Engineer Completion Notice
4. Geotechnical Engineer Completion Letter
5. Landscape Architect Completion Notice
6. Construction Manager Completion Notice
7. City Final Punch-list Approval
8. Utility Conformance Letter
9. As-Built Plan Approval
10. Recorded Notice of Completion
11. Survey Monuments
12. Test Reports
13. Joint Trench Conduits Mandrel Test
14. Confirmation of removal of all Non-Compliance Reports ("NCR")
15. Confirmation of all Change Orders/Instructional Bulletins
16. Confirmation from City that spare parts have been provided (as applicable)
17. Operation and Maintenance Manuals
18. Notice of Completion Recommendation from Public Works

EXHIBIT F

List of Documents Required by the City in Order to Make a Request for Acceptance

1. Developer Request for Acceptance Letter
2. Lien Notification to General Contractor and Subs
3. Utility Bill of Sale
4. 3rd Party Reimbursement Checks-Copies
5. Assignment of Warranties and Guaranties
6. License Agreements (as applicable)
7. Mechanic's Lien Guarantee
8. Modified Offers of Improvements (as applicable)
9. Updated Grant Deeds (as applicable)

EXHIBIT G

Form of Notice of Termination

RECORDING REQUESTED BY:

James M. Ryan
Acting City and County Surveyor
San Francisco Public Works
49 South Van Ness Avenue, STE 300
San Francisco, CA 94103-3795
Attn: 9TH Floor

WHEN RECORDED MAIL TO:

James M. Ryan
Acting City and County Surveyor
San Francisco Public Works
49 South Van Ness Avenue, STE 300
San Francisco, CA 94103-3795
Attn: 9TH Floor

Space Above This Line for Recorder's Use

NOTICE OF TERMINATION AND RELEASE
OF
Public Improvement Agreement
(DOC-_____)

[Insert Date]

NOTICE OF TERMINATION AND RELEASE
OF
Public Improvement Agreement
(DOC-_____)

Notice is hereby given that the Public Improvement Agreement dated _____ and recorded _____ (Document No._____, Receipt No. _____, Reel _____ Image _____) is hereby TERMINATED and RELEASED as it pertains to the real property situated on Assessor's Block _____ Lot _____ commonly known as [insert street address] (AKA _____) between _____ Street and _____ Street in the City and County of San Francisco (the "City"), State of California, and more fully described in Exhibit "A" to this Notice of Termination and Release (hereinafter referred to as the "Property").

The Public Improvement Agreement ("Agreement") was recorded to provide notice to future owners of the Property that the Subdivider, as defined therein is subject to certain public improvement and maintenance obligations relating to Final Map No. 9677 filed in Book____, Pages ____ through ____ of Maps, and recorded _____, 202_ in the Official Records of the City, as Document No. _____. Subdivider has completed the aforementioned public improvement obligations and satisfied the maintenance obligations per the Agreement as confirmed by the Director of Public Works based on _____. The Agreement is attached hereto as Exhibit "B".

The Agreement is hereby terminated.

Dated: _____ in San Francisco, California

OWNER

By: _____
[**Note owner's signatures need to be notarized**.]

APPROVED
San Francisco Public Works [or other affected Department]

By: _____
Director

APPROVED AS TO FORM
Dennis J. Herrera, City Attorney

By: _____
John Malamut
Deputy City Attorney

EXHIBIT “A”

LEGAL DESCRIPTION OF THE PROPERTY

The land referred to is situated in the City and County of San Francisco, State of California, and is described as follows:

[INSERT LEGAL DESCRIPTION]

Assessor’s Lot ____; Block _____

EXHIBIT “B”

[ATTACH AGREEMENT]

SOLICITATION NO. 08-610-RFQ-001

HOPE SF

REQUEST FOR QUALIFICATIONS

TO REDEVELOP
AUTHORITY PROPERTY

ISSUED BY:

SAN FRANCISCO HOUSING AUTHORITY
HOUSING DEVELOPMENT AND MODERNIZATION DEPARTMENT
1815 EGBERT AVENUE, SUITE 300
SAN FRANCISCO, CA 94124

OCTOBER 16, 2007

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EXECUTIVE SUMMARY ii

SECTION I - Request for Qualifications

A. Introduction 1
B. Authority Development Goals and HOPE SF Principles 2
C. Description of Sites 3
D. Developer Qualifications 4
E. Important Dates and Submittal Deadline 4
F. Submittal Contents 5
G. Evaluation Criteria 8
H. Selection Process 9
I. Disputes 9
J. Contract Requirements 10

SECTION II - Attachments to be included with submittal

Attachment A Submittal Identification Form ..... 3 pages
Attachment B HUD-5369-C Certifications and Representations of Offerors, Non-Construction 2 pages

SECTION III - Exhibits

Exhibit A HUD-5369-B Instructions to Offerors, Non-Construction ..... 4 pages
Exhibit B HUD-5370-C General Contract Conditions, Non-Construction ..... 5 pages
Exhibit C Authority Insurance Requirements ..... 2 pages
Exhibit D Summary of Affirmative Action Requirements ..... 4 pages
Exhibit E Description of Existing Sites Available for Development ..... 26 pages
Exhibit F Disposition and Development Agreement Sample Table of Contents ..... 1 page
Exhibit G HOPE SF Task Force Recommendations ..... 9 pages

EXECUTIVE SUMMARY

Development Opportunity: Seven existing public housing sites owned and managed by the Housing Authority of the City and County of San Francisco (the "Authority") and identified as priority sites for redevelopment.

Authority Goal: Maximize the development potential of these HOPE San Francisco (HOPE SF) target sites and provide: (1) one for one replacement of existing pubic housing, (2) increased supply of quality affordable rental and ownership housing for San Francisco residents, and (3) improved quality of life for existing public housing residents and the surrounding neighborhood. Incorporate into revitalization plans Authority development goals and the HOPE SF Task Force Principles described in the March 23, 2007 HOPE SF Task Force Recommendations, report included in Exhibit G.

Property Descriptions: Seven of the Authority's public housing sites, ranging in size from 785 units on 49.5 acres down to 80 units on 5.9 acres, as described in Exhibit E.

Property Disposition: The Authority anticipates long-term property ground-lease agreements of the public housing sites to the selected development entities. Based on financial and other benefits to the project, the Authority will consider dedication of new street and sidewalk areas to the City and transfer of land for homeownership housing.

Developments: Statements of interest may focus on more than one site, or only a portion of a site. Development must create mixed-income communities with one for one replacement of any demolished public housing and other affordable rental and/or ownership housing, and commercial/retail uses. Market-rate rental and ownership housing may be included in the Development, with sale or lease proceeds available to finance the replacement public housing units. Commercial/retail uses may provide economic opportunities for residents and the surrounding community.

Development Entities: Developers may be non-profit (including faith-based), for-profit or partnership entities, for development and ownership purposes. The residential units and commercial spaces may be sold or rented, (subject to a ground lease). The Authority anticipates participating in the entity that owns the rental housing improvements and the lease estate, and expects to share in any revenues generated by new development.

Selection Process: Evaluations and rankings will be based on the strength and experience of the development team, experience with mixed housing of very low-income households within a larger mixed-income community, experience developing the types and tenure of housing proposed for the site, access to and knowledge of the various private and sources of equity and finance for the types of housing proposed, resources to minimize the need for off-site relocation, and the appropriateness of the preliminary development concept and resident involvement plan.

Outcome: The Housing Authority's Commission (Commission) will take action to authorize an exclusive negotiating rights agreement (ENRA) with the selected developer for a specific development site. While the ENRA is in

effect, the Mayor's Office of Housing (MOH) and the San Francisco Redevelopment Agency (SFRA) will issue a Notice of Funding Availability (NOFA) for the HOPE SF sites. The NOFA will provide funding for both public housing replacement and affordable rental and ownership housing. Ultimately, the Authority, SFRA and MOH intend to work collaboratively on a financial model and site development plan that will produce a Disposition and Development Agreement for approval by both the Commission and the U.S. Department of Housing and Urban Development (HUD). Additional approvals will be required from HUD, if the parties proceed to enter into a Disposition and Development Agreement.

Informational Meeting: Tuesday, October 30, 2007, 2:00 PM, 440 Turk Street. Audio conference phone will be available at (877) 322-9654, participant code 946241. The audio conference line will not accept calls after 4:00 PM PDT on Tuesday, October 30, 2007.

Submittals Due: No later than 4:00 PM PST, Tuesday, December 18, 2007.

Further Information: Barbara T. Smith, Administrator, Housing Development and Modernization Department, 415-715-3220, or e-mail smithb@sfha.org.

SECTION I

Request for Qualifications

A. INTRODUCTION

The Housing Authority of the City and County of San Francisco (Authority) is soliciting Statements of Qualifications and letters of interest from qualified development teams for redevelopment opportunities at seven of the Authority's public housing sites in San Francisco, California. The redevelopment opportunities are part of HOPE SF, a unique partnership between the Authority and the City and County of San Francisco.

In February of 2007, the HOPE SF Task Force presented Mayor Gavin Newsom, the Board of Supervisors, and the Authority with a set of recommendations for revitalizing severely distressed public housing identified by the Authority. The Task Force recommended that the City and the Authority partner to rebuild all of the distressed sites as mixed-income communities. To accomplish that goal, the City has created the HOPE SF Fund and committed to providing up to $95 million in an initial phase of funding to rebuild 700-900 public housing units within a mixed finance, mixed-income development model.

In April 2007, the Authority completed a Comprehensive Physical Needs Assessment of all of its properties that identified seven public housing sites with extensive immediate capital improvement needs. Built between 45 to 65 years ago, the development designs and systems are obsolete, deteriorating, and in need of redevelopment. Seven of these sites, which range in size from 785 units on 49.5 acres down to 80 units on 5.9 acres, are described in more detail in Exhibit E. Development activities may include more than one site. Development may include demolition of existing structures and replacement with new mixed-income housing, rehabilitation of some existing structures, new infill rental or ownership housing between existing structures, new commercial uses, public improvements and other ancillary uses, or any combination thereof. Previously identified development possibilities are provided in Exhibit E for certain sites.

The Authority has recently redeveloped five public housing sites through the federal HOPE VI program. Working with private developer partners, residents were temporarily relocated, the existing buildings were demolished, new site improvements and utilities were installed, and new dwelling units and community facilities were constructed creating mixed-income and mixed-use developments. The HOPE VI program eliminates obsolete public housing units by replacing them with up-to-date street-facing flats and townhouses with individual front doors. Large open spaces are minimized in favor of private outdoor space and defined program spaces such as childcare play areas. Each site featured strong resident and community involvement and employment in the planning and construction processes. Information on these developments is available at the Authority's Internet site, http://www.ci.sf.ca.us/sfha/hope/index.htm, where there is a link to each of its HOPE VI developments: Hayes Valley, Bernal Dwellings, Plaza East, North Beach Place, and Valencia Gardens.

Federal HOPE VI funds are competitive, limited, subject to Congressional renewal, and may not be available for redevelopment of these seven sites. As a complement to HOPE VI funds, the MOH will issue a NOFA for HOPE SF funding that will also be competitive, limited, and subject to City approvals. At the same time, this Request for Qualifications (RFQ) is intended to accomplish HOPE VI goals and HOPE SF Principles using the Authority's land and the developer's expertise and ability to leverage public and private resources for a mixed-finance approach to development. The selected developer should be familiar with the following federal regulations which may apply to the developments: Mixed Financed Development, 24 CFR Part 941, Subpart F and Demolition or Disposition of Public Housing Projects 24 CFR Part 970.

The mixed-finance approach to redevelopment of public housing has dramatically changed the manner in which the Authority can deliver public housing units. This approach: (1) permits development of projects which include both non-public housing units and public housing units; (2) permits the Authority to enter into partnership arrangements with non-profit and for-profit developers to own mixed-finance housing developments; (3) permits private, third party management of mixed-finance developments; and (4) permits the Authority to provide operating subsidies that it received from HUD for such properties.

The mixed-finance approach also encourages the leveraging of public housing financial resources with other private and public funds. Not only is there more flexibility in funding mixed-finance projects, there is also flexibility in mixing unit types, so that developments may be mixed-income, with other "affordable" and market-rate rental and ownership units mixed with public housing units.

HUD has encouraged public housing authorities to begin approaching the development of new units in as entrepreneurial a manner as possible. As discussed above, the Authority has demonstrated the willingness and the capacity to plan mixed-income developments and to execute mixed-finance transactions.

Solicitation No. 08-610-RFQ-001 is subject to the budget and fiscal provisions under which the Authority operates. All activities under this RFQ process will be subject to funding availability and approval by the Housing Authority's Commission and approval by the City for HOPE SF funds.

B. AUTHORITY DEVELOPMENT GOALS & HOPE SF PRINCIPLES

The Authority seeks to redevelop seven distressed public housing sites, while increasing affordable housing and ownership opportunities, improving the quality of life for existing residents and the surrounding communities, and sharing in revenues generated by the redeveloped projects for public housing needs with the Authority goals and HOPE SF principles outlined below:

1. Ensure No Loss of Public Housing:
   - Provide one for one replacement of public housing units
   - Make every new unit modern and of high quality
   - Phase the rebuilding of sites while carrying out the process in a timely manner
   - Commit to minimize displacement of existing residents through on-site relocation and/or relocation to new first phase housing on-site or on an adjacent parcel

2. Create Vibrant Economically Integrated Communities that improve the quality of life for residents and the surrounding neighborhood:
   - Build a mixed-income housing matrix that includes:
     1. Public Housing
     2. Affordable Rental and/or Ownership Housing
     3. Market Rate Housing Rental and/or Ownership
   - Emphasize priority needs and amenities for family housing
   - Incorporate retail and commercial uses where appropriate

3. Maximize the Creation of New Affordable Rental and Ownership Housing:
   - In addition to one for one replacement of public housing, create as much affordable rental and ownership housing as appropriate for the sites
   - Use profits from the market-rate housing as funding for rebuilding the public housing

4. Involve Residents in the Highest Levels of Participation in Entire Project:

- Engage residents in the planning and implementation process
- Develop mechanisms for residents to engage in the process
- Involve residents in the establishment of occupancy criteria

5. Provide Economic Opportunities Through the Rebuilding Process:
   - Connect appropriate job training and service strategies such as CityBuild and Communities of Opportunity to the Development Process
   - Create viable employment opportunities (jobs) for existing residents through the development process
   - Take advantage of contracting opportunities for:
     1. Existing residents
     2. Local entrepreneurs
     3. Small and disadvantaged businesses

6. Integrate the Process with Neighborhood Improvement Plans:
   - School improvement and reform
   - Parks improvements
   - Improved transportation
   - Enhanced public safety
   - Neighborhood economic development
   - Community and supportive services

7. Create Environmentally Sustainable and Accessible Communities:
   - Incorporate Green Building Principles, LEED
   - Include design elements that meet long-term accessibility needs

8. Build a Strong Sense of Community
   - Solicit Input from entire community in the planning and development process
   - Include current and prospective residents
   - Reach out to and engage neighbors
   - Apply community feedback when appropriate

C. DESCRIPTION OF SITES

The Authority is considering the development of seven of its public housing sites in San Francisco, which range in size from 785 units on 49.5 acres down to 80 units on 5.9 acres, all as described in Exhibit E.

1. Site plans, construction drawings, asbestos lead-based paint investigation reports for existing sites are available for review upon appointment at 1815 Egbert Avenue. Call (415) 715-3210 for an appointment. Copies of selected drawings or documents can be arranged through local reprographics companies at cost.

2. Conceptual proposed site development plans prepared by the Authority for certain sites are available for inspection and copying as provided in item 1 above. These plans are for information purposes only and are not Authority preferred plans.

3. Site tours may be arranged upon appointment by calling (415) 715-3210. For further information and questions, contact Barbara T. Smith, Administrator, Housing Development and Modernization Department, 415-715-3220, smithb@sfha.org.

4. Additional information on the Authority is available on our website at www.sfha.org.

D. DEVELOPER QUALIFICATIONS

The Authority is seeking development teams with demonstrated ability in the tasks listed below. Item 1 is the minimum developer qualification described in Paragraph H. Item 1. Threshold, which must be met by the information presented in the Submittal Identification Form.

1. Demonstrated experience from successful finance, design, construction, and management of at least three high quality developments that include low-income households within a larger mixed-income community with both rental and ownership housing. Experience with incorporation of mixed-use retail/commercial components is also desirable;
2. Create an appropriate and feasible concept for mixed-income developments that will be compatible with and enhance the community;
3. Demonstrate experience with and commitment to working with both low-income households and community groups on redevelopment planning and implementation, addressing socio-economic needs, providing economic opportunities, and managing temporary relocation, while enabling residents to remain in their community;
4. Demonstrated ability to secure private and public financing, including Low-Income Housing Tax Credits, and necessary local, state and federal approvals, including public housing mixed-finance, in a timely manner; as well as demonstrated financial capacity of the development team to complete projects based upon past completed projects or financial statement. Provide creative solutions to leverage private and public resources, secure equity and financing for the development of mixed-income rental and ownership housing;
5. Create a development and financing strategy for the proposal site(s) that meets the Authority's affordability goals while minimizing the need for local financial assistance; and,
6. Assemble and manage a qualified development team including members having experience with environmental approvals, planning, subdivision and other entitlements, hazardous materials issues and remediation plans, design, construction, financing, and marketing.

E. IMPORTANT DATES AND SUBMITTAL DEADLINE

1. **Informational Meeting:** The Authority will conduct a meeting for interested developers to discuss this RFQ and the available properties at 2:00 PM PDT on Tuesday, October 30, 2007, in the Commission Room, 440 Turk Street, San Francisco. Potential responders are encouraged to attend, or to participate by telephone conferencing. The audio conference number is (877) 322-9654, participant code946241. The audio conference line will not receive any calls after 4:00 PM PDT Tuesday, October 30, 2007.

2. **Submittal Deadline:** One original and four copies of the Statement of Qualifications and the attendant forms must be submitted and received by 4:00 PM PST on Tuesday, December 18, 2007. Deliver in a single, sealed package labeled:

Gregg Fortner, Executive Director
San Francisco Housing Authority
440 Turk Street

San Francisco, CA 94102

ATTN: Solicitation No. 08-610-RFQ-001

3. **Evaluations:** The Authority will evaluate Statements of Qualifications with representatives from appropriate City agencies during the month of December 2007, and may request interviews and/or additional information at that time.

F. SUBMITTAL CONTENTS

Please place the Statement of Qualifications submittal in a three-ring binder and organize the contents in the following sequence, using tabs to separate each section:

Tab	
1	Submittal Identification Form
2	Submittal Summary
3	Experience of Developer Firm
4	Experience of Development Team
5	Development Concept for Specific Site(s)
6	Financial Strategies for Development
7	Resident Employment and Involvement Plan
8	Certifications and Representations of Offerors, form HUD 5369-C (8/93)

1. **Submittal Identification Form**: Complete and sign the three-page form.

2. **Submittal Summary:** On company letterhead, provide a two-page summary which details the following (an additional page may be utilized for each additional site):

   a. Qualifications of the Developer Firm;
   b. Qualifications of the Development Team;
   c. A short description of what the firm would propose to accomplish on the development site of interest, including the number of dwelling units, income mix, tenure of units (rental and ownership), area and use of commercial spaces, type of construction, involvement of residents, onsite relocation, and economic opportunities, and any exceptional conditions that should be considered;
   d. A brief description of proposed financing strategies and potential resources; and,
   e. A short description of proposed schedule milestones.

3. **Experience of Developer Firm:**

   a. For each of the projects listed in Section 6 of the Submittal Identification Form, list the following information:
      - Development name and address;
      - Date development process was completed;
      - Total number of units by type, number of bedrooms, and square foot size;
      - Size and use of commercial space;
      - Site acreage and density;
      - Number and type of parking ;
      - Income groups served by tenure (rental or ownership);
      - Total development cost and cost per square foot;

- All preliminary proposed equity and financing sources; and,
- Identification of the role of key personnel involved in the development, including the extent of their involvement in the development's planning and pre-development activities, acquisition, financing, construction, marketing, and property management.

b. Provide a maximum one-page narrative chronicling the Developer Firm's experience in developing similar projects, with affordable and/or mixed-income rental and ownership housing.

4. **Experience of Development Team:**

a. Development Experience**:**
- Provide a maximum one-page narrative chronicling the Development Team's experience in developing affordable, and/or mixed-income rental and ownership housing. Describe the specific roles and experiences of the Development Team members proposed. Any proposal to add to or change primary Development Team members after selection will require Authority review and approval.

b. Asset Management Experience:
- Provide a maximum one-page narrative chronicling the developer's experience in overseeing the operation, management, maintenance, financial reporting, and ongoing compliance for affordable or mixed-income rental and ownership housing with identification of family and senior developments.
- Provide a maximum one-page narrative chronicling the developer's experience in preparing and implementing a marketing plan for affordable mixed-income rental and ownership developments and document outcomes of these efforts.
- Provide a list describing all affordable or mixed-income rental buildings owned and/or controlled by the developer.
- Provide a separate list of any of the above buildings or developments that have a vacancy rate of more than 5 percent, have adverse tax credit findings, or have any missed payments of dept. Include the development name and address, length of time in operation, and number of dwelling units (separating residential and commercial).
- Provide the latest year's audited financial statement for the most comparable development (i.e., in operation for one year and financed with tax exempt bonds and/or low income housing tax credits).

c. Design Architect Experience:
- Describe no more than three completed developments where the design architect was the lead architect on completed buildings that are comparable to the proposed development.
- Include the development name and address and tabulation of units, parking, approximate construction cost, and year completed.
- If available, provide an 8-1/2 x 11 or smaller site plan and photos of the exteriors of these developments that display architectural design features, relationships of buildings, and relationships with adjacent properties.

d. Other Development Team Members Experience:
- If a contractor, financial consultant, or other entity is included as part of the development team, describe the comparable experience of each entity in a similar manner to the team members listed above.

- If Developer intends to joint venture with another entity or entities, clearly describe the roles that each entity will assume in developing the properties.

5. **Development Concept for Specific Site(s):** Provide a narrative no more than five pages in length which discusses the following development possibilities:

   a. Existing units on site: number to be demolished, to be rehabilitated, and to remain as is. If units will be demolished, identify the number of units and types of units to be constructed to replace or increase the number of demolished units.
   b. Existing site amenities: to be demolished, to be rehabilitated, and to remain as is. Provide description of any new amenities to be added to the properties.
   c. A description of the range of dwelling unit types to be provided (townhouse, walk-up flat, elevator building flat), the proposed range of total units by bedroom count, the types of community rooms and other development amenities, the types of management and maintenance facilities, and the types of proposed non-dwelling uses.
   d. A description of income and tenure mix. As an example, at Hunters View, the new site will go from 267 units to 680 units. The units include 40 percent (267) public housing replacement units, 13 percent affordable rental, 7 percent affordable homeownership, and 40 percent market rate ownership.
   e. A description of the teams' design approach to transforming an obsolete public housing site into an affordable mixed-income, mixed-use development with defensible space, new urbanism, and green building principles. Describe specific components.
   f. A description of non-residential space, including retail or service space to be provided
   g. A description of specific design elements that would be included in the development to facilitate community interaction/ involvement goals of HOPE SF
   h. A circulation plan, including a description of on-street and off-street parking.
   i. An 8-1/2 x 11 inch conceptual site diagram (based on the Authority's enclosed 8-1/2 x 11 inch site diagram) depicting the proposed development area.

6. **Financial Strategies for Development:** Provide a narrative no more than two pages in length which details the following:

   a. Describe the approach to financing a project on the specific site(s), including a discussion of how the one-for-one public housing replacement units will be financed, identify the potential subsidy sources for public housing replacement units, and identify potential equity and financing for the other affordable and market rate rental and homeownership units. Set out the assumptions about financing terms, affordability, target resident population, proposed service and/or commercial space use, marketing affordable and market units, etc. Include a preliminary pro forma with potential funding sources and unit mix.

   b. Describe a possible development schedule and timeline for the specific site(s), addressing phasing and all aspects of redevelopment including acquisition, entitlements, resident relocation on-site and within the community, abatement and demolition, construction, marketing and tenant selection.

7. **Community Building, Resident Employment and Involvement Plan:** Provide a narrative no more than two pages in length describing the following:

   a. A statement explaining the development team's approach to community building and service delivery and how these strategies relate to the sustainability of the project.

b. Methods for meeting the Authority's resident hiring requirements that Authority residents constitute a minimum of twenty-five percent (25%) of the total workforce hours (calculated by person-hours) on covered contracts. Refer to Attachment C, Summary of Affirmative Action Requirements, Section III. Commission Resolution No. 4967.
c. Methods for meeting San Francisco Redevelopment Agency hiring requirements or other funding mechanisms, where required.
d. Methods for involving residents of the development and of the adjacent community in all phases of the development process.

8. **Certifications and Representations of Offerors, form HUD-5369-C (8/93):** Complete and sign one form for the development firm and one for each entity that is part of the proposed development team (Attachment B).

G. EVALUATION CRITERIA

Using a 100-point scale, the Authority will review the following factors to determine the most qualified developers:

1. Successful experience developing comparable developments in terms of construction type, building design, types of housing (affordable, mixed-income, ownership and rental), financing, and involvement of low-income residents and community groups. **(35 points)**.

2. Qualifications of the development team firms and staffs. **(35 points)**

3. Appropriateness of the development concept for specific site(s) and the approach to financing, phasing and relocation for a project on the specific site(s). **(20 points)**

4. Resident employment and involvement plan. **(10 points)**

H. SELECTION PROCESS

1. **Threshold**: Authority staff will review each submittal to confirm the contents are complete, and that the minimum developer qualifications listed in Paragraph D. Item 1 are met by the information presented in the Submittal Identification Form.

2. **Evaluation Panel**: Each complete submittal will be reviewed by an Evaluation Panel comprising Authority staff responsible for development and for finance, representatives of other City departments and agencies, and other non-Authority parties.

3. **Interviews:** After review of the written submittals using the Evaluation Criteria, the Evaluation Panel will conduct interviews with firms in the competitive range to discuss the qualifications of the Development Firm and Development Team and the other elements of the submittal. All applicants invited to participate in the oral interviews will be given a final ranking after the interview process. The Authority may determine there are no Development Firms and Development Teams with appropriate qualifications for a specific site.

4. **Commission Approval:** For each specific site, the qualified submittal with the highest ranking will be presented to the Commission. The Authority staff may provide the Commission with both a summary and a more detailed analysis of the RFQ responses. The Commission may take action to authorize exclusive negotiations with selected developer for a specific development site. The negotiations are intended to produce a Disposition and Development Agreement for subsequent Commission and HUD approvals.

I. DISPUTES

1. **Protest Of Award:** Any person or responder who disputes the decision to award a contract or who has been adversely affected by a decision of intended or actual award may file a written notice of protest with the Authority's Contracting Officer.

2. **Filing The Protest:** The person or responder must file a protest in writing within ten calendar days of the date of the letters of award or the notification to unsuccessful responders.

3. **Content Of Formal Written Notice:** The formal written notice must be printed, typewritten, or otherwise duplicated in legible form. The content of the formal written notice of protest must contain:

   - The name and address of the person or responder filing the protest and an explanation of how their substantial interests have been affected by Authority's notice of the intended or of actual award;
   - A statement of how and when the person or responder filing the protest received notice of the bid solicitation or notice of intended or actual award;
   - A statement of all issues of disputed material facts. If there is none, the protest must so indicate;
   - A concise statement of the ultimate facts alleged, as well as the Authority's policies which entitle the person or responder filing the protest to relief;
   - A demand for relief to which the person or responder deems themselves entitled; and
   - Any other information which the person or responder contends is material.

4. **Response to Protest**: Upon receipt of a notice of protest, which has been timely filed, the award process will be suspended until the protest is resolved. The Authority, if it deems necessary, may set forth in writing particular facts and circumstances which require continuance of the solicitation process on an emergency basis without the above mentioned delay in order to avoid immediate and serious danger to health, safety, or welfare. This written determination will specifically detail the facts underlying the Authority's decision and will constitute final action.

5. **Resolution:** The Authority may request such other information pertaining to the matter as deemed appropriate. Within ten days of the date of receipt of the written protest, the Authority will notify the person or responder making the protest of its decision.

J. CONTRACT REQUIREMENTS

The respondent selected for this effort must be fully qualified to perform the services described above and must also comply with the following Authority requirements:

1. **Agreement:** The Authority's Housing Commission will take action to authorize exclusive negotiations with the selected developer for a specific development site. The negotiations are

intended to produce a Disposition and Development Agreement for subsequent Housing Commission and HUD approvals.

2. **Insurance:** The Developer shall maintain insurance in full force and effect, during the entire term of the exclusive negotiations, as described in the Authority's insurance requirements, Exhibit C.

3. **Drug-Free Workplace:** The Developer must comply with the Federal Drug-Free Work Place Act of 1988 (41 U.S.C. 701).

4. **Federal Labor Standards:** The Developer must comply with Federal Labor Standards including Davis-Bacon wage rates required under Section 12 of the U.S. Housing Act of 1937.

5. **Affirmative Action Requirements:** The Developer must comply with Affirmative Action Requirements including the following:

    1. Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u)
    2. SFHA Commission Resolution No. 4967 requiring that public housing residents constitute a minimum of 25% of the total workforce hours for all contracts.
    3. SFHA Commission Resolution No. 3740 requiring that contractors, subcontractors, and vendors provide documentation to demonstrate compliance with apprenticeship and training programs.
    4. Executive Order 11246
    5. Minority-Owned and Women-Owned Business Enterprise (MBE/WBE) Opportunities constitute a minimum of 20% in aggregate for construction contracts and procurement activities.
    6. Sites within San Francisco Redevelopment Agency areas must meet the agency Small Business Enterprise participation goal of 50% and workforce goals that 50% of construction hours worked be given to San Francisco residents.

6. **Subcontractor Requirements:** The Developer shall assure that its subcontractors comply with all applicable HUD regulations, Authority and other local requirements.

7. **Security Identification Badges:** All Developer's employees will be required to obtain and wear security badges at all Authority sites. The badges can be obtained from the Human Resources Department at 440 Turk Street, San Francisco, CA 94102. The Authority will charge a minimal fee, not-to-exceed $5.00 per badge. Badges must be obtained prior to commencing work on any Authority site.

(END OF DOCUMENT)

SECTION II

Attachments to be included with submittal

Attachment A Submittal Identification Form ..... 3 pages

Attachment B HUD-5369-C Certifications and Representations of Offerors, Non-Construction 2 pages

Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5369-c.pdf

SUBMITTAL IDENTIFICATION FORM

1. DEVELOPMENT(S) OF GREATEST INTEREST	
Development CAL Number(s): 1-	
Development Name(s):	
Total Existing Units:	Total Potential Units:
Proposed Uses In Addition to Housing:	

2. DEVELOPER FIRM and JOINT VENTURE FIRM (if any)	
Entity Name:	Form of Organization:
Contact Name:	Taxpayer ID or SS Number:
Address:	
Phone:	Fax:

JV Entity Name:	Form of Organization:
Contact Name:	Taxpayer ID or SS Number:
Address:	
Phone:	Fax:
Entity Name:	Form of Organization:

3. PRINCIPALS	
Name:	Title:
Address:	
Phone:	Fax:

Name:	Title:
Address:	
Phone:	Fax:

Name:	Title:
Address:	
Phone:	Fax:

4. OTHER DEVELOPMENT TEAM MEMBERS	
Company Name:	Role in Project:
Contact Name:	Title:
Address:	
Phone:	Fax:

Company Name:	Role in Project:
Contact Name:	Title:
Address:	
Phone:	Fax:

Company Name:	Role in Project:
Contact Name:	Title:
Address:	
Phone:	Fax:

5. BANK REFERENCES	
Bank Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

Construction Lender Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

Permanent Lender Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

6. DEVELOPMENT EXPERIENCE (List development projects completed by Developer Firm – See Paragraphs D.3 and H.1 of the Request for Qualifications)		
Project Name:		Project Type:
Project Address:		Number of Dwelling Units:
Nature of Developer's Involvement:		
Contact Name:	Contact Phone:	Contact Fax:

Project Name:		Project Type:
Project Address:		Number of Dwelling Units:
Nature of Developer's Involvement:		
Contact Name:	Contact Phone:	Contact Fax:

Project Name:		Project Type:
Project Address:		Number of Dwelling Units:
Nature of Developer's Involvement:		
Contact Name:	Contact Phone:	Contact Fax:

7. PUBLIC HOUSING AUTHORITY REFERENCE	
Project Name:	Project Type:
Project Address:	Number of Dwelling Units:
Nature of Developer's Involvement:	
Public Housing Authority Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

PUBLIC HOUSING AUTHORITY REFERENCE	
Project Name:	Project Type:
Project Address:	Number of Dwelling Units:
Nature of Developer's Involvement:	
Public Housing Authority Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

PUBLIC HOUSING AUTHORITY REFERENCE	
Project Name:	Project Type:
Project Address:	Number of Dwelling Units:
Nature of Developer's Involvement:	
Public Housing Authority Name:	
Contact Name:	Title:
Address:	
Phone:	Fax:

CERTIFICATION OF ELIGIBILITY

This is to certify that _____
(Firm's Name)
involved with this work, is not debarred, suspended, or otherwise prohibited from contracting by any Federal, State, or Local Agency.

_____
(Signature)

_____
(Type or Print Name)

_____
(Title)

_____
(Date)

PLACEHOLDER PAGE

FOR

FORM HUD-5369-C CERTIFICATIONS AND REPRESENTATIONS OF OFFERORS, NON-CONSTRUCTION

Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5369-c.pdf

SECTION III

Exhibits

Exhibit A	HUD-5369-B Instructions to Offerors, Non-Construction	4 pages
	Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5369-b.pdf	
Exhibit B	HUD-5370-C General Contract Conditions, Non-Construction	5 pages
	Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5370-c.pdf	
Exhibit C	Authority Insurance Requirements	2 pages
Exhibit D	Summary of Affirmative Action Requirements	4 pages
Exhibit E	Description of Existing Sites Available for Development	26 pages
Exhibit F	Disposition and Development Agreement Sample Table of Contents	1 page

PLACEHOLDER PAGE

FOR

FORM HUD-5369-B INSTRUCTIONS TO OFFERORS, NON-CONSTRUCTION

Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5369-b.pdf

PLACEHOLDER PAGE

FOR

FORM HUD-5370-C GENERAL CONTRACT CONDITIONS, NON-CONSTRUCTION

Download: http://www.hudclips.org/sub_nonhud/html/pdfforms/5370-c.pdf

AUTHORITY INSURANCE REQUIREMENTS, NON-CONSTRUCTION

The Developer will maintain in full force and effect during the full term of the Contract the insurance requirements listed below, and in a solvent company or companies that maintain a rating of "B+" or better and admitted to sell insurance in California through the Department of Insurance. This insurance must be under the usual terms employed by casualty companies in California, naming the Housing Authority (Owner) and its respective members, officers, agents and employees as additional insured. Such insurance shall protect such additional insured and indemnify them against direct or contingent loss or liability for bodily injury, death and and/or property damage arising in any manner from the Developer's performance of the Contract with Housing Authority, or the nature of the services provided, or any operations under or connected with the Contract with the Housing Authority.

1. Worker's Compensation Employers' Liability with limits as required by State California (Currently **$1,000,000** for each accident).

2. Comprehensive General Liability Insurance with limits not less than **$1,000,000** per person occurrence Combined Single Limit Bodily Injury and Property Damage, including Contractual Liability, and Completed Operations coverage. If the Developer has a "claims made" policy, then the following additional requirements apply: the policy must provide a "retroactive date" which must be on or before the execution date of the Contract; and the extended reporting period may not be less than five years following the completion of the Contract.

3. Comprehensive Automobile Liability Insurance with limits not less than **$1,000,000** each occurrence Combined Single Limit bodily Injury and Property Damage.

4. Professional Liability Insurance with a limit of not less than $1,000,000 each occurrence. If the policy is in claims-made form, the Design Professional agrees to maintain such insurance for three (3) years following the completion of the construction of the project; provided that if such insurance is not available on commercially reasonable terms (i.e. the premiums for the same coverage have increased at least by 200%) during such three year period, the Design Professional may self-insure.

Comprehensive General Liability and Comprehensive Automotive Liability Insurance policies shall be endorsed to provide the following:

1. Name as ADDITIONAL INSURED the San Francisco Housing Authority, its Officers, and Members of Commission, Agents and Employees.

2. That such policies are primary insurance to any other insurance available to the Additional Insured, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against who claim is made or suit is brought, but the inclusion of more than one insured shall not increase the insurer's limits of liability.

3. All policies shall be endorsed to provide thirty (30) days advance written notice to the Housing Authority of cancellation, non-renewal or reduction in coverage, mailed to the following address:

   San Francisco Housing Authority
   440 Turk Street, 2nd Floor
   San Francisco, CA 94102
   Attention: Contract/Procurement Division

4. Certificates of Insurance, in form and with insurers satisfactory to the Housing Authority, evidencing all coverage above, shall be furnished to the Housing Authority prior to award and before

commencing any operations under this contract, with complete copies of policies to be furnished promptly upon the written request of the Housing Authority, at the following address:

San Francisco Housing Authority
440 Turk Street, 2nd Floor
San Francisco, CA 94102
Attention: Contract/Procurement Division

5. Any coverage which the Design Professional proposes to self-insure, or any intention to operate vehicles other than automobiles (i.e. boats, aircraft, etc.) shall require prior Housing Authority approval of the appropriate insurance to be agreed upon.

Approval of the insurance by the Housing Authority shall not relieve or decrease the liability of the Developer. The contract shall terminate immediately, without notice to the Developer, upon any lapse of required insurance coverage. The Developer shall be advised that should the Developer through its negligence fail to meet the professional standards of care and performance of its services that result in additional costs to the Housing Authority, it will be the intention of the Housing Authority to recoup these costs from the Developer.

(END OF INSURANCE REQUIREMENTS)

SAN FRANCISCO HOUSING AUTHORITY

SUMMARY OF AFFIRMATIVE ACTION REQUIREMENTS

TABLE OF CONTENTS

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I. EXECUTIVE SUMMARY

A. This document describes the Affirmative Action Requirements for covered construction and construction-related contracts. It references applicable Federal regulations and Housing Authority Resolutions, and provides sources for documents and organizations.

B. Goals and Requirements Highlights:

1. Low-Income Hiring: 30% of all new hires in each construction trade (Section 3).
2. SFHA Resident Hiring: 25% of the total workforce (Resolution No. 4967).
3. MBE/WBE Firms: 20% of the aggregate involvement (Resolution No. 2444).
4. Non-Compliance Penalties: Breach of contract, termination, suspension, debarment, $45.00 per hour for shortfalls in hours worked by residents (Resolution No. 4967).
5. San Francisco Redevelopment Agency requirements where appropriate.

II. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (12 U.S.C. 1701u)

A. The Housing Authority of the City and County of San Francisco (SFHA) requires compliance with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended, and its accompanying regulations in 24 CFR 135 (hereinafter called Section 3).

B. Related Documents:

1. 24 CFR 135.
2. Appendix to 24 CFR Part 135, Examples of Efforts to Offer Training and Employment Opportunities to Section 3 Residents.
3. General Conditions of the Contract for Construction, HUD-5370 (3/97), Clause 40.
4. General Contract Conditions, Non-Construction, HUD-5370-C (5/92), Clause 19.

III. SFHA COMMISSION RESOLUTION NO. 4967

A. SFHA Commission Resolution No. 4967 adopted February 22, 2001, increases the Section 3 requirements contained in 24 CFR Part 135 to require that residents of SFHA public housing constitute a minimum of twenty-five percent (25%) of the total workforce (calculated by person-hours).

B. Covered Contracts: Construction contracts over $25,000 and non-construction contracts over $50,000.

C. Compliance: The contractor's good faith efforts will be evaluated by the SFHA Contracting Officer using Appendix to 24 CFR Part 135, Examples of Efforts to Offer Training and Employment Opportunities to Section 3 Residents. Non-compliance can result in penalties of $45.00 per hour for shortfalls in hours worked by residents, breach of contract, or termination, as described in Resolution No. 4967.

D. Related Documents:

1. SFHA Commission Resolution No. 4967 adopted February 22, 2001.
2. Appendix to 24 CFR Part 135, Examples of Efforts to Offer Training and Employment Opportunities to Section 3 Residents.

IV. SFHA COMMISSION RESOLUTION NO. 3740

V. EXECUTIVE ORDER 11246

A. Under Executive Order 11246 of September 24, 1965, as amended, the SFHA requires the inclusion of the “Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity” and the “Standard Federal Equal Employment Opportunity Construction Contract Specifications” as a condition of any grant, contract, subcontract, loan, insurance or guarantee involving federally assisted construction in excess of $10,000.

B. Related Documents:

1. 41 CFR Part 60.4.
   a. Notice of Requirement for Affirmative Action To Ensure Equal Employment Opportunity (Executive Order 11246), 41 CFR Part 60-4.2 (d).
   b. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246), 41 CFR Part 60-4.3 (a).
2. General Conditions of the Contract for Construction, HUD-5370 (3/97), Clause 39.
3. General Contract Conditions, Non-Construction, HUD-5370-C (5/92), Clause 14.

VI. MINORITY-OWNED AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE) OPPORTUNITIES

A. Consistent with Executive Orders 11625, 12138, and 12432, and section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended, the SFHA shall make efforts to ensure that small businesses, women-owned business enterprises, minority-owned business enterprises, labor surplus area business, and individuals or firms located in or owned in substantial part by persons residing in the area of an SFHA development are used when possible.

B. SFHA Commission Resolution No. 2444 adopted February 25, 1982, established SFHA MBE/WBE requirements: it is the goal of the SFHA to achieve, to the greatest extent possible, a twenty percent (20%) aggregate involvement of MBE/WBE's in construction contracts and procurement activities, by dollar volume.

C. Compliance: The San Francisco Human Rights Commission (415-252-2500) maintains a list of certified MBE/WBE firms, and will determine whether a firm is considered bona fide.

D. Related Documents:

1. SFHA Commission Resolution No. 2444 adopted February 25, 1982.
2. General Conditions of the Contract for Construction, HUD-5370 (3/97), Clause 8.

VII. EMPLOYER AND EMPLOYEE TAX CREDITS

A. General: There are various tax credits available to both employers and employees through Federal, State and City of San Francisco programs. By hiring through a qualified program, a business may be eligible for thousands of dollars in tax credits as well as On-the-Job Training subsidies for a new employee. Each prospective contractor should consult a competent professional advisor for specific guidance about the tax credits as well as other related tax incentives, deductions or benefits.

B. Private Industry Council (PIC): The Business Services Manager of PIC in San Francisco (415-431-8700) can help fill job openings through referrals of qualified job seekers participating in the PIC Job Training program.

IX. RELATED DOCUMENTS

A. Documents referenced herein are on file at the SFHA Contract and Procurement Division, 440 Turk Street, (415-241-1041) and the SFHA Housing Development Division, 1815 Egbert Avenue, (415-715-3210). Copies will be furnished upon request. The documents are also available at the SFHA web site, www.sfha.org.

B. List of Documents:

1. SFHA Commission Resolution No. 2444 adopted February 25, 1982.
2. SFHA Commission Resolution No. 4967 adopted February 22, 2001.
3. 24 CFR Part 135.
4. Appendix to 24 CFR Part 135.

5. 41 CFR Part 60-4.
6. General Conditions of the Contract for Construction, HUD-5370 (3/97).
7. General Contract Conditions, Non-Construction, HUD-5370-C (5/92).

EXHIBIT E

SAN FRANCISCO SITES IDENTIFIED FOR REDEVELOPMENT

SITE NUMBER	DEVELOPMENT NAME	ADDRESS	TYPE	NUMBER OF BEDROOMS							TOTAL UNITS	YEAR BUILT
				0	1	2	3	4	5	6		
1	Westside Courts	2501 Sutter St.	F	0	84	24	20	8	0	0	136	'43
2	Potrero Annex	3 Turner Terrace	F	0	13	46	55	18	5	0	137	'55/'80
3	Potrero Terrace	1095 Connecticut St.	F	0	27	387	55	0	0	0	469	'41
4	Westbrook Apartments	90 Kiska Road	F	0	4	60	116	33	12	0	225	'56
5	Hunters Point (A) East	Kirkwood at Earl	F	0	4	44	13	19	0	0	80	'53/'83
6	Hunters Point (A) West	Oakdale and Palou at Griffith	F	0	13	78	22	10	9	1	133	'53/'78
7	Sunnydale/Velasco	1654 Sunnydale Ave.	F	5	79	536	150	15	0	0	785	'41/62

F = Family Development
S = Senior Development

LOCATION OF EXISTING SITES AVAILABLE FOR DEVELOPMENT



SFHA MAP WITH HOPE SF SITES

1. WESTSIDE COURTS
2. POTRERO ANNEX
3. POTRERO TERRACE
4. WESTBROOK
5. HUNTERS POINT A EAST
6. HUNTERS POINT A WEST
7. SUNNYDALE / VELASCO

REFER TO INDIVIDUAL SITE DESCRIPTIONS FOR MAPS

SITE 1: Westside Courts



CAL #:	1-8
EIOP:	1943
Development type:	Low-rise
Occupancy type:	Family
Number of units:	136
	Family: 136
	Elderly: 0
Bedroom Distribution:	1 bedroom: (84)
	2 bedroom: (24)
	3 bedroom: (20)
	4 bedroom: (8)
Number of buildings:	6
Structure type:	Reinforced concrete
Year constructed:	1943

Site Description

Westside Courts occupies a full city block at Sutter and Broderick Streets. The site is of moderate grade sloping generally from west to east. It is divided by retaining walls into three terraces separated by a half flight of stairs. Each terrace contains two of the buildings. Paved pedestrian surfaces are in close proximity to the buildings with lawns elsewhere. There are two well-developed tot-lots and one basketball court on the site. A notable piece of public art is located in the middle courtyard. Vertical circulation is attained by two exterior staircases.

Building Envelope and Public Spaces Description

The buildings are rectilinear with flat roofs, and are constructed of site-cast concrete. The exterior aluminum windows and metal doors have been spot replaced over the life of the buildings. The low-slope roof is a built up design and drains to exterior gutters. All of the dwellings above the first floor are accessible by open stairs and public exterior balconies.

There are two types of buildings on site:

Type “A” buildings contain eighteen units and are built over a low crawl space. Although very similar in appearance to the “B” buildings, the “A” buildings are uniformly three stories in height. There are two structures of this type located in the interior of the site, with no direct street frontage.

Type “B” buildings contain twenty-five units and a partial basement. The basements are currently used for storage, office, and community spaces. The buildings step from three stories in the middle to two stories on the ends. Located on the corners of the block, there are four “B” buildings.

The community spaces at Westside Courts are located in the easternmost “B” buildings. One building contains a laundry and a multi-purpose room for resident use. There are project management and district offices located in this building as well. The second building houses a preschool program. All other basement spaces on site are used as storage.

Mechanical and Electrical Systems Description

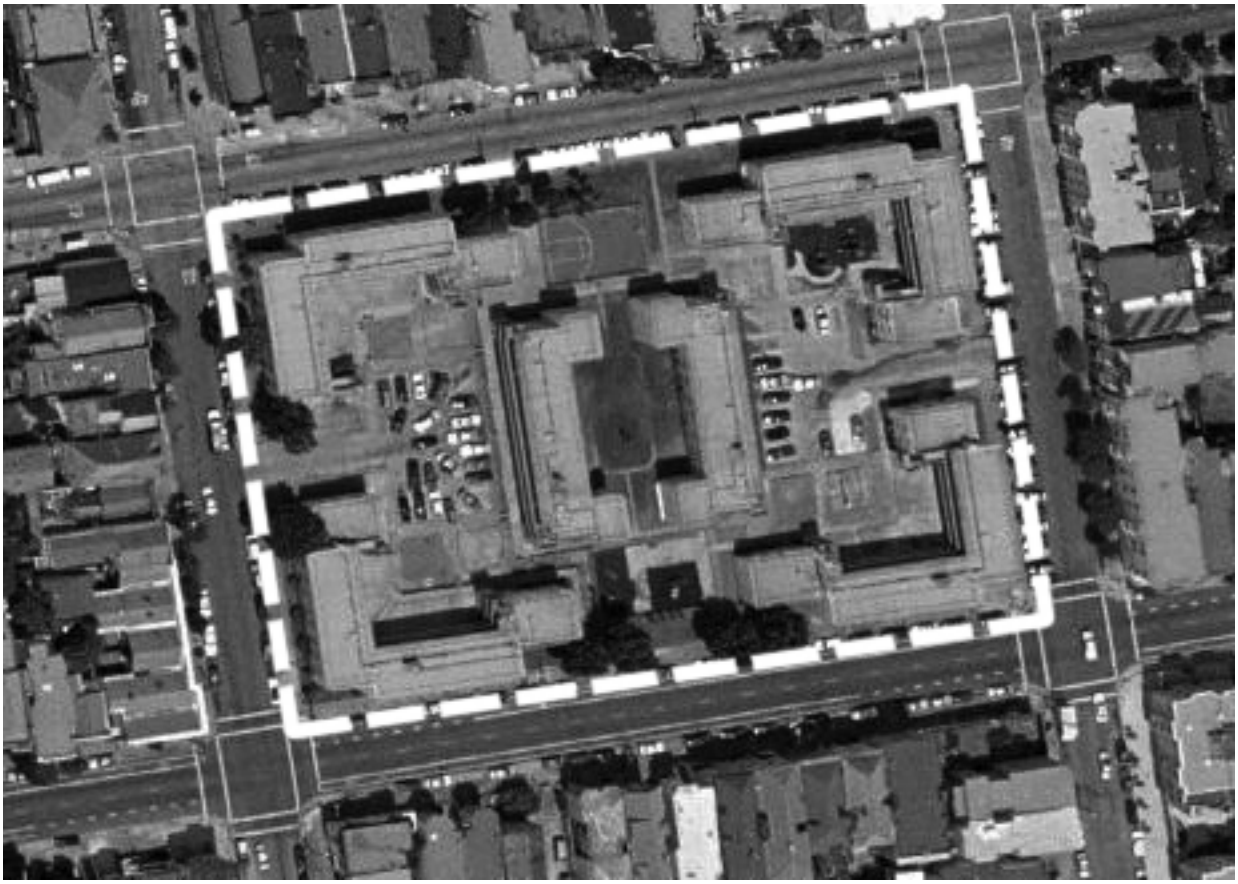
A boiler located in a rooftop penthouse supplies domestic hot water. Units are heated by gas wall furnaces in each living room. A forced-air gas furnace heats the community rooms. The electrical panels are fuse boxes in each unit with remote main fuses in the basement. A fire-suppression sprinkler system is located in each building with a single sprinkler head above the entry door to each unit.

Unit Interiors

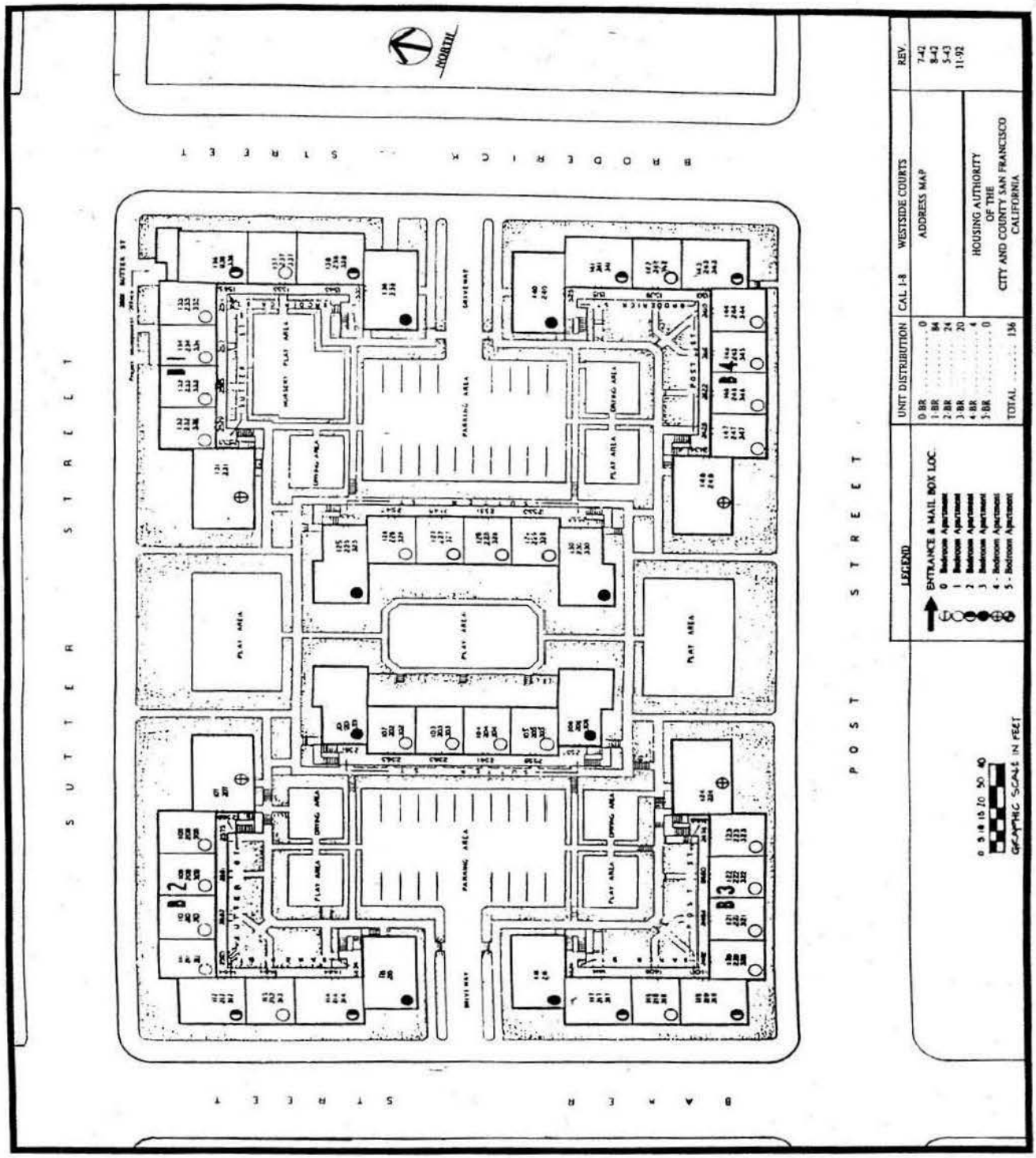
Unit finishes consist of painted concrete ceilings and plaster walls. Flooring is resilient tile that has been replaced within the last ten years. Interior doors are wood stile and rail doors.

Summary of Issues

The electrical systems (switchgear, branch panel and wiring) need to be replaced. The galvanized hot and cold water distribution lines are in need of replacement.



Existing aerial shot of 136 low-rise family units at 53 units per acre


SUTTER STREET
POST STREET
BROderick STREET
BAKER STREET
NORTH
LEGEND
ENTRANCE & MAIL BOX LOC.
0 Bedroom Apartment
1 Bedroom Apartment
2 Bedroom Apartment
3 Bedroom Apartment
4 - Bedroom Apartment
5 - Bedroom Apartment
UNIT DISTRIBUTION
0 BR 0
1 BR 84
2 BR 24
3 BR 20
4 BR 4
5 BR 0
TOTAL 136
CAL 1-8
WESTSIDE COURTS
ADDRESS MAP
HOUSING AUTHORITY OF THE CITY AND COUNTY SAN FRANCISCO CALIFORNIA
REV.
7-92
8-92
5-93
11-92
GRAPHIC SCALE IN FEET
0 5 10 15 20 30 40
PARKING AREA
PLAY AREA
DRIVING AREA
B1
B2
B3
B4

SITE 2: Potrero Annex

CAL #:	1-10
EIOP:	1955
Development type:	Townhouse/Garden
Occupancy type:	Family
Number of units:	137
	Family: 137
	Elderly: 0
Bedroom Distribution:	1 Bedroom (13)
	2 Bedroom (46)
	3 Bedroom (55)
	4 Bedroom (18)
	5 Bedroom (5)
Number of buildings:	23
Structure type:	Wood frame



Site Description

Potrero Annex is located on a sloping site at Missouri and 23rd Street. The development has 23 townhouse/garden style apartment buildings scattered throughout the nine acre site. The buildings are accessed by concrete sidewalks and site stairs, which connect to the street sidewalks and other buildings. Due to the considerable slope, concrete retaining walls form terraces throughout the site.

Building Envelope and Public Spaces Description

The buildings at Potrero Annex are wood framed with concrete basement walls and slab-on-grade concrete floors. The exterior finish is stucco on all buildings. The roofs are a shallow pitch that drains to perimeter gutters and exterior downspouts. The roof covering is a built-up system installed in 1998. Also in 1998, 13 of the 23 buildings had new vinyl windows installed.

Mechanical and Electrical Systems Description

The dwelling units are heated by gas-fired wall heaters. Domestic hot water is provided by a central 150-gallon hot water heater located in the basement of each building. Each unit is equipped with a circuit breaker electrical panel.

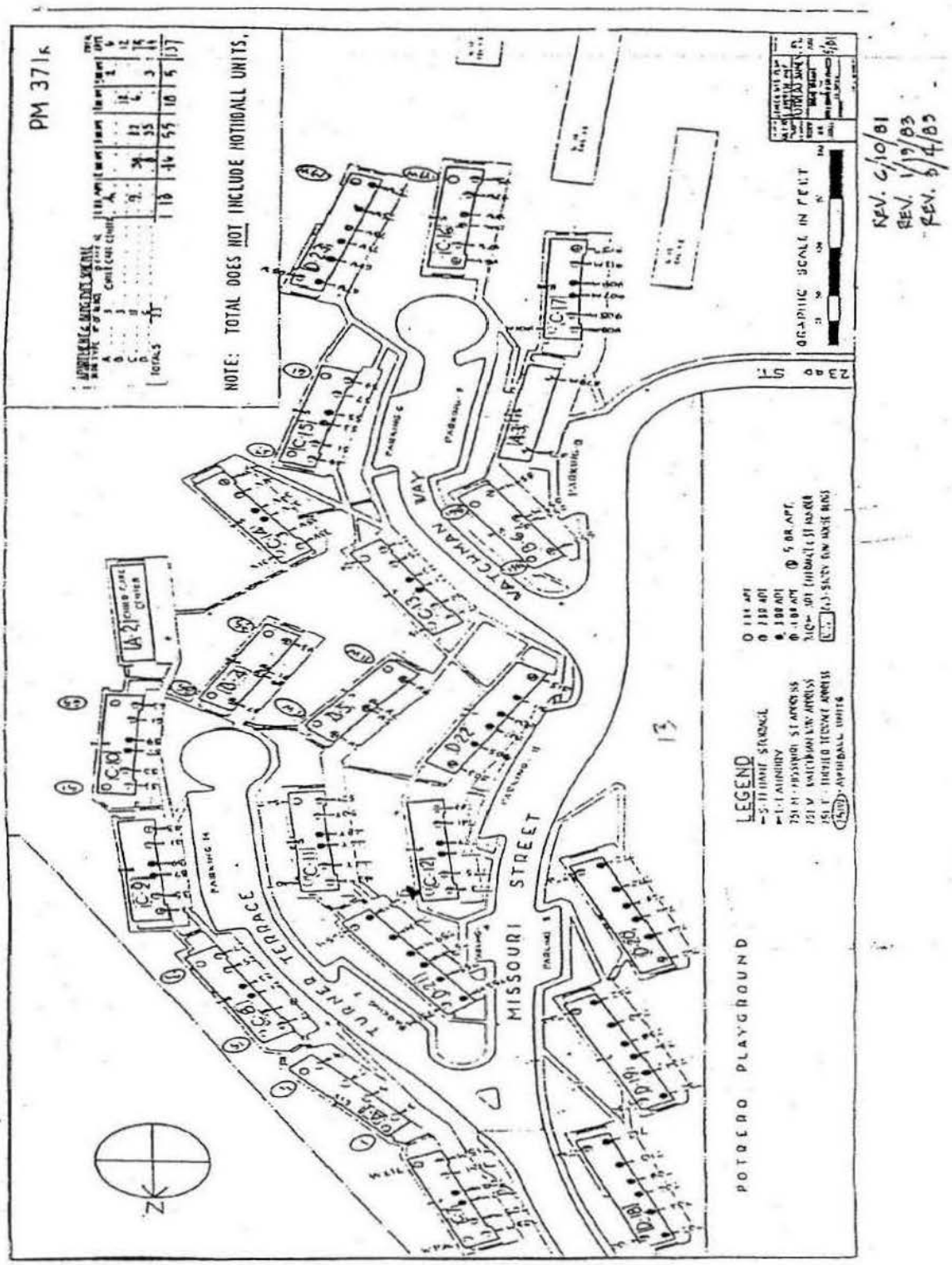
Unit Interiors

In 1998, 13 of the 23 buildings had major renovations completed to the apartment interiors. The original plaster walls were replaced with gypsum wallboard, and kitchen and bathrooms were remodeled including new sheet vinyl flooring, new plumbing fixtures and cabinets.

The remaining 10 buildings have plaster walls and ceilings, with a combination of wood flooring in the living areas and resilient tile in the kitchens and baths.

Summary of Issues

The window frames are rotten and need to be replaced. The power wiring, unit electrical panels and wiring are in need of replacement. The landscaping needs to be reseeded. The irrigation system does not work. The site steps are chipped and cracked and are missing handrails.


PM 371K
NOTE: TOTAL DOES NOT INCLUDE MOTHBALL UNITS.
REV. 6/10/81
REV. 1/19/83
REV. 8/4/83
LEGEND
MISSOURI STREET
TURNER TERRACE
WATCHMAN WAY
POTRERO PLAYGROUND
15

SITE 3: Potrero Terrace



CAL #:	1-2
EIOP:	1942
Development Type:	Walk-up
Occupancy Type:	Family
Number of units:	469
	Family: 469
	Elderly: 0
Bedroom Distribution:	1 Bedroom: (27)
	2 Bedroom: (387)
	3 Bedroom: (55)
Number of Buildings:	39
Structure Type:	Reinforced Concrete
Year constructed:	1941

Site Description

The buildings of Potrero Terrace are long, rectilinear, and situated on a steeply terraced hillside. The large site is roughly divided into four sections. Three sections are created by two city streets that run down the hillside, and another section below separated by a street that runs along the side of the hill. Access to units is via sidewalks that run the length of the buildings to the street, and exterior stairs at the ends of some buildings. The laundry rooms have been abandoned; the only community spaces at Potrero Terrace are now located in the Administration Building which houses the office and community spaces.
The landscaping at Potrero Terrace is primarily grass, with some shrubbery. Parking on the site is in the form of head-on small parking lots along the streets. Sidewalks run along the length of the buildings from the street to the units.

Building Envelope and Public Spaces Description

The buildings at Potrero Terrace are composed of concrete masonry walls with concrete floors. Roofs are pitched with clay tiles that were replaced in 2001. Exterior walkways on the second floors run the length of each building and were designed as a means of emergency egress as the only access is by windows. Dwelling units are accessed directly from site walkways.

Mechanical and Electrical Systems Description

Heating is supplied to the units via boilers that service multiple buildings. These boilers also provide domestic hot water to the units. There are no ventilation systems in the units to circulate air and prevent mildew.
Overhead wires and transformers that are owned by the Housing Authority provide electrical power.

Unit Interiors

The unit finishes consist of painted concrete ceilings and plaster wall finishes. The floor covering is resilient tile with sheet vinyl on some interior stairs.

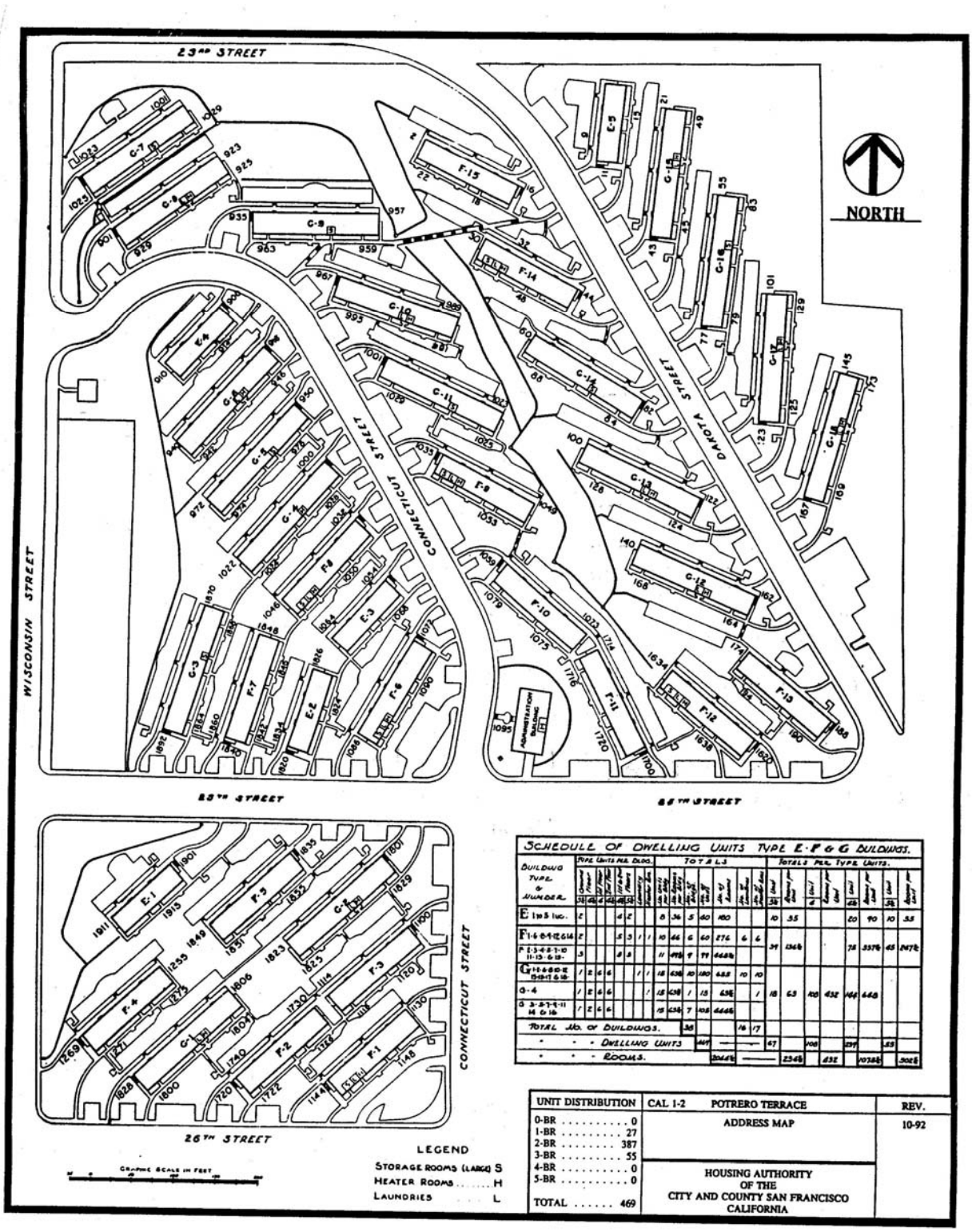
Apparent Safety Problems:

There is no system installed for ventilation above the range. The site steps are broken and unsafe. There are no handrails on the steps. There is vinyl asbestos tile present that will eventually need to be replaced. There is asbestos pipe insulation that also needs to be replaced.

Summary of Issues

The electrical systems are old and need replacement. Boiler and boiler room equipment are at the end of their life cycle and need replacement. The retaining walls are cracked, broken and in need of repair. The

window sashes are worn out and need to be replaced. The overhead electrical distribution is inadequate and should be replaced.


23RD STREET
NORTH
WISCONSIN STREET
CONNECTICUT STREET
DAKOTA STREET
25TH STREET
26TH STREET
ADMINISTRATION BUILDING
SCHEDULE OF DWELLING UNITS TYPE E·F & G BUILDINGS.
UNIT DISTRIBUTION
0-BR 0
1-BR 27
2-BR 387
3-BR 55
4-BR 0
5-BR 0
TOTAL 469
CAL 1-2 POTRERO TERRACE
ADDRESS MAP
REV. 10-92
HOUSING AUTHORITY OF THE CITY AND COUNTY SAN FRANCISCO CALIFORNIA
LEGEND
STORAGE ROOMS (LARGE) S
HEATER ROOMS ..... H
LAUNDRIES L



Existing 606 family units at 21 units per acre



Authority conceptual master plan as an example only

SITE 4: Westbrook

CAL #:	1-9
EIOP:	1957
Development type:	Townhouses
Occupancy type:	Family
Number of units:	225
	Family: 225
	Elderly: 0
Bedroom Distribution:	1 Bedroom: (4)
	2 Bedroom: (60)
	3 Bedroom: (116)
	4 Bedroom: (33)
	5 Bedroom: (12)
Number of buildings:	37
Structure type:	Wood frame
Year constructed:	1956



Site Description

Westbrook Apartments are bounded by Kiska, Northridge, Harbor and Dormitory Roads. Adjacent to Westbrook is Hunters Point (East). There are nine building types scattered around the site, they vary only slightly in unit configuration. The landscaping consists of large areas of grass and paved concrete walks and patios near the buildings. The moderately sloping terrain requires the use of retaining walls and some concrete steps.

Building Envelope and Public Spaces Description

The buildings at Westbrook are wood framed construction with concrete slab-on-grade foundations. The exterior is primarily stucco, with some wood lap siding. The roofs are built-up asphalt. They have a shallow pitch, which drains to perimeter gutters and exterior downspouts.

Mechanical and Electrical Systems Description

Each one, two, and three bedroom unit has gas-fired wall heaters. Four and five bedroom units have a central gas furnace with ductwork serving individual rooms. All units have hot water heaters. The buildings originally had boilers, which have been removed. The electrical utility lines are individually metered.

Unit Interiors

Interior finishes consist of gypsum wallboard walls and ceilings. Floor coverings are a combination of resilient tile and sheet vinyl.

Apparent Safety Problems

The interior window security bars do not have breakaway hardware.

Summary of Issues

The sanitary, water, gas and galvanized hot and cold water distribution lines need to be replaced. The landscaping wood retaining wall has dry rot. The power wiring and branch panel are in need of replacement.

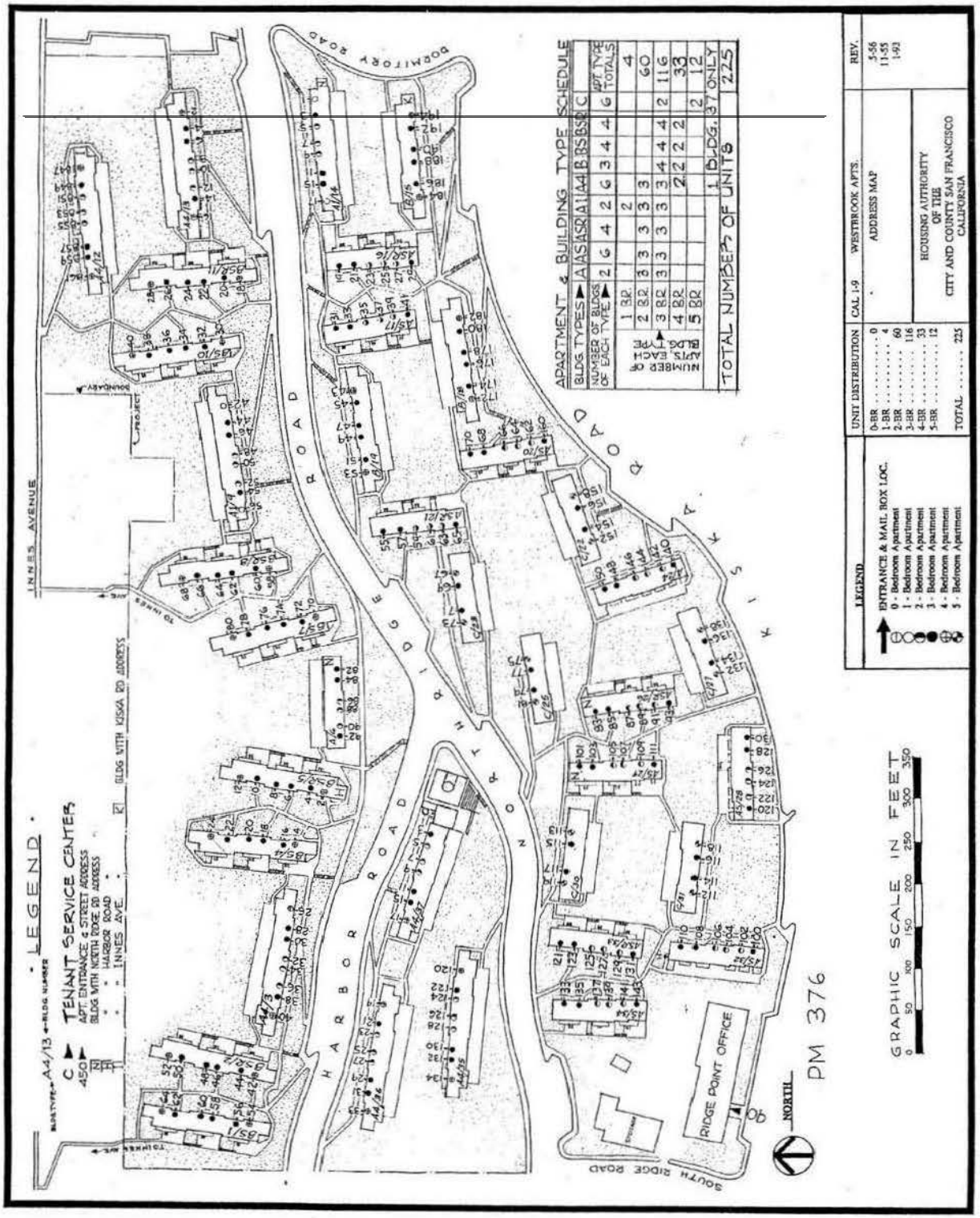
SITE 4: Westbrook



Existing 225 townhouses at 12 units per acre



Authority conceptual master plan as an example only


LEGEND
TENANT SERVICE CENTER
APT. ENTRANCE & STREET ADDRESS
BLDG WITH NORTH RIDGE RD ADDRESS
HARBOR ROAD
INNES AVE.
BLDG WITH KISKA RD ADDRESS
INNES AVENUE
DORMITORY ROAD
HARBOR ROAD
SOUTH RIDGE ROAD
RIDGE POINT OFFICE
NORTH
PM 376
GRAPHIC SCALE IN FEET
APARTMENT & BUILDING TYPE SCHEDULE
BLDG TYPES
NUMBER OF BLDGS OF EACH TYPE
APT TYPE TOTALS
TOTAL NUMBERS OF UNITS
1 BLDG. 37 ONLY
225
UNIT DISTRIBUTION
CAL 1-9
WESTBROOK APTS.
ADDRESS MAP
HOUSING AUTHORITY OF THE CITY AND COUNTY SAN FRANCISCO CALIFORNIA
REV.
TOTAL 225

SITE 5 & 6: Hunters Point

CAL #:	1-17 (A)
EIOP:	1954
Development Type:	Townhouse
Occupancy Type:	Family
Number of units:	213
	Family: 213
	Elderly: 0
Bedroom Distribution:	1 Bedroom (17)
	2 Bedroom (122)
	3 Bedroom (35)
	4 Bedroom (29)
	5 Bedroom (9)
	6 Bedroom (1)
Structure Type:	Wood frame
Number of buildings:	41
Year constructed:	1953



Site Description

Hunters Point consists of three adjacent developments, Upper West, Lower West, and East. They are bordered by Oakdale and Griffith at Palou, Kirkwood Avenue, and Dormitory Road.

Two-story four-plexes and six-plexes are scattered around the three sites, with concrete walkways connecting the buildings to the public sidewalk and each other. There are two basketball courts as well as several small play areas around the developments.

Building Envelope and Public Spaces Description

The buildings at Hunters Point are all wood framed with a combination of wood and stucco exterior. The foundations are concrete slab-on-grade.

The roofs are low-slope built-up asphalt, and roof drainage is provided by perimeter gutters and exterior downspouts.

Mechanical and Electrical Systems Description

Individual apartments are equipped with gas-fired furnaces and hot water heaters. The buildings originally had a central boiler system, which has been removed. Electrical lines are individually metered.

Unit Interiors

The unit finishes consist of gypsum wallboard ceiling and walls. Floors finishes are mostly original wood flooring in the living rooms and bedrooms and resilient tile or sheet vinyl in the kitchens and bathrooms.

Summary of Issues

There is vinyl asbestos tile present which will eventually need to be removed. The water, gas and sanitary lines are at the end of their life cycle and need to be replaced. There are many windows that are broken and need to be replaced. The branch panel and power wiring are outdated and need to be replaced to meet current needs.

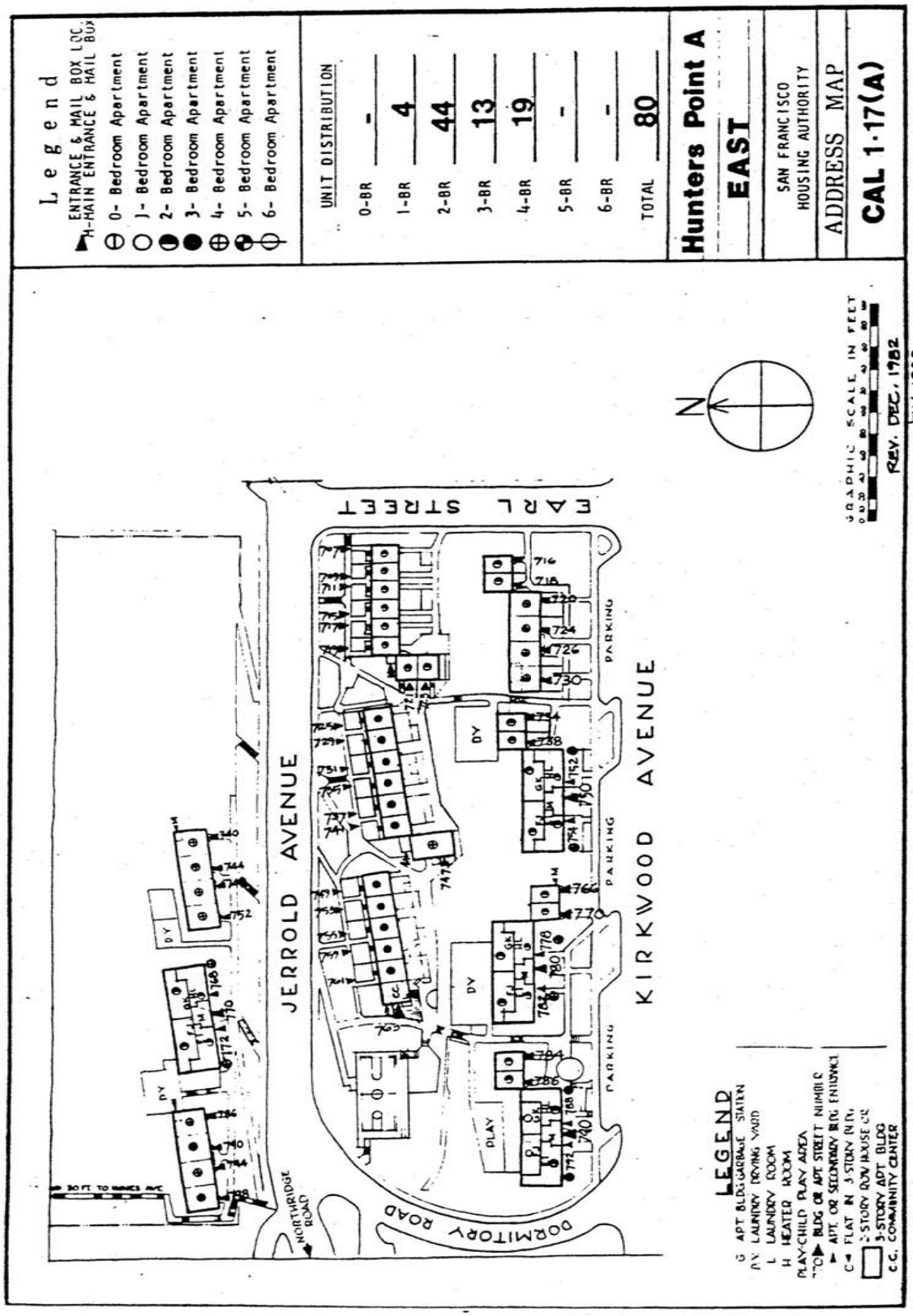
SITE 5: Hunters Point A East



Existing 133 family townhouses at 17 units per acre on terraces site



Authority conceptual master plan as an example only


Legend
ENTRANCE & MAIL BOX LOC.
H-MAIN ENTRANCE & MAIL BOX
0- Bedroom Apartment
1- Bedroom Apartment
2- Bedroom Apartment
3- Bedroom Apartment
4- Bedroom Apartment
5- Bedroom Apartment
6- Bedroom Apartment
UNIT DISTRIBUTION
0-BR -
1-BR 4
2-BR 44
3-BR 13
4-BR 19
5-BR -
6-BR -
TOTAL 80
Hunters Point A
EAST
SAN FRANCISCO
HOUSING AUTHORITY
ADDRESS MAP
CAL 1-17(A)
JERROLD AVENUE
KIRKWOOD AVENUE
EARL STREET
DORMITORY ROAD
NORTHRIDGE ROAD
PARKING
PLAY
DY
GK
LEGEND
G APT BLDG GARBAGE STATN
DY LAUNDRY DRYING YARD
L LAUNDRY ROOM
H HEATER ROOM
PLAY-CHILD PLAY AREA
BLDG OR APT STREET NUMBER
APT. OR SECONDARY BLDG NUMBER
FLAT IN 3 STORY BLDG
2-STORY ROW HOUSE OR
3-STORY APT BLDG
CC. COMMUNITY CENTER
GRAPHIC SCALE IN FEET
REV. DEC., 1982
JULY, 1983
AUG. 1983
SEPT. 1983

SITE 6: Hunters Point A West

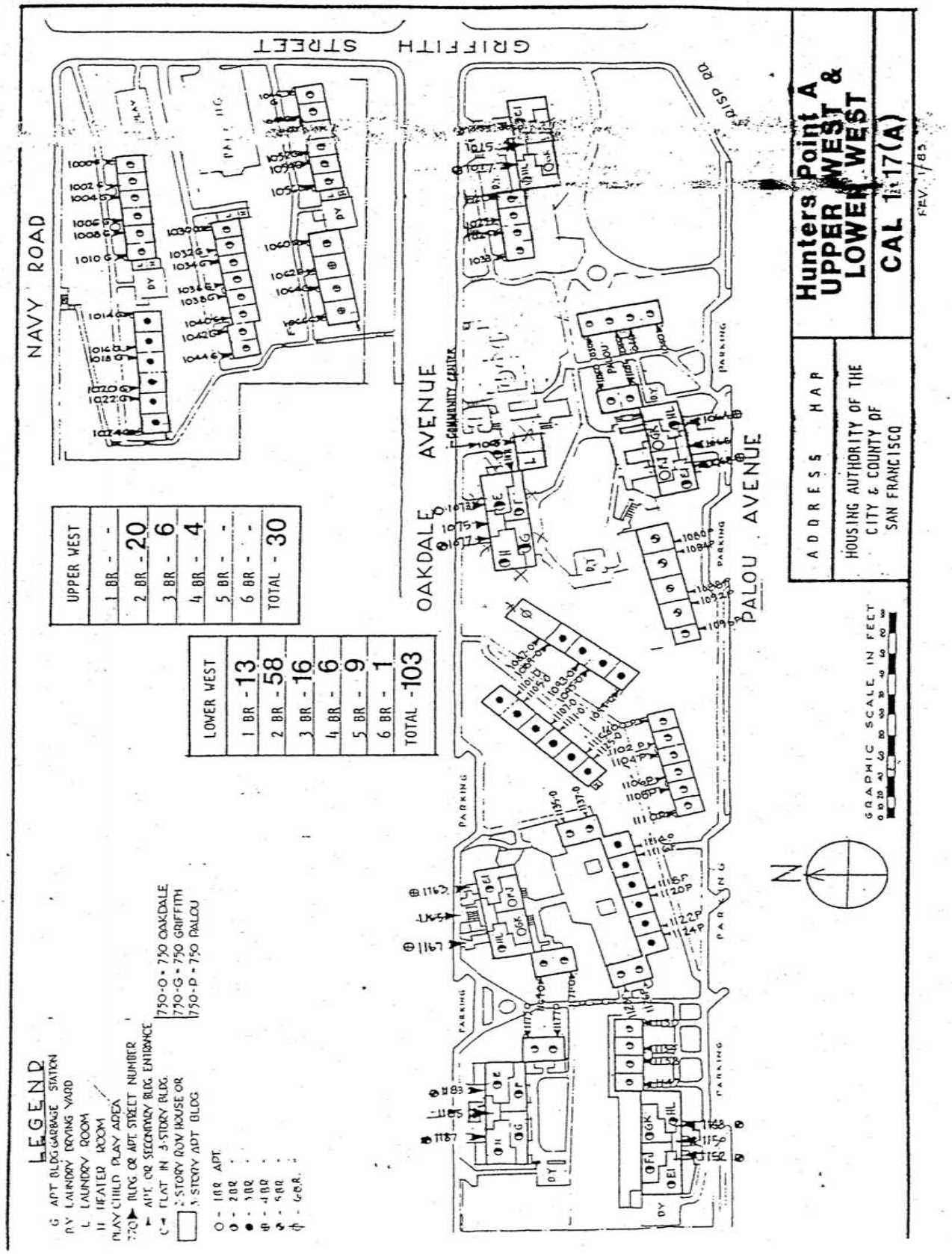


Existing 133 family townhouses at 17 units per acre on terraced site



Authority conceptual master plan as an example only

SITE 6: Hunters Point A West



SITE 7: Sunnydale



CAL #:	1-3
EIOP:	
Development type:	Townhouse
Occupancy type:	Family
Number of units:	767
	Family: 767
	Elderly: 0
Bedroom Distribution:	One bedroom: 71
	Two bedroom: 531
	Three bedroom: 150
	Four bedroom: 15
Number of buildings:	91
Structure type:	Concrete
Year constructed:	1940

Site Description

The Sunnydale housing development is located at 1654 Sunnydale Avenue. The development consists of six different building types totaling 91 buildings. The overall site is organized by five main streets defining six blocks.

The landscaping consists of grass lawns with play areas. The site is not irrigated except for the front of the administration building. Thirteen asphalt parking lots are scattered throughout the site for off-street parking.

Building Envelope and Public Spaces Description

The buildings at Sunnydale are painted concrete-masonry construction with furred-out walls on the interior. Exterior windows are single-pane metal, while the doors are a mixture of metal and wood. The gabled roofs of the two-story buildings are sheathed with clay tile shingles. All units have an exterior entrance. An administration building with community center, childcare, and police department is located at the corner of Sunnydale Avenue and Santos Street.

Mechanical and Electrical Systems Description

Units are heated by force-air gas furnaces that only serve the ground floor. Hot water heaters and circuit breaker panels are located in each unit. A washing machine connection was observed; however, no dryer connections were found.

Unit Interiors

Interior finishes consist of gypsum wallboard walls, and a mixture of unfinished ceilings and gypsum wallboard ceilings. The flooring in the units is resilient tile. Asbestos tile was observed in some of the residences.

Apparent Safety Problems

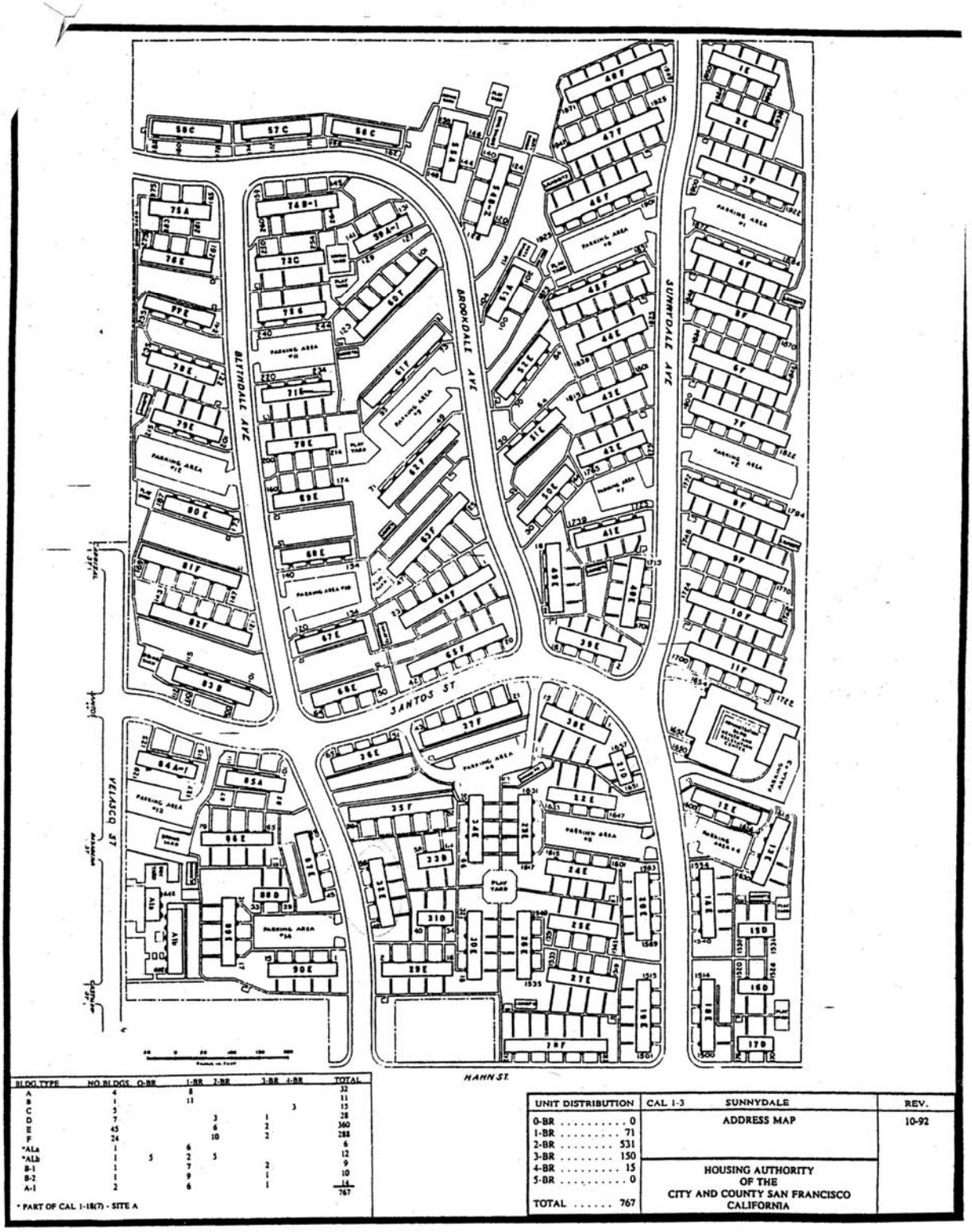
There is vinyl asbestos tile present which will eventually need to be removed. The smoke detectors in some of the units are missing or dysfunctional and need to be replaced. There are interior window bars that need to have breakaway hardware as a means of egress.

Summary of Issues

Boiler and boiler room equipment are at the end of their life cycle and need replacement. The power wiring should be replaced. The galvanized hot and cold water distribution lines are corroded and should be replaced. The sanitary lines need to be replaced. The windows need to be replaced.



Existing aerial photo of 767 low-rise family townhouses at 16 units per acre



BLDG. TYPE	NO. BLDGS.	0-BR	1-BR	2-BR	3-BR	4-BR	TOTAL
A	4		8				32
B	1		11				11
C	5					3	15
D	7			3	1		28
E	45			6	2		360
F	24			10	2		288
*ALa	1		6				6
*ALb	1	5	2	5			12
B-1	1		7		2		9
B-2	1		9		1		10
A-1	2		6		1		14
							767

* PART OF CAL 1-18(7) - SITE A

UNIT DISTRIBUTION	CAL 1-3 SUNNYDALE	REV.
0-BR 0	ADDRESS MAP	10-92
1-BR 71		
2-BR 531		
3-BR 150		
4-BR 15	HOUSING AUTHORITY OF THE CITY AND COUNTY SAN FRANCISCO CALIFORNIA	
5-BR 0		
TOTAL 767		

SITE 7: Velasco

CAL #:	1-18(7)
EIOP:	1962
Development Type:	Walk Up
Occupancy Type:	Senior
Number of units:	18
	Family: 0
	Elderly: 18
Bedroom Distribution:	Studio: 5
	1 Bedroom: 8
	2 Bedroom: 5
Site Area:	0.71 Acres
Density:	25.4 Units per Acre
Structure Type:	Wood Frame
Number of buildings:	2
Year constructed:	1962



Site Description

Hayes Valley (Velasco) occupies a site, rectangular in shape, located on Velasco Avenue. There are two two-story, rectangular buildings on the site. Building A1B is twice as long as Building A1A and they are both connected to each other via the roof system and exterior walkways. There are a combination of studio, one and two bedroom units.

All apartments have exterior entry doors. Landscaping over the generally flat site is limited to small grass areas and planters.

Building Envelope and Public Spaces Description:
Both buildings are wood framed with an EIFS/plaster finish. The windows are aluminum and the doors are metal.

The roofs are pitch and covered with asphalt shingles.

Dwelling units are accessed along exterior walkways and stairs.

This site does not have public spaces.

Mechanical and Electrical Systems Description

All units are heated by a hydronic radiation system, with hot water provided by one boiler. The same boiler provides domestic hot water to both buildings.

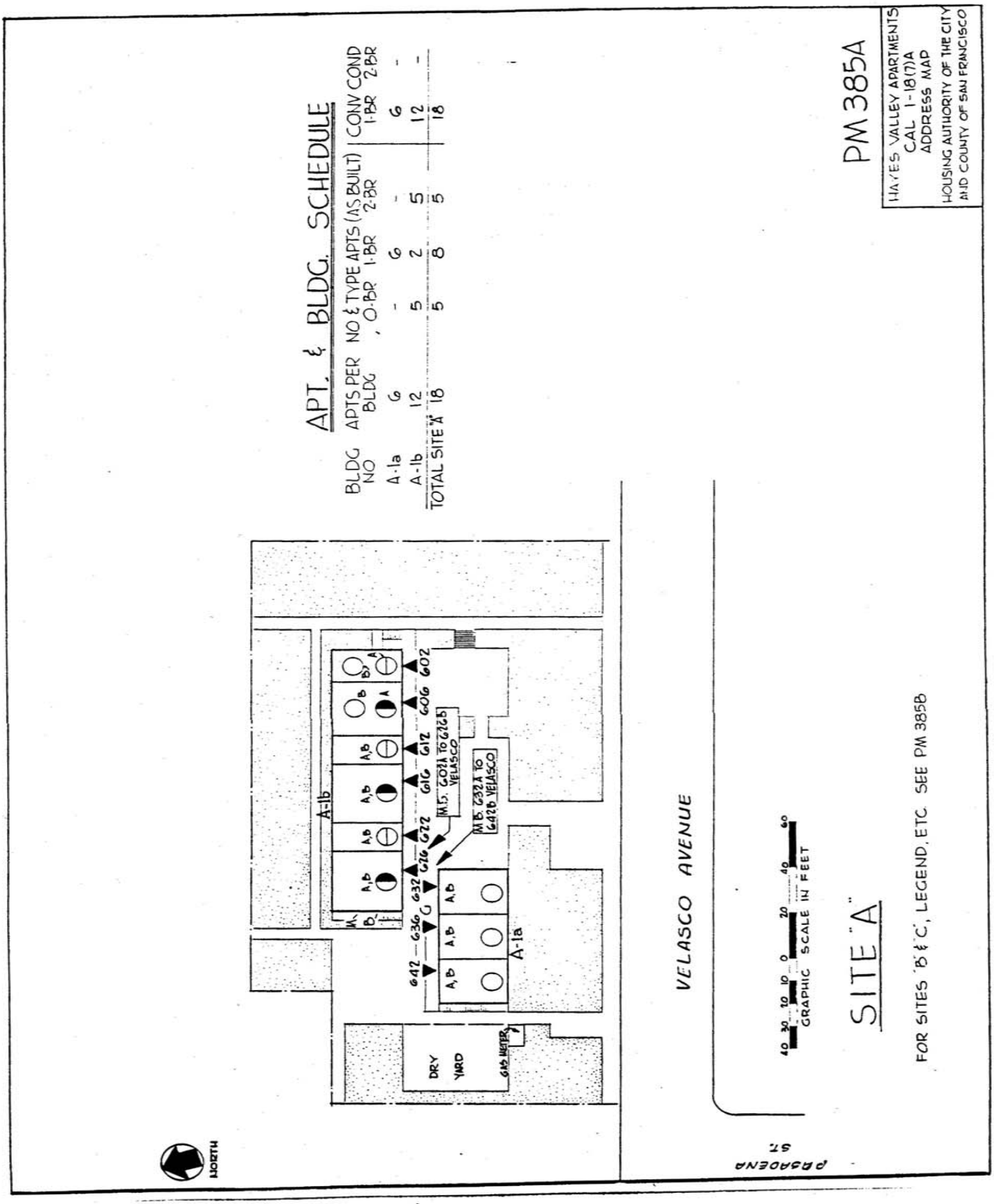
Electrical panels in the units are circuit breaker type.

Unit Interiors

Interior finishes consist of painted gypsum wallboard walls and ceilings. The floor coverings are resilient tile.

Summary of Issues

There is asbestos pipe insulation that needs to be removed. Boiler and boiler room equipment are at the end of their life cycle and need replacement.


APT. & BLDG. SCHEDULE
BLDG NO
APTS PER BLDG
NO & TYPE APTS (AS BUILT) 0-BR 1-BR 2-BR
CONV COND 1-BR 2-BR
A-1a 6 - 6 - 6 -
A-1b 12 5 2 5 12 -
TOTAL SITE "A" 18 5 8 5 18
PM 385A
HAYES VALLEY APARTMENTS
CAL 1-18(7)A
ADDRESS MAP
HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO
A-1b
A-1a
DRY YARD
GAS METER
M.B. 632A TO 626B VELASCO
M.B. 632A TO 626B VELASCO
VELASCO AVENUE
PASADENA ST.
GRAPHIC SCALE IN FEET
SITE "A"
FOR SITES 'B' & 'C', LEGEND, ETC. SEE PM 385B
NORTH

DISPOSITION AND DEVELOPMENT AGREEMENT
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Article 5. Developer Predevelopment Component
Article 6. Conditions Precedent to Performance at Closing
- A. Regulatory and Operating Agreement
- B. Authority Loan Documents
- C. Developer Guaranties
- D. Tax Credit and syndication documents
- E. Housing Option, Right of First Refusal
- F. Management Agreement(s)
- G. Management Plan(s)
- H. Community and Supportive Services Plan(s)
- I. Mixed-Finance Proposal to HUD
- J. Mixed-Finance Amendment to the Annual Contributions Contract

Article 7. Housing Development Component
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Article 9. Design
Article 10. Construction
Article 11. Ownership, Operation and Disposition of Housing Development
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Article 15. Role of HUD
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Article 18. Termination for Convenience
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Article 22. Miscellaneous

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Legal Description
Approved Development Budget
Scope of Development
Preliminary Site Plan/Schematic Design
Schedule of Performance
Site Mitigation Plan
Affirmative Action Requirements
Insurance
Resident Hiring Plan
Preconstruction Services Agreement
Permitted Exceptions
Pledge Agreement

HOPE SF:
Rebuilding Public Housing and
Restoring Opportunity for its Residents

Summary of Task Force Recommendations to the Mayor and Board of Supervisors

March 23, 2007

INTRODUCTION

As a result of chronic underfunding by the federal government, the future of public housing in San Francisco and the nation is at risk. While we firmly believe that the federal government has a responsibility to increase the funding for public housing, San Francisco must take action quickly to ensure no loss of public housing in our city.

In the fall of 2006, Mayor Newsom and Supervisor Maxwell selected a broad-based task force to provide recommendations for addressing the conditions in San Francisco's most distressed public housing while also enhancing the lives of its current residents. This document outlines those recommendations and the Task Force's suggestions for crucial next steps to address these issues.

The Case for Immediate Action

The San Francisco Housing Authority (SFHA) owns and manages approximately 6,400 units of public housing. For the last two decades, funding for public housing has been in steady decline. Over the last six years severe cuts have caused both intense physical distress to housing conditions and serious social and economic consequences for residents.

In 2002, the SFHA commissioned an independent assessment of the physical needs of its properties, which revealed a backlog of immediate needs totaling $195 million. It also was determined that an average of $26.6 million per year in additional physical deterioration will occur in SFHA communities if the current problems are not addressed. To put that number in perspective, the federal government only allocates $16 million per year to the SFHA to address these needs. As a consequence, if action is not taken to address these issues, the total cost over the next 30 years will total an estimated $800 million.

This distressed public housing puts families, seniors and children at risk. The housing quality issues alone are reason to act. Deferred maintenance coupled with high vacancy rates exacerbate the security issues for residents and neighbors. Older housing is more likely to contribute to environmental health issues like asthma

From a quality of life perspective, the level of concentrated poverty that characterizes the current living conditions at many of these sites has been shown to hurt neighborhood vitality and limit educational and employment opportunities for children and families.

On a basic financial level, the City has an economic need to fix distressed public housing because the cost to maintain the current stock exceeds what is available. Simply paying for annual maintenance on SFHA properties will cost nearly $10 million more per year than the SFHA receives from HUD. Finally, diverting money to fix highly distressed buildings makes it harder to keep decent buildings in good shape.

On a human level, we have a moral obligation to improve the living conditions within public housing and to create a climate that provides greater economic opportunity and more supportive family environments. And the commitment must be to both current and future residents.

Over the last decade, San Francisco has taken steps to address this situation. In partnership with private and non-profit developers, the SFHA revitalized six public housing communities in North Beach, the Mission District, and Hayes Valley. Using federal funding made available through the Department of Housing and Urban Development's HOPE VI program, SFHA has leveraged hundreds of millions of

dollars in related public and private investments. All of these developments feature a mix of incomes and architecture that fits into the surrounding neighborhood.

Cuts to the HOPE VI program have severely limited local access to funds for public housing revitalization and created the necessity to find creative financial and programmatic solutions to the physical and social issues that currently exist.

Opportunity to Make Positive Change

In response to these conditions, the SFHA has done a strategic assessment of their long-term financial needs, revenues, and assets. As part of that analysis, the SFHA identified eight highly distressed public housing sites that are significantly less developed than their surrounding communities. These sites were developed in the 1940s and 1950s and the buildings are now falling apart.

The opportunity exists to rebuild these low-density public-housing sites as mixed-income communities at a scale similar to typical San Francisco neighborhoods and without displacing current residents. In practical terms, we can to rebuild all 2,500 of the existing distressed and antiquated public housing units and add as many as 3,500 new market-rate and affordable homes.

In order to assess the viability of this approach, the Mayor and Board of Supervisors created the HOPE SF Task Force. The next section highlights the Task Force's recommended vision, principles, and funding scenarios.

TASK FORCE RECOMMENDATIONS: VISION, PRINCIPLES, AND FUNDING

The HOPE SF task force was charged with the development of recommendations on two fronts: The vision and principles that should drive the initiative and the menu of strategies for funding. Below is a summary of the group's recommendations.

HOPE SF Vision Statement:

Rebuild our most distressed public housing sites, while increasing affordable housing and ownership opportunities, and improving the quality of life for existing residents and the surrounding communities.

HOPE SF Principles:

1. **Ensure No Loss of Public Housing:**
    - One for One Replacement Public Housing Units
    - Make Every Unit Modern and of High Quality
    - Commit to Minimize Displacement of Existing Residents
    - Phase the Rebuilding of the Sites
    - Emphasize On-Site Relocation
2. **Create an Economically Integrated Community:**

- Build a housing ladder that includes:
  - Public Housing
  - Affordable Housing
  - Market Rate Housing
- Emphasis on the Priority Needs for Family Housing

3. Maximize the Creation of New Affordable Housing:

- In addition to one for one replacement of public housing, create as much affordable rental and ownership housing as possible on the sites
- Fund the rebuilding of the public housing using profits from the market-rate housing

4. Involve Residents in the Highest Levels of Participation in Entire Project:

- Resident Engagement in Planning and Implementation
- Develop Mechanisms for Residents to Engage in the Process
- Resident-Driven Occupancy Criteria

5. Provide Economic Opportunities Through the Rebuilding Process:

- Connect Appropriate Job Training and Service Strategies such as CityBuild and Communities of Opportunity to the Development Process
- Create Viable Employment Opportunities (Jobs) for Existing Residents through the Development Process
- Take Advantage of Contracting Opportunities:
  - Existing Residents
  - Local Entrepreneurs
  - Small and Disadvantage Businesses

6. Integrate Process with Neighborhood Improvement Plans:

- School Improvement and Reform
- Parks Improvements
- Improved Transportation
- Enhanced Public Safety
- Neighborhood Economic Development

7. Create Environmentally Sustainable and Accessible Communities:

- Incorporate Green Building Principles
- Include Design Elements that Meet Long-Term Accessibility Needs

8. Build a Strong Sense of Community:

- Solicit Input from Entire Community in Planning and Development Process
- Include Current and Prospective Residents
- Reach Out to and Engage Neighbors

HOPE SF Funding Needs

The SFHA, the San Francisco Mayor's Office of Housing and the San Francisco Redevelopment Agency have analyzed this rebuilding opportunity to determine the financial feasibility of the approach outlined by the Task Force. Below are the assumptions and resulting cost projects and financing gaps.

Key Financial Assumptions:

- All of the public housing would be rebuilt on-site;
- Rebuilding would occur in phases so that relocation could occur on-site;
- Market-rate housing would cross-subsidize the rebuilding of the public housing;
- The developments would be rebuilt to 40 units per acre or more depending on the density of the surrounding neighborhood; and
- The final mix of housing on the sites would be approximately 40% public housing, 40% market-rate and 20% affordable rental and ownership housing

To provide an example, using these assumptions, the estimated total development cost for Hunters View is $300 million. By using cross-subsidies, leveraging State and Federal funding sources, and borrowing against the project's future rents and sales income, the project can finance approximately $250 million of its total cost. The remaining $50 million is the local funding gap.

Below is a list of the eight most distressed developments and an estimate of the financing gap for each development based on the mixed-income scenario described above.

SFHA Development	Current # of SFHA units	Public Housing Gap (millions)	Affordable Housing Gap (millions)
Hunters View	267	$30	$20
Potrero Annex and Terrace	628	$60	$30
Sunnydale	767	$90	$60
Westbrook Apts.	306	$30	$20
Hunter's Pt	133	$10	$20
Westside Courts	136	$25	$10
Alice Griffith	256	$25	$20
Total	**2493**	**$270**	**$180**

TASK FORCE RECOMMENDATIONS: KEY NEXT STEPS

1. <u>Expand the outreach and education process with public housing residents and other stakeholders.</u>

A. One of the core principles of the HOPE SF Task Force is the early and authentic involvement of residents in every step of the process. This involvement starts with a need to aggressively reach out to current public housing residents to inform them on the

Task Force's recommendations, the benefits of the HOPE SF program, and possible funding scenarios.

There are strong and legitimate concerns among current residents about displacement and gentrification that could be associated with this project. While the Task Force has taken great care in developing principles for HOPE SF to address these concerns, rumors and myths dominate much of the current discourse regarding the rebuilding of public housing because not enough information is being provided on a consistent and timely basis. **The Task Force recommends the formation of outreach teams that are comprised of residents, city staff, and policy or issue experts to conduct outreach and hold meetings on HOPE SF.**

B. Another important part of the public education and engagement process involves other community stakeholders. For both the development process and the community building goals to be successful, HOPE SF needs to engage beyond the boundaries of the public housing sites. As a first step, HOPE SF should create a set of materials that speak to a variety of target audiences – public housing residents, neighborhood residents, developers, businesses, and potential funders. These materials should be tailored for each audience so that we are explaining HOPE SF in terms most relevant to the groups involved.

2. Seek $100 to $200 million in new local funding for an aggressive first phase of HOPE SF.

A. The Task Force recommends that the City and the San Francisco Housing Authority rebuild all of the distressed sites along the principles outlined above. Since it may not be possible to secure all of this funding at once, the Task Force proposes that the City seek at least $100--$200 million in new local funding for the first phase of HOPE SF. The Task Force further recommends that this funding be allocated for the following purposes:

- 2/3 of the funding should go to rebuild public housing (900-2000 units)
- 1/3 should fund modernization of other public housing sites (300-500 units) and new affordable homeownership and rental housing on the HOPE SF sites (200-400 units)

B. The Task Force recommends that the City and the SFHA provide funding specifically for those SFHA sites with significant resident support and engagement. As such, the Task Force is not endorsing the redevelopment of any specific site as part of this funding. Once funding is identified for revitalization, there needs to be a thorough community process for individual SFHA sites as part of any funding decisions. Ultimately, HOPE SF should fund those sites with resident-endorsed development plans.

C. The Task Force recommends a thorough analysis of the feasibility of the various funding options for securing this funding, including the possibility of a General Obligation bond. In light of the high bar that is set for the passage of a General Obligation Bond (66.66% for approval), the Task Force recommends polling and other methods to determine its feasibility. The feasibility assessment should also include outreach to elected officials, community members, commissions and civic groups to explain the vision and to develop their support for funding. Finally, the

Task Force recommends that the Mayor and Board of Supervisors work together to pursue any and all funding opportunities including bonds, appropriations, special grants or any other mechanism that would assist in the rebuilding process.

D. The Task Force also recommends that the City and San Francisco Housing Authority ultimately seek additional funds in the future to rebuild the remaining HOPE SF sites. While it may not be politically or financially possible to rebuild all sites immediately, the ultimate goal of the Task Force is that all of the distressed sites have the opportunity for revitalization funding.

3. <u>Secure funding for services, outreach, job training and school improvement independently of individual project financing</u>.

The Task Force has identified a number of key community concerns that need to be addressed either during or before the decision to rebuild any individual site. For example, outreach and engagement are clearly activities that need to come before a developer has been selected for redevelopment of a site. In the past, the San Francisco Redevelopment Agency has provided "Resident Capacity grants" to residents of properties at risk of losing their HUD subsidies. These grants provided residents with the ability to hire a development consultant and legal counsel to assist them in their decision making process. **The Task Force strongly believes that the success of HOPE SF depends on an informed and organized base of residents.**

Once the decision has been made to rebuild a site, job training and other services need to be in place so that residents are trained in advance of any construction work on a site. School improvement is also a long-term process that can't be effectively pursued in reaction to a site development timeline. With this in mind, funding for these efforts should be pursued independently of projects in order for cases these activities to precede HOPE SF redevelopment. Ultimately HOPE SF will be judged by how the lives of public housing residents are affected by the overall community building process.

Public Housing Task Force members

Kevin Blackwell, San Francisco Safety Network
René Cazenave, Council of Community Housing Organizations (CCHO)
Gordon Chin, Chinatown Community Development Corporation (Norman Fong, alternate)
Gene Coleman, civic leader
Francee Covington, Commissioner, San Francisco Redevelopment Agency
Mark Dunlop, Commissioner, Human Rights Commission
Gen Fujioka, Asian Law Caucus
James Head, San Francisco Foundation
Aileen Hernandez, civic leader
Kenneth Johnson, resident, San Francisco Housing Authority
Sarah Karlinsky, San Francisco Planning and Urban Research
Angelo King, Chair, Bayview Project Area Committee (SFRA)
Brenda Kittrell, resident, San Francisco Housing Authority
Eddie Kittrell, resident, San Francisco Housing Authority
Millard Larkin, San Francisco Housing Authority Commission
Jim Lazarus, San Francisco Chamber of Commerce
David Lipsetz, Oakland Housing Authority
NTanya Lee, Coleman Advocates for Youth and their Families
Cynthia Morse, resident, San Francisco Housing Authority
Brad Paul, Evelyn and Walter Haas, Jr. Foundation
Reverend Calvin Jones, Providence Baptist Church
Mirian Saez, Treasure Island Development Authority
Lavelle Shaw, resident, San Francisco Housing Authority
Sara Shortt, Housing Rights Committee
Dorothy Smith, resident, San Francisco Housing Authority
Michael Theriault, San Francisco Building and Trades Council
Brook Turner, Coalition for Better Housing

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Matthew O. Franklin, Mayor's Office of Housing
Douglas Shoemaker, Mayor's Office of Housing
Barbara Smith, San Francisco Housing Authority
Amy Tharpe, Mayor's Office of Housing

SAN FRANCISCO
PLANNING DEPARTMENT

Planning Commission Motion No. 20663

HEARING DATE: FEBRUARY 20, 2020

1650 Mission St.
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San Francisco,
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Planning
Information:
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Record No.:	**2007.0168CUA-02**
Project Address:	**Hunters View HOPE SF Development Project** **227–229 WEST POINT ROAD**
Zoning:	RM-1 (Residential, Mixed Low Density) Zoning District Hunters View Special Use District 40/65-X Height and Bulk District
Block/Lot:	4624/All Lots
Project Sponsor:	Hunter's View Associates, LP 1388 Sutter Street, 11th Floor San Francisco, CA 94109
Staff Contact:	Mat Snyder – (415) 575-6891 mathew.snyder@sfgov.org

ADOPTING FINDINGS RELATED TO THE DETERMINATION OF COMPLIANCE UNDER PLANNING CODE SECTION 303(e) TO MODIFY CONDITIONS OF APPROVALS OF PLANNING COMMISSION MOTION NO. 17621 ADOPTED UNDER PLANNING CODE SECTIONS 303 AND 304 BY MODIFYING THREE CONDITIONS OF APPROVAL AND MODIFYING FOUR PROVISIONS IN THE ASSOCIATED HUNTERS VIEW DESIGN-FOR-DEVELOPMENET DOCUMENT BY (1) EXTENDING THE PERFORMANCE PERIOD FOR ANOTHER TEN YEARS (CONDITION NO. 8D AND 8E); (2) ALLOWING MODIFICATIONS FROM DESIGN-FOR-DEVELOPMENT STANDARDS UP TO TEN PERCENT (CONDITION NO. 4A) (3) REQUIRING THAT THE PLANNING COMMISSION BE NOTIFICED OF SUBSEQENT PHASES (CONDITION NO. 6C) (4) ALLOWING BUILDINGS ON LOTS 14 AND 17 EXTEND ABOVE 50-FEET (DESIGN-FOR-DEVELOPMENT SECTION 4.4); (5) REPLACING TWO PROPOSED PARKS WITH ONE LARGER PARK (DESIGN-FOR-DEVELOPMENT SECTIONS 3.1.2 AND 3.1.3); (6) ALLOWING ADDITIONAL PORTIONS OF THE USEABLE OPEN SPACE REQUIREMENT BE MET ON ADJACENT NEW PARKS (DESIGN-FOR-DEVELOPMENT SECTION 4.3); (7) REMOVING THE OFF-STREET PARKING PROVISIONS AND ALLOWING PARKING BE DETERMINED BY THE PLANNING CODE (DESIGN-FOR-DEVELOPMENT 4.12) AND (8) ADDING LANGUAGE TO THE DESIGN-FOR-DEVELOPMENT CLARIFYING PARKING ENTRY DIMINSION LIMITATIONS DO NOT APPLY TO PARKING ALLEYS (DESIGN-FOR-DEVELOPMENT SECTION 4.12), FOR THE PROPOSED HUNTERS VIEW HOPE SF DEVELOPMENT PROJECT LOCATED ON ALL LOTS ON ASSESSOR'S BLOCK 4624 IN THE RM-1 ZONING DISTRICT, THE HUNTERS VIEW SPECIAL USE DISTRICT, AND A 40/65 X HEIGHT AND BULK DISTRICT, AND ADOPT FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On March 27, 2008, the Project Sponsor filed Application No. 2007.0168C for Conditional Use authorization pursuant to Planning Code Sections 303 and 304 to construct a new Planned Unit Development (PUD) for up to 800 dwelling units with exceptions to the following Planning Code requirements: lot width and area (Planning Code Section 121), rear yards (Planning Code Section 134(a) an (c)), usable open space (Planning Code Section 135), allowable obstructions (Planning Code Section 136), spacing of street trees (Planning Code Section 143), parking (Planning Code Sections 150, 151, 154 and 155), bicycle parking (Planning Code Section 155.5), loading (Section 152), dwelling unit exposure (Section 140), measurement of height (Planning Code Sections 102..12 and 260(a)) and density (Planning Code Section 209.1).

The proposed Hunters View HOPE SF Development Project (Project) includes the revitalization of Hunters View and consists of demolition of all existing public housing units and other community facilities on the site, which would result in a mixed-income community that will include up to 800 new residential units and provide one-for-one replacement of the existing 267 public housing units. Of the 800 residential units, the Project would construct 350 affordable rental units (267 of which will be the replacement public housing units). In addition, the net proceeds from the sale of the market-rate, for-sale units will cross-subsidize a portion of the development costs of the public housing replacement units and affordable rental units.

On June 12, 2008, the Department certified the Final Environmental Impact Report for the Hunters View Redevelopment Project (State Clearinghouse No. SCH 2007112086) for the Project (the "Final EIR").

On June 12, 2008, the Planning Commission adopted Motion No. 17621, approving the Conditional Use Authorization-Planned Unit Development, along with Planning Code text and map amendments that created the Hunters View Special Use District (Planning Code Sections 249.44 and 263.23), and changed the height and bulk district for the site from a 40-X Height and Bulk District to a 40/65-X Height and Bulk District ("Original Approvals"). Findings contained within said motion are incorporated herein by this reference thereto as if fully set forth in this Motion.

On September 18, 2018, Hunters View Associates, L.P. (hereinafter "Project Sponsor") filed Application No. 2007.0168CUA-02 (hereinafter "Application") with the Planning Department (hereinafter "Department") to modify Conditions of Approval of Motion No. 17621 by modifying three conditions of approval and modifying five provisions in the Hunters View Design-for-Development ("D4D") document.

On January 16, 2020, the Department issued an addendum to the Final EIR. The FEIR analyzed the environmental effects of implementing the Hunters View project. As shown in the addendum, the modified project would not result in new environmental impacts, substantially increase the severity of the previously identified environmental impacts, nor require new mitigation measures. Additionally, no new information has emerged that would materially change the analyses or conclusions set forth in the FEIR. Therefore, as discussed in more detail below, the modified project would not change the analysis or conclusions reached in the FEIR.

On February 20, 2020, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use/Large Project Authorization/Downtown Project Authorization Application No. 2015-000123CUA.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2007.0168CUA-02, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.

2. **Project Description.** Hunters View is the first HOPE SF project. HOPE SF is a San Francisco program that seeks to completely rebuild four of the City's Housing Authority sites. Through the HOPE SF Program, the City and respective Project Sponsors will rebuild these sites as mixed-income full-service neighborhoods within a built pattern that is more in keeping with typical San Francisco development. Hunters View's Original Approvals were structured as a Planned Unit Development with an extended performance period of ten years and relied on a Design-for-Development (D4D) document to guide the multi-phased buildout.

   As part of Planning Commission Motion No. 17621, the Commission adopted a Design-for-Development ("D4D") document as an extension of the Conditions of Approval that specifically laid out development requirements usually regulated by the Planning Code. The D4D enables the Project Sponsor to rely on this document in developing designs for subsequent phases without requiring individual approval from the Planning Commission for such subsequent phases.

   The Proposed Project (Project) includes modifications to the Conditions of Approval of Planning Commission Motion No. 17621, and include the following revisions: (1) *Performance Period:* extending the performance period for an additional ten (10) years from the date of this approval (Condition Nos. 8D and 8E); (2) *Design-for-Development Allowed Modifications:* allowing 10-percent modifications from D4D quantitative controls rather than five-percent as currently provided (Condition No. 4A); (3) *Planning Commission Review of Subsequent Phases:* substituting the requirement for informational hearings of subsequent phases with the requirement that the Planning Commission be notified of subsequent phases (Condition No. 6).

   In addition, the Project includes modifications to the associated D4D, including revisions to the following sections: (1) *Height:* allowing heights on Blocks 14 and 17 to extend above 50-feet (Section 4.4 Height Diagrams, page 58) (2) *Parks*: remove the requirement for both Panhandle Park and Hudson Avenue Overlook and replace it with the requirement for one larger Bayview Park (Sections 3.1.2 and 3.1.3, pages 36, 38, and 39); (3) *Usable Open Space:* allowing additional portions of the usable open space requirement be met on adjacent new parks (Section 4.3, page 57); (4) *Parking*: amending the off-street parking requirements to allow parking be determined by the underlying zoning

(Sections 4.12); and (5) *Parking Alleys*: adding language clarifying that dimension limitations to parking garages are not applicable to parking alleys (Sections 4.12).

3. **Site Description and Present Use.** Located in the Bayview Hunters Point neighborhood of San Francisco, Hunters View originally included 267 public housing units located on approximately 21 acres of land. Constructed in 1957 on the foundations of World War II workforce housing, the units were never intended to be permanent and due to both their poor initial construction and years of deferred maintenance, the units at Hunters View had deteriorated beyond repair. Since the Original Approvals, the Project Sponsor and its affiliates have demolished all of the existing units and constructed 286 new replacement housing units, reconfigured roughly two thirds of the previous street grid and block pattern, pursuant to the approved Planned Unit Authorization (Planning Commission Motion No. 17621), and constructed two new public parks.

4. **Surrounding Properties and Neighborhood.** The subject property is located within RM-1 (Residential, Mixed, Low Density) Use District, the Hunters View Special Use District and a 40/65-X Height and Bulk District. The Hunters View project area is within the Bayview Hunters Point neighborhood on Hunters Point Hill. The surrounding Hunters Point Hill neighborhood is characterized by curvilinear streets and low-density residential development, most of which was developed as a part of the original Hunters Point Redevelopment Project Area (later referred to as Area A of the Bayview Hunters Point Redevelopment Project Area). Hunters View sits at a higher elevation and overlooks Evans Avenue and Hunters Point Avenue along with the site of the previous Hunters Point PG&E Power Station, India Basin Shoreline Park and 900 Innes Avenue (the site of a proposed new park) to its north and east. Hunters View is within the Bayview Hunters Point Redevelopment Project Area (Area B), and within the boundaries of the Bayview Hunters Point Area Plan.

5. **Public Comment.** The Project Sponsor conducts community engagement with the immediate community on an ongoing basis. Since 2005, they have conducted over 250 resident outreach and community meetings, including, but not limited with the Hunters View Tenants Association, India Basin Neighborhood Association, Malcolm X Academy, and Bayview Hunters Point PAC. For Blocks 2, 3, 9, 14 and 17, the Project Sponsor has conducted five meetings on site to engage residents and solicit feedback around building design, park space, access to parking and community building. The Project Sponsor has also recently attended India Basin Neighborhood Association meeting and the Bayview CAC. According to the Project Sponsor, response to the latest designs have been generally positive, particularly around the now proposed market-rate units. Planning staff has not heard any feedback regarding the proposal.

6. **Planning Code Compliance.** The Planning Code Compliance Findings set forth in Motion No. 17621, Case No. 2007.0168C (Conditional Use Authorization-Planned Unit Development, pursuant to Planning Code Sections 303 and 304) apply to this Motion, and are incorporated herein as though fully set forth.

7. **Planned Unit Development.** Planning Code Section 304 permits the creation of a Planned Unit Development ("PUD") for subject sites of greater than one half of an acre. "Planned Unit Developments are intended for project sites of considerable size, developed as integrated units and

designed to produce an environment of stable and desirable character which will benefit the occupants, neighborhood and the City as a whole". Where a project demonstrates outstanding overall design, it may seek exceptions for certain Planning Code Provisions.

The Original Approvals granted exceptions for rear yards (Planning Code Section 134(a) and (c)), usable open space (Planning Code Section 135), allowable obstructions (Planning Code Section 136), spacing of street trees (Planning Code Section 143), off-street parking (Planning Code Sections 150, 151, 154 and 155), bicycle parking (Planning Code Section 155.5), loading (Section 152), dwelling unit exposure (Section 140), measurement of height (Planning Code Sections 102..12 and 260(a)) and density (Planning Code Section 209.1). The PUD Authorization, in turn, referred to the Hunters View Design-for-Development to provide standards for these controls.

As part of the original PUD, the Commission identified several conditions of approval for the Project. As part of the updated Project, the Project Sponsor requests revisions to the following Conditions of Approval, as originally approved in Motion No. 17621:

a) Performance Period. Condition Nos. 8D and 8E established a ten-year performance period for the Conditional Use Authorization-Planning Unit Development, which has passed. The Project Sponsor is requesting that the performance period be extended another ten years from the date of this amended authorization.

The Commission finds this request reasonable, since Hunters View is a high priority project for the City and is part of the overall HOPE SF project. The Project Sponsor has been making steady progress on construction over the last ten years. Given the changes in the economy and construction, the development of this multi-phase complex project has taken longer than the originally provided in the ten years performance period.

b) Allowed Modifications under the D4D. Condition No. 4A allowed modifications from the standards set forth in the D4D up to five percent of a quantitative control if the design continued to meet the general design intent of the control. Staff recommends that this be changed to allow for a modification up to ten percent under the same condition.

The Commission supports allowing D4D modifications of up to ten percent, since this would bring this Project in conformance with other similar D4Ds of other large-scale developments that have been approved subsequent to the Original Approvals.

c) Modification to Conditions of Approval Regarding Subsequent Phase Review. Condition No. 6c requires that subsequent phases be brought before the Planning Commission as informational presentations. Staff recommends that this condition be changed so that the Planning Commission is notified of subsequent phases but eliminates the automatic requirement of informational presentations.

The Commission supports this revision to this Condition of Approval since it is consistent with the other HOPE SF Projects and Development Agreements where phase review is generally handled at the staff level. As noted above, the Project Sponsor conducts community outreach with the Hunters View

community and other nearby Bayview organizations on an ongoing basis. Even with the elimination of the automatic informational hearings, the Planning Commission retains the ability to request such presentations per their discretion.

8. **Design for Development Modifications.** As part of the revisions to the Project, the Project Sponsor is requesting additional modification to certain Planning Code requirements, in order to support the feasibility of the Project. These modifications include:

   a) Open Space. Motion No. 17621 granted certain exceptions to the usable open space requirement and established that such requirements would be set forth in the D4D. The D4D allows up to 25% of required open space for each block to be provided in the form of public open space located within 125 feet of the building or unit entry.

   The Project Sponsor is requesting that this provision be expanded to enable up to 75% of the usable open space be met on an adjacent new park, where such a park is greater than 25,000 gsf.

   The Commission supports this modification to the Project, since the Project is providing a greater amount of open space through the provision of new parks than what would otherwise be required if the development were strictly adhering to the usable open space requirements of Planning Code Section 135. Some portions of the site are particularly steep, which makes meeting the usable open space requirement particularly challenging within the boundaries of some of the newly created lots.

   b) Height. Planning Code Section 263.23 allows that up to 35% of the entire Hunters View site to have buildings over 50 feet in height and up to 50% of the site to have buildings over 40 feet in height if said heights are approved through a PUD and further described and controlled within a D4D document. As such, Motion No. 17621 enabled heights above 40-feet and provided the Hunters View D4D, which identified which portions of the site could be above these heights.

   Currently, the Height Diagram on page 58 of the D4D shows Blocks 14 and 17 as being limited to 40-feet. The proposal would revise the Height Diagram by showing blocks 14 and 17 within a height zone that allows portions of the building to be taller than 50-feet. Even after allowing Blocks 14 and 17 to have structures taller than 50-feet, the total area of the Hunters View site that allows buildings above 50-feet would be under 35 percent, as limited by Planning Code Section 363.23.

   The Commission finds that allowing additional height above 50-feeet as currently proposed will enable the Project to meet its objective to supplying additional much needed affordable housing. While the proposed buildings on Lots 14 and 17 would cast new shadows on India Basin Shoreline Park and 900 Innes Avenue, the Commission has found, through Motion No. 20664, that the new shadows were neither significant nor adverse to the use and enjoyment of the public park.

   c) Required Parking. Per Motion No. 17621, Planning Code Section 151 required at least one off-street parking space per dwelling unit, and one off-street space per each five senior dwelling units. Motion No. 17621 provided an exception to that requirement, by reducing the requirement such that at the completion of the buildout, 672 parking spaces would be provided

for the 800 units.

Since that time, Planning Code Section 151 was amended to no longer require parking minimums.

This modification would eliminate the off-street parking requirement and enable parking to be provided under the same controls as anywhere else in the City. The Commission supports this modification given the transit-first policies within San Francisco.

d) Location of Parks. The D4D originally envisioned a "Panhandle Park" that would be configured along several blocks between two lanes of the Fairfax Avenue. A smaller park, "Hudson Avenue Overlook Park", was envisioned at the top of the unimproved Hudson Avenue alignment.

Since the Original Approvals, the Project Sponsor found that providing Panhandle Park in its original configuration as infeasible due to grading issues and would unduly break up the total area of open space into smaller less usable plots. Similarly, the Hudson Avenue overlook was also difficult to develop due to its steep slope.

The Project Sponsor is now proposing a larger 30,000 gsf park, "Bayview Park", between Blocks 14 and 17 that would provide as much open space as the two previous parks combined. The Commission finds the proposed new configuration would better serve the community as a single larger unbroken open space that could be more efficiently programmed.

e) Parking Alleys. The D4D did not contemplate the provision of private parking alleys. The Project Sponsor has requested that additional language be added to the D4D to clarify that the parking entry dimension limitations do not apply to parking allies.

The Commission finds this request reasonable: parking alleys are more akin to public Alleys than to private parking garage entries and by incorporating private Alleys into a block's design, individual parking garage entries can be eliminated along the street frontage, thereby reducing the urban design impact of parking garages.

9. **General Plan Compliance**. The General Plan Findings set forth in Motion No. 17621, Case No. 2007.0168C apply to this Motion, and are incorporated herein as though fully set forth, except previous findings under the previous Housing Element and Recreation and Open Space Elements are hereby replaced with findings under the updated 2014 Housing Element and the updated 2014 Recreation and Open Space Element as set forth below:

OBJECTIVE 1
IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1
Plan for the full range of housing needs in the City and County of San Francisco, especially

affordable housing.

Policy 1.3
Work proactively to identify and secure opportunity sites for permanently affordable housing.

Policy 1.7
Consider public health objectives when designating and promoting housing development sites.

Policy 1.10
Support new housing projects, especially affordable housing, where households can easily rely on public transportation, walking and bicycling for the majority of daily trips.

The Project will create up to 800 units of new affordable and market-rate housing, including 267 replacement public housing units, at least additional 83 affordable rental units and up to 450 homeownership units.

OBJECTIVE 3
PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.2
Promote voluntary housing acquisition and rehabilitation to protect affordability for existing occupants.

OBJECTIVE 4
FOSTER A HOUSING STOCK THAT MEETS THE NEEDS OF ALL RESIDENTS ACROSS LIFECYCLES.

Policy 4.1
Develop new housing, and encourage remodeling of existing housing, for families with children.

Policy 4.4
Encourage sufficient and suitable rental housing opportunities, emphasizing permanently affordable rental units wherever possible.

Policy 4.5
Ensure that new permanently affordable housing is located in all of the city's neighborhoods, and encourage integrated neighborhoods.

This HOPE SF Project has replaced all the previous existing dilapidated residential units with new replacement units. Unit configurations and bedroom counts have varied widely to address a broad need of housing by the Hunters View community.

OBJECTIVE 5
ENSURE THAT ALL RESIDENTS HAVE EQUAL ACCESS TO AVAILABLE UNITS.

Policy 5.5
Minimize the hardships of displacement by providing essential relocation services.

Policy 5.6
Offer displaced households the right of first refusal to occupy replacement housing units that are comparable in size, location, cost, and rent control protection.

A key tenant of the HOPE SF Program is to assure tenants of previous units to have first access to the new replacement units.

OBJECTIVE 7
SECURE FUNDING AND RESOURCES FOR PERMANENTLY AFFORDABLE HOUSING, INCLUDING INNOVATIVE PROGRAMS THAT ARE NOT SOLELY RELIANT ON TRADITIONAL MECHANISMS OR CAPITAL.

Policy 7.5
Encourage the production of affordable housing through process and zoning accommodations and prioritize affordable housing in the review and approval processes.

Policy 7.6
Acquire and rehabilitate existing housing to maximize effective use of affordable housing resources.

OBJECTIVE 8
BUILD PUBLIC AND PRIVATE SECTOR CAPACITY TO SUPPORT, FACILITATE, PROVIDE AND MAINTAIN AFFORDABLE HOUSING.

Policy 8.1
Support the production and management of permanently affordable housing.

Policy 8.3
Generate greater public awareness about the quality and character of affordable housing projects and generate community-wide support for new affordable housing.

OBJECTIVE 9
PRESERVE UNITS SUBSIDIZED BY THE FEDERAL, STATE OR LOCAL SOURCES.
Policy 9.2
Continue prioritization of preservation of existing affordable housing as the most effective means of providing affordable housing.

Policy 9.3
Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.

OBJECTIVE 11
SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S

NEIGHBORHOODS.

Policy 11.1
Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.3
Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.5
Ensure densities in established residential areas promote compatibility with prevailing neighborhood character.

Policy 11.6
Foster a sense of community through architectural design, using features that promote community interaction.

Hunters View along with the other HOPE SF Projects seek to reconstruct the Housing Authority sites, which were originally developed in patterns that separated the respective communities from the surrounding neighborhood fabric, in a way to connects them to the surrounding neighborhood and City.

OBJECTIVE 12
BALANCE HOUSING GROWTH WITH ADEQUATE INFRASTRUCTURE THAT SERVES THE CITY'S GROWING POPULATION.

Policy 12.1
Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

Policy 12.2
Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.

Policy 12.3
Ensure new housing is sustainably supported by the City's public infrastructure system.

The Project will provide new housing, especially permanently affordable housing, in an appropriate location which meets identified housing needs and takes into account the demand for affordable housing created by employment demand. The Project will create up to 800 units of new affordable and market-rate housing, including 267 replacement public housing units, 83 affordable rental units and up to 450 homeownership units, of which 10-15% will be affordable.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 1
ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM.

Policy 1.9
Preserve sunlight in public open spaces

Policy 1.11
Encourage private recreational facilities on private land that provide a community benefit, particularly to low and moderate-income residents.

OBJECTIVE 2
INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BAY REGION.

Policy 2.11
Assure that privately developed residential open spaces are usable, beautiful, and environmentally sustainable.

The Project will develop and maintain high quality open space that will be open to members of the community. The Project will also preserve sunlight in public open spaces. The Project will also create private outdoor open space in new residential development. With rear yards, mid- block courtyards, decks and terraces, the Project will create usable outdoor space directly accessible to dwelling units.

10. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

    A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

    The Project is consistent with Priority Policy No. 1 in that it will not affect any existing neighborhood-serving retail uses because none currently exists on the Project site. However, the Project will provide future opportunities for resident employment and ownership of neighborhood-serving retail uses that will be developed on the site. Small-scale, neighborhood-serving retail is permitted in the RM-1 zone, pursuant to a Planned Unit Development permit, complies with the Redevelopment Plan and will be beneficial to the neighborhood's residents.

    B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

    The Project is consistent with Priority Policy No. 2 in that it will protect and enhance existing housing and neighborhood character and preserve the cultural and economic diversity of San Francisco's neighborhoods. Through this project 267 units of deteriorating public have been replaced to date. Further

buildout of the Hunters View will include additional much needed affordable housing and market rate housing that is proposed to cross subsidize the infrastructure and affordable housing

C. That the City's supply of affordable housing be preserved and enhanced.

The Project is consistent with Priority Policy No. 3 in that it will preserve and enhance the City's supply of affordable housing by replacing the 267 existing public housing units at Hunters View on a one-to-one basis with new, modern, affordable housing units and providing at least an additional 112 affordable rental units and additional home ownership.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project is consistent with Priority Policy No. 4 in that it will not result in commuter traffic that will impede Muni transit service or overburden San Francisco's streets or neighborhood parking. Although the Project could result in a net increase of up to 533 units in the Hunters View vicinity, this number falls well within the 700 net new units projected for this area that were analyzed in the Bayview Hunters Point Redevelopment Plan EIR. The Transportation Study for the Project indicates that the Project will contribute to one project-specific traffic impact at Evans Avenue/Third Street, and five cumulative (2025) significant traffic impacts, two of which can be mitigated to less than significant levels, and three of which will be significant unavoidable cumulative adverse traffic impacts. MUNI service will not be impeded as a result of the Project.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project is consistent with Priority Policy No. 5 in that it will develop residential uses on a site that is currently completely devoted to residential uses. The Project will not displace any industrial or service sector uses due to commercial office development, as no industrial or service development exists on the site, and the Project does not include commercial office space. The Project is entirely residential in nature, except for community space and neighborhood-serving retail space, which offers potential opportunity for resident employment and ownership.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project is consistent with Priority Policy No. 6 in that the existing, deteriorating public housing on the site will be demolished and replaced with modern residential units built to current earthquake and seismic regulations

G. That landmarks and historic buildings be preserved.

The Project is consistent with Priority Policy No. 7 in that it will have no effect on landmarks or historic buildings because none exists on the site. A Historic Structures Report for the existing structures has been completed and concluded that the existing public housing is not deemed eligible for listing on the California Register of Historical Places.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project is consistent with Priority Policy No. 8 in that it will not affect the City's parks or open space or their access to sunlight and vistas. The proposal includes new publicly accessible open space. While the proposals for Buildings 14 and 17 create new shadow on India Basin Shoreline Park and the 900 Innes Future Park site, the Planning Commission finds that the new shadow is neither significant nor adverse. (See Motion No. 20664).

11. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

12. The Commission hereby finds that approval of the Conditional Use Authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Authorization Application No. 2007.0168CUA-02** subject to the Conditions of Planning Code Motion No. 17621, except as modified as attached hereto as "EXHIBIT A", in general conformance with Design-for-Development as amended on file, dated February 13, 2020, and stamped "EXHIBIT B" to this Motion, which is incorporated herein by reference as though fully set forth; the Commission hereby modifies Condition of Approval Nos. 4A, 6C, and 8D and E of Motion No. 17621 and as set forth in Exhibit A of this Motion and modifies provisions of the Design-for-Development as also set forth in Exhibit A. All other Conditions of Motion No. 17621 remain in effect.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 19301. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives **NOTICE** that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on February 20, 2020.

Jonas P. Ionin
Commission Secretary

AYES: Koppel, Moore, Diamond, Fung, Imperial, Johnson

NAYS: None

ABSENT: Richards

ADOPTED: February 20, 2020

EXHIBIT A

AUTHORIZATION

This authorization is to modify Motion No. 17621 by modifying three Conditions of Approval as follows: (1) extending the performance period for an additional ten years from the date of this approval (Condition Nos. 8D); (2) allowing 10-percent modifications from D4D quantitative controls rather than five-percent as currently provided (Condition No. 4A); (3) substituting the requirement for informational hearings of subsequent phases with the requirement that the Planning Commission be notified of subsequent phases (Condition No. 6C); and modifying four provisions in the Hunters View Design-for-Development ("D4D") document as follows: (1) allowing heights on Blocks 14 and 17 to extend above 50-feet (D4D Section 4.4) (2) removing the requirement for both Panhandle Park and Hudson Park and replacing it with the requirement for one larger Bayview Park (Sections 3.1.2 and 3.1.3); (3) allowing some portions of the usable open space requirement be met on adjacent new parks (Section 4.3); (4) amending the off-street parking requirements to allow parking be determined by the underlying zoning (D4D Section 4.12) and (5) amending the D4D by clarifying that parking entry and garage dimension limitations do not apply to parking alleys (Section 4.12); in general conformance with revised Design-for-Development document dated February 13, 2020 and stamped "EXHIBIT B" and included in the docket for Case No. 2007.0168CUA-02, and subject to conditions of approval in Motion No. 17621 as approved by the Commission on June 12, 2008, except as otherwise provided herein. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on February 20, 2020 under Motion No. 20663.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 20663 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Office Development Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting

MODIFICATIONS

[Modifications are provided with ~~cross-outs~~, indicating where a provision is no longer applicable, and double underline indicating where a provision is being modified and carried forward. Condition numbers refer to originally ordered conditions from Planning Commission Motion No. 17621.]

Condition No. 4A. Provisions for "Development Controls" may vary as long as the following two conditions are met: (1) there is no more than a ~~five~~ ten-percent variance of the subject provision for the subject block; and (2) the Zoning Administrator finds that the general intent for the subject provision and overall Design for Development has been met. Design features that do not meet either the "Development Controls" and do not meet these conditions would require an amendment to the Design for Development Document and this Planned Unit Development approval.

Condition No. 6C. Final detailed plans sufficient for Conditional Use/Planned Unit Development approval for ~~Phases 2 and 3~~ subsequent phases shall be submitted to the Planning Department prior to application for any site or building permits for those phases. The Planning Department shall review such plans for general conformity with this Project Authorization, the approved Design for Development and the Planning Code. ~~Plans for Phases 2 and 3 shall be presented to the Planning Commission as information items.~~ The Planning Commission shall be notified of plans for subsequent phases, and may request informational hearings at their discretion.

Condition No. 8D. ~~This authorization is valid for a period of ten years from the date of approval by the Planning Commission.~~

Condition No. 8E. ~~After ten years, an extension for up to an additional two years may be specifically authorized by the Planning Commission. In the case where delays have been caused by a government agency or legal action, time shall be tolled and the authorization extended for such period by the Zoning Administrator.~~

The authorization and right vested by virtue of this action is valid for ten (10) years from the effective date of Motion No. 20663, adopted by the Planning Commission on February 20, 2020. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this ten-year period.

MODIFICATIONS TO THE DESIGN-FOR-DEVELOPMENT

Page 36-37, Section 3.1.2, Panhandle Park: [Replace description and graphics for "Panhandle Park" for description and graphics for "Bayview Park".]

Pages 38-39, Section 3.1.3, Hudson Park: [Remove section, which describes "Hudson Park"]

Page 57, Section 4.3, Usable Open Space: Revise Control No. 5 as follows:
Except for blocks immediately adjacent to new parks greater than 25,000 gsf, up to 25% of the required open space for each block may be provided in the form of public open space located within 125' of the building or unit entry. For buildings immediately adjacent to new parks greater than 25,000 gsf, up to 75% of the required open space said blocks may be provided in the immediately adjacent open space.

Page 58, Section 4.4, Building Heights: [Replace diagram showing blocks 14 and 17 within an area where buildings above 50-feet are permitted]

Page 66, Section 4.12 Parking, Parking Entrances and Curb Cuts:

1. Garage entrances accessing a street shall be no wider than 16' and are preferably 12'; this requirement does not apply to private parking alleys.

Page 66, Section 4.12, Parking, Parking Entrances and Curb Cuts: Add controls No. 5 as follows:
5: "Parking ratios shall be determined by the Planning Code."

SAN FRANCISCO
PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- ☐ **Inclusionary Housing (Redevelopment)**
- ☐ Jobs Housing Linkage Program (Sec. 313)
- ☐ Downtown Park Fee (Sec. 139)
- ☐ **First Source Hiring (Redevelopment)**
- ☐ Child Care Requirement (Sec. 314)
- ☐ Other

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Planning Commission Motion No. 17621

HEARING DATE: JUNE 12, 2008

Date:	May 29, 2008
Case No.:	**2007.0168CETZ**
Project Address:	**227 – 229 WEST POINT ROAD**
Zoning:	RH-2 (Residential, House Two Family) RM-1 (Residential, Mixed Low Density) NC-2 (Neighborhood Commercial, Small-Scale) M-1 (Light Industrial) 40-X Height and Bulk District
Block/Lot:	4624/003, 004, 009 4720/027
Project Sponsor:	Hunter's View Associates, LP 576 Sacramento Street, 7th Floor San Francisco, CA 94111
Staff Contact:	Ben Fu – (415) 558-6318 ben.fu@sfgov.org

ADOPTING FINDINGS RELATED TO THE APPROVAL OF A CONDITIONAL USE AUTHORIZATION PURSUANT TO PLANNING CODE SECTIONS 303 AND 304 TO CREATE A NEW PLANNED UNIT DEVELOPMENT (PUD) TO ALLOW THE CONSTRUCTION OF APPROXIMATELY 6,400 SQUARE FEET OF RETAIL USE, 21,600 SQUARE FEET OF COMMUNITY SPACE, AND UP TO 800 DWELLING UNITS IN RM-1, RH-2, NC-2, AND M-1 ZONING DISTRICTS WITH A 40 X HEIGHT AND BULK DESIGNATION ON ASSESSOR'S BLOCK 4624, LOTS 3, 4 & 9 AND BLOCK 4720, LOT 27. EXCEPTIONS ARE REQUESTED FROM DENSITY, REAR YARD, OPEN SPACE, EXPOSURE, OFF-STREET, LOADING AND BICYCLE PARKING REQUIREMENTS, AS MANDATED BY THE PLANNING CODE.

PREAMBLE

On March 27, 2008, Hunters View Associates, L.P. (hereinafter "Project Sponsor") filed Application No. 2007.0168C (hereinafter "Application") with the Planning Department (hereinafter "Department") for Conditional Use authorization per Planning Code Sections 303 and 304 to create a new Planned Unit Development (PUD) to allow the construction up to 800 dwelling units and including the following exceptions: lot width and area (Planning Code Section 121), rear yards (Planning Code Section 134(a) and

(c)), usable open space (Planning Code Section 135), allowable obstructions (Planning Code Section 136), spacing of street trees (Planning Code Section 143), parking (Planning Code Sections 150, 151, 154 and 155), bicycle parking (Planning Code Section 155.5), loading (Section 152), dwelling unit exposure (Section 140), measurement of height (Planning Code Sections 102..12 and 260(a)) and density (Planning Code Section 209.1).

The revitalization of Hunters View will include the demolition of all of the existing public housing units and other community facilities on the site, resulting in a mixed-income community that will include up to 800 new residential units and provide one-for-one replacement of the existing 267 public housing units. The current project proposal includes up to 800 total units, including a total of 350 affordable rental units (267 of which will be the replacement public housing units) and up to 450 home ownership units, of which 10-15% will be affordable and 17 of those will be developed by Habitat for Humanity. This new mixed-income development will result in a range of resident incomes from less than 10% to over 120% of AMI. Additionally, the net proceeds from the sale of the market-rate for-sale units will cross-subsidize a portion of the development costs of the public housing replacement units and affordable rental units.

On June 12, 2008, the Department certified the Final Environmental Impact Report for the Hunters View Redevelopment Project (State Clearinghouse No. SCH 2007112086) for the Project (the "Final EIR").

On June 12, 2008, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2007.0168C.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2007.0168C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.

2. **Site Description and Present Use.** Located in the Bayview Hunters Point neighborhood of San Francisco, Hunters View currently includes 267 public housing units located on approximately 20 acres of land. Constructed in 1957 on the foundations of World War II workforce housing, the units were never intended to be permanent and due to both their poor initial construction and years of deferred maintenance, the units at Hunters View have deteriorated beyond repair.

   The Project will be developed on two adjacent properties. The first, which is owned by the San Francisco Housing Authority, is located at Middle Point and West Point Roads and Wills and

Hare Streets, and is Assessor's Block 4624, Lots 3, 4 and 9. The second, which is adjacent to the Housing Authority property and is currently owned by the San Francisco Redevelopment Agency, is located along Keith Street and is Assessor's Block 4720, Lot 27. Both properties will ultimately be conveyed by deed or ground lease to one or more partnerships which will be formed for the sole purpose of undertaking the Project.

The San Francisco Housing Authority property currently contains 267 public housing units in 50 buildings while the San Francisco Redevelopment Authority property is vacant. The 267 residential units contain approximately 325,000 square feet of space, and there is an additional 7,000 square feet of community serving and storage space on the site. The buildings range in height from one to three stories (or 16 to 28 feet) and currently there are no off-street parking spaces.

3. **Surrounding Properties and Neighborhood.** The subject property is located within RM-1, RH-2, NC-2 and M-1 zoning districts and a 40 X height/bulk district. Most of the surrounding properties are located within an RH-2 zoning district and contain residential uses. The neighboring properties to the west and south contain residential and public uses. The properties to the north and east contain primarily industrial uses. The former Hunters Point Naval Shipyard to the east and southeast is currently being redeveloped as a mixed use project.

4. **Text and Map Amendments to Planning Code.** In order to facilitate the Project at the density required to subsidize the 350 public housing and affordable rental units on the Project site, both text and map changes to the Planning Code are proposed. First, the height and bulk district for the Project site is proposed to be modified from 40-X to 40/65-X pursuant to the addition of Planning Code Section 263.20 to create the HOPE SF Hunters View Special Use District and 40/65-X Height and Bulk District. Secondly, an amendment to Section 249 of the Planning Code by adding Section 249.39 is proposed to establish the HOPE SF Hunters View Special Use District allowing the subdivision or portions of the site as individual lots to exceed the density of the underlying zoning district and allowing uses that are either principally or conditionally permitted within NC-1 Districts to be principally permitted within the special use district. Map amendments are proposed to amend the use designations on the Redevelopment Agency parcel from RH-2, NC-1, and M-1 to RM-1 to establish consistency between the various parcels and to map the Special Use District and the 40/65-X Height and Bulk District.

5. **Redevelopment Agency Parcel.** The Redevelopment Agency parcel, Assessor's Block 4720, Lot 27, is located within Project Area A of the Bayview Hunters Point Redevelopment Plan, which prohibits structures higher than 40 feet. This plan expires on January 1, 2009. A portion of the building to be located on Block 2 exceeds 40 feet in height, but will not be constructed until after the expiration of the Redevelopment Plan for Project Area A. Therefore, this Project Authorization as it relates to the Redevelopment Area parcel, to the extent it is inconsistent with the existing provisions of the Redevelopment Plan, is conditioned upon the expiration of the Redevelopment Plan for Project Area A on January 1, 2009, and shall be effective at that time.

6. **Residential Uses.**

A. Planning Code Section 209.1 provides that residential uses are permitted as a principal use in the RH-2 and RM-1 Zoning Districts. Pursuant to Planning Code Section 209.1, the southeastern portion of the Project, which is zoned RM-1, is allowed a density ratio not exceeding one dwelling unit for each 800 square feet of lot area. Pursuant to Section 304(d)(4), as a Planned Unit Development, the Project is allowed the density permitted in the RM-2 Zoning District, which is a density ratio not exceeding one dwelling unit for each 600 square feet of lot area, minus one unit. Up to 849 residential units are permitted as of right in the RM-1 Zoning District and 1,132 units are permitted pursuant to a PUD. Currently, the Project proposes to develop up to 800 units.

B. The northwestern portion of the Project site, which is primarily zoned RH-2, allows two-family dwelling units as a principally permitted use. RH-2 Districts also allow one dwelling unit for each 1,500 square feet of lot area, but no more than three dwelling units per lot, if authorized as a conditional use by the Planning Commission. The proposed town homes in Block 4720, Lot 27 exceed the density allowance and require conditional use approval.

C. Planning Code Section 209.1(m) permits, as a principally permitted use, dwellings for senior citizens at twice the density allowed for the principal permitted uses in Section 209.1, or one senior dwelling unit for each 400 square feet of lot area in the RM-1 Zoning District.

D. As detailed in Finding 4 above, the Project Sponsor is requesting a map amendment to change the use district for the entire site to RM-1.

7. **Planned Unit Development.** Planning Code Section 304 permits the creation of a Planned Unit Development for subject sites of greater than one half of an acre. "Planned Unit Developments are intended for project sites of considerable size, developed as integrated units and designed to produce an environment of stable and desirable character which will benefit the occupants, neighborhood and the City as a whole" Where a project demonstrates outstanding overall design, it may seek exceptions for certain Planning Code Provisions. The Project Sponsor is seeking the following exceptions: rear yards (Planning Code Section 134(a) and (c)), usable open space (Planning Code Section 135), allowable obstructions (Planning Code Section 136), spacing of street trees (Planning Code Section 143), parking (Planning Code Sections 150, 151, 154 and 155), bicycle parking (Planning Code Section 155.5), loading (Section 152), dwelling unit exposure (Section 140), measurement of height (Planning Code Sections 102..12 and 260(a)) and density (Planning Code Section 209.1).

8. **Design-for-Development.** Because of the scope of the project, the unusual topography and street layout of the site, and the intent to create a new integrated neighborhood, the Commission finds it appropriate to adopt a Design for Development document that specifically lays out development requirements usually regulated by the Planning Code. The Design for Development is also important to guide the subsequent phases of development over the projected six to ten year build-out. In some cases, the Design for Development provides less stringent requirements than the Planning Code in order to meet certain goals such as addressing the site's topography and designating more land for public space. In other cases, the Design for

Development is more stringent to meet other goals such as assuring a strong public presence of the building and creating a fine-grained development pattern.

9. **Use Exceptions.**

A. Planning Code Section 209.3(f) provides that child care facilities providing care for 13 or more children can be approved as conditional uses in the RH-2 and RM-1 Zoning Districts. Planning Code Section 209.4 provides that community facilities can be approved as conditional uses in the RM-1 and RH-2 Zoning Districts. The Project proposes to develop approximately 21,600 square feet of community space. This proposed Special Use District would principally permit those uses that are either principally or conditionally permitted in the NC-1 Districts, such as small and large institutional uses, which include child care in their definition.

B. Planning Code Section 304(d)(5) provides that in R Districts, commercial uses are permitted only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC-1 Districts under the Planning Code. The Project will include commercial uses in an R district in order to better serve the community. NC-1, or the Neighborhood Commercial Cluster District is described in Planning Code section 710.1 as "intended to serve as local neighborhood shopping districts, providing convenience retail goods and services for the immediately surrounding neighborhoods primarily during daytime hours" and "characterized by [locations] in residential neighborhoods, often in outlying areas of the City… Housing development in new buildings is encouraged above the ground story in most districts." Each nonresidential use in the NC-1 district can be no larger that 2,999 square feet (though 3,000 square foot spaces and greater are permitted via conditional use) and permitted uses include limited financial services (like a bank), personal services (like a salon) and full-service restaurants (which are defined to include coffee shops, see Planning Code section 790.92). The Project proposes to develop approximately 6,400 square feet of neighborhood-serving retail uses. The proposed Special Use District would allow those uses that are either principally or conditionally permitted in the NC-1 District to be principally permitted.

10. **Public Comment**. The Department has received no opposition to the proposal.

11. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

A. **Front Setback**

Planning Code Section 132(e) requires front setback based on an average of adjacent buildings, up to a maximum requirement of 15 feet from the property line. This requirement is not applicable because the buildings in the Project will not be adjacent to any existing buildings.

As proposed in Development Control 4.7 of the Design for Development, the Project proposes that all residential buildings will have a minimum setback of 5 feet, a required

8 foot "build-to" line will be required for all streets and that a minimum 75 percent of the building façade must be built to the "build-to" line. Development Control 4.7.2 of the Design for Development provides that setbacks are not required at street frontages with an extreme slope or shallow lot.

B. **Rear Yard**
Planning Code Section 134(a) requires a minimum rear yard with a depth that is equal to 45 percent of the total depth of the lot, but Section 134(c) provides an exception that allows the minimum depth to be reduced to 25 percent of the total depth of the lot or 15 feet, whichever is greater. Most of the individual rear yards in the Project are between 25 percent to 45 percent of the total depth of the lot, with the exception of Block 7B.

C. **Open Space**
Planning Code Section 135(a) requires that usable open space be located on the same lot as the dwelling units it serves. In most cases, the Project will comply with this requirement. However, in order to achieve the highest quality of overall design, the Project will propose to locate some of the open space for Block 7B in the private parks immediately adjacent.

Planning Code Section 135(d) requires 80 square feet and 107 square feet respectively of open space in the RM-2 Zoning District. The Project will meet the open space requirements.

Planning Code Section 135(f) requires that private open space have a minimum horizontal dimension of 6 feet and a minimum area of 36 square feet if located on a deck, balcony, porch or roof. Some private balconies in the Project will have a minimum horizontal dimension of 3 feet.

D. **Obstructions.**
Planning Code Section 136 requires that obstructions such as overhanging balconies, bays, sunshades and trellises meet minimal height and setback requirements. Most of the obstructions in the Project will meet Planning Code requirements, but some of the obstructions may reach into front and rear setbacks. The Project seeks front and rear setback exceptions to accommodate these limited architectural features, as proposed in Development Control 4.2.3 of the Design for Development. Overhanging balconies, bays, sunshades and trellises meeting the limitations of Planning Code Section 134 and the Design for Development may extend into the unbuilt area.

E. **Exposure**
Planning Code Section 140 provides that in each dwelling unit in any use district, the required windows of at least one room that meets the 120 square foot minimum superficial floor area requirement of Section 501.1 of the Housing Code must face on an open area such as a public street, a public alley at least 25 feet in width, a side yard of at least 25 feet in width, a rear yard meeting the requirements of the Code, or an open area which is unobstructed and is no less than 25 feet in every horizontal dimension for the floor at which the dwelling unit in question is located and the floor immediately above it. A limited number of units may not meet this requirement.

F. **Street Trees.**
Planning Code Section 143 requires the owner or developer of a new building in any R District to install street trees. Street trees must be a minimum of one tree of 15-gallon size for 20 feet of frontage of the property along each street or alley.

The Project Sponsor seeks a modification of this requirement. Development Control 3.4.1 of the Design for Development provides that street trees shall be provided at a minimum of 20 feet and a maximum of 30 feet apart on streets and mews.

G. **Density.**
Planning Code Section 209.1 provides that the density ratio for an RM-1 Zoning District shall not exceed one dwelling unit per each 800 square feet of lot area. In order to accommodate all the planned affordable housing units, the Project requires the density to exceed the Code for up to one dwelling unit per 600 square feet of lot area. As described above, pursuant to Planning Code Section 304(d)(4), the Project seeks an exception to allow the density permitted in the RM-2 Zoning District. Also, the proposed SUD would enable portions of the site to be sub-divided which may be over the density limit for the newly created lot.

H. **Height and Bulk Stepping.**
As described above, the proposed HOPE SF Hunters View SUD and 40/65-X Height and Bulk District provides that up to 35% of the entire Project site may have buildings over 50 feet in height and up to 50% of the entire Project site may have buildings over 40 feet in height. Buildings over 50 feet in height will be limited as specified in Development Control 4.4.1 of the Design for Development. Buildings over 40 feet in height not specified in Development Control 4.4.1 will be limited as specified in Development Control 4.4.2 of the Design for Development.

Planning Code Section 260(a)(3) requires that in areas where the building height limit is 65 feet or less and the buildings are on a slope, the average slope of curb or ground from which height is measured affects the maximum width for the portion of building that may be measured from a single point. The greater the slope, the more narrow the width of the building that may be measured from a single point.

The Project seeks an exception as described in Development Control 4.4.3 of the Design for Development to provide that building height shall be measured at the uphill end of each segment of a building that steps laterally in relation to the street that is the basis for the measurement**.** The Design for Development further provides that stepping shall be required in increments of at least 50 feet for buildings 50 feet or less in height.

I. **Ground Story Street Frontages**
Planning Code Section 144 requires that no less than 30 percent of the width of the ground story shall be devoted to windows, entrances, landscaping and other architectural features. The Project will comply with this section. Section 144 does not apply to Fairfax or Keith (Blocks 1A and 1B) as the lots have an upward slope of more than 20%.

The Residential Design Guidelines provide that the width of parking entries should not exceed 12 feet. Development Control 4.12.1 of the Design for Development provides that parking entrances shall be no wider than 16 feet, with 12 feet preferred.

J. **Required Parking and Loading**
Planning Code Section 151 requires one off-street parking space per dwelling unit, and one off-street space per each five senior dwelling units.

The Project Sponsor seeks a modification to provide approximately 672 off-street parking spaces. The average ratio of parking spaces (off-street and on-street) to units is 1.2 to 1. Some blocks have no off-street parking provided; others have up to 1.5 spaces per unit. Except on Keith Street and the northern part of Fairfax where the single-family homes each require a curb cut due to the sloping site conditions, the site has been designed to aggregate parking and to minimize garage entrances and curb cuts. The Project also seeks a modification to allow some of the parking requirements to be met through parking lifts and tandem parking and seeks a relaxation of parking space size and maneuverability requirements, as described in Development Control 4.12.2.

Planning Code Section 155.5 requires bicycle parking spaces for residential uses. Table 155.5 provides that for projects with over 50 dwelling units, the bicycle parking requirement is 25 Class 1 spaces plus one Class 1 space for every four dwelling units over 50. Section 155.5(c) provides that bicycle parking must meet the standards for Class 1 parking described in Section 155.1(d), which requires that the parking be at least as conveniently located as the most convenient non-disabled parking. The Project seeks an exception to this requirement in Development Control 4.12.3, which provides that bicycle parking requirements may be met site wide rather than on a block by block basis.

Planning Code Section 155 requires loading spaces to be located off the street. The Project Sponsor seeks a modification to provide the Project's loading spaces on the street.

12. **Conditional Use Findings**
Under the provisions of Planning Code Section 303, the Commission may authorize a Conditional Use after finding that the proposed use will provide a development that is necessary or desirable for and compatible with the neighborhood or the community, that such use will not be detrimental to the health, safety, convenience or general welfare or persons residing or working in the vicinity, or injurious to property, improvements or potential development in the vicinity and that such use will hot adversely affect the General Plan. The Project is found to be consistent with the criteria of Section 303 of the Code in that:

A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The Project, including up to 800 new dwelling units, approximately 21,600 square feet of new community use space, and approximately 6,400 square feet of new neighborhood serving retail use

space, will provide a development that is necessary and desirable for, and compatible with, the surrounding neighborhood and existing community.

The Project is desirable for the existing community because redevelopment of the 267 existing public housing units on the site will be phased so that the approximately 570 residents currently residing at the Project site can be relocated on-site during demolition and construction activities to address the strong preference for on-site relocation expressed by the existing residents. Existing residents will help inform a comprehensive temporary relocation plan that will govern the process and outline the rules, regulations and assistance that will be provided to residents. Residents will not bear any of the costs attributable to their relocation on-site.

The Project is desirable for the existing community and the surrounding neighborhood because in addition to redeveloping the existing 267 public housing units, it will add approximately 83 additional affordable rental units, and up to 450 new for-sale units, of which at least 10 to 15% will be affordable (17 of which will be Habitat for Humanity units), thereby increasing affordable housing opportunities, adding home ownership opportunities, improving the economic diversity of the neighborhood through the addition of market rate units, and helping to meet San Francisco's housing shortage.

The proposed density of the Project will be compatible with the neighborhood and community and will be less than that permitted by the Planning Code for the RM-1 Zoning District by right, will be far less than that permitted via Planned Unit Development ("PUD"), and will be within the intensity contemplated by the Bayview Hunters Point Redevelopment Plan ("Redevelopment Plan").

The Project area currently has no neighborhood serving retail businesses and the Project will provide space for such uses.ize of the proposed use is in keeping with other storefronts on the block face.

B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:

1. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The subject property is approximately 22.5 acres and is currently poorly designed and underutilized. The existing street grid isolates the Project site from the surrounding neighborhoods and the rest of the City. It provides an excellent opportunity for infill housing.

The Project's size and shape, and the proposed size, shape and arrangement of structures upon it have been designed to drastically improve the Project site's and the neighborhood's street network, pedestrian-orientation, view-orientation, safety, aesthetic appeal, contextualization with underlying topography and the rest of the City of San Francisco, and open space design and layout. The proposed density will be consistent with the density of the surrounding neighborhoods. The entire site has been master planned and the Project's design will be a vast

improvement over existing conditions. Building heights will provide appropriate transitions to neighboring properties.

Planning Code Section 145 requires that new dwellings in the RM-1 and RM-2 Zoning Districts be compatible with the established mixture of residential buildings in terms of apparent building width. The Project will comply by stepping building heights along the front elevation, providing vertical articulation, and design walls to create variation in depth of buildings.height and bulk of the existing building will remain the same and will not alter the existing appearance or character of the project vicinity. The proposed work will not affect the building envelope, yet the inclusion of outside seating will alter the use of the property.

2. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Project will redesign the existing street network so that it forms more of a grid, connecting with the street grid elsewhere and improving vehicle and pedestrian access for persons residing or working in the vicinity.

Pedestrian and bicycle circulation will be improved. The estimated parking demand will be met on site through the provision of 672 off-street parking spaces and additional on-street parking spaces. Loading demand will be met on-site.

The Project will not result in commuter traffic that will impede Muni transit service or overburden San Francisco's streets or neighborhood parking. Although the Project could result in a net increase of up to 533 units in the Hunters View vicinity, this number falls well within the 700 net new units projected for this area that were analyzed in the Bayview Hunters Point Redevelopment Plan EIR. The Transportation Study for the Project indicates that the Project will contribute to one project-specific traffic impact at Evans Avenue/Third Street, and five cumulative (2025) significant traffic impacts, two of which can be mitigated to less than significant levels, and three of which will be significant unavoidable cumulative adverse traffic impacts. MUNI service will not be impeded as a result of the Project. Whereas there is currently no off-street parking for the 267 existing units at the project site, the Project will include up to 816 off-street spaces, with the current proposal of approximately 672 off-street parking spaces, so as not to overburden the streets.

3. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

Prior to beginning demolition and construction of the Project, the Project Sponsor will seek Bay Area Air Quality Management District ("BAAQMD") approval of best available control technology ("BACT") for demolition and construction activities that could disrupt asbestos containing serpentine present in the existing rock at the site in order to protect the health and safety of persons residing or working in the vicinity from airborne particles.

The new residential, community and small-scale retail uses will not generate significant amounts of noxious or offensive uses that may cause noise, glare, dust or odor.

4. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The Project will create a comprehensive, well-integrated design for the entire site, with new and improved circulation, new streetscape and landscape, new lighting and signage, off-street parking and new open space areas. All these features will create an attractive development that emphasizes the visual appeal of the neighborhood to benefit its existing and new residents, including an enhancement of views from the Project site.

Pursuant to Planning Code Section 142, the Project will screen off-street parking from view or confine it by solid building walls.

The Project will replace the existing worn landscape with new landscaping and street trees.

The Project will create three new parks on site and establish new open space throughout the site.

Planning Code Section 159 requires off-street parking spaces to be on the same lot as the dwellings they serve or within a 600 foot walking distance. All the units comply with this requirement.

C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The subject project is not within a Neighborhood Commercial District.

13. Planned Unit Development. Planning Code Section 304(d) establishes criteria and limitations for the authorization of PUD's over and above those applicable to Conditional Uses in general and contained in Section 303(c) and elsewhere in the Code. PUD's must:

A. Affirmatively promote applicable objectives and policies of the Master Plan;

The Project positively contributes to advancing numerous objectives and policies of the General Plan and has no significant conflicts with the objectives and policies of the General Plan, as discussed in Finding 13 below.

B. Provide off-street parking adequate for the occupancy proposed;

The Project will provide off-street parking adequate for the occupancy proposed. The Project currently proposes to provide approximately 672 off-street parking spaces, which when combined with on-street spaces will provide 1.27 spaces per dwelling unit.

C. Provide open space usable by the occupants and, where appropriate, by the general public, at least equal to the open spaces required by this Code;

As detailed in Finding 10 above, the Project will provide open space usable by the occupants and, where appropriate, by the general public, equal to the open space required by the Planning Code. The Project will provide 80 square feet of private open space or 107 square feet of common open space, as required by Code Section 135(d) in RM-2 Zoning Districts. The Project also will provide approximately 58,300 square feet of open space in the form of three parks.

D. Be limited in dwelling unit density to less than the density that would be allowed by Article 2 of this Code for a district permitting a greater density, so that the Planned Unit Development will not be substantially equivalent to a reclassification of property;

The subject property determines residential density according to the permissible density of an RM-2 zoning district. As a result, the Project Sponsor can construct 1,633 dwelling units as of right.

The Planned Unit Development permits an increase of density to up to 800 dwelling units, which is far less than what is allowable in an RM-2 Zoning District.

E. In R Districts, include commercial uses only to the extent that such uses are necessary to serve residents of the immediate vicinity, subject to the limitations for NC 1 Districts under this Code;

The Project will include commercial uses in an R district in order to better serve the community. NC-1, or the Neighborhood Commercial Cluster District is described in Planning Code section 710.1 as "intended to serve as local neighborhood shopping districts, providing convenience retail goods and services for the immediately surrounding neighborhoods primarily during daytime hours" and "characterized by [locations] in residential neighborhoods, often in outlying areas of the City… Housing development in new buildings is encouraged above the ground story in most districts." Each nonresidential use in the NC-1 district can be no larger that 2,999 s.f. (though 3,000 s.f. spaces and greater are permitted via conditional use) and permitted uses include limited financial services (like a bank), personal services (like a salon) and full service restaurants (which are defined to include coffee shops, see Planning Code section 790.92).

F. Under no circumstances be excepted from any height limit established by Article 2.5 of this Code, unless such exception is explicitly authorized by the terms of this Code. In the absence of such an explicit authorization, exceptions from the provisions of this Code with respect to height shall be confined to minor deviations from the provisions for measurement of height in Sections 260 and 261 of this Code, and no such deviation shall depart from the purposes or intent of those sections;

The Project is seeking a text and map amendment pursuant to Section 302 to change the height and bulk district from 40X to 40/65X.

G. In NC Districts, be limited in gross floor area to that allowed under the floor area ratio limit permitted for the district in Section 124 and Article 7 of this Code; and

This criterion is not applicable to the subject property's zoning district.

H. In NC Districts, not violate the use limitations by story set forth in Article 7 of this Code.

This criterion is not applicable to the subject property's zoning district.

I. This criterion is not applicable to the subject property's zoning district.

This criterion is not applicable to the subject property's zoning district.

14. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

Objectives and Policies

The Housing Element was certified in October 2004. In June 2007, the First District Court of Appeal ruled that the updated Housing Element should have been addressed in an EIR. Accordingly, this section refers to the 2004 Housing Element and the corresponding sections of the 1990 Residence Element in parenthesis when applicable.

OBJECTIVE 1 (*Modified Objective 1*)**:**
INDENTIFY AND MAXIMIZE OPPORTUNITIES TO INCREASE THE POTENTIAL SUPPLY OF HOUSING IN APPROPRIATE LOCATIONS CITYWIDE.

Policy 1.4 *(Policy 1.4)***:**
Locate in-fill housing on appropriate sites in established residential neighborhoods.

Policy 1.7 *(New)***:**
Encourage and support the construction of quality, new family housing.

The Project will create up to 800 units of new affordable and market-rate housing, including 267 replacement public housing units, 83 affordable rental units and up to 450 homeownership units, of which 10-15% will be affordable.

OBJECTIVE 3 *(Modified Objective 5)***:**
ENHANCE THE PHYSICAL CONDITION AND SAFETY OF HOUSING WITHOUT JEOPARDIZING USE OR AFFORDABILITY.

Policy 3.3 *(Policy 5.4)***:**
Maintain and improve the condition of the existing supply of public housing.

OBJECTIVE 4 *(Modified Objective 7)***:**
SUPPORT AFFORDABLE HOUSING PRODUCTION BY INCREASING SITE AVAILABILITY AND CAPACITY.

Policy 4.2 *(Modified Policy 7.2)***:**
Include affordable units in larger housing projects.

Policy 4.6 *(Merged Policies 7.4, 7.5, 7.6, and 7.9)***:**
Support a greater range of housing types and building techniques to promote more economical housing construction and achieve greater affordable housing production.

OBJECTIVE 8 *(Modified Objective 13)***:**
ENSURE EQUAL ACCESS TO HOUSING OPPORTUNITIES.

Policy 8.1 *(Modified Policy 13.6)***:**
Encourage sufficient and suitable rental housing opportunities and emphasize permanently affordable units wherever possible.

Policy 8.4 *(Modified 13.5)***:**
Encourage greater economic integration within housing projects and throughout San Francisco.

OBJECTIVE 9 *(Modified Objective 14)***:**
AVOID OR MITIGATE HARDSHIPS IMPOSED BY DISPLACEMENT

Policy 9.1 *(Modified Policy 14.1)***:**
Minimize the hardships of displacement by providing essential relocation services.

OBJECTIVE 11 *(Modified Objective 12)***:**
IN INCREASING THE SUPPLY OF HOUSING, PURSUE PLACE MAKING AND NEIGHBORHOOD BUILDING PRINCIPLES AND PRACTICES TO CONTINUE SAN FRANCISCO'S DESIRABLE URBAN FABRIC AND ENHANCE LIVABILITY IN ALL NEIGHBORHOODS.

Policy 11.1 *(New)***:**
Use new housing development as a means to enhance neighborhood vitality and diversity.

Policy 11.3 *(Modified Policy 12.2)***:**
Encourage appropriate neighborhood-serving commercial activities in residential areas, without causing affordable housing displacement.

The Project will provide new housing, especially permanently affordable housing, in an appropriate location which meets identified housing needs and takes into account the demand for affordable housing created by employment demand. The Project will create up to 800 units of new affordable and market-rate housing, including 267 replacement public housing units, 83 affordable rental units and up to 450 homeownership units, of which 10-15% will be affordable.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 2:
PRESERVE EXISTING PUBLIC OPEN SPACE

Policy 2.3:
Preserve sunlight in public open spaces

OBJECTIVE 4:
PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5:
Require private usable outdoor open space in new residential development.

The Project will develop and maintain high quality open space that, in some instances, will be open to members of the community. The Project will also preserve sunlight in public open spaces. The Project will not cast shadows over any open spaces under the jurisdiction of The Recreation and Park Department. The Project will also create private outdoor open space in new residential development. With rear yards, mid-block courtyards, decks and terraces, the Project will create usable outdoor space directly accessible to dwelling units.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:
IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2:
Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.4:
Preserve pedestrian-oriented building frontages.

OBJECTIVE 34:
RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.4:

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:
Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

The Project will establish and design a new street hierarchy system in which the function and design of the new streets serving the site are consistent with the character and use of adjacent land and maintaining a level of traffic that serves adjacent land uses without causing a detrimental impact. The Project will also redesign the existing street layout to improve circulation and to improve bicycle and pedestrian facilities, thereby improving safety conditions.

The Project will also assure that any new parking facilities provided for the residential uses meet need, location, and design criteria. The Project will take into account issues such as parking needs, design and access to create any optimal parking solution. The amount of parking on the site will relate to the capacity of the City's street system and land use patterns.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:
EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE AND A MEANS OF ORIENTATION.

Policy 1:
Promote harmony in the visual relationships and transitions between new and older buildings.

Policy 3:
Recognize that buildings, when seen together, produce a total effect that characterizes the City and its districts.

Policy 6:
Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

OBJECTIVE 3:
MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.

Policy 5:

Relate the height of buildings to important attributes of the city pattern and to the height and character of existing development.

Policy 6:
Relate the bulk of buildings to the prevailing scale of development to avoid an overwhelming or dominating appearance in new construction.

The Project will emphasize the characteristic pattern which gives the City and its neighborhoods an image, a sense of purpose, and a means of orientation. The Project will be designed to respect San Francisco's characteristic pattern and to take advantage of the Project site's hilltop location and proximity to the Bay in developing a comprehensive development that will blend into the neighborhood and improve the area.

Major views in the City will be recognized and protected, with particular attention to those of open space and water. By modifying the street grid and aligning the buildings to the view corridors, the Project preserves and/or creates views from streets and parks to the Bay and Downtown that currently are not available.

The streets' relationships to topography will be protected and reinforced. The existing street configuration at the site is atypical for San Francisco; the new streets will improve the connectivity to the rest of the neighborhood and will be closer to a typical San Francisco grid pattern.
The bulk of buildings will relate to the prevailing scale of development to avoid an overwhelming appearance in new construction. By using a variety of building types, the Project will successfully keep a scale consistent with the neighborhood.

The Project will also replace the existing public housing which has deteriorated and become blighted. The Project will redevelop the site with a mixture of housing types, including one for one replacement of 267 public housing units, in a manner that will enhance personal safety for the residents and increase comfort, pride of occupancy and/or ownership, and create new opportunities for employment and housing.

NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 1:
MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKINIG ENVIRONMENT.

Policy 1.1:
Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2:

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3:
Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

OBJECTIVE 2:
MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1:
Seek to retain existing commercial and industrial activity and to attract new such activity to the City.

OBJECTIVE 6: MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1:
Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

The following guidelines, in addition to others in this objective for neighborhood commercial districts, should be employed in the development of overall district zoning controls as well as in the review of individual permit applications, which require case-by-case review and City Planning Commission approval. Pertinent guidelines may be applied as conditions of approval of individual permit applications. In general, uses should be encouraged which meet the guidelines; conversely, uses should be discouraged which do not.

Eating and Drinking Establishments
Eating and drinking establishments include bars, sit-down restaurants, fast food restaurants, self-service restaurants, and take-out food. Associated uses, which can serve similar functions and create similar land use impacts, include ice cream stores, bakeries and cookie stores. Guidelines for eating and drinking establishments are needed to achieve the following purposes:

- Regulate the distribution and proliferation of eating and drinking establishments, especially in districts experiencing increased commercial activity;
- Control nuisances associated with their proliferation;
- Preserve storefronts for other types of local-serving businesses; and
- Maintain a balanced mix of commercial goods and services.
- The regulation of eating and drinking establishments should consider the following:
- Balance of retail sales and services;
- Current inventory and composition of eating and drinking establishments;
- Total occupied commercial linear frontage, relative to the total district frontage;

- Uses on surrounding properties;
- Available parking facilities, both existing and proposed;
- Existing traffic and parking congestion; and
- Potential impacts on the surrounding community.

Policy 6.2:
Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to the economic and technological innovation in the marketplace and society.

BAYVIEW HUNTERS POINT PLAN

OBJECTIVE 5:
PRESERVE AND ENHANCE EXISTING RESIDENTIAL NEIGHBORHOODS.

Policy 5.1:
Preserve and enhance the existing character of residential neighborhoods.

Policy 5.3:
Conserve and enhance the existing supply of public housing.

OBJECTIVE 6:
ENCOURAGE THE CONSTRUCTION OF NEW AFFORDABLE AND MARKET RATE HOUSING AT LOCATIONS AND DENSITY LEVELS THAT ENHANCE THE OVERALL RESIDENTIAL QUALITY OF BAYVIEW HUNTERS POINT.

Policy 6.1:
Encourage development of new moderate density affordable ownership units, appropriately designed and located and especially targeted for existing Bayview Hunters Point residents.

The Project will increase the community's supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community. The Project will provide a mix of housing types, including public housing units, affordable rental and homeownership units and market-rate home ownership units.

REDEVELOPMENT PLAN FOR BAYVIEW HUNTERS POINT

The Project will support the Planning Goals and Objective for the Project Area, as set forth in Section 1.2.1 of the Redevelopment Plan. The Project will increase the community's supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community. The Project will provide a mix of housing types, including public housing units, affordable rental and homeownership units and market-rate home ownership units.

The Project will strengthen the economic base of the Project Area and the community by strengthening retail and other commercial functions. The Project will include approximately 6,400 square feet of commercial space to support neighborhood-oriented retail uses.

The Project will retain existing residents and retain existing cultural diversity. The construction of the Project in three separate phases will allow the existing residents to continue to live on the site and move into the new units after each of the three phases of construction is completed.

The Project will encourage participation of the area residents in the economic development that will occur by creating commercial and community spaces on site.

The Project will support locally owned small businesses and local entrepreneurship by providing retail space for small businesses to serve the residents of the neighborhood.

The Project will help eliminate blight by demolishing deteriorating and dilapidated buildings and creating new housing units with enhanced landscaping and improved access routes.

The Project will remove structurally substandard buildings and facilitate modern integrated development. The Project design will take into account pedestrian and vehicular circulation within the Project site and improve connectivity to the rest of the community.

The Project will redesign and redevelop an underdeveloped area. The site currently contains 267 public housing units, and the Project will increase the density to between 650 and 800 housing units, along with some commercial and community spaces. The Project will introduce more land uses and encourage an economically-diverse population.

The Project provides flexibility in development of real property by creating a mix of housing types. The Project will mix public housing units, affordable rental and homeownership units and market rate homeownership units with a small amount of neighborhood-serving retail space and community space which will allow the Project Sponsor to respond expeditiously and appropriately to market conditions.

The Project will increase the community's supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community. The Project will provide a mix of housing types, including public housing units, affordable rental and homeownership units and market-rate home ownership units.

The Project will promote the integration of affordable housing sites with sites developed for market rate housing. The Project will integrate different housing types and build affordable housing units next to market rate units.

The Project will help the Redevelopment Agency to promote the retention of existing businesses and attraction of new businesses. The Project will provide new neighborhood-serving commercial space to attract new businesses to the neighborhood.

The Project will promote Section 3.2.2 of the Redevelopment Plan by developing residential uses and some compatible neighborhood-serving retail and service uses in a residential area.

The Project will promote Section 3.2.8 of the Redevelopment Plan by developing a much improved circulation system that will increase connectivity to the surrounding neighborhoods.

The Project will be consistent with Section 3.3.2 of the Redevelopment Plan with respect to type, size, height and use of buildings. The Project will be consistent with the General Plan and the Planning Code except for minor exceptions permissible as part of the Planned Unit Development pursuant to Planning Code Section 304 and except for the requested modifications of the height limit and the new special use district enabling densities on portions of the site greater than allowed by underlying zoning in some cases. Section 3.3.2 provides that the Planning Commission and Board of Supervisors may adopt amendments to the Planning Code to better achieve the goals and objectives of the Redevelopment Plan, and the requested increase in height limit and flexibility regarding density will allow a superior development on the Project site with its challenging topography.

The Project will be consistent with Section 3.3.4 of the Redevelopment Plan by developing up to 533 net new units of housing in a planning node allowing for up to 700 net new units.

The Project will be consistent with Section 3.3.5 of the Redevelopment Plan by providing parking (off-street and on-street) adequate for the proposed uses.

The Project will affirmatively promote the Affordable Housing Production Goals set forth in Section 3.4.2 of the Redevelopment Plan. The Project will develop 350 affordable rental units, and up to 10-15% of the for-sale units will be affordable, resulting in a substantially greater percentage of affordability than the fifteen percent required by the Community Redevelopment Law or the twenty-five percent required by the Redevelopment Agency. In addition, the income eligibility restrictions of the Redevelopment Plan will be followed for the affordable rental and ownership units.

The Project will be consistent with Section 3.4.5 of the Redevelopment Plan by replacing all 267 units of public housing on site, so that none of the existing residents will be displaced as a result of the Project. By developing the Project in three phases, all demolished units will be replaced within less than four years.

The Project will be consistent with Section 3.4.6 of the Redevelopment Plan by giving priority to families of low- and moderate-income and other residency preferences created by the Agency.

The Project will further the Redevelopment Plan's goals for the Economic Development Activity Node of Hunters Point Shoreline, as set forth in Section 3.5.2 of the Redevelopment Plan. The Project will promote new housing on an available infill development site. It will assist with the renovation of a Housing Authority project by replacing substandard public housing with new housing units that fit in architecturally with other residential development in the area.

The Project will promote the Redevelopment Plan's Community Enhancement Program for project Area B as set forth in Section 3.6.2 of the Redevelopment Plan. The Project will create a new streetscape plan for the site and new landscaping and lighting of local streets. The Project will create new signage, open space and community facilities.

15. **Demolition of Dwelling Units**. On December 5, 2003, the Planning Commission adopted Resolution No. 16700 adopting policies regarding the demolition of dwelling units. The policy established procedures on how to evaluate the merits of allowing the demolition of dwelling units. Pursuant to the Policy, the Commission allows demolition, whether a building is sound or unsound, where it is found that there is preponderance of other General Plan Policies and Objectives for the Commission to approve the demolition. Such policies may include the provision of new family housing, adding units to the City's housing stock, proposing a high quality design for the replacement building that preserves and enhances the character of the neighborhood, or providing affordable rental or ownership opportunities. Here, the project will not only replace the units proposed for demolition, but will add a significant number of new affordable units, along with market rate units. The Commission finds that the Hunters View Development Project meets a preponderance of such Policies and Objectives and therefore is consistent with its policy on residential demolitions.

16. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership pf such businesses be enhanced.

The Project is consistent with Priority Policy No. 1 in that it will not affect any existing neighborhood-serving retail uses because none currently exists on the Project site. However, the Project will provide future opportunities for resident employment and ownership of neighborhood-serving retail uses that will be developed on the site. Small-scale, neighborhood-serving retail is permitted in the RM-1 zone, pursuant to a Planned Unit Development permit, complies with the Redevelopment Plan and will be beneficial to the neighborhood's residents.

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The Project is consistent with Priority Policy No. 2 in that it will protect and enhance existing housing and neighborhood character and preserve the cultural and economic diversity of San Francisco's neighborhoods. Although 267 units of deteriorating public housing will be demolished, each public housing unit will be replaced on a one-to-one basis. In addition, the Project will create at least an additional 83 affordable rental units, and up to 450 home ownership units, of which 10-15% will be affordable to restricted income households. It is anticipated that the proposed revitalization of Hunters View will result in a mixed-race and mixed-income community, with much greater housing variety and opportunity than currently exists..

C. That the City's supply of affordable housing be preserved and enhanced,

The Project is consistent with Priority Policy No. 3 in that it will preserve and enhance the City's supply of affordable housing by replacing the 267 existing public housing units at Hunters View on a one-to-one basis with new, modern, affordable housing units and providing at least an additional 83 affordable rental units and additional home ownership units that will be affordable to restricted income households..

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project is consistent with Priority Policy No. 4 in that it will not result in commuter traffic that will impede Muni transit service or overburden San Francisco's streets or neighborhood parking. Although the Project could result in a net increase of up to 533 units in the Hunters View vicinity, this number falls well within the 700 net new units projected for this area that were analyzed in the Bayview Hunters Point Redevelopment Plan EIR. The Transportation Study for the Project indicates that the Project will contribute to one project-specific traffic impact at Evans Avenue/Third Street, and five cumulative (2025) significant traffic impacts, two of which can be mitigated to less than significant levels, and three of which will be significant unavoidable cumulative adverse traffic impacts. MUNI service will not be impeded as a result of the Project. Whereas there is currently no off-street parking for the 267 existing units at the Project site, the Project will include up to 816 off-street spaces, with the current proposal of approximately 672 off-street parking spaces, so as not to overburden the streets.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project is consistent with Priority Policy No. 5 in that it will develop residential uses on a site that is currently completely devoted to residential uses. The Project will not displace any industrial or service sector uses due to commercial office development, as no industrial or service development exists on the site, and the Project does not include commercial office space. The Project is entirely residential in nature, except for community space and neighborhood-serving retail space, which offers potential opportunity for resident employment and ownership.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project is consistent with Priority Policy No. 6 in that the existing, deteriorating public housing on the site will be demolished and replaced with modern residential units built to current earthquake and seismic regulations

G. That landmarks and historic buildings be preserved.

The Project is consistent with Priority Policy No. 7 in that it will have no effect on landmarks or historic buildings because none exists on the site. A Historic Structures Report for the existing structures has been completed and concluded that the existing public housing is not deemed eligible for listing on the California Register of Historical Places.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project is consistent with Priority Policy No. 8 in that it will not affect the City's parks or open space or their access to sunlight and vistas. The new construction on the site will be 2-7 stories in height and a shadow study has been completed and concluded that the new buildings will not cast excessive shadow on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission. The open space designed to be part of the Project will be privately owned and maintained.

17. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.

18. Where feasible, all significant environmental impacts of the Project have been mitigated to a less than significant level, and to the extent that an environmental impact of the Project cannot feasibly be mitigated to a less than significant level, specific overriding economic, legal, social, technological and other benefits of the Project each independently outweigh these significant and unavoidable impacts and warrant approval of the Project, as stated in the Findings of Fact, Evaluation of Mitigation Measures and Alternatives, and Statement of Overriding Considerations which is attached hereto as "Attachment A" and incorporated by this reference.

19. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

The Commission, after carefully balancing the competing public and private interests, and based upon the Recitals and Findings set forth above, in accordance with the standards specified in the Code, hereby approves the Project Authorization for a Planned Unit Development, including up to 800 dwelling units, approximately 6,400 square feet of retail use, approximately 21,600 square feet of community space, approximately 58,300 square feet of parks, and up to 816 off-street parking spaces, at 227-229 West Point Road in three construction phases, subject to the conditions of approval attached hereto as **Exhibit A**, which are incorporated herein by this reference, and further subject to determinations by Department staff that Phases 2 and 3 of the Project are consistent with this Project Authorization, the Design for Development dated May 29, 2008, attached hereto as **Exhibit C**, and the Planning Code.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. 17621. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

I hereby certify that the foregoing Motion was adopted by the City Planning Commission on **June 12, 2008.**

Linda Avery
Commission Secretary

AYES: Commissioners Michael Antonini, William L. Lee, Ron Miguel, Kathrin Moore, Christina Olague, and Bill Sugaya

NAYS: None

ABSENT: None

ADOPTED: June 12, 2008

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Exhibit A
Conditions of Approval

Whenever "Project Sponsor" is used in the following conditions, the conditions shall also bind any successor to the Project or other persons having an interest in the Project or underlying property.

1. This approval is pursuant to Sections 303 (Conditional Use) and 304 (Planned Unit Development) for a Planned Unit Development, including up to 800 dwelling units, approximately 6,400 square feet of retail use, approximately 21,600 square feet of community space, approximately 58,300 square feet of parks, and up to 816 off-street parking spaces on an approximately 980,100 square foot site. The approval is in general conformance with the plans dated May 29, 2008, and stamped "Exhibit B", and the Design for Development document dated May 29, 2008, stamped "Exhibit C".

2. **Community Liaison.** The Project Sponsor shall appoint a community liaison officer to deal with issues of concern to the owners and occupants of nearby properties at all times during Project construction. Prior to the commencement of Project construction, the Project Sponsor shall give the Zoning Administrator the name, address and telephone number of such liaison.

3. **Reporting.** The Project Sponsor shall submit to the Zoning Administrator two copies of a written report describing the status of compliance with the conditions of approval contained within this Motion every six months from the date of this approval through the issuance of the first temporary certificate of occupancy. Thereafter, the submittal of the report shall be on an annual basis. This requirement shall lapse when the Zoning Administrator determines that all the conditions of approval have been satisfied or that the report is no longer required for other reasons.

4. **Design-for-Development.** The Hunters View Design for Development, Exhibit C, is hereby incorporated into these Conditions of Approval. This document provides the following: (1) a site plan for the overall project, (2) discussions of the project's overall design principles and intent, (3) discussion of the design principles and intent for features that will become part of the public realm (i.e. new street, parks, and other open space); (4) discussion of design principles and intent for buildings and uses; (5) the establishment of specific requirements for public realm features, buildings, and uses (referred to as "Design Controls") along with design recommendations for public realm features, buildings and uses (referred to as "Design Guidelines").

   The further design, construction, and maintenance of the Project shall conform to the Design for Development in the following manner. All features, including, but not limited to, street and block layout, street design, parks and open space, buildings, and uses shall meet the general overarching goals and intent of the Design for Development, including the "Principles of San Francisco Neighborhood Design" discussed in Chapter 2. Public realm features that are provided with individual descriptions and discussions (i.e. Promontory Park, New Street) are required improvements and shall meet the general design intent described therein. Design specifics, such as lane dimensions and configuration of open space, may vary as long as the general design intent for the given feature has been met, and for parks and public open space, provide approximately the same square footage of open space.

Design provisions throughout the Design for Development that fall under a "Development Controls" heading must be met to be in conformance with this Planned Unit Development approval, except as provided under 4A, below.

Design provisions throughout the Design for Development that fall under the "Development Guidelines" heading are strongly recommended; they are not required as long as the general design intent for that feature has been met.

A. Provisions for "Development Controls" may vary as long as the following two conditions are met: (1) there is no more than a five-percent variance of the subject provision for the subject block; and (2) the Zoning Administrator finds that the general intent for the subject provision and overall Design for Development has been met. Design features that do not meet either the "Development Controls" and do not meet these conditions would require an amendment to the Design for Development Document and this Planned Unit Development approval.

5. **Land Use.**

A. The Project Sponsor has received an approval for the construction of up to 800 dwelling units, approximately 6,400 square feet of retail use, approximately 21,600 square feet of community space, approximately 58,300 square feet of parks, and up to 816 parking spaces in three phases.

B. Uses listed under the NC-1 (Neighborhood Commercial Cluster) District whether conditionally or principally permitted are in general principally permitted within the proposed Special Use District under Planning Code Section 249.39.

C. For social service and institutional uses, including those that fall under the definitions of large and small institutions (Planning Code Sections 790.50 and 790.51 respectively), the Project Sponsor shall promote alternative methods of transportation to and from the use's facility by employees. The Project Sponsor shall encourage the use of carpooling and public transportation for users of the facility in order to minimize congestion and reduce peak queuing of automobile pick-up and drop-off.

D. For commercial uses including full- and self-service restaurants, the following conditions shall apply:

1. The property owner shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean condition. Such maintenance shall include, at a minimum, daily sweeping and litter pickup and disposal as well as washing or steam cleaning of the main entrance and abutting sidewalks at least once each week.

2. Until removal by a waste disposal service, all garbage and/or waste containers shall be either kept within the subject building, or kept in a sealed enclosure which prevents the emission of any noxious odors.

3. The Project Sponsor shall maintain appropriate odor control equipment to prevent any significant noxious or offensive kitchen odors from escaping the premises.

4. The Project Sponsor shall operate the proposed use such that noise is kept at reasonable levels so as not to unduly disturb neighboring businesses and residents.

5. The Project Sponsor shall maintain an attractive storefront providing visibility of the restaurant interior through the storefront windows.

6. Signs for the business shall be reviewed and approved by the Planning Department before they are installed.

6. **Design.**

A. The final plans shall meet the standards of the Planning Code, except for those modifications to Planning Code provisions approved by this Project Authorization or as Development Controls in the approved Design for Development dated May 29, 2008, and be in general conformity with the plans approved by the Commission on June 12, 2008 as Exhibit B found in the Case docket.

B. Final detailed building plans shall be reviewed and approved by the Planning Department before issuance of the first superstructure addendum to a site permit. Detailed building plans shall include a final site plan for the building, unit plans, elevations, sections, landscape plan, choice of finish materials and colors, and details of construction.

C. Final detailed plans sufficient for Conditional Use/Planned Unit Development approval for Phases 2 and 3 shall be submitted to the Planning Department prior to application for any site or building permits for those phases. The Planning Department shall review such plans for general conformity with this Project Authorization, the approved Design for Development and the Planning Code. Plans for Phases 2 and 3 shall be presented to the Planning Commission as information items.

D. Space for the collection and storage of garbage shall be provided within an enclosed area on the property. Garbage containers shall be kept inside the building, and placed outside only when being serviced by the disposal company. Space for the collection and storage of recyclable materials which meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program, shall be provided at the ground level of the Project.

E. All proposed signage will be in general conformance with Article 6 of the Planning Code.

F. The project sponsor shall continue to work with Planning Department staff on the details of the design of the project that include but not limited to assuring quality materials and detailing, and assuring a sufficient variety of materials and treatments across the site. Special attention shall also be given to the architectural treatment of corners and assuring that internal mews are appropriately activated. Designs for buildings on blocks 1b, 5, 6 and 7a may deviate from those shown in Exhibit "B" to allow greater diversity in form than those presented, as long as the overall design intent of the Design for Development and the required controls have been met. Likewise, configuration of front stoops may be reconfigured to be made larger, if appropriate.

7. **Housing**.

A. The Project shall not be marketed for time share, executive suites or short term transient use.

B. Covenants, conditions and restrictions approved by the Planning Department shall be imposed upon the project units to restrict use to occupancy for permanent residents and to preclude time-share ownership or occupancy. No residential units shall be used as hotel units, as defined in Section 203.8 of the San Francisco Housing Code.

C. The project is subject to affordable housing requirements through the Redevelopment Agency and not through Planning Code Section 315.

8. **Performance.**

A. Prior to the issuance of any new or amended building permit for the construction of the Project, the Zoning Administrator shall approve and order the recordation of a notice in the Official Records of the Recorder of the City and County of San Francisco, if not already recorded, which notice shall state that construction of the Project has been authorized by and is subject to the conditions of this Motion. From time to time after the recordation of such notice, at the request of the Project Sponsor or the successor thereto, the Zoning Administrator shall affirm in writing the extent to which the conditions of this Motion have been satisfied.

B. The Project Sponsor shall obtain site or building permits for Phase 1 of this Project within three years from the date of this conditional use authorization, and construction shall thereafter be pursued diligently to completion or the said authorization shall be deemed null and void.

C. The project requires the adoption of the proposed Planning Code Text and Map Amendments by the Board of Supervisors. In the event that the Board of Supervisors does not approve the project, the project would need to be redesigned.

D. This authorization is valid for a period of ten years from the date of approval by the Planning Commission.

E. After ten years, an extension for up to an additional two years may be specifically authorized by the Planning Commission. In the case where delays have been caused by a government agency or legal action, time shall be tolled and the authorization extended for such period by the Zoning Administrator.

F. Failure to comply with these Conditions of Approval shall be grounds for revocation of the conditional use authorization. Should the Project result in complaints from neighbors that are not resolved by the Project Sponsor and are subsequently reported to the Zoning Administrator and found to be in violation of the Planning Code and/or the specific Conditions of Approval contained in this Exhibit A of this motion, the Zoning Administrator shall report such complaints to the Planning Commission which may thereafter hold a public hearing on the matter in accordance with the hearing notification and conduct procedures in Planning Code Sections 174, 306.3 and 306.4 to consider revocation of this Conditional Use Authorization. The subject authorization shall otherwise be reviewed administratively by the Planning Department one year from the effective date of approval.

G. First Source hiring requirements shall be administered through the San Francisco Redevelopment Agency.

9. **Project mitigation.** "Mitigation Measures" and "Improvement Measures" to be included in the Project, as outlined in the Final Environmental Impact Report, Hunters View Redevelopment Project (State Clearinghouse No. SCH 2007112086). If said mitigation measures are less restrictive than the following conditions, the more restrictive and protective, as determined by the Zoning Administrator, shall govern. These measures are as follows:

A. **Transportation and Circulation**

The Project impacts at the Third Street/Evans Avenue intersection under the Baseline Plus Project Conditions could be mitigated by adjusting the maximum allowable southbound left turn green time. In the Baseline Plus Project Conditions, the southbound left turn movement is projected to have an allotted green time of 11 seconds per 100-second cycle (LOS F) and the opposing northbound through movement is projected to have an allotted green time of 37 seconds per 100-second cycle (LOS B). To mitigate the impact caused by the Project, the southbound left turn green time could be increased to 16 seconds per 100-second cycle and the opposing northbound through movement green time could be decreased to 32 seconds per 100-second cycle.

Implementation of the proposed mitigation measure would be dependent upon an assessment of transit and traffic coordination along Third Street and Evans Avenue to ensure that the changes would not substantially affect MUNI transit operations, signal progressions, pedestrian minimum green time requirements, and programming limitations of signals.

If the proposed mitigation is determined to be feasible, the Project Sponsor shall be required to fund its fair share of the cost of such mitigation.

Under 2025 Cumulative Plus Project Conditions, a substantial amount of the delay at the Third Street/25th Street intersection would be caused by the permitted eastbound and westbound through-and right-turn movements. 25th Street would have one all-movement lane in each direction. To the west of the intersection, 25th Street is approximately 40 feet wide and accommodates on-street parking. To the east of the intersection, 25th Street is approximately 30 feet wide and does not accommodate on-street parking. With the removal of the on-street parking to the west of the Third Street/25th Street intersection, the eastbound approach would have sufficient width to accommodate a through-left lane and an exclusive right turn lane. The eastbound right turn lane could include an overlap phase to coincide with the northbound left-turn phase, with U-turns from northbound Third Street prohibited. With this modification, the intersection steady demand green time splits could be recalculated, while maintaining a 100-second cycle length. The green time allotted to the T-Third trains and intersection offset would not be modified with the implementation of this mitigation measure. With the re-striping of the eastbound approach, the removal of on-street parking, addition of an eastbound right-turn overlap phase, and ecalculation of the signal timing steady demand green time splits, the Third Street/25th Street intersection would operate at LOS D with an average delay of 35.9 seconds per vehicle.

While mitigation has been identified to reduce impacts, further analysis of some of the measures is required to determine feasibility.

If the proposed mitigation is determined to be feasible, the Project Sponsor shall be required to fund its fair share of the cost of such mitigation.

Under the 2025 Cumulative Plus Project Conditions, the expected traffic volumes at the all-way stop-controlled Middle Point Road/Evans Avenue intersection, would meet signal warrants and signalization would be required. With the existing geometry, the intersection would continue to operate at an unacceptable level (LOS F), even with signalization.

Removal of the on-street parking on Middle Point/Jennings to the north of the Middle Point Road/Evans Avenue intersection, would allow the southbound approach to provide an exclusive left-turn lane and a shared left-through-right lane.

With the installation of an actuated-uncoordinated traffic signal, southbound and westbound approach lane reconfiguration, and removal of on-street parking, the Middle Point Road/Evans Avenue intersection would operate at LOS D, with an average delay of 53.1 seconds per vehicle.1 Implementation of the proposed mitigation measure would be dependent upon an assessment of traffic coordination along Evans Avenue to ensure that the changes would not substantially affect signal progressions, pedestrian conditions requirements, and programming limitations of signals. If signalization is implemented, the Project Sponsor shall be required to fund its fair share of the cost of such signalization.

Further analysis is required to determine the feasibility of this mitigation. If the proposed mitigation is determined to be feasible, the Project Sponsor shall be required to fund its fair share of the cost of such mitigation.

B. **Construction Air Quality**

1. To reduce particulate matter emissions during project excavation and construction phases, the Project Sponsor shall comply with the dust control strategies developed by the BAAQMD. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.

   - Cover all truck hauling soil, sand, and other loose construction and demolition debris from the site, or require all such trucks to maintain at least two feet of freeboard;
   - Water all exposed or disturbed soil surfaces in active construction areas at least twice daily;
   - Use watering to control dust generation during demolition of structures or break-up of pavement;
   - Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved parking areas and staging areas;
   - Sweep daily (with water sweepers) all paved parking areas and staging areas;
   - Provide daily clean-up of mud and dirt carried onto paved streets from the site;
   - Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc.);
   - Limit traffic speeds on unpaved roads to 15 mph;
   - Install sandbags or other erosion control measures to prevent silt runoff to public roadways;
   - Replant vegetation in disturbed areas as quickly as possible;
   - Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more);
   - Install wheel washers for all existing trucks, or wash off the tires or tracks of all trucks and equipment leaving the site;

- Install wind breaks at the windward side(s) of construction areas;
- Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 miles per hour over a 30-minute period or more; and
- To the extent possible, limit the area subject to excavation, grading, and other dust-generating construction activity at any one time.

2. The Project Sponsor shall implement measures to reduce the emissions of pollutants generated by heavy-duty diesel-powered equipment operating at the Project Site during project excavation and construction phases. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.
   - Keep all construction equipment in proper tune in accordance with manufacturer's specifications;
   - Use late model heavy-duty diesel-powered equipment at the Project site to the extent that it is readily available in the San Francisco Bay Area;
   - Use diesel-powered equipment that has been retrofitted with after-treatment products (e.g., engine catalysts) to the extent that it is readily available in the San Francisco Bay Area;
   - Use low-emission diesel fuel for all heavy-duty diesel-powered equipment operating and refueling at the Project site to the extent that it is readily available and cost effective in the San Francisco Bay Area (this does not apply to diesel-powered trucks traveling to and from the site);
   - Utilize alternative fuel construction equipment (i.e., compressed natural gas, liquid petroleum gas, and unleaded gasoline) to the extent that the equipment is readily available and cost effective in the San Francisco Bay Area;
   - Limit truck and equipment idling time to five minutes or less;
   - Rely on the electricity infrastructure surrounding the construction sites rather than electrical generators powered by internal combustion engines to the extent feasible.
3. The Project Sponsor will be responsible for compliance with Toxic Control Measures for Construction, Grading, Quarrying, and Surface Mining Operation as enforced by CARB. These measures require that areas greater than one acre that have any portion of the area to be disturbed located in a geographic ultramafic rock unit or has naturally occurring asbestos, serpentine, or ultramafic rock as determined by the sponsor or an Air Pollution Control Officer shall not engage in any construction or grading operation on property where the area to be disturbed is greater than one acre unless an Asbestos Dust Mitigation Plan for the operation has been:
   - Submitted to and approved by the district before the start of any construction or grading activity; and
   - The provisions of that dust mitigation plan are implemented at the beginning and maintained throughout the duration of the construction or grading activity.
   - Compliance with these dust control measures would reduce air quality impacts to a less-than-significant level.

C. **Construction Noise**

1. To the extent feasible, the Project Sponsor shall limit construction activity to the hours of 7:00 a.m. to 6:00 p.m. on weekdays, and 7:00 a.m. to 5:00 p.m. on Saturdays and Sundays. If nighttime construction is required, the Project Sponsor shall apply for, and abide by the terms of, a permit from the San Francisco Department of Public Works. The Project Sponsor shall require contractors to comply with the City Noise Ordinance.

2. Construction contractors shall implement appropriate additional noise reduction measures that include using noise-reducing mufflers and other noise abatement devices, changing the location of stationary construction equipment, where possible, shutting off idling equipment, and notifying adjacent residences and businesses in advance of construction work. In addition, the Project Sponsor shall require the posting of signs prior to construction activities with a phone number for residents to call with noise complaints.

D. **Construction Vibration**

1. The Project Sponsor shall provide notification to the closest receptors, at least ten days in advance, of construction activities that could cause vibration levels above the threshold.

2. The Project Sponsor shall require construction contractors to conduct demolition, earthmoving, and ground-impacting operations so as not to occur in the same time period.

3. The Project Sponsor shall require construction contractors to, where possible, and financially feasible, select demolition methods to minimize vibration (e.g., sawing masonry into sections rather than demolishing it by pavement breakers)

4. The Project Sponsor shall require construction contractors to operate earthmoving equipment on the construction site as far away from vibration sensitive sites as possible.

5. The construction contractor shall implement methods to reduce vibration, including, but not limited to, sound attenuation barriers, cutoff trenches and the use of smaller hammers.

E. **Mechanical Equipment**

The Project is zoned RM-1, which is prohibited by San Francisco Police Code Section 2909, to have a fixed source noise that exceeds 50 dBA, at the property line, between 10:00 p.m. and 7:00 a.m. The Project's mechanical equipment could exceed 50 dBA at the property line. The Project Sponsor shall provide shielding to minimize noise from stationary mechanical equipment, including ventilation units, such that noise levels from the equipment at the nearest property line would be below 50 dBA.

F. **Biological Resources**

1. The Project Sponsor shall retain a qualified biologist to conduct preconstruction breeding-season surveys (approximately March 15 through August 30) of the Project Site and immediate vicinity during the same calendar year that construction is planned to begin, in consultation with the City of San Francisco and CDFG.

- If phased construction procedures are planned for the Project, the results of the above survey shall be valid only for the season when it is conducted.

- A report shall be submitted to the City of San Francisco, following the completion of the bird nesting survey that includes, at a minimum, the following information:

- A description of methodology including dates of field visits, the names of survey personnel with resumes, and a list of references cited and persons contacted.
- A map showing the location(s) of any bird nests observed on the Project Site.

2. If the above survey does not identify any nesting bird species on the Project site, no further mitigation would be required. Should any active bird nests be located on the Project Site, the Project Sponsor, in consultation with the City and County of San Francisco and California Department of Fish and Game (CDFG), shall delay construction in the vicinity of active bird nest sites located on or adjacent to the Project Site during the breeding season (approximately March 15 through August 30) while the nest is occupied with adults and/or young. If active nests are identified, construction activities should not occur within 500 ft of the nest. A qualified biologist, determined by the Environmental Review Officer, shall monitor the active nest until the young have fledged, until the biologist determines that the nest is no longer active, or if it is reasonable that construction activities are not disturbing nesting behaviors. The buffer zone shall be delineated by highly visible temporary construction fencing.

3. Due to the presence of steep slopes, all construction activities associated with the pedestrian route on the PG&E property, if the Project Sponsor can obtain site control for an easement on the PG&E property and if it is developed, shall occur during the dry season (typically from the end of May to mid-October) to limit the likelihood of soil erosion and to minimize the need to install erosion-control barriers (e.g., silt fencing, wattles) that may impact existing serpentine bunchgrass remnants from their placement along slope contours.

   Prior to the initiation of any construction activities on the PG&E property, the Project Sponsor shall prepare a detailed plan showing proposed construction-related activities on the PG&E site. A qualified botanist familiar with serpentine bunchgrass communities shall conduct a pre¬construction survey of the PG&E property, during the portion of the growing season when most native vascular plant species previously documented as occurring on the site are evident and readily identifiable. Any areas containing remnants of serpentine bunchgrass habitat outside the proposed footprint for the walkway (including access routes), but within 20 feet of these areas shall be clearly delineated by appropriate avoidance markers (e.g., orange construction fencing, brightly colored flagging tape on lath stakes). An appropriate access route to and from the walkway area shall be developed, utilizing existing service roads and/or concrete building pads to avoid remnants of serpentine bunchgrass. Staging areas for this construction shall be limited to areas where remnants of serpentine bunchgrass do not occur.

   The Project Sponsor shall conduct Worker Environmental Awareness Program (WEAP) training for construction crews (primarily crew and construction foreman) and City inspectors before construction activities begin. The WEAP shall include a brief review of the serpentine bunchgrass resource that occurs on the PG&E site. The program shall also cover all mitigation measures, and Project plans, such as BMPs and any other required plans. During WEAP training, construction personnel shall be informed of the importance of avoiding ground-disturbing activities outside of the designated work area. The designated biological monitor shall be responsible for ensuring that construction personnel adhere to the guidelines and restrictions. WEAP training sessions shall be conducted as needed for new personnel brought onto the job during the construction period.

4. Best Management Practices (BMPs) shall be employed during all construction activities on the PG&E site (e.g., all fueling of equipment within designated areas, containment of hazardous materials in the advent of accidental spills).

5. After construction is complete, all trash shall be removed from within the PG&E site.

6. After construction is complete, all areas of identified serpentine bunchgrass habitat on the PG&E property impacted by construction activities shall be restored to a level equal to, or exceeding the quality of habitat that existed before impacts to these habitats occurred. Mitigation shall be achieved by implementation of the following planting plan:

   - Installation of transplants and/or planting of locally-collected seeds from native plant species associated with serpentine grassland habitats into areas impacted by the Project. The frequency, density, and distribution of native species used within the mitigation plantings shall be determined through consultation with appropriate resource agencies, organizations, and practitioners. Installation shall be supervised by a qualified horticulturalist or botanist. Measures to reduce transplant mortality may include, but are not limited to the following:

   - Placement of cages, temporary fences, or other structures to reduce small mammal access, until transplants are sufficiently established;

   - Any weeding around transplants to reduce competition from non-native species shall be done manually;

   - Placement of a temporary irrigation system or periodic watering by mobile equipment sources for the first two years until transplants are sufficiently established.

   - General success of the mitigation plantings shall be measured by the following criteria:

     Periodically assess the overall health and vigor of transplants during the growing season for the first three years; no further success criteria is required if transplants within the mitigation plantings have maintained a 70 percent or greater success rate by the end of the third year. If transplant success rate is below 70 percent by the end of the third year, a contingency plan to replace transplants due to mortality loss (e.g., foraging by small mammals, desiccation) shall be implemented.

7. The Project will comply with Article 16 of the Public Works Code for protection for significant trees. "Significant trees" are defined as trees within 10 feet of a public right-of-way, and also meet one of the following size requirements:

   - 20 feet or greater in height;

   - 15 feet or greater in canopy width; or

   - 12 inches or greater diameter of trunk measured at 4.5 feet above grade.

   Street trees are also protected by the City's Urban Forestry Ordinance and both require a permit for removal. Some tree species within the Project Site meet the criterion of "Significant Tree" status; before construction occurs within any portions of the Project Site that could contain "Significant Trees," a tree survey shall be performed by a qualified arborist, and a map shall be prepared showing the genus and species, location, and drip line of all trees greater than 36 inches in diameter at breast height (DBH) or greater that are proposed to be altered, removed, or relocated. Any removal of these trees associated with the Project will

require a permit review, and replacement of affected "significant" trees as specified in the ordinance. Adherence to the ordinance will avoid the potential impact on the loss of significant trees.

G. **Archaeological Resources**

The Project Sponsor shall retain the services of a qualified archaeological consultant having expertise in California prehistoric and urban historical archeology. The archaeological consultant shall undertake an archaeological monitoring program during construction activities in Blocks 13, 18, and 19. The archaeological consultant shall first undertake a geoarchaeological study of this project sub-area to determine if any buried land surfaces available for prehistoric occupation are present. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the Project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archaeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Archaeological monitoring program (AMP). The archaeological monitoring program shall minimally include the following provisions:

The archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archeologist shall determine what project activities shall be archaeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archaeological monitoring because of the potential risk these activities pose to archaeological resources and to their depositional context;

The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource;

The archaeological monitor(s) shall be present on the Project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits;

The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;

If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological

monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.

If the ERO in consultation with the archaeological consultant determines that a significant archaeological resource is present and that the resource could be adversely affected by the Project, at the discretion of the Project Sponsor either:

The Project shall be re-designed so as to avoid any adverse effect on the significant archaeological resource; or

An archaeological data recovery program shall be implemented, unless the ERO determines that the archaeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

If an archaeological data recovery program is required by the ERO, the archaeological data recovery program shall be conducted in accord with an archaeological data recovery plan (ADRP). The project archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the ADRP. The archaeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archaeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the Project. Destructive data recovery methods shall not be applied to portions of the archaeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- Field Methods and Procedures. Descriptions of proposed field strategies, procedures, and operations.
- Cataloguing and Laboratory Analysis. Description of selected cataloguing system and artifact analysis procedures.
- Discard and Deaccession Policy. Description of and rationale for field and post-field discard and deaccession policies.
- Interpretive Program. Consideration of an on-site/off-site public interpretive program during the course of the archaeological data recovery program.
- Security Measures. Recommended security measures to protect the archaeological resource from vandalism, looting, and non-intentionally damaging activities.
- Final Report. Description of proposed report format and distribution of results.
- Curation. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.

- Human Remains, Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archaeological consultant, Project Sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.
- Final Archaeological Resources Report. The archaeological consultant shall submit a Draft Final Archaeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the draft final report.
- Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Major Environmental Analysis division of the Planning Department shall receive three copies of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.

H. **Hazardous Building Materials Survey**

Prior to demolition of existing buildings, light fixtures and electrical components that contain PCBs or mercury should be identified, removed and disposed of in accordance with the Department of Toxic Substances Controls "universal waste" procedures. Compliance with these procedures would reduce impacts to a less-than-significant level.

I. **Contaminated Soil Identification and Disposal**

1. Prior to issuance of a grading permit a Phase II analysis should be conducted on the Project Site. The Phase II shall include comprehensive soil sampling and laboratory analysis with the goal of identifying lead, chromium and contaminated soils. The scope of this Phase II analysis should be developed in cooperation with the San Francisco Department of Public Health.
2. If the results of this Phase II analysis indicate that contaminated soils is, in fact present on the site, a soil remediation and disposal plan shall be developed that includes a plan for on-site reuse or disposal of contaminated soils. in the event that soils are contaminated beyond DTSC thresholds, load-and-go procedures should be identified.

J. **Improvement Measures**. Improvement measures diminish effects of the Project that were found through the environmental analysis to be less-than-significant impacts. The Project Sponsor has agreed to implement the following improvement measure.

1. Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 3:30 p.m. and 6:00 p.m. would coincide with peak hour traffic and could temporarily impede traffic and transit flow, although it would not be considered a significant impact. Limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by SFMTA) would minimize disruption of the general traffic flow on adjacent streets during the AM and PM peak periods. In addition, the Project Sponsor and construction contractor(s) would meet with the Traffic Engineering Division of the SFMTA, the Fire Department, MUNI, and the Planning Department to determine feasible measures to reduce traffic congestion, including transit disruption and pedestrian circulation impacts during construction of the Project.

2. Once construction activities are completed a long-term program could be implemented to enhance and restore the existing serpentine bunchgrass habitat on the PG&E site and/or create "native habitat" areas on the Project Site. This Improvement Measure would create "native habitat" areas on some portions of the Project Site that are planned for landscaping or open space as part of the Project. Implementation of this Improvement Measure on the PG&E property would be the responsibility of PG&E.

   - Seeds of locally-collected native species could be collected from valid reference sites within the surrounding area. From these seeds, transplants could be raised by local gardening clubs, science classes from local public schools, etc. Installation would be supervised by a qualified horticulturalist and/or botanist.

   - On-going community programs undertaken by local citizen groups to remove trash and rehabilitate degraded portions of the PG&E site to expand higher-quality serpentine grassland habitat could be conducted.

   - Management of invasive, non-native herbaceous and woody species would include reseeding of native plants and manual removal (e.g., by hand, loppers, chainsaws), and possibly some selective chemical applications to control highly competitive exotic species. Invasive, non-native tree species such as eucalyptus2 could be systematically removed after any pre-construction nesting surveys for bird species have been conducted.

   - A long-term monitoring program could be implemented by enlisting the support from science educators from local public schools and community colleges. Permanent transects could be established to document the changes in floristic composition in terms of the frequency, density, and distribution of native plant species throughout the PG&E site.

3. An interpretive display is generally considered an on-site, publicly accessible display/exhibit area which includes interpretive materials. The display could be an outdoor all-weather plaque or a permanent collection of materials displayed in a public area, such as in the community building.

   For Hunters View, interpretive materials could document the history of the San Francisco Housing Authority, history of the Hunters View Housing Development, photographs,

architectural drawings and site plans, and/or oral and written histories documenting the lives of, and events associated with, past and present occupants of the Hunters View Housing Development. It is recommended that the Project Sponsor install an exterior interpretive plaque, not smaller than two by four feet, near the entrance of the community center. A recommended enhancement to the interpretive display would be an interior interpretive display in the community center containing a timeline and a collection of photographs and/or artifacts.

The Project Sponsor could also document the existing Hunters View and the new development site via site photography and this collection of photographs (before and after) could also serve as an interpretive display for this project.

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Addendum to Environmental Impact Report

Date of Addendum:	January 16, 2020
Date of EIR Certification:	June 12, 2008
Case No.:	**2007.0168EIA**
Project Title:	**Hunters View (227–229 West Point Road)**
Block/Lot:	4624/003, 4624/004, 4624/009, 4720/027
Project Sponsor:	Margaret Miller, Hunters View Associates, LP (415) 345-4490
Lead Agency:	San Francisco Planning Department
Staff Contact:	Rachel Schuett – (415) 575-9030 rachel.schuett@sfgov.org

REMARKS

Background

A final environmental impact report (EIR) for the subject project (Hunters View Redevelopment Project EIR), file number 2007.0168E, was certified on June 12, 2008. The project analyzed in the EIR involves the revitalization of the Hunters View public housing project that would include the demolition of all existing public housing units and other community facilities on the site, resulting in a mixed-income community that will include up to 800 new residential units and provide one-for-one replacement of the existing 267 public housing units. The project proposal includes up to 800 total units, including a total of 350 affordable rental units (267 of which will be the replacement public housing units) and up to 450 home ownership units, of which 10 to 15 percent will be affordable and 17 of those will be developed by Habitat for Humanity. This new mixed-income development will result in a range of resident incomes from less than 10 percent to over 120 percent of the area medium income (AMI). Additionally, the net proceeds from the sale of the market-rate for-sale units will subsidize a portion of the development costs of the public housing replacement units and affordable rental units.

Since the authorization was approved on June 12, 2008, the project sponsor and its affiliates have constructed 286 new housing units at Hunters View.

Proposed Modifications to Project

Subsequent to the certification of the final EIR, on November 29, 2018, the project sponsor filed a request for extension and three minor modifications of the conditions of approval of the conditional use authorization in Planning Commission Motion No. 17621. The project sponsor has requested an extension of the authorization for an additional 10 years, in order to provide additional time to complete the remaining affordable units in phase III of the Hunters View project, and for the project sponsor's market rate developer(s) to acquire the parcels designated for development as market-rate units, obtain financing, and begin construction on those lots. The project sponsor also requested three modifications to

the conditions of approval, which include (1) *Height:* amending Section 4.4 of the Design for Development to substitute the height diagram, which allows additional buildings to exceed 50 feet in height on certain blocks of Phase III of the Hunters View project (blocks 14 and 17)[1]; (2) *Open Space and Streets*: amending Sections 3.1.2 and 3.1.3 of the Design for Development to remove the requirement for both Panhandle Park and Hudson Avenue Overlook and replace it with one larger Bayview Park in the area originally intended for Panhandle Park[2], and (3) *Parking Requirements*: amending the off-street and on-street parking requirements to reflect reduced parking requirements, and authorizing planning department staff to determine specific parking requirements for market-rate lots at the Hunters View project in collaboration with the developer(s) of those market-rate lots. These proposed revisions comprise the "modified project" for the purposes of this addendum.

The modified project would allow for more residential units to be developed on blocks 14 and 17 but would not exceed the number of residential units or non-residential uses analyzed in the FEIR. As a result, the modified project would also not increase the onsite service population. Further, the modified project would not result in additional demolition, changes in the area of excavation, or other changes in ground disturbance.

Section 31.19(c)(1) of the San Francisco Administrative Code states that a modified project must be reevaluated and that, "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons therefor shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter."

Analysis of Potential Environmental Effects

The FEIR analyzed the environmental effects of implementing the Hunters View project. As shown in the analysis below, the modified project, which is the subject of this addendum, would not result in new environmental impacts, substantially increase the severity of the previously identified environmental impacts, nor require new mitigation measures. Additionally, no new information has emerged that would materially change the analyses or conclusions set forth in the FEIR. Therefore, as discussed in more detail below, the modified project would not change the analysis or conclusions reached in the FEIR.

Land Use

The FEIR acknowledged that the Hunters View development would result in an increase in intensity of existing land uses by redeveloping the site with residential uses at a greater density, adding commercial uses, and increasing community space on the site. The FEIR concluded that the proposed development would result in less-than-significant project-level and cumulative land use impacts. The modified project would include increasing heights on some portions of the site, removing parking requirements, and

[1] The modified project would increase the height on blocks 14 and 17 from 40 to 56.5 and 58 feet (respectively).

[2] To allow for more functional, programmable open space, the project sponsor proposes to combine the total area of Panhandle Park (approximately 22,800 square feet) with Hudson Avenue Overlook (approximately 8,000 square feet) to create Bayview Park (30,925 square feet).

changing the open space program. The modified project would not add any new land uses. As such, the modified project would not conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project and would not have a substantial impact on the existing character of the vicinity. In addition, the proposed increase to the size of Bayview Park would not disrupt or divide the physical arrangement of an established community. Thus, project-level and cumulative land use impacts of the modified project would be the same as under the proposed project and would be less than significant.

Visual Quality and Urban Design

The FEIR concluded that the proposed Hunters View development would result in less-than-significant project-level and cumulative impacts related to visual quality and urban design. The FEIR acknowledged that implementation of the project would change the visual character of the site by replacing the existing one- to three-story buildings with new buildings ranging up to seven stories. The FEIR determined that the project would not have significant adverse impacts on publicly accessible scenic vistas, nor would the project damage scenic resources such as landscapes or other features that contribute to a scenic public setting. The Hunters View development would also change views from nearby areas but would be generally consistent with development in nearby areas, which include patterns of buildings of varying height and massing, from single-family buildings, townhomes and flats, to multi-unit buildings, on hillside streets above the areas near the shoreline.

Under the modified project, the height of some of the proposed buildings would be increased by an additional story to 56.5 feet (block 14) and 58 feet (block 17). These changes would not substantially degrade existing visual quality of the site or surroundings. Overall, project-level and cumulative impacts for the modified project related to visual quality and urban design would be the same as under the proposed project and would be less than significant.

Transportation and Circulation

The FEIR determined that the traffic generated by the Hunters View development would result in significant and unavoidable impacts, both individually and cumulatively, to the level of service of nearby intersections. The FEIR determined that the project would have a less than significant impact on transit, pedestrians, bicycles, parking, loading and construction. The modified project would increase the height on some portions of the site, remove parking requirements, and change the open space program. The modified project would not increase the number of residential units nor the amount of non-residential uses beyond the what was studied in the FEIR. As such, no new person-trips would be added by the modified project. Therefore, the project-level and cumulative transportation and circulation impacts of the modified project would be the same as under the proposed project, the same mitigation measures would apply, and no new mitigation measures are required.

Air Quality

The FEIR found that emissions generated during construction of the proposed project would have significant project-level air quality impacts. Construction-related emissions would result from the demolition of buildings, dust from excavation and grading (including the potential for disturbance of naturally occurring asbestos in serpentine soils), and exhaust from construction equipment. Compliance with the Bay Area Air Quality Management District's (BAAQMD) construction control measures, the

California Air Resources Board's (CARB) measures (related to naturally occurring asbestos), and implementation of mitigation measures E-1.A: Construction Dust Control, E-1.B: Construction Equipment Emissions, and E-2: Naturally Occurring Asbestos Control (consistent with Objective 5 of the San Francisco General Plan Air Quality Element, and BAAQMD regulations) would reduce construction-related impacts to a less than significant level. The modified project would not significantly increase the intensity of construction activities, and the same BAAQMD and CARB regulations and mitigation measures would apply. Therefore, impacts of the modified project would be the same as under the proposed project, and would be less than significant with mitigation.

The FEIR determined that the proposed project would produce operational emissions due to increased traffic volumes. However, the FEIR determined that daily operational emissions would not violate air quality standard or contribute substantially to an existing or projected air quality violation. In addition, future CO concentrations near intersections would not exceed the national 35.0 ppm and state 20.0 ppm 1-hour ambient air quality standards or the national 9.0 ppm and state 9.0 ppm 8-hour ambient air quality standards when the project is fully operational. Therefore, the FEIR determined that sensitive receptors located near these intersections would not be exposed to substantial pollutant concentrations, and that the project-level and cumulative impacts of the proposed project would be less than significant. The modified project would not increase the number of vehicle-trips; thus, operational impacts would remain less than significant.

The FEIR determined that the proposed project would contribute to long-term increases in greenhouse gas emissions as a result of increased automobile trips, building heating, and the demand for increased electricity, but that because the proposed project would be located in an urban area with good transit access, transportation-related GHG emissions would be lower than those produced by the same amount of population and employment growth elsewhere in the Bay Area. The FEIR also determined that as new construction, the project would be required to meet California Energy Efficiency Standards for Residential and Nonresidential Buildings, helping to reduce future energy demand as well as moderate the project's contribution to cumulative regional GHG emissions; therefore, impacts related to greenhouse gas emissions would be less than significant. The modified project would not increase the number of residential units nor the amount of non-residential uses and would be required to meet the same efficiency standards. As such, no new vehicle-trips or increased demand for heating or electricity would be added by the modified project. Therefore, impacts would remain the same under the modified project, and would be less than significant.

Noise

The FEIR found that construction of the proposed project would have significant project-level noise impacts and vibration impacts. The FEIR determined that Mitigation Measure F-1: Construction Noise, and Mitigation Measure F-2: Construction Vibration would reduce these impacts to less-than-significant levels.

The FEIR determined that the proposed project would more than double traffic volumes on local roadways resulting in increased traffic noise. However, since the existing ambient noise levels in the project area are low, the FEIR determined that increased traffic noise would not result in ambient noise levels that exceed 60 Community Noise Equivalent Level (CNEL). In addition, the FEIR determined that

the operation of new stationary equipment could increase noise levels. However, the operation of mechanical equipment would be required to comply with the San Francisco Noise Ordinance, San Francisco Police Code Section 2909, Fixed Source Levels, ensuring that noise levels associated with mechanical equipment would not exceed 50 dBA at the property line. Therefore, the FEIR determined that operational noise impacts would be less than significant.

The modified project would not intensify construction activities or increase traffic volumes or the use of stationary mechanical equipment at the project site beyond the levels evaluated in the FEIR. As a result, project-level and cumulative noise impacts of the modified project would be the same as under the proposed project, the same mitigation measures would apply, and no new mitigation measures are required.

Biological Resources

The FEIR identified the potential for project-level and cumulative significant impacts to biological resources related to disruption of nesting birds and the loss of serpentine bunchgrass habitat. The impact related to loss of serpentine bunchgrass would only occur if an off-site walkway were constructed on the PG&E site, adjacent to the project site. Impacts to nesting birds would be reduced to a less than significant level through implementation of Mitigation Measure G-1: Bird Nest Pre-Construction Survey and Mitigation Measure G-2: Bird Nest Buffer Zone, requiring a nesting bird survey, and a delay in construction and use of a 500-foot buffer zone if active bird nests are identified (respectively).

The modified project would not intensify construction activities, increase the amount of tree removal, or expand the construction area to the PG&E site. Therefore, the project-level and cumulative impacts related to biological resources would be the same as under the proposed project, the same mitigation measures would apply to the modified project, and no new mitigation measures are required.

Wind

The FEIR determined that the Hunters View development would have less than significant wind impacts, both individually and cumulatively. Based upon experience of the planning department in reviewing wind analyses and expert opinion on other projects, it is generally the case that projects under 80 feet in height do not have the potential to generate significant wind impacts. Although the modified project would increase the heights on blocks 14 and 17 from 40 to 50 feet, these buildings would remain under 80 feet. Therefore, project-level and cumulative wind impacts of the modified project would be the same as under the proposed project and would be less than significant.

Shadow

The FEIR determined that the Hunters View development would have less than significant shadow impacts, both individually and cumulatively. The closest parks to the project site are Youngblood Coleman Playground, Hunters Point Community Youth Park, Hilltop Park, India Basin Shoreline Park, Adam Rogers Park, and the Milton Meyer Recreation Center. A shadow fan determined that proposed project's shadows would not reach any of the open spaces under the jurisdiction of the Recreation and Park Commission. Therefore, the FEIR determined that the proposed project would not shade public areas subject to Planning Code section 295. The FEIR also determined that the proposed buildings would shade adjacent portions of streets and sidewalks but would not increase shading in the neighborhood

above levels common in a residential development of this density. While additional shading or loss of sunlight would be an adverse change for affected neighbors, it would not constitute a significant effect.

The modified project would increase the height on blocks 14 and 17 from 40 to 56.5 and 58 feet (respectively). With this height increase, the modified project would shade India Basin Shoreline Park and a planned future park at 900 Innes Avenue. Both of these properties are under the jurisdiction of the Recreation and Park Commission. Therefore, in order to comply with Planning Code section 295, a detailed shadow analysis was prepared to quantify the net new shadow created by the modified project on these properties.[3] The shadow analysis indicated that the modified project would create net new shadow on both India Basin Shoreline Park and the planned future park at 900 Innes Avenue. Given that the 900 Innes Avenue open space is a planned future open space and therefore not part of the existing environment, no impact analysis of shadow effects on this property is required under CEQA. As such, the following analysis only addresses the shadow impacts of the modified project on India Basin Shoreline Park.

India Basin Shoreline Park is currently partly in shade in the late afternoon and early evening hours, with the morning and early afternoon hours being largely unshaded. Since the park is located east and southeast of the project site, net new shadows would also reach the park in the late afternoon/early evening, gradually growing larger as the sun is setting in the west.

Under section 295, the shadow analysis period ranges from one hour after sunrise to one hour before sunset, 365 days per year. The analysis uses a "solar year" which is the half-year period between the summer and winter solstices because the path of the sun is roughly mirrored over the other half of the year.

The modified project would create net new shadow on India Basin Shoreline Park from late February through mid-October. In late February when the days are shorter, net new shadow would reach the park at 5:27 p.m. Between late February and the summer solstice, as the days are getting longer, net new shadow would reach the park later each day as the sunset (and the end of the analysis period) grows later each day. On the summer solstice net new shadow would reach the park at about 7:00 p.m.

Between the summer solstice and mid-October, as the days are getting shorter, net new shadow would reach the park earlier each day, as the sunset also grows earlier. However, no net new shadow would be present prior to 5:15 p.m. on any day of the year and the maximum duration of shading would be 48 minutes. In late February, the maximum area of shading would be 2.3%. Between late February and the summer solstice the maximum area of shading would increase each day; between the summer solstice and mid-October the maximum area of shading would decrease each day.
In the four months surrounding the summer solstice (between early May and early August) the area of shading would cover up to one-third of the 5.37-acre park, but only during the last 15 to 25 minutes of the analysis period.

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[3] Prevision Design. Shadow Analysis Report for the Proposed Hunters View Phase 3 Blocks 14 and 17 Project per San Francisco Planning Standards. January 14, 2020. This document is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, as part of Case No. 2007.0168EIA.

Shading from the modified project would fall on portions of the park's grassy areas, pathways, picnic tables, fixed benches, driveways, and children's play areas. Park surveys were conducted during six different 30-minute observation periods.[4] The number of observed users over those observation periods ranged from four to 350, the latter was during a special event (Bay Day). On non-event days park use ranged from four to 11 users, most of whom were sitting in vehicles or on benches or walking dogs.

Given that net new shadow would be limited in size and duration and confined to the end of the day and given the low number of park users and the nature of their activities, the additional shadow cast by the modified project would not be expected to have a substantial adverse effect on the use and enjoyment of India Basin Shoreline Park. The project-level and cumulative shadow impacts of the modified project would be the same as under the proposed project and would be less than significant.

Other Environmental Topics

The EIR found that the proposed project would have less-than-significant impacts related to cultural and paleontological resources; population and housing; recreation and public space; utilities and service systems; public services; geology, soils and seismicity; hydrology and water quality; hazards and hazardous materials; mineral and energy resources; and agricultural resources.

The modified project would not result in additional demolition, changes in the area of excavation, or other changes in ground disturbance. Therefore, impacts to cultural and paleontological resources; geology, soils and seismicity; hydrology and water quality; and hazards and hazardous materials would be the same as under the proposed project. Additionally, the modified project would not result in additional residential units or non-residential square footage that would increase the onsite service population. Therefore, impacts to population and housing; recreation and public space; utilities and service systems; and public services would be the same as under the proposed project. Since mineral and energy and agricultural resources are not present within San Francisco, these topics remain not applicable. Therefore, the modified project would not change the analysis or conclusions reached in the FEIR and the impacts on these other environmental topics would remain less than significant.

Conclusion

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the final EIR certified by the planning commission on June 12, 2008 remain valid and that no supplemental environmental review is required. The proposed revisions to the project would not cause new significant impacts not identified in the EIR, and no new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the proposed project that would cause significant environmental impacts to which the project would contribute considerably, and no new information has become available that shows that the project would cause significant environmental impacts. Therefore, no supplemental environmental review is required beyond this addendum.

[4] Park observations were conducted on October 11 and 12, 2019 in the morning, afternoon and evening.

I do hereby certify that the above determination as been made pursuant to state and local requirements.

Lisa Gibson
Environmental Review Officer

January 16, 2020
Date of Determination

cc: Project Sponsor
Mat Snyder
Kimberly Durandet
Bulletin Board/Master Decision File
Distribution List

HUNTERS VIEW REDEVELOPMENT PROJECT

ENVIRONMENTAL IMPACT REPORT

COMMENTS AND RESPONSES

SAN FRANCISCO PLANNING DEPARTMENT

CASE NO. 2007.0168E

STATE CLEARINGHOUSE NO. SCH 2007112086

DRAFT EIR PUBLICATION DATE: MARCH 1, 2008

DRAFT EIR PUBLIC HEARING DATE: APRIL 3, 2008

DRAFT EIR PUBLIC COMMENT PERIOD:
MARCH 1, 2008 TO APRIL 14, 2008

EIR CERTIFICATION DATE: JUNE 12, 2008

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Hunters View Redevelopment Project
Comments and Responses on the Environmental Impact Report

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COMMENTS AND RESPONSES

A. INTRODUCTION

ORGANIZATION OF COMMENTS AND RESPONSES

This document contains summaries of the comments received on the Draft Environmental Impact Report (DEIR) prepared for the proposed Hunters View Redevelopment Project, and responses to those comments.

Section B presents a list of those who provided written comments or oral testimony at the public hearing on the DEIR before the San Francisco Planning Commission on April 3, 2008.

Section C, Comments and Responses, presents all comments received during the DEIR public review period from March 1, 2008 to April 14, 2008 including written comments and oral comments made at the April 3, 2008 public hearing. Section C also includes responses to those comments. The comments are presented herein by direct quotation, edited to delete repetition and non-substantive materials only. Minor editorial changes have been made.

Comments and responses are arranged by the date the comments were received. Each comment within each letter is followed by a response. The responses include additions or revisions to the text of the DEIR. Newly inserted words and phrases are double underlined, as are new sentences that are incorporated into existing text. As the subject matter of one topic may overlap that of other topics, the reader must occasionally refer to more than one group of comments and responses to review all information on a given subject. Where this occurs, cross references are provided.

Some comments do not pertain to the scope of the DEIR, which is limited by the California Environmental Quality Act (CEQA) to analyze the physical environmental impacts of the proposed Hunters View Redevelopment Project. Responses to these comments note that they fall outside of the CEQA requirements for an EIR, but the comments are noted for informational purposes and to affirm that the commentor's concerns will be distributed to the decision makers for their consideration in approval or disapproval of the project.

These comments and responses will be incorporated into the Final EIR as a chapter separate from the text of the DEIR. All text changes to the DEIR identified in this Comments and Responses document will also be incorporated into the Final EIR, as indicated in the responses. Section D, Staff Initiated Text Changes, includes EIR text revisions to clarify information in

addition to responses to specific comments that do not affect the overall EIR findings or conclusions. The public hearing transcript and a copy of all letters received during the public review period are attached to this document in Appendix A.

B. LIST OF COMMENTORS

COMMENT LETTERS

Letter 1: Lisa Carboni, District Branch Chief, State of California, Department of Transportation, April 2, 2008.

Letter 2: Daniel LaForte, Planner, City and County of San Francisco, Recreation and Park Department, April 10, 2008.

Letter 3: Chris Buck, Member, Bayview Hunters Point Project Area Committee

Letter 4: Bryan Much, Researcher 1, California Historical Resources Information System,

Letter 5: Robert W. Cherny, Vice President, Landmarks Preservation Advisory Board.

Letter 6: Ulysses J. Montgomery, Hunters View Tenants Association, Inc.

Letter 7: Jill Fox, India Basin Neighborhood Association

PUBLIC HEARING COMMENTS

Ulysses J. Montgomery

C. COMMENTS AND RESPONSES

LETTER 1: LISA CARBONI, DISTRICT BRANCH CHIEF, STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION, APRIL 2, 2008.

Comment 1.1

Highway Operations

Due to the close vicinity of the project to Interstate 280, please provide the Level-of-Service analysis for existing, project only, existing plus project, and 2025 cumulative conditions for the Pennsylvania Avenue on and off-ramps and 18th Street on and off-ramps.

Response 1.1

An analysis of conditions near I-280, as requested in the comment, in May 2008, is summarized in the following responses.[1] Project-generated trips would likely use the Pennsylvania Avenue on- and off-ramps as the closest access to the project site to I-280 for destinations to the north or south. Project vehicle trips would not be expected to use the I-280 18th Street on- and off-ramps. Therefore, a freeway evaluation was conducted for the Pennsylvania Avenue on-and off-ramps only. The analysis evaluated the weekday PM peak hour conditions to determine the contribution of the proposed Project to the Pennsylvania Avenue on-and off-ramp conditions. The analysis included the Existing Conditions, Baseline Conditions, Baseline plus Project Conditions, and 2025 Cumulative Conditions, the scenarios completed for the Draft EIR transportation study. For this case, however, no operational differences would be expected between the Existing and Baseline Conditions and the two scenarios were consolidated and included as the Baseline Conditions.

A Level-of-Service analysis was conducted for the mainline freeway operating conditions for the freeway sections associated with the Pennsylvania Avenue ramps as well as the intersection at the terminus point of those ramps.

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1 Watson, James, DMJM Harris, Memorandum to Nannie Turrell, San Francisco Planning Department, May 14, 2008. A copy of this Memorandum is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor in Case No. 2007.0168E.

The following table summarizes the findings of the LOS analysis for the I-280 freeway sections.

TABLE C&R-1
FREEWAY SECTION LEVEL OF SERVICE

Freeway Section	Section Type	Baseline Conditions		Baseline plus Project Conditions		2025 Cumulative Conditions	
		LOS	Density	LOS	Density	LOS	Density
SB I-280 on-ramp at Pennsylvania Av	Merge	D	34.4	D	34.5	E	37.6
NB I-280 on-ramp at 25th St	Merge	B	17.7	B	18.0	C	26.3
SB I-280 off-ramp at Pennsylvania Avenue	Diverge	D	31.3	D	31.5	F(1)	37.2
NB I-280 off-ramp at Cesar Chavez Street	Diverge	C	22.9	C	22.9	D	28.4

Source: DMJM Harris – May 2008

Notes:

Calculations based on weekday PM peak hour conditions.

Density in passenger cars per mile per lane

1. In the 2025 Cumulative Conditions, the freeway off-Ramp flow rate (2,310 vph) exceeds the allowable combined freeway / Ramp flow rate capacity (2,100 vph) for a three-lane freeway merge section. This merge section would operate at LOS E without the conditional capacity constraint

In Baseline plus Project Conditions, freeway ramp merge/diverge LOS would not change, and the Project would not have a significant adverse impact on those freeway sections. In 2025, the southbound I-280 on-ramp at Pennsylvania Avenue would operate at LOS E, a significant cumulative effect. In 2025, the southbound I-280 off-ramp at Pennsylvania Avenue would operate at LOS F; also a significant cumulative effect. The northbound I-280 on-and off-ramps would operate at LOS C and D, respectively. Since LOS C and D are acceptable Levels-of-Service, this impact is less than significant.

The proposed Project's contribution to the 2025 Cumulative Condition is summarized in Table C&R-2, below.

TABLE C&R-2
PROPOSED PROJECT CONTRIBUTION TO FREEWAY SECTIONS IN THE 2025 CUMULATIVE CONDITIONS

Freeway Section	Baseline Volume	Project Volume	2025 Volume	Contribution To	
				Total	Growth
SB I-280 on-ramp at Pennsylvania Av	5,562	9	6,375	0.1%	1.1%
NB I-280 on-ramp at 25th St	4,457	38	6,028	0.6%	2.4%
SB I-280 off-ramp at Pennsylvania Avenue	5,451	71	7,508	0.9%	3.5%
NB I-280 off-ramp at Cesar Chavez Street	4,762	17	6,224	0.3%	1.2%

Source. DMJM Harris – May 2008
Notes
All volumes are weekday PM peak hour volumes
All volumes represent a combination of the mainline freeway volume and the ramp volume

As shown in Table C&R-2, the proposed Project would contribute less than one percent to the total volume at all of the I-280 s at Pennsylvania Avenue freeway sections in the 2025 Cumulative Conditions. The effect of the proposed Project on the I-280 ramps at Pennsylvania Avenue would be less than significant. This increase in density would be negligible and would not degrade the merge section Level of Service. In the 2025 Cumulative Conditions, the largest contribution to the volume growth of a freeway section would be 3.5 percent and would occur at the Southbound I-280 off-ramp at Pennsylvania Avenue diverge section. As noted on DEIR p. 102, for the transportation analysis, a greater than five percent contribution to cumulative growth would be considered significant. Therefore, the Project contribution to the freeway section volume growth would not contribute considerably to the significant cumulative decrease in Level of Service at the I-280 ramps at Pennsylvania Avenue.

In addition to the freeway section Level-of-Service analyses, intersection operation analyses were conducted at the following intersections:

- Southbound I-280 off-ramp at Pennsylvania Avenue / Pennsylvania Avenue (All-Way Stop); and
- Northbound I-280 off-ramp at Cesar Chavez Street / Cesar Chavez Street (Signalized).

Weekday PM peak hour traffic volumes and intersection geometry were assessed for the two intersections at the off-ramp termini. The results of the intersection analyses are presented in Table C&R-3.

TABLE C&R-3
RAMP INTERSECTION LEVEL OF SERVICE

Off-Ramp	Traffic Control	Baseline Conditions		Baseline plus Project Conditions		2025 Cumulative Conditions	
		LOS	Delay[1]	LOS	Delay	LOS	Delay
SB I-280 off-ramp at Pennsylvania Av / Pennsylvania Av	Stop Controlled (4-way)	B	11.1	B	12.2	F	> 50.0
NB I-280 off-ramp at Cesar Chavez St / Cesar Chavez St	Signalized	D	37.6	D	37.7	F	> 80.0

Source: DMJM Harris – May 2008
Notes:
Calculations based on weekday PM peak hour conditions
[1] Delay in seconds per vehicle.

In the 2025 Cumulative Conditions, the two intersections would degrade to LOS F. To assess the effect of project-generated traffic on the freeway off-ramp intersections in the 2025 Cumulative Conditions, the proposed Project's contribution to the 2025 Cumulative traffic volumes was determined. Two different factors were calculated: the project-generated traffic as a percent of only the increase in traffic volumes, and the project-generated traffic as a percent of only the increase in traffic volumes between Baseline and 2025 Cumulative Conditions. The

percent contributions were calculated at the two I-280 off-ramps at Pennsylvania Avenue intersections and are presented in Table C&R-4.

TABLE C&R-4
PROPOSED PROJECT CONTRIBUTION AT RAMP INTERSECTIONS IN THE 2025 CUMULATIVE CONDITIONS

Intersection	Baseline Volume	Project Volume	2025 Volume	Contribution To	
				Total	Growth
SB I-280 off-ramp at Pennsylvania Av / Pennsylvania Av	1,348	71	2,855	2.5%	4.7%
NB I-280 off-ramp at Cesar Chavez St / Cesar Chavez St	2,699	17	3,857	0.4%	1.5%

Source DMJM Harris – May 2008
Notes:
All volumes are weekday PM peak hour volumes
All volumes represent a combination of all of the controlled movements at the ramp terminus intersection

The proposed Project would contribute less than three percent to the total volume at both of the I-280 off-ramps at Pennsylvania Avenue intersections in the 2025 Cumulative Conditions. The proposed Project would contribute less than five percent to traffic volume growth at both of the I-280 off-ramps at Pennsylvania Avenue intersections in the 2025 Cumulative Conditions. As noted on DEIR p. 102, for the transportation analysis, a greater than five percent contribution to cumulative growth would be considered significant. Therefore, the Project contribution to 2025 Cumulative Conditions would be less-than-significant.

Comment 1.2

Forecasting
Please provide the new vehicle trips generated on Pennsylvania Avenue on and off-ramps and 18th Street on and off-ramps.

Response 1.2

As stated in the response to Comment 1.1, above, due to the location of the proposed Project, project vehicle trips are not expected to use the 18th Street I-280 on- and off-ramps. Project-

generated trips would likely use Pennsylvania Avenue on- and off-ramps. The number of weekday PM peak-hour vehicle trips generated by the proposed Project that are expected to use the I-280 ramps at Pennsylvania Avenue are as follows:

- Southbound I-280 on-ramp at Pennsylvania Avenue = 9 trips;
- Northbound I-280 on-ramp at 25th Street = 38 trips;
- Southbound I-280 off-ramp at Pennsylvania Avenue = 71 trips; and,
- Northbound I-280 off-ramp at Cesar Chavez Street = 17 trips.

As discussed in Response 1.1 above, the Project generated peak-hour vehicle trips would not have significant adverse effects on the freeway ramp intersections.

Comment 1.3

On page 92, Table 7, the weekday PM peak hour net trip generation for daycare use is 7 vehicles. However, from the ITE Trip Generation 7th Edition (code 565), the vehicle trip generation rate for daycare use is 13.18 trips per 1,000 square feet. As a result, there would be a total of 112 vehicle trips. Please explain the discrepancy.

Response 1.3

The daycare use trip generation calculations are based on San Francisco Planning Department's 2002 *Transportation Impact Analysis Guidelines for Environmental Review* (SF Guidelines). The SF Guidelines provide the analysis methodology for the proposed Project. Based on the SF Guidelines, the Project is expected to generate 26 vehicle trips (two work trips and 24 non-work trips) during the weekday PM peak hour.

As discussed on page 28 of the 227-229 West Point Road Transportation Study, the 8,500 square foot daycare facility would serve only residents of the proposed Project. Therefore, per the direction of the San Francisco Planning Department, an 80 percent linked trip credit was taken for non-work daycare facility trips. Given this assumption, the Project is expected to generate

seven external vehicle trips (two work trips and five non-work trips) during the weekday PM peak hour.[2]

Comment 1.4

On page 92, under the "Trip Distribution/Assignment" section, please provide a vehicle trip distribution map.

Please provide calculations including factors, formulas and sources for the conversion of person trips to vehicle trips.

Response 1.4

Local and Regional Trip Distribution maps are included as Figures D and E in the May 2008 DMJM Harris traffic analysis.[3]

Local and Regional Trip Distribution maps from the DMJM report are included on the following pages as Figures C&R-1 and C&R-2. It should be noted that for the purposes of this analysis the East Bay distribution (seven percent) and Out of Region distribution (one percent) were combined; this is reflected in Figure E. All calculations and factors used in the study are included in the 227-229 West Point Road Transportation Study Appendix footnote. The transportation study used person-trip to vehicle trip conversion factors provided in the SF Guidelines.

Trip generation, mode split, and trip distribution/assignment methods for the Project transportation analysis, based on the SF Guidelines, are described in Hunters View Redevelopment Project DEIR pp.90-92. Table 6, p. 91 presents Project person-trip generation, and Table 7, p. 92, weekday peak-hour trip generation by mode. Under the SF Guidelines, for residential land uses, the conversion of person-trips to vehicle-trips is based on the 2000 U.S. Census Journey-to-Work data. For the purposes of this study, Census Tracts 231.02 and 231.03

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[2] DMJM Harris, 227-229 West Point Road Transportation Study, February 29, 2008. This report is available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, Project File No. 2007.168E.

[3] Watson, James, DMJM Harris, Memorandum to Nannie Turrell, San Francisco Planning Department, May 14, 2008. A copy of this Memorandum is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor in Case No. 2007.0168E.

were the data sources to estimate the residential mode split for the proposed Project. This data in the 2000 U.S. Census Journey-to-Work tables is included in Table C&R-5 below.

The SF Guidelines provided factors for the conversion of all person-trips to vehicle trips for the retail and daycare land uses. The factors and results of the conversion process are included in Table C&R-6, below.

TABLE C&R-5
U.S. CENSUS JOURNEY TO WORK TRIP DATA

	Census Tract					
	231.02		231.03		Total	
Mode	Count	Share	Count	Share	Count	Share
Auto	912	76.8%	489	54.8%	1,401	67.4%
Transit	187	15.8%	404	45.2%	591	28.4%
Walk	88	7.4%	0	0.0%	88	4.2%
Other	0	0.0%	0	0.0%	0	0.0%
Total	**1,187**	**100.0%**	**893**	**100.0%**	**2,080**	**100.0%**
Auto Occupancy	1.01		1.33		1.10	

Source: DMJM Harris – May 2008.
Notes:
Census tract data based on 2000 U.S. Census Journey-to-Work data.
Auto occupancy weighted average based on total auto trips.

TABLE C&R-6
WEEKDAY PM PEAK HOUR VEHICLE TRIPS

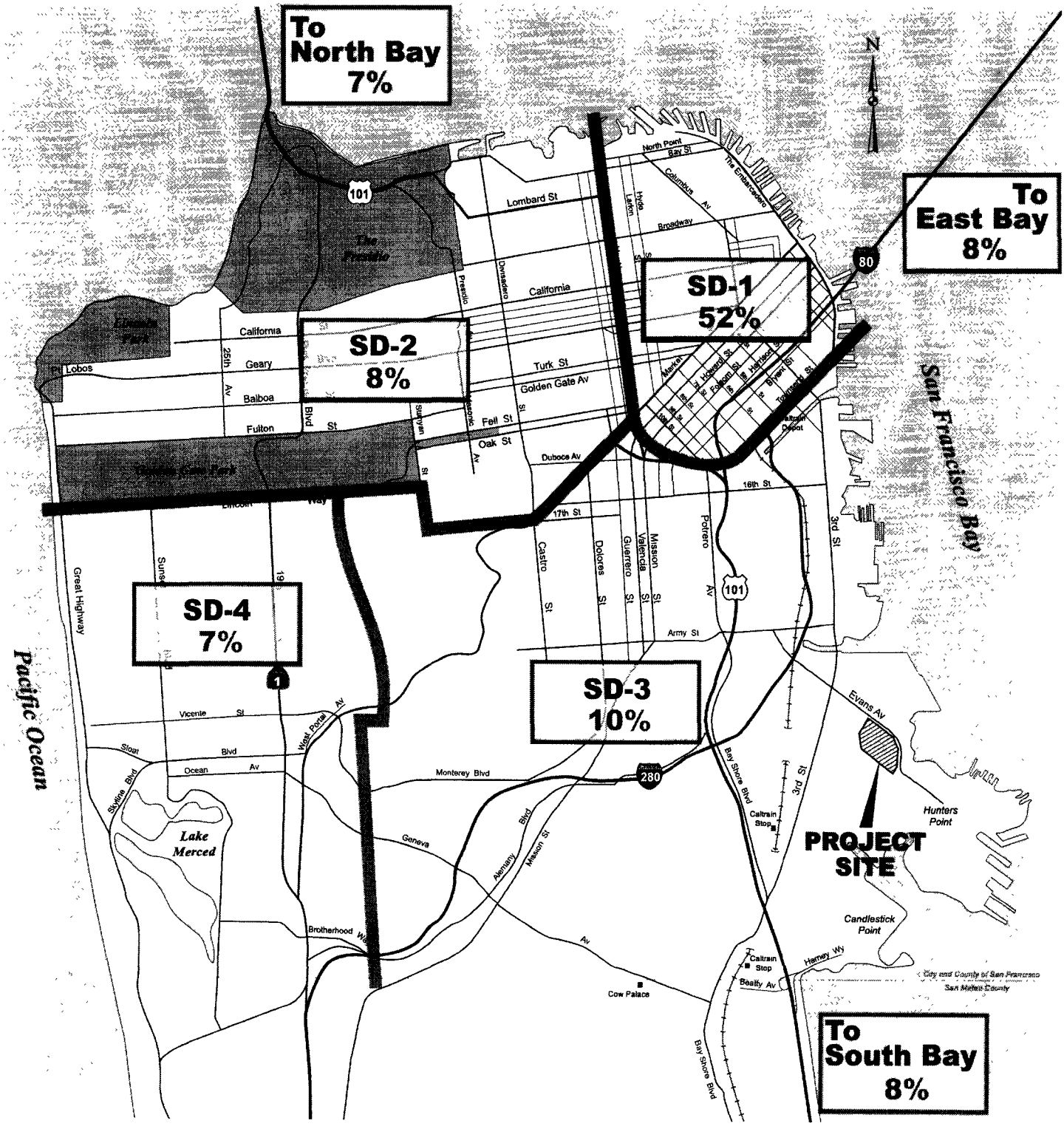
	Land Use			
Mode	**Residential**	**Retail**	**Daycare**	**Total**
Person Trips	1,023	86	103	1,212
Auto Share[(1)]	67.4%	64.4%	13.6%	-
Auto Trips	689	56	14	759
Auto Occupancy	1.10	1.85	1.95	-
Vehicle Trips	**625**	**30**	**7**	**662**

Source: DMJM Harris – May 2008

Notes:

Auto share and auto occupancy have been calculated based on factors from the *SF Guidelines*.

1 The daycare auto share includes an 80 percent linked trip reduction for work-trips.



Regional Trip Distribution.cdr

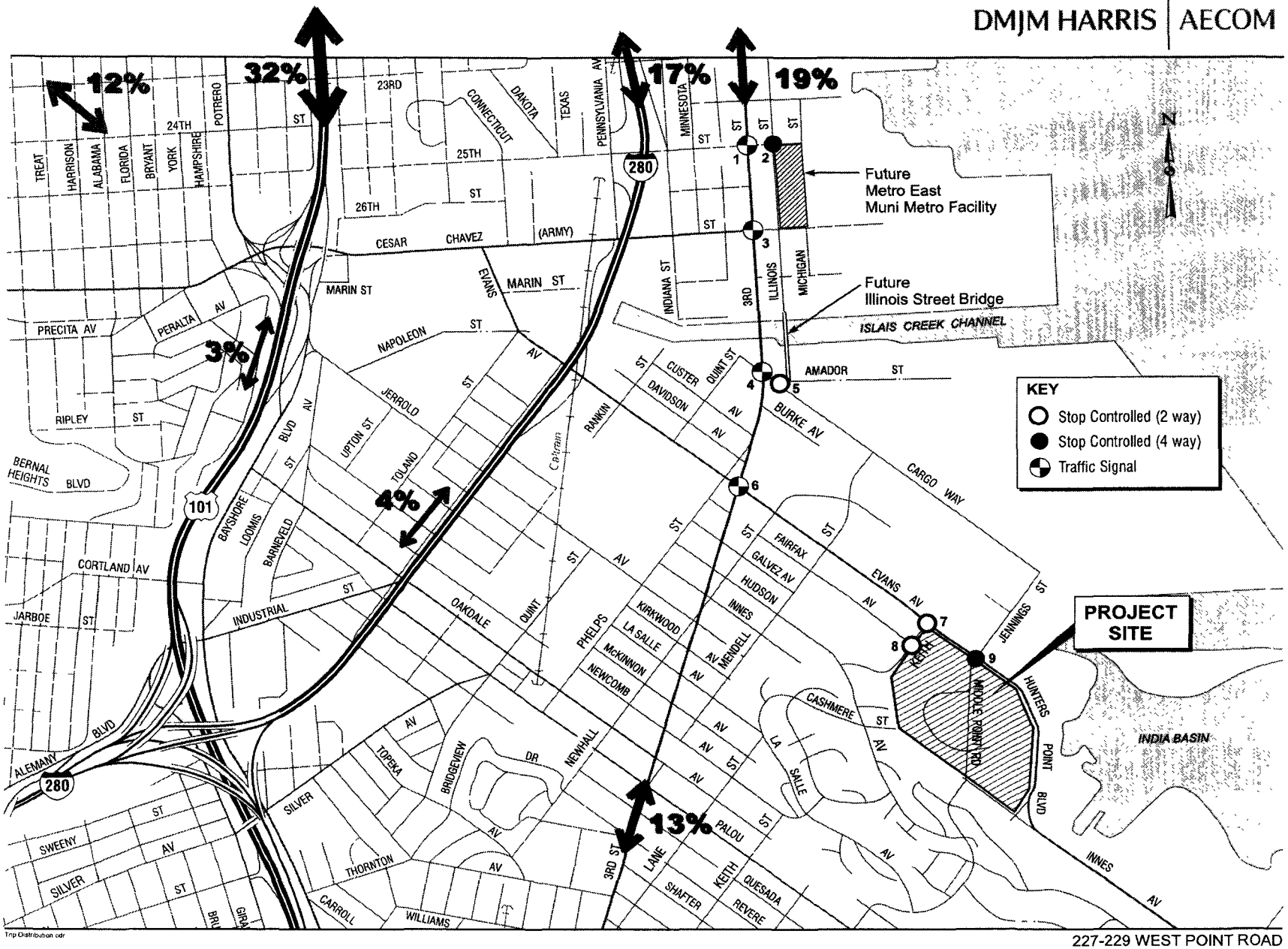
227-229 WEST POINT ROAD

Figure C & R-1

REGIONAL PROJECT TRIP DISTRIBUTION

Weekday PM Peak Hour

DMJM HARRIS | AECOM



227-229 WEST POINT ROAD

Figure C & R-2

LOCAL PROJECT TRIP DISTRIBUTION

Weekday PM Peak Hour

Comment 1.5

Community Planning

Improved pedestrian access to pubic transit can reduce vehicle trip generation. Please provide adequate lighting on all sidewalks and consider using ladder-style striping for the crosswalks and installing signs to warn motorists of pedestrians at all intersections surrounding the Project. The use of ladder-style striping will help improve visibility of the crosswalk.

Response 1.5

As stated on DEIR p. 96, the proposed Project would include improved pedestrian access to public transportation via new sidewalks and linkages. In compliance with San Francisco Department of Public Works regulations, lighting, signage and street markings would be provided to ensure pedestrian safety. As shown on Figure 10, DEIR p. 95, pedestrian access to the Project Site would be provided along Middle Point Road at the north and south ends of the Project Site, at Fairfax Avenue, on the south-southeast side (if the PG&E easement is granted and the pedestrian walkway proceeds) and in the northwest corner of the Project Site adjacent to block 10. As stated on DEIR p. 94, "Transit trips to and from the Project Site would likely use the 19 and 44 MUNI lines, which travel directly through the Project Site and have high service frequencies." These lines both have stops along Middle Point Road. Residents who wish to access the T-Third Street line would likely use the Fairfax Avenue pedestrian access to Third Street since the Fairfax/Third Street intersection is about half a mile away.

LETTER 2: DANIEL LAFORTE, PLANNER, CITY AND COUNTY OF SAN FRANCISCO, RECREATION AND PARK DEPARTMENT, APRIL 10, 2008.

Comment 2.1

We have reviewed the Draft of the Environmental Impact Report for the Hunters View Redevelopment Project. We would like to raise a number of comments on the current draft.

Page 13 - In the Summary section under "other impacts determined to be less than significant", "Recreation and Public space" the assertion that the addition of 800 units would not be considered a "substantial addition to the existing demand for available public recreation facilities" is supported by no apparent evidence.

Response 2.1

The proposed Project would result in the addition of up to 533 additional housing units. DEIR p. 147 states, "The 383 to 533 additional dwelling units would result is approximately 900 to 1,250 new residents at the Project Site." As stated on DEIR p. 148, "The proposed Project would increase the population in the Project vicinity by between 1.6 and 2.6 percent." In terms of public recreation facilities that serve the project site, as stated on DEIR p.151, "Park District 10, which encompasses all of Bayview Hunters Point, has 22 parks totaling about 128 acres. The open space and park areas in the vicinity of the Project Site include India Basin Shoreline Park, Bayview Park, Youngblood-Coleman Park, Hilltop Park, many similar neighborhood pocket parks, and the Candlestick Point State Recreation Area at the southern end of the neighborhood." In addition, DEIR p. 152 states "The proposed Project would provide about 58,300 sq. ft. of common open space on site and additional private open space serving project residents and the public as part of the new development, as required by the Planning Code." The provision of on-site open space would further reduce the demand on open space and park areas in the vicinity of the Project Site.

Comment 2.2

Page 50 - Under "open space" the use of the new parks proposed are not detailed in order to understand if they will meet the new communities' needs. Both active and passive recreational space is needed citywide and fields and courts are always needed with new development. This does not discuss weather playing fields, highly needed and desired, will be accommodated in these new parks. Furthermore, it is unclear who would be providing "on-site management", if

these services are to be provided by the Recreation and Parks Department, that cost and impact must be analyzed. This analysis is currently not provided.

Response 2.2

The project would include common open space that would be designed based on discussions with current Hunters View residents and with the future Hunters View residents in mind. The open space plans have not been completed, but the parks would target the needs of families and would likely include: play areas, play equipment, seating, lawns, trees and other plantings, walls, steps, trellises, accessible ramps/walkways, and lighting. Other features such as community gardens, and play equipment for specific age groups could be included in some but not all on-site open space. The Project Sponsor would design open spaces appropriate for both "active" and "passive" uses; however, the topography of the site would make it difficult to include sport courts or playing fields.

As stated on DEIR p. 50, the open space would be privately owned and would thus be,". . . maintained by on-site management" rather than the Recreation and Park Department.

Comment 2.3

Page 151-152 and Page 155 Under Parks and Recreational Facilities. The 1990 analysis provided by the City of San Francisco's General plan is cited. First, this information is extremely outdated, the city's population has changed significantly. Second, the assertion that the additional 800 families would not be a "substantial" addition to the area and the city as a whole is without substantiation. The Recreation Assessment Report, also cited, found that citywide there is a large need for additional playfield and other recreational space and this community is no exception. Many of the parks cited in the report need significant work, or if rebuilt recently were done so to meet existing population needs. An 800 family increase to the area would certainly have an impact on the more rapid deterioration of park and community facilities in the area. This analysis needs to be included in the Final EIR.

Response 2.3

As discussed in Response 2.1, above, the increase in demand on parks and recreational facilities resulting from the proposed Project would not be considered substantial, as the proposed Project would include usable open space, would include active and passive recreation opportunities, and is near larger recreation areas. Therefore, the DEIR concluded that the

proposed Project would not have a significant adverse impact on parks and recreational facilities.

LETTER 3: CHRIS BUCK, MEMBER, BAYVIEW HUNTERS POINT PROJECT AREA COMMITTEE, APRIL 4, 2008.

Comment 3.1

Regarding Biological Resources, Mitigation Measure G-7: Significant trees (page 195).

The report needs to directly state that all trees are likely to be removed from the current Hunters View site. It appears that all the trees on the site are going to be removed, regardless if they are:

- street trees in the public right-of-way
- "Significant Trees" on private property within 10 feet of the public right-of-way, or
- any other tree on private property on the existing site.

The impact of the project to all the trees on the current site needs to be stated more clearly.

Is there really a plan to retain any existing trees? Based on a project of this scale with the amount of infrastructure replacement and construction activity to occur, it seems unlikely that any tree on site can be adequately protected and remain as part of the new design. Impacts to all trees from grading, soil compaction, construction activity and root loss will be severe.

Response 3.1

DEIR p. 50 states that, "All of the existing trees would be removed as part of the Project." According to the Arborist Report, cited on DEIR p. 43, there are currently 68 trees on the site and all but six trees are considered to be in fair, poor or very poor condition. Also, DEIR p. 50 notes that, "The Project would include new landscaping and tree planting, and would replace at least as many as the 68 trees to be removed."

Comment 3.2

The report accurately identifies that street trees and "Significant Trees" will require a permit for removal. However, the survey done by a qualified arborist needs to include all street trees and all "Significant Trees" on site. Any street tree will require a permit, regardless of its size.

The EIR report says that a qualified arborist will map and survey trees with a diameter greater than 36 inches that are proposed to be altered, removed, or relocated. It then says "Any removal of these trees associated with the proposed Project will require a permit review..." Which agency will be doing this permit review? Currently San Francisco's Urban Forestry Ordinance

does not protect private property trees or require a permit process for trees on private property if they do not qualify as "Significant Trees". Please clarify if this will be a separate permit review process, and which agency will be conducting the review.

Response 3.2

On January 12, 2007, Walter Levison, consulting arborist, conducted a survey of all of the trees on the Project Site. This document is cited on p. 43 of the DEIR. As stated in that footnote, a copy of the Arborist Report is available for review, by appointment at the San Francisco Planning Department in Case File No. 2007.0168E.

The arborist report identified 50 significant trees and 18 street trees, for a total of 68 trees on the Project Site. As stated on DEIR p. 133, "There are 50 significant trees – as defined under the San Francisco Urban Tree Ordinance, below – on the Project Site, including . . . The 18 street tree specimens along the lower portion of the site at Keith Avenue are mainly New Zealand Christmas tree (Metrosideros excelsus) and Brisbane box (Tristania conferta). There are 12 New Zealand Christmas tree specimens ranging in condition from very poor to good, and four recently planted Brisbane box specimens in good condition still affixed with planting stakes and ties."

As noted on DEIR p. 50, the project would remove all of the trees on the site. As stated on p. 195 of the DEIR, "The Project will comply with Article 16 of the Public Works Code for protection for significant trees. . . Street trees are also protected by the City's Urban Forestry Ordinance and both require a permit for removal." The additional tree survey required under Mitigation Measure G-7: Significant Trees focuses only on significant trees because, "Any removal of these trees associated with the proposed Project will require a permit review, and replacement of affected 'significant' trees as specified in the ordinance."(DEIR pp.195 – 196) The tree survey required under Mitigation Measure G-7 is in addition to the survey of all of the on-site trees conducted previously and documented in the Arborist Report.

Under Article 16 of the Public Works Code, the Department of Public Works reviews tree removal permits. All of the tree removals would occur in accordance with the Department of Public Works tree removal and permitting processes.

Comment 3.3

San Francisco's Urban Forestry Ordinance requires that all street trees and "Significant Trees" be replaced. I recommend that a survey of all the street trees, all "Significant Trees", and all the trees on private property with a diameter greater than 4 inches at breast height (DBH) be surveyed and inventoried by a qualified arborist. This data should be included as part of the Final EIR.

An estimate of the total amount of new trees to be planted as part of this project should also be calculated, in order for the public to have a better understanding of how many trees are being removed and how many new trees will be planted. The trees should be classified as street trees, "Significant Trees", or private property trees.

Response 3.3

On January 12, 2007, Walter Levison, consulting arborist conducted a survey of all of the trees on the Project Site. This document is cited on p. 43 of the DEIR. As stated in that citation, a copy of the Arborist Report is available for review, by appointment at the San Francisco Planning Department in Case File No. 2007.0168E.

As stated in Response 3.2, above, the tree survey that was conducted indicates that the site currently contains 68 trees. 50 of these trees have been deemed "significant" and 18 have been deemed "street trees". All of these trees would be removed due to their poor health and to allow for the new development. The Project Sponsor currently estimates that approximately 367 new trees will be planted as part of the new development. 305 of these would be "street trees" and 62 trees would be planted in the open space in the parks and around buildings. While tree species have not yet been selected, the Project Sponsor will seek input from current residents, city staff, and community constituents prior to making any final selection.

Comment 3.4

Section 143 of San Francisco's Planning Code requires that one street tree be planted for every 20 feet of building frontage. Will this project be required to follow section 143 of San Francisco's Planning Code?

Response 3.4

Section 143 of the Planning Code requires that street trees be planted every twenty feet. Because Hunters View will be a residential neighborhood, driveways, street light clearances and other anticipated utilities make it difficult to plant trees every twenty feet. While every effort will be made to comply with Section 143, the project sponsor can only commit to do so within the utility and traffic circulation constraints of the project. On average, street trees are currently being designed with 25 foot spacing for small trees in the typical 55-foot right-of-way (which includes most of the streets) and 30-foot spacing for the larger trees on one side of Fairfax Street and along Middle Point Road, which is a 60-foot right of way. The current tree count of approximately 367 is less than the number of trees that would be calculated under Section 143 (approximately 425 trees), and while more trees could potentially be added to the parks and open spaces, doing so would limit the amount of usable open space for the residents.

Comment 3.5

As part of the new Hunters View Development Project, who will maintain the street trees and trees on private property?

Response 3.5

Street trees that are not in the public right-of-way would be maintained by the property owner. Street trees that are in the public right-of-way are generally maintained by the adjacent property owner(s).

Comment 3.6

Will the new sidewalks be wide enough to accommodate street trees and pedestrians? These are my comments on the Hunters View Development Project.

Response 3.6

The sidewalks would be wide enough to accommodate both street trees and pedestrians. The typical sidewalk throughout Hunters View would have a width of five feet. The exception to this would be the sidewalk along Middle Point Road, which is one of the major thoroughfares through the site. The sidewalk along Middle Point Road would be six feet wide.

Current practice is that a minimum of four feet and six inches is required for street trees to grow in planting strips. Most sidewalks at Hunters View are currently designed with a five-foot planting strip that allows for trees. The planting strip along Middle Point Road would be five feet, six inches and the planting strips along Fairfax Street would be at least eight feet, six inches on one side of the street, and two feet, six inches on the other side of the street. A wider planting strip along one side of Fairfax Street would allow for larger trees to be planted and also would enable greater visibility along the curved street for automobiles and pedestrians. The planting strip on the other side of Fairfax Street would include plantings but not trees.

LETTER 4: BRYAN MUCH, RESEARCHER 1, CALIFORNIA HISTORICAL RESOURCES INFORMATION SYSTEM, MARCH 26, 2008.

Comment 4.1

Thank you for the opportunity to comment on this project. We commend your office on their efforts to protect and manage cultural resources. This office has following comments regarding the Hunters View Redevelopment Project Draft Environmental Impact Report:

- On page 144, it is stated that an "archaeological investigation was conducted as part of the Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report". This office has not received a copy of the report for this archaeological investigation and therefore can not comment on its scope or methods employed in relation to this current project.

Response 4.1

In response to Comment 4.1 the following three archaeological investigations were forwarded, via e-mail, to Leigh Jordon of the Northwest Information Center:

- Hupman, Jan M. and David Chavez, Archaeological Resources Investigations for the Bayview-Hunters Point Redevelopment Plan, San Francisco, California, August 2001.
- Hupman, Jan M. and David Chavez, Archaeological Resources Investigations for the Bayview-Hunters Point Redevelopment Plan, San Francisco, California, Oakinba and South Basin Addition Activity Nodes, May 2004.
- Hupman, Jan M. and David Chavez, Archaeological Resources Investigations for the Bayview-Hunters Point Redevelopment Plan, San Francisco, California, Evans Avenue Addition, August 2004.

The Northwest Information Center received these reports on April 8, 2008.

Comment 4.2

Based on this lack of information (as described above), and given that on page 197 (Ch. IV, section E.) it is stated that there is a "reasonable potential that archaeological resources may be present within the project site", we recommend that prior to the commencement of project activities further work be conducted to determine if buried archaeological deposits exist within the project area.

It is further recommended that given the sensitivity of this area for Native American sites, a geoarchaeological study is warranted to determine if any buried land surfaces are present that may have been suitable for occupation by Native Peoples.

Response 4.2

As noted by the commentor, the Draft EIR recognizes the potential for archaeological resources to exist at the Project Site and recommends that Mitigation Measure H-1 be applied across the entire Project Site and for every phase of construction. Upon further review of the archaeological documentation and project geotechnical information the application of Mitigation Measure H-1 has been refined and Planning Department staff has initiated changes to the archaeological resources section of the DEIR. These staff initiated changes are located on pp. 36 – 43 of this document.

In summary, the information contained in the three reports indicated that Blocks 13, 18 and 19 of the proposed Project, as shown in Figure 2 of the Draft EIR, are the blocks most likely to contain buried archaeological deposits. The rest of the Project Site is not likely to contain buried deposits. Therefore, Mitigation Measure H-1: Archaeological Resource would be applied only on these three blocks to properly protect undiscovered resources. Pre-construction archaeological surveys are not feasible since the areas of concern are currently paved and built upon; therefore soils are not accessible for archaeological survey purposes. Once construction activities have commenced, including the demolition of existing improvements, uncovered soils would be monitored by an archaeological consultant as described in Mitigation Measure H-1: Archaeological Resource. The archaeological consultant shall first undertake a geoarchaeological study of this project sub-area to determine if any buried land surfaces available for prehistoric occupation are present.

LETTER 5: ROBERT W. CHERNY, VICE PRESIDENT, LANDMARKS PRESERVATION ADVISORY BOARD, MARCH 31, 2008.

Comment 5.1

On Wednesday, March 19, 2008, the Landmarks Preservation Advisory Board (Board) held public hearing and took public comment on the Draft Environmental Impact Report (DEIR) for the Hunters View Redevelopment Project dated March 1, 2008. After discussion the Board arrived at the following comments:

- The Board suggested listing Black *San Francisco: The Struggle for Racial Equality in the West* by Albert S. Broussard in the bibliography and including the history of the neighborhood as an African American community and the role this project played in the community.
- The Board recommended including more information on the relationship between the Hunter's View housing project and the African American community in Hunters Point.

Response 5.1

The following text based on information found in *Black San Francisco: The Struggle for Racial Equality in the West* by Albert S. Broussard has been added to pp. 142-144 of the EIR:

"**Site History.** The 1849 Gold Rush population boom in San Francisco ushered in a small community of African Americans who migrated to the West Coast and the promise of a "fresh start." Economic restrictions and racial inequality, however, resulted in 80 percent of African Americans in San Francisco being employed in the domestic service industry. The San Francisco black community struggled to find other unskilled, service related jobs, but the much larger Chinese community occupied most of them.[4]

Although San Francisco was considered a strong union town, African Americans were banned from participating in unions until after World War II, rendering them vulnerable to unequal working situations. Until the 1940s, African Americans encountered a general shortage of job opportunities in San Francisco; thus the majority of the black population migrated to the East

[4] Broussard, Albert S. *Black San Francisco: The Struggle for Racial Equality in the West*, Law. Kansas, University of Kansas Press: 1993. p.17.

Bay via San Francisco, or directly to the East Bay, where they could find opportunities for industrial employment.[5]

During World War II San Francisco became the focal point of a massive migration of African Americans from the southern United States, as high-paying jobs in the defense industry and shipyards became available in the greater San Francisco Bay Area. Housing discrimination was Rampant in San Francisco, with 80 to 90 percent of neighborhoods closed to non-Caucasian tenants. The majority of Blacks in San Francisco were forced to live in the Western Addition, resulting in severe overcrowding and substandard living conditions. One-third of the Western Addition population was African American.[6]

In 1942, the federal government constructed 5,500 temporary units of emergency housing at Hunters Point Navy Yard to house shipyard employees. By 1945, Hunters Point had become one of the most thoroughly integrated communities in San Francisco; one-fourth of the population was African American. While a marked improvement from the overcrowded slums of the Western Addition, the temporary housing was sub-standard according to the San Francisco Housing Authority (SFHA).[7]

Following World War II, the Housing Authority began constructing permanent housing developments in an effort to eradicate sub-standard housing. Neighborhood demographics remained segregated due to the "neighborhood pattern" employed by the SFHA, which was meant to reflect the existing racial and ethnic composition of the neighborhood. Consequently, the agency supported the localization of African Americans to the West Side Courts development in the Western Addition because this was the only neighborhood in San Francisco that supported the African American demographic.[8]

The African American population of San Francisco continued to grow from 1945 to 1950. Housing remained substandard, and although African American workers had begun to

5 Ibid, 21 & 165.
6 Ibid, 133, 134, & 172.
7 Ibid,175 & 176.
8 Ibid, 222-224.

penetrate the private sector, the number of jobs available to the black community in San Francisco remained far below job availability in other cities. African American leaders struggled to overturn the "neighborhood pattern," but continually met with opposition from the San Francisco Housing Authority. This pattern of housing discrimination in San Francisco lasted until the 1980s; thus, the Western Addition and Hunters Point (including Hunters View) districts remained the only heavily populated black neighborhoods.[9]

In 1952 Hunters Point originally comprised temporary housing developments that were largely occupied by African American shipyard employees. Hunters View was one of four permanent housing developments that were constructed at Hunters Point. Hunters View was completed in 1956. Despite the fact that Hunters View was originally meant for Caucasian occupancy only, the neighborhood demographic remained integrated. As of November 2007, San Francisco Housing Authority demographics revealed that 58 percent of the current Hunters View residents are African American."

Comment 5.2

The Board encourages the project sponsors to install an interpretative display describing the site's history.

Response 5.2

In response to Comment 5.2, the following text has been added to p. 200 of the EIR:

IMPROVEMENT MEASURE: An interpretive display is generally considered an on-site, publicly accessible display/exhibit area which includes interpretive materials. The display could be an outdoor all-weather plaque or a permanent collection of materials displayed in a public area, such as in the community building.

For Hunters View, interpretive materials could document the history of the San Francisco Housing Authority, history of the Hunters View Housing Development, photographs, architectural drawings and site plans, and/or oral and written histories documenting the lives of, and events associated with, past and present occupants of the Hunters View Housing Development. It is recommended that the Project Sponsor install an exterior interpretive plaque, not smaller than two by four feet, near the entrance of the community center. A recommended

[9] Ibid, 237.

enhancement to the interpretive display would be an interior interpretive display in the community center containing a timeline and a collection of photographs and/or artifacts.

The Project Sponsor could also document the existing Hunters View and the new development site via site photography and this collection of photographs (before and after) could also serve as an interpretive display for this project.

LETTER 6: ULYSSES J. MONTGOMERY, HUNTERS VIEW TENANTS ASSOCIATION, INC., APRIL 3, 2008.

Comment 6.1

The Hunters Point Tenants Association, Inc. and the tenants of Hunters View, as a class, object to the Draft Environmental Impact Report for the Hunters View Redevelopment Project for the following main reasons:

1. The "project sponsor" listed in the report, Hunters View Association, LP (comprised of the following private entities identified in the EIR: The John Stewart Co., the Ridgepoint Non-profit Housing Corporation and Devine & Gong), and the SF Redevelopment Agency (SFRA), the SF Housing Authority (SFHA), the Mayor's Office of Housing and the SF Planning Departments officials have been processing this project illegally, which means that the EIR is being processed illegally, and therefore all government processing and consideration of this EIR should immediately cease until this illegality has been resolved.

Response 6.1

Comment 6.1 is not a comment on the adequacy of the DEIR; therefore, under CEQA no response is required. The following response is provided for informational purposes only.

This EIR has been prepared in accordance with the guidelines promulgated by the California Environmental Quality Act (CEQA). A scoping session for the EIR was held on December 5, 2007, to obtain public input on the scope and contents of the EIR. Notification of that scoping session was directly mailed to residents and neighbors within a 300-foot radius of the Project Site. The Draft EIR was published on March 1, 2008, which started a 45-day public review period that closed on April 14, 2008. At the time that the Draft EIR was published, a Notice of Preparation was sent to the State Clearinghouse along with requisite copies of the document. Notification of the publication of the draft document was provided via direct mail to residents and neighbors within a 300-foot radius of the Project Site. A hearing was conducted before the Planning Commission on April 3, 2008, at which time members of the public were invited to comment on the project. The processing of the environmental documentation for this project has been executed according to the requirements of the California Environmental Quality Act.

Comment 6.2

This illegality violates numerous federal regulations, specifically:

a. 24 CFR 970 (d) relating to demolition or disposition of public housing projects requiring that the housing projects be first [be] offered to the tenants for purchase, and other violations under 24 CFR 970;

b. National Environmental Policy Act (NEPA) of 1969, as amended; and under various points of the act;

c. The National Affordable Housing Act of 1990, wherein the "project sponsors" have stated they are meeting its requirements, but they have not.

d. Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is expended for housing or community development, "to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area.", but the "project sponsors" failed to do this.

e. The SFHA is violating 24 CFR 970 (b) 3 (i) by systematically evicting the tenants to avoid providing relocation assistance and other economic benefits mandated by law, wherein, since the ENA was illegally granted to the "project sponsors," over the past three plus years, over 80% of the Hunters View residents (some who have lived there over 50 years) have either been evicted or are under the present process of being evicted (of the 157 remaining Hunters View families, 116 are presently being processed for eviction);

f. It appears that the "project sponsors" and the relevant agencies are denying the Hunters View tenants their civil rights and equal opportunity, in violation of the 1970 US Racketeer Influenced & Corrupt Organizations Act (RICO), and have demonstrated probable cause that they are injuring the Hunters View tenants, and the residents of a number of privately owned, San Francisco affordable housing projects and SFHA public housing projects, through a series of **[missing text]**

g. It appears that the local Project Area Committee (PAC) has been established and is operating in violation of federal and state laws;

h. Because the "project sponsors" and the relevant agencies have refused, after repeated requests, to give the Hunters View Tenants Association, Inc. full disclosure of all documents pertaining to the Hunters View redevelopment, the "project sponsors" and the relevant agencies are violating both the California Records Request Act and the federal Freedom of Information Act;

i. And other apparent violations.

Response 6.2

Comment 6.2 is not a comment on the adequacy of the DEIR; therefore, under CEQA no response is required. The following response is provided for informational purposes only.

The nexus for the National Environmental Protection Act (NEPA) compliance requirement could be threefold. The Project Sponsor would be required to obtain approval from the U.S. Department of Housing and Urban Development (HUD) for the demolition of the existing buildings and for the transfer of land. In addition, federal financing may be awarded to the Hunters View Redevelopment Project. With regard to NEPA compliance documentation, the Project Sponsor would be required to prepare an Environmental Assessment for the proposed Project. Based on the Environmental Assessment either a Finding of No Significant Impact (FONSI) or an Environmental Impact Statement (EIS) would be prepared. This is separate from the CEQA process.

Comment 6.3

2. The "project sponsors" and the relevant agencies are processing this EIR, despite the fact that the SFHA has given notice to the Hunters View Tenants Association, Inc. and the Hunters View tenants that they have the right to buy and redevelop Hunters View. The Hunters View Tenants Association, Inc. has given timely notice of its intent to exercise this right of purchase, and on March 14, 2008, submitted a formal application to purchase and redevelop Hunters View. By HUD regulations, the SFHA has 60 days from application to respond to the application, which they have yet to do.

Unless the SFHA has no intention of approving the Hunters View Tenants Association's application to purchase Hunters View, it does not make sense that it and all other relevant agencies should be processing the "project sponsors" Hunters View redevelopment plans (including the EIR).

It appears that the "project sponsors" and the relevant agencies are keeping this tenants' right to purchase and pending application a "secret", since in no inter-agency correspondence we have seen, and in no stories reported in any media have mentioned this (although there have been numerous stories discussing the Hunters View redevelopment). Therefore, it appears that the "project sponsors" and the relevant agencies are engaged in a malfeasant "cover-up" to promote their proposed plan.

We suspect that the "project sponsors" and the relevant agencies are plotting and conspiring to deny the Hunters View Tenants Association a reasonable and equal opportunity to purchase and develop Hunters View, especially in the light of the following related incident:

- A friend inside the SFHA had overheard top SFHA officials saying, in gist: How do "those people" think that they can buy Hunters View - they can't even pay their rent? And, "those people" are crazy if they think we are **EVER** going to sell this property to them!"

Note: it is common knowledge in official circles in San Francisco government offices "those people" is a demeaning euphemism for poor black people.

Response 6.3

Comment 6.3 is not a comment on the adequacy of the DEIR; therefore, under CEQA no response is required.

Comment 6.4

The attached document, called **Black Flight**, which was a presentation to UCSF Medical Students on 2/15/08 by Ahimsa Porter Sumchai, M.D. UCSF Class of 81, is hereby incorporated in its entirety, as part of this letter.

This is not our final objection to the Hunters View EIR, but an expansion of this letter, including probable cause, will be presented in a timely manner to the Planning Department and the Planning Commission. Also attached is a copy of the December 13, 2007 letter from the SFHA offering the tenants the right to purchase, and a response by their association accepting it. The submission will be included in the expanded objection to the EIR.

Response 6.4

Comment 6.4 identifies the attachments to Comment letter 6 which are reproduced, in their entirety, in Appendix A. Comment 6.4 is not a comment on the adequacy of the DEIR, therefore, under CEQA no response is required.

LETTER 7: JILL FOX, INDIA BASIN NEIGHBORHOOD ASSOCIATION, APRIL 12, 2008.

Comment 7.1

I am writing on behalf of the India Basin Neighborhood Association with concerns about the Hunters View Redevelopment Project Case #2007.0168E Environmental Impact Report. The Hunter's View project is within the parameters of our neighborhood association.

While IBNA generally supports this project, we are extremely concerned about the "unavoidable adverse significant impact" on the intersections at Third/Evans, Thirds/25th, Third/Cesar Chavez, Illinois/Cargo/Amador, and Middle Point/Evans identified in the EIR. These five intersections are the access routes to our entire neighborhood. We hope that "unavoidable" is not considered "acceptable" by the Planning Department.

We request that additional effort be made to mitigate the adverse impact of this project on these intersections and our community. We welcome the opportunity to work with the Planning Department and project developers to find a creative solution to this problem.

Response 7.1

The City and County of San Francisco in cooperation with Caltrans District 4 have identified a series of potential, alternative improvements to transportation in the vicinity of the proposed Hunters View Housing Project. These alternatives are collectively called the "Bayview Transportation Improvements" (BTI). One key purpose of the improvements is to reduce the impact of truck traffic on Third Street and residential streets and to develop a more direct truck route between U.S. 101 and the existing and proposed industrial areas near the Hunters Point Shipyard. A separate environmental review document meeting both CEQA and NEPA requirements is in the process of being drafted for the BTI project. Several BTI alternatives are in the process of being evaluated. These improvements focus on providing better and more channeled truck traffic controls to allow more efficient traffic movements on Third Street and provide trucks with a more direct route to the freeway on- and off-ramps. The alternatives under study include a northern route and a southern route for trucks and ultimately one northern route and one southern route will be selected as the preferred alternative. The two bridge alternatives also include roadway spurs to the South Basin industrial area: all of the alternatives would reduce conflicts between trucks and other modes of travel, especially along

Third Street, and would remove trucks from Third Street by providing better and more direct access to and from the industrial areas, port and U.S. 101.

Bayview Hunters Point generally lacks direct connections to the rest of the City. The area's early, largely unregulated development resulted in mixed land use patterns such as residential, meatpacking, breweries and other businesses and industries within the same block. These land use overlaps coupled with an underdeveloped transportation system have resulted in indirect connections, gaps, dead end streets, safety concerns and lower levels of service in addition to untenable levels of truck traffic through residential neighborhoods. The T-Third Street light rail is a new connection that plays an important role in the community's vision for the Bayview/Hunters Point area. It should be noted that many of the Third Street signal operations are constrained by the T-Third Street light rail. In addition to the light rail line which runs down the center of Third Street, there are several in the planning and development stages that will improve the infrastructure of the Bayview area. These projects are shown in Table C&R-7.

TABLE C&R-7
REASONABLY FORESEEABLE PROJECTS IN THE BAYVIEW / HUNTERS POINT AREA

Project	Implementing Agencies	Proposed Uses	Status
Illinois Street Bridge	City & County of San Francisco	Provided additional two lane intermodal (rail + truck) bridge over waterway to provide an additional route for trucks	Construction underway
Bayview / Hunters Point Redevelopment and Rezoning Project	City & County of San Francisco	Use Redevelopment Tools to retain and create new businesses and housing	Plan approved
Hunters Point Shipyard Redevelopment Project	City & County of San Francisco	500 Acres of mixed industrial, maritime, industrial research and development, educational and cultural, institutional, residential and open space	One parcel graded, two parcels in the planning stage and a fourth parcel not yet planned.
Executive Park Neighborhood Plan / Yerby & UPC Development	City & County of San Francisco	A total of 2,800 new residential units and up to 50,000 square feet of commercial uses are planned and local roadway improvements to accommodate new users	Plan under review
Bayview Waterfront Project (Candlestick Point / Shipyard / India Basin Development	City & County of San Francisco	780-acre development consisting of 9,000 new residential units, 645,000 square feet of retail uses, 2.1 million square feet of office/research and	Plan under Review

		development, new stadium-	
North and Central Bayview Traffic Calming Project	City & County of San Francisco	Use of traffic calming to reduce the impact of cut-through traffic, speeding, exhibitive driving and excessive noise and traffic levels.	Project is underway and on-going.
The Blue Greenway	City & County of San Francisco	Recreation trail connecting waterfront, parks, open spaces, and water oriented activities	Project funding approved
Cesar Chavez Bicycle Project	City & County of San Francisco	Striping of bicycle lanes throughout the Bayview / Hunters Point Area	

Source: San Francisco Planning Department – May 2008

The MTA Livable Streets unit will perform a closer review of Bayview Hunters Point traffic patterns and explore ways to improve safety by the application of traffic calming measures. The MTA will be investigating the feasibility of site specific traffic measures throughout the study area.

As discussed in the 227-229 West Point Road Transportation Study, due to the region's location near cargo facilities and industrial land uses, truck traffic is a major concern for neighborhood residents. At the intersection of Third Street/Evans Avenue, for example, heavy vehicles account for approximately 7 to 10 percent of all traffic in the AM peak period (7:00 AM to 9:00 AM) and for 2 to 3 percent of all traffic in the PM peak period (4:00 PM to 6:00PM).[10] Heavy vehicles can significantly degrade intersection operations due to their low rate of acceleration and poor maneuverability. Reducing or restricting the number of heavy vehicles at critical intersections during the weekday peak hours could improve intersection operations and decrease delay.

[10] Watson, James, DMJM Harris, Memorandum to Nannie Turrell, San Francisco Planning Department, May 14, 2008. A copy of this Memorandum is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor in Case No. 2007.0168E.

PUBLIC HEARING COMMENTS, APRIL 3, 2008.

Ulysses J. Montgomery

S1.1

Commissioners and audience,

My name is Ulysses J. Montgomery. I'm here on behalf of and for the benefit of the residents of Hunters View tenants, speaking through their legally organized entity, the Hunters View Tenants Association. We prepared our comments in the form of a letter. In the interest of saving time, I'll just hit some of the highlights on it. One. This project appears to be in violation of the fundamental rights of the residents of Hunters View; in addition, in violation of federal and state laws which attempt to protect those rights. We are submitting that this whole process, San Francisco Hope, allocating tentative and exclusive negotiating rights to selected developers, and this Environmental impact report, is illegal. And we are recommending and requesting that the whole process be stopped until these illegalities have been addressed and resolved. And I will add, they can be resolved. I'm a civil engineer. Any problem can be solved.

To specify some of the specifics, these two programs are in violation of Federal Regulation 970. They're in violation of the RICO Act, which is commonly referred to as the Racketeering Act. It's in violation of Section Three of a 1968 Housing Act. It's in violation -- not the program, but the way the agencies have been administering it -- is in violation of public information laws of the state of California. *(Ulysses J. Montgomery)*

Response S1.1

As noted in the comment, the speaker's comments were submitted in the form of a letter, which is included as Comment Letter No. 6 from Ulysses J. Montgomery. Responses to comments regarding the rights of Hunters View residents and the processing of the EIR are included as Responses 6.1-6.4, above.

D. STAFF-INITIATED TEXT CHANGES

The following text changes are made in response to the Response to Comments and additional staff initiated text changes. None of these changes result in a substantial change in the project description or analysis and do not change the overall conclusions of the DEIR. Text to be omitted is formatted as ~~strikethrough~~ text and text to be added is formatted as double underlined text. The following text is added to p. 144 of the DEIR.

Archaeological Resources. An archaeological resource investigation was conducted as part of the *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report* (BVHP FEIR), including the Hunters View area, as summarized below.[11] In addition, the project was subject to preliminary archaeological review by the Planning Department.[12]

~~Before it was reclaimed, the Hunters Point shoreline extended roughly along present-day Hunters Point Boulevard and Innes Avenue. No archaeological sites are recorded within the boundaries of this portion of the BVHP area. The closest recorded sites were three shellmounds (CA-SFr-12, -13, -14; Nelson Site Nos. 391, 392, 392a) located approximately one-quarter mile to the east which were destroyed when that section of the Hunters Point Peninsula was reclaimed.~~

Since Nels Nelson did his survey of prehistoric shellmounds in the Bay Area in the early 1900s the Hunters Point-Bayview area has been known as an area with a comparatively dense concentration of prehistoric shellmound sites. For the most part these prehistoric mounds were located along/near the historic Bay shoreline, tidal lagoons, or wetlands. Many aspects of the development and uses of these mounds is subject to debate today but in general they represent prehistoric features of areas used/occupied for periods of several hundreds of years or, in some cases, more than a thousand years, and typically in association with human burials. There are no prehistoric sites including shellmounds, recorded within or adjoining the Project Site. However, CA-SFR-15 (Nelson 389a) and CA-SFR-11 (Nelson 390) have been recorded in locations that cause concern for the possibility of prehistoric deposits being present in the apparent buried soil deposits in the lower southeast portion of the Project Site in the areas described as Project Blocks 13, 18, and 19, as shown in Figure 2, DEIR p. 47. Although this location lacks the locational characteristics typically associated with prehistoric sites in this area,

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11 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.J-28 – III.J-30. Hupman, Jan M. and David Chavez. *Archaeological Resources Investigations for the Bayview-Hunters Point Redevelopment Plan.* August 2001.

12 Dean, Randall. MEA Preliminary Archeological Review Checklist 227-229 West Point Road/Hunters View. 7 February 2008.

Nelson noted that the so-called 389a shellmound was an apparently interior site served by fresh water springs.

During prehistoric times, the San Francisco Bay Region was sparsely populated with native people surrounding San Francisco Bay at the time of European arrival.

In March 1776, the Spanish, led by Juan Bautista de Anza and his soldiers began to explore present-day San Francisco. When Mexico gained its independence from Spain in 1822, the government began granting large parcels of land in what is now San Francisco to individuals who engaged in the cattle and tallow trade. The entire Bayview Hunters Point neighborhood was within the boundaries of one of these ranches, the Rancho Rincon de las Salina y Potrero Viejo.

Later, this Hunters Point Shoreline area was first settled by the Hunter Brothers in the 1850s. Robert Hunter built a homestead, called India Basin Ranch, near a freshwater spring at the corner of Innes Avenue and Griffith Street. Robert Hunter and his family continued to live on India Basin Ranch into the 1870s, and for years their homestead buildings were the only structures in the area. Although this area remained largely undeveloped, a number of ship/boat/barge buildings and repair businesses were established starting in the late 1860s around Evans Avenue and Keith Street. A second Hunters Point enterprise was the Albion Brewery, which was constructed in 1870 on the east side of Griffith Street between Innes and Jerrold Avenues, about one-quarter mile south of Hunters View, and relied on the Hunter's spring as its water supply. The Albion Water Company was founded in 1913 and remains at that location. Another industry consisted of Chinese shrimp camps, two of which were located at the northeast corner of present-day Davidson Avenue and Ingalls Street alignment, and another at the foot of Evans Avenue between the Ingalls and Hawes Street alignments. Nearly one dozen buildings labeled shrimp cooking, shrimp cleaning and shed were present at the camp. Numerous other farmhouses, stables, and outbuildings were located in the area by the turn of the century.

The U.S. Navy became interested in the Hunters Point area as early as 1908 when Admiral Perry's "Great White Fleet" circled the world and sailed into the San Francisco Bay, only to find the waters of the U.S. Navy Ship Repair Yard at Mare Island too shallow. He then proceeded to the privately held drydocks at what is now Hunters Point Shipyard, where the water was deep enough to dock the ships.

The first major physical change in the India Basin Area occurred in 1917 when the construction, widening, and grading of present-day Hunters Point Boulevard/Innes Avenue began as part of

a World War I effort to transport workers and materials efficiently to the Hunters Point Drydock. The entire Chinese community and shrimping facilities located on the waterfront were evicted by Navy facility expansion in 1938.

After the United States entered World War II, nearly all the structures in this area were demolished so that the United States Housing Authority could build dozens of one- to two-story, wood-framed dormitories to house civilian shipyard employees (currently the Hunters View, Hunters Point, and Westbrook Housing sites). As discussed above under Historic Resources, the present Hunters View housing was developed on the site of those World War II buildings.

Therefore, because of Hunters View's location near San Francisco Bay, previously unidentified subsurface cultural resources dating from the historic period (approximately the last ~~200~~ 150 years) could potentially be present on the Project Site and could be disturbed during grading and construction. The proposed Project would result in soils disturbance to variable depths ranging from five to 25 ft below existing grade due for site grading, installation of one- and two-level sub-grade parking garages, redesign, replacement, and upgrade of utilities, and expected shallow building foundations. ~~involve grading and excavation up to a depth of 20-25 feet.~~ However, a majority of the Project Site is underlain by relatively shallow soil deposits underlain by decomposing bedrock at depths of 3 to 4 ft. below grade. It is unlikely that archeological deposits of sufficient integrity (sufficient sample size, diagnosticity, and associations) would be present in this area of thin soils. The southeast portion of the Project Site (Blocks 13, 18, and 19, as shown in Figure 2, DEIR p. 47) has historic fill deposits extending to approximately seven feet. below grade and is underlain by a relatively deep level of 11-12 feet of cumulative soil deposition which may have served as an historic/prehistoric living surface. To avoid any potential impacts to the portion of the Project Site (Blocks 13, 18, and 19) where there is an appreciable potential for archeological deposits to be present, the Project Sponsor would implement Mitigation Measure H-1: Archaeological Resources, in Chapter IV, pp. 197-200 which would require an archaeological monitoring program during construction activities in Blocks 13, 18, and 19 which ~~and~~ would reduce potential construction-related impacts on archaeological resources to a less-than-significant level.

Geologic and Paleontological Resources. As described in the Geology and Soils section of this EIR, the rock unit underlying the Project Site is serpentinite. This rock is the metamorphosed remains (altered by heat and pressure) of magnesium-rich igneous rocks (crystallized from molten rock) in the Earth's mantle (a thick layer of nearly molten rock just below Earth's crust). Such rock is not paleontologically sensitive because the heat and pressure within Earth's mantle

is more than sufficient to destroy any fossil remains that might have been in the original rock. The soils that overlie the serpentinite bedrock are thin and were formed by the weathering of the bedrock. Some alluvium is present in the lower areas of the site; however, the material in the alluvium is formed from the weathering and decomposition products of the underlying bedrock. Fossils would not, therefore, be found in the rock or the soils on the Project Site.

The serpentinite bedrock forms the core of most of the hills in San Francisco and, therefore, is not considered a unique geologic feature of the Project Site. No unique geologic features exist on the Project Site, thus there would be no impact on such features as the result of the proposed Project.

Human Remains. The southeast portion of the project site is characterized by deeper native soil deposits and it is more likely that human remains in prehistoric contexts would be found in such native soils, compared to locations at the site with shallow soils above bedrock. Therefore, human remains could be affected by project activities in that southeast portion. To avoid any potential impacts to human remains, the Project Sponsor would implement Mitigation Measure H-1: Archaeological Resource in Chapter IV, p 197. which would reduce potential impacts to human remains to a less-than-significant level. ~~The Project Site has historically been used for residential housing and has been previously disturbed for the foundations for the existing housing. There is no reason to believe that any human remains exist at the Project Site, and therefore, no impact would occur.~~

Cumulative Cultural Resources. As described above, the proposed Project would not impact historic resources or unique geologic features; therefore, no cumulative impact on historic architectural or geologic resources would occur. Cumulative development in the San Francisco region has the potential to encounter unknown archaeological resources. As described above, Mitigation Measure H-1 would reduce the proposed Project's potential impact to archaeological resources, to be less than significant. As such, the proposed Project would not contribute to any cumulative impact to archaeological resources.

Mitigation Measure H-1: Archaeological Resources

Based on the reasonable potential that archaeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed Project on buried or submerged historical resources. The Project Sponsor shall retain the services of a qualified archaeological consultant having expertise in California prehistoric and urban historical archeology. The archaeological consultant shall undertake an archaeological monitoring program during construction activities

in Blocks 13, 18, and 19. The archaeological consultant shall first undertake a geoarchaeological study of this project sub-area to determine if any buried land surfaces available for prehistoric occupation are present. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the proposed Project for up to a maximum of four weeks. At the direction of the ERO, the suspension of *construction* can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archaeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Archaeological monitoring program (AMP). The archaeological monitoring program shall minimally include the following provisions:

- The archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archeologist shall determine what project activities shall be archaeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archaeological monitoring because of the potential risk these activities pose to archaeological resources and to their depositional context;
- The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource;
- The archaeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits;
- The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in

consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.

If the ERO in consultation with the archaeological consultant determines that a significant archaeological resource is present and that the resource could be adversely affected by the proposed Project, at the discretion of the Project Sponsor either:

- The proposed Project shall be re-designed so as to avoid any adverse effect on the significant archaeological resource; or
- An archaeological data recovery program shall be implemented, unless the ERO determines that the archaeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

  If an archaeological data recovery program is required by the ERO, the archaeological data recovery program shall be conducted in accord with an archaeological data recovery plan (ADRP). The project archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the ADRP. The archaeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archaeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed Project. Destructive data recovery methods shall not be applied to portions of the archaeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program.* Consideration of an on-site/off-site public interpretive program during the course of the archaeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archaeological resource from vandalism, looting, and non-intentionally damaging activities.

- *Final Report.* Description of proposed report format and distribution of results.
- *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.
- *Human Remains, Associated or Unassociated Funerary Objects.* The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archaeological consultant, Project Sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.
- *Final Archaeological Resources Report.* The archaeological consultant shall submit a Draft Final Archaeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the draft final report.

Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Major Environmental Analysis division of the Planning Department shall receive three copies of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.

Compliance with this mitigation measure would reduce impacts to undiscovered cultural resources to a less-than-significant level.

Appendix A: Comment Letters and Hearing Transcript

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY ARNOLD SCHWARZENEGGER, Governor

DEPARTMENT OF TRANSPORTATION
111 GRAND AVENUE
P. O. BOX 23660
OAKLAND, CA 94623-0660
PHONE (510) 622-5491
FAX (510) 286-5559
TTY 711

Flex your power!
Be energy efficient!

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APR 04 2008

CITY & COUNTY OF S.F.
PLANNING DEPARTMENT
MEA

April 2, 2008

SF280134
SF-280-R5.62
SCH#2007112086

Mr. Bill Wycko
San Francisco Planning Department
1660 Mission Street, Suite 500
San Francisco, CA 94103

Dear Mr. Wycko:

Hunters View Redevelopment Project – Draft Environmental Impact Report (DEIR)

Thank you for continuing to include the California Department of Transportation (Department) in the environmental review process for the Hunters View Redevelopment Project. We reviewed the Draft Environmental Impact Report (DEIR) and have the following comments:

1-1 ***Highway Operations***
Due to the close vicinity of the project to Interstate 280, please provide the Level-of-Service analysis for existing, project only, existing plus project, and 2025 cumulative conditions for the Pennsylvania Avenue on and off-ramps and 18th Street on and off-ramps.

Forecasting

1-2 Please provide the new vehicle trips generated on Pennsylvania Avenue on and off-ramps and 18th Street on and off-ramps.

On page 92, Table 7, the weekday PM peak hour net trip generation for daycare use is 7 vehicles. However, from the ITE Trip Generation 7th Edition (code 565), the vehicle trip generation rate for

1-3 daycare use is 13.18 trips per 1,000 square feet. As a result, there would be a total of 112 vehicle trips. Please explain the discrepancy.

On page 92, under the 'Trip Distribution/Assignment' section, please provide a vehicle trip distribution map.

1-4

Please provide calculations including factors, formulas and sources for the conversion of person trips to vehicle trips.

Community Planning

1-5 Cont'd Improved pedestrian access to pubic transit can reduce vehicle trip generation. Please provide adequate lighting on all sidewalks and consider using ladder-style striping for the crosswalks and installing signs to warn motorists of pedestrians at all intersections surrounding the project. The use of ladder-style striping will help improve visibility of the crosswalk.

1-5 Cont'd Should you have any questions regarding this letter, please call Yatman Kwan of my staff at (510) 622-1670.

Sincerely,

Lisa Carboni

LISA CARBONI
District Branch Chief
IGR/CEQA

Comment Letter #2

City and County of San Francisco
Recreation and Park Department

McLaren Lodge in Golden Gate Park
501 Stanyan Street, San Francisco, CA 94117
TEL: 415.831.2700 FAX: 415.831.2096 WEB: http://parks.sfgov.org

April 10, 2008

Mr. Bill Wycko
City and County of San Francisco
Planning Department
1650 Mission Street
San Francisco, CA 94103

Re: Case No. 2007.0168E
Hunters View Redevelopment Project

Dear Mr. Wycko:

2-1 We have reviewed the Draft of the Environmental Impact Report for the Hunters View Redevelopment Project. We would like to raise a number of comments on the current draft.

Page 13 - In the Summary section under "other impacts determined to be less than significant", "Recreation and Public space" the assertion that the addition of 800 units would not be considered a "substantial addition to the existing demand for available public recreation facilities" is supported by no apparent evidence.

2-2 Page 50 – Under "open space" the use of the new parks proposed are not detailed in order to understand if they will meet the new communities' needs. Both active and passive recreational space is needed citywide and fields and courts are always needed with new development. This does not discuss weather playing fields, highly needed and desired, will be accommodated in these new parks. Furthermore, it is unclear who would be providing "on-site management", if these services are to be provided by the Recreation and Parks Department, that cost and impact must be analyzed. This analysis is currently not provided.

2-3 Page 151-152-and Page 155 Under Parks and Recreational Facilities. The 1990 analysis provided by the City of San Francisco's General plan is cited. First, this information is extremely outdated, the city's population has changed significantly. Second, the assertion that the additional 800 families would not be a "substantial" addition to the area and the city as a whole is without substantiation. The Recreation Assessment Report, also cited, found that citywide there is a large need for additional playfield and other recreational space and this community is no exception. Many of the parks cited in the report need significant work, or if rebuilt recently were done so to meet existing population needs. An 800 family increase to the area would certainly have an impact on the more rapid deterioration of park and community facilities in the area. This analysis needs to be included in the Final EIR.

Thank you for your attention to this matter. If you need any further information, please do not hesitate to call me at (415) 831-2742.

Yours truly,

Daniel LaForte

Planner

cc:

Dawn Kamalanathan, RPD Planning Division
Karen Mauney-Brodek, RPD Planning Division

Comment Letter #3

RECEIVED

APR 04 2008

CITY & COUNTY OF S.F.
PLANNING DEPARTMENT
MEA

Bill Wycko
Environmental Review Officer
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Public Comment for Hunters View Development Project
Draft Environmental Impact Report, Case No. 2007.0168E

April 4, 2008

Dear Mr. Wycko,

Regarding Biological Resources, Mitigation Measure G-7: Significant trees (page 195).

The report needs to directly state that all trees are likely to be removed from the current Hunters View site. It appears that all the trees on the site are going to be removed, regardless if they are:

- street trees in the public right-of-way
- "Significant Trees" on private property within 10 feet of the public right-of-way, or
- any other tree on private property on the existing site.

3-1

The impact of the project to all the trees on the current site needs to be stated more clearly.

Is there really a plan to retain any existing trees? Based on a project of this scale with the amount of infrastructure replacement and construction activity to occur, it seems unlikely that any tree on site can be adequately protected and remain as part of the new design. Impacts to all trees from grading, soil compaction, construction activity and root loss will be severe.

The report accurately identifies that street trees and "Significant Trees" will require a permit for removal. However, the survey done by a qualified arborist needs to include all street trees and all "Significant Trees" on site. Any street tree will require a permit, regardless of its size.

3-2 Cont'd

The EIR report says that a qualified arborist will map and survey trees with a diameter greater than 36 inches that are proposed to be altered, removed, or relocated. It then says "Any removal of these trees associated with the proposed Project will require a permit review..." Which agency will be doing this permit review? Currently San Francisco's

Urban Forestry Ordinance does not protect private property trees or require a permit process for trees on private property if they do not qualify as "Significant Trees". Please clarify if this will be a separate permit review process, and which agency will be conducting the review.

3-2 Cont'd

San Francisco's Urban Forestry Ordinance requires that all street trees and "Significant Trees" be replaced. I recommend that a survey of all the street trees, all "Significant Trees", and all the trees on private property with a diameter greater than 4 inches at breast height (DBH) be surveyed and inventoried by a qualified arborist. This data should be included as part of the Final EIR.

3-3

An estimate of the total amount of new trees to be planted as part of this project should also be calculated, in order for the public to have a better understanding of how many trees are being removed and how many new trees will be planted. The trees should be classified as street trees, "Significant Trees", or private property trees.

Section 143 of San Francisco's Planning Code requires that one street tree be planted for every 20 feet of building frontage. Will this project be required to follow section 143 of San Francisco's Planning Code?

3-4

As part of the new Hunters View Development Project, who will maintain the street trees and trees on private property?

3-5

Will the new sidewalks be wide enough to accommodate street trees and pedestrians?

3-6

These are my comments on the Hunters View Development Project.

Sincerely,

Chris Buck
1657 Palou Avenue
San Francisco, CA 94124

Member, Bayview Hunters Point Project Area Committee

Comment Letter #4

CALIFORNIA HISTORICAL RESOURCES INFORMATION SYSTEM

ALAMEDA
COLUSA
CONTRA COSTA
LAKE
MARIN
MENDOCINO
MONTEREY
NAPA
SAN BENITO
SAN FRANCISCO
SAN MATEO
SANTA CLARA
SANTA CRUZ
SOLANO
SONOMA
YOLO

Northwest Information Center
Sonoma State University
1303 Maurice Avenue
Rohnert Park, California 94928-3609
Tel: 707.664.0880 • Fax: 707.664.0890
E-mail: leigh.jordan@sonoma.edu

26 March 2008

RECEIVED
MAR 27 2008
CITY & COUNTY OF S.F
PLANNING DEPARTMENT

File No.: 07-1263

Bill Wycko
Environmental Review Officer
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Re: Draft Environmental Impact Report, Hunters View Redevelopment Project, Case No. 2007.0168E

Dear Mr. Wycko:

Thank you for the opportunity to comment on this project. We commend your office on their efforts to protect and manage cultural resources. This office has following comments regarding the Hunters View Redevelopment Project Draft Environmental Impact Report:

4-1

- On page 144, it is stated that an "archaeological investigation was conducted as part of the Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report". This office has not received a copy of the report for this archaeological investigation and therefore can not comment on its scope or methods employed in relation to this current project.

4-2

- Based on this lack of information (as described above), and given that on page 197 (Ch. IV, section E.) it is stated that there is a "reasonable potential that archaeological resources may be present within the project site", we recommend that prior to the commencement of project activities further work be conducted to determine if buried archaeological deposits exist within the project area.
- It is further recommended that given the sensitivity of this area for Native American sites, a geoarchaeological study is warranted to determine if any buried land surfaces are present that may have been suitable for occupation by Native Peoples.

Once again, thank you for the opportunity to comment on this project and we look forward to working with you in the future. If we can be of any further assistance, please do not hesitate to contact us at 707.664.0880 or leigh.jordan@sonoma.edu.

Sincerely,

Bryan Much
Researcher I

Comment Letter #5

LANDMARKS PRESERVATION ADVISORY BOARD

1650 Mission Street, Suite 400 | San Francisco, CA 94103-2479 TEL: 415.575.6916 | FAX: 415.558.6409

March 31, 2008

Mr. Bill Wycko
Acting Environmental Review Officer
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Mr. Wycko,

On Wednesday, March 19, 2008, the Landmarks Preservation Advisory Board (Board) held public hearing and took public comment on the Draft Environmental Impact Report (DEIR) for the Hunters View Redevelopment Project dated March 1, 2008. After discussion the Board arrived at the following comments:

- The Board suggested listing *Black San Francisco: The Struggle for Racial Equality in the West* by Albert S. Broussard in the bibliography and including the history of the neighborhood as an African American community and the role this project played in the community. 5-1

- The Board recommended including more information on the relationship between the Hunter's View housing project and the African American community in Hunters Point.

- The Board encourages the project sponsors to install an interpretative display describing the site's history. 5-2

The Landmarks Preservation Advisory Board appreciates the opportunity to participate in the review of this environmental document.

Sincerely,

Robert W. Cherny, Vice President
Landmarks Preservation Advisory Board

N:\LPAB\LETTERS\HuntersView.doc

Comment Letter #6

The Hunters View Tenants Association, Inc.

227-229 West Point Road, San Francisco, Ca 94124
(415) 240-8135 – Tessie Ester, President

April 3, 2008

Copy to:

President Christina R. Olague
Members of the SF Planning Commission
Commission Chambers - Room 400, City Hall
San Francisco, Ca 94102

Bill Wycko, Acting Environmental Review Officer
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, California 94103

Re: Planning Dept. Case #2007.0168E – State Clearing House #2007112086
Hunters View Redevelopment Project regarding a DRAFT Environmental Impact Report (EIR), prepared by the San Francisco Planning Dept.

Dear President Olague and Commission Members,

The Hunters Point Tenants Association, Inc. and the tenants of Hunters View, as a class, object to the Draft Environmental Impact Report for the Hunters View Redevelopment Project for the following main reasons:

1. The "project sponsor" listed in the report, Hunters View Association, LP (comprised of the following private entities identified in the EIR: The John Stewart Co., the Ridgepoint Non-profit Housing Corporation and Devine & Gong), and the SF Redevelopment Agency (SFRA), the SF Housing Authority (SFHA), the Mayor's Office of Housing and the SF Planning Departments officials have been processing this project illegally, which means that the EIR is being processed illegally, and therefore all government processing and consideration of this EIR should immediately cease until this illegality has been. 6-1

   This illegality violates numerous federal regulations, specifically:

   a. 24 CFR 970 (d) relating to demolition or disposition of public housing projects requiring that the housing projects be first be offered to the tenants for purchase, and other violations under 24 CFR 970;
   b. National Environmental Policy Act (NEPA) of 1969, as amended; and under various points of the act;
   c. The National Affordable Housing Act of 1990, wherein the "project sponsors" have stated they are meeting its requirements, but they have not.
   d. Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is expended for housing or community development, "to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area.", but the "project sponsors" failed to do this.
   e. The SFHA is violating 24 CFR 970 (b) 3 (i) by systematically evicting the tenants to avoid providing relocation assistance and other economic benefits mandated by law, wherein, since the ENA was illegally granted to the "project sponsors", over the past three plus years, over 80% of the Hunters View residents (some who have lived there over 50 years) have either been evicted or are under the present process of being evicted (of the 157 remaining Hunters View families, 116 are presently being processed for eviction); 6-2 Cont'd
   f. It appears that the "project sponsors" and the relevant agencies are denying the Hunters View tenants their civil rights and equal opportunity, in violation of the 1970 US Racketeer Influenced & Corrupt Organizations Act (RICO), and have demonstrated probable cause that they are injuring the Hunters View tenants, and the residents of a number of privately owned, San Francisco affordable housing projects and SFHA public housing projects, through a series of

6-2 Cont'd

g. It appears that the local Project Area Committee (PAC) has been established and is operating in violation of federal and state laws;
h. Because the "project sponsors" and the relevant agencies have refused, after repeated requests, to give the Hunters View Tenants Association, Inc. full disclosure of all documents pertaining to the Hunters View redevelopment, the "project sponsors" and the relevant agencies are violating both the California Records Request Act and the federal Freedom of Information Act;
i. And other apparent violations.

6-3

2. The "project sponsors" and the relevant agencies are processing this EIR, despite the fact that the SFHA has given notice to the Hunters View Tenants Association, Inc. and the Hunters View tenants that they have the right to buy and redevelop Hunters View. The Hunters View Tenants Association, Inc. has given timely notice of its intent to exercise this right of purchase, and on March 14, 2008, submitted a formal application to purchase and redevelop Hunters View. By HUD regulations, the SFHA has 60 days from application to respond to the application, which they have yet to do.

   Unless the SFHA has no intention of approving the Hunters View Tenants Association's application to purchase Hunters View, it does not make sense that it and all other relevant agencies should be processing the "project sponsors" Hunters View redevelopment plans (including the EIR).

   It appears that the "project sponsors" and the relevant agencies are keeping this tenants' right to purchase and pending application a "secret", since in no inter-agency correspondence we have seen, and in no stories reported in any media have mentioned this (although there have been numerous stories discussing the Hunters View redevelopment). Therefore, it appears that the "project sponsors" and the relevant agencies are engaged in a malfeasant "cover-up" to promote their proposed plan.

   We suspect that the "project sponsors" and the relevant agencies are plotting and conspiring to deny the Hunters View Tenants Association a reasonable and equal opportunity to purchase and develop Hunters View, especially in the light of the following related incident:

   - A friend inside the SFHA had overheard top SFHA officials saying, in gist: How do "those people" think that they can buy Hunters View – they can't even pay their rent? And, "those people" are crazy if they think we are **EVER** going to sell this property to them!"

     Note: it is common knowledge in official circles in San Francisco government offices "those people" is a demeaning euphemism for poor black people.

The attached document, called ***Black Flight***, which was a presentation to UCSF Medical Students on 2/15/08 by Ahimsa Porter Sumchai, M.D. UCSF Class of 81, is hereby incorporated in its entirety, as part of this letter.

6-4

This is not our final objection to the Hunters View EIR, but an expansion of this letter, including probable cause, will be presented in a timely manner to the Planning Department and the Planning Commission. Also attached is a copy of the December 13, 2007 letter from the SFHA offering the tenants the right to purchase, and a response by their association accepting it. The submission will be included in the expanded objection to the EIR.

Sincerely,

Hunters View Tenants Association, Inc.

By Ulysses J. Montgomery

The Hunters View Tenants Association, Inc.

227-229 West Point Road, San Francisco, Ca 94124
(415) 240-8135 – Tessie Ester, President

SFHA
7 Brands

'08 JAN 14 PM 12:19

January 14, 2008

Naja W. Boyd
Deputy Executive Director
San Francisco Housing Authority
440 Turk Street
San Francisco, CA 94102

Re: Hunters View CAL 1-18 (3) Section 18 of the US Housing Act of 1937, as amended, 24 CFR 970.13 – Resident organization opportunity to purchase and Section 412, National Affordable Housing Act Offer of Sale

Dear Ms. Boyd,

Please consider this letter as confirmation that the Hunters View Tenants Association, Inc., in association with a to-be-formed development entity, are interested in purchasing and developing the Hunters View public housing project, pursuant to the above regulations.

We will be submitting a formal proposal in accordance with 24 CFR 970.11 (i) within 60 days from January 14, 2008.

Sincerely,

Ms. Tessie Ester

Tessie Ester, President
Hunters View Tenants Association, Inc.

cc: Members, Board of Directors of the SF Housing Authority
Members, Board of Directors of the Hunters View Tenants Association, Inc.

SAN FRANCISCO HOUSING AUTHORITY

440 Turk Street • San Francisco CA • 94102 • (415) 554-1200

December 13, 2007

Tessie Ester, President
Hunters View Tenants Association and
Hunters View Residents
227-229 West Point Road
San Francisco, CA 94124

Re: Hunters View CAL 1-18 (3), Section 18 of the United States Housing Act of 1937, as amended, 24 CFR 970.13 Resident Organization Opportunity to Purchase, and Section 412 National Affordable Housing Act of 1990 Offer of Sale

Dear Ms. Ester and Hunters View Residents:

The San Francisco Housing Authority (the Authority) is proposing phased demolition and new construction of the Hunters View public housing development. The new housing will include 267 public housing rental replacement units and approximately 500 other affordable rental, affordable homeownership, and market rate rental and homeownership housing units.

As required by Section 18 of the United States Housing Act of 1937, as amended and 24 CFR Part 970, the Authority must submit a Demolition/Disposition Application to the U.S. Department of Housing and Urban Development (HUD) to demolish the 51 buildings and 275 total residential and non-dwelling units at Hunters View CAL 1-18(3).

Prior to submitting a Demolition/Disposition Application to HUD to demolish any unit of public housing, the Authority is obligated by Section 412 of the National Affordable Housing Act of 1990 to:

- Inform you, the Hunters View residents and the organized Hunters View resident group, the Hunters View Tenants Association, of the Authority's intent to submit a Demolition/Disposition Application for demolition of Hunters View;
- Identify the project and/or the portion of the project to be covered in the application by unit and project number;
- Describe the physical conditions (see attached 2007 Comprehensive Physical Needs Assessment);
- Disclose the current occupancy status of Hunters View (see page 3);

- State, where appropriate, that the property may be purchased, with HUD's approval, for less than fair market value, based on commensurate public benefits to the community, to the public housing agency and/or to the federal government;

- Describe the plans for reuse after demolition,

- Inform you that public housing developments sold to resident organizations will not continue to receive capital and operating subsidy after the completion of the sale.

- Identify resources to provide technical assistance to the Hunters View Tenants Association and the Hunters View residents in order to facilitate better understanding of the opportunity of the Hunters View Tenants Association to purchase, the development's value and the potential use; and

- Give a date, not to exceed 30 days from the date of this letter by which the Hunters View Tenants Association must respond, in writing, its interest in purchasing, or a written response declining any interest in purchasing the development.

This letter will address the above mentioned obligations. The Authority staff will conduct an information session at the Hunters View Tenants Association monthly meeting on December 19, 2007 at 4:30 PM at the Hunter's View Tenants Association office located at 227 and 229 West Point Road. The Authority has mailed this letter to all Hunters View residents to inform them of the meeting date, the agenda, and the residents' opportunity to purchase Hunters View. The intent of the December 19, 2007 meeting is to describe in detail the Authority's obligations regarding this offer to purchase by the Hunters View Tenant Association to the Hunters View residents.

Hunters View Development

The Hunters View public housing development sits on approximately 19.65 acres of land on a prominent Bayview Hunters Point hillside in the South East sector of the City and County of San Francisco. The development has only 14 units per acre with large open space areas between the buildings. The property is just south of Evans Avenue and is intersected by Middle Point Road with apartments along either side and off West Point Road, Wills Street, and Hare Street.

There are 267 residential public housing units in 51 two- to three-story wood frame buildings with flat roofs. The exterior facing is plywood siding or cement plaster coated. The site also has a childcare center building. The management and tenant association offices are located in converted apartments. The buildings, which were never intended to be permanent, were constructed in 1956 on the foundations of World War II workforce housing. The buildings were rehabilitated twenty-five years ago in 1982.

Hunters View consists of 4 one-bedrooms, 75 two-bedrooms, 112 three-bedrooms, 68 four-bedrooms, and 8 five-bedrooms. Currently, the development is 63% occupied. There are 165 occupied units, 90 vacant units, and 8 non-dwelling units used for office and service space

The occupancy status of the development as of November 2007 are described below:

- A total of 165 households with 495 family members currently live at Hunters View, 63% female and 37% male. The average household size is 3 persons and most, 89%, are headed by women.
- Close to one half of the residents (49%) are young people aged 17 years and younger There are 41 children four years and under and 241 school age youth. There are 37 senior residents (7%) and 217 residents (44%) between the ages of 18 and 54
- 58% of the residents identify as African American, 21% as Asian/Pacific Islander, and 21% as Caucasian (which includes 7% of Latino descent).
- The average household income is $14,809 and the average rent paid per household is $203 per month. 49% of the residents pay $120 or less per month. 34% pay between $121 and $410, and 16% pay $411 or more.
- 42% of the households have at least one household member who is employed. The source of income for 66% of the households is one or a combination of the following: aid to dependent children, aid to disabled, old age assistance, social security, state welfare unemployment, private pension, foster childcare and/or other government/public assistance.

Appraisal and Terms of Sale

The Hunters View Tenants Association has a right under Section 412 of the National Affordable Housing Act of 1990 to be given an appropriate opportunity to purchase Hunters View. Such a purchase can be for less than fair market value, with HUD's approval, as long as there is a commensurate public benefit.

THE PRELIMINARY FAIR MARKET VALUE FOR THE HUNTERS VIEW PROPERTY IS FIFTY MILLION DOLLARS ($50,000,000).

This is an approximate value and is subject to change. Copies of the complete formal appraisal will be available to residents at the December 19, 2007 information session at Hunters View.

The buyer is obligated by law to maintain the same number of very low-income units It is the Authority's intention to redevelop the property with the public benefits described below:

- Ensure no loss of public housing - replace all current public housing units on a one for one basis and minimize temporary relocation of existing residents through phasing and other means.
- Create an economically integrated community with appropriate amenities build a matrix of housing types that includes: public rental housing, affordable rental and ownership housing, and market rate rental and ownership housing.
- Ensure that Hunters View residents have first right to rent and/or purchase the new housing, opportunities for job training, employment in construction and other work, involvement in long-term management of the new development, and opportunities to meet the requirements of homeownership.

- Involve residents and the community in the highest levels of participation throughout the development process.

Additionally, in the event that a purchase transaction is completed with the Hunters View Tenants Association, all capital and operating subsidies will cease for the site.

Technical Assistance

In the event that the Hunters View Tenants Association wishes to obtain technical assistance in order to consider the merits of an opportunity to purchase Hunters View, included is a list of suggested consultants to contact regarding such assistance: Non Profit Housing Association of Northern California (http://www.nonprofithousing.org/), Community Housing Partnership (http://www.chp-sf.org/), and Community Economics (http://communityeconomics.org/). Please note, this list is non-exclusive and is a collection of suggested consultants. You may also contact the Authority's Housing Development and Modernization Department at (415) 715-3210, or the HUD Regional Office at (415) 489-6400 in order to find additional resources.

Deadline for Response

The Hunters View Tenants Association will have until 4:30 pm (PST) January 14, 2008 to notify the Authority in writing of their interest in the opportunity to purchase Hunters View. The letter of interest must be submitted to:

Naja W. Boyd, Deputy Executive Director
San Francisco Housing Authority
440 Turk Street
San Francisco, California 94102

If the Authority does not receive notice affirming or refusing the right to purchase by 4:30 pm (PST) on January 14, 2008, the Authority will understand that the Hunters View Tenants Association has no intention of purchasing the Hunters View development, and the Authority will have met its statutory obligations under Section 412 of the National Affordable Housing Act of 1990.

Contents of Proposal

Should the Hunters View Tenants Association choose to submit a letter of interest, it will have 60 days from the date of receipt by the Authority of the Hunters View Tenants Association's letter of interest to submit a proposal to purchase the Hunters View development. In accordance with 24 CFR § 970.11 (i), the contents of the proposal must include, but are not limited to the following:

- The length of time the organization has been in existence.
- A description of current or past activities that demonstrate the organization's organizational and management capability, or the planned acquisition of such capability through a partner or other outside entities (in which case the proposal should state how the partner or outside entity meets this requirement).

- The organization's experience in the development of low-income housing, or planned arrangements with partners or outside entities with such experience (in which case the proposal should state how the partner or outside entity meets this requirement)
- A statement of financial capability
- A description of involvement of any non-resident organization (such as non-profit, for-profit, governmental, or other entities), if any, the proposed division of responsibilities between the non-resident organization and the established eligible organization, and the non-resident organization's financial capabilities.
- A plan for financing the purchase of the property and a firm financial commitment for funding resources necessary to purchase the property and pay for any necessary repairs
- A plan for using the property for low-income housing
- The proposed purchase price in relation to the appraised value.
- If applicable, justification for purchase at less than the fair market value in accordance with 24 CFR § 970.19 (a).
- An estimated time schedule for completing the transaction.
- A complete and full response to the terms of sale set forth by the Authority
- A resolution from the Hunters View Tenant Association that approves the proposal
- A proposed date of settlement, generally not to exceed 6 months from the date of PHA approval of the proposal, or such period as the Authority may determine to be reasonable

The Authority will approve the proposal if it meets the terms of sale as listed above and if it is supported by a firm financial commitment. Contrarily, the Authority may reject the proposal submitted by the Hunters View Tenants Association if it does not meet the terms of sale as provided by the Authority, and does not comply with any of the above mentioned requirements.

If the Hunters View Tenants Association and the residents would like information in addition to the enclosed formal appraisal and the 2007 Comprehensive Physical Needs Assessment of the Hunters View site, please contact Barbara T. Smith, Housing Development & Modernization Department, at (415) 715-3220.

Sincerely,

Gregg Fortner
Executive Director

Eleanora "Billie" Holiday sang of "strange fruit" hanging on southern trees. I now sing of "strange birds" flying over San Francisco's sky...

BLACK FLIGHT

Ahimsa Porter Sumchai, M.D. UCSF Class of 81
Presentation to UCSF Medical Students 2/15/08

"It was only when the Redevelopment Agency began to acquire buildings, evict occupants, and demolish structures, and urban renewal became a living, frightening reality, that real participation of the area's residents began, as they organized to defend themselves."

City For Sale - Chester Hartmann
University of California Press 2002

The "City by the Bay". San Francisco is an international seaport resting on a peninsula between the Pacific Ocean and the San Francisco Bay with a population of about 723,959 people. According to a 2005 demographic study fewer than 40,000 are Black. In 1970 over 126,000 Black people lived in San Francisco. Where have they flown?

In 1966 a business supported, self appointed citizens action committee called the San Francisco Planning and Urban Renewal Research Association or SPUR wrote in its booklet called Prologue for Action:

"If San Francisco decides to compete effectively with other cities for new 'clean' industries and new corporate power, its population will move closer to standard white Anglo-Saxon Protestant characteristics. Selection of a population's composition might be undemocratic. Influence on it, however, is legal and desirable for the health of a city."

An economic analysis conducted in San Francisco by ICF Consulting was released on April 5, 2006. It found that African Americans in San Francisco made on average 40% of whites in 2004 and that African American's constitute only 6% of the cities population – down from a maximum of 18% in the1970's.

Nationally, African Americans make 60% as much as whites. The study concluded that the wages of racial minorities lag behind White workers, in part, because they tend to be less education.

The analysis found, however, that Asians with comparable education earned less than Whites in San Francisco. Thus, the existence of institutional racism and barriers to entry based on race in both public and private sector hiring is clearly substantiated.

The study also concluded that the high housing costs and access to quality education drive the exodus from the city of African Americans and families with school age children. Nearly 78,000 residents have left San Francisco since 2000.

Don Santina is a cultural historian and third generation San Franciscan who received a 2005 Superior Scribing Award for his Black Commentator article, "Reparations for the Blues." According to his article the Black Agenda Report: Ethnic Cleansing in San Francisco, "not so long ago San Francisco was home to about 100,000 Blacks and the Fillmore district was a thriving Mecca of African American life. Today, Fillmore is gone, wiped out by "Negro Removal" in the guise of redevelopment, and the city's Black population has shrunk to 40,000.

The last bastion of concentrated Black life, Hunters Point, is slated for an ethnic cleansing designed to rob African Americans of not only a spectacular view of the Bay, but of any hope of remaining in the city."

The Fillmore was the flourishing center of Black culture in the decades following World War II. Called the "Harlem of the West", it was the economic, social and political "capitol" of Black San Francisco and the site of Black owned businesses including restaurants, night clubs, barber shops and beauty supply houses, markets, auto repair services and clothing stores. Jimbo's Bop City featured performances by jazz icons like Billie Holiday, Charlie Parker, John Coltrane and Dizzy Gillespie.

According to the Bayview Hunters Point Resident Stock Ownership Corporation's Administrative Complaint against the San Francisco Redevelopment Agency dated August 20, 2004, "The 1970 SFRA plans for the A-2 Western Addition project called for displacing 13,500 people. Opposition by the Western Addition Community Organizations (WACO) reduced the number of displaced people to about 10,000. Those who were not fortunate to find accommodation in other Black neighborhoods, such as Bayview Hunters Point were forced to leave town."

The Western Addition Community Organizations formed in 1967 in an attempt to prevent the wholesale removal of mostly poor African American families from the City's Western Addition where the Fillmore Center high rise project is now located.

In the first redevelopment case in the nation to force a city to the settlement table, WACO filed an Administrative Complaint followed by a class action law suit which led to an injunction in the 9th Federal District Court. As a result of this legal settlement 10 vacant newly cleared blocks of land were transferred to local community based, African American owned, non-profit development corporations, which built several thousand units of community owned affordable housing.

The Black Agenda Report identifies that, "... people who lived in the Fillmore were dispersed to the East Bay cities of Oakland, Richmond and to Bayview Hunters Point. As the Redevelopment Agency smashed homes and businesses, it issued thousands of certificates of preference to the people of the Fillmore. These certificates were documents which gave the displaced businesses and families a promise of preference for renting or buying other redevelopment property within the City and the right to return to the neighborhood from which they'd been evicted."

Of the 883 certificates given to Black owned businesses, only 39 resulted in business relocations. Of the 4,719 certificates issued to families, only 1,099 families returned to homes in the redeveloped project area. The remaining 590 businesses and 3,055 families were forever displaced and lost in follow-up by the SFRA.

Today, the "Fillmore" no longer exists. Renamed, the Western Addition, it has been fully gentrified or "repeopled"...a verb invented and used by Redevelopment operatives.

The SFRA turned next to 26 acres planned for San Francisco's South of Market, home to over 4000 poor residents and pensioners, 700 small businesses and 5000 workers. These residents were mostly retired and living out their years in Single Room Occupancy hotels. Many were people of color.

As Chester Hartman writes in City for Sale (University of California Press 2002), "Under the rubric of 'slum clearance' and 'blight removal', the Redevelopment Agency turned to systematically sweeping out the poor, with the full backing of the city's power elite. The area was referred to by planners, newspapers and City officials as "skid row" and the people who lived there as 'bums', 'drifters' and 'transients'. These carefully cultivated negative images allowed the planners of Yerba Buena Center to present their project as a two fold public service. They were providing economic revival through construction jobs and increased tourist and convention business, and they were helping the city clear out an undesirable element.

According to Hartman, "Thus, the welfare of the elderly, single poor working people of South of Market was placed in the hands of the city's corporate and financial interests. The area's residents were

kept in the dark about their fate. An Examiner series on South of Market residents quoted people as saying: "We don't know what they're going to do...', We're all confused...', 'When the plans are ready - they're ready."

Hartman concludes, "It was only when the Redevelopment Agency began to acquire buildings, evict occupants and demolish structures, and "urban renewal" became a living frightening reality, that real participation of the area's residents began, as they organized to defend themselves."

PART II

BLACK FLIGHT

"To rise, we must hold a vision of ourselves spreading our wings, reaching for the sky, saying, 'I Can' ".

Susan Taylor; Editor-in-Chief Essence Magazine

"If you don't know who you are as a people, you don't know who you are as a person"

Dr. LaFrancis Rogers-Rose
Professor of African American Studies
Princeton University

Fast forward to 2007. The median monthly rent in San Francisco is $2,200. A small "affordable" condo sells for $650,000 to $800,000. According to the 2000 census the per capita income in the wealthy Pacific Heights neighborhood is $86,583 in Bayview Hunters Point it is $14,482. Jobs in light and heavy industry once concentrated in the cities eastern neighborhoods have disappeared replaced by biomedical technology and a new urban professional class who have returned from the suburbs lured by a corporate "gold rush" of middle management positions.

An initiative slated for the June 2008 General Municipal election aims to integrate the Redevelopment Project Areas for the Hunters Point Shipyard and the Bayview Hunters Point Redevelopment Project's Candlestick Park Activity Node giving 750 acres of the city's most underutilized land to a financially strapped, corrupt corporation called Lennar Developers.

By the 1980's the largest population of African Americans in the state of California owned homes, property and businesses in the Bayview Hunters Point District of San Francisco, California. African Americans comprised over 60% of the districts 34,000 residents and were surpassed in number only by African Americans in Los Angeles.

Under the tenure of an African American Mayor and District 10 supervisor, the African American population in BVHP demonstrated its steepest decline to its current level of 48%. By 2005 the Area Median Income (AMI) in Bayview Hunters Point was approximately $15.8 thousand annually, thus affordable housing units must be made available at yearly lease or rental rates of $7,500 to retain the present population. The SFRA calculates affordable housing in the BVHP Project Area based on a citywide AMI of $30,000.

Why do Blacks sell out Blacks? William Reed postulates in the article, "Do Poor and Wealthy Black Americans Live in Two Different Worlds?" that a widening gulf exists between the values of middle class

and poor Blacks. More and more there are two classes of African Americans - the ones with education and jobs and those with neither.

A Pew Research Center survey found Black college graduates have values that are more closely aligned with those of middle class Whites than those of lower income Blacks. A majority of Black Americans at the top of the economic ladder blamed individual failings, not racial prejudice, for the lack of economic progress made by lower income African Americans.

The survey also found the condition of the Black middle class to be more fragile than that of Whites. Middle income African American families have difficulty passing on their middle income status to their children. About 45% of Black children who grow up in middle class families will slip into a lower income bracket in adulthood. Only 16% of White children slip into a lower socioeconomic bracket as adults.

Unnatural Causes is a four hour documentary series exploring America's racial and socioeconomic inequities in health. Produced by California Newsreel, it highlights research which shows that social conditions - the jobs we do, the money we're paid, the schools we attend and the neighborhoods we live in are as important determinants of hour health as are genetics, behaviors and even our medical care. The single strongest predictor of our health is our position on the class ladder. Whether measured by income, schooling, or occupation, those at the top have the most power and resources and on average live longer and healthier lives.

W.J. Wilson proposes in The Truly Disadvantaged that racially segregated neighborhoods create conditions adverse to health in a number of ways. These communities are often geographically isolated and have fewer resources and assets such as quality schools, grocery stores, libraries, childcare centers, parks and recreation facilities and public transportation networks.

Segregated low income neighborhoods often host toxic industries, freeways and municipal landfills. Overall, residents of high poverty neighborhoods live about eight fewer years than non-poverty neighborhoods. They also suffer more preventable events life infant mortality, pedestrian injuries and homicide. Because residents of segregated neighborhoods are often marginalized in the political decision making process, they are limited in their ability to effect change in their environments and circumstances.

The African American community in BVHP suffers from a disproportionate burden of diseases linked to environmental factors that can result in temporary and permanent disability. Although BVHP has less than 4% of the city's residents, it has one third of the city's hazardous waste sites. The area contains four times as many toxins as any other city neighborhood, according to a 1995 inventory conducted by Judy Quan of the Region 9 Environmental Protection Agency. The toxic inventory showed the area had 700 hazardous waste material facilities, 325 underground storage tanks and two Superfund sites - including the Hunters Point Naval Shipyard.

In 1995 the first health study of San Francisco's heavily polluted Bayview Hunters Point community found that hospitalizations for chronic illnesses were four times higher than the state average. Dr. Kevin Grumbach, a UCSF researcher assisted by Tomas Aragon of the San Francisco Department of Public Health noted that of 39 pollutants measured by the Bay Area Air Quality Management District in San Francisco, the highest concentration - 20 pollutants- was in Bayview Hunters Point.

The investigation revealed that hospitalization rates for asthma, congestive heart failure, hypertension, diabetes and emphysema were 138 per 10,000 in BVHP. The statewide average was 37 per 10,000. Earlier DPH studies identified excessive rates of breast cancer, leukemias, childhood cancers and cardio respiratory diseases in BVHP.

Air monitoring studies in 2003 documented select toxic air contaminants and criteria pollutants regulated by state and government agencies existing in ambient air in BVHP at concentrations exceeding the 80th percentile. These airborne toxins include sulfur dioxides, ground level ozone, particulates,

asbestos, ionizing radiation and the cancer causing volatile organic compound benzene. The Environmental Protection Agency's Office of Air and Radiation links premature infant deaths to particulate exposure.

The incidence of birth defects in Bayview Hunters Point exceeds city wide averages according to a state registry. This support the existence of teratogenic environmental influences in the neighborhood. Infant mortality rates for African American, Asian and Latinas living in BVHP exceed city wide rates.

The infant mortality rate for Black infants statewide is 11.6 per 1000 live births. The infant mortality rate for Black infants in Bayview approaches the U.S rate of African American infant deaths - 13.5 deaths per 1,000 live births. Nationwide the infant mortality rate for whites is 5.7 per 1,000 live births. A 2004 study of premature infant deaths conducted by the San Francisco Chronicle identified a "cluster" of cases in the South Basin region of the BVHP project area.

The study, "Condition Critical: Asthma in the Bayview Hunters Point Neighborhood, 1993-1995 was published in May of 1998 and confirmed the disproportionate health impact of this disease in BVHP.

Large quantity polluters generating more than 1,000 kilograms per month of hazardous wastes operate in BVHP including the Mirant and PG&E power plants, the shipyard and 27 other facilities. Nine leaking underground storage tanks are being "tracked" by the San Francisco Department of Public Health.

In 1998 an explosion at the PG& E plant sparked a social and environmental justice movement that has been reinvigorated by activists who oppose the siting of three combustine turbine peaker plants in southeastern San Francisco and advocate for the clean up to health based standards of the Hunters Point Shipyard. The PGE plant discharged over 450,000 pounds per year of heavy metals, petrochemicals and other pollutants. The plant also discharges over 100 tons per year of PM10 particle pollution, carbon monoxide, sulfur dioxide, nitrogen dioxide, lead, ozone and volatile organic compounds.

The PG&E Hunters Point Power Plant closed in 2006 and was the site, on January 28, 2008, of the collapse of a deconstruction platform that killed one and injured two workers.

The BVHP Redevelopment project is expected to worsen air quality through the unmitigated impacts generated by the new release of toxic air contaminants and the potential for airborne dispersal and volatilization of hazardous materials documented in the Final Environmental Impact Report for the project.

The Project will worsen air quality indirectly through the creation of multiple stagnated and obstructed transportation and circulation routes identified as unmitigated in the Final Environmental Impact Report.

On January 31, 2007 the Black Caucus of the California Legislature released a report titled "The State of Black California". It found the racial disparity between Blacks and Whites in San Francisco to be much bigger than any other city in the state. Additionally it determined that:

The per capita income of Blacks in San Francisco was only 44% that of whites and the gap in median household income between Blacks and Whites is highest in San Francisco. Inequality in unemployment between Blacks and Whites is greatest in San Francisco. The poverty rate of Blacks is highest in San Francisco. San Francisco is one of four cities with the worst Black infant death rates. The felony arrest rate for Black San Franciscans is 13.9%. The felony arrest rates for Asians are .62%, Latinos 2.85% and Whites 2% in San Francisco. Blacks have the highest misdemeanor arrest rate in San Francisco at 11%.

In education the study found that Blacks outcomes relative to those of Whites are much worse in the Bay Area due to racial inequality in course quality, test scores and high school drop out rates. Racial inequality in college completion between Blacks and Whites is greatest in San Francisco.

The operative definition of genocide is given in the U.N. Convention on the Prevention and Punishment of Genocide as "any act committed with the idea of destroying in whole or part a national, ethnic, racial or religious group. This includes such acts as killing members of the group, causing serious bodily injury or mental harm to members of the group, deliberately inflicting conditions calculated to physically destroy the group, and forcefully transferring children of the group to another group.

For centuries, nomadic Arab horsemen commonly referred to as the Janjaweed have exploited Black Sudanese in the Darfur region in a slave trade according to David Ruffin's "Darfur: Genocide in Plain View".

On October 11, 2005 the University of California Sudan Divestment Taskforce submitted a Proposal For Divestment From Sudan to the U.C. Regents. I assisted Jason Miller, UCSF MD/PhD candidate and Ben Elberger, leader of Stanford STAND in the successful effort to divest university funds from businesses with indirect holdings in the Government of the Sudan. Following on the heels of this success we led the effort urging the San Francisco Employees Retirement Fund to fully divest from businesses with holdings in the Sudan.

In May of 2006 I formulated and submitted an Appeal to the United Nations Commission to End Racial Discrimination against the City and County of San Francisco and the Redevelopment Agencies attempts to implement the Bayview Hunters Point Redevelopment Project and Rezoning.

The Appeal contended that the closure of public schools in Bayview Hunters Point, the high incidence of children in foster care, the transportation of children to schools outside their neighborhood, the closure of stores and businesses by the Third Street Light Rail Project, a jobless rate estimated by a UCSF study to be as high as 40% in contrast to a City unemployment rate of 5% and the year 2000 Census documented decline in the African American population to 48%, in concert with a substantiated high incidence of police brutality fulfill United Nations criteria for Genocide.

The Appeal charged the BVHP Redevelopment plan with shifting the tax base for the entire 1,400 acre project area from the city to the state and replacement of San Francisco's city government legislative, judicial and executive branch balance of power for land use decisions for the project area to the San Francisco Redevelopment agency , a secretive quasi- governmental entity that does not comply with local Sunshine Ordinance mandates for public notice and public participation in decision making and is governed by a Commission of mayoral appointees that has been subjected to multiple Ethics Commission investigations into charges of financial and political conflict of interest in development projects in the city over the last three decades.

According to Redevelopment: The Unknown Government, "Once a redevelopment project area is created, all property tax within it goes directly to the Agency. This means that all increases in property tax revenues are diverted to the Agency and away from cities, counties and school districts that would normally receive them."

Tax increment financing also directly impacts municipal budgets by diverting city revenues into redevelopment agencies. That part of the tax increment that would have gone to the city's general fund – averaging 12%- is lost and can now be used only by redevelopment agencies. Thus, there is now money to build malls and hotels, but less for police, firefighters and librarians. Cities cannot use redevelopment money to pay for salaries, public safety or maintenance, which are by far the largest share of municipal budgets."

Tax Increment Finance Diversion and land and property seizure are identified as the mechanism of financing for the Bayview Hunters Point Redevelopment Projects in its EIR. While the Agency denies its intent to utilize eminent domain in land and property acquisitions, California state law enables the Agency to exercise eminent domain actions for the first twelve years of implementation of the project.

Additionally, the Agency has established guidelines for the use of eminent domain on non-residential properties that fail to meet code standings and for properties in regions zoned for non-residential use.

This includes the Third Street Corridor of the project which has been rezoned neighborhood commercial but includes residential units that may face risk of eminent domain action.

The BVHP Redevelopment Project threatens to deprive the African American people of Bayview Hunters Point of land, historical legacy and culture in a region where they have predominated as an ethnic group since the World War II era. The Project fails to provide a Framework Housing commitment to 1 to 1 replacement housing for displaced low income residents and identifies in its EIR that "the projected need for affordable housing may exceed that provided by the Project in the Project Area, however there are no standards of significance for the provision of affordable housing, and therefore, this is not considered to be a significant adverse impact."

Low and very low income African Americans, who have predominated as an ethnically distinct group of people in the region of the proposed land seizure by the Agency, will face displacement, dispersal and forced migration under the implementation of this plan.

The appellants contend the government action proposed in the BVHP Project parallels- in anticipated outcome- the successful genocidal campaigns waged by legitimate government entities to depopulate, disenfranchise and displace ethnically distinct communities in Armenia, World War II Germany and Poland, Bosnia, Cambodia, Southern Sudan, Rwanda and in Darfur Province, Sudan.

Thus, the appellants argue the BVHP Redevelopment plan fulfills United Nations working and operational definitions of a government sponsored genocidal campaign.

Comment Letter #7

India Basin Neighborhood Association
PO Box 880953, San Francisco, CA 94188

RECEIVED
APR . 4 2008
CITY & COUNTY OF S.F.
PLANNING DEPARTMENT
M E A

April 12, 2008

Bill Wycko, Acting Environmental Review Officer
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco 94103

RE: Case #2007.0168E

I am writing on behalf of the India Basin Neighborhood Association with concerns about the Hunters View Redevelopment Project Case #2007.0168E Environmental Impact Report. The Hunter's View project is within the parameters of our neighborhood association.

While IBNA generally supports this project, we are extremely concerned about the "unavoidable adverse significant impact" on the intersections at Third/Evans, Third/25th, Third/Cesar Chavez, Illinois/Cargo/Amador, and Middle Point/Evans identified in the 7-1 EIR. These five intersections are the access routes to our entire neighborhood. We hope that "unavoidable" is not considered "acceptable" by the Planning Department.

We request that additional effort be made to mitigate the adverse impact of this project on these intersections and our community. We welcome the opportunity to work with the Planning Department and project developers to find a creative solution to this problem.

For more information on the India Basin Neighborhood Association, please visit www.IndiaBasin.org

Thank you for this opportunity to comment.

Jill Fox

Jill Fox
IBJill@Comcast.net 415 285-9211

Board of Directors: Kristine Enea, Chair • Jill Fox • Tori Freeman • Raleigh Habersberger • Michael Hamman • Richard Laufman • Kelly Lawson • Staci Selinger • Brian Stott • Robert van Houten • Christina Wert

SAN FRANCISCO PLANNING COMMISSION

CITY HALL, 1 DR. CARLTON B. GOODLETT PLACE

THURSDAY, APRIL 3, 2008

1:30 p.m.

HUNTERS VIEW REDEVELOPMENT PROJECT

PUBLIC HEARING ON THE DRAFT EIR REPORT

CERTIFIED COPY

REPORTED BY: JUDITH LARRABEE JOB NO. 407571

PRESENT: PRESIDENT CHRISTINA OLAGUE, COMMISSIONERS MICHAEL ANTONINI, SUE LEE, WILLIAM LEE, KATHRIN MOORE, HISASHI SUGAYA, SECRETARY LINDA AVERY

COMMISSION SECRETARY: Commissioners, you are now on Item 17, 2007.0168E, Hunters View Redevelopment Project. This is a public hearing on the Draft Environmental Impact Report.

COMMISSIONER SUGAYA: Request to be recused.

SECRETARY AVERY: On the motion to recuse Commissioner Sugaya. Commissioner Moore.

COMMISSIONER MOORE: Aye.

COMMISSION SECRETARY: Commissioner Sugaya.

COMMISSIONER SUGAYA: Aye.

COMMISSION SECRETARY: Commissioner Bill Lee.

COMMISSIONER BILL LEE: Aye.

COMMISSION SECRETARY: Commissioner Antonini.

COMMISSIONER ANTONINI: Aye.

COMMISSION SECRETARY: Commissioner Olague.

COMMISSIONER OLAGUE: Aye.

COMMISSION SECRETARY: Commissioner Sue Lee.

COMMISSIONER SUE LEE: Aye.

COMMISSION SECRETARY: Commissioner Sugaya is excused.

STAFF MEMBER: Good afternoon President Olague and members of the Commission. Nannie Turrell, Planning Department Staff.

The item before you is a public hearing on the Draft Environmental Impact Report for the Hunters View Redevelopment Project, Case No. 2007.0168E.

Today's action is a public hearing on the adequacy and accuracy of the information contained in the Draft Environmental Impact Report, and we ask that comments be focused on this.

There will be no decision today on approvals or disapprovals of the proposed project. That hearing will follow the EIR certification hearing.

We're here today to receive comments from the public and Commissioners regarding the Draft EIR as part of the environmental review process required by the California Environmental Quality Act. The public and Commissioners should note that staff is not here to answer comments today. Comments will be transcribed and responded to in writing in the Response to Comments document which responds to all comments received and makes revisions to the Draft EIR as necessary.

There's a court reporter here today. We ask that all commenters speak slowly and clearly. Also we ask

that you state your name and address so a copy of the Comments and Responses document can be mailed to you when completed. After comments from the public, we will take comments on the Draft EIR from the Commissioners.

The written comment period began on March 1st. It will end at 5:00 p.m. on April 14th. The Landmarks Preservation Advisory Board held a hearing on the Draft EIR on March 19th.

This concludes my presentation, and I ask that the public hearing on the Draft EIR be opened.

COMMISSIONER OLAGUE: Thank you. Ulysses J. Montgomery.

MR. MONTGOMERY: Commissioners and audience, my name is Ulysses J. Montgomery. I'm here on behalf of and for the benefit of the residents of Hunters View tenants, speaking through their legally organized entity, the Hunters View Tenants Association.

We prepared our comments in the form of a letter. In the interest of saving time, I'll just hit some of the highlights on it. One. This project appears to be in violation of the fundamental rights of the residents of Hunters View; in addition, in violation of federal and state laws which attempt to protect those rights. We are submitting that this whole

process, San Francisco Hope, allocating tentative and exclusive negotiating rights to selected developers, and this Environmental impact report, is illegal. And we are recommending and requesting that the whole process be stopped until these illegalities have been addressed and resolved. And I will add, they can be resolved. I'm a civil engineer. Any problem can be solved.

To specify some of the specifics, these two programs are in violation of Federal Regulation 970. They're in violation of the RICO Act, which is commonly referred to as the Racketeering Act. It's in violation of Section Three of a 1968 Housing Act. It's in violation -- not the program, but the way the agencies have been administering it -- is in violation of public information laws of the state of California -- (buzzer sounds.)

COMMISSIONER OLAGUE: Thank you. Is there any additional public comment? Seeing none, public comment is closed. Commissioners? No comment.

I will remind people that the public comment period ends -- could you repeat that, please?

STAFF MEMBER: The public comment period ends April 14th at 5:00 p.m. I believe that's a Monday. And comments can be delivered to the Planning

Department or received by the Planning Department up until that time.

COMMISSIONER OLAGUE: Okay. Was the time period extended only because the -- the date on the document is the 4th. That's why I was a little confused. That's why I hesitated.

STAFF MEMBER: Oh, oh. There was a request to OPR for a shortened review period.

COMMISSIONER OLAGUE: Great.

STAFF MEMBER: And we published the document with that information as though that would be accepted. OPR responded immediately and let us know that because the project included over 500 -- potentially over 500 new units -- there could be no shortened review period. And so we sent out a notice extending the comment period.

COMMISSIONER OLAGUE: Thank you. Commissioner Moore.

COMMISSIONER MOORE: Are we commenting now on the --

COMMISSIONER OLAGUE: Well, we had reopened it. That's fine.

COMMISSIONER MOORE: I stumbled on page 40 over something which does not express itself in the diagram on page 41.

Two sites are identified. The site is comprised or composited of two pieces. The diagram on 41 makes it hard to identify which the second piece is because it shows a out-of-project boundary without identifying side one and side two. So it would be helpful if somebody sees the two sides identified. That's a very minor comment. That's it.

COMMISSIONER OLAGUE: Thank you. We're going to take a 15-minute recess. We'll be back at 7:00 p.m.

(Whereupon, the hearing concluded at 6:45 p.m.)

---oOo---

REPORTER'S CERTIFICATE

I, JUDITH L. LARRABEE, a Hearing Shorthand Reporter in the State of California duly authorized to administer oaths, hereby certify:

That the proceedings therein were taken down in shorthand by me, a disinterested person, at the time and place therein stated, that the proceedings were thereafter reduced to typewriting, by computer, under my direction and supervision, and that the foregoing is a full, true and correct transcript of the proceedings therein to the best of my ability.

IN WITNESS WHEREOF, I have hereunto set my hand on this eighth day of April, 2008.

Judith Larrabee

Judith Larrabee, Shorthand Reporter

SAN FRANCISCO
PLANNING DEPARTMENT

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PUBLIC NOTICE

Hunters View Redevelopment Project
REVISED REVIEW PERIOD ending APRIL 14, 2008
PLANNING DEPARTMENT CASE NO. 2007.0168E
STATE CLEARINGHOUSE NO. 2007112086

This Notice supersedes the Notice dated March 1, 2008 which stated the EIR public review period as March 1, 2008 to April 4, 2008. The new public review period is March 1, 2008 to April 14, 2008 (45 days). Comments will be received until 5:00 p.m. April 14, 2008 and should be addressed to Bill Wycko, Acting Environmental Review Officer, San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103. Comments received at the public hearing and in writing will be responded to in a Summary of Comments and Responses document.

THERE ARE NO CHANGES TO THE PROPOSED PROJECT OR THE ENVIRONMENTAL DOCUMENT.

A Draft Environmental Impact Report (EIR) has been prepared by the San Francisco Planning Department in connection with this project. A copy of the report is available for public review and comment at the Planning Department offices at 1660 Mission Street, 1st Floor Planning Information Counter or on-line at www.sfgov.org/site/planning/mea. Referenced materials are available for review by appointment at the Planning Department's office at 1650 Mission Street, 4th Floor. (Call 575-9025)

Project Description: The 22.5-acre project site, the existing Hunters View Public Housing, is comprised of two adjacent properties. The first is at Middle Point and West Point Roads and Wills and Hare Streets, Assessor's Block 4624, Lots 3, 4 and 9. The second is along Keith Street, Assessor's Block 4720, Lot 27. The San Francisco Housing Authority and Hunters View Associates, LP, assisted by the San Francisco Redevelopment Agency and the Mayor's Office of Housing propose to construct up to 800 residential units in multiple buildings. The project would replace one-for-one the existing 267 public housing units, and would result in a mixed-income community comprised of for-rent and for-sale units at and below market rate, as well as public housing units. The project would also include housing constructed by Habitat for Humanity and resident-serving retail and community space, and up to 816 off-street parking spaces. The project would include improvements to access and circulation including realignment of some existing streets, and addition of new streets and sidewalks as well as areas of outdoor open space. Most of the project site is located within an RM-1 (Residential, Mixed-Use, Low Density) zoning district and a 40-X height and bulk district. A portion of the site is zoned RH-2 (Residential, House, Two-Family), NC-2 (Neighborhood Commercial, Small-Scale), and M-1 (Light Industrial). The proposed project would require a Zoning Map Amendment to rezone the site to 65-X, and Conditional Use Approval for a Planned Unit Development.

Significant Impacts: The Third Street/Evans Avenue intersection would degrade from LOS D to LOS E with the addition of Project trips in the Baseline plus Project Condition. The Project would contribute to a significant unavoidable adverse impact at this intersection. Under 2025 Cumulative Conditions, five intersections would operate at unacceptable levels (LOS E or LOS F): Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. The proposed Project would contribute to significant unavoidable adverse cumulative impacts at those five intersections.

A **public hearing** on this Draft EIR and other matters has been scheduled by the City Planning Commission for April 3, 2008, in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, beginning at 1:30 p.m. or later. (Call 558-6422 the week of the hearing for a recorded message giving a more specific time.)

Public comments will be accepted from March 1, 2008 to 5:00 p.m. on April 14, 2008. Written comments should be addressed to Bill Wycko, Acting Environmental Review Officer, San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, CA 94103. Comments received at the public hearing and in writing will be responded to in a Summary of Comments and Responses document.

If you have any questions about the **environmental review** of the proposed project, please call Nannie Turrell at 415-575-9047.

HUNTERS VIEW REDEVELOPMENT PROJECT

DRAFT
ENVIRONMENTAL IMPACT REPORT

SAN FRANCISCO PLANNING DEPARTMENT

CASE NO. 2007.0168E

STATE CLEARINGHOUSE NO. SCH 2007112086

DRAFT EIR PUBLICATION DATE: MARCH 1,2008

DRAFT EIR PUBLIC HEARING DATE: APRIL 3, 2008

DRAFT EIR PUBLIC COMMENT PERIOD:
MARCH 1, 2008 TO APRIL 4, 2008

Written comments should be sent to:

Bill Wycko, Environmental Review Officer • San Francisco Planning Department
1650 Mission Street, Suite 400, San Francisco, CA 94103

HUNTERS VIEW REDEVELOPMENT PROJECT

DRAFT
ENVIRONMENTAL IMPACT REPORT

SAN FRANCISCO PLANNING DEPARTMENT

CASE NO. 2007.0168E

STATE CLEARINGHOUSE NO. SCH 2007112086

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1650 Mission Street, Suite 400, San Francisco, CA 94103

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DATE: March 1, 2008

TO: Distribution List for Hunters View Redevelopment Project Draft EIR

FROM: Bill Wycko, Acting Environmental Review Officer

SUBJECT: Request for the Final Environmental Impact Report for Hunters View Redevelopment Project (Case No. 2007.0168E)

This is the Draft of the Environmental Impact Report (EIR) for Hunters View Redevelopment Project. A public hearing will be held on the adequacy and accuracy of this document. After the public hearing, we will prepare and publish a document titled "Summary of Comments and Responses" that will contain a summary of all relevant comments on this Draft EIR and our responses to those comments. It may also specify changes to this Draft EIR. Those who testify at the hearing on the Draft EIR will automatically receive a copy of the Comments and Responses document, along with notice of the date reserved for certification; others may receive such copies and notice on request or by visiting our office. This Draft EIR together with the Summary of Comments and Responses document will be considered by the City Planning Commission in an advertised public meeting(s) and certified as a Final EIR if deemed adequate.

After certification, we will modify the Draft EIR as specified by the Comments and Responses document and print both documents in a single publication called the Final EIR. The Final EIR will add no new information to the combination of the two documents except to reproduce the certification resolution. It will simply provide the information in one, rather than two, documents. Therefore, if you receive a copy of the Comments and Responses document in addition to this copy of the Draft EIR, you will technically have a copy of the Final EIR.

We are aware that many people who receive the Draft EIR and Summary of Comments and Responses have no interest in receiving virtually the same information after the EIR has been certified. To avoid expending money and paper needlessly, we would like to send copies of the Final EIR to private individuals only if they request them. If you would like a copy of the Final EIR, therefore, please fill out and mail the postcard provided inside the back cover to the San Francisco Planning Department within two weeks after certification of the EIR. Any private party not requesting a Final EIR by that time will not be mailed a copy. Public agencies on the distribution list will automatically receive a copy of the Final EIR.

Thank you for your interest in this project.

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I. SUMMARY

A. PROJECT DESCRIPTION (P. 40)

The San Francisco Housing Authority (SFHA) and Hunters View Associates, LP (Project Sponsor), assisted by the San Francisco Redevelopment Agency (Agency) and the Mayor's Office of Housing, propose the Hunters View Redevelopment Project (Project), in the Bayview Hunters Point neighborhood. The proposed Project would replace one-for-one the existing 267 Hunters View public housing units and add up to 383 to 533 additional units with a range of mixed-income housing types. The Project would thus include between 650 and 800 total new residential units, off-street parking, some ground-floor neighborhood-serving commercial space, and community facilities. The new units would include single-family homes, townhouses and flats. The Project would also include new sidewalks, roadways, utility infrastructure and landscaping. The proposed Project is anticipated to be developed in approximately 19 blocks with buildings ranging in height from 20 to 65 feet.

The Project would include an anticipated 350 affordable rental units (267 public housing and 83 additional affordable rental units), 17 Habitat for Humanity for-sale units, between 13 and 50 additional affordable home ownership units, and between 270 and 383 market-rate home ownership units. The final total of residential units may vary, based on refined planning analysis. This Environmental Impact Report conservatively analyzes development of up to 800 residential units.

The 22.5-acre Project Site, in the Bayview Hunters Point neighborhood, is approximately 1¼ miles east of U.S. 101/I-280, south of Evans Street and west of Hunters Point Boulevard. The Project Site is served by a local roadway network, Middle Point Road, West Point Road, Hare Street, and Wills Street. Most of the Project Site is within an RM-1 District (Residential, Mixed-Use – Low Density), a 40-X Height and Bulk District (which sets building height limits at 40 feet). Portions of the site are located in RH-2, M-1, and NC-2 Districts. The Project Site is also within the Bayview Hunters Point (BVHP) Redevelopment Plan, adopted in 2006 by the San Francisco Redevelopment Agency. The BVHP plan assumes that the Hunters View Project Site would continue to include 267 units of public housing, with increases in density for additional mixed-income housing units.

The Project would include approximately 6,400 square feet of neighborhood-serving retail that would be accommodated in three to six different spaces. While the retailers have not yet been determined, possible uses include neighborhood-serving uses such as a deli, a dry cleaner, or a

coffee shop. The proposed Project would include community-serving facilities that would serve existing and future site residents. Preliminarily, these facilities would include uses such as a community room, a computer learning facility, a childcare/Head Start center, children's play areas, and a senior center.

The proposed Project would include up to 816 off-street parking spaces, a ratio of up to one space per unit, and additional code required parking spaces for the other proposed uses. Most parking would be provided in partially or fully sub-surface parking garages below the housing and/or below mid-block landscaped courtyards. Middle Point Road, Wills Street, and Hare Street would remain in their current alignment; Wills Street and Hare Street would be extended and connected. West Point Road would be reconfigured to provide access from Middle Point Road to Fairfax Avenue. If the Project Sponsor can obtain site control through an easement on PG&E property adjacent to the site, the Project may include a pedestrian walkway providing access to Innes Avenue and India Basin Shoreline Park. The Project may also include a pedestrian walkway extending westward from the on-site portion of Fairfax Avenue as an extension of Wills Street.

The proposed Project would provide public and private open space areas. The design of the open spaces would be refined, and would likely include a mixture of passive and active recreation areas, with playgrounds or similar uses.

Hunters View, built in 1957, is currently owned and managed by the SFHA and consists of 50 one-to-three story buildings. The SFHA selected Hunters View Associates, LP, a partnership of the John Stewart Company, Ridge Point Non-Profit Housing Corporation, and Devine & Gong, Inc., as the developer charged with undertaking the revitalization of Hunters View. Hunters View Associates' primary objective is to build a high quality, well-designed, cost efficient and affordable mixed-income community that includes units for singles, families and seniors and community facilities that equally serve all residents. Specific objectives of the Hunters View revitalization project include the following:

- Develop up to 800 units of mixed-income housing;
- Replace all current public housing units, on a one-for-one basis, with high quality comparably affordable units;
- Avoid or minimize off-site relocation of residents during construction;
- Provide unit types to best meet the needs of the current and future residents;
- Continue to provide affordable housing opportunities yet decrease the concentration of public housing units by adding additional mixed-income units;

- Create affordable and market rate home ownership opportunities;
- Utilize the sales proceeds from the market rate home ownership component in order to help finance the construction of the public housing units;
- Realign the streets and placement of buildings to result in an urban configuration more typical of a San Francisco neighborhood and to maximize views for all residents;
- Create greater connectivity to the broader community by adding street and walkway connections where feasible;
- Provide usable open space;
- Provide supportive services for residents;
- Remediate the physical hazards of the existing Hunters View;
- Blend the design of the new buildings into the surrounding community;
- Base construction on healthy and green principles;
- Improve public housing facilities, amenities, security, and Americans with Disabilities Act (ADA) access at the site; and
- Create a stable mixed-income community that serves both existing residents as well as new residents.

B. MAIN ENVIRONMENTAL EFFECTS

The Planning Department issued a Notice of Preparation of an Environmental Impact Report and Notice of Public Scoping Meeting on November 16, 2007 and a Public Scoping Meeting was held on December 5, 2007. On the basis of the Planning Department's initial evaluation of the proposed Project and the public scoping process, this Environmental Impact Report (EIR) analyses Land Use, Plans and Policies, Visual Quality and Urban Design, Transportation and Circulation, Air Quality, Noise and Biological Resources. The potential effects of other environmental topics are addressed in Section III.I, Other Impacts Determined to be Less Than Significant. Those impact topics are Cultural Resources; Population and Housing; Shadow and Wind; Recreation and Public Space; Utilities and Service Systems; Public Services; Geology, Soils and Seismicity; Hydrology and Water Quality; Hazards and Hazardous Materials; Mineral and Energy Resources; and Agricultural Resources. Section III.I includes sufficient analysis to conclude that those effects would be less-than-significant, or would be less-than-significant with mitigation measures included as part of the Project.

LAND USE (P. 61)

The proposed Project would result in an increase in intensity of existing land uses by redeveloping the site with residential uses at a greater density, adding the commercial uses and

increasing community space on the site. The Project would not disrupt or divide the physical arrangement of an established community. While residential densities would be greater than what currently exist on the site, it would be similar to densities in the surrounding neighborhoods and those commonly found in San Francisco. Land use changes resulting from the proposed Project would be consistent with redevelopment goals to upgrade public housing and increase housing supply, particularly affordable housing. The EIR found that land use effects would be less than significant.

PLANS AND POLICIES (P. 54)

The *General Plan* contains general policies and objectives to guide land use decisions, and contains some policies that relate to physical environmental issues. The Project will be reviewed by the Planning Department and the City Planning Commission to make findings of consistency with policies of the *General Plan*. Decision-makers may identify potential conflicts between specific projects and goals and policies of the *General Plan*. During the review process, the decision-makers must evaluate and balance the potentially conflicting goals of different *General Plan* policies. Sections of the General Plan that apply to the proposed Project include the Housing Element and the Bayview Hunters Point Area Plan.

The San Francisco Planning Code (Planning Code), which incorporates by reference the City's Zoning Maps, governs permitted uses, densities and the configuration of buildings in San Francisco. The proposed Project would generally meet Planning Code land use, design and parking controls for the RM-1, RH-2 and M-1 use districts. Some exceptions from Planning Code requirements may be sought for the Project pursuant to the Planned Unit Development permit under Planning Code Section 304. The proposed Project would require a Zoning Map Amendment to rezone the site to 65-X to accommodate the buildings that would exceed forty feet in height. The zoning amendment would require Board of Supervisors approval.

The Project Site is located within the Bayview Hunters Point Redevelopment Project Area and would generally be consistent with the redevelopment goals of the BVHP Redevelopment Plan, as described under Land Use, above.

VISUAL QUALITY AND URBAN DESIGN (P. 66)

The Project would change the visual character of the site, replacing the existing housing in a series of one- to three-story buildings, generally set back from streets, with new buildings, ranging up to seven stories, oriented to a formal street grid, as found in many San Francisco neighborhoods. The Project would change views of the site from public open space along the

San Francisco Bay shoreline near the site, but it would not block publically accessible views of the Bay or other scenic areas. The Project would thus not have significant adverse impacts on publically accessible scenic vistas, nor would the Project damage scenic resources such as landscapes or other features that contribute to a scenic public setting.

The Project would change views from nearby areas. The Project would appear as denser infill development than current conditions, but would be consistent with development in nearby areas, which include patterns of buildings of varying height and massing, from single-family buildings, townhomes and flats, to multi-unit buildings, on hillside streets above the areas near the shoreline. The Project would also provide pedestrian-scale features, such as landscaped Park Street and other open space, and new pedestrian routes to the site. The changes would not substantially degrade existing visual quality of the site or surroundings.

The Project would create new sources of light, as part of the residential uses. The Project would use streetlights that would direct light downward onto roadways and pedestrian areas for purposes of safety, and would not spill onto adjacent properties. These sources of light, which would replace the existing Hunters View street lights and other outdoor lighting, would be typical of urban development in San Francisco and would not generate obtrusive lighting that would change conditions in adjacent areas. Project lighting conditions would not adversely affect daytime or nighttime views in the area, and would not substantially affect people or properties.

The *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report* found that development in the Hunters Point Shoreline Activity Node, which includes both the Hunters View site and the India Basin Shoreline area, would not have adverse effects on visual quality. Therefore, the Hunters View project would not contribute to adverse cumulative visual quality effects.

The Project would not have significant adverse impacts on visual quality and urban design, lighting, or have cumulative impacts to visual quality.

TRANSPORTATION (P. 76)

Traffic. The transportation study for the proposed Project analyzed intersection Level of Service (LOS) during the weekday PM peak hour period (from 4:00 to 6:00 p.m.) for nine intersections in the vicinity of the proposed Project:

- Third Street/25th Street
- Illinois Street/25th Street

- Third Street/Cesar Chavez Street
- Third Street/Cargo Way
- Cargo Way/Amador Street
- Third Street/Evans Avenue
- Keith Street/Evans Avenue
- Fairfax Avenue/Keith Street
- Middle Point Road/Evans Avenue

The proposed Project would generate approximately 662 net-new vehicle trips during the weekday PM peak-hour (432 inbound and 230 outbound). At eight of the nine study intersections, the proposed Project would result in a minor increase in the average delay per vehicle (less than six seconds) resulting in no worse than LOS C for Baseline plus Project conditions. The Third Street/Evans Avenue intersection would degrade from LOS D to LOS E (average delay increase of 25.2 seconds per vehicle) with the addition of the traffic generated by the proposed Project. While the mitigation measures would reduce the significant Project impacts, further analysis is required to determine feasibility. Therefore, the Project would contribute to a significant unavoidable adverse impact at this intersection. No mitigation measure for the remaining eight intersections would be required for the Baseline plus Project Conditions, since the addition of project trips would not result in significant impacts during the weekday PM peak hour.

Transit. The proposed Project would generate approximately 306 net-new transit trips (about 200 inbound and 106 outbound) during the weekday PM peak hour. While the proposed Project would not have significant adverse effects on the capacity of MUNI bus lines and the MUNI T-Third Street light rail (or other transit providers) serving the site and vicinity, to encourage transit use at the proposed Project, the Project Sponsor would establish a transit pass program that would offer tax incentives or benefits to retail employees who use transit to and from the proposed Project.

Pedestrians. Pedestrian trips generated by the proposed Project would include walk trips to and from the Project Site, plus walk trips to and from parked vehicles and transit lines. Overall, the proposed Project would add over 453 net-new pedestrian trips (including approximately 147 net-new walk or other trips and 306 net-new transit trips) to the adjacent sidewalks during the weekday PM peak hour. The proposed Project would provide new sidewalks within the Project Site and other pedestrian improvements; therefore no impacts would occur.

Bicycles. With the current bicycle and traffic volumes on nearby streets, bicycle travel generally occurs without major conflicts or safety issues. The proposed Project would result in an increase in the number of vehicles on the surrounding streets; this increase would not adversely affect bicycle conditions or operations in the area. This impact would be less than significant.

Year 2025 Cumulative Conditions. Under 2025 Cumulative Conditions, five study intersections would operate at unacceptable levels (LOS E or worse): Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. The decreased LOS at those five intersections is largely attributed to the future developments in the area, such as buildout of Hunters Point Shipyard, India Basin, and Candlestick Point in the 2025 Cumulative scenario. However, the Project contribution to traffic growth at those five intersections would range from 7.1 percent to 41.4 percent of total volume, and 10.4 percent to 22.3 percent of growth, and would be significant. For this analysis, greater than a five percent contribution to the cumulative growth is considered significant. The proposed Project would therefore contribute to significant adverse cumulative impacts at those five intersections. The EIR identifies mitigation measures for cumulative conditions at Third Street/Twenty-Fifth Street, Third Street/Cesar Chavez, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. Chapter IV concludes that mitigation measures to attain acceptable LOS for cumulative conditions at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections would either not be feasible or would require further assessment of feasibility, and therefore, the cumulative impacts at those five intersections would be considered significant and unavoidable. Thus, the proposed Project would be considered to contribute to significant unavoidable cumulative adverse impacts at those intersections.

Parking and Loading. The Project would include up to 816 off-street parking spaces, a ratio of up to one space per unit, plus code-required spaces for the other uses. Most parking would be provided in partially or fully sub-surface parking garages below the housing and/or below mid-block landscaped courtyards. Off-street and on-street parking supply would be expected to meet Project parking demand, and because parking shortfalls are not considered adverse effects for purposes of environmental review, parking impacts would be considered less than significant.

The proposed Project would propose up to 14 on-street loading spaces, 40 feet in length. The curb loading would be reviewed and approved by the Department of Parking and Traffic. The

loading spaces would be distributed throughout the site to serve each block including near proposed retail uses. The estimated loading demand for the Project as a whole would be 30 delivery/service vehicle trips per day; the proposed loading spaces would be adequate. Therefore, loading impacts would be considered less than significant.

Construction Effects. Construction activities would typically occur on weekdays from 7:00 a.m. to 5:00 PM; construction on weekends would only occur on an as-needed basis. It is anticipated that construction-related trucks would access the Project Site from Evans Avenue. In general, the impact of construction truck traffic would be the temporary lessening of the capacities of streets due to the slower movement and larger turning radii of trucks, which may affect both traffic and transit operations. Construction staging would occur primarily within the Project Site. However, temporary closure of a portion of Middle Point Road sidewalks may be needed for the construction of new curb-cuts and the reconstruction of old curb-cuts (during these times, pedestrians may need to be directed to use sidewalks on the other side of the street). MUNI stops on Middle Point Road may need to be temporarily relocated during construction. However, any relocated stop would remain on Middle Point Road. Although construction effects would be less than significant, the Project would include an improvement measure to reduce potential traffic disruption from Project construction traffic.

AIR QUALITY (P. 104)

The proposed Project would have impacts on air quality from emissions generated from construction, operations, and from the production of greenhouse gas (GHG) emissions. Emissions caused by construction activity would result from the demolition of buildings, dust from excavation and grading, and exhaust from construction equipment. These impacts are temporary and only last the duration of the construction period. The proposed Project would also produce operational emissions due to increase traffic volumes and equipment such as water heaters and ventilation equipment. Both the proposed Project's construction and operation would produce GHG emissions, which contribute to "global warming."

Fugitive dust control measures would be implemented during project construction, consistent with Objective 3 of the *San Francisco General Plan* Air Quality Element update. In addition, no significant PM_{10} sources would be associated with the Project beyond construction. For these reasons, the operational characteristics of the Project would not cause a cumulatively considerable increase in regional air pollutants.

The daily operational emissions would not violate air quality standard or contribute substantially to an exiting or projected air quality violation. Future CO concentrations near

intersections would not exceed the national 35.0 ppm and state 20.0 ppm 1-hour ambient air quality standards or the national 9.0 ppm and state 9.0 ppm 8-hour ambient air quality standards when the Project is fully operational. Therefore, sensitive receptors located in close proximity to these intersections would not be exposed to substantial pollutant concentrations, and the potential project and cumulative impacts of the Project would be less than significant.

Neither the BAAQMD nor any other agency has adopted significance criteria or methodologies for estimating a Project's contribution of GHG emissions or evaluating its significance. However, it is assumed at this point that no individual development project, such as the proposed Project, could by itself generate sufficient emissions of GHG emissions to result in a significant impact in the context of the cumulative effects of GHG emissions. Moreover, as the Project would be developed in an urban area with good transit access, the Project's transportation-related GHG emissions would tend to be lower than those produced by the same amount of population and employment growth elsewhere in the Bay Area, where transit service is generally less available than in San Francisco. As new construction, the residential portion of the Project would also be required to meet California Energy Efficiency Standards for Residential and Nonresidential Buildings, helping to reduce future energy demand as well as moderate the Project's contribution to cumulative regional GHG emissions. Therefore, the Project would not result in significant impacts related to GHG emissions.

NOISE (P. 119)

The existing noise environment in the vicinity of the Project Site is typical of noise levels in urban San Francisco. The primary sources of noise on the Project Site are traffic-related; most notable are the heavy volumes of traffic along Third Street and Evans Avenue. Existing land uses surrounding the Project Site constitute minor sources of noise (e.g., ventilation equipment, etc.) from residential, office, and commercial activity. Existing noise from the Project Site is primarily from cars travelling on roadways serving the site.

Construction of the proposed Project would potentially cause disturbance to nearby residents, businesses, and current occupants of Hunters View, mitigation measures are incorporated to reduce construction noise and vibration impacts.

The most significant existing source of noise throughout most of San Francisco is traffic. Although there would be the doubling of traffic volumes on some road segments, which would increase the ambient noise levels, the noise level increases would not be significant because of the low existing ambient levels in the area. Based on the noise modeling, the noise levels in residential areas would not exceed 60 Community Noise Exposure Level (CNEL). Therefore, the

proposed Project would not cause a substantial increase in ambient noise levels that would result in a significant impact. With 2025 Cumulative Conditions, approximately 15 road segments analyzed in the Transportation Study would experience a more than doubling of traffic volumes. Based on traffic noise modeling, three segments of Third Street and one segment of Evans Avenue would experience traffic noise levels above 60 CNEL. Evans Avenue, just west of Third Street, would experience traffic noise levels of approximately 62 CNEL. This segment of Evans Avenue is in an industrial area and therefore, this increase would not be considered a significant impact on CNEL. Third Street, between 25th Street and Cargo Way, would experience traffic noise levels of approximately 62 CNEL. These traffic noise levels would largely result from cumulative traffic volumes. Third Street, a mixed-use commercial and residential corridor, currently has high traffic volumes and noise levels. All other road segments analyzed in the Transportation Study, are projected to have noise levels less than 60 CNEL, which the *General Plan* considers satisfactory for residential use. Therefore, the proposed Project's traffic noise impact would not contribute to significant cumulative noise impacts.

Noise levels from stationary equipment for the proposed Project could exceed 60 dBA at the property line depending on the size of the equipment to be installed, placement of the equipment, and level of shielding, mitigation is included to reduce potential impacts to a less-than-significant level.

BIOLOGICAL RESOURCES (P. 127)

A biological resources study concluded that there are no candidate, sensitive, or special-status plant or animal species that would use the existing ruderal habitat on the Project Site and/or serpentine grassland habitats on the PG&E site; no special-status plant species were observed on the Project Site. Demolition of existing Hunters View buildings, site preparation, grading, and new construction would not have a direct adverse effect on special-status plant species.

Serpentine bunchgrass (grassland) habitat is recognized by the California Department of Fish and Game as a Sensitive Natural Community type. Disturbance of such habitat would result in a significant impact. Although serpentine soils are present on the Project Site, no serpentine bunchgrass was observed on the Project Site itself; therefore, no impact would occur. If the Project Sponsor can obtain site control through an easement on PG&E property adjacent to the site, the Project may include a pedestrian walkway providing access to Innes Avenue and India Basin Shoreline Park. This proposed pedestrian route from the Project Site across the PG&E property, if implemented, would not have a direct adverse effect on special-status plant species. However, serpentine bunchgrass (grassland) habitat occurs on the PG&E site. Disturbance of

such habitat would result in a significant impact. The proposed Project would result in the temporary loss of a small amount of serpentine grassland on the PG&E site during the construction period, if the Project Sponsor develops the pedestrian walkway. Otherwise, the PG&E site would not be disturbed. However, the incorporation of appropriate mitigation measures, if the PG&E area were disturbed, would avoid significant adverse effects on serpentine grassland habitat.

The presence of mature eucalyptus trees *(Eucalyptus* sp.*)* on the Project Site could potentially provide nesting habitat for raptors (i.e., birds of prey) such as red-tailed hawk and American kestrel, among others. Bird species are protected by both state (California Department Fish and Game Code Sections 3503 and 3513) and federal (Migratory Bird Treaty Act of 1918) laws. Disruption of nesting birds, resulting in the abandonment of active nests, or the loss of active nests through structure removal would be a potentially significant impact and appropriate mitigation is incorporated.

The eucalyptus trees *(Eucalyptus* sp.*)* present on the Project Site could provide potentially suitable roosting habitat during migration for the monarch butterfly *(Danaus plexippus)*. Although there is a recorded California Natural Diversity Database (CNDDB) occurrence of this species north of the Project Site, it is unlikely that monarch butterflies would use the existing eucalyptus trees during migration. Therefore, there would be no impacts on migratory monarch butterfly populations associated with the removal of eucalyptus trees from on the Project Site.

The area surrounding the Project Site is highly urbanized; the implementation of proposed construction activities associated with the project would not interrupt any wildlife migratory corridors. Thus, there would be no impacts associated with the proposed Project interfering with the movement of native fish or wildlife species. There are no Habitat Conservation Plans, Natural Community Conservation Plans, or other approved habitat conservation plans that would conflict with the development of the proposed Project; therefore, there would be no impact.

San Francisco provides protection for trees in the city through implementation of its Urban Forestry Ordinance in Article 16 of the Public Works Code. "Significant trees" are defined as trees within 10 feet of a public right-of-way, and also meet one of the following size requirements: 20 feet or greater in height; 15 feet or greater in canopy width; or 12 inches or greater diameter of trunk measured at 4.5 feet above grade. Some trees on the Project Site meet the criterion of "Significant Tree"; any removal of these trees would require a permit as

provided in Article 16. Compliance with the Code would require replacement of all removed trees, and adherence to the Urban Forestry Ordinance would avoid the impact from the loss of significant trees.

There would be no cumulative adverse impacts with regard to biological resources.

OTHER IMPACTS DETERMINED TO BE LESS THAN SIGNIFICANT (P. 141)

Cultural Resources. The buildings on the Project Site were constructed in 1957, and given their age they are potentially eligible for listing in the National Register of Historic Places and the California Register of Historical Resources. Carey & Co. conducted a historic resources evaluation and determined that Hunters View does meet any other criteria for listing on the National Register or the California Register; demolition of the existing Hunters View buildings would not have an adverse effect on historic resources.

Given the location of the Project Site near the San Francisco Bay, previously unidentified subsurface cultural resources dating from the historic period (approximately the last 200 years) could potentially be present on the Project Site and could be disturbed during grading and construction. Mitigation is included to avoid potentially significant impacts to undiscovered archaeological resources.

Population and Housing. The 650 to 800 new (383 to 533 additional) residential units would result in approximately 900 to 1,250 new residents at the Project Site. The proposed 6,400 gsf of commercial space would result in up to 25 employees. The retail uses may provide opportunities for residents to own, operate, and/or work at the retail shops. Additional employees would serve in management and maintenance of the residential buildings. In March 2001, the Association of Bay Area Governments (ABAG) projected regional needs in its Regional Housing Needs Determination (RHND) 1999–2006 allocation. The projected need of the City of San Francisco is about 2,716 net new dwelling units, annually. The proposed Project would meet approximately 14 to 20 percent of the annual need for dwelling units in the City. Given that the phasing of the Project would result in the on-site relocation of all of the residents, during the construction period, no displacement of people would occur and no impact would result. Since the Bayview Hunters Point Redevelopment Plan addressed the cumulative growth and found that the effects would not be significant, and the proposed Project would be consistent with the Redevelopment Plan, the cumulative impacts would be less than significant.

Shadow and Wind. Wind impacts are generally caused by large building masses extending substantially above neighboring buildings, and by buildings oriented such that a new large wall

catches a prevailing wind, particularly if such a wall includes little or no articulation. The proposed buildings would vary in height from approximately 20 to 65 feet tall to accommodate the site topography. The buildings would be oriented around 19 individual blocks with roads, sidewalks, setbacks, landscaping and parking areas to break up long expanses of exterior walls. Since the site is at a different elevation than the surrounding neighborhood, the height and orientation of the proposed buildings that would be less than 100 feet tall would also have a limited effect on ground-level winds in nearby area. Accordingly, the proposed Project would not have a significant adverse impact on wind conditions.

A shadow fan analysis was conducted that determined that proposed Project's shadows would not reach any of the public parks and open spaces under the jurisdiction of the Recreation and Park Commission properties. Therefore, the proposed Project would not shade public areas subject to Section 295 of the *Planning Code*. On the Project Site, the new buildings would shade adjacent portions of streets and sidewalks, but would not increase shading in the neighborhood above levels common in a residential development of this density. While additional shading or loss of sunlight would be an adverse change for affected neighbors, it would not constitute a significant effect. Therefore, the proposed Project would not result in a significant shadow impact.

The proposed Project, as discussed above, would not substantially impact shadow or wind levels at or near the Project Site, therefore, a cumulative impact would not occur.

Recreation and Public Space. The open space and park areas in the vicinity of the Project Site include India Basin Shoreline Park, Bayview Park, Youngblood-Coleman Park, Hilltop Park many smaller neighborhood pocket parks, and the Candlestick Point State Recreation Area. The population accommodated by the Project's up to 800 units would increase the demand for park and recreation facilities. However, the project's contribution to this need would not be considered a substantial addition to the existing demand for the available public recreation facilities in the area, given that the area is well served by parks and open space.

Utilities and Service Systems. Water service to the Site is provided through the City of San Francisco Public Utilities Commission (SFPUC). Because the Project would be within expected growth projections for the City, less-than-significant water supply and wastewater treatment impacts are anticipated. Thus, the proposed Project would not require new or expanded water and wastewater facilities. Stormwater at the Project Site enters the combined sewer and wastewater system, as described above. The proposed Project would create new infrastructure for capturing stormwater runoff at the Site, such as gutters and drains, as well as landscaping

elements, such as planted areas. The Project might alter the flow of stormwater from the Site due to net changes in impervious surfaces. The stormwater infrastructure and any changes in impermeable surfaces would be designed to minimize flooding effects from runoff during storms. Thus, the proposed Project's creation of new stormwater drainage infrastructure would have a less-than-significant impact on the environment.

Solid waste generated by the proposed Project would be collected by Sunset Scavenger Company and hauled to Norcal transfer station near Candlestick Point. Non–recyclables would be disposed at Altamont Landfill, where adequate capacity exists to serve the needs of San Francisco, including the proposed Project for the next 20 years. Both Sunset Scavenger Company and the Altamont landfill are required to comply with all federal, state and local regulations relating to solid waste, therefore, no impact would occur.

Public Services. The Project Site is served by the San Francisco Fire Department (SFFD), the San Francisco Police Department (SFPD) Golden Gate Division, and the San Francisco Unified School District (SFUSD). The SFUSD Facilities Master Plan and the District representative indicated the District has excess capacity at existing school facilities. Both the SFFD and the SFPD would be able to serve the proposed Project.

The addition of residents from the proposed Project would increase the demand for other parks and community facilities. However, the proposed Project would include community facilities to serve residents; therefore, community facilities would not be significantly affected by the proposed Project.

Public service providers accommodate growth within their service areas by responding to forecasted population growth and land use changes. The proposed Project would not exceed growth and as such, would be accommodated in the projected cumulative demand for services.

Geology, Soils and Seismicity. A geotechnical report was prepared for the Project Sponsor by Professional Services Industries, Inc. The report identified subsurface soils conditions and recommended foundation designs. The Project Site is in a seismically active region like the rest of the San Francisco Bay Area. However, no particular geological risks are identified in relation to the Project Site and adherence to the *Building Code* would ensure the maximum practicable protection available from soil failures of all types, and the Project would not have significant adverse effects in relation to soil and geotechnical conditions.

Hydrology and Water Quality. The proposed Project would comply with the NPDES permitting requirements that would reduce its overall impact to water quality and water

discharge to a less-than-significant level. During the geotechnical investigation groundwater was not discovered at the site. Any groundwater encountered during construction of the proposed Project would be subject to requirements of the City's Industrial Waste Ordinance requiring that groundwater meet specified water quality standards before it may be discharged into the sewer system. The City's combined sewer and wastewater system collects and transports both sewage and stormwater runoff through the same set of pipes. Sewage flows from the Project Site are transported to the Southeast Water Pollution Control Plant. Some level of pollution runoff is endemic to all urban development. During construction and operation, the proposed Project would be required to comply with all applicable water quality and wastewater discharge requirements. At a minimum, the City requires that the Project Sponsor develop and implement an erosion and sediment control plan to reduce the impact of runoff from the construction site. Compliance with City regulations would reduce construction-related impacts to a less-than-significant level.

The Project Site is not located in an area subject to seiche, tsunami, mudflow, mudslides, inundation by levee or dam, or within a 100-year flood hazard zone; therefore no impact would occur.

Hazards and Hazardous Materials. Due to age of the buildings on the Project Site, several types of Hazardous Building Materials exist in the buildings proposed for demolition; including, asbestos (ACMs), polychlorinated biphenyls (PCBs), lead-based paint and mercury. Release of these materials during building demolition would constitute a significant impact and appropriate Mitigation Measures are included. In addition, disruption of naturally occurring, lead-contaminated soils are known to occur on the site, therefore, mitigation measures to identify and remediate these soils are included. Serpentinite is known to be present in the bedrock that would be excavated and commonly contains naturally occurring chrysotile asbestos, a fibrous mineral that can be hazardous to human health if it becomes airborne. In the absence of proper controls, the asbestos could become airborne during excavation and the handling of excavated materials. On-site workers and the public could be exposed to the airborne asbestos unless appropriate control measures are implemented. However, the construction contractors would be required to comply with the asbestos Airborne Toxic Control Measure (ATCM) to prevent airborne (fugitive) dust containing asbestos from migrating beyond property boundaries during excavation and handling of excavated materials, as well as to protect the workers themselves. The ATCM protects public health and the environment by requiring the use of best available dust mitigation measures to prevent off-site migration of asbestos-containing dust from construction and grading operations. The Bay Area Air Quality Management District (BAAQMD) implements the regulation. Assuming compliance with the

asbestos ATCM, potential impacts related to exposure to naturally occurring asbestos in soils and rock during construction would be less than significant.

Mineral and Energy Resources. All land in San Francisco, including the Project Site, is not a designated area of significant mineral deposits. No part of the operation of this Project would result in excessive or wasteful consumption of fuel, water or energy resources.

Agricultural Resources. The Project Site is located in the City of San Francisco, an urban area, and therefore not agricultural in nature. The proposed Project would not convert farmland to a non-agricultural use, would not conflict with agricultural zoning or Williamson Act contracts, nor cause other changes that would lead to the conversion of Farmlands of Statewide Importance to nonagricultural use.

C. MITIGATION AND IMPROVEMENT MEASURES (P. 183)

In the course of project planning and design, measures have been identified that would reduce or eliminate potentially significant environmental impacts of the proposed Project. Mitigation measures identified in this EIR would be required by decision makers as conditions of project approval unless they are demonstrated to be infeasible based on substantial evidence in the record. Improvement measures are suggested to reduce adverse environmental effects not otherwise identified as significant environmental impacts. Implementation of some measures may be the responsibility of public agencies. Mitigation measures and improvement measures would be made applicable to the project as part of specific project review.

Each mitigation and improvement measure is discussed, below.

TRANSPORTATION AND CIRCULATION (P. 183)

Mitigation Measure D.1: Third Street/Evans Avenue

Baseline Plus Project Conditions

The signalized Third Street/Evans Avenue intersection would degrade from LOS D (average delay of 35.7 seconds per vehicle) to LOS E (average delay of 60.9 seconds per vehicle) with the addition of the project-generated traffic to baseline conditions. The intersection is actuated by video detection equipment and accommodates pedestrians, bicycles, vehicles, and the T-Third Street MUNI line. The T-Third Street MUNI line occupies the center median and makes several trips during the PM peak period. The northbound and southbound through movements are coordinated. The proposed Project would add 324 vehicles per hour to the intersection during the PM peak period. The most significant traffic volume increase would occur at the

southbound left turn movement (83 vehicles per hour) which is already projected to operate at LOS F during the PM peak hour in the Baseline Conditions.

The project impacts at the Third Street/Evans Avenue intersection could be mitigated by adjusting the maximum allowable southbound left turn green time. In the Baseline plus Project Conditions, the southbound left turn movement is projected to have an allotted green time of 11 seconds per 100-second cycle (LOS F) and the opposing northbound through movement is projected to have an allotted green time of 37 seconds per 100-second cycle (LOS B). To mitigate the impact caused by the proposed Project, the southbound left turn green time could be increased to 16 seconds per 100-second cycle and the opposing northbound through movement green time could be decreased to 32 seconds per 100-second cycle.

With the signal timing modification, the intersection is expected to operate at LOS D with an average delay of 37.1 seconds per vehicle. It should also be noted that the implementation of the proposed mitigation measure would be dependent upon an assessment of transit and traffic coordination along Third Street and Evans Avenue to ensure that the changes would not substantially affect MUNI transit operations, signal progressions, pedestrian minimum green time requirements, and programming limitations of signals.

While the mitigation measure described above would reduce the significant Project impacts, further analysis is required to determine feasibility. Therefore, the Project would contribute to a significant unavoidable adverse impact at this intersection.

Mitigation Measure D-2: Third Street/25th Street

2025 Cumulative plus Project Conditions

The signalized Third Street/25th Street intersection would degrade from LOS B (average delay of 18.9 seconds per vehicle) to LOS E (average delay of 76.6 seconds per vehicle) with 2025 Cumulative Conditions. The intersection would be actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. Additionally, light rail tracks will occupy the westbound approach to the intersection to access the Metro East MUNI maintenance facility which is currently under construction. Light rail vehicles are not expected to use these tracks during the PM peak period. The northbound and southbound vehicle through movements would be coordinated. The proposed Project would add 280 vehicles per hour to the intersection during the PM peak period – a contribution of 9.9 percent to the overall growth.

A substantial amount of the delay at the Third Street/25th Street intersection would be caused by the permitted eastbound and westbound through- and right-turn movements. 25th Street would have one all-movement lane in each direction. To the west of the intersection, 25th Street is approximately 40 feet wide and accommodates on-street parking. To the east of the intersection, 25th Street is approximately 30 feet wide and does not accommodate on-street parking. With the removal of the on-street parking to the west of the Third Street/25th Street intersection, the eastbound approach would have sufficient width to accommodate a through-left lane and an exclusive right turn lane. The eastbound right turn lane could include an overlap phase to coincide with the northbound left-turn phase, with U-turns from northbound Third Street prohibited. With this modification, the intersection steady demand green time splits could be recalculated, while maintaining a 100-second cycle length. The green time allotted to the T-Third trains and intersection offset would not be modified with the implementation of this mitigation measure. With the re-striping of the eastbound approach, the removal of on-street parking, addition of an eastbound right-turn overlap phase, and recalculation of the signal timing steady demand green time splits, the Third Street/25th Street intersection would operate at LOS D with an average delay of 35.9 seconds per vehicle.

While mitigation has been identified to reduce impacts, further analysis of some of the measures is required to determine feasibility. Therefore, the Project would contribute to a significant unavoidable cumulative adverse impact at this intersection.

Mitigation Measure D-3: Third Street/Cesar Chavez Street

2025 Cumulative plus Project Conditions

The signalized Third Street/Cesar Chavez Street intersection would degrade from LOS C (average delay of 32.0 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) with 2025 Cumulative Conditions. The intersection would be fully actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. Additionally, light rail tracks will occupy the westbound approach of the intersection to the Metro East MUNI maintenance facility which is currently under construction. Light rail vehicles are not expected to use these tracks during the PM peak period. The northbound and southbound vehicle through movements would be coordinated. The proposed Project would add 343 vehicles per hour to the intersection during the PM peak period – a contribution of 11.3 percent to the overall growth.

A substantial amount of the delay at the Third Street/Cesar Chavez Street intersection would be caused by the permitted eastbound and westbound through- and right-turn movements. The westbound Cesar Chavez approach would consist of one all-movement lane in the 2025 Cumulative Conditions. The eastbound Cesar Chavez approach would consist of two left-turn lanes, one through lane, and one exclusive right turn lane in the 2025 Cumulative Conditions. All intersection approaches would be geometrically constrained by existing structures and the T-Third Street light rail line in the center median. Cycle length at this intersection would be constrained because the signal would be part of the Third Street signal system with a maximum100-second cycle length to allow priority for the Third Street light rail operations.

Given the exclusive eastbound right-turn lane and the northbound left-turn phase, the eastbound right-turn lane could include an overlap phase to coincide with the northbound left-turn phase. With the addition of an eastbound right-turn overlap phase, the Third Street/Cesar Chavez intersection would continue to operate at LOS F with an average delay greater than 80.0 seconds per vehicle.

Changes in signal timing and phasing would not mitigate intersection conditions. To mitigate the intersection to an acceptable level of service, major modifications to the intersection geometry would be required. Due to the constraints on Third Street and Cesar Chavez Street, including existing structures that would have to be acquired, such intersection modifications are not considered feasible. The Project's contribution to 2025 Cumulative Conditions at the Third Street/Cesar Chavez Street intersection would be a significant and unavoidable impact.

Mitigation Measure D-4: Illinois Street/Cargo Way/Amador Street

2025 Cumulative plus Project Conditions

The signalized Illinois Street/Cargo Way/Amador Street intersection would degrade from LOS C (average delay of 26.9 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would accommodate pedestrians, bicycles, vehicles, and a significant amount of heavy truck traffic. Additionally, Union Pacific Railroad tracks will pass through the intersection and the two-lane Illinois Street Bridge to provide rail freight access for local industrial uses. Rail traffic is not expected to use these tracks during the PM peak-period. The proposed Project would add 332 vehicles per hour to the intersection during the PM peak period – a contribution of 18.9 percent to the overall growth.

A substantial amount of the delay at the Illinois Street/Cargo Way/Amador Street intersection would be caused by the protected southbound left- and westbound right-turn movements. The southbound Illinois Street approach would consist of one all-movement lane in the 2025 Cumulative Conditions. The westbound Cargo Way approach would consist of one through lane and one through-right-turn lane in the 2025 Cumulative Conditions. All intersection approaches are geometrically constrained by existing structures and the two-lane Illinois Street Bridge. Cycle length at this intersection would be constrained because the signal would be part of the Third Street signal system with a maximum100-second cycle length to allow priority for the Third Street light rail operations.

The westbound through and right-turn traffic volumes are expected to be similar in the 2025 Cumulative Conditions. Therefore, the westbound approach lanes could be divided into two independent movements – one through lane and one exclusive right-turn lane. Given the exclusive westbound right-turn lane and the southbound left-turn phase, the westbound right-turn lane could include an overlap phase to coincide with the southbound left-turn phase.

With the westbound approach lane reconfiguration, the Illinois Street / Cargo Way / Amador Street intersection would operate at LOS E with an average delay of 56.0 seconds per vehicle in 2025 Cumulative Conditions. To mitigate the intersection to an acceptable level of service, major modifications to the network geometry would be required. Due to the physical constraints at the intersection, particularly on the Illinois Street Bridge, geometric modifications would be infeasible, and the cumulative effects would be significant and unavoidable. Therefore, the Project would contribute to a significant unavoidable cumulative impact at this intersection.

Mitigation Measure D-5: Third Street/Evans Avenue

2025 Cumulative Conditions

The signalized Third Street/Evans Avenue intersection would degrade from LOS E (average delay of 60.9 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would be actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. The proposed Project would add 324 vehicles per hour to the intersection during the PM peak period – a contribution of 9.8 percent to the overall growth.

Substantial delays are expected at all intersection movements; specifically, the southbound left-turn movement and the conflicting northbound through movement. All intersection approaches would be constrained by existing structures and the T-Third Street light rail line in the center median.

Based on the heavy traffic volumes and site constraints, signal phasing and signal timing changes would not improve the Third Street/Evans Avenue operations to acceptable levels. The intersection would continue to operate at LOS F. Therefore, the Project would contribute to a significant unavoidable cumulative impact at this intersection.

Mitigation Measure D-6: Middle Point Road/Evans Avenue

2025 Cumulative Conditions

The all-way stop-controlled Middle Point Road/Evans Avenue intersection would degrade from LOS A (average delay of 8.4 seconds per vehicle) to LOS F (average delay of more than 50.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would accommodate pedestrians, bicycles, and vehicles. The proposed Project would add 580 vehicles per hour to the intersection during the PM peak period – a contribution of 22.3 percent to the overall growth.

A substantial amount of the delay at the Middle Point Road/Evans Avenue intersection would be caused by the southbound and westbound approaches. The southbound Middle Point Road/Jennings Street approach would have one all-movement lane. The westbound Evans Avenue approach would have one left-turn lane, one through lane, and one through-right-turn lane.

The expected traffic volumes at the all-way stop-controlled Middle Point Road/Evans Avenue intersection, would meet signal warrants and signalization would be required. With the existing geometry, the intersection would continue to operate at an unacceptable level (LOS F), even with signalization.

Removal of the on-street parking on Middle Point/Jennings to the north of the Middle Point Road/Evans Avenue intersection, would allow the southbound approach to provide an exclusive left-turn lane and a shared left-through-right lane.

With the installation of an actuated-uncoordinated traffic signal, southbound and westbound approach lane reconfiguration, and removal of on-street parking, the Middle Point Road/Evans Avenue intersection would operate at LOS D, with an average delay of 53.1 seconds per

vehicle.[1] Implementation of the proposed mitigation measure would be dependent upon an assessment of traffic coordination along Evans Avenue to ensure that the changes would not substantially affect signal progressions, pedestrian conditions requirements, and programming limitations of signals.

While mitigation has been identified to reduce impacts, further analysis is required to determine its feasibility. Therefore, the Project would contribute to a significant unavoidable cumulative adverse impact at this intersection.

Improvement Measure D.1: Construction Traffic

Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 3:30 p.m. and 6:00 p.m. would coincide with peak hour traffic and could temporarily impede traffic and transit flow, although it would not be considered a significant impact. Limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by SFMTA) would minimize disruption of the general traffic flow on adjacent streets during the AM and PM peak periods. In addition, the Project Sponsor and construction contractor(s) would meet with the Traffic Engineering Division of the SFMTA, the Fire Department, MUNI, and the Planning Department to determine feasible measures to reduce traffic congestion, including transit disruption and pedestrian circulation impacts during construction of the proposed Project.

AIR QUALITY (P. 189)

Mitigation Measure E-1.A: Construction Dust Control

Construction activities would generate airborne dust that could temporarily adversely affect the surrounding area. The principal pollutant of concern would be PM_{10}. Because construction-related PM_{10} emissions primarily affect the area surrounding a project site, the BAAQMD recommends that all dust control measures that the BAAQMD considers feasible, depending on the size of the project, be implemented to reduce the localized impact to the maximum extent. To reduce particulate matter emissions during project excavation and construction phases, the Project Sponsor shall comply with the dust control strategies developed by the BAAQMD. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.

- Cover all truck hauling soil, sand, and other loose construction and demolition debris from the site, or require all such trucks to maintain at least two feet of freeboard;

[1] For a signalized intersection, a 53.1 second delay would result in an acceptable LOS D.

- Water all exposed or disturbed soil surfaces in active construction areas at least twice daily;
- Use watering to control dust generation during demolition of structures or break-up of pavement;
- Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved parking areas and staging areas;
- Sweep daily (with water sweepers) all paved parking areas and staging areas;
- Provide daily clean-up of mud and dirt carried onto paved streets from the site;
- Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc.);
- Limit traffic speeds on unpaved roads to 15 mph;
- Install sandbags or other erosion control measures to prevent silt runoff to public roadways;
- Replant vegetation in disturbed areas as quickly as possible;
- Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more);
- Install wheel washers for all existing trucks, or wash off the tires or tracks of all trucks and equipment leaving the site;
- Install wind breaks at the windward side(s) of construction areas;
- Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 miles per hour over a 30-minute period or more; and
- To the extent possible, limit the area subject to excavation, grading, and other dust-generating construction activity at any one time.

Mitigation Measure E-1.B: Construction Equipment Emissions

Reduce emissions from heavy-duty diesel-powered equipment. The Project Sponsor shall implement measures to reduce the emissions of pollutants generated by heavy-duty diesel-powered equipment operating at the Project Site during project excavation and construction phases. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.

- Keep all construction equipment in proper tune in accordance with manufacturer's specifications;
- Use late model heavy-duty diesel-powered equipment at the project site to the extent that it is readily available in the San Francisco Bay Area;

- Use diesel-powered equipment that has been retrofitted with after-treatment products (e.g., engine catalysts) to the extent that it is readily available in the San Francisco Bay Area;
- Use low-emission diesel fuel for all heavy-duty diesel-powered equipment operating and refueling at the project site to the extent that it is readily available and cost effective in the San Francisco Bay Area (this does not apply to diesel-powered trucks traveling to and from the site);
- Utilize alternative fuel construction equipment (i.e., compressed natural gas, liquid petroleum gas, and unleaded gasoline) to the extent that the equipment is readily available and cost effective in the San Francisco Bay Area;
- Limit truck and equipment idling time to five minutes or less;
- Rely on the electricity infrastructure surrounding the construction sites rather than electrical generators powered by internal combustion engines to the extent feasible.

Mitigation Measure E-2: Naturally Occurring Asbestos Control

The Project Site is known to have serpentine rock that contains naturally occurring asbestos, disturbance to which could result in potentially significant impacts to air quality. The Project Sponsor will be responsible for compliance with Toxic Control Measures for Construction, Grading, Quarrying, and Surface Mining Operation as enforced by CARB. These measures require that areas greater than one acre that have any portion of the area to be disturbed located in a geographic ultramafic rock unit or has naturally occurring asbestos, serpentine, or ultramafic rock as determined by the sponsor or an Air Pollution Control Officer shall not engage in any construction or grading operation on property where the area to be disturbed is greater than one acre unless an Asbestos Dust Mitigation Plan for the operation has been:

- Submitted to and approved by the district before the start of any construction or grading activity; and
- The provisions of that dust mitigation plan are implemented at the beginning and maintained throughout the duration of the construction or grading activity.

Compliance with these dust control measures would reduce air quality impacts to a less-than-significant level.

NOISE (P. 191)

Mitigation Measure F-1: Construction Noise

To the extent feasible, the Project Sponsor shall limit construction activity to the hours of 7:00 a.m. to 6:00 p.m. on weekdays, and 7:00 a.m. to 5:00 p.m. on Saturdays and Sundays. If nighttime construction is required, the Project Sponsor shall apply for, and abide by the terms

of, a permit from the San Francisco Department of Public Works. The Project Sponsor shall require contractors to comply with the City Noise Ordinance.

Construction contractors shall implement appropriate additional noise reduction measures that include using noise-reducing mufflers and other noise abatement devices, changing the location of stationary construction equipment, where possible, shutting off idling equipment, and notifying adjacent residences and businesses in advance of construction work. In addition, the Project Sponsor shall require the posting of signs prior to construction activities with a phone number for residents to call with noise complaints.

Mitigation Measure F-2: Construction Vibration

The Project Sponsor shall provide notification to the closest receptors, at least ten days in advance, of construction activities that could cause vibration levels above the threshold.

The Project Sponsor shall require construction contractors to conduct demolition, earthmoving, and ground-impacting operations so as not to occur in the same time period.

The Project Sponsor shall require construction contractors to, where possible, and financially feasible, select demolition methods to minimize vibration (e.g., sawing masonry into sections rather than demolishing it by pavement breakers)

The Project Sponsor shall require construction contractors to operate earthmoving equipment on the construction site as far away from vibration sensitive sites as possible.

The construction contractor shall implement methods to reduce vibration, including, but not limited to, sound attenuation barriers, cutoff trenches and the use of smaller hammers.

Mitigation Measure F-3: Mechanical Equipment

The proposed Project is zoned as Residential-1 zone, which is prohibited by *San Francisco Police Code Section 2909*, to have a fixed source noise that exceeds 50 dBA, at the property line, between 10:00 p.m. and 7:00 a.m. The proposed Project's mechanical equipment could exceed 50 dBA at the property line. The Project sponsor shall provide shielding to minimize noise from stationary mechanical equipment, including ventilation units, such that noise levels from the equipment at the nearest property line would be below 50 dBA.

The incorporation of Mitigation Measures F-1, F-2 and F-3 would reduce construction and operational noise and vibration impacts to less than significant levels.

BIOLOGICAL RESOURCES (P. 192)

Mitigation Measure G-1: Bird Nest Pre-Construction Survey

Given that the presence of mature eucalyptus trees *(Eucalyptus* sp.*)* on the Project Site could potentially provide nesting habitat for raptors (i.e., birds of prey) such as red-tailed hawk and American kestrel, among others, tree removal associated with the proposed Project could result in "take" caused by the direct mortality of adult or young birds, nest destruction, or disturbance of nesting native bird species (including migratory birds and other special-status species) resulting in nest abandonment and/or the loss of reproductive effort. Bird species are protected by both state (CDFG Code Sections 3503 and 3513) and federal (Migratory Bird Treaty Act of 1918) laws. Disruption of nesting birds, resulting in the abandonment of active nests, or the loss of active nests through structure removal would be a potentially significant impact.

The Project Sponsor shall retain a qualified biologist to conduct preconstruction breeding-season surveys (approximately March 15 through August 30) of the Project Site and immediate vicinity during the same calendar year that construction is planned to begin, in consultation with the City of San Francisco and CDFG.

- If phased construction procedures are planned for the proposed Project, the results of the above survey shall be valid only for the season when it is conducted.
- A report shall be submitted to the City of San Francisco, following the completion of the bird nesting survey that includes, at a minimum, the following information:
  - A description of methodology including dates of field visits, the names of survey personnel with resumes, and a list of references cited and persons contacted.
  - A map showing the location(s) of any bird nests observed on the Project Site.

If the above survey does not identify any nesting bird species on the project site, no further mitigation would be required. However, should any active bird nests be located on the Project Site, the following mitigation measure shall be implemented.

Mitigation Measure G-2: Bird Nest Buffer Zone

The Project Sponsor, in consultation with the City and County of San Francisco and California Department of Fish and Game (CDFG), shall delay construction in the vicinity of active bird nest sites located on or adjacent to the Project Site during the breeding season (approximately March 15 through August 30) while the nest is occupied with adults and/or young. If active nests are identified, construction activities should not occur within 500 ft of the nest. A qualified biologist, determined by the Environmental Review Officer, shall monitor the active

nest until the young have fledged, until the biologist determines that the nest is no longer active, or if it is reasonable that construction activities are not disturbing nesting behaviors. The buffer zone shall be delineated by highly visible temporary construction fencing.

Implementation of Mitigation Measures G-1 and G-2 will avoid significant adverse effects on bird species.

Mitigation Measure G-3: Serpentine Grassland Pre-Construction Measures on the PG&E Property

Remaining examples of serpentine grassland are extremely rare in the Bay Area; each remnant lost contributes to the overall decline of biodiversity within the region. Many of the native plant species associated with serpentine grasslands are endemic (i.e., locally restricted) to this habitat type. If the Project Sponsor can obtain site control for an easement on the PG&E property, construction of the proposed pedestrian walkway from the Hunters View site could impact remnants of serpentine grassland on the PG&E site. Any loss of serpentine grassland could represent a potentially adverse impact to this community type.

Due to the presence of steep slopes, all construction activities associated with the pedestrian route on the PG&E property, if it is developed, shall occur during the dry season (typically from the end of May to mid-October) to limit the likelihood of soil erosion and to minimize the need to install erosion-control barriers (e.g., silt fencing, wattles) that may impact existing serpentine bunchgrass remnants from their placement along slope contours.

Prior to the initiation of any construction activities on the PG&E property, the Project Sponsor shall prepare a detailed plan showing proposed construction-related activities on the PG&E site. A qualified botanist familiar with serpentine bunchgrass communities shall conduct a pre-construction survey of the PG&E property, during the portion of the growing season when most native vascular plant species previously documented as occurring on the site are evident and readily identifiable. Any areas containing remnants of serpentine bunchgrass habitat outside the proposed footprint for the walkway (including access routes), but within 20 feet of these areas shall be clearly delineated by appropriate avoidance markers (e.g., orange construction fencing, brightly colored flagging tape on lath stakes). An appropriate access route to and from the walkway area shall be developed, utilizing existing service roads and/or concrete building pads to avoid remnants of serpentine bunchgrass. Staging areas for this construction shall be limited to areas where remnants of serpentine bunchgrass do not occur.

The Project Sponsor shall conduct Worker Environmental Awareness Program (WEAP) training for construction crews (primarily crew and construction foreman) and City inspectors before construction activities begin. The WEAP shall include a brief review of the serpentine bunchgrass resource that occurs on the PG&E site. The program shall also cover all mitigation measures, and proposed Project plans, such as BMPs and any other required plans. During WEAP training, construction personnel shall be informed of the importance of avoiding ground-disturbing activities outside of the designated work area. The designated biological monitor shall be responsible for ensuring that construction personnel adhere to the guidelines and restrictions. WEAP training sessions shall be conducted as needed for new personnel brought onto the job during the construction period.

Mitigation Measure G-4: Serpentine Habitat Avoidance on the PG&E Property

Best Management Practices (BMPs) shall be employed during all construction activities on the PG&E site (e.g., all fueling of equipment within designated areas, containment of hazardous materials in the advent of accidental spills).

Mitigation Measure G-5: Serpentine Habitat Post-Construction Clean-Up on the PG&E Property

After construction is complete, all trash shall be removed from within the PG&E site.

Mitigation Measure G-6: Serpentine Habitat Replanting on the PG&E Property

After construction is complete, all areas of identified serpentine bunchgrass habitat on the PG&E property impacted by construction activities shall be restored to a level equal to, or exceeding the quality of habitat that existed before impacts to these habitats occurred. Mitigation shall be achieved by implementation of the following planting plan:

- Installation of transplants and/or planting of locally-collected seeds from native plant species associated with serpentine grassland habitats into areas impacted by the proposed Project. The frequency, density, and distribution of native species used within the mitigation plantings shall be determined through consultation with appropriate resource agencies, organizations, and practitioners. Installation shall be supervised by a qualified horticulturalist or botanist. Measures to reduce transplant mortality may include, but are not limited to the following:
- Placement of cages, temporary fences, or other structures to reduce small mammal access, until transplants are sufficiently established;
- Any weeding around transplants to reduce competition from non-native species shall be done manually;

- Placement of a temporary irrigation system or periodic watering by mobile equipment sources for the first two years until transplants are sufficiently established.

General success of the mitigation plantings shall be measured by the following criteria:

Periodically assess the overall health and vigor of transplants during the growing season for the first three years; no further success criteria is required if transplants within the mitigation plantings have maintained a 70 percent or greater success rate by the end of the third year. If transplant success rate is below 70 percent by the end of the third year, a contingency plan to replace transplants due to mortality loss (e.g., foraging by small mammals, desiccation) shall be implemented.

Implementation of Mitigation Measures BIO.3 through BIO.6 will avoid significant adverse effects on serpentine grassland habitat.

Mitigation Measure G-7: Significant trees

The Project will comply with Article 16 of the Public Works Code for protection for significant trees. "Significant trees" are defined as trees within 10 feet of a public right-of-way, and also meet one of the following size requirements:

- 20 feet or greater in height;
- 15 feet or greater in canopy width; or
- 12 inches or greater diameter of trunk measured at 4.5 feet above grade.

Street trees are also protected by the City's Urban Forestry Ordinance and both require a permit for removal. Some tree species within the Project Site meet the criterion of "Significant Tree" status; before construction occurs within any portions of the Project Site that could contain "Significant Trees," a tree survey shall be performed by a qualified arborist, and a map shall be prepared showing the genus and species, location, and drip line of all trees greater than 36 inches in diameter at breast height (DBH) or greater that are proposed to be altered, removed, or relocated. Any removal of these trees associated with the proposed Project will require a permit review, and replacement of affected "significant" trees as specified in the ordinance. Adherence to the ordinance will avoid the potential impact on the loss of significant trees.

Improvement Measure G-1: Native Species Replanting

Once construction activities are completed a long-term program could be implemented to enhance and restore the existing serpentine bunchgrass habitat on the PG&E site and/or create "native habitat" areas on the Project Site. This Improvement Measure would create "native

habitat" areas on some portions of the Project Site that are planned for landscaping or open space as part of the Project. Implementation of this Improvement Measure on the PG&E property would be the responsibility of PG&E.

- Seeds of locally-collected native species could be collected from valid reference sites within the surrounding area. From these seeds, transplants could be raised by local gardening clubs, science classes from local public schools, etc. Installation would be supervised by a qualified horticulturalist and/or botanist.
- On-going community programs undertaken by local citizen groups to remove trash and rehabilitate degraded portions of the PG&E site to expand higher-quality serpentine grassland habitat could be conducted.
- Management of invasive, non-native herbaceous and woody species would include reseeding of native plants and manual removal (e.g., by hand, loppers, chainsaws), and possibly some selective chemical applications to control highly competitive exotic species. Invasive, non-native tree species such as eucalyptus[2] could be systematically removed after any pre-construction nesting surveys for bird species have been conducted.
- A long-term monitoring program could be implemented by enlisting the support from science educators from local public schools and community colleges. Permanent transects could be established to document the changes in floristic composition in terms of the frequency, density, and distribution of native plant species throughout the PG&E site.

The incorporation of Mitigation Measures G-1, G-2 and G-7 would reduce impacts to biological resources that could result from the proposed Project to a less-than-significant level. If the Project Sponsor obtains control over a small portion of the PG&E site via easement or other agreement with PG&E, and chooses to pursue the construction of a pedestrian walkway across that site, the incorporation of Mitigation Measures G-3, G-4, G-5, and G-6 would reduce impacts from construction on the PG&E site to a less-than-significant level. In addition to Mitigation Measures G-3–G-6, Improvement Measure G-1 could also be incorporated to further enhance habitat on the PG&E site, and/or create "native habitat" on the Project Site if the Project Sponsor so chooses.

[2] Blue gum (*Eucalyptus globulus*) and red gum (*Eucalyptus camaldulensis*) are both recognized by the California Invasive Plant Council (Cal-IPC) as invasive pest plant species in the state of California. Eucalyptus trees produce several volatile and water-soluble toxins in their tissues (including leaf and bark litter) that are allelopathic (i.e., they release chemicals in the soil that inhibits the growth and/or establishment of surrounding vegetation, including native herbaceous plant species). Although eucalyptus trees benefit from this form of "chemical warfare," the herbaceous groundlayer is often depauperate and provides extremely limited habitat opportunities for local wildlife populations.

OTHER IMPACTS DETERMINED TO BE LESS-THAN-SIGNIFICANT (P. 197)

Mitigation Measure H-1: Archaeological Resources

Based on the reasonable potential that archaeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed Project on buried or submerged historical resources. The Project Sponsor shall retain the services of a qualified archaeological consultant having expertise in California prehistoric and urban historical archeology. The archaeological consultant shall undertake an archaeological monitoring program. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the proposed Project for up to a maximum of four weeks. At the direction of the ERO, the suspension of *construction* can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archaeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Archaeological monitoring program (AMP). The archaeological monitoring program shall minimally include the following provisions:

- The archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archeologist shall determine what project activities shall be archaeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archaeological monitoring because of the potential risk these activities pose to archaeological resources and to their depositional context;
- The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource;
- The archaeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits;
- The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;

- If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.

If the ERO in consultation with the archaeological consultant determines that a significant archaeological resource is present and that the resource could be adversely affected by the proposed Project, at the discretion of the Project Sponsor either:

- The proposed Project shall be re-designed so as to avoid any adverse effect on the significant archaeological resource; or
- An archaeological data recovery program shall be implemented, unless the ERO determines that the archaeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

  If an archaeological data recovery program is required by the ERO, the archaeological data recovery program shall be conducted in accord with an archaeological data recovery plan (ADRP). The project archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the ADRP. The archaeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archaeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed Project. Destructive data recovery methods shall not be applied to portions of the archaeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures*. Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis*. Description of selected cataloguing system and artifact analysis procedures.

- *Discard and Deaccession Policy*. Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program*. Consideration of an on-site/off-site public interpretive program during the course of the archaeological data recovery program.
- *Security Measures*. Recommended security measures to protect the archaeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report*. Description of proposed report format and distribution of results.
- *Curation*. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.
- *Human Remains, Associated or Unassociated Funerary Objects*. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archaeological consultant, Project Sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.
- *Final Archaeological Resources Report*. The archaeological consultant shall submit a Draft Final Archaeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the draft final report.

Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Major Environmental Analysis division of the Planning Department shall receive three copies of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.

Compliance with this mitigation measure would reduce impacts to undiscovered cultural resources to a less-than-significant level.

Mitigation Measure H-2: Hazardous Building Materials Survey

Given the age of the buildings to be demolished it is likely that Hazardous Building Materials are present. Improper disposal of these materials could result in a potentially significant impact to the environment.

Therefore, prior to demolition of existing buildings, light fixtures and electrical components that contain PCBs or mercury should be identified, removed and disposed of in accordance with the Department of Toxic Substances Controls "universal waste" procedures. Compliance with these procedures would reduce impacts to a less-than-significant level.

Mitigation Measure H-3: Contaminated Soil Identification

Lead contaminated soil was identified in several locations on the Project Site. The improper handling or disposal of lead contaminated soil would constitute a significant impact.

Therefore, prior to issuance of a grading permit a Phase II analysis should be conducted on the Project Site. The Phase II shall include comprehensive soil sampling and laboratory analysis with the goal of identifying lead, chromium and contaminated soils. The scope of this Phase II analysis should be developed in cooperation with the San Francisco Department of Public Health.

If the results of this Phase II analysis indicate that contaminated soils is, in fact present on the site, Mitigation Measure H-4, below, shall also be incorporated.

Mitigation Measure H-4: Contaminated Soil Disposal

Based on the findings of the Phase II analysis conducted under Mitigation Measure H-3, a soil remediation and disposal plan shall be developed that includes a plan for on-site reuse or disposal of contaminated soils. In the event that soils are contaminated beyond DTSC thresholds, load-and-go procedures should be identified as well as the Class I landfill for disposal.

Incorporation of Mitigation Measures H-3 and H-4 would reduce impacts that result from handling and disposal of contaminated soils to a less-than-significant level.

D. ALTERNATIVES TO THE PROPOSED PROJECT (P. 205)

ALTERNATIVE A: NO PROJECT

The No Project Alternative would entail no physical land use changes at the project site. The existing 267-unit Hunters View public housing would remain in its current configuration and overall condition. As discussed in Chapter II, Project Description, the Hunters View buildings, due to both their poor initial construction and deferred maintenance, resulting from inadequate funding, are considered to have deteriorated beyond repair. The San Francisco Housing Authority (SFHA) has applied for U.S. Department of Housing and Urban Development (HUD) HOPE VI assistance three times without success (due, among other reasons, the reduction/proposed elimination of the HOPE VI program). No funding sources appear available that would allow the existing Hunters View buildings to be feasibly improved in place.

IMPACTS

If the No Project Alternative were implemented, none of the impacts or benefits associated with the proposed Project would occur. The existing 267-unit Hunters View public housing would remain in its current deteriorated condition. Vacancies at the site would likely continue to increase. The environmental characteristics of this alternative would generally be as described in the environmental setting sections of Chapter III. Land uses, urban design, visual quality, circulation, parking, and other physical characteristics of the site and vicinity would not immediately change, except as a result of nearby development, as a result of market forces and implementation of the *Bayview Hunters Point Redevelopment Plan,* discussed in Section III.A, Plans and Polices, p. 54. This alternative would be inconsistent with goals of the *Bayview Hunters Point Redevelopment Plan*, which include "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," and other Plan goals to improve the street pattern and connect neighborhoods to open space.

The No Project Alternative would not increase residential and retail uses at the site, and would not generate additional vehicle trips that would contribute to significant unavoidable adverse impacts for Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. Those effects would still occur.

ALTERNATIVE B: REDUCED-PROJECT ALTERNATIVE

The Reduced-Project Alternative is intended to avoid the proposed Project's contribution to unavoidable significant adverse impacts for 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. The Reduced-Project alternative, with same retail and community uses as the proposed Project, would have a total of 260 residential units, compared to up to 800 units with the Project. The 260 units would provide one-for-one replacement of the public housing units affordable to very low income residents. There are currently 267 units at Hunters View, of which about 167 are currently occupied. With this alternative, the Project Site could be developed in a manner similar to the proposed Project, with a new street and block pattern, but with lower overall density compared to the proposed Project essentially replacing one-for-one, the existing occupied and unoccupied units. New buildings would be developed consistent with the existing 40-X Height and Bulk District, and the alternative would not require a zoning change to establish a 65-foot height limit, as with the proposed Project.

IMPACTS

The Reduced-Project Alternative would be generally consistent with the *Bayview Hunters Point Redevelopment Plan*, but would not respond fully to the goals to "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," because of the limited increase in affordable and market-rate housing at the site.

This alternative would have other characteristics similar to those of the proposed Project, and its potential environmental effects—except as noted below—would be similar to those described for the proposed Project in Chapter III, Environmental Setting and Impacts. Mitigation and improvement measures described in Chapter IV would also apply to this alternative. Differences between this alternative and the proposed Project with respect to transportation impacts are discussed below.

As discussed in Section III.D, Transportation, 2025 Cumulative Conditions at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections would result in Levels of Service (LOS) E or LOS F. The transportation analysis found that potential mitigation measures to improve the LOS to acceptable levels (LOS D or better) at those five intersections would either not be feasible or would require further assessment of feasibility. Thus, the Project

would either not be feasible or would require further assessment of feasibility. Thus, the Project contribution to unavoidable cumulative impacts would be a significant effect. The 260-unit Reduced-Project Alternative would generate fewer peak-hour vehicle trips than the proposed Project, and contribute about five percent to the growth in 2025 at the Middle Point Road/Evans Avenue. This would avoid a significant contribution to the LOS F condition at that intersection, and to significant contributions at the other four affected intersections. However, other cumulative traffic growth would still result in LOS E or F at those five intersections.

This alternative would limit the ability of the Project Sponsor to meet many of the Project objectives: to develop up to 800 units of mixed-income housing; to provide unit types to best meet the needs of the current and future residents; to continue to provide affordable housing opportunities yet decrease the concentration of public housing units by adding additional mixed-income units; to create affordable and market rate home ownership opportunities; and to use the sales proceeds from the market-rate home ownership component to help finance the construction of the public housing units.

ALTERNATIVE C: NO-REZONING ALTERNATIVE

The No-Rezoning Alternative would have the same uses as the Project, but would not propose a Zoning Map Amendment to rezone the Project Site from 40-X To 65-X. The alternative, with the same retail and community uses as the proposed Project, would have a total of about 670 residential units, compared to up to 800 units with the proposed Project. The 670 units would provide one-for-one replacement of the public housing units affordable to very low income residents, and about 400 additional units, which would be a mix of affordable and market-rate units. With this alternative, the Project Site could be developed in a manner similar to the proposed Project, with a new street and block pattern, but with lower overall density and building design compared to the proposed Project. New buildings would be developed consistent with the existing 40-X Height and Bulk District.

IMPACTS

The No-Rezoning Alternative would be generally consistent with the *Bayview Hunters Point Redevelopment Plan*, but would not respond fully to the goals to "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," because of the more limited increase in affordable and market-rate housing at the site.

This alternative would have other characteristics similar to those of the proposed Project, and its potential environmental effects would be similar to those described for the proposed Project in Chapter III, Environmental Setting and Impacts. Urban design and visual quality effects of this alternative would differ from those with the Project, as there would be no buildings greater than 40 feet in height. However, as the Project would not have significant adverse visual quality effects, the No-Rezoning Alternative would not change that conclusion. Mitigation and improvement measures described in Chapter IV would also apply to this alternative.

This alternative would generate fewer peak-hour vehicle trips than the Project, but would still contribute more than five percent to traffic growth at the five noted intersections, and would be considered to contribute to significant unavoidable cumulative traffic impacts.

This alternative would limit the ability of the Project Sponsor to meet many of the Project objectives: to develop up to 800 units of mixed-income housing; to provide unit types to best meet the needs of the current and future residents; to continue to provide affordable housing opportunities yet decrease the concentration of public housing units by adding additional mixed-income units; and to use the sales proceeds from the market-rate home ownership component to help finance the construction of the public housing units.

ENVIRONMENTALLY SUPERIOR ALTERNATIVE

Section III, Environmental Setting and Impacts determined that impacts in the following issue areas would be less than significant or less than significant with mitigation: aesthetics, cultural resources, noise, air quality, wind and shadow, recreation, utilities and service systems, public services, biological resources, geology and soils, hydrology and water quality, hazards/hazardous materials, mineral/energy resources, and agricultural resources. The proposed Project would contribute to significant unavoidable adverse impacts for Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. The Reduced-Project Alternative, discussed above, would not have a significant contribution to the 2025 Cumulative Conditions. Based on this preliminary analysis, the environmentally superior alternative would be the Reduced-Project Alternative. However, other cumulative traffic growth would still result in unavoidable LOS E or F at the noted intersections.

E. AREAS OF CONTROVERSY AND ISSUES TO BE RESOLVED

This Draft EIR assesses the proposed Project-specific and cumulative environmental effects. As discussed herein, the proposed Project would contribute to a significant unavoidable adverse impact with cumulative conditions at the five intersections. Mitigation measures were found to be either not feasible or feasibility is yet to be determined, and the cumulative impacts at those intersections would be significant and unavoidable. All other identified environmental impacts would be less than significant or would be less than significant with mitigation measures identified in this EIR.

The Planning Department issued a Notice of Preparation of an Environmental Impact Report and Notice of Public Scoping Meeting on November 16, 2007 and a Public Scoping Meeting was held on December 5, 2007. Individuals and agencies that received these notices included owners of properties within 300 feet of the project site, residents of Hunters View, tenants of properties adjacent to the project site, and other potentially interested parties, including various regional and state agencies. Comments on the NOP related to avoidance of hazardous materials during construction and to the scope of the transportation study.

With the publication of the Draft EIR, there will be another public comment period on the adequacy and accuracy of the environmental analysis that will last from March 1, 2008 – April 4, 2008, and will include a public hearing before the Planning Commission scheduled for April 3, 2008. Following the Planning Department's publication and distribution of the written responses to all comments received on the Draft EIR, the EIR will go before the Planning Commission for certification. After the EIR certification, the Planning Commission will consider approval of the proposed Project.

II. PROJECT DESCRIPTION

The San Francisco Housing Authority (SFHA) and Hunters View Associates, LP (Project Sponsor), assisted by the San Francisco Redevelopment Agency (Agency) and the Mayor's Office of Housing, propose the Hunters View Redevelopment Project, in San Francisco's Bayview Hunters Point neighborhood. The proposed Project would replace the existing Hunters View public housing project with a range of mixed-income housing types, and include one-for-one replacement of all public housing units. The SFHA selected Hunters View Associates, LP, a partnership of the John Stewart Company, Ridge Point Non-Profit Housing Corporation, and Devine & Gong, Inc., as the developer charged with undertaking the redevelopment of Hunters View.

The existing 267-unit Hunters View project, built in 1957, is currently owned and managed by the SFHA and consists of 50 one-to-three story buildings with no off-street parking. The Project Sponsor proposes to demolish the existing housing units at Hunters View and replace them with up to 800 new residential units, off-street parking, some ground-floor neighborhood-serving commercial space, and community facilities. The new residential units would include single-family homes, townhouses and flats. The up to 800 new units would include 267 public housing units that would replace one-for-one the demolished units. The Project would also include new sidewalks, roadways, utility infrastructure and landscaping.

The proposed Project is currently anticipated to be developed in approximately 19 blocks with buildings ranging in height from 20 to 65 feet. The resulting density would be similar to the surrounding neighborhood. This mixed-income community would result in a range of resident incomes from less than 10 percent to well over 120 percent of the Annual Median Income.[3] Project Characteristics, as described below, provide further information on the mix of housing types and affordability levels. The Project location, setting, objectives, and approvals are also described below.

A. PROJECT LOCATION

The Project Site, in the Bayview Hunters Point neighborhood, is approximately 1¼ miles east of U.S. 101/I-280, as shown in Figure 1, p. 41, south of Evans Street and west of Hunters Point Boulevard. The Project Site is comprised of two properties: The first is at Middle Point and about 20.5 acres. The second, approximately two-acre parcel, is located along Keith Street, Assessor's Block 4720, Lot 27. The two sites form an irregularly shaped, 980,100-square-foot

[3] Annual Median Income is determined by the U.S. Department of Housing and Urban Development.



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FIGURE 1: REGIONAL LOCATION

(about 22.5-acres) site, as shown in Figure 1, p. 41. The site is a northeast-facing, low to moderately steep slope, approximately 150 feet above mean sea level (msl) on the southwest to 50 feet msl on the northeast.

Surrounding Land Uses. Surrounding land uses include other residential and commercial properties. The properties to the west and northwest include multi-family residences. To the north (across Evans Avenue) is the PG&E Hunters Point Plant, which has been closed and is under demolition. To the northeast is an existing PG&E switching station. South of the Project Site, uses include Malcolm X Academy, --a public elementary school--, and the Hunters Point Community Youth Park. To the east along Innes Avenue are India Basin Shoreline Park, and the southeast and India Basin neighborhood, with a mixture of older and more recent residential development, and limited retail uses. The Project Site is about one-mile northwest of the former Hunters Point Naval Shipyard.

Planning and Zoning. The majority of the Project Site is within an RM-1 District, which is defined under Section 206.2 of the *Planning Code* as Residential, Mixed-Use – Low Density. The *Planning Code describes* the RM-1 Districts as containing a mixture of dwelling types including those found in the RH (Residential, House) Districts, along with apartment buildings broadening the range of unit sizes and the variety of structures. A limited number of non-residential uses are allowed in the RM-1 District, and tend to be resident-serving uses. Residential-serving commercial uses can be granted through a Planned Unit development as long as they are restricted to uses permitted in the NC-1 (Neighborhood Commercial, Cluster) Districts. A small part of the site east of Keith Avenue is zoned RH-2, House, Two-Family District; NC-2 (Neighborhood Commercial, Small-Scale; and M-1, Light-Industrial District. The Project Site is within a 40-X Height and Bulk District which sets building height limits at 40 feet.

The Hunters View Project Site is also within the Bayview Hunters Point (BVHP) Redevelopment Project Area, established in 2006 when the San Francisco Board of Supervisors adopted the BVHP Redevelopment Plan (Redevelopment Plan). The BVHP plan assumes that the Hunters View Project Site would continue to include 267 units of public housing, with increases in density for additional mixed-income housing units. The BVHP Plan maintains the existing residential zoning for the Project Site.

B. PROJECT SETTING

As described earlier, the Project Site consists of a 20.5-acre parcel owned by the SFHA and a contiguous two-acre parcel along Keith Street. The SFHA parcel is currently occupied by the 267-unit public housing project constructed in 1957 on the foundations of former World War II workforce housing. The existing housing includes fifty buildings that are one to three stories or about 16 to 28 feet high. The building construction is wood framing with a painted stucco finish. The roof pitch is relatively flat, with overall rectangular shape.

The two-acre parcel contiguous to the SFHA parcel along Keith Street is currently owned by the Agency and is a vacant lot. The Agency would convey the property to the SFHA and/or the Project Sponsor as part of the proposed Project.

The density of the Project Site currently is approximately 13 units per acre, significantly lower than the densities of surrounding land uses. A summary of existing land uses is provided in Table 1, below.

TABLE 1
EXISTING LAND USES

	Units	Floor Area (square feet)
Residential	267	325,000
Commercial	-NA-	0
Community Space (including Storage)	-NA-	7,000
Off-Street Parking	-0-	-0-
TOTAL FLOOR AREA	**-NA-**	**332,000**

Source: John Stewart Co., 2007.

The buildings are connected by a network of meandering concrete walkways, stairs and common open spaces. The open spaces are ill-defined in that they are not clearly programmed and do not relate to any individual buildings or units in such a way that designates ownership or responsibility to them. They are, rather, left-over, un-built, and unclaimed space. The Project Site currently contains 68 trees.[4]

[4] Walter Levison, Consulting Arborist, *Assessment of Sixty-Eight (68) Street Trees and Significant Trees at Hunters View Project, San Francisco, California,* January 12, 2007. A copy of the Arborist Report is available for review, by appointment at San Francisco Planning Department, 1650 Mission, 4th Floor in Case File No. 2007.0168E.

Regional access to the Project Site is provided from U.S. 101 via the Cesar Chavez/Bayshore Boulevard and Alemany Boulevard off-ramps. Third Street is the primary north-south arterial in the Bayview Hunters Point area. Cesar Chavez is a major east-west arterial. Evans Avenue on the north, and Palou Avenue on the south, serve Hunters View and Hunters Point Hill as the major corridors to Third Street, I-280 and I-101. The Project Site is served by a local roadway network consisting of Middle Point Road, West Point Road, Hare Street, and Wills Street. Middle Point Road runs north-south, bisecting the Project Site. The western part of the Project Site can be accessed via West Point Road which loops off of Middle Point Road near the south edge of the Project Site and loops back to Middle Point Road near the north edge of the Project Site as shown in Figure 1, p. 41. The eastern part of the Project Site is served by three cul-de-sac(s), the terminus of West Point Road, Hare Street and Wills Street.

C. PROJECT CHARACTERISTICS

As described under Project Objectives, below, a goal of the proposed Project is to create a mixed-income community that takes advantage of the configuration, location and natural features of the Project Site.

The Project Sponsor proposes to demolish the existing 267-units of public housing and provide one-for-one replacement of those public housing units on the Project Site. Currently, about 501 residents occupy 166 of the 267 units. Those residents would be relocated on-site during construction as described under project phasing, below. In addition, all current residents will be given first priority to live in one of the newly constructed ACC units.[5]

Table 2, below, summarizes the proposed development.

Residential Uses

The Project would include between 650 and 800 total units, including an anticipated 350 affordable rental units (267 public housing and 83 additional affordable rental units), 17 Habitat for Humanity for-sale units, between 13 and 50 additional affordable home ownership units, and between 270 and 383 market-rate home ownership units. A discussion of the range of incomes that would be accommodated by the development is included in Section III.I, under Population and Housing. To provide a conservative analysis, the EIR will analyze development of up to 800 residential units. The final total of residential units that are developed may vary,

[5] Annual Contribution Contract (ACC) is a term used by the U.S. Department of Housing and Urban Development to refer to public housing units, which are units offered to qualifying residents for rents significantly below market rates.

based on refined planning analysis. To maximize the density on the site and work within topographical constraints, the proposed Project includes buildings that can be grouped into three general categories. Residential units would be comprised of (1) single-family homes, (2) individually-accessed townhomes, and (3) flats in apartment buildings, as described below. The building types are summarized in Table 3, p. 45. Off-street parking would be provided in various configurations as summarized in Table 3, p. 45.

TABLE 2
PROJECT SUMMARY TABLE

	Total
Public Housing Units	267
Affordable Rental Units	83
Habitat for Humanity Affordable For-Sale Units	17
Affordable For-Sale Units	13 to 50
Market Rate For-Sale Units	270 to 383
TOTAL HOUSING UNITS	**650 to 800**
Parking Spaces	up to 816 spaces
Commercial	6,400 square feet
Community	21,600 square feet
Parks	58,300 square feet

Source: John Stewart Co., 2007.

TABLE 3
PROPOSED BUILDING TYPES

Building Type	Number of Stories	Height (in feet)	Unit Mix	Parking	Open Space	Interior Corridors
TYPE 1	2 -3	20-35	Single-Family Home/ Townhome	At-Grade and/or Individual Garages	Private or Shared/ At-Grade	None
TYPE 2	3-4	30-55	Townhome/ Townhome over Flat/Stacked Townhome	Parking Podium[1] w/Shared Garage	Shared Courtyard Over Garage	None
TYPE 3	4-7	40-65	Flats and Stacked Townhome	Parking Podium w/Shared Garage	Private Decks or Shared Courtyard over garage	Double-loaded corridor[2]

Source: WRT/Solomon E.T.C., 2007.

Notes:

a. Parking Podium indicates a below-grade parking garage, a courtyard would be situated entirely or, in-part over the parking podium.

b. A double-loaded corridor indicates a corridor with units on both sides.

Single-Family Homes. Single-family homes would range from two to three stories and would be attached to horizontally adjoining homes with a common exterior wall as is commonly found in San Francisco. Single-family homes would be two to four bedrooms.

Townhomes. Townhomes would range from two to three stories and would be attached to horizontally adjoining units with a common exterior wall. Townhomes would differ from single-family homes in that they may be stacked vertically above or below other townhomes or flats. Townhomes would be two to four bedrooms.

Flats. Flats are, by definition, single-story units. Flats would generally be stacked vertically with other flats and/or townhomes. Flats would be one to three bedrooms.

To maximize the density on the site and work with topographical constraints, the proposed Project includes buildings that can be grouped into three general categories. The building types are summarized in Table 3, p. 45. The buildings would range in height from 20 to 65 feet.

The various residential building types described above are arranged on the site in 19 blocks as shown in Figure 2, p. 47.

Commercial Uses

The Project would include approximately 6,400 square feet of neighborhood-serving retail that would be accommodated in three to six different spaces. While the retailers have not yet been determined, possible uses include neighborhood-serving uses such as a deli, a dry cleaner, or a coffee shop. Retail spaces would be at key intersections as shown in Figure 2, p. 47. The retail uses would be expected to employ up to 25 persons.

Community Facilities

The proposed Project would include community-serving facilities. The Project Sponsor is working with the Hunters View community to determine the types of facilities of uses that could best serve existing and future site residents. Preliminarily, these facilities would include uses such as a community room, a computer learning facility, a childcare/Head Start center, children's play areas, and a senior center.

Parking and Circulation

The proposed Project is anticipated to include up to 816 off-street parking spaces, a ratio of up to one space per unit, with additional code-required parking for the other uses. Most parking would be provided in partially or fully sub-surface parking garages below the housing and/or



SOURCE: WRT/Solomon E.T.C.

Key:

- Retail
- Community
- Parks

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FIGURE 2: PRELIMINARY SITE PLAN

below mid-block landscaped courtyards. Parking for single-family homes and townhomes at grade would be provided in private garages or in mid-block surface parking lots. Units stacked over parking podiums would be provided at least one space per unit. Units at grade may be provided less than one space per unit.

As shown in Figure 2, p. 47, the proposed Project design would incorporate existing and reconfigured roadways on the Project Site. In particular, Middle Point Road, Wills Street, and Hare Street would remain in their current alignment; Wills Street and Hare Street would be extended and connected. West Point Road would be reconfigured to provide access from Middle Point Road to Fairfax Avenue. Fairfax Avenue would be extended from its current terminus at Keith Street, through the Project Site at the northwest corner, to connect with two new streets; "New Street" and "Park Street East/West." Park Street East/West would be proposed as a wide boulevard with two directions of travel separated by a landscaped median.

If the Project Sponsor can obtain site control, the Project would propose to include a pedestrian walkway providing access to Innes Avenue and India Basin Shoreline Park, through a proposed easement on PG&E property adjacent to the site, that is on axis with the unimproved Hudson Street right–of-way and extends westward from Innes Avenue. On the opposite side of the site, the Project would also include a pedestrian walkway extending westward from the on-site portion of Fairfax Avenue as an extension of Wills Street providing access to Cashmere Street and the 44-O'Shaughnessy bus stop on Hudson Street.

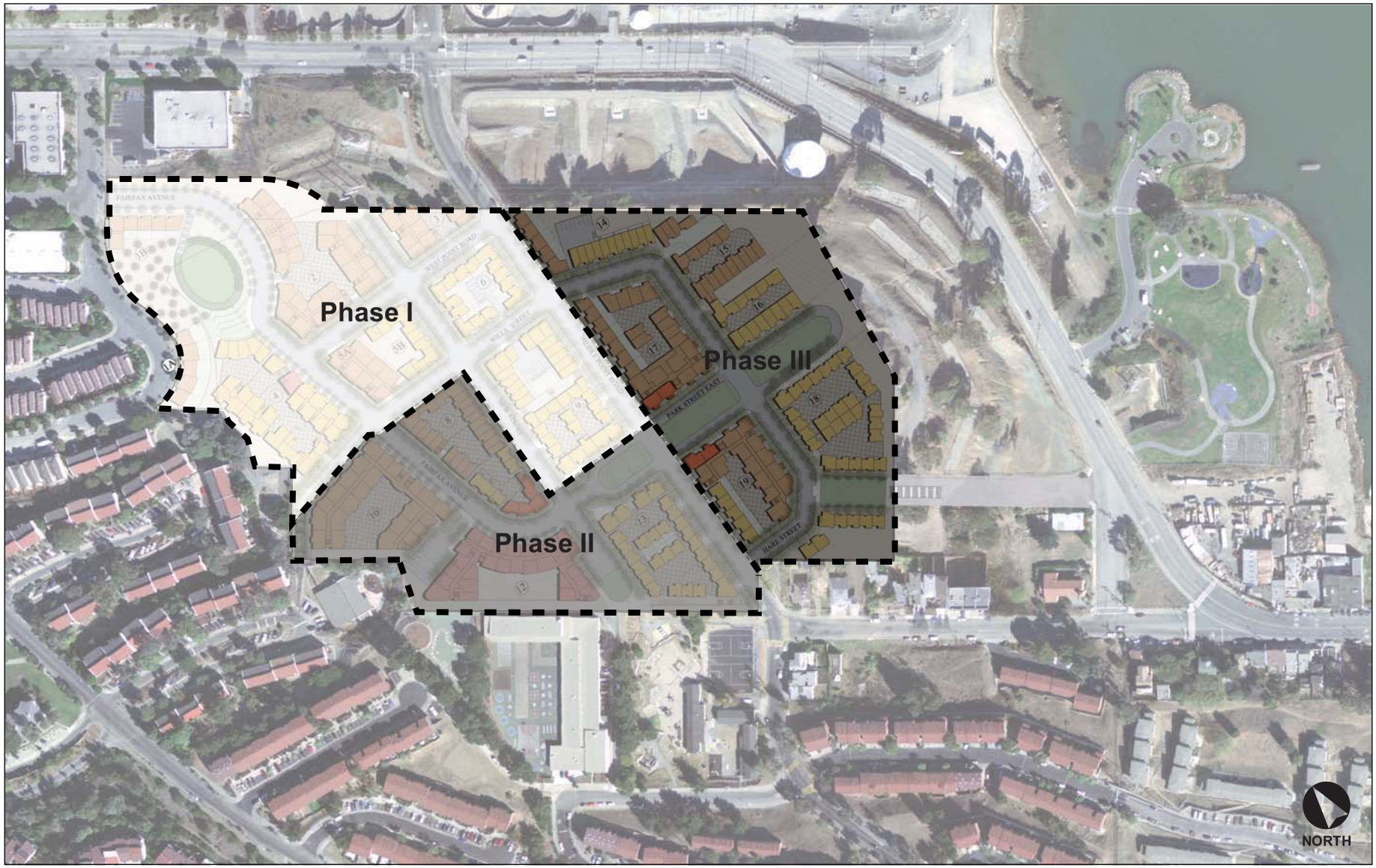
Three MUNI bus lines provide service in the immediate vicinity of the Project Site: the 19-Polk, 44-O'Shaughnessy, and the 54-Felton. Two additional bus lines, the 23-Monterey and the 24-Divisadero, and the T-Third Street light rail line are within walking distance or are accessible through transfers from the 44 or the 19 lines.

Infrastructure

The Project would re-use, upgrade, and resize water, wastewater, drainage, gas and electric, and other utility infrastructure, within the site as necessary.

Open Space

The Project would provide public and private open space areas. The residential buildings would include private open space as required under the *Planning Code*. As summarized in Table 3, above, buildings would provide private open space in gardens, decks, or common open space in landscaped courtyards over garage areas. In addition, the Project would include three



SOURCE: WRT/Solomon E.T.C.

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE3: CONSTRUCTION PHASING

publicly-accessible parks as shown in Figure 3, p. 49. One park would be in the northwest corner of the site, near Fairfax Avenue; a second would be in three segments between Park Street East and Park Street West; and the third would be at the southeast corner of the site adjacent to the proposed pedestrian route to India Basin Shoreline Park. The three parks, totaling approximately 58,300 sq ft., would be maintained by on-site management. The project is committed to creating high quality open space, and would likely include a mixture of passive and active recreation areas, with playgrounds or similar uses.

All of the existing trees would be removed as a part of the Project. All but six trees are considered to be in fair, poor or very poor condition.[6] The Project would include new landscaping and tree planting, and would replace at least as many as the 68 trees to be removed. Landscaping would also potentially include areas with native plant materials.

Grading

Construction would require grading over the entire Project Site. Approximately 200,000 cubic yards of soil would be moved during construction of all three phases. The goal is to achieve balanced soil movement on-site, however, some portion of this soil would be exported from the site. It is anticipated that the Project would use conventional foundations, requiring an average depth of excavation of twenty-to twenty-five feet.

Project Phasing

The Project would be developed in three phases, as shown in Figure 3, p. 49. The infrastructure, amenities and community facilities that support the residential development would be developed in each of the three phases, as appropriate. It is possible that the three phases will be consecutive (non-overlapping due to on-site relocation) although they will be compressed to the extent possible and would occur between about 2009 to about 2015.

The phasing would allow the market-rate units to come into the market such that the sale of these units would provide a financial cross-subsidy for the public housing units. Project phasing would also allow all of the existing Hunters View residents to be temporarily relocated on-site, and then permanently relocated on-site. As a result, no residents would be displaced. For example, residents living in the Phase I area would be temporarily relocated into the Phase II and Phase III areas such that the demolition and reconstruction of the Phase I area could be undertaken.

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[6] Walter Levison, Consulting Arborist, *Assessment of sixty-eight (68) street trees and significant trees* at Hunter's View Project, San Francisco, California, January 12, 2007.

Project Objectives

Hunters View Associates' primary objective is to build a high quality, well-designed, cost efficient and affordable mixed-income community that includes units for singles, families and seniors and community facilities that equally serve all residents.

Specific Objectives of the Hunters View revitalization project include the following:

- Develop up to 800 units of mixed-income housing;
- Replace all current public housing units, on a one-for-one basis, with high quality comparably affordable units;
- Minimize off-site relocation of residents during construction;
- Provide unit types to best meet the needs of the current and future residents;
- Continue to provide affordable housing opportunities yet decrease the relative concentration of public housing units by adding additional mixed-income units;
- Create affordable and market rate home ownership opportunities;
- Utilize the sales proceeds from the market rate home ownership component in order to help finance the construction of the public housing units;
- Realign the streets and placement of buildings to result in an urban configuration more typical of a San Francisco neighborhood and to maximize views for all residents;
- Create greater connectivity to the broader community by adding street and walkway connections where feasible;
- Provide usable open space;
- Provide supportive services for residents;
- Remediate the physical hazards of the existing Hunters View;
- Blend the design of the new buildings into the surrounding community;
- Base construction on healthy and green principles;
- Improve public housing facilities, amenities, security, and Americans with Disabilities Act (ADA) access at the site; and
- Create a stable mixed-income community that serves both existing residents as well as new residents.

The Project would also meet the following Objectives of the BVHP Plan:

- Increasing the community's supply of housing by facilitating economically feasible, affordable housing for existing very low-, low- and moderate-income households and residents in the community;

- Strengthening the economic base of the Project Area and the community by strengthening retail and other commercial functions within the Project Area through the facilitation of new retail space, and as appropriate, new commercial and light industrial uses;
- Retaining existing residents and existing cultural diversity to the extent feasible;
- Providing land, as feasible and appropriate for publicly accessible open spaces;
- Providing assistance towards the improvement of key transportation routes to meet the needs of alternative transportation modes, industrial trucking operations, and emergency operations;
- Eliminating blighting influences and correcting environmental deficiencies within the Project Area, including, but not limited to, abnormally high vacancies, abandoned, deteriorated and dilapidated buildings, incompatible land uses, depreciated or stagnant property values, and inadequate or deteriorated public improvements, facilities and utilities;
- Removing structurally substandard buildings, removing impediments to land development, and facilitating modern, integrated development with improved pedestrian and vehicular circulation within the Project Area and vicinity
- Redesigning and developing undeveloped and underdeveloped areas, which are improperly utilized; and
- Providing flexibility in the development of real property within the Project Area to respond readily and appropriately to market conditions.

Intended Uses of the EIR/Approvals Required

The Project will require a number of approvals and permits:

- Planning Commission certification of the Final EIR and adoption of CEQA Findings and adoption of a Mitigation Monitoring and Reporting Program;
- Board of Supervisors Planning Code Height and Bulk Zoning Amendment approval;
- Planning Commission Conditional Use Approval for a Planned Unit Development (PUD) , pursuant to Planning Code Sections 303 and 304. Only one PUD will be required for the entire project; however, in the conditions of the performance requirements for the three phases, the later phases will be brought back before the Planning Commission as informational items;
- A Design for Development document containing standards and guidelines for buildings designs will be attached to the CU/PUD motion, the initial approval will require plans for the first phase only;
- Housing Authority Development and Disposition Agreement;
- HUD Disposition and Demolition Approval;

- San Francisco Redevelopment Agency land conveyance approval;
- Subdivision Map and Condominium Map Approvals from the Department of Public Works (DPW);
- DPW approval for changes in or vacations of public rights-of-way;
- DPW permits for tree removals;
- Demolition Permits from the Department of Building Inspection (DBI);
- DBI Grading Permits; and
- DBI Site Permit and Permit Addenda, including foundation, construction and landscaping work.

III. ENVIRONMENTAL SETTING AND IMPACTS

A. PLANS AND POLICIES

For informational purposes, this section describes the major land use and development policies embodied in the *San Francisco General Plan (General Plan)* and the *San Francisco Planning Code (Planning Code)*. This section also describes the existing Redevelopment Plan applicable to the Hunters View Project Site, and current Planning Department and San Francisco Redevelopment Agency (Agency) planning activities in the project vicinity.

SAN FRANCISCO GENERAL PLAN

The *General Plan* contains general policies and objectives to guide land use decisions, and contains some policies that relate to physical environmental issues. The Project will be reviewed by the Planning Department and the City Planning Commission to make findings of consistency with policies of the *General Plan*. Decision-makers may identify potential conflicts between specific projects and goals and policies of the *General Plan*. During the review process, the decision-makers must evaluate and balance the potentially conflicting goals of different *General Plan* policies. Sections of the General Plan that apply to the proposed Project include the Housing Element and the Bayview Hunters Point Area Plan.

Housing Element

The San Francisco Planning Commission adopted an updated Housing Element of the *General Plan* in May 2004.[7] The San Francisco Board of Supervisors approved the Housing Element in September 2004, and the State Department of Housing and Community Development certified the Housing Element in October 2004. In June 2007, however, the First District Court of Appeals ruled that the updated Housing Element should have been addressed in an EIR. Therefore, this section refers to relevant policies of both the 2004 Housing Element and the 1990 Residence Element (the next most recent version).[8]

The 2004 Housing Element of the *General Plan* "sets forth objectives, policies, and implementing programs to address the critical housing needs" of the City. The 2004 Element addresses the City's goals "of achieving decent, suitable, and affordable housing for current and future San

[7] City and County of San Francisco, Planning Department, *Housing Element of the General Plan*, adopted May 13, 2004.

[8] City and County of San Francisco, Planning Department, *San Francisco General Plan*, Residence Element, adopted September 13, 1990.

Franciscans." The objectives of the 2004 Housing Element address new housing supply, housing retention, housing condition, affordability, housing choice, homelessness, density/design/quality of life, and State and regional needs. With regard to housing supply, Objective 1 states "to provide new housing, especially permanently affordable housing, in appropriate locations which meets identified housing needs and takes into account the demand for affordable housing created by employment demand." This policy is similar to Objective 1 in the 1990 Residence Element. The 2004 Housing Element Policy 1.4, "Locate in-fill housing on appropriate sites in established residential neighborhoods," is the same as relevant policies in the 1990 Residence Element. The 2004 Housing Element Objective 3, "Enhance the physical condition and safety of housing without jeopardizing use or affordability," and Policy 3.3, "Maintain and improve the condition of the existing supply of public housing," is similar to 1990 Residence Element Objective 5, "To maintain and improve the physical condition of housing while maintaining existing affordability levels," and Policy 5.4, "Maintain and improve the existing supply of public housing." 2004 Housing Element Objective 4, "Support affordable housing production by increasing site availability and capacity," Policy 4.1, "Actively identify and pursue opportunity sites for permanently affordable housing is similar to 1990 Residence Element Objective 7, "To increase land and improve building resources for permanently affordable housing," Policy 7.1, "Create more housing opportunity sites for permanently affordable housing."

2004 Housing Element Objective 11, "In increasing the supply of housing, pursue place making and neighborhood building principles and practices to maintain San Francisco's desirable urban fabric and enhance livability in all neighborhoods," and Policy 11.1, "Use new housing development as a means to enhance neighborhood vitality and diversity," is similar to 1990 Residence Element Objective 12, "To provide a quality living environment," and Policy 12.1, "Assure housing is provided with adequate public improvements, services and amenities."

The Project would redevelop the Hunters View site, replacing the 267 units of public housing, with a total of up to 800 new dwelling units that would include a range of multi-family and single-family housing, both rental and ownership. The public housing-units would be replaced one-for-one. The proposed Project would respond to Housing Element and Residence Element objectives with regard to providing housing in a range of affordability, including low and moderate income households; increasing the supply of housing; improving the physical condition of housing; and enhancing neighborhood vitality by providing a range of housing types, other uses, and improved vehicle and pedestrian connectivity.

Bayview Hunters Point Area Plan[9]

The Bayview Hunters Point Area Plan (as amended, March 2006, formerly the South Bayshore Area Plan), is an element and area plan of the *San Francisco General Plan* that covers the southeastern section of the City bound by Cesar Chavez Street to the north, U.S. 101 to the west, the Bay to the east, and the San Francisco county line to the south, exclusive of the Hunters Point Shipyard. The Bayview Hunters Point Area Plan lays the foundation for much of the housing, economic development, and community enhancement programs, consistent with Bay View Hunters Point Redevelopment Plan, discussed further below. The following objectives of the Bay View Hunters Point Area Plan pertain to the Project:

Objective 1: Stimulate business, employment, and housing growth within the existing general land use pattern by resolving conflicts between adjacent industrial and residential areas.

Objective 5: Preserve and enhance existing residential neighborhoods.

Objective 6: Encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point.

Objective 10: Enhance Bayview Hunters Point's distinctive and positive features.

Objective 11: Improve definition of overall urban pattern of Bayview Hunters Point.

The Hunters View site is within a "Residential" designation in Bayview Hunters Point Area Plan Figure 4, Generalized Land Use. The site is part of "India Basin/Hunters Point Hill" shown in Figure 16, Bayview Hunters Point Distinctive Areas. The proposed Project would respond to Bayview Hunters Point Area Plan objectives to stimulate housing growth without affecting industrial uses; to preserve and enhance existing residential areas; to encourage affordable and market rate residential uses; and relate to Hunters Point Hill topography, waterfront open space, and an improved urban street pattern relating the Project Site to Innes Avenue and the India Basin shoreline.

SAN FRANCISCO PLANNING CODE

The San Francisco *Planning Code (Planning Code)*, which incorporates by reference the City's Zoning Maps, governs permitted uses, densities and the configuration of buildings in San Francisco. Permits to construct new buildings (or to alter or demolish existing ones cannot be

[9] City and County of San Francisco, Planning Department, *San Francisco General Plan*, Bayview Hunters Point Area Plan, as amended March 2006.

issued unless either the proposed action conforms to the *Planning Code*, or an exception is granted pursuant to provisions of the *Planning Code*, or a reclassification of the site occurs.

The Project Site is located within an RM-1 District, which is defined under Section 206.2 of the *Planning Code* as Residential, Mixed-Use–Low Density. As such, the RM-1 Districts contain a mixture of dwelling types that are found in the RH (Residential House) Districts, but in addition have a significant number of apartment buildings that broaden the range of unit sizes and the variety of structures. Non-residential uses in the RM-1 District are generally not permitted, but where they pre-exist their zoning, or are permitted through a Planned Unit Development, they tend to be resident-serving uses. The *Planning Code* also sets standards for building setbacks, open space, parking, and other design controls. A small part of the site east of Keith Avenue is zoned RH-2, House, Two-Family District; NC-2 Neighborhood Commercial, Small - Scale; and M-1, Light-Industrial District. Residential uses are permitted in both these districts.

The Project Site is within a 40-X Height and Bulk District which sets building height limits at 40 feet. The "X" of the 40-X designation indicates no bulk limit.

The proposed Project as described can be approved through a Conditional Use/Planned Unit Development and Height Map Amendment (Planning Code Sections 303 and 304, and 302.) Some exceptions from Planning Code requirements may be sought for the Project pursuant to this approval process. The Project Sponsor has requested an initial approval for all three phases of the project. Given the complexity of the project, and the need for an initial approval, a Design-for-Development Document will be prepared to provide further description and design controls for the project. The PUD would also apply to the small areas of the Project Site currently zoned RH-2, NC-2 and M-1, to permit development as proposed with the Project Site. As discussed in Chapter II, Project Description, the proposed Project would require a Zoning Map Amendment in conjunction with Conditional Use Approval to rezone the site to accommodate the buildings that would exceed forty feet in height. The zoning amendment would require Board of Supervisors approval. (Section III.C, Visual Quality and Urban Design, describes the effect of project buildings that would be up to 65 feet high, with the proposed height district change. Chapter VI, Alternatives, describes a Project alternative that would be developed under the existing 40-X height and bulk controls.)

REDEVELOPMENT PLAN

In 2006, the San Francisco Redevelopment Agency (Agency) adopted the Bay View Hunters Point Redevelopment Plan (BVHP Plan).[10] The BVHP Plan is a 1,499-acre area that incorporated the former 137-acre Hunters Point Redevelopment Project Area. The BVHP Plan designated "activity nodes," within the BVHP boundaries. The Hunters View Project Site is part of the "Hunters Point Shoreline Activity Node" of the BVHP Project Area. The BVHP Plan's development goals for the Hunters Point Shoreline Activity Node include:[11]

- Promote new housing on available infill development sites where appropriate.
- Assist with the renovation of Housing Authority projects such that the housing fits in architecturally with other residential development in the community.
- Emphasis on encouraging artists and artisans, such as those of African or Pan African influence.
- Improve access to water recreation along the India Basin shoreline and enhance public access to the waterfront from the hillside housing.
- Assist with the redesign of Innes Avenue to improve pedestrian safety and enhance the neighborhood commercial area.
- Conduct specific land use planning for the remaining survey area.

The Hunters View project would be consistent with BVHP Plan goals to promote new housing on available infill development sites; to assist with renovation of Housing Authority projects; and to improve access to waterfront recreation, via a proposed new pedestrian route from the site to Innes Avenue near India Basin Shoreline Park, provided that the Project Sponsor can obtain site control. The Project would not directly affect or impede other stated Hunters Point Shoreline development goals listed above.

The BVHP Plan illustrates the Hunters View site, and most of the Hunters Point Shoreline node as "Residential."[12] The BVHP Plan defines generalized residential areas that consist of residential uses and some compatible local serving retail and services. The primary land use is residential units ranging from single family homes to multi-family developments of a moderate scale. Related uses also include local serving businesses, family child care facilities, small professional offices, home occupations, and recreation facilities.[13] The Project land uses would

[10] San Francisco Redevelopment Agency, *Redevelopment Plan for the Bayview Hunters Point Redevelopment Project*, adopted June 1, 2006.

[11] *Redevelopment Plan for the Bayview Hunters Point Redevelopment Project*, p. 32.

[12] *Redevelopment Plan for the Bayview Hunters Point Redevelopment Project*, p. 57.

[13] *Redevelopment Plan for the Bayview Hunters Point Redevelopment Project*, p. 23.

be mixed-density residential, with some retail, child-care, and recreation facilities, and would be consistent with the BVHP Plan.

The BVHP Plan also explicitly makes property in the Project Area subject to the requirements of the *Planning Code* and Zoning Maps as its land use controls.[14] As discussed above, most of the Hunters View site is in a RM-1, Residential, Mixed Use, Low Density District and a 40-X Height and Bulk District. The proposed Project would be consistent with the RM-1 controls; the Project would require a Zoning Map Amendment to 65-X to allow development of some buildings in excess of 40 feet on the site. The zoning change would not conflict with the BVHP Plan goals.

OTHER PLANNING ACTIVITIES

Bayview Waterfront Project

The Agency and the Planning Department are proceeding with review of the "Bayview Waterfront Project (BWP)." That project would include new plans for the Candlestick Point, Hunters Point Shipyard, and India Basin Shoreline areas of San Francisco. The Bayview Waterfront Project encompasses an approximately 780-acre area east of U.S. 101 and occupies the waterfront area from India Basin to approximately Candlestick Point. The BWP plans would include the Candlestick Point - Hunters Point Shipyard Development Plan with a new stadium for the San Francisco 49ers and a mixed-use community with residential, retail, office/research & development (R&D)/industrial, civic and community uses, and parks and recreational open space.

The Bayview Waterfront Project also would include rezoning of "Area C" of the BVHP Survey Area. That portion of the BVHP Survey Area was not incorporated in the Bayview Hunters Point Project Area adopted by the Agency in March 2006. Area C is also referred to as the "India Basin Shoreline." The BVHP Plan Hunters Point Shoreline Activity Node, and the Hunters View site itself, are adjacent to the India Basin Shoreline. This 76-acre area was not included in the adopted BVHP Project Area. At the time of consideration of the BVHP plan in 2006, the Agency found that further land use analysis was needed before adoption of a future plan amendment and area-specific controls. Area C has an existing mix of residential uses; a vacant parcel fronting the Bay; and the former PG&E Hunters Point power plant site, currently being demolished. The India Basin Shoreline area is currently zoned for industrial use. As part of the BWP process, the Planning Department is considering rezoning to accommodate a mix of residential and commercial uses, along with some continued industrial use and development

[14] *Redevelopment Plan for the Bayview Hunters Point Redevelopment Project*, p. 22.

controls to facilitate mixed use development. It is anticipated that the rezoning and other planning controls for the India Basin Shoreline would reflect community goals expressed earlier during BVHP planning to provide:

- New housing on available infill development sites northwest of Innes Avenue
- Mixed-use neighborhood southeast of Innes Avenue
- Small industrial or R&D businesses
- Neighborhood-serving retail and commercial services and some residential units
- Water-oriented neighborhood
- Space for artists
- New waterfront open space and recreational activities

To implement the BWP, the 2006 BVHP Redevelopment Plan and Hunters Point Shipyard (Shipyard) Redevelopment Plan would need to be amended. The EIR for the Bayview Waterfront Project is underway. The Agency and the Planning Department issued a Notice of Preparation for that EIR on August 31, 2007.[15]

Plans for the India Basin Shoreline, as noted above, were considered as part of the project description and analysis in the BVHP FEIR. The BVHP FEIR found that development in the Hunters Point Shoreline Activity Node, including the India Basin Shoreline area, would meet the overall objectives of the BVHP Plan.[16] Thus, planning for the India Basin Shoreline area would not be expected to conflict with the overall goals and objectives established in the BVHP Plan, including goals affecting the Hunters View site

The Candlestick Point - Hunters Point Shipyard Development Plan would change planning controls, zoning, and land use in that 700-acre area. However, implementation of that plan would not be expected to conflict with land use plans and goals affecting the Hunters View site.

[15] San Francisco Redevelopment Agency and San Francisco Planning Department, *Notice of Preparation of An Environmental Impact Report, Bayview Waterfront Project*, SFRA File No. ER06.05.07, Planning Department File No. 2007.0946E, August 31, 2007.

[16] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.B-22 – III.B-23.

SAN FRANCISCO BAY TRAIL PLAN (BAY TRAIL PLAN)

The Bay Trail is a planned recreation corridor that will provide a continuous 500-mile biking and hiking path around San Francisco Bay when completed. It will link all nine Bay Area counties, 47 cities, and 130 parks and recreation areas, and will cross seven toll bridges. As mandated under Senate Bill 100, the Association of Bay Area Governments (ABAG) developed the Bay Trail Plan as a framework to provide guidance in the selection and implementation of the Bay Trail project. The main goal of the Bay Trail Plan is to provide public access to the Bay and its surrounding shorelines. The Bay Trail in San Francisco is approximately 24 miles long. Twelve miles are complete, with the majority of the incomplete segments located south of the Oakland-San Francisco Bay Bridge. Given that the Hunters View site is not located on land desired for part of the Bay Trail, the redevelopment of the site would not interfere with the implementation of the Bay Trail Plan.[17]

B. LAND USE

This section describes the land use setting of the Project Site and vicinity, including the general pattern of land uses in Bayview Hunters Point. The impacts address the potential land use changes with implementation of the Project, including land use compatibility and effects on existing land use character. Section III.A, Plans and Policies discusses relevant plans and codes with regard to land use. Chapter II, Project Description lists required approvals, including those pertaining to changes in applicable height and bulk districts.

SETTING

EXISTING LAND USES

The Project Site is located in the Bayview Hunters Point (BVHP) neighborhood of San Francisco, as shown in Figure 1, p. 41. Bayview Hunters Point is in the southeastern quadrant of the City and County of San Francisco, encompasses the residential neighborhoods and industrial lands generally bounded by Cesar Chavez Street, U.S. 101, San Francisco Bay, and the county line.

[17] Association of Bay Area Governments (ABAG), website: *www.abag.ca.gov*, accessed February 6, 2008.

Bayview Hunters Point is characterized by both well-established residential neighborhoods and major industrial areas.[18] Third Street is the central north-south corridor through the community. Local-serving retail shops and commercial businesses, many of which are vacant, are located along Third Street, interspersed with civic, religious, and social service institutions. Residential neighborhoods extend east and west from Third Street. About two-thirds of the residential units are single-family units, and one-third are multi-family units located mostly on the lower slopes of Bayview Hill and Hunters Point Hill. New multi-family housing has been constructed on sites along Third Street, Williams Avenue and Innes Avenue. Older heavy industrial areas form edges to the north and east beyond the light industrial areas that are adjacent to residential neighborhoods. Residential uses are intermingled or adjacent to industrial uses in these areas. Industrial activities in these edge areas consist primarily of production, distribution and repair (PDR) uses. Public open space is interspersed throughout the community in public parks, and open space and recreation areas located along the Bay shoreline. The Caltrain right-of-way extends north-south through the Bayview Hunters Point Area, one block west of Third Street. In April 2007, the T-Third MUNI light rail line began full service in the Third Street corridor between downtown San Francisco and the Bayshore Station area near the county line.

The Bayview Hunters Point Redevelopment Plan (BVHP) identified seven economic development activity nodes within the Bayview Hunters Point Redevelopment Area. The Project Site is within the Hunters Point Shoreline Activity Node. Land uses within this activity node include residential, industrial, and vacant land, and shoreline open space. Notable landmarks include Our Lady of Lourdes Catholic Church and the Albion Water Company building, both on Innes Avenue. In addition to the Hunters View public housing, residential uses include public housing at Westbrook, and Hunters Point A and B sites. A multi-family housing project was recently built at 800 Innes Avenue. Industrial uses are interspersed among residential uses near the India Basin shoreline. The 35-acre former PG&E Hunters Point Power Plant near Jennings Street and Hunters Point Boulevard, north of Hunters View is currently being dismantled. An adjacent existing PG&E switching station will remain; directly to the east and north of the Project Site is former PG&E fuel tank property which is currently undeveloped.

[18] The description of existing land use conditions in the Hunters View vicinity is based on San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.B-5 – III.B-6.

Vacant and underused parcels are scattered throughout the activity node, with the largest being a 13.5-acre site north of Innes Avenue adjacent to and west of the Hunters Point Shipyard. The shoreline frontage of that site is owned by the San Francisco Recreation and Park Department.

The Project Site is currently occupied by 267 residential housing units in 50 one-to-three story buildings. The buildings are connected by a network of meandering concrete walkways, stairs and common open spaces. The site also contains 7,000 square feet of community serving uses, including storage. The Project Site is served by a local roadway network consisting of Middle Point Road, West Point Road, Hare Street, and Wills Street. Middle Point Road runs north-south, bisecting the Project Site. The western part of the Project Site can be accessed via West Point Road which loops off of Middle Point Road near the south edge of the Project Site and loops back to Middle Point Road near the north edge of the Project Site as shown in Figure 2, p. 47. The eastern part of the Project Site is served by three cul-de-sacs, the terminus of West Point Road, Hare Street and Wills Street. Currently, there are no off-street parking spaces on the Project Site.

The 11.4 acre India Basin Shoreline Park is along the shoreline, directly east of Hunters View, with pathways that link to the Bay Trail. That park includes landscaped areas, walkways, a playground, and picnic and seating areas. Due to the steep terrain within the southern half of this activity node, many of the area residents do not have direct or convenient access to shoreline open space.

In addition to the PG&E sites and India Basin Shoreline Park, land uses surrounding the Project Site include other residential and commercial properties, schools, and parks. Land uses to the west and northwest include multi-family residences, including other Housing Authority sites. Higher density multi-family residential developments are situated along Bowman Court, Rebecca Lane, Reuel Court, Cashmere Street, Westbrook Court, Hudson Avenue, Ardath Court and Hawkins Lane. Directly to the south of the Project Site, land uses include Malcolm X Academy, a public elementary school, and the Hunters Point Youth Community Park. To the southeast, Innes Avenue serves a mixture of older and more recent residential development, and limited retail uses.

The Project Site is just south of employment uses in India Basin Industrial Park and about one-mile northwest of the former Hunters Point Shipyard. (See Section III.A, Plans and Policies, for further discussion of future uses at the shipyard.)

IMPACTS

SIGNIFICANCE CRITERIA

Section 15382 of the CEQA Guidelines defines a significant effect on the environment as "…a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project…" The Project would have a significant effect on land use if it would physically disrupt or divide an established community; conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the site adopted for the purpose of avoiding or mitigating an environmental effect; conflict with any applicable habitat conservation plan or natural community conservation plan; or have a substantial adverse impact on the existing character of the vicinity. For a discussion of applicable habitat conservation or natural community conservation plans, see Section III.G, Biological Resources.

LAND USE CHANGES

The proposed Project involves the replacement of the existing Hunters View public housing with a range of mixed-income housing types, and would include one-for-one replacement of the 267 public housing units. The Project would include demolition of the existing housing units at Hunters View and replacement of them with up to 800 new residential units, off-street parking, some ground-floor neighborhood-serving commercial space, and community facilities. The new residential units would include single-family homes, townhouses, and flats. The Project would, by about 2015, result in up to 533 net new residential housing units, up to 816 new parking spaces, and approximately 58,300 square feet of open space, and about 6,400 square feet (sf) of commercial space and approximately 21,600 sf of community space. See Table 2, p. 45, in Chapter II, Project Description, for a summary of proposed Project development.

The Project would include development of new sidewalks, roadways, landscaping, and new or upgraded utility infrastructure. A revised street pattern would provide a new road connection at Fairfax Avenue/Keith Street, and two new pedestrian connections from the Project Site to Hunters Point Boulevard/Innes Avenue (through an easement across PG&E property if the Project Sponsor is able to gain site control) on the east, and to Keith Avenue on the northeast. The pedestrian connection, if implemented, would improve access to open space across Hunters Point Boulevard to the Bay Trail and India Basin Shoreline Park.

The Project would include new neighborhood-serving commercial space, such as a dry cleaner, deli/café, coffee shop, or other retail user. A new community center would include uses such as a teen center, a computer learning facility and a childcare/Head Start center.

While the existing residential uses would be replaced, in phases, and the overall residential density on the site would increase, the proposed Project would not change the overall pattern of residential uses at the site, or change land use patterns in the vicinity. The Project circulation plan would improve vehicle and pedestrian connectivity to surrounding areas. The increased density from 13 to up to 35.5 units per acre at the Project Site would establish a density comparable to surrounding neighborhoods. The proposed Project would not divide, disrupt, or substantially change the character of the residential neighborhood at Hunters View or surrounding neighborhoods. As discussed in Section III.A, Plans and Policies, land use changes resulting from the proposed Project would be consistent with redevelopment goals to upgrade public housing and increase housing supply, particularly affordable housing.

The Project would therefore not have a significant adverse impact on land use.

CUMULATIVE IMPACTS

Other major land use changes would be expected to occur in or near the Bayview Hunters Point area. Section III.A, Plans and Policies, describes planning underway for the Bayview Waterfront Project which encompasses the India Basin Shoreline area, and the Candlestick Point - Hunters Point Shipyard Development Plan. Plans for the India Basin Shoreline were considered as part of the analysis in the BVHP FEIR. The BVHP FEIR found that development in the Hunters Point Shoreline Activity Node, including the India Basin Shoreline area, would meet the overall objectives of the BVHP Plan.[19] Thus, planning for the India Basin Shoreline area now under way would not be expected to conflict with the overall land use goals in the BVHP Plan. Development of the Hunter's View site was part of the land use changes expected in the Hunter's Point Shoreline Area. The BVHP FEIR did not identify significant adverse cumulative land use impacts.

The Candlestick Point - Hunters Point Shipyard Development Plan would change planning controls, zoning, and land use in that 700-acre area. However, implementation of the plan would not be expected to conflict with land use in the vicinity of the Hunters View site.

Therefore, the Hunters View project would not contribute to significant cumulative land use impacts.

[19] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.B-22 – III.B-23.

C. VISUAL QUALITY AND URBAN DESIGN

This section describes the existing visual character of the Project Site including important views and distinctive visual landmarks. Visual quality in an urban setting is comprised of elements such as building scale, height, architectural features and materials, patterns of buildings along street frontages, and views of public open space or plazas or of more distant landscape features such as hills, the Bay or built landmarks, such as bridges. These elements help define the sense of place in an urban context.

SETTING

HUNTERS VIEW CONTEXT

Bayview Hunters Point consists of visually heterogeneous neighborhoods located in the southeastern quadrant of San Francisco, surrounded by Visitacion Valley to the south, Bernal Heights to the northwest, and Hunters Point Shipyard and the San Francisco Bay to the east. The topography is composed of flat areas and undulating slopes interspersed with tree-covered hills. There are numerous views of San Francisco Bay throughout the area. The area has distinct visual boundaries and surroundings, such as Cesar Chavez Street to the north and the U.S. 101 freeway to the west. The most prominent visual landmarks in the vicinity are San Francisco Bay to the east, Hunters Point Hill and Silver Terrace Hill in the approximate center of the Bayview Hunters Point area, and Bayview Hill to the south. Hunters Point Shipyard, with many industrial buildings and maritime structures, is prominently visible in the southeast.

Within Bayview Hunters Point, the Project Site is part of Hunters Point Hill that terraces down to the Bay and India Basin to the east and India Basin Industrial Park on the north. The vicinity includes residential uses, heavy and light industry, public open space along the Bay, and undeveloped land. Hunters View is part of residential areas on Hunters Point Hill. The slope between the site and Hunters Point Boulevard/Innes Avenue is undeveloped land formerly part of a PG&E fuel tank farm that served the Hunters Point power plant, now under demolition.

Evans Avenue/Hunters Point Boulevard/Innes Avenue is the major access route to this area from Third Street from the northwest. The roadway passes the former Hunters Point power plant; the 11.4-acre India Basin Shoreline Park, and single-family residences, several small-scale, light industrial businesses, artist studios, commercial establishments, and small-boat maintenance uses along Innes Avenue.

India Basin Shoreline Park, across Hunters Point Boulevard from the site, contains open space, restored wetlands, and recreational amenities. Heron's Head Park is open space north of the Project Site (see Figure 4, p. 68).

Hunters View now consists of an approximately 20.5-acre site on the east-facing, varied topography of Hunters Point Hill. The existing housing is a series of two- to three-story apartment buildings, generally set back from streets. Views from these streets and the residential building include downtown San Francisco, the San Francisco shoreline near Pier 90, the former PG&E Hunters Point power plant, and parts of the Hunters Point Shipyard. Long range views include the East Bay hills across San Francisco Bay. The street pattern includes one through north-south roadway, Middle Point Road, with curving West Point Road and several cul-de-sac streets serving the development. Buildings are clustered with limited direct street access.

Existing Views

Because of the Hunters View site's topography and overall size, the site is not visible as a whole from locations in the vicinity. Parts of the site are visible from nearby streets and public areas, as discussed and illustrated below. (See Figure 4, p. 68, for locations of photographs of the site; Figures 5 to 8, pp. 68 – 72, include views of existing conditions).

The Project Site is visible from views to the west from along the waterfront open space in India Basin Shoreline Park. The views include the existing two- and three-story Hunters View buildings seen above the slope and mature trees that rise from Hunters Point Boulevard (see Figure 5, p. 68). The site is also visible from the undeveloped Recreation & Park Department-owned shoreline on India Basin near Aurelious Walker Drive (see Figure 6, p. 69). Other hillside residential uses to the south and commercial and residential buildings along Innes Avenue are seen south of the Project Site.

From the north along Evans Avenue, views of the existing two- and three-story Hunters View buildings are seen above light-industrial buildings in India Basin Industrial Park (see Figure 7, p. 71). From residential Keith Avenue, near Hudson Avenue, Hunters View is visible to the east, with one- to three-story buildings on the sloping site see Figure 8, p. 72).



SOURCE: SquareOne Productions, 2007.

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 4: VIEWPOINT LOCATIONS



View West from India Basin Shoreline Park – Existing



View West from India Basin Shoreline Park – with Project

SOURCE: SquareOne Productions, 2007.

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 5: VIEWPOINT 1



View West from Shoreline north of Aurelious Walker Drive – Existing



View West from Shoreline north of Aurelious Walker Drive – with Project

SOURCE: SquareOne Productions, 2007.

FIGURE 6: VIEWPOINT 2



SOURCE: SquareOne Productions, 2007.

FIGURE 7: VIEWPOINT 3



View East from Keith Street near Hudson Avenue – Existing



View East from Keith Street near Hudson Avenue – with Project

SOURCE: SquareOne Productions, 2007.

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 8: VIEWPOINT 4

IMPACTS

SIGNIFICANCE CRITERIA

For the purposes of this EIR, the Project would be considered to have a significant effect on the environment if it would:

- Have a substantial adverse effect on a scenic vista;
- Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and other features of the built or natural environment which contribute to a scenic public setting;
- Substantially degrade the existing visual character or quality of the site and its surroundings;
- Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area or which would substantially impact other people or properties.

Artificial lighting can be classified as "spill light," "obtrusive," or "glare." Spill light is light that falls on off-site receptors and causes additional nighttime illumination at these locations. Obtrusive light is a form of spill light that can cause annoyance or distraction to the viewer because of its contrast to the background. Glare is a form of obtrusive light caused by an excessively bright source resulting in discomfort or loss of vision.

Changes in Views

The proposed Project would replace all existing Hunters View buildings and develop new single-family row housing, stacked flats, and apartment buildings ranging up to seven stories and 65 feet in height. As shown in Figure 3, Preliminary Site Plan, p. 47, the Project would realign certain streets, and create new streets. Middle Point Road would continue as a through street; Fairfax Avenue would be extended into the site, and a new "Park Street" would have a major landscaped open space median. There would be new pedestrian routes from the Project Site to Innes Avenue near India Basin Shoreline Park, proposed on an easement across PG&E property if the Project Sponsor can obtain site control, and from the site to Keith Street. The new street pattern would be intended to create a typical San Francisco grid of smaller blocks, where buildings would be oriented to the street, rather than set back.

As noted in Setting, above, the site is generally not visible as a whole from nearby locations. The Project would change views of the site from nearby streets and public areas, as discussed and illustrated below. Figures 5 to 8, pp. 68 – 72, illustrates views of Project conditions,

compared to existing conditions. The Project figures are "massing diagrams" of the proposed buildings that accurately represent the overall height, dimension, and location of buildings, shown in Figure 2, Preliminary Site Plan, p. 47. The figures do not depict exterior features or materials, window patterns, colors, new landscaping, or other architectural detail that would affect the visual appearance of the proposed Project. Building design would be refined as part of the project planning and approval process. The figures provide adequate information to review the change in views and scale of development for the EIR analysis.

The Project would be visible from along the waterfront open space in India Basin Shoreline Park. The views of new three- to four-story buildings would replace views of the existing two- and three-story buildings seen above the slope and trees that rise from Hunters Point Boulevard (see Figure 5, p. 68). The Project would infill the setting with these taller buildings, but the overall effect of medium-scale residential buildings on the hillside would be similar to existing conditions. From the undeveloped Recreation & Park Department-owned shoreline on India Basin near Aurelious Walker Drive, a larger area of the site is visible, and the infill character and greater height of the new buildings would be more prominent (see Figure 6, p. 69). The hillside between the site and Hunters Point Boulevard/Innes Avenue would remain open. The proposed pedestrian route from the Project to Hunters Point Boulevard, if developed, would also be visible. The Project would be generally similar in scale to other hillside residential uses to the south. The Project would not change views of commercial and residential buildings along Innes Avenue.

In views from the north along Evans Avenue, the Project would replace the existing two- and three-story buildings with buildings up to seven stories. These would be the tallest elements of the proposed Project (see Figure 7, p. 71). The views of the new buildings would also replace the views of some existing landscape trees. This change would be in the context of light-industrial buildings in India Basin Industrial Park buildings in the foreground.

From Keith Avenue, near Hudson Avenue, the Project would replace views of two- to three-story buildings with noticeable views of the taller Project buildings (see Figure 8, p. 72). The views would include two-story single-family buildings near a new neighborhood park at the north end of the site. In this vicinity, the Project would appear as relatively dense infill development, and would close off some views of the existing hillside at the site. Most of the existing residential buildings on Keith Avenue and parallel streets are row houses oriented north-south. Therefore, there would be limited views of the new Hunters View buildings from within these residences.

From the south end of Bowman Court and Rebecca Lane, there would views of open space proposed as part of the Project. There would be other views of the Project from residential streets and structures west of the site, such as Cashmere Court or Westbrook Court. Those views would be similar to those described above, of a mix of housing types that would infill the site.

From Innes Avenue south of the site, the Project would be visible from residences and businesses fronting that roadway. Because of topography, those views would be limited, and only buildings closest to Innes Avenue would be visible. There would also be views into the site from the pedestrian route proposed on an easement across the PG&E property, if developed.

Summary of Effects

The Project would change the visual character of the site, replacing the existing housing in a series of two- to three-story apartment buildings, generally set back from streets, with new buildings, ranging up to seven stories, oriented to a formal street grid, as found in many San Francisco neighborhoods. The Project would change views of the site from public open space along the San Francisco Bay shoreline near the site, but it would not block publically accessible views of the Bay or other scenic areas. The Project would thus not have significant adverse impacts on publically accessible scenic vistas, nor would the Project damage scenic resources such as landscaping or other features that contribute to a scenic public setting.

The Project would change views from nearby areas. The Project would appear as denser infill development than current conditions, but would be consistent with development in nearby areas, which include patterns of buildings of varying height and massing, from single-family buildings, townhomes and flats, to multi-unit buildings, on hillside streets above the areas near the shoreline. The Project would also provide pedestrian-scale features, such as landscaped Park Street and other open space, and new pedestrian routes to the site. The changes would therefore not substantially degrade existing visual quality of the site or surrounding.

The Project would not have significant adverse impacts on visual quality and urban design.

Lighting Effects

The Project would create new sources of light, as part of the residential uses. The Project would use streetlights that would direct light downward onto roadways and pedestrian areas for purposes of safety, and would not spill onto adjacent properties. These sources of light, which would replace the existing Hunters View street lights and other outdoor lighting, would be

typical of urban development in San Francisco and would not generate obtrusive lighting that would change conditions in adjacent areas. This impact would be considered less than significant.

Cumulative Effects

Under existing the Bayview Hunters Point Redevelopment Plan, *San Francisco General Plan*, and *Planning Code* policies and controls, development could occur on nearby sites that would further change visual quality conditions in the Hunters View vicinity. However, as discussed in Section III.A, Plans and Policies, the nearby India Basin Shoreline is part of an on-going planning process that will establish land use and design policies and guidelines for the former PG&E power plant site, for infill along Innes Avenue, and for the waterfront property east of Innes Avenue. It is anticipated that India Basin Shoreline plans would address urban design goals recognizing waterfront views and open space and infill on hillside areas. Visual quality conditions resulting from development under such controls would not be expected to create substantial adverse visual effects. The *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report* found that development in the Hunters Point Shoreline Activity Node, which includes both the Hunters View site and the India Basin Shoreline area, would not have adverse effects on visual quality.[20] Therefore, the Hunters View project would not contribute to adverse cumulative visual quality effects.

D. TRANSPORTATION

This chapter summarizes the information presented in the *227–229 West Point Road Transportation Study*[21] conducted by DMJM Harris under the direction of the City and County of San Francisco Planning Department.

SETTING

REGIONAL ACCESS

Regional access to and from the Project Site is provided by U.S. 101 and the Bay Bridge (via the U.S. 101/Interstate 280 (I-280) interchange). On-ramps to northbound U.S. 101 are located at

[20] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.E-31 – III.B-32.

[21] DMJM Harris, *227–229 West Point Road Transportation Study, February 29, 2008*. This report is available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, Project File No. 2007.168E.

Alemany Boulevard (via Industrial Street), Bayshore Boulevard, and Cesar Chavez Street. Southbound off-ramps are located at Cesar Chavez Street/Bayshore Boulevard and Alemany Boulevard. U.S. 101 has southbound on-ramps at Cesar Chavez Street, Bayshore Boulevard/Potrero Avenue, and Alemany Boulevard, and northbound off-ramps at Alemany Boulevard and Bayshore Boulevard/Cesar Chavez Street. I-280 has southbound on-ramps at Cesar Chavez Street and Alemany Boulevard, and a northbound off-ramp at Cesar Chavez Street. Regional access to the North Bay is provided by U.S. 101 to the Golden Gate Bridge.

LOCAL STREETS

The following local streets serve the Project Site and vicinity, and the intersections evaluated in the Transportation Study these intersections are here after collectively referred to as the study area.

Third Street is the primary north-south arterial in the Bayview Hunters Point neighborhood, and extends from U.S. 101 near Le Conte Avenue to the south to Market Street in downtown San Francisco to the north. There are two lanes in each direction for most of its length, with the median occupied by the T-Third Street light rail line from south of China Basin Channel. At major intersections along Third Street, light rail vehicles have dedicated lanes and signal priority. In the *San Francisco General Plan*, Third Street is designated as a Major Arterial in the Congestion Management Plan (CMP) network.

25th Street is an east-west, two-lane roadway beginning east of Portola Drive and ending at Michigan Street. The portion of 25th Street in the vicinity of the Project Site terminates at U.S. 101. It will serve as one of two entry/exit points to the Metro East MUNI maintenance facility (under-construction) along Illinois Street.

Cesar Chavez Street is a major east-west arterial extending from Douglass Street in Noe Valley east to Pier 80. Cesar Chavez Street provides access to northbound and southbound I-280 and U.S. 101. In the vicinity of the Project Site, it generally operates with two lanes in each direction, with additional left- and right-turn lanes at some intersections. It will serve as the other entry/exit point to and from the new Metro East MUNI maintenance facility. In the *San Francisco General Plan*, Cesar Chavez Street is designated as a Major Arterial in the CMP network.

Cargo Way is an east-west arterial extending from Jennings Street northwest to Third Street, where it becomes Arthur Avenue. With two lanes in each direction, it primarily serves truck traffic to and from the Port of San Francisco Southern Cargo Terminal and the U.S. Postal

Service facility on Evans Avenue. Union Pacific Railroad (UP) track parallels Cargo Way and serves the cargo terminal. There is an at-grade crossing immediately north of the intersection of Third Street/Cargo Way.

Amador Street is an east-west roadway extending from Cargo Way east and terminating near industrial land uses next to the shoreline. UP track shares the north edge of the street and connects with the tracks extending across Third Street just north of Cargo Way. Amador Street will have a turnout to the under-construction Illinois Street Bridge (discussed further below), which will primarily serve truck traffic. The turnout will reduce currently heavy volumes of right turns from Cargo Way to Third Street.

Evans Avenue is an east-west arterial, beginning at Cesar Chavez Street and extending east, turning into Hunters Point Boulevard just beyond the intersection of Jennings Street and Middle Point Road. In the vicinity of the Project Site, it has two lanes in each direction, with additional left-turn pockets and dedicated bike lanes from Third Street to Hunters Point Boulevard. In the *San Francisco General Plan*, Evans Avenue is designated as a Major Arterial in the CMP network between Third Street and Cesar Chavez Street.

Illinois Street is a two-way roadway parallel to Third Street, from approximately Marin Street to just past 16th Street. In the vicinity of the Project Site, Illinois has two lanes in each direction, but it narrows to a total of three lanes (two northbound and one southbound) at 25th Street and then to two lanes at 23rd Street. Currently, the Illinois Street bridge crossing Islais Creek is under construction near 23rd Street. The two-lane (one lane in each direction) bridge will have rail to allow trains to access the cargo terminals north of the creek, but is expected to primarily carry truck traffic and a moderate amount of automobile traffic. The bridge project also includes the signalization of the intersections of Illinois Street/Cargo Way/Amador Street and Illinois Street/Marin Street and dedicated bike lanes on Illinois Street between Cesar Chavez Street and Marin Street. The bridge may be widened in the future to four lanes (two lanes in each direction) but the expansion project is not funded and is subject to further study. In this analysis, the Illinois Street bridge is assumed to be two lanes.

Keith Street is a two-lane local roadway extending from Evans Avenue to Hudson Avenue. It currently terminates at the Project Site.

Middle Point Road is a two-lane local roadway extending between Harbor Road and Evans Avenue. At Evans Avenue, it becomes Jennings Street, and at Harbor Road, it becomes Ingalls Street. It extends through the Project Site and serves as the only north-south roadway through the existing Hunters View site.

Fairfax Avenue is a two-lane local roadway extending from Newhall Street east to Keith Street.

INTERSECTION LEVEL OF SERVICE CONDITIONS

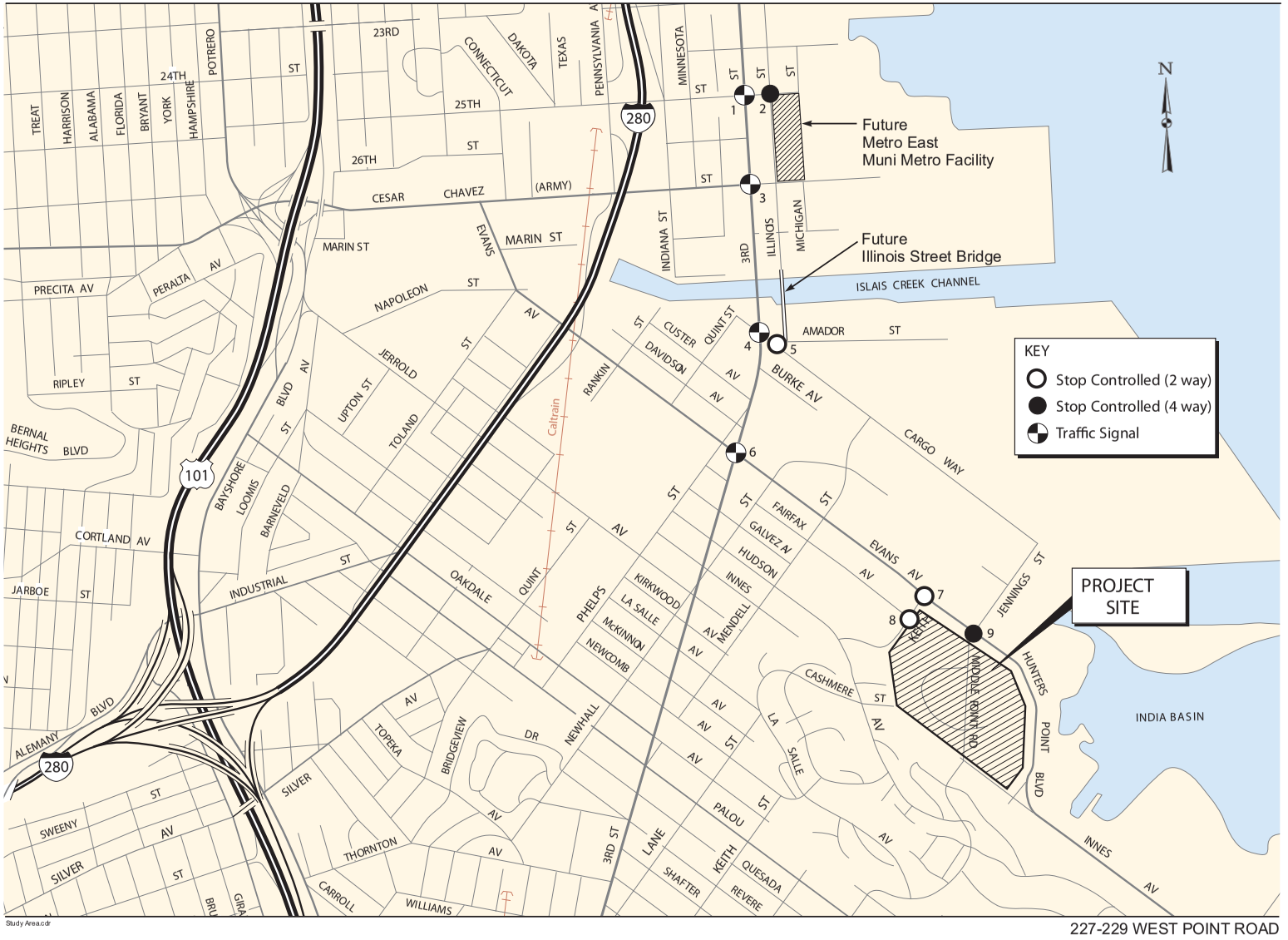
Existing intersection operating conditions were evaluated for intersection Level of Service during the weekday PM peak hour period (from 4:00 to 6:00 p.m.) for the following nine intersections in the vicinity of the proposed Project.[22] The selected intersections are those that serve the Project site and vicinity, and other nearby major routes such as Third Street. While some Project traffic would use U.S. 101 or I-280, the freeway access points are more distant from the Project site, and Project effects would not be expected to have a discernible effect on freeway ramps or freeway conditions.

- Third Street/25th Street
- Illinois Street/25th Street
- Third Street/Cesar Chavez Street
- Third Street/Cargo Way
- Cargo Way/Amador Street
- Third Street/Evans Avenue
- Keith Street/Evans Avenue
- Fairfax Avenue/Keith Street
- Middle Point Road/Evans Avenue

Intersection turning movement volumes were counted on Wednesday, August 1, 2007 at the nine study intersection, shown in Figure 9, p. 79.

The operating characteristics of intersections are described by the concept of Level of Service (LOS). LOS is a qualitative description of the performance of an intersection based on the average delay per vehicle. Intersection levels of service range from LOS A, which indicates free flow or excellent conditions with short delays, to LOS F, which indicates congested or overloaded conditions with extremely long delays. In San Francisco, LOS A through D are considered excellent to satisfactory service levels, and LOS E and F represent unacceptable service levels.

[22] The PM peak-hour period represents the most congested period for traffic conditions on the area's streets and roadways, with typically higher traffic volumes than the weekday AM peak. Therefore, the PM peak is a conservative analysis of effects of Project traffic.



SOURCE: DMJM Harris/AECOM

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 9: PROJECT LOCATION AND STUDY INTERSECTIONS

The four signalized study intersections (Third Street/25th Street, Third Street/Cesar Chavez Street, Third Street/Cargo Way, and Third Street/Evans Avenue) were evaluated using the 2000 *Highway Capacity Manual* (*HCM)* methodology.[23] For signalized intersections, this methodology determines the capacity of each lane group approaching the intersection. The LOS is then based on average delay (in seconds per vehicle) for the various movements within the intersection. A combined weighted average delay and LOS are presented for the intersection. For unsignalized intersections, the average delay and LOS operating conditions are calculated by approach (e.g., northbound) and movement (e.g., northbound left-turn), for those movements that are subject to delay. In San Francisco, LOS A through D are considered satisfactory service levels, and LOS E and F conditions are considered unsatisfactory service levels. Unsignalized intersections are considered to operate at unsatisfactory conditions if one approach operates at LOS E or F and the Federal Highway Administration's *Manual on Uniform Traffic Control Devices* (MUTCD) peak hour signal warrants are met.[24] As such, the operating conditions for unsignalized intersections are analyzed for the worst approach.

Table 4, p. 82 presents the results of the intersection LOS analysis for the existing weekday PM peak hour conditions. Currently, all study intersections operate with acceptable conditions (LOS D or better) during the weekday PM peak hour.

TRANSIT CONDITIONS

The Project Site is served by public transit, with local service provided by the San Francisco Municipal Railway (MUNI), which can also be used to access regional transit operators (Bay Area Rapid Transit (BART), AC Transit, Golden Gate Transit, SamTrans, and Caltrain).

MUNI

MUNI provides service within San Francisco, including bus (diesel and electric trolley), light rail (MUNI Metro), streetcar, and cable car lines. Three MUNI bus lines, the 19-Polk, 44-O'Shaughnessy, and 54-Felton, provide service in the vicinity of the Project Site; two bus lines, the 23-Monterey and 24-Divisadero, the T-Third Street light rail line are within walking distance

[23] As part of the *HCM* methodology, adjustments are typically made to the capacity of each intersection to account for various factors that reduce the ability of the streets to accommodate vehicles (such as the downtown nature of the area, number of pedestrians, vehicle types, lane widths, grades, on-street parking and queues). These adjustments are performed to ensure that the LOS analysis results reflect the operating conditions that are observed in the field.

[24] The Federal Highway Administration has developed 11 signal "warrants" that define minimum conditions under which signal installations may be justified.

or accessible via transfers. Table 5, p. **Error! Bookmark not defined.** presents the service frequencies and nearest stop locations for these MUNI lines.

Field observations of transit conditions in the project vicinity were conducted in August 2007 during the weekday PM peak period (4:00 p.m. to 6:00 p.m.). The following is a qualitative assessment of transit operations and capacity utilization.

TABLE 4
INTERSECTION LEVEL OF SERVICE – EXISTING CONDITIONS

	Intersection	Traffic Control	LOS	Delay
1.	Third/25th	Signalized	B	15.4
2.	Illinois/25th	Stop Controlled (4-way)	A	7.7
3.	Third Street/Cesar Chavez Street	Signalized	C	27.6
4.	Third/Cargo	Signalized	C[a]	26.0
5.	Cargo/Amador[b]	Stop Controlled (2-way)	A	9.1
6.	Third/Evans	Signalized	D[c]	35.7
7.	Keith/Evans	Stop Controlled (2-way)	A	9.7
8.	Fairfax/Keith[d]	Stop Controlled (2-way)	A	9.0
9.	Middle Point/Evans	Stop Controlled (4-way)	A	8.4

Source: DMJM Harris, 2008.

Notes:

Delay in seconds per vehicle.

a. The westbound left turn (from Cargo Way onto Third Street) operates at LOS E in the Existing Conditions.

b. In the Baseline and Cumulative Conditions, this intersection will be modified to include the Illinois Street Bridge connection. Modifications would include the addition of the Illinois Street approach (from the north) and the signalization of the intersection.

c. The southbound left turn (from Third Street onto Evans Avenue) operates at LOS F in the Existing Conditions.

d. The proposed Project would include the addition of a fourth approach at the intersection of Fairfax Avenue and Keith Street. This intersection would be a four-way stop-controlled intersection.

TABLE 5
MUNI SERVICE IN PROJECT VICINITY

Route	Weekday PM Peak Hour Frequency (min)	Nearest Stop Locations
19-Polk	10	Middle Point Road/West Point Road
23-Monterey	15	Stops along Palou Avenue
24-Divisadero	10	Third Street/Palou Avenue
44-O'Shaughnessy	8-10	Middle Point Road/West Point Road
54-Felton	20	Stops along Hudson Avenue
T-Third	9-10	Hudson/Innes Station (Third Street at Hudson Avenue/Innes Street)
91-Owl[a]	--	Driver will stop at any corner when requested

Source: DMJM Harris, 2008.

Notes:

a. Route does not operate in the weekday PM peak hour.

The **19-Polk** is a crosstown route operating on Evans Avenue, Middle Point Road, and Innes Avenue near and through the Project Site that serves the former Hunters Point Shipyard at its southern terminus. The 19-Polk connects the Bayview-Hunters Point area with Potrero Hill, SOMA, the Civic Center, the Tenderloin, Polk Street, and Fisherman's Wharf. In the vicinity of the proposed Project, the line operates at low ridership levels, with heavier ridership in the downtown area.

The **23-Monterey** is a crosstown route that operates along Palou Avenue, with a terminus at Third Street and Palou Avenue. The 23-Monterey serves Bayview-Hunters Point, Bernal Heights, Sunnyside, St. Francis Wood, Sloat Boulevard, the San Francisco Zoo, and Ocean Beach. Inbound trips (departing Ocean Beach) pass by Third Street and Palou Avenue and make a loop in Hunters Point before returning to the terminal at Third Street and Palou Avenue. Outbound trips do not make this loop and head directly northwest on Palou. In the vicinity of the proposed Project, the line operates at low ridership levels, with heavier ridership near the Glen Park BART station and west.

The **24-Divisadero** is a crosstown trolley bus route that operates along Palou Avenue, with a terminus at Third Street and Palou Avenue. It connects Bayview-Hunters Point with Bernal Heights, Noe Valley, the Castro, the Fillmore, and Pacific Heights. The line operates at moderate ridership levels, with the highest ridership levels concentrated at transfer points such as Mission Street/30th Street and Castro Street/ Market Street.

The **44-O'Shaughnessy** is a crosstown route that operates along Evans Avenue and Middle Point Road, with a terminal at the U.S. Postal Service facility at Keith and Evans. It serves Bayview-Hunters Point, the Portola, Glen Park, Forest Hill, the Inner Sunset, Golden Gate Park, and the Richmond. The line operates at moderate ridership levels in the vicinity of the proposed Project, with higher ridership levels near the Glen Park BART station and Forest Hill MUNI Metro station. The line also stops near several schools west of the proposed Project, including Thurgood Marshall High School in Bayview-Hunters Point and School of the Arts near Glen Park, which leads to some crowding in morning periods and after school lets out.

The **54-Felton** is a crosstown route that operates along Hudson Avenue adjacent to the Project Site, with a terminal at Third Street and Hudson. It connects Bayview-Hunters Point with the Portola, the Excelsior, City College, Ocean View and Daly City BART. Inbound trips (departing from Daly City BART) pass by Third Street and Hudson Avenue, make a loop in the Hunters Point area, and then return to the terminal at Third Street and Hudson Avenue. Outbound trips (heading for Daly City BART) do not pass by the Project Site. In the vicinity of the proposed Project, the line operates at low ridership levels, with higher ridership levels around Balboa Park BART station.

The **T-Third Street** is a light rail line extending along Third Street, primarily connecting Visitacion Valley, Bayview-Hunters Point, Dogpatch, Mission Bay, The Embarcadero, and points downtown along Market Street. It is a surface line along Third Street and The Embarcadero until Folsom Street, where it enters the Market Street Subway. The T-Third Street is interlined with the K-Ingleside route, via the Market Street Subway, which continues to the West Portal Station, and Balboa Park BART station via Ocean Avenue. The line operates at high ridership levels in the vicinity of the proposed Project, serving as one of the main transportation lines between downtown and the City's southeastern neighborhoods. The maximum load points are concentrated along The Embarcadero and in the Market Street subway.

The **91-Owl bus line provides** late-night service around San Francisco from West Portal to San Francisco State University, via Ingleside, the Excelsior, Visitacion Valley, Bayview Hunters Point, Dogpatch, Mission Bay, SOMA, downtown, Chinatown, Fisherman's Wharf, the Marina, the Presidio, the Richmond, Golden Gate Park, the Sunset, and Parkside. In the vicinity of the Project Site, the bus travels along Third Street, Evans Avenue, Mendell Street, and Cargo Way.

Regional Transit

Transit service to and from the East Bay is provided by BART and AC Transit. BART operates regional rail transit service between the East Bay and San Francisco. Primary access to BART

from the project vicinity is by the 19-Polk, which stops on Market Street at the Civic Center BART station, and the 44-O'Shaughnessy, which travels west and stops at Glen Park BART. Alternative access is also provided by the 54-Felton, which stops at Balboa Park BART, and the T-Third Street, which makes all BART stops in the Market Street Subway. The primary commute direction for BART in the PM peak-hour is outbound from downtown San Francisco, with high ridership levels to the East Bay. BART trains south to Daly City, San Francisco International Airport, and Millbrae in the PM peak-hour operate at moderate to high ridership levels.

The Alameda-Contra Costa Transit District (AC Transit) is the primary bus operator for the East Bay, including Alameda and western Contra Costa Counties. AC Transit operates between the East Bay and San Francisco, all of which terminate at the Transbay Terminal (approximately four miles north of the Project Site). Primary access to the Transbay Terminal is by the T-Third Street at the Embarcadero or Montgomery BART stations, a short walk away from the terminal.

Transit service to and from the South Bay is provided by BART, SamTrans, and Caltrain. Access to BART is as mentioned above, although residents of the Project Site with destinations in the South Bay would likely use either Glen Park BART station or Balboa Park BART station. BART trains into San Francisco from the south in the PM peak-hour operate at low to medium ridership levels as this is the reverse commute direction.

SamTrans provides bus service between San Mateo County and San Francisco, including 14 bus lines which into San Francisco. Mission Street in downtown San Francisco and can be accessed via the 19-Polk and T-Third Street. Other SamTrans lines are accessible via Bayshore Boulevard, Mission Street at 30th Street, Silver Avenue, and Geneva Avenue. These buses usually operate at low to medium ridership levels.

Caltrain provides commuter rail passenger service between San Jose and San Francisco, with stations along the Peninsula. Caltrain currently operates 48 trains each weekday in both directions, with 11 trains in each direction operating as express "Baby Bullets" between San Jose and 4th and King Streets in San Francisco (T-Third Street). Caltrain serves the 22nd Street Station, a short walk from the T-Third Street stop at 23rd Street. Caltrain operates at moderate to high levels of ridership in the PM peak hour.

Transit service to and from the North Bay is provided by Golden Gate Transit buses and ferries. Bus service is accessible from stops in downtown San Francisco. Golden Gate Transit buses currently operate at low to moderate ridership levels. Golden Gate Transit also operate ferry service between Larkspur and San Francisco and between Sausalito and San Francisco, from the

Ferry Building, at The Embarcadero and Market Street, accessible by the T-Third Street line. Golden Gate Transit ferries currently operate at low to moderate ridership levels.

PEDESTRIAN CONDITIONS

With some exceptions, such as the west side of Middle Point Road between Evans Avenue and West Point Road, most roadways within the Project Site have sidewalks. Pedestrian access for some residents is inconvenient due to a looping street grid within the Project Site. There are several unimproved paths at the western edge of the site that open onto Keith Street – the result of pedestrians who take shortcuts in and out of the Project Site. These paths are unimproved and meander along a steep grade. The only crosswalks currently within the Project Site are yellow "zebra" crosswalks across Middle Point Road.

The accessibility of sidewalks in and around the Project Site ranges from fair to poor. The intersection of Evans Avenue and Middle Point Road, for example, has accessible curb ramps, but portions of other sidewalks have obstructions such as trees or shrubs that may make it difficult for wheelchair users to use the sidewalk. In addition, several of the sidewalks within the Project Site are located on a grade that compromises ADA accessibility. There is only one point of improved pedestrian access from Evans Avenue. Sidewalk width is generally five to six feet for most roadways in the vicinity of the Project Site. Pedestrian activity increases in proximity to Third Street, but the heavy truck volumes and lack of pedestrian-oriented land uses in the area likely contribute to a lack of pedestrian activity both within the Project Site and on surrounding streets. The majority of pedestrian traffic from the Project Site uses either Fairfax Avenue or Evans Avenue, generally to reach the T-Third Street MUNI stop.

BICYCLE CONDITIONS

There are five bicycle routes in the vicinity of the Project Site, consisting of Class II and Class III bikeways. Class II bicycle facilities are separate bicycle lanes adjacent to the curb lane, while Class III bicycle facilities are signed routes only, where bicyclists share travel lanes with vehicles. Class I bicycle facilities are bike paths separated from the roadway with dedicated paths for bicyclists. There are no Class I bicycle facilities in the study area. The major bicycle routes in the study area include the following:

Route 5 is a north-south bikeway from the intersection of Bayshore Boulevard and Geneva Avenue north along Bayshore Boulevard, Third Street, Illinois Avenue, and Terry A. Francois Boulevard to The Embarcadero, where it follows the waterfront until it ends at North Point

Street. The portion of Route 5 in the vicinity of the Project Site is a Class III bike route, while the portion from Terry A. Francois Boulevard north is a Class II bike lane.

Route 7 is an auxiliary north-south Class III bike route from the intersection of Keith Street and Carroll Avenue along Keith Street, Palou Avenue, Phelps Street, and Third Street in the vicinity of the Project Site. Further north, Route 7 uses Indiana Street to Route 5 on Mariposa Street and Illinois Street. Portions of Route 7 have a wide curb lane which can accommodate bicyclists and motor vehicles side-by-side.

Route 68 is a short east-west bikeway, extending from the Hunters Point Shipyard gate at Innes Avenue and Donohue Street, along Hunters Point Boulevard and Evans Avenue to Cesar Chavez Street, to Route 60. Between Third Street and Innes Avenue, Route 68 is a Class II bike lane, but is a Class III bike route elsewhere.

Route 70 is an east-west Class III bike route from Sloat Boulevard east along Monterey Boulevard, Silver Avenue, Oakdale Avenue, and Palou Avenue to Palou Avenue and Griffith Street. The portion of Route 70 between Third Street and Quint Street is actually Route 170, and is thus classified as a Class II bike lane.

Route 170 is a short east-west Class II bike lane along Oakdale Avenue, connecting Routes 7 and 70 with Route 25 on Bayshore Boulevard.

In addition to these five routes, portions of the existing San Francisco Bay Trail have been constructed along the waterfront at India Basin, allowing for recreational bicycle use.

Currently, limited bicycle activity was observed within or around the Project Site.

PARKING CONDITIONS

Field observations of parking conditions in the project vicinity were conducted in August 2007 during the weekday midday peak period (1:00 p.m. to 3:00 p.m.) and during the evening peak. The evening peak period observations were similar to midday peak conditions. There is currently ample on-street parking supply within the Project Site and along nearby roadways, with a total of approximately 25 percent of spaces occupied.

Middle Point Road has on-street parking on both sides of the road within the Project Site. Most parking is parallel, with approximately 20 perpendicular spaces immediately south of West Point Road. Parking is currently at low to moderate occupancy levels. Generally, street cleaning restrictions are the only parking controls in the Hunters View area.

West Point Road, which is within the Project Site, has on-street parking on both sides of the road. Parking consists of both parallel and perpendicular spaces, with the latter concentrated east and west of Middle Point Road. There is also parking in the cul-de-sac just east of Middle Point Road. Parking occupancy is at moderate levels around Middle Point Road, with lower occupancy levels further away.

Willis Street, which is within the Project Site, has on-street parking on both sides of the road. Parking consists of primarily parallel spaces, with additional parking in the cul-de-sac east of Middle Point Road. Parking is at moderate to high occupancy levels.

Evans Avenue has on-street parallel parking on both sides to the east of the Project Site. However, few parked vehicles were observed. No parking is allowed on Evans Avenue to the east of Middle Point Road.

Jennings Street has parallel parking. Several large trucks were observed parked on both sides of the roadway. Parking is prohibited between 12:30 a.m. and 5:00 a.m..

Keith Street has parallel parking on both sides of the street. However, no parked vehicles were observed.

Fairfax Avenue has parking on both sides, with parallel parking on the south side and perpendicular parking on the north side. Parking on the north side was approximately 25-30 percent occupied, with parking on the south side at lower occupancy levels.

IMPACTS

SIGNIFICANCE CRITERIA

The following are the significance criteria used by the Planning Department for the determination of impacts associated with a proposed Project:

- The operational impacts on signalized intersections are considered significant if project-related traffic causes the level of service to deteriorate from LOS D or better to LOS E or F, or from LOS E to LOS F. The Project may result in significant adverse impacts at intersections that operate at LOS E or F under existing conditions depending upon the magnitude of the project's contribution to the worsening of delay. In addition, the project would have a significant adverse effect if it would cause major traffic hazards, or would contribute considerably to the cumulative traffic increases that would cause the deterioration in levels of service to unacceptable levels.
- San Francisco does not consider parking supply as part of the permanent physical environment. Parking conditions are not static, as parking supply and demand varies

from day to day, from day to night, from month to month, etc. Hence, the availability of parking spaces (or lack thereof) is not a permanent physical condition, but changes over time as people change their modes and patterns of travel.

Parking deficits are considered to be social effects, rather than impacts on the physical environment as defined by CEQA. Under CEQA, a project's social impacts need not be treated as significant impacts on the environment. Environmental documents should, however, address the secondary physical impacts that could be triggered by a social impact. (CEQA Guidelines §15131 (a).) The social inconvenience of parking deficits, such as having to hunt for scarce parking spaces, is not an environmental impact, such as increased traffic congestion at intersections, air quality impacts, safety impacts, or noise impacts caused by congestion. In the experience of San Francisco transportation planners, however, the absence of a ready supply of parking spaces, combined with available alternatives to auto travel (e.g., transit service, taxis, bicycles or travel by foot) and a relatively dense pattern of urban development, induces many drivers to seek and find alternative parking facilities, shift to other modes of travel, or change their overall travel habits. Any such resulting shifts to transit service in particular would be in keeping with the City's "Transit First" policy. The City's Transit First Policy established in the City's Charter §16.102 provides that "parking policies for areas well served by public transit shall be designed to encourage travel by public transportation and alternative transportation."

The transportation analysis accounts for potential secondary effects, such as cars circling and looking for a parking space in areas of limited parking supply, by assuming that all drivers would attempt to find parking at or near the Project Site and then seek parking farther away if convenient parking is available. Moreover, the secondary effects of drivers searching for parking is typically offset by a reduction in vehicle trips due to others who are aware of constrained parking conditions in a given area. Hence, any secondary environmental impacts which may result from a shortfall in parking in the vicinity of the proposed Project would be minor, and the traffic assignments used in the transportation analysis, as well as in the associated air quality, noise and pedestrian safety analyses, reasonably addresses potential secondary effects.

- The Project would have a significant effect on the environment if it would cause a substantial increase in transit demand that could not be accommodated by adjacent transit capacity, resulting in unacceptable levels of transit service; or cause a substantial increase in operating delay or costs such that significant adverse impacts in transit service levels could result. With the MUNI and regional transit screenlines analyses, the project would have a significant effect on the transit provider if project-related transit trips would cause the capacity utilization standard to be exceeded during the weekday PM peak hour.
- The Project would have a significant effect on the environment if it would result in substantial overcrowding on public sidewalks, create potentially hazardous conditions

for pedestrians, or otherwise interfere with pedestrian accessibility to the site and adjoining areas.

- The Project would have a significant effect on the environment if it would create potentially hazardous conditions for bicyclists or otherwise substantially interfere with bicycle accessibility to the site and adjoining areas.
- The Project would have a significant effect on the environment if it would result in a loading demand during the peak hour of loading activities that could not be accommodated within the proposed on-site loading supply or within on-street loading zones, and if it would create potentially hazardous traffic conditions.
- Construction-related impacts generally would not be considered significant due to their temporary and limited duration.

TRIP GENERATION

The proposed Project's person-trip generation would include trips made by residents and visitors to and from the proposed residential and retail uses. The residential and retail rates are based on weekday daily and PM peak hour trip generation rates from the Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review* ("*SF Guidelines*")[25] (such as the number of trips per unit for residential uses and trips per 1,000 gsf for the retail uses). Table 6, p. 91 presents the weekday daily and PM peak hour trip generation rates and daily and PM peak hour person trips generated by the proposed uses. The proposed Project would generate about 7,445 person-trips (inbound and outbound) on a weekday daily basis, and 1,212 person-trips during the weekday PM peak-hour.[26]

MODE SPLIT

The project-generated person-trips are assigned to travel modes in order to determine the number of auto, transit, and "other" trips, where "other" includes walking, bicycle, motorcycle, taxi and additional modes. Mode split and auto occupancy information for residential use is based on the *2000 U.S. Census Journey-to-Work* data. An average vehicle occupancy (obtained from the *2000 U.S. Census*) was applied to the number of auto person-trips to determine the number of vehicle-trips generated by the proposed Project. The Project Site overlaps Census Tracts 231.02 and 231.03, which include land uses similar to the proposed Project. Therefore, a weighted average of the Census Tracts was used to determine the residential mode split. The

[25] San Francisco Planning Department, *Transportation Impact Analysis Guidelines for Environmental Review,* October 2002.

[26] The management office space and community meeting space that would serve project residents would not affect overall project traffic.

mode split and auto occupancy information for retail land use is based on the *SF Guidelines* methodology.

Per the *SF Guidelines*, project trips were distributed to the four quadrants of San Francisco (Superdistricts 1, 2, 3 and 4),[27] and to the East Bay, North Bay, South Bay/Peninsula, and outside the region, based on the origin and destination of each trip.

Table 7, p. 92 presents the trip generation by mode for the proposed Project for the weekday PM peak-hour. Approximately 63 percent of the person-trips would be by auto, 25 percent by transit and 12 percent by walk/other modes. As noted in the table, the net trip generation audits the trips from the existing 267 units that would be demolished. In total, the proposed Project would generate 662 net-new vehicle trips during the weekday PM peak hour, of which 432 would be inbound and 230 would be outbound.

TABLE 6
PROPOSED PROJECT PERSON –TRIP GENERATION

		Person-Trip Rates		Person-Trips	
Land Use	**Size**	**Daily Trip Rate**	**PM Peak Hour as % of Daily**	**Daily**	**PM Peak Hour**
Residential – Proposed					
Studio/one bedrooms	145 units	7.5 per unit	17%	1,080	188
Two+ bedrooms	655 units	10.0 per unit	17%	6,552	1,135
Total	**800 units**	**-**	**-**	**7,632**	**1,323**
Residential (Existing)[a]					
Studio/one bedrooms	(31 units)	7.5 per unit	17%	(233)	(40)
Two+ bedrooms	(149 units)	10.0 per unit	17%	(1,492)	(259)
Total	**(180 units)**	**-**	**-**	**(1,725)**	**(299)**
Retail	**6,400 gsf**	**150 per 1,000 gsf**	**9%**	**960**	**86**
Daycare	**8,500 gsf**	**67 per 1,000 gsf**	**18%**	**570**	**103**
			Total Net (New)	**7,445**	**1,212**

Source: DMJM Harris, 2008.

Note:

a. Existing residential land use trips are subtracted from total project trips to represent net new trips.

[27] The four Superdistricts in San Francisco are based on the travel analysis zones established by the Metropolitan Transportation Commission (MTC).

TABLE 7
NET TRIP GENERATION – WEEKDAY PM PEAK-HOUR

	Person-Trips				
Land Use	**Auto**	**Transit**	**Walk/Other[a]**	**Total**	**Vehicle-Trips**
Residential -Proposed	890	376	56	1,322	807
Residential (Existing)[b]	(201)	(85)	(13)	(299)	(182)
Retail	56	10	20	86	30
Daycare	14	5	84	103	7
Total	**759**	**306**	**147**	**1,212**	**662**

Source: DMJM Harris, 2008.

Notes:

a. "Other" mode includes bicycles, motorcycles, and taxis.

b. Existing residential land use represents credit taken for existing uses that would be demolished.

TRIP DISTRIBUTION/ASSIGNMENT

This analysis assumed that the trip distribution for the work and non-work trips for residential uses would be the same. The distribution of trips was based on the *2000 U.S. Census* for residential trips.

The majority of the residential work (approximately 55 percent) and non-work trips during the weekday PM peak hour would come to and from Superdistrict 1 (essentially, downtown San Francisco), with smaller percentages to and from the other Superdistricts and the rest of the region. The retail work trips would be focused primarily in Superdistrict 3 and the South Bay, while non-work trips would be distributed more highly within Superdistrict 3 (approximately 61 percent) during the weekday PM peak hour. These distribution patterns were used as the basis for assigning project-related vehicle-trips to the local and regional roadway network and transit-trips to the local and regional transit operators.

TRAFFIC IMPACTS

The analysis compares project effects with Baseline Conditions. Baseline Conditions assume that construction of the two-lane Illinois Street Bridge and Metro East MUNI maintenance yard will be complete by the time the proposed Project is occupied. The difference between the Baseline Conditions and the Existing Conditions involves signalization and lane geometry at the Illinois Street/ Cargo Way/Amador Street intersection, as well as traffic volumes along Illinois Street and Third Street, as some traffic is expected to divert from Third Street onto Illinois Street. Table 8, p. 93, includes a comparison of the Existing and Baseline intersection

operating conditions for the weekday PM peak hour. In the Baseline Conditions, all study intersections would continue to operate at acceptable levels (LOS D or better) during the weekday PM peak hour.

TABLE 8
INTERSECTION LEVEL OF SERVICE – BASELINE PLUS PROJECT AND 2025 CUMULATIVE CONDITIONS

	Intersection	Existing Conditions		Baseline Conditions		Baseline plus Project Conditions		2025 Cumulative Conditions	
		LOS	Delay	LOS	Delay	LOS	Delay	LOS	Delay
1.	Third/25th	B	15.4	B	14.3	B	19.2	**E**	**77.8**
2.	Illinois/25th	A	7.7	A	8.2	A	8.8	C	22.0
3.	Third Street/Cesar Chavez Street	C	27.6	C	29.1	C	32.4	**F**	**> 80.0**
4.	Third/Cargo	C	26.0	B	14.6	B	17.8	D	40.8
5.	Illinois/Cargo/Amador[a]	A	9.1	C	25.7	C	27.0	**F**	**> 80.0**
6.	Third/Evans	D	35.7	D	35.7	**E**	**62.1**	**F**	**> 80.0**
7.	Keith/Evans	A	9.7	A	9.7	B	12.8	C	24.2
8.	Fairfax/Keith	A	9.0	A	9.0	A	7.4	A	7.4
9.	Middle Point/Evans	A	8.4	A	8.4	B	14.3	**F**	**> 50.0**

Source: DMJM Harris, 2008.

Notes:

Delay in seconds per vehicle.

Bold denotes intersections operating unacceptably in the 2025 Cumulative Conditions

a. In the Baseline and Cumulative Conditions, this intersection will be modified to include the Illinois Street Bridge connection. Modifications would include the addition of the Illinois Street approach (from the north) and the signalization of the intersection.

b. The proposed Project would include the addition of a fourth approach at the intersection of Fairfax Avenue and Keith Street. This intersection would be a 4-way stop controlled intersection.

As discussed in Chapter II, Project Description, p. 40, the Project would add new street connections from the site via West Point Road to Fairfax Avenue and Keith Street, in addition to the current Middle Point/Evans and Middle Point/Innes access. Those changes are intended to improve overall vehicle and pedestrian access to the site and the neighborhood.

The two-lane Illinois Street Bridge and Metro East MUNI maintenance facility would divert trips from Third Street to Illinois Street. This modification would likely reduce the number of northbound and southbound left-turns on Third Street as vehicles would use Illinois Street and the corresponding east/west through streets crossing Third Street. Therefore, the average delay

at study intersections north of Evans Avenue are expected to vary in the Baseline Conditions, as shown in Table 8, p. 93. The travel patterns, and average delay, at study intersections on Evans Avenue are not expected to vary in the Baseline Conditions compared to Existing Conditions.

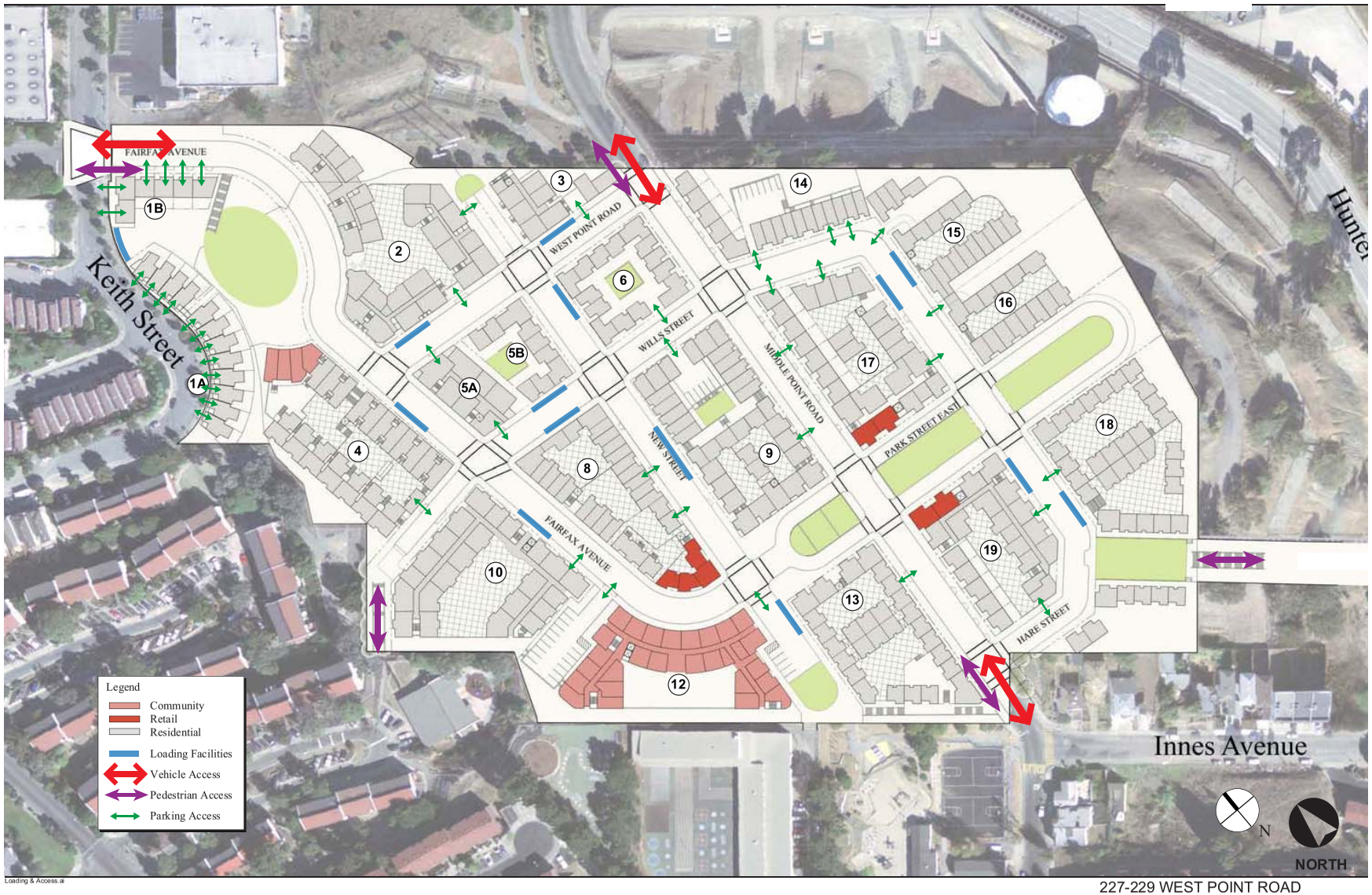
The proposed Project would generate approximately 662 net-new vehicle trips during the weekday PM peak-hour (432 inbound and 230 outbound). The majority of the timed traffic would use Evans Avenue to access local and regional roadways to the west of the Project Site. Therefore, the majority of inbound and outbound trips were assigned to the Project Site via the existing Middle Point Road/Evans Avenue intersection and the new Fairfax Avenue/Keith Street intersection proposed as part of the proposed Project (see Figure 10, p. 94). Table 8, p. 93 presents a comparison of the Baseline and Baseline plus Project intersection operating conditions for the weekday PM peak hour. At eight of the nine study intersections, the proposed Project would result in a minor increase in the average delay per vehicle (less than six seconds) resulting in no worse than LOS C. The Third Street/Evans Avenue intersection would degrade from LOS D to LOS E (average delay increase of 25.2 seconds per vehicle) with the addition of the traffic generated by the proposed Project. The proposed Project would therefore have a significant impact on the Third/Evans intersection conditions.

Chapter IV, Mitigation Measures, describes changes at the Third Street/Evans Avenue intersection that would improve Baseline plus Project Conditions to LOS D, and would avoid this significant adverse impact. No mitigation measure for the remaining eight intersections would be required for the Baseline plus Project Conditions, since the addition of project trips would not result in significant impacts during the weekday PM peak hour.

TRANSIT IMPACTS

The proposed Project would generate approximately 306 net-new transit trips (about 200 inbound and 106 outbound) during the weekday PM peak hour. Transit trips to and from the Project Site would likely use the 19 and 44 MUNI lines, which travel directly through the Project Site and have high service frequencies. It is anticipated that some riders would use the T-Third Street line, which has high service frequencies and good coverage for points in the downtown area.

The additional vehicle trips to and from the proposed Project would not be anticipated to substantially affect operations of the MUNI bus lines. Lines 19 and 44, which extend through the Project Site, may experience minor delays at the stop-controlled intersections along Middle Point Road. The proposed Project vehicle-trips generated would not result in any substantial



227-229 WEST POINT ROAD

SOURCE: DMJM Harris/AECOM

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 10: PROJECT LOADING AND ACCESS

conflicts with transit operations, in terms of turning movements or congestion at bus stops. Therefore, this impact would be less than significant.

While the proposed Project would not have significant adverse effects on transit conditions, to encourage transit use at the proposed Project, the Project Sponsor would explore establishing a transit pass program that would offer tax incentives or benefits to retail employees who use transit to and from the proposed Project.

PEDESTRIAN IMPACTS

Pedestrian trips generated by the proposed Project would include walk trips to and from the Project Site, plus walk trips to and from parked vehicles and transit lines. Overall, the proposed Project would add over 453 net-new pedestrian trips (including approximately 147 net-new walk or other trips and 306 net-new transit trips) to the adjacent sidewalks during the weekday PM peak hour.

The proposed Project would provide new sidewalks within the Project Site. In addition to the new Fairfax/Keith connection, pedestrians would have improved access to and from the Project Site via a new pathway with connections to Cashmere Court and to Innes Avenue near India Basin Shoreline Park, if the Project Sponsor can obtain site control for an easement across the PG&E property and the proposed walkway is constructed, see Figure 10 p. 94). Currently, the project vicinity has low to moderate pedestrian volumes, and pedestrian conditions would continue to remain acceptable after full buildout of the proposed Project.

BICYCLE IMPACTS

The proposed Project would provide 212 bicycle parking spaces, as required by *Planning Code* Section 155.5. Because the total retail square footage would not exceed 25,000 square feet, the *Planning Code* would not require bicycle parking or shower and locker facilities,

With the current bicycle and traffic volumes on nearby streets, bicycle travel generally occurs without major conflicts or safety issues. The proposed Project would result in an increase in the number of vehicles on the surrounding streets; this increase would not be substantial enough to affect bicycle conditions or operations in the area. This impact is considered less than significant.

PARKING REQUIREMENTS

The proposed Project would provide up to 816 parking spaces. *Planning Code* Section 151 would require 800 spaces for the residential units and 11 spaces for the retail uses, a total of 811 off-street parking spaces. For the retail portion of the proposed Project, two of the spaces must be accessible as required by the Americans with Disabilities Act (ADA). For the residential portion of the proposed Project, 30 of the spaces must be ADA-accessible. The proposed Project would comply with *Planning Code* and ADA requirements.

Parking Demand

Table 9, p. 97, presents the proposed Project weekday midday and evening parking demand. The proposed Project would have a parking demand of approximately 800 spaces during midday and 982 spaces during the weekday evening. Without considering existing residential units. Of the evening peak period demand, 31 spaces would be short-term and 951 would be long-term.

Table 9
Proposed Project Parking Demand

	Weekday Midday		Weekday Evening	
Land Use	**Short-Term**	**Long-Term**	**Short-Term**	**Long-Term**
Residential (Proposed)	(0)	746	(0)	932
Retail	31	23	31	19
Total (New)	**31**	**769**	**31**	**951**

Source: SF Guidelines; DMJM Harris, 2008.

a. Existing residential land use represents current tenants.

Parking Impacts

As shown in Figure 10, p. 94 the proposed Project would distribute off-street project parking throughout the site in both uncovered and covered facilities. Covered, lockable bicycle parking would be provided for most blocks. In addition to the off-street parking spaces, all streets within the Project would have on-street parking.

A comparison of the proposed Project's parking supply and the estimated parking demand was performed for both the weekday midday and evening conditions for each use. Assuming that the standard and tandem parking spaces meet or exceed the minimum *Planning Code*

requirement of 811 off-street parking spaces, the proposed Project would meet the parking demand during the midday period. However, the required 811 parking spaces would not be able to accommodate the evening long-term parking demand of 932 spaces. This would result in a maximum shortfall of about 170 parking spaces. This excess demand could be accommodated by on-street parking. As discussed in Environmental Setting, the on-street parking in the study area is approximately 25 percent occupied throughout the peak midday and evening periods. Although the roadway configuration would change with the proposed Project, the on-street parking capacity would likely remain the same, or increase. Since on-street parking in the vicinity of the Project Site is only approximately 25 percent occupied during the weekday midday period and evening periods, it would be possible for residents and visitors of the proposed Project to find more than 170 available parking spaces within the Project Site and the local vicinity. Because off-street and on-street parking supply would be expected to meet Project parking demands, and because parking shortfalls are not considered adverse effects for purposes of environmental review, parking impacts would be considered less than significant.

LOADING IMPACTS

However, the site plan would be revised to meet the minimum loading zone requirements per the *Planning Code*. The proposed Project would be required to provide four off-street loading spaces for the residential portion of the proposed Project (Section 151 of the *Planning Code*). The retail portion of the proposed Project would not require any off-street loading spaces because it does not exceed 10,000 square feet.

Loading Demand

The proposed Project would generate a total of 30 daily delivery/service vehicle trips (27.7 residential, 1.4 retail, and 0.9 daycare), which would correspond to a demand for less than two loading spaces during an average or peak hour of loading activities. Net new loading demand, accounting for existing uses at the site, would be about 23 trips per day.

Loading Impacts

The Project would include up to 14 on-street loading spaces, 40 feet in length. The loading spaces would be distributed throughout the site, including near proposed retail uses. These curb spaces would be marked as yellow zones, with automobile parking prohibited during loading times (generally between 7:00 a.m. and 5:00 p.m.). The curb loading zone plans would be reviewed and approved by the Department of Parking and Traffic.

Based on the size of moving vans and delivery trucks and the typical size of other service vehicles, the proposed loading spaces would be adequate to accommodate loading activities. If additional loading space were needed on a temporary basis, additional space would be reserved through the MTA Street Operations and Special Events Office, and loading activities would not disrupt normal traffic flow.

The location of the on-street loading spaces would be adequate to serve the proposed Project, as all uses would be within a short walking distance of a designated loading space. In addition, since the estimated loading demand for the Project as a whole would be 30 delivery/service vehicle trips per day, the proposed loading spaces would be adequate to service the proposed Project. Because the proposed Project would provide on-street loading spaces as opposed to off-street spaces as required by the Planning Code, the Project Sponsor would request approval for the loading spaces through the Planned Unit Development process. Therefore, loading impacts are considered less than significant.

CONSTRUCTION IMPACTS

Detailed construction plans for the proposed Project are not complete. It is anticipated that construction activities would take place in three independent phases over six years. Each phase is expected to last approximately 24 months. Phase 1 would begin in mid-2009; Phase 2 in mid-2011; and Phase 3 in mid-2013. The proposed Project is expected to be completed by mid-2015. In terms of units, occupied space, and construction activities required, the three phases of the proposed Project are approximately equal in size. Phase I is estimated to require about 1,000 truck round-trips, Phase II would require about 4,300 truck-round trips, Phase III would require about 1,600 truck round-trips. These truck trips include trips related to demolition, site preparation, excavation and transport of materials.

Construction activities would typically occur on weekdays from 7:00 a.m. to 5:00 p.m.; construction on weekends would only occur on an as-needed basis. It is anticipated that construction-related trucks would access the Project Site from Evans Avenue. In general, the impact of construction truck traffic would be the temporary lessening of the capacities of streets due to the slower movement and larger turning radii of trucks, which may slightly affect both traffic and transit operations.

Although trip generation, trip distribution, and mode split data is not available for the construction workers, it anticipated that the number of daily and peak-hour construction-related trucks and workers would be substantially fewer than the number of vehicle-trips and transit-trips that would be generated by the proposed Project, even after occupancy of the new

Phase 1 and 2 units and during construction of Phase 3. As a result, potential impacts to the traffic and transit network would be less than effects from the proposed Project and would not substantially affect the transportation conditions, as both the local traffic and transit network generally have available capacity. Construction workers would be directed to park within the confines of the construction area.

Construction staging would occur primarily within the Project Site. However, temporary closure of a portion of Middle Point Road sidewalks may be needed for the construction of new curb-cuts and the reconstruction of old curb-cuts (during these times, pedestrians may need to be directed to use sidewalks on the other side of the street).

MUNI stops on Middle Point Road may need to be temporarily relocated during construction. However, any relocated stop would be expected to remain on Middle Point Road which travels through the site.

During specific construction phases, local roadways within Hunters View (Willis Street, West Point Road, and Hare Street) would be closed to general traffic. These closures would have minimal impact on residents, MUNI, and local traffic as these streets are residential and provide no outlet to other roadways. Any residents that currently live on any of these streets would be relocated during the corresponding phase of construction. If it were determined that travel lane closures would be needed, they would be coordinated with the City in order to minimize the impacts on local traffic. In general, lane and sidewalk closures are subject to review and approval by the Department of Public Works (DPW) and the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT). If it were determined that temporary MUNI stop relocation would be needed, this would be coordinated with the MUNI Street Operations/Special Events office.

Since the construction period of the proposed Project would not substantially affect traffic, transit, pedestrian, and bicycle circulation, construction impacts would be considered less than significant. Although construction effects would be less than significant, Chapter IV, Mitigation Measures and Improvement Measures, includes an improvement measure to reduce potential traffic disruption from Project construction traffic.

CUMULATIVE ANALYSIS (2025)

Methodology

Cumulative traffic growth would occur from other developments in the area, as well as from the proposed Project. For the development of future 2025 Cumulative traffic volumes, a two-step approach was applied.

Step 1 – the growth of the existing land uses in the area were evaluated and a background growth factor was determined. The growth factor was based on the expected increases in vehicle trips based on San Francisco County Transportation Authority model projections.

Step 2 - the trips produced by new land uses in the area based on the projections outlined in the Visitacion Valley/Executive Park traffic studies. These include changes in land uses in Hunters Point Shipyard, India Basin, and Candlestick Point. (Section III.A, Plans and Policies, p. 54, discusses potential plans at the Hunters Point Shipyard, Candlestick Point, and India Basin that are generally accounted for in this cumulative analysis.) These future traffic volumes were used to forecast the levels of service at the study intersections under 2025 Cumulative Conditions during the weekday PM peak hour.

Cumulative Traffic Impacts

Table 8, p. 93, presents the 2025 Cumulative intersection conditions during the weekday PM peak hour. Under 2025 Cumulative Conditions, five study intersections would operate at unacceptable conditions (LOS E or worse): Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue.

The decreased LOS at those five intersections is largely attributed to the future development in the area. The cumulative traffic growth on Evans Avenue, Cargo Way, Third Street, Cesar Chavez Street, Illinois Street, and 25th Street would be expected since each provides access to U.S. 101 and I-280. A substantial portion of the growth would be attributed to the buildout of Hunters Point Shipyard, India Basin, and Candlestick Point in the 2025 Cumulative Conditions.

To assess the effect of project-generated traffic on 2025 Cumulative Conditions, the proposed Project's contribution to the 2025 Cumulative traffic conditions was determined, with two different factors: the project-generated traffic as a percent of total 2025 Cumulative traffic volumes, and the project-generated traffic as a percent of only the increase in traffic volumes

between Baseline and 2025 Cumulative Conditions. The percent contributions were calculated at the nine study intersections and are presented in Table 10.

As Table 10 illustrates, the proposed Project's contribution to the cumulative growth in traffic volumes between Baseline and 2025 Cumulative Conditions would be greater than 5.0 percent to the cumulative growth all of the study intersections. The largest contribution to the growth (92.9 percent) would occur at the Fairfax Avenue/Keith Street intersection. As noted above, five study intersections would operate at unacceptable conditions (LOS E or worse) under 2025 Cumulative Conditions: Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. The Project contribution to traffic growth at those five intersections would range from 7.1 percent to 41.4 percent of total volume, and 10.4 percent to 22.3 percent of growth. For this analysis, a greater than five percent Project contribution to the cumulative growth is considered significant. The proposed Project would therefore contribute to significant adverse cumulative impacts at those five intersections.

TABLE 10
PROPOSED PROJECT CONTRIBUTION TO 2025 CUMULATIVE CONDITIONS

	Intersection	Baseline Volume	Project Volume	2025 Volume	Contribution to	
					Total	Growth
1.	Third/25th	1,251	**296**	**4,101**	**7.2%**	**10.4%**
2.	Illinois/25th	381	121	1,382	8.8%	12.1%
3.	Third Street/Cesar Chavez Street	2,042	**362**	**5,092**	**7.1%**	**11.9%**
4.	Third/Cargo	1,354	296	4,107	7.2%	10.8%
5.	Illinois/Cargo/Amador	622	**349**	**2,400**	**14.5%**	**19.6%**
6.	Third/Evans	1,516	**343**	**4,829**	**7.1%**	**10.4%**
7.	Keith/Evans	486	342	1,578	21.7%	31.3%
8.	Fairfax/Keith	106	79	191	41.4%	92.9%
9.	Middle Point/Evans	514	**612**	**3,143**	**19.5%**	**23.3%**

Source: DMJM Harris, 2008.

Notes:

All volumes are weekday PM peak hour volumes

Bold denotes intersections operating unacceptably in the 2025 Cumulative Conditions

The other four study intersections would operate at acceptable LOS with cumulative conditions (see Table 8, p. 93), and the Project contribution would not be considered a significant adverse impact.

Chapter IV, Mitigation Measures and Improvement Measures, describes mitigation measures for cumulative conditions at Third Street/25th Street, Third Street/Cesar Chavez, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. The proposed Project would, as noted above, contribute to a significant adverse impact at those intersections and could be responsible for a portion of the required future mitigation. Chapter IV concludes that mitigation measures to attain acceptable LOS for cumulative conditions at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue and Middle Point Road/Evans Avenue intersections would either not be feasible or would require further assessment of feasibility, and therefore, the cumulative impacts at those five intersections would be considered significant and unavoidable. Thus, the proposed Project would be considered to contribute to significant unavoidable adverse cumulative impacts at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections.

Cumulative Transit Impacts

With 2025 Cumulative Conditions, capacity utilization on MUNI bus lines serving the vicinity would be about 83 percent. The proposed Project would not contribute to a significant adverse cumulative transit effect. Ridership on the T-Third Street line in the 2025 Cumulative Conditions is expected to exceed capacity. The proposed Project contribution to T-Third Street ridership in the 2025 Cumulative Conditions would be three percent. The proposed Project's contribution to the increase in T-Third Street ridership between the 2025 Cumulative and Existing Conditions would be four percent. The proposed Project would contribute less than five percent to cumulative conditions on the T-Third Street line, and would not be considered to have a significant adverse impact.

It should be noted that this transit analysis is based on the current San Francisco County Transportation Authority model projections and Visitacion Valley/Executive Park traffic studies. While the ridership projections incorporate land use changes and travel demand growth, the projections do not incorporate proposed modifications to the transit service network. Network-wide transit improvements are currently being planned but have not yet been approved for implementation, and are therefore not assumed for the analysis. Therefore, the cumulative transit conditions noted above may be conservative, "worst-case" conditions.

E. AIR QUALITY

This section addresses the proposed Project's impacts on air quality from emissions generated from construction, operations, and from the production of GHG emissions. Emissions caused by construction activity would result from the demolition of buildings, dust from excavation and grading, and exhaust from construction equipment. These impacts are temporary and only last the duration of the construction period. The proposed Project would also produce operational emissions due to increased traffic volumes and equipment such as water heaters and ventilation equipment. Both the proposed Project's construction and operation would produce GHG emissions, which as discussed above, contribute to "global warming".

SETTING

EXISTING AIR QUALITY

Climate. The San Francisco Bay Area's regional meteorological conditions are cool and dry in the summers and mild and moderately wet in the winters. A daytime sea breeze provides fresh air to the Bay Area, but also tends to cause temperature inversions by positioning cool surface air underneath warmer upper-air. The inversions limit vertical motion of pollution and cause pollution potential to be the highest in the sheltered valleys throughout the region and in the subregions that are not directly affected by the marine air entering through the Golden Gate.[28]

Regional Air Quality. The nine-county San Francisco Bay Area Air Basin has a history of recorded violations of federal and state ambient air quality standards for ozone, carbon monoxide, and inhalable particulate matter. Since the early 1970s, the Bay Area has made progress toward controlling these pollutants. The area is now in attainment with all state and federal standards except those for ozone and PM_{10}. The Bay Area is an ozone nonattainment area for state and federal purposes. Although the Bay Area does not meet the state standard for PM_{10}, it does meet the federal standard.

The criteria air pollutants for which national and state standards have been promulgated (and that are most relevant to air quality planning and regulation in the Bay Area) are ozone, fine suspended particulate matter, and carbon monoxide.

The BAAQMD operates air quality monitoring stations in San Francisco at 10 Arkansas Street (at the foot of Potrero Hill) and at 939 Ellis Street (near the Civic Center). Either location would

[28] BAAQMD, *BAAQMD CEQA Guidelines, Assessing the Air Quality Impacts of Projects and Plans,* April 1996, Revised December 1999, Appendix D.

be representative of conditions in the Project vicinity; however, the Ellis Street station monitors only carbon monoxide. Peak carbon monoxide concentrations observed at the Ellis Street station tend to be higher than those observed at Arkansas Street. Ozone, carbon monoxide, and particulate matter data at the Arkansas Street station show the following:[29]

- During the period of 2004 through 2006, the state and federal 1-hour and 8-hour ozone standards were not exceeded on any day at the Arkansas Street station.
- During the period of 2004 through 2006, the state 24-hour PM_{10} standard was exceeded less than one percent of the samples per year and the federal 24-hour standard was not exceeded at all. The state annual standard was exceeded in 2004 and 2006 and federal annual standard was not exceeded at all. The federal standards were not exceeded in the Bay Area.

The regional and local air quality data show that the region has made considerable progress toward meeting the state and federal standards. At this time, the region does not meet ozone and PM_{10} standards, and violations of the state and federal standards for ozone and PM_{10} continue to persist. Pollutants tend to be carried away from San Francisco into the more sheltered areas of the region and cause violations of the standards there. Therefore, regional benefits would occur with efforts to control San Francisco's emissions.

Local Air Quality. The emission sources that currently exist in the Project area are traffic-related; most notable are the heavy volumes of traffic along Third Street, Evans Avenue and Cesar Chavez. Emissions due to traffic congestion dominate the localized air quality in the Project vicinity. Existing land uses surrounding the Project vicinity constitute minor sources of air emissions (e.g., water heaters, ventilation equipment) from residential, office, and commercial activity.

Land uses in the vicinity of the Project include residential, retail, office, institutional, and parking. Motor vehicles are the primary source of pollutants in the area. Traffic-congested roadways and intersections have the potential to generate localized high levels of CO. Localized areas where ambient concentrations exceed national and/or state standards for CO are termed CO "hotspots." These hotspots can become a problem if people are exposed to the high concentrations for long periods of time (i.e., one hour or more when compared to the national and state 1-hour standards and eight hours or more when compared with the national and state 8-hour standards). The national 1-hour standard is 35.0 parts per million (ppm), and

[29] California Air Resource Board, *http://www.arb.ca.gov/qaweb/siteformap.php?s_arb_code=90306* , accessed December 28, 2007.

the state 1-hour standard is 20.0 ppm. The 8-hour national and state standards are both 9.0 ppm.

Project Vicinity. Land uses such as schools, children's day care centers, hospitals, and convalescent homes are considered more sensitive than the general public to poor air quality because the population groups associated with these uses have increased susceptibility to respiratory distress. Persons engaged in strenuous work or exercise also have increased sensitivity to poor air quality. Residential areas are considered more sensitive to air quality conditions than commercial and industrial areas, because people generally spend longer periods of time at their residences, resulting in greater exposure to ambient air quality conditions. Recreational uses are also considered sensitive, due to the greater exposure to ambient air quality conditions, and because the presence of pollution detracts from the recreational experience.

In general, the Hunters View Housing Project is transitioning from 13 units per acre density up to a 35.5 unit per acre density. This density is more consistent with the surrounding area, which is 23 to 35.5 units per acre. Most of the buildings in the area are characterized by low rise residential buildings. Sensitive uses in this area predominantly consist of residential and open space for public assembly and recreational uses, two elementary schools, and a church.

Naturally Occurring Asbestos (NOA). The term naturally occurring asbestos refers to a variety of six fibrous materials. Chrysotile is the most common material of this type found in California and is a part of the serpentine mineral group. Serpentine and NOA are frequently encountered in areas known as ultramafic rock units. NOA is known to be present in the serpentine conditions on the Project Site. Asbestos is classified as a known human carcinogen by state, federal, and international agencies and was identified as a toxic air contaminant by the California Air Resource Board (CARB) in 1986. Asbestos may cause lung disease and cancer.

Asbestos. The buildings on the Project Site were completed in 1957. Due to their age, asbestos-containing materials (ACMs) may be found within these structures; which are proposed for demolition. Demolition of these buildings could result in asbestos and other hazardous building materials becoming airborne and potentially inhaled by humans. Section 19827.5 of the California Health and Safety Code, adopted January 1, 1991, requires that local agencies not issue demolition or alteration permits until an applicant has demonstrated compliance with notification requirements under applicable federal regulations regarding hazardous air pollutants, including asbestos. See Section III.H-8, Hazards and Hazardous Materials p. 171.

Greenhouse Gases (GHG). GHG emissions, produced by human activity, trap heat in the atmosphere and are implicated in global climate change, commonly referred to as "global warming." It is presumed that GHG emissions contribute to an increase in the temperature of the earth's atmosphere by preventing the escape of heat. The principal GHG emissions are carbon dioxide, methane, nitrous oxide, and water vapor. Ozone—not directly emitted, but formed from other gases—in the troposphere, the lowest level of the earth's atmosphere, also contributes to retention of heat. Of these gases, carbon dioxide and methane are emitted in the greatest quantities from human activities. Emissions of carbon dioxide are largely by products of fossil fuel combustion, whereas methane results from off-gassing associated with agricultural practices and landfills, and nitrous oxide is emitted primarily from agricultural activities.[30] There is international scientific consensus that human-caused increases in GHG emissions has and will continue to contribute to global warming, although there is uncertainty concerning the magnitude and rate of the warming. Some of the potential impacts in California of global warming may include loss of snow pack, sea level rise, more extreme heat days per year, more high ozone days, more large forest fires, and more drought years.[31] Secondary effects are likely to include global rise in sea level, impacts to agriculture, changes in disease vectors, and changes in habitat and biodiversity.

The California Energy Commission (CEC) estimates that, in 2004, California produced 500 million gross metric tons (about 550 million U.S. tons) of carbon dioxide-equivalent GHG emissions.[32] The CEC found that transportation is the source of 38 percent of California's GHG emissions, followed by electricity generation (both in-state and out-of-state) at 23 percent and industrial sources at 13 percent.[33] In the Bay Area, transportation accounts for just over half of the Bay Area's 85 million tons of GHG emissions. Industrial and commercial uses generate

30 Other GHG emissions, with much greater heat-absorption potential than carbon dioxide, include hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride, and are generated in certain industrial processes.

31 California Air Resources Board (ARB), 2006a. Climate Change website (http://www.arb.ca.gov/cc/120106workshop/intropres12106.pdf) accessed March 24, 2007.

32 Because of the differential heat absorption potential of various GHG emissions, GHG emissions are frequently measured in "carbon dioxide-equivalents," which present a weighted average based on each gas's heat absorption potential.

33 California Energy Commission, Inventory of California Greenhouse Gas Emissions and Sinks: 1990 to 2004 - Final Staff Report, publication # CEC-600-2006-013-SF, December 22, 2006; and January 23, 2007 update to that report. Available on the internet at: *http://www.arb.ca.gov/cc/ccei/emsinv/emsinv.htm accessed on September 17*, 2007.

about one-fourth of total GHG emissions, while domestic sources (e.g., home water heaters, furnaces, etc.) account for about 11 percent; power plants, 7 percent; and refineries, 6 percent.[34]

REGULATORY SETTING

Ambient Air Quality Standards. Federal, state, and local laws and regulations form the foundation for controlling air pollution in the United States. The federal Clean Air Act, including amendments of 1990, and the California Clean Air Act of 1988 specify that federal and state regulatory agencies set upper limits on the airborne, or ambient, concentrations of six criteria air pollutants. National ambient air quality standards exist for ozone, carbon monoxide (CO), nitrogen dioxide (NO_2), sulfur dioxide (SO_2), particulate matter and lead.[35] Reactive organic gases (ROG) and nitrogen oxides (NO_x) are also regulated as precursor contaminants that react in the atmosphere to form ozone, and particulate matter is regulated as inhalable particulate matter ten microns or smaller in diameter (PM_{10}) and $PM_{2.5}$.

Federal and state air quality standards for these pollutants, presented in Table 11, p. 109 are upper limits designed to protect all segments of the population including those most susceptible to the pollutants' adverse effects (e.g., children, the elderly, people weak from illness or disease, or persons doing heavy work or exercise).

Air Quality Management Plans. The federal Clean Air Act, as amended, and the California Clean Air Act provide the legal framework for attaining and maintaining the ambient air quality standards. Both the federal and state acts require that the California Air Resources Board designate as "nonattainment areas" portions of the state where federal or state ambient air quality standards are not met. Where a pollutant exceeds standards, air quality management plans must be formulated that demonstrate how the standards will be achieved.

These laws also provide the basis for the implementing agencies to develop mobile and stationary source performance standards.

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[34] BAAQMD, Source Inventory of Bay Area Greenhouse Gas Emissions: Base Year 2002, November 2006. Available on the internet at: *http://www.baaqmd.gov/pln/ghg_emission_inventory.pdf accessed on September 17*, 2007.

[35] National ambient air quality standards have been established for criteria pollutants, named for the criteria documents that justify their regulation.

TABLE 11
STATE AND FEDERAL AMBIENT AIR QUALITY STANDARDS

Pollutant	Averaging Time	California Standard[a,c]	Federal Standard[b]	
			Primary[c,d]	Secondary[c,e]
Ozone	1-hour	0.09 ppm (180μg/m³)	0.12 ppm (235 μg/m³)	Same as Primary
	8-hour	---	0.08 ppm (160 μg/m³)	Same as Primary
Carbon Monoxide	1-hour	20.0 ppm (23 mg/m³)	35 ppm (40 mg/m³)	---
	8-hour	9.0 ppm (10 mg/m³)	9.0 ppm (10 mg/m³)	---
Nitrogen Dioxide	1-hour	0.25 ppm (470 μg/m³)	---	---
	Annual Avg	---	0.053 ppm (100 μg/m³)	Same as Primary
PM_{10}	24-hour	50 μg/m³	150 μg/m³	Same as Primary
	Ann Geo Mn	20 μg/m³	---	---
	Ann Arith Mn	---	50 μg/m³	Same as Primary
$PM_{2.5}$	24-hour	---	65 μg/m³	Same as Primary
	Ann Arith Mn	12μg/m³	15 μg/m³	Same as Primary
Sulfur Dioxide	1-hour	0.25 ppm (655 μg/m³)	---	---
	3-hour	---	---	0.5 ppm (1,300 μg/m³)
	24-hour	0.04 ppm (105 μg/m³)	0.14 ppm (365 μg/m³)	---
	Ann Arith Mn	---	0.03 ppm (80 μg/m³)	---
Sulfates	24-hour	25 μg/m³	---	---
Lead	30-day Avg	1.5 μg/m³	---	---
	Calendar Qtr	---	1.5 μg/m³	Same as Primary
Hydrogen Sulfide	1-hour	0.03 ppm (42 μg/m³)	---	---
Visibility Reducing Particles	8-hour observation	Extinction coefficient of 0.23 per kilometer[f]	---	---

Source: Bay Area Air Quality Management District. *CEQA Guidelines, Assessing the Air Quality Impacts of Projects and Plans,* April 1996, revised December 1999.

Notes: --- = no standard; ppm = parts per million; μg/m³ = microgram per cubic meter; mg/m³ = milligrams per cubic meter; Avg = average; Ann = annual; Arith = arithmetic; Geo = geometric; Mn = mean; Qtr = quarter.

a. California standards for ozone, CO, SO_2, NO_2, and PM_{10} and visibility reducing particles are values that are not to be exceeded. California ambient air quality standards are listed in the Table of Standards in Section 70200 of Title 17 of the California Code of Regulations. In addition, Section 70200.5 lists vinyl chloride under standards for hazardous substances.

b. The form of the national standards (i.e., how the standard is applied) varies from pollutant to pollutant. For further information, 40 CFR Part 50 includes the relevant form for each federal standard.

c. Concentrations are expressed first in units in which they were promulgated. Equivalent units given in parentheses are based upon reference temperature of 25º Centigrade and a reference pressure of 760 mm of mercury. All measurements of air quality are to be corrected to a reference temperature of 25º Centigrade and a reference pressure of 760 mm of mercury (1,013.2 millibar). Parts per million (ppm) in this table refers to ppm by volume or micromoles of pollutant per mole of gas.

d. Primary Standards: the levels of air quality necessary, with an adequate margin of safety, to protect the public health. Each state must attain the primary standard no later than three years after that state's implementation plan is approved by the U.S. EPA.

e. Secondary Standards: the levels of air quality necessary to protect the public welfare from any known or anticipated adverse effects of a pollutant. Each state must attain the secondary standard within a "reasonable time" after the implementation plan is approved by U.S. EPA.

f. Prevailing visibility is defined as the greatest visibility which is attained or surpassed around at least half of the horizon circle, but not necessarily in continuous sectors. Visibility standard is expressed in terms of extinction due to particles when the relative humidity is less than 70 percent.

The Bay Area Air Quality Management District (BAAQMD) is primarily responsible for planning, implementing, and enforcing the federal and state ambient standards in the Bay Area. United States Environmental Protection Agency (EPA) approval of the *1982 Bay Area Air Quality Plan* (*1982 Plan),* which indicates how the BAAQMD will implement federal air quality requirements, resulted in the *1982 Plan* being incorporated into the *State Implementation Plan.* The region's *State Implementation Plan* is a compilation of plan components and air pollution control regulations that when taken together are designed to enable the region to attain and maintain the federal standards. Along with the BAAQMD, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments also contribute to the *State Implementation Plan.* The BAAQMD updated the *1982 Plan* and adopted the *Bay Area '91 Clean Air Plan* to implement the requirements of the California Clean Air Act of 1988. As required by the California Clean Air Act and subsequent 1992 amendments, the BAAQMD also prepared the *1994 Clean Air Plan Update*, the *Bay Area '97 Clean Air Plan*, and the *Bay Area 2000 Clean Air Plan*.

As of 2007, the state ozone and PM_{10} standards were exceeded (violated) in the region. To meet the state ozone standard, the BAAQMD adopted the *2000 Clean Air Plan* on December 20, 2000, and submitted it to the California Air Resources Board (ARB) as required by the California Clean Air Act. The *2000 Clean Air Plan* includes a control strategy review to ensure that the plan continues to include "all feasible measures" to reduce ozone. No state plan is required to meet state PM_{10} measures.

In 1998, the Bay Area was redesignated as a nonattainment area for the federal ozone standards. Under the EPA's direction, the BAAQMD prepared and submitted the *Bay Area Ozone Attainment Plan* in June 1999 (*1999 Plan*) as a revision to the *State Implementation Plan*. This attainment plan was partially rejected by the EPA. The parts of the *1999 Plan* that were disapproved include ozone attainment assessment, consistency of regional transportation plans and programs with air quality attainment plans, and the Reasonably Available Control Measure demonstration. In response to the EPA's disapproval of the *1999 Plan*, a *Bay Area 2001 Ozone Attainment Plan* (*Final Plan*) was prepared in June 2001 by the BAAQMD, MTC, and the Association of Bay Area Governments. The *Final Plan* was initially rejected by the California ARB prior to its submittal to the EPA, but was approved with addenda in 2001. On February 14, 2002, the EPA determined that the motor vehicle emission budgets in the *Final Plan* were adequate for conformity purposes.

The *State Implementation Plan* measures for reducing emissions of reactive organic compounds and nitrogen oxides affect all source categories. Emissions limitations are imposed upon

sources of air pollutants by rules and regulations promulgated by the federal, state, or local agencies. Mobile sources of air pollutants are largely controlled by federal and state agencies through emission performance standards and fuel formulation requirements. The BAAQMD regulates stationary sources through its permitting and compliance programs. The BAAQMD is responsible for implementing stationary source performance standards and other requirements of federal and state laws.

Local environmental plans and policies also recognize community goals for air quality. The *San Francisco General Plan* includes the 1997 Air Quality Element.[36] The objectives specified by the City include the following:

- Objective 2: Reduce mobile sources of air pollution through implementation of the Transportation Element of the *General Plan.*
- Objective 3: Decrease the air quality impacts of development by coordination of land use and transportation decisions.
- Objective 5: Minimize particulate matter emissions from road and construction sites.
- Objective 6: Link the positive effects of energy conservation and waste management to emission reductions.

Asbestos Containing Soils Regulations. The California Environmental Protection Agency's Air Resource Board (CARB) is the regulating body for mitigating construction activity relating to asbestos. CARB has established regulations for asbestos control measure for construction, excavation and grading. Because the Project would involve the excavation and grading of more than one acre of asbestos-containing soil the following CARB regulation would apply:

Areas greater than one acre that meet the criteria of having any portion of the area to be disturbed located in a geographic ultramafic rock unit or has naturally occurring asbestos, serpentine, or ultramafic rock as determined by the sponsor or an Air Pollution Control Officer shall not engage in any construction or grading operation on property where the area to be disturbed is greater than one acre unless an Asbestos Dust Mitigation Plan for the operation has been:

- Submitted to and approved by the district before the start of any construction or grading activity; and
- The provisions of that dust mitigation plan are implemented at the beginning and maintained throughout the duration of the construction or grading activity.

[36] City and County of San Francisco, Planning Department, Air Quality - An Element of the General Plan of the City and County of San Francisco, July 1997, updated in 2000.

Greenhouse Gases. In 2006, the California State Legislature adopted AB 32, the California Global Warming Solutions Act. AB 32 focuses on reducing GHG in California and requires the CARB to adopt rules and regulations that would reduce statewide GHG emissions to 1990 levels by 2020. The CARB has already published a list of discrete early action GHG emission reduction measures that can be implemented by 2010. The law further requires that such measures achieve the maximum technologically feasible and cost-effective reductions in GHG.

Governor Arnold Schwarzenegger enacted Executive Order S-01-07 on January 18, 2007. The order mandates that a statewide goal shall be established to reduce the carbon intensity of California's transportation fuels by at least 10 percent by 2020. The order also requires that a Low Carbon Fuel Standard for transportation be established for California.

Senate Bill (SB) 1368, the companion bill of AB 32, required the California Public Utilities Commission (PUC) to establish a GHG emission performance standard for baseload generation from investor-owned utilities by February 1, 2007. Similarly, the California Energy Commission (CEC) was tasked with establishing a similar standard for local publicly-owned utilities by June 30, 2007. These standards cannot exceed the GHG emission rate from a baseload combined-cycle natural gas fired plant. The legislation further requires that all electricity provided to California, including imported electricity, must be generated from plants that meet the standards set by the PUC and the CEC.

IMPACTS

SIGNIFICANCE CRITERIA

The *BAAQMD CEQA Guidelines* identifies significance criteria to assist lead agencies in evaluating potential air quality impacts of projects. The City of San Francisco utilizes these criteria when evaluating proposed development projects and plans. As such, the Project may result in significant air quality impacts if it would:

- Conflict with or obstruct implementation of the applicable air quality plan.
- Violate any air quality standard or contribute substantially to an existing or projected air quality violation.
- Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal, state, or regional ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors).

- Expose sensitive receptors to substantial pollutant concentrations.
- Create objectionable odors affecting a substantial number of people.

IMPACTS

Construction Impacts. Demolition of existing buildings and construction of the Project would begin in 2009, and construction would be completed in approximately six years. Construction would involve excavation and grading to accommodate the new buildings and surface improvements. The new buildings would then be constructed and readied for use.

Construction activities would generate airborne dust that could temporarily adversely affect the surrounding area. The principal pollutant of concern would be PM_{10}. The *BAAQMD CEQA Guidelines* recommends the use of an analytical or qualitative approach to evaluate construction emissions, rather than a quantitative estimate. Because construction-related PM_{10} emissions primarily affect the area surrounding a project site, the BAAQMD recommends that all dust control measures that the BAAQMD considers feasible, depending on the size of the project, be implemented to reduce the localized impact to the maximum extent. Chapter IV, Mitigation Measure E-1.A and E-1.B are consistent with Objective 5 of the *San Francisco General Plan* Air Quality Element, and would be implemented in accordance with the BAAQMD's recommended construction control measures and standard City practices. With implementation of these measures, construction activities associated with the Project would not violate any air quality standard or contribute substantially to an existing or projected air quality violation. This would be less-than-significant impact.

Construction activities could also generate airborne odors associated with the operation of construction vehicles (e.g., diesel exhaust) and the application of architectural coatings. However, diesel exhaust emissions can be minimized by implementing the mitigation measures noted below, and by placing stationary sources of diesel exhaust emissions (e.g., diesel-powered portable generators or air compressors) as far away from the Project's property line and sidewalks as possible. In addition, the application and use of architectural coatings are regulated by the BAAQMD.[37] As such, implementation of the recommended construction equipment exhaust mitigation measures and compliance with the BAAQMD's regulations regarding architectural coatings would reduce these impacts to a less-than-significant level.

As discussed above, the Project Site potentially contains soil with naturally occurring asbestos (NOA). If undisturbed, NOA is not hazardous, however, when asbestos-containing material is

[37] BAAQMD, *Regulation 8, Organic Compounds, Rule 3, Architectural Coatings,* BAAQMD Regulations, adopted March 1, 1978.

disturbed, asbestos fibers could become airborne thereby creating an inhalation hazard. However, CARB has created measures, which are listed above, that mitigate potential negative effects caused by NOA. By implementing the measures developed by CARB, the impact from NOA would be less than significant.

The Project would involve the demolition of buildings that potentially contain asbestos. The BAAQMD, vested by the California legislature with authority to regulate airborne pollutants, including asbestos, through both inspection and law enforcement is to be notified ten days in advance of any proposed demolition or abatement work in accordance with State regulations. The potential for releasing airborne asbestos during the demolition of the buildings and subsequent mitigation measures are discussed in further detail in Chapter III, H. Other Impacts Determined to be Less-Than-Significant, *Hazards and Hazardous Materials* p. 169, of this document.

Chapter IV, Mitigation Measure E-1.A and E-1.B, pp. 189 – 190, identifies ways to reduce PM_{10} Dust and equipment emissions. Mitigation Measure E-1.A requires that contractor(s) spray the site with non-potable water during demolition, excavation, and construction activities. It also requires covering debris, soils, and sand during hauling as well as sweeping surrounding streets. Mitigation E.1.B requires that the contractor(s) maintain and operate construction equipment so as to minimize exhaust emissions. This includes prohibition of idling, use of low emission diesel fuel, and the implementation of equipment maintenance programs.

Chapter IV, Mitigation Measure E-2, p. 190, requires the sponsor to analyze bedrock, planned for removal, for friable asbestos. If asbestos is discovered the sponsor will be responsible for compliance with Toxic Control Measures for Construction, Grading, Quarrying, and Surface Mining Operation as enforced by CARB. This includes implementing the CARB measures, listed previously, and submitting an asbestos Dust Mitigation Plan. The implementation of Mitigation Measures E-1.A, E-1.B, and E-2 would reduce construction impacts on air quality to a less-than-significant level.

Operational Impacts. The Project would violate an air quality standard if it were to generate new sources of operational emissions that generate 80 pounds per day of ROG, NO_x, or PM_{10} or causes CO concentrations to exceed the ambient standards or more than 550 pounds per day of emissions. When completed, the Project would include a maximum of 800 residential units (a net increase of up to 533 units) up to 816 parking spaces, 6,400 gsf of commercial space, 21,600 gsf of community space (a net increase of 14,000 gsf), and 58,000 gsf of public open space uses. The Project would generate about 3,980 daily vehicle trips by the residents, workers, and

visitors to the project. The daily operational emissions have been calculated using the URBEMIS 2007 emissions model and the traffic volumes for the Project in the *227-229 West Point Road Transportation Study*.[38] Table 12, p. 115, presents the thresholds recommended by the BAAQMD and the Project emissions. As shown, the daily operational emissions would not violate air quality standard or contribute substantially to an exiting or projected air quality violation. Therefore, this impact would be less than significant.

The Project would violate an air quality standard if it were to cause localized CO concentrations near congested intersection to exceed national or state standards or if concentrations exceeds the ambient air quality standard of 550 pounds per day. The BAAQMD recommends the use of CALINE4, a dispersion model for predicting CO concentrations, as the preferred method of estimating pollutant concentrations at sensitive receptors near congested roadways and intersections. For each intersection analyzed, CALINE4 adds roadway-specific CO emissions calculated from peak-hour turning volumes to the existing ambient CO air concentrations. For this analysis, CO concentrations were calculated based on a simplified CALINE4 screening procedure developed by the BAAQMD and presented in its *BAAQMD CEQA Guidelines*. The simplified model is intended as a screening analysis in order to identify potential CO hotspots. This methodology assumes worst-case conditions and provides a screening of maximum, worst-case CO concentrations.

TABLE 12
DAILY OPERATIONAL AIR QUALITY EFFECTS WITH PROJECT

	Daily Emissions in Pounds per Day		
Source of Emissions	**ROG**	**NO_x**	**PM_{10}**
Residential	23.7	22.2	52.9
Commercial	1.4	1.8	4.2
Community Space	0.2	0.2	0.5
Total Emissions	**25.3**	**24.2**	**57.6**
Maximum Daily Thresholds	80.0	80.0	80.0

Source: PBS&J, 2008.

Notes:

Net daily emissions are calculated for 3,683 daily vehicle trips.

ROG = reactive organic gases; NO_x = nitrogen oxides; PM_{10} = particulate matter ten microns or smaller in diameter.

[38] DMJM Harris, *227 –229 West Point Road Transportation Study* January 25, *2007.* This report is available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, Project File No. 2007.168E.

Maximum existing and 2025 cumulative CO concentrations were calculated for the intersections evaluated in the *227-229 West Point Road Transportation Study* that operate at Level of Service (LOS) D, LOS E, or LOS F. These intersections have greater congestion and, therefore, higher localized concentrations of CO. The results of these calculations for representative receptor locations at 50 feet from each roadway are presented in Table 13, p. 116. These distances were selected because they represent the closest proximity in which a person may be living, working, or resting at the Project Site for more than one or eight hours at a time. As shown, under worst-case conditions, existing CO concentrations near all of the study area intersections would not exceed national or state 1-hour and 8-hour ambient air quality standards.

As shown in Table 13, p. 116, future CO concentrations near these intersections would not exceed the national 35.0 ppm and state 20.0 ppm 1-hour ambient air quality standards or the national 9.0 ppm and state 9.0 ppm 8-hour ambient air quality standards when the Project is fully operational. Therefore, sensitive receptors located in close proximity to these intersections would not be exposed to substantial pollutant concentrations, and the potential impacts of the Project would be less than significant.

TABLE 13
LOCALIZED CARBON MONOXIDE CONCENTRATIONS

	CO Concentrations in Parts per Million at 50 Feet from Roadway[a,b]			
	Existing-Plus-Project		Year 2025[c] Cumulative	
Intersection	1-Hour	8-Hour	1-Hour	8-Hour
Evans Avenue/Third Street	5.8	3.9	6.5	4.5
Illinois Street/Cargo Way/Amador Street	NA[d]	NA	6.0	4.1
Middle Point Road/Evans Avenue	NA	NA	6.2	4.3
Third Street/Twenty-Fifth Street	NA	NA	6.5	4.5
Third Street/Cargo Way	NA	NA	6.7	4.6
Third Street/ Cesar Chavez	NA	NA	6.8	4.2

Source: PBS&J, 2007.

Notes:

a. National 1-hour standard is 35.0 parts per million. State 1-hour standard is 20.0 parts per million.

b. National 8-hour standard is 9.0 parts per million. State 8-hour standard is 9.0 parts per million.

c. CALINE 4 analysis for 2025 was used, as it represents a more conservative analysis.

d. NA- Intersection would be at LOS C, LOS B, or LOS A and therefore is not analyzed for CO levels.

Greenhouse Gases Impacts. Implementation of the Project would contribute to long-term increases in GHG emissions as a result of traffic increases (mobile sources) and building heating (area sources), and would contribute indirectly to GHG increases through electricity generation. Direct project emissions of carbon dioxide, the primary greenhouse gas that would be emitted, would be an estimated 5,600 tons per year from mobile sources (vehicular travel) and 1,880 tons per year from area sources (almost entirely natural gas combustion for heating, assuming a conventional gas-fired system).[39] The Project would also require electricity, the production of which would create GHG emissions. Project electricity related GHG emissions were obtained by multiplying project vehicular GHG emissions by to the ratio of statewide electricity GHG to transportation source GHG, as taken from Table 6, in the California Energy Commission's *Inventory of California Greenhouse Gas Emissions and Sinks: 1990 to 2004*.[40] The total GHG emitted by the production of electricity for the Project would be approximately 2,900 tons annually. The total annual GHG emissions for the Project would total approximately 10,380 tons, or approximately 0.002 percent of total San Francisco GHG emissions for the year 2002.[41] The Project's incremental increases in GHG emissions associated with traffic increases and space heating would contribute to regional and global increases in GHG emissions and associated climate change effects. Neither the BAAQMD nor any other agency has adopted significance criteria or methodologies for estimating a Project's contribution of GHG emissions or evaluating its significance. However, it is assumed at this point that no individual development project, such as the proposed Project, could by itself generate sufficient emissions of GHG emissions to result in a significant impact in the context of the cumulative effects of GHG emissions. Moreover, as the Project would be developed in an urban area with good transit access, the Project's transportation-related GHG emissions would tend to be lower than those produced by the same amount of population and employment growth elsewhere in the Bay Area, where transit service is generally less available than in San Francisco. As new construction, the residential portion of the Project would also be required to meet California Energy Efficiency Standards for Residential and Nonresidential Buildings, helping to reduce future energy demand as well as moderate the Project's contribution to cumulative regional GHG emissions. Therefore, the Project would not result in significant impacts related to GHG emissions.

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[39] Estimate based on URBEMIS 2007 model, and does not subtract emissions from existing uses on the Project Site.

[40] California Energy Commission, *Inventory of California Greenhouse Gas Emissions and Sinks: 1990 to 2004*, Table 6, December 2006.

[41] Existing GHG emissions from BAAQMD, "Source Inventory of Bay Area Greenhouse Gas Emissions," Nov. 2006.

CUMULATIVE IMPACTS

The BAAQMD neither recommends quantified analyses of cumulative construction emissions nor provides thresholds of significance that could be used to assess cumulative construction impacts. As discussed previously, the construction industry, in general, is an existing source of emissions within the Bay Area. Construction equipment operates at one site on a short-term basis and, when finished, moves on to a new construction site. Likewise, construction employees will continue to drive from site to site over time. Because (1) construction activities would be temporary, (2) the contribution to the cumulative context is so small as to be virtually immeasurable, and (3) all of the appropriate and feasible construction-related measures recommended by the BAAQMD would be implemented in accordance with standard City practice, the contribution of construction emissions associated with the Project would not be cumulatively considerable.

With regard to operational emissions, the BAAQMD recommends several methodologies to determine the cumulative impacts of individual projects. For any project — such as the proposed Project — that would not have significant operational air quality impacts, the determination of significant cumulative impact should be based on an evaluation of the consistency of the Project with the local general plan and of the general plan with the current *Clean Air Plan*.

The *San Francisco General Plan* includes the 1997 Air Quality Element, updated in 2000. This element is consistent with the *2000 Clean Air Plan*.[42] Although the Project would intensify activity on the Project Site, this project would be generally consistent with the planned uses and goals of the RM-1 Use District and the *Bayview Hunters Point Redevelopment Plan*. Fugitive dust control measures would be implemented during project construction, consistent with Objective 3 of the *San Francisco General Plan* Air Quality Element update. In addition, no significant PM_{10} sources would be associated with the Project beyond construction. For these reasons, the operational characteristics of the Project would not cause a cumulatively considerable increase in regional air pollutants.

Table 13, p. 116, shows the future CO concentrations at the study intersections in the vicinity of the Project Site in 2025, with cumulative development that includes the Hunters View Housing Project. Localized concentrations of CO would change as a result of cumulative growth in the Project vicinity. However, as shown in Table 13, p. 116, future CO concentrations near these

[42] BAAQMD, *Bay Area 2000 Clean Air Plan and Triennial Assessment*, Adopted by BAAQMD Board of Directors December 20, 2000.

intersections would not exceed the national 35.0 ppm and state 20.0 ppm 1-hour ambient air quality standards or the national 9.0 ppm and state 9.0 ppm 8-hour ambient air quality standards. Therefore, sensitive receptors located in close proximity to these intersections would not be exposed to substantial pollutant concentrations, and the impact of cumulative development would not be significant.

F. NOISE

SETTING

Sound is created when vibrating objects produce pressure variations that move rapidly outward into the surrounding air. The main characteristics of these air pressure waves are amplitude, which we experience as a sound's "loudness," and frequency, which we experience as a sound's "pitch." The standard unit of sound amplitude is the decibel (dB); it is a measure of the physical magnitude of the pressure variations relative to the human threshold of perception. The human ear's sensitivity to sound amplitude is frequency-dependent; it is more sensitive to sound with a frequency at or near 1000 cycles per second than to sound with much lower or higher frequencies.

Most "real world" sounds (e.g., a dog barking, a car passing, etc.) are complex mixtures of many different frequency components. When the average amplitude of such sounds is measured with a sound level meter, it is common for the instrument to apply different adjustment factors to each of the measured sound's frequency components. These factors account for the differences in perceived loudness of each of the sound's frequency components relative to those that the human ear is most sensitive to (i.e., those at or near 1000 cycles per second). This adjustment is called "A-weighting." The unit of A-weighted sound amplitude is also the decibel; however, in reporting measurements to which A-weighting has been applied, an "A" is appended to dB (i.e., dBA) to make this clear.[43]

Noise is the term generally given to the "unwanted" aspects of intrusive sound. Many factors influence how a sound is perceived and whether it is considered annoying to a listener. These

[43] A decibel (dB) is the unit of measurement used to express the intensity of loudness of sound. A decibel is one-tenth of a unit called a bel. Sound is composed of various frequencies. The human ear does not hear all sound frequencies. Normal hearing is within the range of 20 to 20,000 vibrations per second. As a result, an adjustment of weighting of sound frequencies is made to approximate the way that the average person hears sounds. This weighting system assigns a weight that is related to how sensitive the human ear is to each sound frequency. Frequencies that are less sensitive to the human ear are weighted less than those for which the ear is more sensitive. The adjusted sounds are called A-weighted levels (dBA).

factors include not only the physical characteristics of a sound (e.g., amplitude, frequency, duration, etc.), but also non-acoustic factors (e.g., the acuity of a listener's hearing ability, the activity of the listener during exposure, etc.) that can influence the degree of "unwantedness" for a listener, or receptor. Excessive noise can negatively affect the physiological or psychological well-being of individuals or communities.

All quantitative descriptors used to measure environmental noise exposure recognize the strong correlation between the high acoustical energy content of a sound (i.e., its loudness and duration) and the disruptive effect it is likely to have as noise. Because environmental noise fluctuates over time, most such descriptors average the sound level over the time of exposure, and some add "penalties" during the times of day when intrusive sounds would be more disruptive to listeners. The most commonly used descriptors are:

- **Equivalent Energy Noise Level** (L_{eq}) is the constant noise level that would deliver the same acoustic energy to the ear of a listener as the actual time-varying noise would deliver over the same exposure time. No "penalties," or adjustments, are added to any noise levels during the exposure time; thus, there is no change in this noise metric if the noise were to occur during late night hours. The L_{eq} would be the same regardless of the time of day during which the noise occurs.
- **Day-Night Average Noise Level** (L_{dn}) is a 24-hour average L_{eq} with a 10 dBA "penalty" added to noise levels during the hours of 10:00 p.m. to 7:00 a.m. to account for increased sensitivity that people tend to have to nighttime noise. Because of this penalty, the L_{dn} would always be higher than its corresponding 24-hour L_{eq} (e.g., a constant 60 dBA noise over 24 hours would have a 60 dBA L_{eq}, but a 66.4 dBA L_{dn}).
- **Community Noise Equivalent Level** (CNEL) is an L_{dn} with an additional 5 dBA "penalty" for the evening hours between 7:00 p.m. and 10:00 p.m. In most cases of environmental noise exposure, L_{dn} and CNEL levels are essentially equivalent.

Vibration. Vibrating objects in contact with the ground radiate energy through that medium; if a vibrating object is massive enough and/or close enough to the observer, its vibrations are perceptible. The ground motion caused by vibration is measured in vibration decibels (VdB). The vibration threshold of perception for humans is approximately 65 VdB; at 75 VdB, vibrations become distinctly perceptible to many people; at 100 VdB, minor damage can occur in fragile buildings.

Existing Ambient Noise Levels. The existing noise environment in the Project area is typical of noise levels in urban San Francisco. The primary sources of noise in the Project area are traffic-related; most notable are the heavy volumes of traffic along Third Street and Evans Avenue. Existing land uses surrounding the Project vicinity constitute minor sources of noise

(e.g., ventilation equipment, etc.) from residential, office, and commercial activity. Existing noise from the Project Site is primarily from cars travelling on roadways serving the site.

In general, retail, residential, institutional uses, and open space predominate the Project vicinity on Third Street and Evans Avenue. Indian Basin Shoreline Park, a public park is across Innes Avenue from the Project Site.

REGULATORY SETTING

The *San Francisco General Plan* includes Land Use Compatibility Guidelines that suggest satisfactory noise levels for various land uses, and are based on compatibility guidelines from the California Department of Health, Office of Noise Control. The *General Plan* indicates that the maximum exterior noise level considered satisfactory for residential use is 60 dBA CNEL; 65 dBA CNEL for schools, libraries, churches, hospitals, day care centers, and nursing homes; and 70 dBA for office and commercial uses, and parks.

The *San Francisco Noise Ordinance* regulates both construction noise and fixed source noise within the City. While unnecessary, excessive, or offensive noise limits are imposed to protect all people in an area, nuisance noise is generally limited by the *Noise Ordinance* to within 5 dBA of ambient noise levels. Article 29 of the *San Francisco Police Code* regulates fixed and mobile noise sources; Sections 2907 and 2908 of the *Code* regulate noise from construction equipment to 80 dBA L_{eq} at a distance of 100 feet from such equipment during the hours from 7:00 a.m. to 8:00 p.m. Construction activities during the nighttime period from 8:00 p.m. to 7:00 a.m. may not exceed the ambient level by 5 dBA at the nearest property line, unless a special permit is granted prior to such work. Section 2909, Fixed Source Levels, regulates mechanical equipment noise.

IMPACTS

SIGNIFICANCE CRITERIA

The CEQA Guidelines state that a noise impact would normally be considered significant if noise levels generated by the proposed Project would conflict with local goals and plans, or if noise level increases would be significant. For the purposes of this EIR, a noise or vibration impact would be considered significant if:

- Exposure of persons to or generation of noise levels in excess of standards established in any applicable plan or noise ordinance, or applicable standards of other agencies;

- Exposure of persons to or generation of excessive ground-borne vibration or ground-borne noise levels;
- A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project;
- A substantial temporary or periodic increase in ambient noise levels in the project above levels existing without the project;
- Exposure of people residing or working in the project area to excessive noise levels if the project is located within an area covered by an airport land use plan, or where such plan has not been adopted, within two miles of a public airport or public use airport; or
- Exposure of people residing or working in the project area to excessive noise levels if the project is located in the vicinity of a private airstrip.

The following analysis addresses potential impacts related to construction noise, on-site noise exposure, and increases in off-site ambient noise levels. The Project Site is not within an airport land use plan area or near a private airstrip.

Construction Noise. Construction of the proposed Project would potentially cause disturbance to nearby residents, businesses, and occupants of Hunters View Housing. The Project would have three phases, which would also allow all of the existing Hunters View residents to be temporarily relocated, and then permanently located on-site. As a result, no residents would be displaced. Project construction would require the use of heavy equipment for demolition, site grading and excavation, paving, and building fabrication. Construction activities would also involve the use of smaller power tools, generators, mechanical equipment, and other noise sources. During each construction stage, there would be a different mix of equipment operating and noise levels would vary based on the amount of equipment in operation and the location of the building demolition or construction activity.

The U.S. Environmental Protection Agency (EPA) has compiled data regarding the noise generating characteristics of specific types of construction equipment and typical construction activities. It indicates that noise levels generated by heavy equipment can range from approximately 68 dBA L_{eq} to noise levels in excess of 95 dBA L_{eq} when measured at 50 feet.[44] However, these noise levels would diminish rapidly with distance from the construction site at a rate of approximately 6 dBA per doubling of distance. For example, a noise level of 84 dBA measured at 50 feet from the noise source to the receptor would reduce to 78 dBA at 100 feet from the noise source to the receptor, and reduce by another 6 dBA to 72 dBA at 200 feet from the noise source to the receptor.

[44] 95 dBA (50 feet) – 6 dBA (double distance to 100 feet) = 89 dBA

Construction activities at the Project Site would be mostly limited to the daytime hours. Trucks and other heavy equipment at the Project Site would be used during construction activities and would result in noise levels of about 95 dBA L_{eq} at 50 feet, or about 89 dBA L_{eq} at 100 feet. Without mitigation, noise levels during construction could exceed the *San Francisco Police Code* regulations for noise from construction equipment of 80 dBA L_{eq} at a distance of 100 feet.

Chapter IV, Mitigation Measure F-1, p. 191, limits construction activity between 7:00 a.m. to 6:00 p.m. during weekdays, and 7:00 a.m. to 5:00 p.m. on weekends. A permit would also be required for nighttime construction. This mitigation measure also requires the contractors to implement noise reduction measures that include mufflers, relocation of equipment away from receptors where possible, and shutting off idling equipment.

Implementation of Mitigation Measure F-1 would result in *less-than-significant* impacts from construction of the proposed Project.

Construction Vibration. Operation of construction equipment would also have the potential to generate low levels of groundborne vibration. The Federal Transit Administration (FTA) has identified various vibration velocity levels for the types of construction equipment that would operate at the Project Site during construction. Vibration levels from construction of the proposed Project would result in vibration levels of about 80 to 81 VdB at 50 feet from the source from operation of trucks and tractors. The closest vibration sensitive receptors would be residents on the Project Site. As the closest residents would be closer than 50 feet, construction of the proposed Project would exceed 80 VdB at that distance. In general, ground vibrations from these construction activities would very rarely reach the levels that can damage structures, but they can achieve the audible range and be felt in buildings very close to the site. However, the construction activities would be limited to daytime hours between 7:00 a.m. through 8:00 p.m. in accordance with Section 2908 of the San Francisco Municipal Code. Thus, construction would not occur during recognized sleep hours. There still would be a potentially significant impact regarding the exposure of persons to or generation of excessive ground-borne vibration or ground-borne noise levels during daytime hours.

Chapter IV, Mitigation Measure F-2, p. 191 would require the Project sponsor to provide notification to the closest receptors at least ten days in advance of construction activities that could cause vibrations, the phasing of vibration causing construction activity so as not to occur in the same time period. Additionally, this mitigation measure would require vibration-generating equipment to operate at a distance from sensitive receptors, where feasible, and would require implementing the use of demolition methods that reduce vibrations.

Implementation of Mitigation Measure F-2 would reduce vibration impacts to less than significant.

Operational Effects

Exterior Traffic Noise. The most significant existing source of noise throughout most of San Francisco is traffic. This is true of the Project Site because of its proximity to traffic on Third and Evans Avenue, and MUNI bus lines 19 and 44, which run along Innes Avenue and Middle Point Road. The existing noise environment in the Project vicinity is typical of noise levels in urban San Francisco. Traffic noise created by the proposed Project would be due to additional automobiles and limited truck deliveries, and the general coming and going of residents, employees, and other visitors.

Typically, noise levels diminish as distance from the source to the receptor increases. Other factors such as the weather and reflecting or shielding intensify or reduce noise levels at any given location. A common rule for traffic is that for every doubling of distance from the road, the noise level is reduced by about three dBA. In addition, a doubling of traffic on any given roadway would cause a noise increase of approximately three dBA. Based on the Transportation Study, the proposed Project would increase traffic by less than 23 percent of the total existing traffic volume along the nine study intersections in the Project vicinity. However, five of the road segments analyzed in the Transportation Study would experience a more than doubling of traffic volumes in the Project vicinity. These roads include Fairfax Avenue, 25th Street, Middle Point Road, Cargo Way, Jennings Street, and Illinois Street. The doubling of traffic on these roads would result in an increase of exterior traffic noise greater than three dBA. A segment of Middle Point Road traffic volumes would quadruple, which would result in the exterior traffic noise increasing by 9 dBA. However, the existing noise levels in the Project vicinity are considered low. Based on traffic noise modeling, the highest noise level would occur on Cargo Way, east of Amador Street, and would equal approximately 62 CNEL.[45] This segment of Cargo Way is in an industrial area and the noise increase would not significantly affect the surrounding land uses. All other road segments are projected to have noise levels less than 60 CNEL, which the *General Plan* considers satisfactory for residential use. Therefore, the proposed Project would not cause a significant increase in the exterior traffic noise level in the Project vicinity.

[45] Calculations completed by PBS&J, 2007. This document is available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, as part of Case No. 2007.0168E.

Ambient Noise Levels. Residential uses fronting the Project Site access roads Middle Point Road, Hunters Point Road, and Keith Street could be exposed to increases in exterior traffic noise levels. Although there would be the doubling of traffic volumes on some road segments, which would increase the ambient noise levels, the noise level increases would not be significant because of the low existing ambient levels in the area. Based on the noise modeling, the noise levels in residential areas would not exceed 60 CNEL. Therefore, the proposed Project would not cause a substantial increase in ambient noise levels that would result in a significant impact.

The proposed Project would also introduce noise associated with the occupancy and operation of the proposed Project. Operation noise at the Project Site would primarily be associated with noise from ventilators and other mechanical equipment. Depending on the equipment to be used and its location in the proposed Project buildings, the heating, ventilating, and air conditioning (HVAC) systems could result in noise levels that average between 50 and 65 dBA L_{eq} at 50 feet. *San Francisco Police Code* Section 2909 regulates noise levels for stationary equipment within the City. Based on the regulations, noise levels from stationary equipment at the Project Site would be significant if noise levels exceed 60 dBA at the property line. Noise levels from stationary equipment for the proposed Project could exceed 60 dBA at the property line depending on the size of the equipment to be installed, placement of the equipment, and level of shielding.

Chapter IV, Mitigation Measure F-3, p. 192 requires developers to provide shielding to minimize noise from stationary mechanical equipment, such as noise levels at the nearest property line would be below 50 dBA.

Implementation of Mitigation Measure F-3 would reduce this impact to less than significant.

Cumulative Effects

The construction periods of other development projects in the vicinity of the proposed Project may overlap with that of the proposed Project. This EIR thus conservatively assumes that construction of the proposed Project and other foreseeable development would occur simultaneously.

Assuming concurrent construction, noise from nearby construction of other approved and foreseeable projects would be added to noise from construction of the proposed Project. As discussed above, noise from construction associated with the proposed Project could result in noise levels of 95 dBA without mitigation. This would also be true for the combined

construction noise levels from both projects. However, construction activities from both projects are expected to occur during the hours permitted under the *San Francisco Municipal Code*, and the proposed Project would implement Mitigation Measure F-1, which would reduce the proposed Project's contribution to the cumulative noise environment. Consequently, concurrent construction activity of the proposed Project would not have a cumulatively considerable noise impact.

Due to the localized nature of vibration impacts, cumulative groundborne vibration impacts would be limited to only projects within the immediate vicinity of the Project Site. However, groundborne vibration at each of the construction sites in the Project vicinity would continue to be isolated within close proximity to the individual pieces of construction equipment. Groundborne vibration associated with construction of the proposed Project would be minimized through implementation of Mitigation Measure F-1 to a less-than-significant level, and as such, the vibration impact of the proposed Project would not be cumulatively considerable.

Noise from operation of the proposed Project would also have the potential to add to cumulative conditions with other foreseeable developments in the City. Traffic from the proposed Project and other foreseeable developments would be added to the surrounding roadway network and result in increases in the traffic noise levels along these roadways. As noted above, the proposed Project would result in the generation of about 662 new vehicle trips in the PM peak hour.

As discussed above, the doubling of traffic on a road segment would result in an approximate increase of three dBA. Under 2025 Cumulative Conditions, approximately 15 road segments analyzed in the Transportation Study would experience a more than doubling of traffic volumes. However, the existing noise levels in the Project vicinity are considered low. Based on traffic noise modeling, three segments of Third Street and one segment of Evans Avenue would experience traffic noise levels above 60 CNEL.[46] Evans Avenue, just west of Third Street, would experience traffic noise levels of approximately 62 CNEL. This segment of Evans Avenue is in an industrial area and therefore, this increase would not be considered a significant impact on CNEL. Third Street, between 25th Street and Cargo Way, would experience traffic noise levels of approximately 62 CNEL. These traffic noise levels would largely result from cumulative traffic volumes from the City and not from Project generated

[46] Calculations completed by PBS&J, 2008. This document is available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, as part of Case No. 2007.0168E.

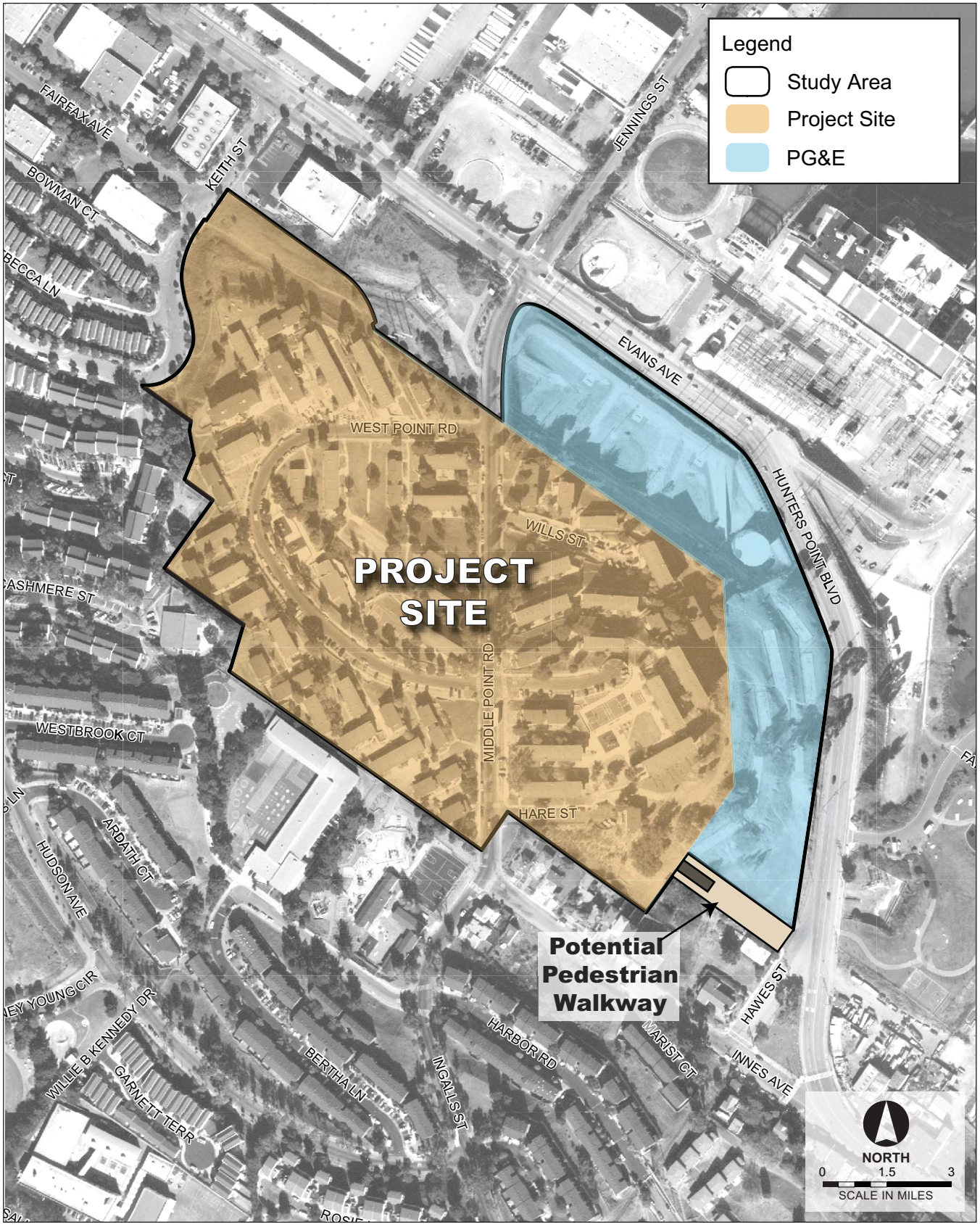
traffic. Third Street, a mixed-use commercial and residential corridor currently has high traffic volumes and noise levels. All other road segments analyzed in the Transportation Study are projected to have noise levels less than 60 CNEL, which the *General Plan* considers satisfactory for residential use. Therefore, the proposed Project's traffic noise impacts would not contribute to cumulative noise increases that would be considered significant adverse impacts.

Operational noise levels associated with the proposed Project buildings' occupancy and operation would be limited to the immediate vicinity of the proposed Project. Developments with in the Project vicinity would be required to comply with the *San Francisco Noise Ordinance*, *San Francisco Police Code* Section 2909, Fixed Source Levels, which regulates mechanical equipment noise. Most of the Project Site is zoned as RM-1 zone which requires that fixed source noise not exceed 50 dBA, at the property line, between 10:00 p.m. and 7:00 a.m. The proposed Project would implement Mitigation Measure F-3 that would require shielding for mechanical equipment. Compliance with the Noise Ordinance would ensure that the mechanical equipment noise associated with foreseeable projects would not substantially increase the ambient noise level of the surrounding area, and implementation of Mitigation Measure F-3 would ensure the proposed Project's mechanical equipment noise would not substantially increase the ambient noise levels. Therefore, there would not be a significant cumulative impact due to operation.

G. BIOLOGICAL RESOURCES

This section describes the biological resources which exist on the Project Site and adjacent parcels as well as in the Bayview Hunters Point Area. The majority of this section is based on a biological resources survey conducted in August 2007[47] for the proposed Hunters View Redevelopment project. The purpose of the biological resources survey was to determine if habitats present within the approximate 22.5-acre Project Site could support any special-status plant or wildlife species known from the region, and to document any occurrences of those species, if observed during the field survey. In addition to the 22.5-acre Project Site, a five-acre area adjacent to the Project Site belonging to PG&E and formerly the site of above-ground fuel tanks serving the closed PG&E Hunters Point power plant was surveyed, as shown in Figure 11. The PG&E property is not part of the Project Site. The PG&E property would not be disturbed as a part of the proposed Project unless the Project Sponsor is able to acquire site control from

[47] PBS&J, *Hunters View Biological Assessment*, August 28, 2007. A copy of the Biological Assessment is available for review, by appointment at San Francisco Planning Department, 1650 Mission, 4th Floor in Case File No. 2007.0168E.



SOURCE: PBS&J, 2007.

HUNTERS VIEW REDEVELOPMENT PROJECT

FIGURE 11: BIOLOGICAL RESOURCES STUDY AREA

PG&E for an easement for a sidewalk that would allow access from the Project Site to the India Basin Shoreline Park, as noted in the Project Description. The PG&E site would not otherwise be disturbed and would not be used for Project access or construction staging. A tree survey was completed for the site by Walter Levison in January 2007.[48] The findings of both surveys are described under the Environmental Setting, below. The Project Site and the adjacent PG&E area are referred to herein as the "Study Area."

The impact analysis addresses the potential disturbance to local biological resources with implementation of the proposed Project, including the removal and replacement of street trees and disturbance to serpentine grasslands located on the PG&E parcel.

SETTING

EXISTING BIOLOGICAL RESOURCES

Topography within the Study Area consists of a series of benched terraces cut into the sides of steep, north-east facing slopes. On the Hunters View site, public housing has been constructed on concrete pads. Streets, sidewalks and community facilities have also been constructed as noted in the Project Description. The Hunters View site contains some open space, which is occupied by street trees and ruderal vegetation, as described below. On the PG&E site, fuel tank pads and benched terraces consisting of concrete pads mark the foundations of naval barracks that date back to World War II.

The Biological Resources Study included a database search, a peer-review of previous biological surveys, and a field survey.

The database research compiled a list of special-status plant and wildlife species that have the potential to occur in the vicinity of the Study Area, from the following sources:

- The California Department of Fish and Game's (CDFG) *Natural Diversity Database* (CNDDB) for the Hunters Point, San Francisco North, Oakland West, San Leandro, Redwood Point, Oakland East, San Francisco South, Montara Mountain, and San Mateo 7.5 minute USGS topographic quadrangles;
- The California Native Plant Society's (CNPS) *Electronic Inventory* for Hunters Point, San Francisco North, Oakland West, San Leandro, Redwood Point, Oakland East, San

[48] Walter Levison, Consulting Arborist, *Assessment of Sixty-Eight (68) Street Trees and Significant Trees at Hunters View Project*, San Francisco, California, January 8 and 9, 2007. A copy of the Arborist Report is available for review, by appointment at San Francisco Planning Department, 1650 Mission, 4th Floor in Case File No. 2007.0168E.

Francisco South, Montara Mountain, and San Mateo 7.5 minute USGS topographic quadrangles (Appendix B); and

- The U.S. Fish and Wildlife Service's (USFWS) Species List website.

For the purposes of the study, special-status species include:

- Species listed, proposed, or candidate species for listing as Threatened or Endangered by the USFWS pursuant to the federal Endangered Species Act (FESA) of 1969, as amended;
- Species listed as Rare, Threatened, or Endangered by the California Department of Fish and Game (CDFG) pursuant to the California Endangered Species Act (CESA) of 1970, as amended;
- Species designated as Fully Protected under Sections 3511 (birds), 4700 (mammals), and 5050 (reptiles and amphibians) of the California Fish and Game Code;
- Species designated by the CDFG as California Species of Concern;
- Plant species listed as Category 1B and 2 by the California Native Plant Society (CNPS); and
- Species not currently protected by statute or regulation, but considered rare, threatened or endangered under CEQA (Section 15380).

Appendix A, presents a list of special-status plant and wildlife species potentially occurring in the region, along with a description of their habitat requirements, protection status and a brief discussion of their likelihood to occur within the Study Area. The results of this research are presented in Appendix A. Species with known ranges that do not include the Study Area, or species occurring in habitats not present in the vicinity were not included in this list. Besides special-status plant and animal species, the CNDDB also maintains a list of ecologically sensitive and/or threatened habitat types within the state of California. The CNDDB query listed four sensitive natural community types as occurring within the vicinity of the Study Area: Northern Coastal Salt Marsh, Northern Maritime Chaparral, Serpentine Bunchgrass, and Valley Needlegrass Grassland. Of these four, Serpentine Bunchgrass is the only community type that has been documented as occurring within the Study Area, as discussed below.

PBS&J biologists also peer reviewed an inventory of native plant species documented in the Study Area by CNPS botanists;[49] an internal report prepared by a PG&E biologist;[50] and a letter

[49] R. Hunter, and J. Sigg, Electronic plant list; Hunters Point Serpentine Hillside, 2005.

[50] PG&E Staff Biologist, Internal Memo, Biological Resources of the Hunters Point Parcel, March 10, 2006.

prepared by the California Academy of Sciences with regard to the serpentine grassland present within the Study Area.[51]

A PBS&J biologist conducted a field survey on August 9, 2007. The purpose of the field survey was to identify vegetation communities, special-status species, individuals or their potential habitat, and other biotic resources by walking transects through each habitat type while recording plant and wildlife species observed. Each species was recorded in field notes. Since the survey was conducted during the dry season, most annual, biennial, and perennial herbaceous plant species were dormant or had already died back for the growing season, leaving only dried plant parts such as leaves, stems and fruits for identification. If a plant species could not be identified in the field, pieces of the plant that could be assessed, such as the fruits, were taken back to the lab for analysis. Some plants observed during the survey could only be identified to the *Genus* level. Floristic references for identification included *The Jepson Manual: Higher Plants of California,*[52] *Plants of the San Francisco Region,*[53] and specimens documented during previous CNPS surveys conducted within the Study Area.[54] The vegetation communities and wildlife habitats within the Study Area are described below. Widely scattered tree species are present, and appear to either be horticultural plantings associated with landscaping around the Hunters View buildings, or represent locally naturalized specimens. Trees present on the Project Site are described under, Trees and Shrubs, below.

Serpentine Bunchgrass. Serpentine soils are derived from serpentinite. Serpentine often becomes exposed in tectonically active regions and its unique chemical composition creates a soil chemistry that is toxic to many plant species. Serpentine grasslands are dominated by perennial bunchgrasses. Typically on serpentine soils, non-native species are not adapted to grow on toxic, low-nutrient, and low-moisture conditions. Native species that have adapted to it are often very local in occurrence and considered rare.

Scattered remnants of serpentine grassland occurs primarily throughout the PG&E portion of the Study Area, which is not part of the Project Site, and appears to be restricted to those areas where soils are extremely shallow over underlying bedrock, or where exposed rock outcroppings occur. The dominant native grass species observed within this community type

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51 Thomas Daniel, Curator, Department of Botany, California Academy of Sciences, Letter dated August 20, 2004 to Friends of the Serpentine Grasslands.

52 J. Hickman (ed.), *The Jepson Manual: Higher Plants of California*, University of California Press, Berkeley, 1993.

53 L.H. Beidleman, and E.N. Kozloff, Plants of the San Francisco Bay Region: Mendocino to Monterey. University of California Press, Berkeley, 2003.

54 R. Hunter and J. Sigg, Electronic plant list; Hunters Point Serpentine Hillside, 2005.

was purple needlegrass (*Nasella pulchra*). Native broad-leaved forbs (i.e., wildflowers) observed included California poppy (*Eschscholzia californica*), soap plant (*Chlorogalum pomeridianum*), Ithuriel's spear (*Triteleia laxa*), blue dicks (*Dichlostemma capitatum*), spring gold (*Lomatium utriculatum*), western blue-eyed grass (*Sisyrinchium bellum*), coast buckwheat (*Eriogonum latifolium*), pinpoint clover (*Trifolium gracilentum*), and yellow mariposa lily (*Calochortus luteus*). None of these observed native plants is a special-status species listed in Appendix A. Non-native species observed in association with the higher-quality remnants of serpentine grassland included slender wild oat (*Avena barbata*), soft chess (*Bromus hordeaceus*), and willowleaf lettuce (*Lactuca saligna*).

Additional native plant species observed within the Study Area during floristic surveys conducted by CNPS in 2005 include Grand Mountain dandelion (*Agoseris grandiflora*), California goldfields (*Lasthenia californica*), stemless morning-glory (*Calystegia subacaulis*), arroyo lupine (*Lupinus succulentus*), California plantain (*Plantago erecta*), dwarf brodiaea (*Brodiaea terrestris*), and blue wild-rye (*Elymus glaucus*).[55]

Grasslands are important habitats to a variety of small rodents such as deer mice (*Peromyscus maniculatus*) and California vole (*Microtus californicus*) that feed on the abundance of grass seeds that this habitat provides. Burrows of Botta's pocket gopher (*Thomomys bottae*) were observed throughout the Study Area. These small mammals provide food for a variety of predators that may occur in the area including mammals such as local populations of feral cat (*Felis silvestris*) and striped skunk (*Mephitis mephitis*), and birds such as red-tailed hawk (*Buteo jamaicensis*) and American crow (*Corvus brachyrhyncos*). Bird species that were observed during the August 2007 field survey included western scrub jay (*Aphelocoma coerulescens*), rock dove (*Columba livia*), mourning dove (*Zenaida macroura*), and northern mockingbird (*Mimus polyglottos*). Reptile species that may occur in grassland habitats associated with the Study Area may include Pacific gopher snake (*Pituophis catenifer catenifer*) and western fence lizard (*Sceloporus occidentalis*).

Ruderal Habitats. Ruderal (weedy) habitats form the dominant vegetative groundlayer throughout the Study Area. Ruderal species are typically non-native annual or biennial species that thrive on periodic disturbance regimes such as mowing, spraying, and/or plowing. Ruderal communities were found primarily along the edges of graded access roads, around the

[55] Yellow mariposa lily was discovered within the Study Area in 2002 by Margo Bors. Approximately 1,000 plants were counted. This species, while not a candidate, sensitive, or special-status species, is unusual in San Francisco, as it is known from only one other region in the southeastern portion of the city: a small patch on Potrero Hill at Starr King Park. The occurrence of dwarf brodiaea and pinpoint clover within the Study Area are also botanically significant, as the last recorded occurrences for these two species in San Francisco County were in 1928 and 1936, respectively.

edges of concrete barracks pads, under trees, or in areas with slightly deeper soils. In areas containing remnants of serpentine grassland, assemblages of ruderal species often formed the dominant groundlayer in terms of their overall frequency, density, and distribution throughout the Study Area. Non-native grass species observed included slender wild oat, soft chess, rip-gut brome (*Bromus diandrus*), and Italian ryegrass (*Lolium multiflorum*). Non-native broad-leaved plants included willowleaf lettuce, bitter lettuce (*Lactuca virosa*), prickly lettuce (*Lactuca serriola*), sweet fennel (*Foeniculum vulgare*), bristly ox-tongue (*Picris echioides*), vetch (*Vicia* sp.), rough cat's-ear (*Hypochaeris radicata*), sour clover (*Melilotus indica*), yellow star-thistle (*Centaurea solstitialis*), tocalote (*Centaurea melitensis*), Asthma-weed (*Conyza bonariensis*), Mediterranean lineseed (*Bellardia trixago*), English plantain (*Plantago lanceolata*), buckhorn plantain (*Plantago coronopus*), and black mustard (*Brassica nigra*); native species observed included California poppy, common yarrow (*Achillea millefolium*), and annual fireweed (*Epilobium brachycarpum*).

Trees and Shrubs. Non-native tree and shrub species observed within the Study Area included eucalyptus (*Eucalyptus* spp.), blackwood acacia (*Acacia melanoxylon*), silver wattle (*Acacia dealbata*), and French broom (*Genista monspessulana*); the only native shrub species observed was one small specimen of toyon (*Heteromeles arbutifolia*).

There are 50 "significant trees – as defined under the San Francisco Urban Tree Ordinance, below – on the Project Site, including mainly species such as red gum *(Eucalyptus camaldulensis)* and blackwood acacia *(Acacia melanoxylon).* There are 14 red gum species ranging in condition from very poor to fair, and 27 blackwood acacia specimens ranging in condition from very poor to fair. Red gum specimens are being colonized by red gum lerp psyllid insects which suck juices from the foliage, and are causing moderate to significant tree decline.

The 18 street tree specimens along the lower portion of the site at Keith Avenue are mainly New Zealand Christmas tree *(Metrosideros excelsus)* and Brisbane box *(Tristania conferta)*. There are 12 New Zealand Christmas tree specimens ranging in condition from very poor to good, and four recently planted Brisbane box specimens in good condition still affixed with planting stakes and ties.[56]

Nesting Raptors. Widely scattered eucalyptus trees occur along the north-east facing slopes, and in the in extreme western half of the Study Area, as described above. These trees represent

[56] Walter Levison Consulting Arborist, *Assessment of Sixty-Eight (68) Street Trees and Significant Trees at Hunters View Project, San Francisco, California,* January 12, 2007. A copy of the Arborist Report is available for review, by appointment at San Francisco Planning Department, 1650 Mission, 4th Floor in Case File No. 2007.0168E.

suitable nesting habitat for a variety of common protected raptors, including red-tailed hawk, red-shouldered hawk *(Buteo lineatus),* American kestrel *(Falco sparverius),* and great horned owl *(Bubo virginianus)*. Although no nest structures were observed during the August 2007 survey, these species could potentially establish nests in the area. These species are not listed as threatened or endangered; however, they do receive protection pursuant to the Migratory Bird Treaty Act and CDFG Code Section 3503.5, described under Regulatory Setting, below.

REGULATORY SETTING

Biological resources are protected and regulated under federal, state and local regulations. Endangered and threatened plants and animals are protected under state and federal laws which are enforced by state and federal agencies. Migratory birds are protected under federal law, while birds of prey are protected under state law. A non-regulatory, private organization, the California Native Plant Society, has an interest in protecting rare plant species. The San Francisco Urban Forestry Ordinance promulgates guidelines and regulations related to the treatment of trees in San Francisco. All of these regulations are described in detail, below. To the extent that these regulations correlate with the CEQA Guidelines for impacts to biological resources, those relationships are defined, as appropriate.

FEDERAL

Federal Endangered Species Act (FESA). The federal Endangered Species Act was enacted in 1973. Under the FESA, the Secretary of the Interior and the Secretary of Commerce, jointly have the authority to list a species as threatened or endangered (16 United States Code [USC] 1533[c]). FESA is administered by both the National Marine Fisheries Service (NMFS) and the USFWS. NMFS is accountable for animals that spend most of their lives in marine waters, including marine fish, most marine mammals, and anadromous fish such as Pacific salmon. The USFWS is accountable for all other federally-listed plants and animals.

Pursuant to the requirements of FESA, an agency reviewing a proposed Project within its jurisdiction must determine whether any federally listed threatened or endangered species may be present in the Study Area and determine whether the proposed Project would have a potentially significant impact on such species. In addition, the agency is required to determine whether the project is likely to jeopardize the continued existence of any species proposed to be listed under FESA or result in the destruction or adverse modification of critical habitat proposed to be designated for such species (16 USC 1536[3], [4]). Therefore, project-related impacts to these species or their habitats would be considered significant and would require mitigation.

The Sacramento Fish and Wildlife Office maintain a list of "species of concern" that receive special attention from federal agencies during environmental review, although they are not otherwise protected under FESA. Project-related impacts to such species would also be considered significant under CEQA Guidelines Section 15380 and would require mitigation.

Projects that would result in "take"[57] of any federally-listed threatened or endangered species are required to obtain authorization from NMFS and/or USFWS through either Section 7 (interagency consultation) or Section 10(a) (incidental take permit) of FESA, depending on whether the federal government is involved in permitting or funding the project. The Section 7 authorization process is used to determine if a project with a federal nexus would jeopardize the continued existence of a listed species and what mitigation measures would be required to avoid jeopardizing the species. The Section 10(a) process allows take of endangered species or their habitat in non-federal activities.

Migratory Bird Treaty Act (MBTA). The federal Migratory Bird Treaty Act (16 USC, Sec. 703, Supp. I, 1989) prohibits killing, possessing, or trading in migratory birds except in accordance with regulations prescribed by the Secretary of the Interior. This act encompasses whole birds, parts of birds, and bird nests and eggs.

STATE

California Endangered Species Act (CESA). The California Endangered Species Act was enacted in 1984. Under the CESA, the California Fish and Game Commission (CFGC) has the responsibility for maintaining a list of threatened species and endangered species. CDFG also maintains lists of species of special concern which impacts would be considered significant under CEQA Guidelines Section 15380 and could require mitigation. Pursuant to the requirements of CESA, an agency reviewing a proposed Project within its jurisdiction must determine whether any state-listed endangered or threatened species may be present in the Study Area and determine whether the proposed Project would have a potentially significant impact on such species. In addition, CDFG encourages informal consultation on any proposed Project which may impact a candidate species. CESA prohibits the take of California listed animals and plants in most cases, but CDFG may issue incidental take permits under special conditions.

Fish and Game Code – Sections 3503, 3503.5, 3513. Birds of prey are protected in California under the California Fish and Game Code Section 3503.5, which states that it is unlawful to take,

[57] "Take" under the federal definition means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct.

possess, or destroy any birds in the order Falconiformes or Strigiformes (birds of prey) or to take, possess, or destroy the nest or eggs of any such bird, except as otherwise provided by this code or any regulation adopted pursuant thereto. Construction disturbance during the breeding season could result in the incidental loss of fertile eggs or nestlings, or otherwise lead to nest abandonment. Disturbance that causes nest abandonment and/or loss of reproductive effort is considered taking by CDFG. Any loss of fertile eggs, nesting raptors, or any activities resulting in nest abandonment would constitute a significant impact.

California Native Plant Society (CNPS). The California Native Plant Society maintains an inventory of special-status plant species. CNPS maintains four species lists of varying rarity.[58] Vascular plants listed as rare or endangered by the CNPS,[59] but which have no designated status or protection under federal or state-endangered species legislation, are defined as follows:

List 1A Plants Believed Extinct.

List 1B Plants Rare, Threatened, or Endangered in California and elsewhere.

List 2 Plants Rare, Threatened, or Endangered in California, but more numerous elsewhere.

List 3 Plants About Which More Information is Needed - A Review List.

List 4 Plants of Limited Distribution - A Watch List.

In general, plants appearing on CNPS List 1 or 2 are considered to meet CEQA Guidelines Section 15380 criteria and project effects to these species may be considered significant.

CEQA Guidelines Section 15380. Although threatened and endangered species are protected by specific federal and state statutes, CEQA Guidelines Section 15380(b) provides that a species not listed on the federal or state list of protected species may be considered rare or endangered if the species can be shown to meet certain criteria. These criteria have been modeled after the definition in FESA and the section of the California Fish and Game Code dealing with rare or endangered plants and animals, and allows a public agency to undertake a review to determine if a significant effect on species that have not yet been listed by either the USFWS or CDFG (i.e.,

[58] Recent modifications to the CNPS Ranking System include the addition of a new Threat Code extension to listed species (e.g., List 1B.1, List 2.2 etc.). A Threat Code extension of .1 signifies that a species is seriously endangered in California; .2 is fairly endangered in California; and .3 is not very endangered in California.

[59] California Native Plant Society, *California Native Plant Society's Inventory of Rare and Endangered Vascular Plants of California (sixth edition)*, 2001.

species of concern) would occur. Whether a species is rare, threatened, or endangered can be legally significant because, under CEQA Guidelines Section 15065, an agency must find an impact to be significant if a project would "substantially reduce the number or restrict the range of an endangered, rare, or threatened species." Thus, CEQA provides an agency with the ability to protect a species from a project's potential impacts until the respective government agencies have an opportunity to designate the species as protected, if warranted.

LOCAL

San Francisco Urban Forestry Ordinance. The City of San Francisco provides protection for trees in the City through implementation of its Urban Forestry Ordinance, Article 16 of the City's Public Works Code. The following sections would apply to the proposed Project:

- Section 806. Planting and Removal of Street Trees
- Section 808. Protection of Trees and Landscape Materials
- Section 810A. Significant Trees
- Section 810B. Sidewalk Landscape Permits.

"Significant trees" are defined as trees within 10 feet of a public right-of-way, and that also meet one of the following size requirements:

- 20 feet or greater in height;
- 15 feet or greater in canopy width; or
- 12 inches or greater diameter of trunk measured at 4.5 feet above grade.

Furthermore, street trees are also protected by the City's Urban Forestry Ordinance and both require a permit for removal. Some trees within the Study Area meet the criterion of "Significant Tree"; removal of these trees would require review under the ordinance.

IMPACTS

SIGNIFICANCE CRITERIA

Section 15382 of the CEQA Guidelines defines a significant effect on the environment as "…a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project…"

The proposed Project would have a significant impact with regard to biological resources if it would:

- Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service.
- Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service.
- Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means.
- Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.
- Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.
- Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan.

IMPACTS

Candidate, Sensitive or Special-Status Species. Due to a lack of natural fire regimes (largely since Euro-American settlement), past disturbances associated with the construction of the WWII-era housing, increasing competition from invasive non-native species, and on-going disturbances such as litter and pedestrian traffic, there are likely no candidate, sensitive, or special-status plant or animal species that would use the existing ruderal and serpentine grassland habitats within the Study Area. No special-status plant species were observed in the Study Area. Demolition of existing Hunters View buildings, site preparation, grading, and new construction would not have a direct adverse effect on special-status plant species. In addition, construction of the proposed pedestrian route from the Project Site across the PG&E property, if implemented, would not have a direct adverse effect on special-status plant species.

The presence of mature eucalyptus trees *(Eucalyptus* sp.*)* within the Study Area could potentially provide nesting habitat for raptors (i.e., birds of prey) such as red-tailed hawk and American kestrel, among others. Tree removal associated with the Project could result in "take" caused by the direct mortality of adult or young birds, nest destruction, or disturbance of nesting native bird species (including migratory birds and other special-status species) resulting in nest abandonment and/or the loss of reproductive effort. Bird species are protected by both

state (CDFG Code Sections 3503 and 3513) and federal (Migratory Bird Treaty Act of 1918) laws. Disruption of nesting birds, resulting in the abandonment of active nests, or the loss of active nests through structure removal would be a potentially significant impact.

Implementation of Mitigation Measure G-1, Chapter IV p. 192, would avoid potentially significant impacts to nesting birds by requiring a preconstruction breeding-season survey of the Project Site and immediate vicinity, by a qualified biologist during the same calendar year as construction is planned to commence. If the survey required under Mitigation Measure G-1 identifies bird species on or adjacent to the Project Site, Mitigation Measure G-2, Chapter IV, p. 193 would require a delay in construction in the vicinity of active bird nests and require a 500-foot buffer zone. The implementation of Mitigation Measures G-1 and G-2 would reduce this impact to a less-than-significant level.

Sensitive Natural Communities. Serpentine Bunchgrass (grassland) habitat occurs within the Study Area, and is recognized by the CDFG as a Sensitive Natural Community type. Stands of serpentine grassland occur along the north-east facing slopes between the benched terraces that mark the foundations of the old military barracks on the PG&E property, adjacent to the Project Site. Although serpentine soils are present, no serpentine bunchgrass was observed on the Project Site itself.

Remaining examples of serpentine grassland are extremely rare in the Bay Area; each remnant lost contributes to the overall decline of biodiversity within the region. Many of the native plant species associated with serpentine grasslands are endemic (i.e., locally restricted) to this habitat type. If the Project Sponsor can obtain site control for an easement across the PG&E property and the proposed walkway is constructed, related construction activities could impact remnants of serpentine grassland on the PG&E property. Any loss of serpentine grassland, such as that which could occur as a result of construction across the PG&E property, would be a potentially significant impact to this community type. Based on proposed Project plans, overall impacts to serpentine bunchgrass habitat would be considered minimal disturbance to the existing groundlayer, and would be limited to small areas along the existing WWII-era concrete stairways on the PG&E property. Implementation of the Mitigation Measures G-3 through G-6 would reduce the impacts to serpentine bunchgrass habitat to a less-than-significant level.

Mitigation Measures G-3 through G-6, Chapter IV, pp. 193 – 194 identify ways to avoid the loss of serpentine bunchgrass on the PG&E property, if the walkway were constructed. Mitigation Measures G-3 through G-6 would only apply to construction on the PG&E property, not on the Project Site. Therefore, if the walkway were not constructed, Mitigation Measures G-3 through

G-6 would not apply to the proposed Project. Mitigation Measure G-3 would require that construction occur in the dry season, following a preconstruction survey by a qualified biologist and Worker Environmental Awareness Program (WEAP) training for construction crews. Mitigation Measure G-4 would require the use of Best Management Practices during construction. Mitigation Measure G-5 would require the removal of trash on the PG&E site. Mitigation Measure 6 outlines a post-construction planting plan.

In addition to Mitigation Measures G-3 through G-6, Improvement Measure G-1, Chapter IV, p. 196, recommends a comprehensive re-seeding and re-planting program to support serpentine grassland on portions of the Project Site. As noted above, the Project Site itself does not currently support serpentine grassland. This Improvement Measure would create "native habitat" areas on some portions of the Project Site that are planned for landscaping or open space as part of the Project.

Wetlands. There are no wetlands or "other waters of the U.S." present within the Study Area boundaries; therefore, there would be *no impacts* to federally protected wetlands as defined by Section 404 of the Clean Water Act.

Migratory Fish and Wildlife Species. The area surrounding the Study Area is highly urbanized; the implementation of proposed construction activities associated with the project would not interrupt any wildlife migratory corridors. Although India Basin Shoreline Park is less than 500 feet from the Study Area, it is unlikely that there are wildlife nursery sites adjacent to the Study Area that would require use by local wildlife populations. Thus, there would be *no impacts* associated with the proposed Project interfering with the movement of native fish or wildlife species.

Eucalyptus trees *(Eucalyptus* sp.*)* present within the Study Area boundaries could provide potentially suitable roosting habitat during migration for the monarch butterfly *(Danaus plexippus)*. Although there is a recorded CNDDB occurrence of this species north of the Study Area, it is unlikely that monarch butterflies would use the existing eucalyptus trees during migration. Therefore, there would be *no impacts* on migratory monarch butterfly populations associated with the removal of eucalyptus trees from within the Study Area.

Tree Preservation Ordinance. The City of San Francisco provides protection for trees in the city through implementation of its Urban Forestry Ordinance in Article 16 of the Public Works Code. "Significant trees" are defined as trees within 10 feet a public right-of-way, and also meet one of the following size requirements:

- 20 feet or greater in height;
- 15 feet or greater in canopy width; or
- 12 inches or greater diameter of trunk measured at 4.5 feet above grade.

Furthermore, street trees are also protected by the City's Urban Forestry Ordinance and require a permit for removal. Some tree species within the Study Area meet the criterion of "Significant Tree" status; any removal of these trees associated with the proposed Project would require a permit as provided in Article 126, Section 806. Compliance with the Code would require replacement of all removed trees. Mitigation Measure G-7, Chapter IV, p.IV-195, requires a pre-construction tree survey. Mitigation Measure G-7, Chapter IV, also requires adherence to tree removal permits issued under the Urban Forestry Ordinance. Adherence to the ordinance would avoid the impact from the loss of significant trees.

Plans. There are no Habitat Conservation Plans, Natural Community Conservation Plans, or other approved habitat conservation plans that would conflict with the development of the proposed Project; therefore, there would be no impacts.

CUMULATIVE IMPACTS

The proposed Project would result in the temporary loss of a small amount of serpentine grassland on the PG&E site during the construction period, if the Project Sponsor obtains site control and constructs the pedestrian walkway. Otherwise, the PG&E site would not be disturbed. However, the incorporation of the identified mitigation measures and the inclusion of improvement activities would result in preservation or enhancement of the serpentine grassland, which would be of benefit to the biotic resources. Given that this serpentine grassland is unique and no other serpentine grassland in the project vicinity is known to be at risk for loss, there would be no cumulative impact with regard to loss of this habitat.

H. OTHER IMPACTS DETERMINED TO BE LESS THAN SIGNIFICANT

This chapter reviews other environmental topics, using the Initial Study Checklist [CEQA Guidelines, Appendix G] to determine whether or not the proposed Project would have potentially significant impacts to the environment. The chapter discusses impacts of the proposed Project determined to be less-than-significant, or that would be less-than-significant with implementation of mitigation measures included as part of the Project. The sections of the CEQA checklist which correspond to each of these impact areas are included in this Chapter. Mitigation Measures are presented in Chapter IV, Mitigation and Improvement Measures.

The topics found to have less-than-significant effects include: Cultural Resources, Population and Housing, Shadow and Wind, Recreation and Public Space, Utilities and Service Systems, Public Services, Geology, Soils and Seismicity, Hydrology and Water Quality, Hazards and Hazardous Materials, Mineral and Energy Resources, and Agricultural Resources.

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
1. CULTURAL AND PALEONTOLOGICAL RESOURCES—Would the Project :					
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5, including those resources listed in Article 10 or Article 11 of the San Francisco *Planning Code*?	☐	☐	☐	☒	☐
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	☒	☐	☐	☐
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☒	☐
d) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒	☐

Historic Resources. Carey & Co. completed a historic resource evaluation of the Hunters View housing complex.[60] The Hunters View housing development was completed in 1957 and consists of 50 buildings containing one-bedroom, two-bedroom, three-bedroom, four-bedroom and five-bedroom units. Between the buildings is a circulation network of concrete walkways and stairs, laundry drying areas, and common yards with playground equipment. The buildings are a mix of two- and three-story wood-frame rectangular buildings with flat roofs and projecting eaves. The exteriors are a combination of stucco and vertical board-and-batten. The windows are replacements from the original single-hung to the current double-hung residential standard and are one-over-one with aluminum sash. The long elevations of these buildings are broken up by upper level projections at either end of the building. The metal fire escapes at the side elevations feature corrugated metal at the balconies. The front entries feature asphalt shingle-clad shed canopies. Two building types are clearly more "International Style" in design than the others – they feature very cubic massing with long ribbon windows and the upper levels are articulated with a perimeter edge that projects beyond the wall plane.

[60] Carey and Company, Inc. Architecture. *Historic Resource Evaluation for Hunters View Housing Development, San Francisco, California*. Prepared July 26, 2001 and updated September 10, 2007. This document is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor, as part of Case No. 2007.0168E.

Since the age of the buildings is more than 50 years old, the buildings meet the age requirement for listing in the National Register of Historic Resources. However, based on a records check, Hunters View is not listed on the National Register or the California Register of Historic Resources or as a local landmark. The Hunters View Development was not evaluated as part of any previous historic survey, including the 1976 Citywide Architectural Survey, the 1968 Junior League Survey *(Here Today)*, or any San Francisco Architectural Heritage surveys.

To be potentially eligible for listing on the California Register of Historic Resources, a structure must typically be over 50 years old, have historic significance and retain its physical integrity. The Hunters View housing development meets the age requirement and was therefore evaluated for historic significance.

The historic significance criteria includes association with historic events or persons significant to local, California or national history, buildings representative of the work of a master or significant architectural style, or the potential to yield important historical or pre-historical information.

However, the Hunters View housing development is not considered significant for its association with post-World War II housing developments since it was not the first of, or the greatest example of such development. Archival research did not uncover any association between the Hunters View housing development and any persons significant to local, California or national history.

The Hunters View housing development also does not represent the work of a master. The original architect, Donald Beach Kirby, is well recognized for his contribution to the design of various public projects. However, Kirby's design of Hunters View reflects the public housing program's standardized unit plan and post-war budgetary constraints and thus, are not distinguishing representations of his work. In addition, although some of the building types at Hunters View distinctly reference an "International Style," they do not possess high artistic value, nor do they represent a significant and distinguishable entity whose components may lack individual distinction.

Further, archival research provided no indication that Hunters View housing development has the potential to yield information important to the prehistory or history of the local area, California or the nation. Therefore, Carey & Co. assigned the Hunters View Housing Development a National Register of Historic Places (NRHP) and California Register of Historic

Resources (CRHR) Status Code of 6Z, which indicates that the property is not eligible for listing in either register.[61]

Since the existing buildings on the Project Site are not considered historic resources under CEQA, demolition of the buildings with the proposed Project would have no impact on historic resources.

Archaeological Resources. An archaeological resource investigation was conducted as part of the *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report* (BVHP FEIR), including the Hunters View area, as summarized below.[62]

Before it was reclaimed, the Hunters Point shoreline extended roughly along present-day Hunters Point Boulevard and Innes Avenue. No archaeological sites are recorded within the boundaries of this portion of the BVHP area. The closest recorded sites were three shellmounds (CA-SFr-12, -13, -14; Nelson Site Nos. 391, 392, 392a) located approximately one-quarter mile to the east which were destroyed when that section of the Hunters Point Peninsula was reclaimed.

During prehistoric times, the San Francisco Bay Region was sparsely populated with native people surrounding San Francisco Bay at the time of European arrival.

In March 1776, the Spanish, led by Juan Bautista de Anza and his soldiers began to explore present-day San Francisco. When Mexico gained its independence from Spain in 1822, the government began granting large parcels of land in what is now San Francisco to individuals who engaged in the cattle and tallow trade. The entire Bayview Hunters Point neighborhood was within the boundaries of one of these ranches, the Rancho Rincon de las Salina y Potrero Viejo.

Later, this Hunters Point Shoreline area was first settled by the Hunter Brothers in the 1850s. Robert Hunter built a homestead, called India Basin Ranch, near a freshwater spring at the corner of Innes Avenue and Griffith Street. Robert Hunter and his family continued to live on India Basin Ranch into the 1870s, and for years their homestead buildings were the only structures in the area. Although this area remained largely undeveloped, a number of

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[61] On November 5, 2007 the San Francisco Planning Department issued a Memorandum concurring with the findings of the Carey & Co. report. The memorandum is available for review, by appointment, at San Francisco Planning Department, 1650 Mission, 4th Floor, Case File No. 2007.0168E.

[62] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.J-28 – III.J-30.

ship/boat/barge buildings and repair businesses were established starting in the late 1860s around Evans Avenue and Keith Street. A second Hunters Point enterprise was the Albion Brewery, which was constructed in 1870 on the east side of Griffith Street between Innes and Jerrold Avenues, about one-quarter mile south of Hunters View, and relied on the Hunter's spring as its water supply. The Albion Water Company was founded in 1913 and remains at that location. Another industry consisted of Chinese shrimp camps, two of which were located at the northeast corner of present-day Davidson Avenue and Ingalls Street alignment, and another at the foot of Evans Avenue between the Ingalls and Hawes Street alignments. Nearly one dozen buildings labeled shrimp cooking, shrimp cleaning and shed were present at the camp. Numerous other farmhouses, stables, and outbuildings were located in the area by the turn of the century.

The U.S. Navy became interested in the Hunters Point area as early as 1908 when Admiral Perry's "Great White Fleet" circled the world and sailed into the San Francisco Bay, only to find the waters of the U.S. Navy Ship Repair Yard at Mare Island too shallow. He then proceeded to the privately held drydocks at what is now Hunters Point Shipyard, where the water was deep enough to dock the ships.

The first major physical change in the India Basin Area occurred in 1917 when the construction, widening, and grading of present-day Hunters Point Boulevard/Innes Avenue began as part of a World War I effort to transport workers and materials efficiently to the Hunters Point Drydock. The entire Chinese community and shrimping facilities located on the waterfront were evicted by Navy facility expansion in 1938.

After the United States entered World War II, nearly all the structures in this area were demolished so that the United States Housing Authority could build dozens of one- to two-story, wood-framed dormitories to house civilian shipyard employees (currently the Hunters View, Hunters Point, and Westbrook Housing sites). As discussed above under Historic Resources, the present Hunters View housing was developed on the site of those World War II buildings.

Therefore, because of Hunters View's location near San Francisco Bay, previously unidentified subsurface cultural resources dating from the historic period (approximately the last 200 years) could potentially be present on the Project Site and could be disturbed during grading and construction. The proposed Project would involve grading and excavation up to a depth of 20-25 feet. To avoid any potential impacts, the Project Sponsor would implement Mitigation Measure H-1: Archaeological Resources, in Chapter IV, p. 197, which would require an

archaeological monitoring program during construction activities and would reduce potential construction-related impacts on archaeological resources to a less-than-significant level.

Geologic and Paleontological Resources. As described in the Geology and Soils section of this EIR, the rock unit underlying the Project Site is serpentinite. This rock is the metamorphosed remains (altered by heat and pressure) of magnesium-rich igneous rocks (crystallized from molten rock) in the Earth's mantle (a thick layer of nearly molten rock just below Earth's crust). Such rock is not paleontologically sensitive because the heat and pressure within Earth's mantle is more than sufficient to destroy any fossil remains that might have been in the original rock. The soils that overlie the serpentinite bedrock are thin and were formed by the weathering of the bedrock. Some alluvium is present in the lower areas of the site; however, the material in the alluvium is formed from the weathering and decomposition products of the underlying bedrock. Fossils would not, therefore, be found in the rock or the soils on the Project Site.

The serpentinite bedrock forms the core of most of the hills in San Francisco and, therefore, is not considered a unique geologic feature of the Project Site. No unique geologic features exist on the Project Site, thus there would be no impact on such features as the result of the proposed Project.

Human Remains. The Project Site has historically been used for residential housing and has been previously disturbed for the foundations for the existing housing. There is no reason to believe that any human remains exist at the Project Site, and therefore, no impact would occur.

Cumulative Cultural Resources. As described above, the proposed Project would not impact historic resources or unique geologic features; therefore, no cumulative impact on historic architectural or geologic resources would occur. Cumulative development in the San Francisco region has the potential to encounter unknown archaeological resources. As described above, Mitigation Measure H-1 would reduce the proposed Project's potential impact to archaeological resources, to be less than significant. As such, the proposed Project would not contribute to any cumulative impact to archaeological resources.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
2. POPULATION AND HOUSING— Would the Project :					
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☒	☐	☐
b) Displace substantial numbers of existing housing units or create demand for additional housing, necessitating the construction of replacement housing?	☐	☐	☐	☒	☐
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒	☐

Population Growth. The proposed Project would replace one-for-one the existing 267 public housing units and add up to 533 for-rent and for-sale units at and below market rate. The construction of the Project would be phased such that the current residents would be relocated on-site and no displacement would occur. The proposed Project would also include resident-serving retail uses and community space, such as a teen center, a computer learning facility, a childcare/Head Start center, children's play areas and other open space.

The 383 to 533 additional dwelling units (for a total of 650 to 800 units on the site) would result in approximately 900 to 1,250 new residents at the Project Site.[63] The proposed development would include approximately 6,400 square feet of neighborhood-serving retail that would be accommodated in three to six different spaces. While the retailers have not yet been determined, possible uses include neighborhood-serving uses such as a deli, a drycleaner, or a coffee shop. The proposed 6,400 gsf of commercial space would result in up to 25 employees.[64] The retail uses may provide opportunities for residents to own, operate, and/or work at the retail shops. Additional employees would serve in management and maintenance of the residential buildings, and the community facilities.

In March 2001, the Association of Bay Area Governments (ABAG) projected regional needs in its Regional Housing Needs Determination (RHND) 1999–2006 allocation. The projected need of the City of San Francisco for the period between 1999 and 2006 is 20,327 new dwelling units,

63 2005 ABAG. Association of Bay Area Governments. [(2.35 persons per unit x 383 units = 900 persons) and (2.35 persons per unit x 533 = 1,250 persons)]

64 San Francisco Planning Department, *Transportation Impact Analysis Guidelines for Environmental Review,* October 2002. General retail use requires approximately 276 gsf per employee. 6,400 gsf of retail/276 gsf per employee = up to 25 employees.

or an average annual need of 2,716 net new dwelling units. The proposed Project would add between 383 and 533 net new residential units to the City's housing stock that would contribute to meeting this need. The proposed 383 to 533 net new units would meet approximately 14 to 20 percent of the annual need for dwelling units in the City. Residential units proposed under the Project would help address the City's broader need for additional housing in a citywide context in which job growth and in-migration outpace the provision of new housing.

The proposed Project would also be subject to the Residential Inclusionary Affordable Housing Program pursuant to *Planning Code* Section 315. The *Planning Code* requires either provision of affordable units on site as a component of the proposed development, or payment of an *in-lieu* fee. As shown in Table 2, p. 44, the Project Sponsor has elected to provide at least 15 percent of the proposed units on site as Below-Market-Rate (BMR) units, as required by the City's Inclusionary Affordable Housing Program requirements. These BMR units would be affordable to households earning up to 100 percent of the Area Median Income (AMI) and would contribute to the City's supply of moderate income housing. The property owner would be required to submit an annual report and fee to cover costs of enforcement of the affordable housing units. The specific terms of the affordable housing component are determined at the discretion of the Planning Commission.

While potentially noticeable to immediately adjacent neighbors, the population increase on the Project Site would not be a substantial increase in the area-wide population (directly or indirectly), and the resulting density would not exceed levels that are common in urban areas such as San Francisco. The proposed Project would increase the San Francisco population by less than 0.1 percent.[65] The proposed Project would increase the population in the Project vicinity by between 1.6 and 2.6 percent.[66] Therefore, the proposed Project would not substantially increase population and employment in the Project vicinity. Development of the proposed Project with a net increase of up to 25 employees would not substantially affect the existing demand for housing in the Project vicinity or other portions of the City. Thus, this minor increase in population is considered a less-than-significant impact.

Housing. Given that the proposed Project is housing, it would not create demand for existing housing, but rather supply housing for existing demand. Although the proposed Project would

[65] The calculation is based on the estimated Census 2000 (Census Tract 231.02) population of 776,733 persons in the City and County of San Francisco. [(900 persons/776,733persons<0.01) and (1253 persons /776,733 persons<0.01)]

[66] The calculation is based on 2000 data for Census Tract 231.03. Census 2000 reported 33,805 persons in the Project Area. [(900 persons/33,805 persons = 0.026 = 2.6%) and (1253 persons/776,733 persons = 0.0016 = 1.6%)]

involve the demolition of the existing 267 public housing units, replacement of those units would occur on site on a one-to-one basis, therefore no increase in demand would occur elsewhere; therefore no impact would occur.

Relocation of Existing Residents on Site. The proposed Project would demolish the existing 267 housing units. Currently, about 501 residents occupy 166 of the 267 units.[67] In order to relocate those residents on-site during construction, the Project would be undertaken in three consecutive phases. The Project Sponsor will likely carry out each phase without overlap between phases so that residents can be relocated on site. However, to the extent possble, the schedule will be compressed. During the demolition of the Phase I area, current residents of the Phase I area would be relocated to the Phase II and III areas and then potentially back to Phase I when construction is complete. The current residents would be given first priority to live in one of the newly constructed Annual Contribution Contract (ACC)[68] units. Given that the phasing of the Project would result in the on-site relocation of all of the residents, even during the construction period, no displacement of people would occur and no impact would result.

Cumulative Population and Housing. As described above, the proposed Project would contribute less than 0.1 percent to the City's overall population. As such, it would not contribute to a cumulative impact to population or housing. The BVHP EIR[69] identifies the Hunters View site as being within the Hunters Point Shoreline Activity Node. The projected net increase in dwelling units for this activity node was 700 units. The Hunters View site was identified as a redevelopment opportunity site and the proposed Project is within the projections of the Redevelopment Plan. Since the Redevelopment Plan addressed the cumulative growth of the area, and the proposed Project is consistent with the Redevelopment Plan, the cumulative impacts would be less than significant.

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67 San Francisco Housing Authority, *Hunters View Selected Demographics*, November 2007.

68 Annual Contribution Contract (ACC) is a term used by the U.S. Department of Housing and Urban Development to refer to public housing units, which are units offered to qualifying residents for rents significantly below market rates.

69 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
SHADOW AND WIND —Would the Project :					
a) Alter wind in a manner that substantially affects public areas?	☐	☐	☒	☐	☐
b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas?	☐	☐	☒	☐	☐

Wind. Wind impacts are generally caused by large building masses extending substantially above neighboring buildings, and by buildings oriented such that a new large wall catches a prevailing wind, particularly if such a wall includes little or no articulation.

The proposed buildings would vary in height from approximately 20 to 65 feet tall to accommodate the site topography. The buildings would be oriented around 19 individual blocks with roads, sidewalks, setbacks, landscaping and parking areas to break up long expanses of exterior walls. Since the site is at a different elevation than the surrounding neighborhood, the height and orientation of the proposed buildings that would be less than 100 feet tall would also have a limited effect on ground-level winds in nearby area.[70] Accordingly, the proposed Project would not have a significant adverse impact on wind conditions.

Shadows. Section 295 of the *Planning Code* was adopted in response to Proposition K (passed in November 1984) to protect certain public open spaces from additional shadowing by new structures. Section 295 restricts new shadow upon public parks and open spaces under the jurisdiction of the Recreation and Park Commission by any structure exceeding 40 feet in height unless the Planning Commission, in consultation with the General Manager of the Recreation and Park Department and the Recreation and Park Commission, finds the impact to be insignificant. The Project would have a maximum building height of 65 feet. The closest Recreation and Park properties to the Project Site are Youngblood Coleman Playground, Hunters Point Community Youth Park, Hilltop Park, India Basin Shoreline Park, Adam Rogers Park, and the Milton Meyer Recreation Center. A shadow fan analysis was conducted that determined that proposed Project's shadows would not reach any of those properties.[71] Therefore, the proposed Project would not shade public areas subject to Section 295 of the *Planning Code*.

[70] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. II.G-4 – III.G-5.

[71] A copy of the shadow fan analysis is available for review, by appointment at San Francisco Planning Department, 1650 Mission, 4th Floor in Case File No. 2007.0168K.

Section 295 does not provide protection from shadows on non-Recreation and Park properties or on private properties. The proposed buildings would be up to 65 feet tall in places and could affect sun and light exposure of adjacent private properties. The shadow analysis indicated that the proposed Project would cast a shadow on the directly adjacent blocks to the west during the winter months. Shadows would fall to the south in the morning and to the north in the evening. During the summer months, Project shadows would fall to the south in the morning, across adjacent residential neighborhoods, and to the northeast in the evening across the former PG&E power plant site, now under demolition. On the Project Site, the new buildings would shade adjacent portions of streets and sidewalks, but would not increase shading in the neighborhood above levels common in a residential development of this density. While additional shading or loss of sunlight would be an adverse change for affected neighbors, it would not constitute a significant effect on the environment under CEQA. Therefore, the proposed Project would not result in a significant shadow impact.

Cumulative Wind and Shadows. The proposed Project, as discussed above, would not substantially impact shadow or wind levels at or near the Project Site, therefore, a cumulative impact would not occur.

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
3. RECREATION AND PUBLIC SPACE—Would the Project :					
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be accelerated?	☐	☐	☒	☐	☐
b) Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	☐	☐	☐	☒	☐
c) Physically degrade existing recreational resources?	☐	☐	☐	☒	☐

Parks and Recreational Facilities. The San Francisco Recreation and Park Department administers more than 200 parks, playgrounds, and open spaces throughout the City. Park District 10, which encompasses all of Bayview Hunters Point, has 22 parks totaling about 128 acres. The open space and park areas in the vicinity of the Project Site include India Basin Shoreline Park, Bayview Park, Youngblood-Coleman Park, Hilltop Park, many smaller neighborhood pocket parks, and the Candlestick Point State Recreation Area at the southern end of the neighborhood.

The Recreation and Open Space Element (ROSE) of the *San Francisco General Plan* notes that "While the number of neighborhood parks and facilities is impressive, they are not well distributed throughout the City…The [unequal distribution] merits correction where neighborhoods lacking parks and recreation facilities also have relatively high needs for such facilities."[72] The ROSE defines "high need areas" as areas with high population density or high percentages of children, seniors, or low-income households relative to the City as a whole. The ROSE defines "deficient" areas as areas that are not served by public open space, areas with population that exceeds the capacity of the open spaces that serve it, or areas with facilities that do not correspond well to neighborhood needs.

The ROSE indicates that the project vicinity would be considered a "high need" area for open space and recreation facilities based on average household income. (The ROSE shows that the project area would not be considered a "high need" area based on population density, percentage of children or seniors.) However, the ROSE indicates that the project vicinity is not one of the low-income areas in the City that is not currently served by open space. Thus, the project vicinity is adequately served at present.

The population accommodated by the project's up to 800 units would increase the demand for park and recreation facilities. However, the project's contribution to this need would not be considered a substantial addition to the existing demand for public recreation facilities in the area. The increase in demand would not be in excess of amounts expected and provided for in the project area and the City as a whole. The proposed Project is within the service areas of several public parks and open spaces, as mentioned above. The additional use of these facilities would be relatively minor compared with the existing use of the facilities. The proposed Project would provide about 58,300 sq. ft. of common open space on site and additional private open space serving project residents and the public as part of the new development, as required by the Planning Code.

As noted, the proposed Project is within the service areas of several public parks and open spaces. Although the project is not within the defined service areas of the nearest public recreational facilities, these facilities can be easily accessed by transit from the Project Site. The Bay Trail is a planned recreation corridor that will provide 400 miles of biking and hiking trails

[72] San Francisco Recreation and Park Department, http://www.parks.sfgov.org/site/recpark_index.asp?id=24168, accessed January 11, 2007; San Francisco Recreation and Park Department, Recreation Assessment Report, August 2004, p. 21, at http://www.parks.sfgov.org/wcm_recpark/Notice/SFRP_Summary_Report.pdf, accessed January 28, 2008.

when completed. It will link nine counties, 47 cities, and 130 parks and recreation areas around San Francisco Bay and San Pablo Bay. ABAG has already secured 12 miles of trail in San Francisco and they are now focused on securing land in the southern part of the City. Given that the Hunters View site is not located on land desired for part of the Bay Trail, the redevelopment of the site would not interfere with the implementation of the Bay Trail Plan.[73]

The construction of the planned community facilities and open-space would not have a significant environmental impact; therefore, no cumulative impact would occur.

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
4. PUBLIC SERVICES— Would the Project :					
a) Result in substantial adverse physical impacts associated with the provision of, or the need for, new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any public services such as fire protection, police protection, schools, parks, or other services?	☐	☐	☒	☐	☐

Fire Protection Services. The Project Site is served by the San Francisco Fire Department (SFFD), Division 3, with the nearest SFFD station being Station 25, located at 3305 Third Street at Cargo Way,[74] approximately one mile from the Project Site. The service ratio in the area of the Project Site is about 1.1 fire personnel for every 1,000 residents. The response times are 2.5 to 4.5 minutes after a call has been dispatched.[75] The proposed Project would incrementally, but not substantially increase the demand for fire protection services on the Project Site. The incremental increase would not exceed amounts anticipated and provided for in the project area; therefore impacts to fire protection services would be less than significant.

Police Protection Services. Development of proposed Project would increase residential density and community serving uses on the Project Site, and could incrementally increase police service calls in the project area. The Project Site is in the San Francisco Police Department's (SFPD) Golden Gate Division, and is served by the Bayview District Station, located about 1.6 miles from the Project Site at 201 Williams Avenue.[76]

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73 Association of Bay Area Governments (ABAG), website: *www.abag.ca.gov*, accessed February 6, 2008.

74 San Francisco Fire Department website: *www.ci.sf.ca.us/fire/* accessed January 4, 2008.

75 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, p.III.O-5.

76 San Francisco Police Department website, *http://www.sfgov.org/site/police*, accessed October, 17, 2007.

The Bayview Police District covers one of the largest areas and includes the southeastern part of the city, extending along the eastern edge of McClaren Park to the Bay and south from Channel Street to the San Mateo County line. The area includes Monster Park, home of the San Francisco 49ers.

The San Francisco Police Department provides 12 officers to supplement police coverage to San Francisco Housing Authority sites. Currently up to four officers are at Hunters View on varying schedules, for example, 11 a.m. – 9 p.m. or 11 a.m. – 11 p.m. During special events officers may be scheduled at different times. The officers do walk-throughs, check on vacant units or hold open houses. The potential increase in service calls as a result of the Project would not change the overall San Francisco Police Department staffing or service needs for the Hunters View site.[77] Therefore, the proposed Project would have a less-than-significant impact on police services.

Schools. The San Francisco Unified School District (SFUSD) provides public primary and secondary education in the City and County of San Francisco.[78] Students living at the Project Site could attend any of three elementary schools, three middle schools, and one high school, locally. Elementary Schools include; Dr. George Washington Carver at 1360 Oakdale Avenue, Dr. Charles Drew at 50 Pomona Street and Malcolm X at 350 Harbor Road. Middle Schools include; Willie L. Brown, Jr. at 2055 Silver Avenue, Martin Luther King at 350 Girard Street, Paul Revere at 555 Thompkins Street. The local High School is Thurgood Marshall at 45 Conkling. Alternatively, students could attend Burton High School at 400 Mansell.[79] Also, since the SFUSD has an open-enrollment policy, students from the Project Site could potentially attend any school in San Francisco.

The SFUSD has capacity for about 90,000 students, about 56,000 students are currently enrolled. Approximately 40 percent of students in San Francisco attend private schools.[80] According to the SFUSD Facilities Master Plan, the District has excess capacity at existing school facilities. In the last decade enrollment has declined by about nine percent. District-wide enrollment is

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77 Captain Albert Pardini, Bayview Station, e-mail to PBS&J, December 17, 2007.

78 San Francisco Unified School District, About SFUSD, http://portal.sfusd.edu/template/default.cfm?page=about.more, accessed October 18, 2007.

79 San Francisco Unified School District, About SFUSD, http://portal.sfusd.edu/template/default.cfm?page=about.more, accessed October 18, 2007.

80 David Goldin, Director of Facilities, San Francisco Unified School District, personal communication, October 23, 2007.

projected to continue to decline, approximately seven percent between 2007 and 2015.[81] However approximately 1,000 new students are likely to be added to the Bayview/Hunters Point, Hunters Point, and Mission Bay neighborhoods due to an increase in new housing in these areas. An increase in students associated with the proposed Project would not substantially change the demand for schools in the Project vicinity beyond current SFUSD projections for this area.[82] Therefore, the proposed Project would not have significant impacts to school facilities or services.

Parks and Community Facilities. A discussion of parks is included in the "Parks and Recreation" section in H3. Recreation, above. The addition of residents from the proposed Project would increase the demand for other parks and community facilities. However, the proposed Project would include community facilities to serve residents; therefore, community facilities would not be significantly affected by the proposed Project.

Cumulative Public Services. Public service providers accommodate growth within their service areas by responding to forecasted population growth and land use changes. The proposed Project would not exceed growth projections for the area as described in the BVHP EIR, would generally be consistent with the *General Plan*, and as such, would be accommodated in the projected cumulative demand for services.[83]

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
5. UTILITIES AND SERVICE SYSTEMS—Would the project:					
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☐	☒	☐
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☐	☒	☐
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☐	☒	☐

[81] San Francisco Unified School District, Capital Plan FY 2007-2017, August 2007. Available online at http://portal.sfusd.edu/data/facilities/CAPITAL_PLAN_100107.pdf, accessed on January 17, 2008.

[82] San Francisco Unified School District, Capital Plan FY 2007-2017, August 2007. Available online at http://portal.sfusd.edu/data/facilities/CAPITAL_PLAN_100107.pdf, accessed on January 17, 2008.

[83] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546, pp.III.O-1 – III.O-28.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
d) Have sufficient water supply available to serve the project from existing entitlements and resources, or require new or expanded water supply resources or entitlements?	☐	☐	☒	☐	☐
e) Result in a determination by the wastewater treatment provider that would serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☒	☐	☐
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☐	☐	☒	☐	☐
g) Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☐	☒	☐

Regional Water Quality Control Board (RWQCB) Requirements. The City's combined sewer and wastewater system collects and transports both sewage and stormwater runoff through the same set of pipes. When rainfall intensity results in combined flows that exceed the total capacity of the treatment system the excess flows consisting of about 6 percent sewage and 94 percent stormwater may be released into the Bay through combined sewer outfall (CSO) structures along the eastern shore of the City.[84] Thus, wastewater collection, treatment, services and storm drains are all related to water quality in the San Francisco Bay. The current regulation and treatment of wastewater in the City as it relates to the proposed Project is discussed in 14. Hydrology and Water Quality. The discussion in that section finds that the proposed Project would have a less-than-significant impact in terms of compliance with wastewater treatment requirements.

Water and Wastewater Treatment Facilities. Water service to the Site is provided through the City of San Francisco Public Utilities Commission (SFPUC); groundwater is not used at the Project Site. Because the Project would be within expected growth projections for the City, less-than-significant water supply and wastewater treatment impacts are anticipated. Wastewater at the Project Site is also processed by the SFPUC, which provides wastewater collection and transfer from the Site. The combined sewer system, which collects sewage and stormwater in the same network of pipes, is discussed in 14. Hydrology and Water Quality. The proposed Project would increase wastewater creation at the Site and would add to cumulative demands,

[84] Information accessed at SF PUC website, *http://sfwater.org/mc_main.cfm/MC_ID/14*, on Jan. 6, 2007.

but not in excess of the amounts projected by the SFPUC. Thus, the proposed Project would not require new or expanded water and wastewater facilities.[85]

Stormwater Drainage. Stormwater at the Project Site enters the combined sewer and wastewater system, as described above. The proposed Project would create new infrastructure for capturing stormwater runoff at the Site, such as gutters and drains, as well as landscaping elements, such as planted areas. The Project might alter the flow of stormwater from the Site due to net changes in impervious surfaces. The stormwater infrastructure and any changes in impermeable surfaces would be designed to minimize flooding effects from runoff during storms. Thus, the proposed Project's creation of new stormwater drainage infrastructure would have a less-than-significant impact on the environment.

Water Supply. As described above, water service to the Site is provided through the SFPUC; groundwater is not used at the Site. Since the Project would be within expected growth projections for the City, less-than-significant water supply and wastewater treatment impacts are anticipated.

Wastewater Treatment Capacity. As discussed above, wastewater at the Project Site is treated by the SFPUC which provides wastewater collection and transfer from the Project Site. Wastewater flows from the Project Site are transported to the Southeast Water Pollution Control Plant (SEWPCP), which is located on Phelps Street between Jerrold and Evans Avenues. This plant treats up to 150 million gallon per day (mgd) of sewage to a secondary level.[86] The Project would increase wastewater creation at the Site and would add to cumulative demands, but not in excess of the amounts projected by the SFPUC. Thus, the proposed Project would not result in a determination by the PUC that it lacks adequate capacity to serve the Project's demand for wastewater treatment.

Solid Waste – Landfill Capacity. Solid waste generated by the proposed Project would be collected by Sunset Scavenger Company and hauled to Norcal transfer station near Candlestick Point. The solid waste collected by Sunset Scavenger would be recycled as feasible; non – recyclables would be disposed at Altamont Landfill, where adequate capacity exists to serve the needs of San Francisco, including the proposed Project, for the next 20 years. Because of the

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85 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E., pp. III.O-24 _ III.O-25.

86 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, p. III.M-5.

presumed future increase in solid waste recycling and an anticipated expansion of landfill capacity, the impacts on solid waste from implementation of the Project would be less than significant.

Solid Waste – Regulatory Compliance. All waste from the proposed Project would be treated by Sunset Scavenger Company and disposed of at the Altamont landfill. Both Sunset Scavenger Company and the Altamont landfill are required to comply with all federal, state and local regulations relating to solid waste. Thus, no impact would occur.

Cumulative Utilities and Service Systems. The proposed Project would not substantially impact wastewater or solid waste service in the Project area. Given that existing service management plans address anticipated growth in the region, the proposed Project would not have a significant cumulative effect on wastewater or solid waste services or facilities.[87]

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less-Than-Significant Impact*	*No Impact*	*Not Applicable*
6. GEOLOGY AND SOILS— Would the project:					
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zones Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to California Geological Survey Special Publication 42.)	☐	☐	☒	☐	☐
ii) Strong seismic groundshaking?	☐	☐	☒	☐	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☒	☐	☐
iv) Landslides?	☐	☐	☒	☐	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒	☐	☐
c) Be located on geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?	☐	☐	☒	☐	☐
d) Be located on expansive soil, as defined in Table 18-1-A of the San Francisco Building Code, creating substantial risks to life or property?	☐	☐	☐	☒	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☐	☐	☒

[87] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.O-1 – III.O-28.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less-Than-Significant Impact	No Impact	Not Applicable
f) Change substantially the topography or any unique geologic or physical features of the site?	☐	☐	☒	☐	☐

Fault Rupture. As described in the *San Francisco General Plan* Community Safety Element, the greatest risks to life and property in San Francisco result directly from the groundshaking and ground failures associated with moderate and large earthquakes. Groundshaking is the result of the sudden release of seismic energy during displacement along a fault. Ground failures are deformations of the ground surface resulting from such seismically induced events as fault-line rupture, landsliding, and liquefaction. Because the Project Site is not in an Alquist-Priolo Earthquake Fault Zone[88] and no known active faults trend toward the Project Site, the potential for fault rupture at the site is very low.[89] Consequently, the potential impact related to fault rupture would be less than significant.

Groundshaking. The Project Site is in an area subject to moderate to strong groundshaking from earthquakes along active faults in the Bay Area, including the Rodgers Creek-Hayward and San Andreas faults. The intensity of groundshaking at a particular location depends on a number of factors including earthquake magnitude, the distance to the zone of energy release, and local geologic conditions. Groundshaking and damage level maps of the area indicate the Project Site would be subject to "strong" shaking intensity[90] and "nonstructural" damage[91] during a characteristic earthquake Moment Magnitude (M_W) 7.9 on the San Andreas fault, and "moderate" shaking[92] and "objects fall" damage[93] during a characteristic earthquake M_W 7.1 on

88 Hart, E.W., and Bryant, W.A., *Fault-Rupture Hazard Zones in California, Alquist-Priolo Earthquake Fault Zoning Act with index to Earthquake Fault Zones Maps*, California Geological Survey, Special Publication 42, revised 1997, Supplements 1 and 2, 1999, Supplement 3, 2003, Online Version updated October 7, 2003, accessed December 18, 2007.

89 Professional Services Industries, Inc., *Geotechnical Engineering Services Report for the Proposed Redevelopment of Hunters View Housing Development*, October 10, 2003.

90 Earthquake Hazard Map for San Francisco, Scenario: Rodgers Creek + North Hayward Segments of the Hayward-Rodgers Creek Fault System in Earthquake Hazard Maps, Association of Bay Area Governments website, *http://www.abag.ca.gov/cgi-bin/pickmapx.pl*, updated October 20, 2003, accessed December 18, 2007.

91 *San Francisco General Plan* Community Safety Element, Map 2-Ground Shaking Intensity, Magnitude 7.1 earthquake on the Peninsula segment of the San Andreas fault, 1997.

92 Earthquake Hazard Map for San Francisco, Scenario: Entire San Andreas Fault System in Earthquake Hazard Maps, Association of Bay Area Governments website, *http://www.abag.ca.gov/cgi-bin/pickmapx.pl*, updated October 20, 2003, accessed December 18, 2007.

93 *San Francisco General Plan* Community Safety Element, Map 3-Ground Shaking Intensity, Magnitude 7.1 earthquake on the Northern segment of the Hayward fault, 1997.

the Rodgers Creek and Northern segments Hayward fault. The proposed Project probably would be exposed to moderate or strong earthquake shaking during the life of the improvements because recent studies by the United States Geological Survey (USGS) indicate there is a 62 percent likelihood of a M_W 6.7 or higher earthquake occurring in the Bay Area within the next 30 years, and a 21 percent chance that such an earthquake would occur on the San Andreas fault within the same timeframe.[94] Compliance with Chapter 16, Structural Design Requirements, Division IV, Earthquake Design, of the *San Francisco Building Code* (*Building Code*) would reduce potential damage to the proposed Project that otherwise might result from groundshaking to a less-than-significant impact.

Liquefaction. A geotechnical report was prepared for the Project Sponsor by Professional Services Industries, Inc.[95] Seven soil borings were completed, ranging from 3 feet to 20 feet below ground surface, to evaluate the subsurface conditions. Near surface soils encountered in the borings consisted primarily of 1.5 feet to 15 feet of firm to hard silty clay and silt containing varying amounts of sand and gravel. Underlying these soils was soft to moderately hard serpentinite bedrock (hardness dependent primarily on the degree of weathering) to the total depth explored. Groundwater was not encountered in any borings. Liquefaction is a phenomenon in which the strength and stiffness of a soil is reduced by earthquake shaking or other rapid loading. Liquefaction occurs in saturated soils, that is, soils in which the space between individual particles is completely filled with water. The geotechnical investigation concluded that the potential for liquefaction and seismically-induced settlement, which typically occur in loose granular soils saturated with groundwater, was low because groundwater was not encountered in the exploratory borings and the soils were firm to hard. Adherence to the foundation support requirements of Chapters 16 and 18 of the *Building Code* and the grading requirements in Chapters 18 and A33 of the *Building Code*, as required by City ordinance, would ensure the maximum practicable protection available from soil failures of all types, including liquefaction, under daily conditions or an earthquake, for structures and their associated trenches, temporary slopes, and foundations. Consequently, the impacts related to ground failures would be less than significant.

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[94] Working Group on California Earthquake Probabilities, *Earthquake Probabilities in the San Francisco Bay Region: 2003 to 2032 - A Summary of Findings,* United States Geological Survey, Open File Report 03-214, Online Version updated May 17, 2005, accessed December 18, 2007.

[95] Professional Services Industries, Inc., *Geotechnical Engineering Services Report for the Proposed Redevelopment of Hunters View Housing Development*, October 10, 2003.

Landslides. The San Francisco General Plan[96] and the geotechnical investigation reported moderately steep slopes, with bedrock at the cores, in the vicinity of the Project Site and concludes that seismically-induced landsliding is a low to moderate hazard at the Project Site.

Topographic Changes. Although development of the proposed Project would alter the local topography through excavation and grading, it is not anticipated to have an overall effect on the topography of the area. The proposed Project would involve excavation to as much as 20-25 feet deep to provide foundations for the buildings and to set the buildings into the existing hillside. Because the Project Sponsor would be required to comply with the previously mentioned sections of the *Building Code*, the maximum practicable protection available from slope failures under static or dynamic conditions would be ensured. Consequently, the impacts related to topographic changes and landslides would be less than significant.

Erosion. The Project Sponsor would be required to implement construction Best Management Practices listed on the Stormwater Pollution Prevention Program "Checklist for Construction Requirements" (see Topic 14, *Hydrology and Water Quality*, of this Initial Study). The implementation of erosion and sedimentation control measures, as required by the City and the Regional Water Quality Control Board, would reduce potential short-term construction-related topsoil-loss impacts to a less-than-significant level.

Soil Stability. The geotechnical investigation prepared for the Project states that the serpentinite bedrock covered with 24 inches of properly compacted engineered fill would provide adequate support for conventional shallow foundation designs, such as spread footings or continuous footings.[97] The geotechnical report provides foundation-support recommendations, consistent with the requirements of the *Building Code*, that would be the base design applied to the Project Site. Part of the City's construction permitting process requires completed reports of soil conditions at the specific construction sites to identify potentially unsuitable soil conditions including liquefaction, subsidence, expansion, and collapse. The evaluations must be conducted by registered soil professionals, and measures to eliminate inappropriate soil conditions must be applied, depending on the soil conditions. The design of foundation support must conform to the analysis and implementation criteria described in the *Building Code*, Chapters 16, 18, and A33. Adherence to the *Building Code* would ensure the maximum practicable protection available for users of buildings and infrastructure and their associated trenches, slopes, and foundations. Consequently, the proposed Project would have a

[96] *San Francisco General Plan* Community Safety Element, Map 5-Areas Susceptible to Landslides, 1997.

[97] Professional Services Industries, Inc., *Geotechnical Engineering Services Report for the Proposed Redevelopment of Hunters View Housing Development*, October 10, 2003.

less-than-significant impact regarding the potentially adverse effects of unstable soils or geologic units.

Expansive Soils. Shrink-swell potential (expansive soil) is the capacity for volume change in a soil with a loss or gain in moisture. If the shrink-swell potential is moderate to high, damage to buildings, roads, and other structures can occur. Chapter 16 of the *Building Code* ensures structures intended for human occupancy built on expansive soils are subject to less-than-significant heaving and/or settling effects by requiring such development to meet specific minimum structural design standards. Chapter 18 of the *Building Code* reduces such impacts by requiring that all development intended for human occupancy adhere to specific minimum standards for excavation of foundations and structural design standards for retaining walls. Chapter 33 of the *Building Code* specifies the requirements to be fulfilled for site work, demolition, and construction, including the protection of adjacent properties from damage caused by such work. Chapter A33 of the *Building Code* reduces such impacts by requiring that all development intended for human occupancy adhere to regulations pertaining to grading activities, including drainage and erosion control, and construction on expansive soils. The *Building Code* requires a site-specific geotechnical study to address soil factors, such as shrink-swell potential, that must be considered in structural design. Consequently, the impacts related to expansive soils would be less than significant.

Wastewater Disposal. The proposed Project would connect to the existing wastewater disposal system and would not use septic tanks or other alternative wastewater disposal systems. Consequently, the site soils' capacity to support such systems is not applicable to the proposed Project.

Unique Geologic Features. The serpentinite bedrock at the Project Site contains asbestos. The amount of asbestos that typically is present in these rocks ranges from less than 1 percent to about 25 percent, although it can be higher. Asbestos is released from serpentinite when the rock is broken or crushed. Asbestos is hazardous and may cause lung disease and cancer. Asbestos-related health risks are dependent upon length and intensity of exposure. Excavation and grading activities as part of the proposed Project could release asbestos from the serpentinite. Release of asbestos is not considered a geologic impact for purposes of environmental review, because the primary hazard is wind-born dust from the Project Site (an air quality impact). In this EIR, asbestos release from soils-disturbing activities is discussed in Chapter III.E, Air Quality, and Section 8, below, Hazards and Hazardous Materials.

In reviewing the final building plans, the San Francisco Department of Building Inspection (DBI) refers to a variety of information sources to determine existing hazards and assess requirements for development. Sources reviewed include maps of Special Geologic Study Areas and known landslide areas in San Francisco, as well as the building inspector's working knowledge of areas of special geologic concern. During the DBI's review of building permits for the site, the preparation of an updated geotechnical report would be required. In addition, the DBI could require that additional site-specific soils report(s) be prepared in conjunction with permit applications, as needed. Based on this information, DBI would determine necessary engineering and design features. Potential damage to structures from all geologic hazards would be reduced to a less-than-significant level through the DBI processing of the building permit application and implementation of the requirements of the *Building Code*.

In view of the above discussion, the proposed Project would not have a significant effect related to geology and soils.

Cumulative Geology and Soils. The context for the analysis of cumulative soils, geology and seismicity impacts is the City of San Francisco, including all cumulative growth therein, as represented by full implementation of the General Plan. The Hunters View Housing Project could increase the number of people and structures that could be exposed to effects related to seismic hazards such as groundshaking. Implementation of the Project would increase the number of structures that could be subject to the effects of expansive soils or other soil constraints that could affect structural integrity, roadways, or underground utilities. Site preparation and development would create temporary and/or permanent ground surface changes that could alter erosion rates. Potentially adverse environmental effects associated with seismic hazards, as well as those associated with expansive soils, topographic alteration, and erosion, are considered site-specific and generally do not combine with similar effects that could occur with other projects in the City. Implementation of the provisions of the *Building Code*, the National Pollution Discharge Elimination System permit requirements, and Policies of the General Plan Community Safety Element would ensure that these site-specific potential impacts would be maintained at, or reduced to, less-than-significant levels. As such, the impacts of project implementation would not be cumulatively considerable. Consequently, the proposed Project would not have a significant impact on geology or soil resources, nor would the Project contribute to any potential significant cumulative effects on geology or soils.

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less-Than-Significant Impact*	*No Impact*	*Not Applicable*
7. HYDROLOGY AND WATER QUALITY— Would the project:					
a) Violate any water quality standards or waste discharge requirements?	☐	☐	☒	☐	☐
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☐	☐	☐	☒	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion of siltation on- or off-site?	☐	☐	☒	☐	☐
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?	☐	☐	☒	☐	☐
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☒	☐	☐
f) Otherwise substantially degrade water quality?	☐	☐	☒	☐	☐
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other authoritative flood hazard delineation map?	☐	☐	☐	☐	☒
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	☐	☐	☐	☐	☒
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	☐	☐	☐	☐	☒
j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☐	☒

Regulatory Standards. The federal Clean Water Act established the National Pollutant Discharge Elimination System (NPDES) program to protect water quality. Under the Clean Water Act, Section 402, discharge of pollutants to receiving waters is prohibited unless the discharge is in compliance with an NPDES permit. In California, the United States Environmental Protection Agency (EPA) has determined that the State's water pollution control program had sufficient authority to manage the NPDES program under California law in a manner consistent with the Clean Water Act. Therefore, implementation and enforcement of the NPDES program is conducted through the California State Water Resources Control Board (SWRCB) and the nine RWQCBs. All water discharged from the proposed development, including construction-related wastewater, wastewater from the proposed new housing and

facilities, and stormwater runoff, would be subject to NPDES permitting requirements, as administered by the RWQCB and the City. The Project Sponsor would be required to comply with these federal, state and local water quality standards as a condition of project approval. While the proposed Project would be expected to have some level of impact on hydrology and water quality, compliance with the NPDES permitting requirements would reduce its overall impact to water quality and water discharge to a less-than-significant level. Specific types of water-related impacts from the proposed Project are discussed below.

Groundwater. During the geotechnical survey of the site, groundwater was not encountered in any of the borings to the total depth of approximately 20 feet below grade. However, during excavation, groundwater may be encountered on site and dewatering may be required. Any groundwater encountered during construction of the proposed Project would be subject to requirements of the City's Industrial Waste Ordinance (Ordinance Number 199 77), requiring that groundwater meet specified water quality standards before it may be discharged into the sewer system. The Bureau of Systems Planning, Environment and Compliance of the San Francisco Public Utilities Commission must be notified of projects necessitating dewatering, and may require water analysis before discharge. Should dewatering be necessary, the final soils report would address the potential settlement and subsidence impacts of this dewatering. Based upon this analysis, the report would contain a determination as to whether or not a lateral movement and settlement survey should be done to monitor any movement or settlement of surrounding buildings and adjacent streets. If a monitoring survey is recommended, the Department of Public Works (DPW) would require that a Special Inspector (as defined in Article 3 of the *Building Code*) be retained by the Project Sponsor to perform this monitoring. These measures would ensure protection of water quality during construction of the proposed Project.

In the long-term, water service to the site would be provided through the City of San Francisco (Public Utilities Commission), and groundwater would not be used at the site. Therefore, groundwater resources and recharge would not be substantially degraded or depleted and the proposed Project would have a less-than-significant effect on groundwater.

Siltation. Siltation may occur when soils are eroded by water and are carried to other areas where they accumulate as silt. The proposed Project is not anticipated to have a long-term effect on siltation as the landscaped areas on site are expected to become stable and not subject to substantial erosion or siltation on- or off-site. Thus, any long-term siltation effects would be less than significant. Construction-related siltation is addressed below under "Water Quality."

Flooding. Flooding potential may be increased by development which alters natural water flow at the site. While minor flooding may occur in any urban environment (primarily do to clogged drains) the proposed Project would not alter the drainage pattern of the site in a manner that could result in substantial flooding on- or off-site.

Runoff. Stormwater runoff is affected by topography, drainage and surface cover. The Project Site is located on a hillside with topography that ranges from relatively flat to steep. The current ground cover at the Project Site includes a mix of permeable and impermeable surfaces. Impermeable surfaces include buildings, roads and sidewalks. Permeable surfaces include yards, open space and recreation areas, which are typically grass or dirt with trees and bushes. The proposed Project would seek Leadership in Energy and Environmental Design Neighborhood Development (LEED ND) certification. LEED ND principles include landscaping methods to reduce the rate and flow of stormwater runoff. The Project would include community enhancement programs and design guidelines, such as Streetscape Plans, Green Streets and Framework Open Space programs that would promote increased landscaping, street trees and open space. These guidelines would be expected to minimize any increases in stormwater runoff flowing to the combined sewer system from the site.

Neither the details of these enhancement programs, the site design measures, nor the extent of such improvements are known at this time. As noted above, the Project would be designed to minimize increased runoff to the combined sewer system. Despite the implementation of these measures, the Project could result in some increased runoff from the site over existing conditions. However, as discussed under Water Quality, below, the increased runoff would not exceed the capacity of existing or planned stormwater drainage systems or the permitting requirements of the NPDES and the RWQCB. Therefore, the Project contribution to changes in runoff would be less than significant.

Water Quality. The City's combined sewer and wastewater system collects and transports both sewage and stormwater runoff through the same set of pipes. Sewage flows from the Project Site are transported to the Southeast Water Pollution Control Plant, (SEWPCP), which is located approximately 0.5 miles northeast of the Project Site. This facility, and associated peak-period facilities, treat a mix of sewage and stormwater. When rainfall intensity results in combined flows that exceed the total capacity of the treatment system the excess flows consisting of about 6 percent sewage and 94 percent stormwater may be released into the Bay through CSO structures along the eastern shore of the City. Stormwater runoff in an urban location is also a known source of pollution, and pollutants may enter the Bay during CSO events. Some level of pollution runoff is endemic to all urban development.

During construction and operation, the proposed Project would be required to comply with all applicable water quality and wastewater discharge requirements. Construction stormwater discharges would be subject to the requirements of Article 4.1 of the *San Francisco Public Works Code*, which incorporates and implements the City's NPDES permit, and the nine minimum controls described in the federal CSO Control Policy. The minimum controls include development and implementation of a pollution prevention program. At a minimum, the City requires that the Project Sponsor develop and implement an erosion and sediment control plan to reduce the impact of runoff from the construction site. Sediment and erosion control protect against potential siltation effects. The erosion and sediment control plan must be reviewed and approved by the City prior to implementation, and the City conducts periodic inspections to ensure compliance with the erosion and sediment control plan. Compliance with City regulations would reduce construction-related impacts to a less-than-significant level.

The proposed Project would result in an intensification of land uses and an associated increase in sewage generated by new residents and employees. The additional dry weather flow associated with implementation of the proposed Project would be a negligible incremental increase to the existing dry weather flow and could be accommodated within the City sewer system's existing capacity. Although the total increase in sewage generated as a result of implementation of the proposed Project could be accommodated within the existing system's operating capacity and permitted discharges, the incremental increase of sewage during wet weather would affect the overall system's wet weather operations. This increase in sewage could cumulatively contribute to an increase in average volume of CSO discharges to the Bay.

An increase in the volume of CSO discharges could be a concern because the RWQCB has designated this portion of the Bay as an impaired water body under Section 303(d) of the Clean Water Act, which indicates water quality standards are not expected to be met after implementation of technology-based effluent limitations, and because CSO discharges contain pollutants for which the Bay is impaired. On April 11, 1994 the USEPA adopted the Combined Sewer Overflow Control Policy (CSO Control Policy), which became part of the Clean Water Act in December, 2000. This policy establishes a consistent national approach for controlling discharges from combined sewers to the nation's water. Using the NPDES permit program, the policy initiates a two-phased process with higher priority given to more environmentally sensitive areas. During the first phase, the permittee is required to implement the nine minimum controls that constitute the technology-based requirements of the Clean Water Act and can reduce the frequency of CSOs and their effects on receiving water quality. During the second phase, the permittee is required to continue implementation of the nine minimum controls, properly operate and maintain the completed CSO controls in accordance with the

operational plan, and implement the post-construction monitoring program. In conformance with the CSO Control Policy, the City has developed a long-term control plan to select CSO controls to comply with water quality criteria and to protect the beneficial uses of the receiving waters. Continued implementation of the City's long-term plan for CSO control would reduce any potential impacts of the proposed Project to a less-than-significant level. The *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report* (BVHP FEIR) found that overall future development in the BVHP Project Area, of which the Project Site is part, would not result in net increase in volume of stormwater draining to the combined sewer system, and that compliance with applicable regulations and policies cited in the FEIR would protect water quality.[98]

100-Year Flood Hazard. The City of San Francisco does not currently participate in the Flood Insurance Program (NFIP) and no flood maps are published for the City. The Federal Emergency Management Agency (FEMA) is revising Flood Insurance Rate Maps (FIRMs), which support the NFIP, for San Francisco Bay Area communities. As part of this effort, FEMA plans to prepare a FIRM for the City and County of San Francisco for the first time. On September 21, 2007, FEMA issued a preliminary FIRM of San Francisco. The preliminary map is for review and comment only; FEMA anticipates that the final map will be published in September 2008.[99] FEMA has tentatively identified special flood hazard areas (SFHAs)[100] along the City's shoreline in and along the San Francisco Bay consisting of "A zones" (areas subject to inundation by tidal surge) and "V zones" (areas subject to the additional hazards that accompany wave action). According to the preliminary map, the Project Site is not within an A zone or a V zone.[101] In addition, there are no natural waterways within or near the Project Site that could cause stream-related flooding. Therefore, no impacts related to placement of housing or other structures in a 100-year flood zone would occur.

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98 San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, pp. III.M-25 – III.M-42.

99 City and County of San Francisco, Office of the City Administrator, National Flood Insurance Program Flood Sheet, *http://www.sfgov.org/site/uploadedfiles/risk_management/factsheet.pdf*, accessed February 26, 2008.

100 A special flood hazard area is the flood plain that is at risk from the 100-year flood (a flkood having a one-percent chance of occurrence in a given year).

101 Federal Emergency Management Agency, Preliminary Flood Insurance Rate Map, City and County of San Francisco, California, Panel 120, September 21, 2007, available on the Internet at *http://www.sfgov.org/site/uploadedimages/risk_management/j120A_jpg.jpg*, accessed February 26, 2008.

Levee or Dam Failure. The Project Site is not located within an inundation area for any levee or dam.[102] Thus, no impact would occur.

Inundation by Tsunami, Seiche or Mudflow. The Project Site is not located in an area of potential inundation by tsunami, as designated by the *General Plan* 20-foot Tsunami Run-up Map.[103] A seiche is a wave that oscillates in lakes, bays, or gulfs as a result of seismic or atmospheric disturbances. Seiches may occur in the San Francisco Bay. Given that the Project Site is close to the San Francisco Bay, inundation by seiche is a potential hazard. The Project Site ranges in elevation from approximately 50 feet to 150 feet. Thus, it could only be affected by a seiche with a runup of 50 feet or more. A seiche of this size has not occurred and is not likely to occur in the Bay Area. The elevation of the Project Site is great enough at 50 feet or more to conclude that the potential seiche hazard is less than significant. Thus, there is no potential danger of Seiche or Tsunami from the San Francisco Bay at the Project Site.

Mudslides may occur in San Francisco during periods of heavy rain. Any potential hazard from mudslides at the site would be avoided by DBI's approval of the final plans for the site, which would evaluate any potential mudslide hazard on the site. As a condition of approval, the City may require specific elements in the Project landscaping and building construction to reduce the hazard of mudslides to a less-than-significant level.

Cumulative Hydrology. The proposed Project would not have a significant impact on hydrology or water quality, nor would the project contribute to any potential significant cumulative effects on hydrology or water quality.[104]

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
8. HAZARDS AND HAZARDOUS MATERIALS Would the Project :					
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒	☐	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☒	☐	☐	☐

[102] ABAG, *http://www.abag.ca.gov/cgi-bin/pickdamx.pl*, accessed February 26, 2008.

[103] City and County of San Francisco, *San Francisco General Plan*, Community Safety Element, Map 6, adopted July 1995.

[104] San Francisco Redevelopment Agency and San Francisco Planning Department, *Bayview Hunters Point Redevelopment Projects and Rezoning Final Environmental Impact Report*, certified March 2, 2006. File No. 1996.546E, Chapter III.M, Hydrology and Water Quality.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☒	☐	☐
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☒	☐
e) For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?	☐	☐	☐	☐	☒
f) For a Project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?	☐	☐	☐	☐	☒
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒	☐
h) Expose people or structures to a significant risk of loss, injury or death involving fires?	☐	☐	☐	☒	☐

Hazardous Materials Use, Transport, and Disposal. The proposed Project would involve the development of up to 800 residential units with approximately 6,400 sf of resident-serving commercial use, and about 21,600 sf of community uses which would require relatively small quantities of hazardous materials for routine purposes, such as cleaners, disinfectants, and lawn care chemicals. These commercial products are labeled to inform users of potential risks and to instruct them in appropriate handling procedures. Most of these materials are consumed through use, resulting in relatively little waste. Businesses are required by law to ensure employee safety by identifying hazardous materials in the workplace, providing safety information to workers who handle hazardous materials, and adequately training workers. Businesses that routinely use or handle hazardous materials, such as dry cleaning chemicals are regulated by agencies including the City and County of San Francisco and the California Environmental Protection Agency. Therefore impacts with regard to hazardous materials transport, use and disposal would be less than significant.

Release of Hazardous Materials. The proposed Project is a residential development and would not involve the routine handling of hazardous materials once the Project has been built; release of hazardous materials after the demolition and construction phase is unlikely. However, given that the Project Site is located on serpentine soils and contains older buildings which will be

demolished, release of hazardous materials during construction is possible. Several site-specific hazardous materials studies were conducted to gather information about contaminants which might be encountered during construction.

Asbestos (Naturally Occurring). Serpentinite is known to be present in the bedrock that would be excavated throughout the Project Site, in some places this bedrock is exposed. When serpentinite is exposed, it becomes weathered, the serpentine mineral is released and becomes part of the soil.

Serpentinite commonly contains naturally occurring chrysotile asbestos, a fibrous mineral that can be hazardous to human health if it becomes airborne. In the absence of proper controls, the asbestos could become airborne during excavation and the handling of excavated materials. On-site workers and the public could be exposed to the airborne asbestos unless appropriate control measures are implemented.

However, the construction contractors would be required to comply with the asbestos Airborne Toxic Control Measure (ATCM) to prevent airborne (fugitive) dust containing asbestos from migrating beyond property boundaries during excavation and handling of excavated materials, as well as to protect the workers themselves. The California Air Resources Board (CARB) adopted the Asbestos ATCM for Construction, Grading, Quarrying, and Surface Mining Operations, which became effective in the Bay Area Air Quality Management District (BAAQMD) on November 19, 2002.[105] The ATCM protects public health and the environment by requiring the use of best available dust mitigation measures to prevent off-site migration of asbestos-containing dust from road construction and maintenance activities, construction and grading operations, and quarrying and surface mining operations in areas of ultramafic rock,[106] serpentine,[107] or asbestos.[108] The BAAQMD implements the regulation.

A discussion of the Asbestos ATCM implemented by the Bay Area Air Quality Management District is included in Chapter III.E Air Quality, p. 171.

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105 California Air Resources Board, Regulatory Advisory, *Asbestos Airborne Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations*, July 29, 2002.

106 Ultramafic rocks are formed in high temperature environments well below the surface of the earth.

107 Serpentine is a naturally occurring group of minerals that can be formed when ultramafic rocks are metamorphosed during uplift to the earth's surface. Serpentinite is a rock consisting of one or more serpentine minerals, formed when ultramafic rocks metamorphose. This rock type is commonly associated with ultramafic rock along faults such as the Hayward fault. Small amounts of chrysotile asbestos, a fibrous form of serpentine minerals are common in serpentinite.

108 Asbestos is a term used for several types of naturally occurring fibrous materials found in many parts of California.

Assuming compliance with the asbestos ATCM, potential impacts related to exposure to naturally occurring asbestos in soils and rock during construction would be less than significant.

*Storage Tanks***.** As stated in the Project Description, the Project Site currently includes buildings that were constructed in 1957 on the foundations of World War II workforce housing. A mixture of residential dwellings, commercial structures, the former PG&E Hunters Point power plant, and public open space occupy the surrounding area. The adjacent site to the southeast is unimproved with the exception of overhead electrical power lines and a storage structure described below.

A Phase I Environmental Site Assessment (ESA) was prepared for the Project Site, by Smith-Emery GeoServices.[109] The ESA lists current and past operations, reviews environmental agency databases, records and identifies site reconnaissance observations, and summarizes potential contamination issues. As an update to the Phase I ESA, a search of available environmental records was conducted by Environmental Data Resources, Inc (EDR).[110] The records search was conducted for the Project Site and a one-mile radius from the Project Site, to meet the search requirements of EPA's Standards and Practices for all Appropriate Inquiries (40 CFR Part 312), the ASTM Standard Practice for Environmental Site Assessments (E 1527-05) for the evaluation of environmental risk associated with a land parcel.

The Phase I analysis included a review of historic Sanborn maps. Based on the maps the site was vacant until at least 1914. Sometime after the United States entered World War II, housing was constructed on the site. The site became one of many temporary housing projects constructed in the San Francisco Bay Area during World War II to house the large work force of civilian defense workers. In 1951, this temporary housing was razed, leaving only the building foundations. The current buildings were completed in 1957. Based on the aerial photographs which confirm the historic residential uses of the site, it is not likely that the site would contain contamination from storage tanks or accidents. There was no evidence from the photographs that tanks or gas stations were present at the site or that excessive drums or debris were stored, or that soils were stained or discolored. However, a site reconnaissance was conducted as well.

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109 Smith-Emery GeoServices, *Phase I Environmental Site Assessment Hunters View Housing Project, San Francisco, California*, July 25, 2003. This study is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor as part of Case No. 2007.0168E.

110 Environmental Data Resources, *Radius Search with GeoCheck®*, October 12, 2007. This study is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor as part of Case No. 2007.0168E.

The goal of the Phase I site reconnaissance was to observe the property for evidence of underground storage tanks (USTs), aboveground storage tanks (ASTs), drums, sumps, pits, lagoons, leach fields, dry wells, suspected polychlorinated biphenyls (PCBs), asbestos-containing materials (ACMs), potential contamination, and onsite handling of hazardous materials and wastes. USTs and ASTs are discussed, below. No pits, lagoons, leach fields and dry wells were observed. PCBs and ACMs are discussed, respectively, below.

*Aboveground Storage Tanks (AST)***.** The former PG&E power plant, located on the east side of Evans Avenue adjacent to the Project Site, historically, included many above-ground storage tanks (ASTs). In the 1946 aerial photo, one large AST is present; by 1957, three more ASTs had been constructed and by 1965 another three ASTs were present in the area immediately adjacent to the north side of the Project Site. In the 1982 aerial photograph, a fourth AST is visible in that same area, adjacent to the north side of the Project site. The former PG&E power plant is closed and is currently being dismantled. The ASTs noted above were removed as part of the plant closure. There are no records of leaks, accidents or spills with regard to these tanks. Further, these tanks and the entire PG&E power plant site were at a lower elevation than the Project Site; therefore, even if soil or groundwater contamination had occurred at that site, no down-gradient or cross-gradient contamination would reach the Project Site and no impact would occur.

Underground Storage Tanks (USTs). According to the Phase I ESA, eight former underground storage tanks (USTs) were identified on five sites within a 0.5-mile radius of the Project Site. Subsequent to removal of all of these tanks, Remedial Action Completion Certification(s) were issued by the City and County of San Francisco for each site. Given their closure status and their locations down gradient from the Project Site, none of these USTs pose a significant environmental concern for development of the Project Site. No information indicating any underground storage tanks (USTs) or any current or historical storage of hazardous materials on the Project Site was on file with the City and County of San Francisco Department of Public Health Bureau of Environmental Health Management.[111]

Therefore, the Phase I ESA concluded that the Project Site and surrounding parcels do not pose a substantial hazardous material risk to development of the Project Site.

[111] Smith-Emery Company, *Phase I Environmental Site Assessment Hunters View Housing Development, San Francisco, California*, August 25, 2003. This study is on file and available for public review by appointment at the Planning Department, 1650 Mission Street, 4th Floor as part of Case No. 2007.0168E.

Hazardous Building Components. Structural building components may contain hazardous materials such as asbestos, polychlorinated biphenyls (PCBs), mercury and lead. Typically, these materials are present in buildings constructed prior to 1981 and can present a hazard to construction workers during the demolition process. These materials are subject to various regulatory schemes, as described below. Given the age of the buildings, both asbestos-containing materials (ACMs) and lead-based paint were assumed to be present, and site surveys were conducted.

Polychlorinated Biphenyls (PCBs): The California Department of Toxic Substances Control has classified PCBs as a hazardous waste when concentrations exceed 5 parts per million (ppm) in liquids or when a standard extract of a non-liquid exceeds 5 ppm. Electrical transformers and fluorescent light ballasts may contain PCBs, and if so, they are regulated as hazardous waste and must be transported and disposed of as hazardous waste. Ballasts manufactured since 1978, in general, do not contain PCBs and are required to have a label stating that PCBs are not present.

Mercury: Spent fluorescent light tubes, thermostats, and other electrical equipment contain heavy metals that, if disposed of in landfills, can leach into the soil or groundwater. Lighting tubes sometimes contain concentrations of mercury that exceed regulatory thresholds for hazardous waste and, therefore, must be managed in accordance with hazardous waste regulations. Elemental mercury can be found in many electrical switches, including thermostats, and when disposed of, such mercury is considered hazardous waste.

Disposal of PCBs and mercury containing waste in a regular landfill could result in a significant environmental impact. Therefore, the Project would include Mitigation Measure H-2, Chapter IV. p. 200 to reduce impacts of improper disposal of those materials to a less-than-significant level.

Asbestos: Asbestos is regulated both as a hazardous air pollutant and as a potential worker safety hazard. Bay Area Air Quality Management District and California Division of Occupational Safety and Health Administration regulations restrict asbestos emissions from demolition and renovation activities, and specify safe work practices to minimize the potential to release asbestos fibers. These regulations prohibit emissions of asbestos from asbestos-related manufacturing, demolition, or construction activities; require medical examinations and monitoring of employees engaged in activities that could disturb asbestos; specify precautions and safe work practices that must be followed to minimize the potential to release asbestos fibers; and require notice be given to federal and local government agencies prior to beginning

renovation or demolition that could disturb asbestos. California requires the licensing of contractors who conduct asbestos abatement activities.

Asbestos Survey Reports were prepared for the Project Site in September and November 1994 by SCA Environmental, Inc.[112],[113] The September 1994 Report contained a series of data sheets documenting some of the physical characteristics of the buildings. This report did not include any analysis or conclusions about the presence or absence of ACMs. The November 1994 Report summarized the findings of several ACM surveys and concluded that ACMs were found in floor tiles or linoleum sheeting in seven buildings.

Each residential unit at Hunters View contains a domestic hot-water heater and wall-mounted gas heater, with the exception of the Hunters View management offices. The pipe flues which carry the exhaust gases from each heater through the roof contain ACMs. Most buildings contain a central heating and hot water system that has been previously abated of ACMs. None of the building roofing samples tested positive for asbestos. The formica mastic, acoustical ceiling tiles, and baseboard mastics were all determined to be non-asbestos materials.[114]

ACMs have thus been identified in buildings proposed for demolition and release of asbestos fibers into the environment would constitute a significant impact for potential health risks to workers and nearby residents. Regulations, described below, are in place to prevent the accidental upset or release of these hazardous materials, and implementation of these requirements would reduce the risk of accidental exposure during construction to a less-than-significant level. Section 19827.5 of the California Health and Safety Code, adopted January 1, 1991, requires that local agencies not issue demolition or alteration permits until an applicant has demonstrated compliance with notification requirements under applicable federal regulations regarding hazardous air pollutants, including asbestos. The BAAQMD, vested by the California legislature with authority to regulate airborne pollutants, including asbestos, through both inspection and law enforcement is to be notified ten days in advance of any proposed demolition or abatement work in accordance with state regulations.

BAAQMD notification includes: listing the names and addresses of operations and persons responsible; description and location of the structure to be demolished/altered including size, age and prior use, and the approximate amount of friable asbestos; scheduled starting and

[112] SCA Environmental, Inc., *Asbestos Survey Report for Hunter's View Housing, San Francisco, California. Volume 1 – Summary Report.* November 1994.

[113] SCA Environmental, Inc., *Asbestos Survey Report for Hunter's View Housing, San Francisco, California. Volume2 – Building 1501 Appendices.* September 1994.

[114] SCA Environmental, Inc., March 2004.

completion dates of demolition or abatement; nature of planned work and methods to be employed; procedures to be employed to meet BAAQMD requirements; and the name and location of the waste disposal site to be used. The BAAQMD randomly inspects asbestos removal operations and will inspect any removal operation upon which a complaint has been received.

The local office of the State Occupational Safety and Health Administration (OSHA) must be notified of asbestos abatement activities. Asbestos abatement contractors must follow State regulations contained in 8CCR1529 and 8CCR341.6 through 341.14 where there is asbestos-related work involving 100 square feet or more of asbestos containing material. Asbestos removal contractors must be certified as such by the Contractors Licensing Board of the State of California. The owner of the property where abatement is to occur must have a Hazardous Waste Generator Number assigned by and registered with the Office of the California Department of Health Services in Sacramento. The contractor and hauler of the material is required to file a Hazardous Waste Manifest which details the hauling of the material from the site and the disposal of it. Pursuant to California law, the DBI would not issue the demolition permit until the Project Sponsor has complied with the notice requirements described above.

These regulations and procedures, already established as a part of the permit review process, would ensure that any potential impacts due to asbestos removal would be reduced to a less-than-significant level.

Lead: California Division of Occupational Safety and Health Administration standards establish a maximum safe exposure level for types of construction work where lead exposure may occur, including demolition of structures where materials containing lead are present; removal or encapsulation of materials containing lead; and new construction, alteration, repair, and renovation of structures with materials containing lead. Inspection, testing, and removing lead-containing building materials is to be performed by state-certified contractors who are required to comply with applicable health and safety and hazardous materials regulations. The U.S. Department of Housing and Urban Development (HUD) has published guidelines for the evaluation and control of lead-based paint hazards in housing.[115] Typically, building materials with lead-based paint attached are not considered hazardous waste unless the paint is chemically or physically removed from the building debris.

[115] U.S. Department of Housing and Urban Development, *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing*, June 1995, revised 1997.

Lead-Based Paint. Harding ESE, Inc. conducted a Risk Assessment Report Form.[116] The report evaluated the potential for lead-based paint to occur on the site. As a follow up to the Risk Assessment, an Exterior Lead-Based Paint Risk Assessment was performed by SCA Environmental, Inc.[117] Units at 70 Middle Point Road and 90 Middle Point Road had elevated levels of lead requiring remediation of all units in these two buildings. The following building exterior components were also identified as having HUD-defined lead-based paints (LBPs): door casings, window casings and sills, porch overhangs and fascias, concrete foundations, upper walls (wood paneling between windows), roof overhang and fascia, tongue and groove (horizontal wood), corrugated wall (board and batten siding), and metal baseboards (metal stops for decorative panels).

In addition to concerns regarding lead-based paint, lead-contaminated soil was identified in several locations on the Project Site. The soil sampling occurred under building overhangs and contamination is likely due to lead-based paint. Given that the Project Site is not located on Bay fill and is therefore not subject to Article 22A, the Maher Ordinance, there is no nexus for requiring soil sampling to the depth of excavation. However, Mitigation Measures H-3 and H-4, in Chapter IV. p. 200 would reduce impacts from handling contaminated soil to a less-than-significant level.

The lead-based paints identified were too widespread to remediate permanently. Instead remediation was achieved using temporary measures to stabilize and re-paint the exterior finishes.[118] As a result, many, if not all of the buildings proposed for demolition are covered in lead-based paint.

Demolition must comply with Chapter 34, Section 3407 of the *San Francisco Building Code*, Work Practices for Lead-Based Paint on Pre-1979 Buildings and Steel Structures. Where there is any work that may disturb or remove lead paint on any building built on or before December 31, 1978, or any steel structures to which lead-based paint disturbance or removal would occur, and exterior work would disturb more than 100 square- or linear-feet of lead-based paint, Chapter 34 requires specific notification and work standards, and identifies prohibited work methods and penalties.

Chapter 34 contains performance standards, including establishment of containment barriers, at least as effective at protecting human health and the environment as those in the HUD

116 Harding ESE, Inc., *Risk Assessment Report Form for Hunters View*, February 7, 1994.
117 SCA Environmental, Inc., *Summary Report: Exterior Lead-Based Paint Risk Assessment*, March 19, 2004.
118 SCA Environmental, Inc., March 2004.

Guidelines (the most recent Guidelines for Evaluation and Control of Lead-Based Paint Hazards) and identifies prohibited practices that may not be used in disturbance or removal of lead-based paint. Any person performing work subject to the ordinance shall make all reasonable efforts to prevent migration of work debris beyond containment barriers during the course of the work, and any person performing regulated work shall make all reasonable efforts to remove all visible lead paint contaminants from all regulated areas of the property prior to completion of the work.

The ordinance also includes notification requirements, contents of notice, and requirements for signs. Notification includes notifying bidders for the work of any paint inspection reports verifying the presence or absence of lead-based paint in the regulated area of the proposed Project. Prior to commencement of work, the responsible party must provide written notice to the Director of the Department of Building Inspection (DBI) of the location of the Project; the nature and approximate square footage of the painted surface being disturbed and/or removed; anticipated job start and completion dates for the work; whether the responsible party has reason to know or presume that lead-based paint is present; whether the building is residential or nonresidential, owner-occupied or rental property, approximate number of dwelling units, if any; the dates by which the responsible party has or will fulfill any tenant or adjacent property notification requirements; and the name, address, telephone number, and pager number of the party who will perform the work. (Further notice requirements include Sign When Containment is Required, Notice by Landlord, Required Notice to Tenants, Availability of Pamphlet related to protection from lead in the home, Notice by Contractor, Early Commencement of Work [by Owner, Requested by Tenant], and Notice of Lead-Contaminated Dust or Soil, if applicable.) The ordinance contains provisions regarding inspection and sampling for compliance by DBI, and enforcement, and describes penalties for non-compliance with the requirements of the ordinance.

These regulations and procedures established by the *San Francisco Building Code* would ensure that potential impacts associated with lead-based paint disturbance during construction activities would be reduced to a less-than-significant level.

Schools. The Malcolm X Academy, a public elementary school, is adjacent to the south of the Project Site. The following schools are within one mile; Daniel Webster Elementary, Starr King Pre-K, Live Oak School, International Studies Academy, and Friends of Potrero Hill Nursery. The demolition and construction periods of the proposed Project would involve handling hazardous waste, however, given the regulatory compliance required for this activity,

particularly regarding airborne asbestos and ACMs, the proximity of the schools would not be of particular concern, and no additional mitigation is necessary.

Hazardous Materials Sites. Based on information provided by the City and County of San Francisco Department of Public Health, Bureau of Environmental Health Management, Hazardous Materials Unified Program Agency[119] as part of the Phase I report, no spillage or storage of hazardous materials has occurred on site, historically. The former Hunters Point power plant site is listed on the regulatory database as having hazardous materials stored onsite. As reported in the SCA 2004 report, part of the PG&E site is leased to Pacific Bell. Personal communication with the Pacific Bell Engineering Department indicated that the hazardous materials storage consists of a "hut" containing a "cross connection box/server" and cables and electrical test equipment.[120] This storage would not pose a risk to the proposed Project.

There are three Comprehensive Environmental Response, Compensation and Liability Information Systems sites (CERCLIS) within 0.5 miles of the Project Site. They are the United States Postal Service site at 1300 Evans Avenue, the India Basin Boatyard at 894 Innes Avenue and Donco Industries, Inc., also at 894 Innes Avenue. These sites are being screened for inclusion on the National Priorities list. All three sites are downgradient from the Project site; therefore, no impact would occur from these sites. The former Hunters Point power plant at 1000 Evans Avenue is listed on the Resource Conservation and Recovery Act (RCRA) site for storage of oil. No spills or leakage have been reported.

There are six Cortese sites with 0.5 miles of the Project Site. They are the former Hunters Point power plant, Marelich Mechnical at 200 Jennings Street, the United States Postal Service at 1300 Evans Avenue, George Paizi Trustee at 966 Innes Avenue, Blakeway Metal Works at 101 Cargo Way and the Mee Corp. at 895 Innes Avenue. The Cortese database identifies public drinking water wells with detectable levels of contamination, hazardous substance sites selected for remedial action, sites with known toxic material identified through the abandoned site assessment program, sites with USTs having a reportable release and all solid waste disposal facilities from which there is known migration. The Project Site is not included on the Cortese list and all of the listed sites are downgradient from the Project Site; therefore no impact would occur.

[119] SCA Environmental, Inc., March 2004.
[120] SCA Environmental, Inc., March 2004.

Finally, the PG&E Hunters Point power plant is listed on the Department of Toxic Substances Control's (DTSC's) Site Mitigation and Brownfields Reuse Program's EnviroStor database, which identifies sites that have known contamination or warrant further investigation. This listing is a result of polychlorinated biphenyl contamination which was detected in groundwater (not drinking water) in 1995. The contamination is under containment and remediation and is downgradient from the Project Site and therefore would not have an impact on the proposed Project.

Public Airports. The Project Site is at least nine miles from the nearest public airports The Project Site is not located within two miles of any of these airports, nor is it within an Airport Land Use Plan. Therefore, this topic is not applicable.

Private Airstrips. There are no private airstrips in the vicinity of the proposed Project, therefore this topic is not applicable.

Fire Safety; Emergency Response or Evacuation Plans. San Francisco ensures fire safety and emergency accessibility within new and existing developments through provisions of its *Building* and *Fire Codes*. The proposed Project would conform to these standards, which may include development of an emergency procedure manual and an exit drill plan for the proposed development. Potential fire hazards (including those associated with hydrant water pressure and blocking of emergency access points) would be addressed during the permit review process. Conformance with these standards would ensure appropriate life safety protections for new and modified structures. Consequently, the proposed Project would not create a substantial fire hazard nor interfere with emergency access plans.

Cumulative Hazardous Materials. The proposed Project would not have a significant impact on hazardous material conditions on the Project Site or vicinity, nor would the Project contribute to any potential significant cumulative effects.

Topics:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*	*Not Applicable*
9. MINERAL AND ENERGY RESOURCES—Would the Project :					
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☐	☒
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☐	☒

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	☐	☐	☒	☐	☐

Minerals. All land in San Francisco, including the Project Site, is designated Mineral Resource Zone 4 (MRZ-4) by the California Division of Mines and Geology (CDMG) under the Surface Mining and Reclamation Act of 1975 (CDMG, Open File Report 96-03 and Special Report 146 Parts I and II). This designation indicates that there is inadequate information available for assignment to any other MRZ and thus the site is not a designated area of significant mineral deposits. Since the Project Site is already developed, future evaluation or designation of the site would not affect or be affected by the proposed Project. There are no operational mineral resource recovery sites in the project area whose operations or accessibility would be affected by the construction or operation of the proposed Project.

Energy. The proposed Project is a residential development with some commercial and community-serving uses, and associated parking and landscaping. No part of the operation of this Project would result in excessive or wasteful consumption of fuel, water or energy resources. The construction phase of the Project would require watering for air quality purposes, but this would not have a significant effect.

Topics:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact	Not Applicable
10. AGRICULTURE RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. **Would the Project :**					
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☐	☒
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☐	☒
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland of Statewide Importance, to non-agricultural use?	☐	☐	☐	☐	☒

Agricultural Resources. The Project Site is located in the City of San Francisco, an urban area, and therefore is not agricultural in nature. The California Department of Conservation

designates no land within the City boundaries as Williamson Act properties or important farmland.[121] The proposed Project would not convert farmland to a non-agricultural use, would not conflict with agricultural zoning or Williamson Act contracts, nor cause other changes that would lead to the conversion of Farmlands of Statewide Importance to nonagricultural use.

[121] San Francisco is identified as "Urban and Built Up Land" on the California Department of Conservation *Important Farmland of California Map,* 2002. This map is available for viewing on-line at the Department of Conservation website (*http://www.consrv.ca.gov/DLRP/fmmp/images/fmmp2004_11_17.pdf*), accessed for this report February 15, 2007.

IV. MITIGATION MEASURES AND IMPROVEMENT MEASURES

In the course of project planning and design, measures have been identified that would reduce or eliminate potentially significant environmental impacts of the project. Mitigation measures identified in the EIR and listed below would be required by decision makers as conditions of project approval unless they are demonstrated to be infeasible based on substantial evidence in the record. Improvement measures are suggested to reduce adverse environmental effects not otherwise identified as significant environmental impacts. Implementation of some measures may be the responsibility of public agencies. Mitigation measures and improvement measures would be made applicable to the project as part of specific project review. Each mitigation measure and improvement measure and its status is discussed below.

A. TRANSPORTATION AND CIRCULATION

Mitigation Measure D-1: Third Street/Evans Avenue

Baseline Plus Project Conditions

The signalized Third Street/Evans Avenue intersection would degrade from LOS D (average delay of 35.7 seconds per vehicle) to LOS E (average delay of 60.9 seconds per vehicle) with the addition of the project-generated traffic to baseline conditions. The intersection is actuated by video detection equipment and accommodates pedestrians, bicycles, vehicles, and the T-Third Street MUNI line. The T-Third Street MUNI line occupies the center median and makes several trips during the PM peak period. The northbound and southbound through movements are coordinated. The proposed Project would add 324 vehicles per hour to the intersection during the PM peak period. The most significant traffic volume increase would occur at the southbound left turn movement (83 vehicles per hour) which is already projected to operate at LOS F during the PM peak hour in the Baseline Conditions.

The project impacts at the Third Street/Evans Avenue intersection could be mitigated by adjusting the maximum allowable southbound left turn green time. In the Baseline plus Project Conditions, the southbound left turn movement is projected to have an allotted green time of 11 seconds per 100-second cycle (LOS F) and the opposing northbound through movement is projected to have an allotted green time of 37 seconds per 100-second cycle (LOS B). To mitigate the impact caused by the proposed Project, the southbound left turn green time could be increased to 16 seconds per 100-second cycle and the opposing northbound through movement green time could be decreased to 32 seconds per 100-second cycle.

With the signal timing modification, the intersection is expected to operate at LOS D with an average delay of 37.1 seconds per vehicle. It should also be noted that the implementation of the proposed mitigation measure would be dependent upon an assessment of transit and traffic coordination along Third Street and Evans Avenue to ensure that the changes would not substantially affect MUNI transit operations, signal progressions, pedestrian minimum green time requirements, and programming limitations of signals.

While the mitigation measure described above would reduce the significant Project impacts, further analysis is required to determine feasibility. Therefore, the Project would contribute to a significant unavoidable adverse impact at this intersection.

Mitigation Measure D-2: Third Street/25th Street

2025 Cumulative plus Project Conditions

The signalized Third Street/25th Street intersection would degrade from LOS B (average delay of 18.9 seconds per vehicle) to LOS E (average delay of 76.6 seconds per vehicle) with 2025 Cumulative Conditions. The intersection would be actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. Additionally, light rail tracks will occupy the westbound approach to the intersection to access the Metro East MUNI maintenance facility which is currently under construction. Light rail vehicles are not expected to use these tracks during the PM peak period. The northbound and southbound vehicle through movements would be coordinated. The proposed Project would add 280 vehicles per hour to the intersection during the PM peak period – a contribution of 9.9 percent to the overall growth.

A substantial amount of the delay at the Third Street/25th Street intersection would be caused by the permitted eastbound and westbound through- and right-turn movements. 25th Street would have one all-movement lane in each direction. To the west of the intersection, 25th Street is approximately 40 feet wide and accommodates on-street parking. To the east of the intersection, 25th Street is approximately 30 feet wide and does not accommodate on-street parking. With the removal of the on-street parking to the west of the Third Street/25th Street intersection, the eastbound approach would have sufficient width to accommodate a through-left lane and an exclusive right turn lane. The eastbound right turn lane could include an overlap phase to coincide with the northbound left-turn phase, with U-turns from northbound Third Street prohibited. With this modification, the intersection steady demand green time splits could be recalculated, while maintaining a 100-second cycle length. The green time allotted to the T-Third trains and intersection offset would not be modified with the implementation of this mitigation measure. With the re-striping of the eastbound approach, the

removal of on-street parking, addition of an eastbound right-turn overlap phase, and recalculation of the signal timing steady demand green time splits, the Third Street/25th Street intersection would operate at LOS D with an average delay of 35.9 seconds per vehicle.

While mitigation has been identified to reduce impacts, further analysis of some of the measures is required to determine feasibility. Therefore, the Project would contribute to a significant unavoidable cumulative adverse impact at this intersection.

Mitigation Measure D-3: Third Street/Cesar Chavez Street

2025 Cumulative plus Project Conditions

The signalized Third Street/Cesar Chavez Street intersection would degrade from LOS C (average delay of 32.0 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) with 2025 Cumulative Conditions. The intersection would be fully actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. Additionally, light rail tracks will occupy the westbound approach of the intersection to the Metro East MUNI maintenance facility which is currently under construction. Light rail vehicles are not expected to use these tracks during the PM peak period. The northbound and southbound vehicle through movements would be coordinated. The proposed Project would add 343 vehicles per hour to the intersection during the PM peak period – a contribution of 11.3 percent to the overall growth.

A substantial amount of the delay at the Third Street/Cesar Chavez Street intersection would be caused by the permitted eastbound and westbound through- and right-turn movements. The westbound Cesar Chavez approach would consist of one all-movement lane in the 2025 Cumulative Conditions. The eastbound Cesar Chavez approach would consist of two left-turn lanes, one through lane, and one exclusive right turn lane in the 2025 Cumulative Conditions. All intersection approaches would be geometrically constrained by existing structures and the T-Third Street light rail line in the center median. Cycle length at this intersection would be constrained because the signal would be part of the Third Street signal system with a maximum100-second cycle length to allow priority for the Third Street light rail operations.

Given the exclusive eastbound right-turn lane and the northbound left-turn phase, the eastbound right-turn lane could include an overlap phase to coincide with the northbound left-turn phase. With the addition of an eastbound right-turn overlap phase, the Third Street/Cesar Chavez intersection would continue to operate at LOS F with an average delay greater than 80.0 seconds per vehicle.

Changes in signal timing and phasing would not mitigate intersection conditions. To mitigate the intersection to an acceptable level of service, major modifications to the intersection geometry would be required. Due to the constraints on Third Street and Cesar Chavez Street, including existing structures that would have to be acquired, such intersection modifications are not considered feasible. The Project's contribution to 2025 Cumulative Conditions at the Third Street/Cesar Chavez Street intersection would be a significant and unavoidable impact.

Mitigation Measure D-4: Illinois Street/Cargo Way/Amador Street

2025 Cumulative plus Project Conditions

The signalized Illinois Street/Cargo Way/Amador Street intersection would degrade from LOS C (average delay of 26.9 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would accommodate pedestrians, bicycles, vehicles, and a significant amount of heavy truck traffic. Additionally, Union Pacific Railroad tracks will pass through the intersection and the two-lane Illinois Street Bridge to provide rail freight access for local industrial uses. Rail traffic is not expected to use these tracks during the PM peak-period. The proposed Project would add 332 vehicles per hour to the intersection during the PM peak period – a contribution of 18.9 percent to the overall growth.

A substantial amount of the delay at the Illinois Street/Cargo Way/Amador Street intersection would be caused by the protected southbound left- and westbound right-turn movements. The southbound Illinois Street approach would consist of one all-movement lane in the 2025 Cumulative Conditions. The westbound Cargo Way approach would consist of one through lane and one through-right-turn lane in the 2025 Cumulative Conditions. All intersection approaches are geometrically constrained by existing structures and the two-lane Illinois Street Bridge. Cycle length at this intersection would be constrained because the signal would be part of the Third Street signal system with a maximum100-second cycle length to allow priority for the Third Street light rail operations.

The westbound through and right-turn traffic volumes are expected to be similar in the 2025 Cumulative Conditions. Therefore, the westbound approach lanes could be divided into two independent movements – one through lane and one exclusive right-turn lane. Given the exclusive westbound right-turn lane and the southbound left-turn phase, the westbound right-turn lane could include an overlap phase to coincide with the southbound left-turn phase.

With the westbound approach lane reconfiguration, the Illinois Street / Cargo Way / Amador Street intersection would operate at LOS E with an average delay of 56.0 seconds per vehicle in

2025 Cumulative Conditions. To mitigate the intersection to an acceptable level of service, major modifications to the network geometry would be required. Due to the physical constraints at the intersection, particularly on the Illinois Street Bridge, geometric modifications would be infeasible, and the cumulative effects would be significant and unavoidable. Therefore, the Project would contribute to a significant unavoidable cumulative impact at this intersection.

Mitigation Measure D-5: Third Street/Evans Avenue

2025 Cumulative Conditions

The signalized Third Street/Evans Avenue intersection would degrade from LOS E (average delay of 60.9 seconds per vehicle) to LOS F (average delay of more than 80.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would be actuated by video detection equipment and accommodate pedestrians, bicycles, vehicles, and the T-Third Street light rail line. The T-Third Street light rail line occupies the center median. The proposed Project would add 324 vehicles per hour to the intersection during the PM peak period – a contribution of 9.8 percent to the overall growth.

Substantial delays are expected at all intersection movements; specifically, the southbound left-turn movement and the conflicting northbound through movement. All intersection approaches would be constrained by existing structures and the T-Third Street light rail line in the center median.

Based on the heavy traffic volumes and site constraints, signal phasing and signal timing changes would not improve the Third Street/Evans Avenue operations to acceptable levels. The intersection would continue to operate at LOS F. Therefore, the Project would contribute to a significant unavoidable cumulative impact at this intersection.

Mitigation Measure D-6: Middle Point Road/Evans Avenue

2025 Cumulative Conditions

The all-way stop-controlled Middle Point Road/Evans Avenue intersection would degrade from LOS A (average delay of 8.4 seconds per vehicle) to LOS F (average delay of more than 50.0 seconds per vehicle) in the 2025 Cumulative Conditions. The intersection would accommodate pedestrians, bicycles, and vehicles. The proposed Project would add 580 vehicles per hour to the intersection during the PM peak period – a contribution of 22.3 percent to the overall growth.

A substantial amount of the delay at the Middle Point Road/Evans Avenue intersection would be caused by the southbound and westbound approaches. The southbound Middle Point Road/Jennings Street approach would have one all-movement lane. The westbound Evans Avenue approach would have one left-turn lane, one through lane, and one through-right-turn lane.

The expected traffic volumes at the all-way stop-controlled Middle Point Road/Evans Avenue intersection, would meet signal warrants and signalization would be required. With the existing geometry, the intersection would continue to operate at an unacceptable level (LOS F), even with signalization.

Removal of the on-street parking on Middle Point/Jennings to the north of the Middle Point Road/Evans Avenue intersection, would allow the southbound approach to provide an exclusive left-turn lane and a shared left-through-right lane.

With the installation of an actuated-uncoordinated traffic signal, southbound and westbound approach lane reconfiguration, and removal of on-street parking, the Middle Point Road/Evans Avenue intersection would operate at LOS D, with an average delay of 53.1 seconds per vehicle.[122] Implementation of the proposed mitigation measure would be dependent upon an assessment of traffic coordination along Evans Avenue to ensure that the changes would not substantially affect signal progressions, pedestrian conditions requirements, and programming limitations of signals.

While mitigation has been identified to reduce impacts, further analysis is required to determine its feasibility. Therefore, the Project would contribute to a significant unavoidable cumulative adverse impact at this intersection.

Improvement Measure D.1: Construction Traffic

Any construction traffic occurring between 7:00 a.m. and 9:00 a.m. or between 3:30 p.m. and 6:00 p.m. would coincide with peak hour traffic and could temporarily impede traffic and transit flow, although it would not be considered a significant impact. Limiting truck movements to the hours between 9:00 a.m. and 3:30 p.m. (or other times, if approved by SFMTA) would minimize disruption of the general traffic flow on adjacent streets during the AM and PM peak periods. In addition, the Project Sponsor and construction contractor(s) would meet with the Traffic Engineering Division of the SFMTA, the Fire Department, MUNI, and the Planning Department to determine feasible measures to reduce traffic congestion,

[122] For a signalized intersection, a 53.1 second delay would result in an acceptable LOS D.

including transit disruption and pedestrian circulation impacts during construction of the proposed Project.

B. AIR QUALITY

Mitigation Measure E-1.A: Construction Dust Control

Construction activities would generate airborne dust that could temporarily adversely affect the surrounding area. The principal pollutant of concern would be PM_{10}. Because construction-related PM_{10} emissions primarily affect the area surrounding a project site, the BAAQMD recommends that all dust control measures that the BAAQMD considers feasible, depending on the size of the project, be implemented to reduce the localized impact to the maximum extent. To reduce particulate matter emissions during project excavation and construction phases, the Project Sponsor shall comply with the dust control strategies developed by the BAAQMD. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.

- Cover all truck hauling soil, sand, and other loose construction and demolition debris from the site, or require all such trucks to maintain at least two feet of freeboard;
- Water all exposed or disturbed soil surfaces in active construction areas at least twice daily;
- Use watering to control dust generation during demolition of structures or break-up of pavement;
- Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved parking areas and staging areas;
- Sweep daily (with water sweepers) all paved parking areas and staging areas;
- Provide daily clean-up of mud and dirt carried onto paved streets from the site;
- Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc.);
- Limit traffic speeds on unpaved roads to 15 mph;
- Install sandbags or other erosion control measures to prevent silt runoff to public roadways;
- Replant vegetation in disturbed areas as quickly as possible;
- Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more);
- Install wheel washers for all existing trucks, or wash off the tires or tracks of all trucks and equipment leaving the site;
- Install wind breaks at the windward side(s) of construction areas;

- Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 miles per hour over a 30-minute period or more; and
- To the extent possible, limit the area subject to excavation, grading, and other dust-generating construction activity at any one time.

Mitigation Measure E-1.B: Construction Equipment Emissions

Reduce emissions from heavy-duty diesel-powered equipment. The Project Sponsor shall implement measures to reduce the emissions of pollutants generated by heavy-duty diesel-powered equipment operating at the Project Site during project excavation and construction phases. The Project Sponsor shall include in construction contracts the following requirements or other measures shown to be equally effective.

- Keep all construction equipment in proper tune in accordance with manufacturer's specifications;
- Use late model heavy-duty diesel-powered equipment at the project site to the extent that it is readily available in the San Francisco Bay Area;
- Use diesel-powered equipment that has been retrofitted with after-treatment products (e.g., engine catalysts) to the extent that it is readily available in the San Francisco Bay Area;
- Use low-emission diesel fuel for all heavy-duty diesel-powered equipment operating and refueling at the project site to the extent that it is readily available and cost effective in the San Francisco Bay Area (this does not apply to diesel-powered trucks traveling to and from the site);
- Utilize alternative fuel construction equipment (i.e., compressed natural gas, liquid petroleum gas, and unleaded gasoline) to the extent that the equipment is readily available and cost effective in the San Francisco Bay Area;
- Limit truck and equipment idling time to five minutes or less;
- Rely on the electricity infrastructure surrounding the construction sites rather than electrical generators powered by internal combustion engines to the extent feasible.

Mitigation Measure E-2: Naturally Occurring Asbestos Control

The Project Site is known to have serpentine rock that contains naturally occurring asbestos, disturbance to which could result in potentially significant impacts to air quality. The Project Sponsor will be responsible for compliance with Toxic Control Measures for Construction, Grading, Quarrying, and Surface Mining Operation as enforced by CARB. These measures require that areas greater than one acre that have any portion of the area to be disturbed located in a geographic ultramafic rock unit or has naturally occurring asbestos, serpentine, or ultramafic rock as determined by the sponsor or an Air Pollution Control Officer shall not

engage in any construction or grading operation on property where the area to be disturbed is greater than one acre unless an Asbestos Dust Mitigation Plan for the operation has been:

- Submitted to and approved by the district before the start of any construction or grading activity; and
- The provisions of that dust mitigation plan are implemented at the beginning and maintained throughout the duration of the construction or grading activity.

Compliance with these dust control measures would reduce air quality impacts to a less-than-significant level.

C. NOISE

Mitigation Measure F-1: Construction Noise

To the extent feasible, the Project Sponsor shall limit construction activity to the hours of 7:00 a.m. to 6:00 p.m. on weekdays, and 7:00 a.m. to 5:00 p.m. on Saturdays and Sundays. If nighttime construction is required, the Project Sponsor shall apply for, and abide by the terms of, a permit from the San Francisco Department of Public Works. The Project Sponsor shall require contractors to comply with the City Noise Ordinance.

Construction contractors shall implement appropriate additional noise reduction measures that include using noise-reducing mufflers and other noise abatement devices, changing the location of stationary construction equipment, where possible, shutting off idling equipment, and notifying adjacent residences and businesses in advance of construction work. In addition, the Project Sponsor shall require the posting of signs prior to construction activities with a phone number for residents to call with noise complaints.

Mitigation Measure F-2: Construction Vibration

The Project Sponsor shall provide notification to the closest receptors, at least ten days in advance, of construction activities that could cause vibration levels above the threshold.

The Project Sponsor shall require construction contractors to conduct demolition, earthmoving, and ground-impacting operations so as not to occur in the same time period.

The Project Sponsor shall require construction contractors to, where possible, and financially feasible, select demolition methods to minimize vibration (e.g., sawing masonry into sections rather than demolishing it by pavement breakers)

The Project Sponsor shall require construction contractors to operate earthmoving equipment on the construction site as far away from vibration sensitive sites as possible.

The construction contractor shall implement methods to reduce vibration, including, but not limited to, sound attenuation barriers, cutoff trenches and the use of smaller hammers.

Mitigation Measure F-3: Mechanical Equipment

The proposed Project is zoned as Residential-1 zone, which is prohibited by *San Francisco Police Code Section 2909*, to have a fixed source noise that exceeds 50 dBA, at the property line, between 10:00 p.m. and 7:00 a.m. The proposed Project's mechanical equipment could exceed 50 dBA at the property line. The Project sponsor shall provide shielding to minimize noise from stationary mechanical equipment, including ventilation units, such that noise levels from the equipment at the nearest property line would be below 50 dBA.

The incorporation of Mitigation Measures F-1, F-2 and F-3 would reduce construction and operational noise and vibration impacts to less than significant levels.

D. BIOLOGICAL RESOURCES

Mitigation Measure G-1: Bird Nest Pre-Construction Survey

Given that the presence of mature eucalyptus trees *(Eucalyptus* sp.*)* on the Project Site could potentially provide nesting habitat for raptors (i.e., birds of prey) such as red-tailed hawk and American kestrel, among others, tree removal associated with the proposed Project could result in "take" caused by the direct mortality of adult or young birds, nest destruction, or disturbance of nesting native bird species (including migratory birds and other special-status species) resulting in nest abandonment and/or the loss of reproductive effort. Bird species are protected by both state (CDFG Code Sections 3503 and 3513) and federal (Migratory Bird Treaty Act of 1918) laws. Disruption of nesting birds, resulting in the abandonment of active nests, or the loss of active nests through structure removal would be a potentially significant impact.

The Project Sponsor shall retain a qualified biologist to conduct preconstruction breeding-season surveys (approximately March 15 through August 30) of the Project Site and immediate vicinity during the same calendar year that construction is planned to begin, in consultation with the City of San Francisco and CDFG.

- If phased construction procedures are planned for the proposed Project, the results of the above survey shall be valid only for the season when it is conducted.
- A report shall be submitted to the City of San Francisco, following the completion of the bird nesting survey that includes, at a minimum, the following information:
  - A description of methodology including dates of field visits, the names of survey personnel with resumes, and a list of references cited and persons contacted.

- A map showing the location(s) of any bird nests observed on the Project Site.

If the above survey does not identify any nesting bird species on the project site, no further mitigation would be required. However, should any active bird nests be located on the Project Site, the following mitigation measure shall be implemented.

Mitigation Measure G-2: Bird Nest Buffer Zone

The Project Sponsor, in consultation with the City and County of San Francisco and California Department of Fish and Game (CDFG), shall delay construction in the vicinity of active bird nest sites located on or adjacent to the Project Site during the breeding season (approximately March 15 through August 30) while the nest is occupied with adults and/or young. If active nests are identified, construction activities should not occur within 500 ft of the nest. A qualified biologist, determined by the Environmental Review Officer, shall monitor the active nest until the young have fledged, until the biologist determines that the nest is no longer active, or if it is reasonable that construction activities are not disturbing nesting behaviors. The buffer zone shall be delineated by highly visible temporary construction fencing.

Implementation of Mitigation Measures G-1 and G-2 will avoid significant adverse effects on bird species.

Mitigation Measure G-3: Serpentine Grassland Pre-Construction Measures on the PG&E Property

Remaining examples of serpentine grassland are extremely rare in the Bay Area; each remnant lost contributes to the overall decline of biodiversity within the region. Many of the native plant species associated with serpentine grasslands are endemic (i.e., locally restricted) to this habitat type. If the Project Sponsor can obtain site control for an easement on the PG&E property, construction of the proposed pedestrian walkway from the Hunters View site could impact remnants of serpentine grassland on the PG&E site. Any loss of serpentine grassland could represent a potentially adverse impact to this community type.

Due to the presence of steep slopes, all construction activities associated with the pedestrian route on the PG&E property, if it is developed, shall occur during the dry season (typically from the end of May to mid-October) to limit the likelihood of soil erosion and to minimize the need to install erosion-control barriers (e.g., silt fencing, wattles) that may impact existing serpentine bunchgrass remnants from their placement along slope contours.

Prior to the initiation of any construction activities on the PG&E property, the Project Sponsor shall prepare a detailed plan showing proposed construction-related activities on the PG&E site. A qualified botanist familiar with serpentine bunchgrass communities shall conduct a pre-

construction survey of the PG&E property, during the portion of the growing season when most native vascular plant species previously documented as occurring on the site are evident and readily identifiable. Any areas containing remnants of serpentine bunchgrass habitat outside the proposed footprint for the walkway (including access routes), but within 20 feet of these areas shall be clearly delineated by appropriate avoidance markers (e.g., orange construction fencing, brightly colored flagging tape on lath stakes). An appropriate access route to and from the walkway area shall be developed, utilizing existing service roads and/or concrete building pads to avoid remnants of serpentine bunchgrass. Staging areas for this construction shall be limited to areas where remnants of serpentine bunchgrass do not occur.

The Project Sponsor shall conduct Worker Environmental Awareness Program (WEAP) training for construction crews (primarily crew and construction foreman) and City inspectors before construction activities begin. The WEAP shall include a brief review of the serpentine bunchgrass resource that occurs on the PG&E site. The program shall also cover all mitigation measures, and proposed Project plans, such as BMPs and any other required plans. During WEAP training, construction personnel shall be informed of the importance of avoiding ground-disturbing activities outside of the designated work area. The designated biological monitor shall be responsible for ensuring that construction personnel adhere to the guidelines and restrictions. WEAP training sessions shall be conducted as needed for new personnel brought onto the job during the construction period.

Mitigation Measure G-4: Serpentine Habitat Avoidance on the PG&E Property

Best Management Practices (BMPs) shall be employed during all construction activities on the PG&E site (e.g., all fueling of equipment within designated areas, containment of hazardous materials in the advent of accidental spills).

Mitigation Measure G-5: Serpentine Habitat Post-Construction Clean-Up on the PG&E Property

After construction is complete, all trash shall be removed from within the PG&E site.

Mitigation Measure G-6: Serpentine Habitat Replanting on the PG&E Property

After construction is complete, all areas of identified serpentine bunchgrass habitat on the PG&E property impacted by construction activities shall be restored to a level equal to, or exceeding the quality of habitat that existed before impacts to these habitats occurred. Mitigation shall be achieved by implementation of the following planting plan:

- Installation of transplants and/or planting of locally-collected seeds from native plant species associated with serpentine grassland habitats into areas impacted by the

proposed Project. The frequency, density, and distribution of native species used within the mitigation plantings shall be determined through consultation with appropriate resource agencies, organizations, and practitioners. Installation shall be supervised by a qualified horticulturalist or botanist. Measures to reduce transplant mortality may include, but are not limited to the following:

- Placement of cages, temporary fences, or other structures to reduce small mammal access, until transplants are sufficiently established;
- Any weeding around transplants to reduce competition from non-native species shall be done manually;
- Placement of a temporary irrigation system or periodic watering by mobile equipment sources for the first two years until transplants are sufficiently established.

General success of the mitigation plantings shall be measured by the following criteria:

Periodically assess the overall health and vigor of transplants during the growing season for the first three years; no further success criteria is required if transplants within the mitigation plantings have maintained a 70 percent or greater success rate by the end of the third year. If transplant success rate is below 70 percent by the end of the third year, a contingency plan to replace transplants due to mortality loss (e.g., foraging by small mammals, desiccation) shall be implemented.

Implementation of Mitigation Measures BIO.3 through BIO.6 will avoid significant adverse effects on serpentine grassland habitat.

Mitigation Measure G-7: Significant trees

The Project will comply with Article 16 of the Public Works Code for protection for significant trees. "Significant trees" are defined as trees within 10 feet of a public right-of-way, and also meet one of the following size requirements:

- 20 feet or greater in height;
- 15 feet or greater in canopy width; or
- 12 inches or greater diameter of trunk measured at 4.5 feet above grade.

Street trees are also protected by the City's Urban Forestry Ordinance and both require a permit for removal. Some tree species within the Project Site meet the criterion of "Significant Tree" status; before construction occurs within any portions of the Project Site that could contain "Significant Trees," a tree survey shall be performed by a qualified arborist, and a map shall be prepared showing the genus and species, location, and drip line of all trees greater than 36 inches in diameter at breast height (DBH) or greater that are proposed to be altered, removed, or relocated. Any removal of these trees associated with the proposed Project will require a

permit review, and replacement of affected "significant" trees as specified in the ordinance. Adherence to the ordinance will avoid the potential impact on the loss of significant trees.

Improvement Measure G-1: Native Species Replanting

Once construction activities are completed a long-term program could be implemented to enhance and restore the existing serpentine bunchgrass habitat on the PG&E site and/or create "native habitat" areas on the Project Site. This Improvement Measure would create "native habitat" areas on some portions of the Project Site that are planned for landscaping or open space as part of the Project. Implementation of this Improvement Measure on the PG&E property would be the responsibility of PG&E.

- Seeds of locally-collected native species could be collected from valid reference sites within the surrounding area. From these seeds, transplants could be raised by local gardening clubs, science classes from local public schools, etc. Installation would be supervised by a qualified horticulturalist and/or botanist.
- On-going community programs undertaken by local citizen groups to remove trash and rehabilitate degraded portions of the PG&E site to expand higher-quality serpentine grassland habitat could be conducted.
- Management of invasive, non-native herbaceous and woody species would include reseeding of native plants and manual removal (e.g., by hand, loppers, chainsaws), and possibly some selective chemical applications to control highly competitive exotic species. Invasive, non-native tree species such as eucalyptus[123] could be systematically removed after any pre-construction nesting surveys for bird species have been conducted.
- A long-term monitoring program could be implemented by enlisting the support from science educators from local public schools and community colleges. Permanent transects could be established to document the changes in floristic composition in terms of the frequency, density, and distribution of native plant species throughout the PG&E site.

The incorporation of Mitigation Measures G-1, G-2 and G-7 would reduce impacts to biological resources that could result from the proposed Project to a less-than-significant level. If the Project Sponsor obtains control over a small portion of the PG&E site via easement or other agreement with PG&E, and chooses to pursue the construction of a pedestrian walkway across

[123] Blue gum (*Eucalyptus globulus*) and red gum (*Eucalyptus camaldulensis*) are both recognized by the California Invasive Plant Council (Cal-IPC) as invasive pest plant species in the state of California. Eucalyptus trees produce several volatile and water-soluble toxins in their tissues (including leaf and bark litter) that are allelopathic (i.e., they release chemicals in the soil that inhibits the growth and/or establishment of surrounding vegetation, including native herbaceous plant species). Although eucalyptus trees benefit from this form of "chemical warfare," the herbaceous groundlayer is often depauperate and provides extremely limited habitat opportunities for local wildlife populations.

that site, the incorporation of Mitigation Measures G-3, G-4, G-5, and G-6 would reduce impacts from construction on the PG&E site to a less-than-significant level. In addition to Mitigation Measures G-3–G-6, Improvement Measure G-1 could also be incorporated to further enhance habitat on the PG&E site, and/or create "native habitat" on the Project Site if the Project Sponsor so chooses.

E. OTHER IMPACTS DETERMINED TO BE LESS THAN SIGNIFICANT WITH MITIGATION

Mitigation Measure H-1: Archaeological Resources

Based on the reasonable potential that archaeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed Project on buried or submerged historical resources. The Project Sponsor shall retain the services of a qualified archaeological consultant having expertise in California prehistoric and urban historical archeology. The archaeological consultant shall undertake an archaeological monitoring program. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the proposed Project for up to a maximum of four weeks. At the direction of the ERO, the suspension of *construction* can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less-than-significant level potential effects on a significant archaeological resource as defined in CEQA Guidelines Sect. 15064.5 (a)(c).

Archaeological monitoring program (AMP). The archaeological monitoring program shall minimally include the following provisions:

- The archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archeologist shall determine what project activities shall be archaeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archaeological monitoring because of the potential risk these activities pose to archaeological resources and to their depositional context;
- The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource;

- The archaeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits;
- The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.

If the ERO in consultation with the archaeological consultant determines that a significant archaeological resource is present and that the resource could be adversely affected by the proposed Project, at the discretion of the Project Sponsor either:

- The proposed Project shall be re-designed so as to avoid any adverse effect on the significant archaeological resource; or
- An archaeological data recovery program shall be implemented, unless the ERO determines that the archaeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

  If an archaeological data recovery program is required by the ERO, the archaeological data recovery program shall be conducted in accord with an archaeological data recovery plan (ADRP). The project archaeological consultant, Project Sponsor, and ERO shall meet and consult on the scope of the ADRP. The archaeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archaeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed Project. Destructive data recovery methods shall not be applied to portions of the archaeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures*. Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis*. Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy*. Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program*. Consideration of an on-site/off-site public interpretive program during the course of the archaeological data recovery program.
- *Security Measures*. Recommended security measures to protect the archaeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report*. Description of proposed report format and distribution of results.
- *Curation*. Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.
- *Human Remains, Associated or Unassociated Funerary Objects*. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archaeological consultant, Project Sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.
- *Final Archaeological Resources Report*. The archaeological consultant shall submit a Draft Final Archaeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the draft final report.

Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Major Environmental Analysis division of the Planning Department shall receive three copies of the FARR along with copies of

any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.

Compliance with this mitigation measure would reduce impacts to undiscovered cultural resources to a less-than-significant level.

Mitigation Measure H-2: Hazardous Building Materials Survey

Given the age of the buildings to be demolished it is likely that Hazardous Building Materials are present. Improper disposal of these materials could result in a potentially significant impact to the environment.

Therefore, prior to demolition of existing buildings, light fixtures and electrical components that contain PCBs or mercury should be identified, removed and disposed of in accordance with the Department of Toxic Substances Controls "universal waste" procedures. Compliance with these procedures would reduce impacts to a less-than-significant level.

Mitigation Measure H-3: Contaminated Soil Identification

Lead contaminated soil was identified in several locations on the Project Site. The improper handling or disposal of lead contaminated soil would constitute a significant impact.

Therefore, prior to issuance of a grading permit a Phase II analysis should be conducted on the Project Site. The Phase II shall include comprehensive soil sampling and laboratory analysis with the goal of identifying lead, chromium and contaminated soils. The scope of this Phase II analysis should be developed in cooperation with the San Francisco Department of Public Health.

If the results of this Phase II analysis indicate that contaminated soils is, in fact present on the site, Mitigation Measure H-4, below, shall also be incorporated.

Mitigation Measure H-4: Contaminated Soil Disposal

Based on the findings of the Phase II analysis conducted under Mitigation Measure H-3, a soil remediation and disposal plan shall be developed that includes a plan for on-site reuse or disposal of contaminated soils. In the event that soils are contaminated beyond DTSC thresholds, load-and-go procedures should be identified as well as the Class I landfill for disposal.

Incorporation of Mitigation Measures H-3 and H-4 would reduce impacts that result from handling and disposal of contaminated soils to a less-than-significant level.

V. OTHER CEQA ISSUES

This chapter discusses other CEQA-required topics, including growth-inducing impacts, significant and unavoidable environmental effects of the proposed Project, and irreversible environmental changes.

A. GROWTH INDUCEMENT

Growth inducement analyses under CEQA considers the ways in which proposed projects could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment.[124] Projects that are traditionally or most commonly considered growth inducing are those that would remove obstacles to population growth (for example, a major expansion of a wastewater treatment plant may allow for more construction in its service area, or a new freeway may allow growth at freeway exits).

Growth in the area is an inherent impact of the proposed Project. The basic premise of the Project is to alter the land use, density, and character of the Project site by providing residential and employment opportunities. If successfully implemented, the proposed Project would be expected to create additional population, employment, and housing growth in the Project vicinity. The potential impacts associated with this growth are analyzed in the EIR for the proposed Project.

This discussion considers how approval of the proposed Project could potentially affect growth elsewhere in San Francisco. The proposed Project would replace the existing Hunters View public housing with up to 800 new units that would include 267 public housing units that would replace one-for-one the demolished units. Employment at the site would be expected to increase under the proposed Project by up to 25 retail jobs, plus other building management and maintenance jobs. Therefore, the proposed Project would not cause substantial growth or concentration in employment that would result in significant growth-inducing impacts related to employment.

With anticipated new housing construction, the proposed Project would increase the City's overall housing stock. However, implementation of the proposed Project would not represent a significant growth in housing in the context of the City as a whole.

The proposed Project is located in an urban area that is already served by the City's municipal infrastructure and public services. No expansion to municipal infrastructure or public services

[124] CEQA Guidelines, Section 15126.2(d).

not already under construction or included with the Project would be required to accommodate new development directly or indirectly induced by the proposed Project. The proposed Project would not result in development of new public services that would accommodate significant further growth. For these reasons, the Project would not be considered to result in significant growth-inducing impacts.

B. SIGNIFICANT ENVIRONMENTAL EFFECTS THAT CANNOT BE AVOIDED IF THE PROPOSED PROJECT IS IMPLEMENTED

In accordance with Section 21100 (b)(2)(A) of CEQA, and Section 15126.2(b) of the State *CEQA Guidelines*, this section identifies significant impacts that could not be eliminated or reduced to an insignificant level by implementation of mitigation measures included as part of the project or by other mitigation measures that could be implemented, identified in Section IV, Mitigation Measures and Improvement Measures. This section is subject to final determination by the San Francisco Planning Commission as part of the certification process for the EIR. If necessary, this section will be revised in the Final EIR to reflect the findings of the Commission.

Under Baseline plus Project Conditions at Third Street/Evans Avenue, the intersection would operate at unacceptable levels (LOS E). While mitigation has been identified to reduce impacts, further analysis is required to determine feasibility of some of the measures. Therefore, the Project would contribute to a significant unavoidable adverse impact at this intersection.

Under 2025 Cumulative Conditions, five study intersections would operate at unacceptable levels (LOS E or worse): Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue. The proposed Project would contribute to significant cumulative adverse impacts at those intersections. Chapter IV identifies mitigation measures for project conditions at Third Street/Evans Avenue and for cumulative conditions at Third Street/Twenty-Fifth Street, Third Street/Cesar Chavez, Illinois Street/Cargo Way/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue.

The EIR concludes that mitigation measures to attain acceptable LOS for cumulative conditions at the Third Street/Evans Avenue, Third Street/Cesar Chavez Street, and Illinois Street/Cargo Way/Amador Street intersections would not be feasible, and the cumulative impacts at those three intersections would be significant and unavoidable. Therefore, the proposed Project would contribute to significant unavoidable cumulative adverse impacts at these three intersections. Proposed mitigation at Third Street/25th Street and Middle Point Road/Evans Avenue would require further assessment by the Municipal Transportation Authority, and therefore the feasibility of some of those measures has not been determined. Therefore, the

Project would contribute to significant unavoidable cumulative adverse impacts at these intersections.

C. SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES WHICH WOULD BE CAUSED BY THE PROPOSED PROJECT SHOULD IT BE IMPLEMENTED

The proposed Project would use non-renewable energy or material resources to construct and operate the Project. However, as discussed in Chapter III, Environmental Setting and Impacts, such uses in this urban area would not have significant adverse effects. Transportation facilities, infrastructure, public services, and utilities are available to serve to the Project. While on-site improvements would be provided as part of the development, the Project would not require significant expansion or extension of infrastructure or public services. Development and occupancy of the Project would not create a substantial potential for environmental accidents or irretrievable commitment of resources beyond that expected for residential uses in an urban area. Thus, the Project would not cause irreversible environmental changes

VI. ALTERNATIVES TO THE PROPOSED PROJECT

As stated in Section 15126.6 (a) of the *CEQA Guidelines*, "an EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project, but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives."

This section identifies potentially feasible alternatives to the proposed Project and discusses potential environmental impacts associated with these alternatives. Project decision makers could approve an alternative instead of the proposed Project, if that alternative would substantially reduce or eliminate significant impacts of the project and is determined feasible. The determination of feasibility will be made by project decision makers on the basis of substantial evidence in the record, which shall include, but not be limited to, information presented in the EIR and in comments received on the Draft EIR.

Three alternatives are evaluated in this section: Alternative A: No Project; Alternative B: Reduced-Project Alternative; Alternative C: No-Rezoning Alternative: Proposed Project with No Change in Height and Bulk Controls.

Any of the alternatives could be implemented under City controls but would require many of the same approvals as the proposed Project.

No alternative sites have been identified within San Francisco where the project could be constructed and meet the Project Sponsors' objectives, and where the Project's environmental effects would be substantially lessened or avoided. Therefore, an off-site alternative is not considered.

A. ALTERNATIVE A: NO PROJECT

DESCRIPTION

The No Project Alternative would entail no physical land use changes at the project site. The existing 267-unit Hunters View public housing would remain in its current configuration and overall condition. As discussed in Chapter II, Project Description, the Hunters View buildings, due to both their poor initial construction and deferred maintenance, resulting from inadequate funding, are considered to have deteriorated beyond repair. The San Francisco Housing Authority (SFHA) has applied for U.S. Department of Housing and Urban Development (HUD) HOPE VI assistance three times without success (due, it is believed, to the City having received five previous HOPE VI grants and the reduction/proposed elimination of the HOPE VI

program). No funding sources appear available that would allow the existing Hunters View buildings to be feasibly improved in place.

IMPACTS

If the No Project Alternative were implemented, none of the impacts or benefits associated with the proposed Project would occur. The existing 267-unit Hunters View public housing would remain in its current deteriorated condition. Vacancies at the site would likely continue to increase. The environmental characteristics of this alternative would generally be as described in the environmental setting sections of Chapter III. Land uses, urban design, visual quality, circulation, parking, and other physical characteristics of the site and vicinity would not immediately change, except as a result of nearby development, as a result of market forces and implementation of the *Bayview Hunters Point Redevelopment Plan,* discussed in Section III.A, Plans and Polices, p. 54. This alternative would be inconsistent with goals of the *Bayview Hunters Point Redevelopment Plan*, which include "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," and other Plan goals to improve the street pattern and connect neighborhoods to open space.

The No Project Alternative would not increase residential and retail uses at the site, and would not generate additional vehicle trips that would contribute to significant unavoidable adverse impacts for Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. Those effects would still occur.

B. ALTERNATIVE B: REDUCED-PROJECT ALTERNATIVE

DESCRIPTION

The Reduced-Project Alternative is intended to avoid the proposed Project's contribution to significant unavoidable adverse impacts for Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. The Reduced-Project alternative, with the same retail and community uses as the proposed Project, would have a total of approximately 260 residential units, compared to up to 800 units with the Project. The 260 units would provide one-for-one replacement of the public housing units affordable to very low income residents. There are currently 267 units at Hunters View, of which only 167

and market-rate units. There are currently 267 units at Hunters View, of which only 167 are currently occupied. With this alternative, the Project Site could be developed in a manner similar to the proposed Project, with a new street and block pattern, but with lower overall density compared to the proposed Project, essentially replacing one-for-one, the existing occupied and unoccupied units. New buildings would be developed consistent with the existing 40-X Height and Bulk District, and the alternative would not require a zoning change to establish a 65-foot height limit, as with the proposed Project.

IMPACTS

The Reduced-Project Alternative would be generally consistent with the *Bayview Hunters Point Redevelopment Plan*, but would not respond fully to the goals to "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," because of the limited increase in affordable and market-rate housing at the site.

This alternative would have other characteristics similar to those of the proposed Project, and its potential environmental effects—except as noted below—would be similar to those described for the proposed Project in Chapter III, Environmental Setting and Impacts. Mitigation and improvement measures described in Chapter IV would also apply to this alternative. Differences between this alternative and the proposed Project with respect to transportation impacts are discussed below.

As discussed in Section III.D, Transportation, p. 101, 2025 Cumulative Conditions at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections would result in Levels of Service (LOS) E or LOS F. The transportation analysis found that potential mitigation measures to improve the LOS to acceptable levels (LOS D or better) at those five intersections would either not be feasible or would require further assessment of feasibility. Thus, the Project contribution to unavoidable cumulative impacts would be a significant effect. The 260-unit Reduced-Project Alternative would generate fewer peak-hour vehicle trips than the proposed Project, and contribute about five percent to the growth in 2025 at the Middle Point Road/Evans Avenue intersection. This would avoid a significant contribution to the LOS F condition at that intersection, and to significant contributions at the other four affected intersections. However, other cumulative traffic growth would still result in LOS E or F. (It is noted that a 411-unit alternative would avoid the significant Project contribution at the other four intersections, but would still have a greater than five percent effect at Middle Point Road/Evans Avenue intersection.)

This alternative would limit the ability of the Project Sponsor to meet many of the Project objectives: to develop up to 800 units of mixed-income housing; to provide unit types to best meet the needs of the current and future residents; to continue to provide affordable housing opportunities yet decrease the concentration of public housing units by adding additional mixed-income units; to create affordable and market rate home ownership opportunities; to use the sales proceeds from the market-rate home ownership component to help finance the construction of the public housing units.

C. ALTERNATIVE C: NO-REZONING ALTERNATIVE

DESCRIPTION

The No-Rezoning Alternative would have the same uses as the Project, but would not propose a Zoning Map Amendment to rezone the Project Site from 40-X To 65-X. The alternative, with the same retail and community uses as the proposed Project, would have a total of about 670 residential units, compared to up to 800 units with the proposed Project. The 670 units would provide one-for-one replacement of the public housing units affordable to very low income residents, and about 400 additional units, which would be a mix of affordable and market-rate units. With this alternative, the Project site could be developed in a manner similar to the proposed Project, with a new street and block pattern, but with lower overall density and building design compared to the proposed Project. New buildings would be developed consistent with the existing 40-X Height and Bulk District.

IMPACTS

The No-Rezoning Alternative would be generally consistent with the *Bayview Hunters Point Redevelopment Plan*, but would not respond fully to the goals to "encourage construction of new affordable and market rate housing at locations and density levels that enhance the overall residential quality of Bayview Hunters Point," because of the more limited increase in affordable and market-rate housing at the site.

This alternative would have other characteristics similar to those of the proposed Project, and its potential environmental effects would be similar to those described for the proposed Project in Chapter III, Environmental Setting and Impacts. Urban design and visual quality effects of this alternative would differ from those with the proposed Project, as there would be no buildings greater than 40 feet in height. However, as the Project would not have significant adverse visual quality effects, the No-Rezoning Alternative would not change that conclusion. Mitigation and improvement measures described in Chapter IV would also apply to this alternative.

As discussed in Section III.D, Transportation, Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions at the five intersections noted would result in LOS E or LOS F, and the Project contribution to significant unavoidable adverse impacts would be significant. This alternative would generate fewer peak-hour vehicle trips than the proposed Project, but would still be considered to contribute to significant unavoidable traffic impacts.

This alternative would limit the ability of the Project Sponsor to meet many of the Project objectives: to develop up to 800 units of mixed-income housing; to provide unit types to best meet the needs of the current and future residents; to continue to provide affordable housing opportunities yet decrease the concentration of public housing units by adding additional mixed-income units; to use the sales proceeds from the market-rate home ownership component to help finance the construction of the public housing units.

D. ENVIRONMENTALLY SUPERIOR ALTERNATIVE

Section III, Environmental Setting and Impacts, determined that impacts in the following issue areas would be less than significant or less than significant with mitigation: aesthetics, cultural resources, noise, air quality, wind and shadow, recreation, utilities and service systems, public services, biological resources, geology and soils, hydrology and water quality, hazards/hazardous materials, mineral/energy resources, and agricultural resources.

The proposed Project would contribute to significant unavoidable adverse impacts for Baseline plus Project Conditions at Third Street/Evans Avenue and 2025 Cumulative Conditions on Levels of Service at the Third Street/25th Street, Third Street/Cesar Chavez Street, Illinois Street/Cargo Avenue/Amador Street, Third Street/Evans Avenue, and Middle Point Road/Evans Avenue intersections. The Reduced-Project Alternative, discussed above, would not have a significant contribution to the 2025 Cumulative Conditions. Based on this preliminary analysis, the environmentally superior alternative would be the Reduced-Project Alternative. However, other cumulative traffic growth would still result in unavoidable LOS E or F at the noted intersections.

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1630 Holloway Avenue
San Francisco, CA 94132

NEARBY PROPERTY OWNERS

Property owners and occupants in the project vicinity were sent Notices of Availability of the Draft EIR. A complete list of names and addresses is available by appointment.

APPENDIX A: SPECIAL STATUS SPECIES POTENTIALLY OCCURRING WITHIN THE VICINITY OF THE HUNTERS VIEW STUDY AREA

APPENDIX A
SPECIAL STATUS SPECIES[a] POTENTIALLY OCCURRING WITHIN THE VICINITY OF THE HUNTERS VIEW STUDY AREA

Common Name	Scientific Name	Status[b] Fed/ CA/ other	Habitat and Seasonal Distribution in California	Likelihood of Occurrence Within the Study Area Vicinity3
			Plants	
SanMateo thorn-mint	*Acanthomintha duttonii*	FE/SE/1B.1	Chaparral and valley and foothill grassland habitats, often on serpentinite soil substrates. 50 – 300 meters; blooms April – June	**Not Likely**. Although potentially suitable serpentinite soil substrates occur within the Study Area, there are no recorded occurrences of this species within 5 miles of the Study Area; species of *Acanthomintha* not observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Franciscan onion	*Allium peninsulare* var. *franciscanum*	none/none/1B.2	Cismontane woodland and valley and foothill grassland habitats, often on clay or serpentinite soil substrates. 100 – 300 meters; blooms May – June	**Not Likely**. Although potentially suitable serpentinite soil substrates occur within the Study Area, there are no recorded occurrences of this species within 5 miles of the Study Area; species of *Acanthomintha* not observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Bent-flowered fiddleneck	*Amsinckia lunaris*	none/none/1B.2	Coastal bluff scrub, cismontane woodland, and valley and foothill grassland habitats. 3 – 500 meters; blooms March – June	**Not Likely**. Although there is a recorded occurrence of this species within 5 miles of the Study Area, no species of *Amsinckia* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Big-scale balsamroot	*Balsamorhiza macrolepis* var. *macrolepis*	none/none/1B.2	Occurs in chaparral, cismontane woodland, and valley and foothill grassland, sometimes in serpentine soil substrates at elevations ranging from 90 – 1400 meters; blooms March to June.	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Balsamorhiza* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Franciscan thistle	*Cirsium andrewsii*	none/none/1B.2	Broadleafed upland forest, coastal bluff scrub, coastal prairie, and coastal scrub habitats, often in association with serpentinite soils. 0 – 150 meters; blooms March – July	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no native species of *Cirsium* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Fountain thistle	*Cirsium fontinale* var. *fontinale*	FE/SE/1B.1	Openings in chaparral habitats; valley and foothill grassland habitats in association with serpentinite seeps. 90 – 175 meters; blooms June – October	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no native species of *Cirsium* were observed during floristic surveys

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				conducted by CNPS (2005) and PBS&J (2007).
Presidio clarkia	*Clarkia franciscana*	FE/SE/1B.1	Occurs in coastal scrub and valley and foothill grassland, often on serpentine soils. 25 – 335 meters; blooms May – July	**Not Likely**. Known from fewer than 5 occurrences. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Clarkia* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Hillsborough chocolate lily	*Fritillaria biflora* var. *ineziana*	none/none/1B.1	Cismontane woodland and valley and foothill grassland habitats in association with serpentinite soils. 150 meters; blooms March – April	**Not Likely**. Known only from the Hillsborough area. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no native species of *Fritillaria* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Fragrant fritillary	*Fritillaria liliacea*	none/none/1B.2	Cismontane woodland, coastal prairie, coastal scrub, and valley and foothill grassland habitats often in association with serpentinite soils. 3 – 410 meters; blooms February – April	**Not Likely**. Although there is a recorded occurrence of this species within 5 miles of the Study Area, no species of *Fritillaria* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
San Francisco gumplant	*Grindelia hirsutula* var. *maritima*	none/none/1B.2	Coastal bluff scrub, coastal scrub, and valley and foothill grassland habitats in association with sandy or serpentinite soils. 15 – 400 meters; blooms June – September	**Not Likely**. Although there are a number of recorded occurrences of this species within 5 miles of the Study Area, no species of *Grindelia* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Marin western flax	*Hesperolinon congestum*	FT/ST/1B.1	Chaparral and valley and foothill grassland habitats in association with serpentinite soils. 5 – 370 meters; blooms April – July	**Not Likely**. Although there are recorded occurrences of this species within 5 miles of the Study Area, no species of *Hesperolinon* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Crystal Springs lessingia	*Lessingia arachnoidea*	none/none/1B.2	Cismontane woodland, coastal scrub, and valley and foothill grassland habitats, in association with serpentinite soils along roadsides. 60 – 200 meters; blooms July – October	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Lessingia* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).

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White-rayed pentachaeta	*Pentachaeta bellidiflora*	FE/SE/List 1B.1	Occurs in cismontane woodland and valley and foothill grassland, often in serpentinite. 35 – 620 meters; blooms March – May	**Not Likely**. Although there is a recorded occurrence of this species within 5 miles of the Study Area, no species of *Pentachaeta* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
San Francisco popcornflower	*Plagiobothrys diffusus*	None/SE/List 1B.1	Occurs in coastal prairie and valley and foothill grassland. 60 – 360 meters; blooms March – June.	**Not Likely**. Known from fewer than 10 occurrences. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Lessingia* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Adobe sanicle	*Sanicula maritima*	none/CR/1B.1	Chaparral, coastal prairie, meadows and seeps, and valley and foothill grasslands in association with clay or serpentinite soils. 30 – 240 meters; blooms February – May	**Not Likely**. Although there is a recorded occurrence of this species within 5 miles of the Study Area, only *Sanicula bipinnatifida* has been observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Santa Cruz microseris	*Stebbinsoseris decipiens*	none/none/1B.2	Openings in broadleafed upland forest, closed-cone coniferous forest, chaparral, coastal prairie, coastal scrub, valley and foothill grasslands, sometimes on serpentine soils. 10 – 500 meters; blooms April – May.	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Stebbinsoseris* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
Most beautiful jewel-flower	*Streptanthus albidus* ssp. *permoenus*	none/none/1B.2	Chaparral, cismontane woodland, valley and foothill grasslands, often on serpentine soils. 110 – 1000 meters; blooms April – June.	**Not Likely**. Although potentially suitable habitat and soil substrates are present, there are no recorded occurrences of this species within 5 miles of the Study Area; no species of *Streptanthus* were observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).

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San Francisco owl's-clover	*Triphysaria floribunda*	none/none/1B.2	Coastal prairie, coastal scrub, and valley and foothill grassland habitats in association with serpentinite soils. 10 –160 meters; blooms April – June	**Not Likely**. Although there is a recorded occurrence of this species within 5 miles of the Study Area, no species of *Triphysaria* has been observed during floristic surveys conducted by CNPS (2005) and PBS&J (2007).
			SENSITIVE NATURAL COMMUNITIES	
Serpentine Bunchgrass (grassland)		CDFG Sensitive Habitat		**Known**. The Study Area supports representative assemblages of vascular plant species associated with this community type.
			INVERTEBRATES	
Monarch butterfly	*Danaus plexippus*	none/SAL/NA	Occur in many open habitats including fields, meadows, weedy areas, marshes, and roadsides. Adults make massive migrations from August – October, flying thousands of miles south to hibernate along the California coast and in central Mexico; during migration, butterflies roost in trees and form huge aggregations that may have millions of individuals. Caterpillars feed exclusively on milkweed (*Asclelpias* spp.); early in the season, adults sip nectar from dogbane, lilac, red clover, lantana, and thistles. In the fall adults visit composites including goldenrods, blazing stars, ironweed, and tickseed sunflower.	**Not Likely**. There is no record of monarch butterfly autumnal (i.e. temporary birousac site) nor over-wintering use of the Hunters Point/India Basin area in the CNDDB and other records, including anecdotal observations. The nearest observations are at Fort Mason, the Presidio of San Francisco and Stern Grove. Any removal or others, the modification at India Basin would not affect those sites (M. Monroe, pers. comm.)
Bay checkspot butterfly	*Euphydryas editha bayensis*	FT/none/NA	All habitats for the Bay Checkerspot are on shallow, serpentine-derived or similar soils. These soils support the plants on which the caterpillars (larvae) feed. The primary larval host plant is dwarf plantain (*Plantago erecta*). In many years, the plantain dries up and the larvae transfer to a second host plant, exerted Indian paintbrush or purple owl's clover(*Castilleja exserta* spp. *exerta*), which remains edible later in the season.	**Not Likely**. Although the Study Area provides potentially suitable serpentine grassland habitat and suitable host plant (*Plantago erecta*) for this species, it is likely that there is not a sufficient population of *Plantago* to support Bay checkerspot (P. Kobernus, pers. comm.). Although there are a number of recorded occurrences for this species within 5 miles of the Study Area, this species was extirpated (i.e., became locally extinct) from San Bruno Mountain in the 1980's.

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San Bruno elfin butterfly	*Callophyrs* [*Incisalia*] *mossii bayensis*	FE/none/NA	Eggs are laid in small clusters or strings on the upper or lower surface of broadleaf stonecrop (*Sedum spathulifolium*). Larvae hatch from the eggs within 5-7 days of being laid. The adult food plants have not been fully determined. Montara Mountain colonies are suspected to use Montara manzanita (*Arctostaphylos montaraensis*) and California huckleberry (*Vaccinium ovatum*).	**Not Likely**. Although there are a number of recorded occurrences for this species within 5 miles of the Study Area, the Study Area does not support suitable larval and adult host plants (P. Kobernus, pers. comm.).
Mission blue butterfly	*Plebejus* [*Icaricia*] *icarioides missionensis*	FE/none/NA	The adults feed on hairy false goldenaster (*Heterotheca villosa*), blue dicks (*Dichelostemma capitatum*), and seaside buckwheat (*Eriogonum latifolium*), and do not wander far from the three species of lupine that are the larval food plant. These species are silver lupine (*Lupinus albifrons*), summer lupine (*L. formosus*), and manycolored lupine (*L. versicolor*). Females lay eggs throughout the mating flight. The eggs are laid singly on leaves, stems, flowers, and seed pods of lupine species.	**Low.** Although the Study Area supports appropriate adult host plants for this species, local populations of Mission blue have likely been extirpated (P. Kobernus, pers. comm.). There are a number of recorded occurrences for this species within 5 miles of the Study Area.
Callippe Silverspot butterfly	*Speyeria callippe callippe*	FE/none/NA	Occurs in grassland habitats around the northern Bay Area containing Johnny jump-up (*Viola pedunculata*), which is the larval host plant for this species.	**Absent.** Although there are a number of recorded occurrences within 5 miles of the Study Area, the Study Area does not support the suitable host plant for this species.
Myrtle's silverspot butterfly	*Speyeria zerene myrtleae*	FE/none/NA	Occurs in grassland habitats around the northern Bay Area containing hookspur violet (*Viola adunca*), which is the larval host plant for this species. Adults feed on nectar from flowers including hairy gumweed (*Grindelia hirsutula*), coastal sand verbena (*Abronia latifolia*), mints (or monardella) (*Monardella* spp.), bull thistle (*Cirsium vulgare*), and seaside fleabane (*Erigeron glaucus*).	**Absent.** There are no recorded occurrences of this species within 5 miles of the Study Area, the Study Area does not support the suitable host plants for this species.

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Common Name	Scientific Name	Status[b] Fed/ CA/ other	Habitat and Seasonal Distribution in California	Likelihood of Occurrence Within the Study Area Vicinity3

Source: CDFG Natural Diversity Database (CNDDB), August 2007.

Notes:

a. Special Status Species: Animals that were included in this table have a ranking of CSC or higher. Special-status plants that were included in this table have a ranking of List 3 or higher.

b. Status:

Federal

FE Federally listed as Endangered

FT Federally listed as Threatened

State

SE State listed as Endangered

ST State listed as Threatened

CR California Rare

CFP California Department of Fish and Game designated "Fully Protected" or "Protected" – Permit required for "take."

CSC California Department of Fish and Game designated "Species of Special Concern"

SAL CDFG Special Animals List

Other

1B California Native Plant Society (CNPS) Ranking. Defined as plants that are rare, threatened, or endangered in California and elsewhere.

2 California Native Plant Society (CNPS) Ranking. Defined as plants that are rare, threatened, or endangered in California, but more common elsewhere.

3 Plants About Which More Information is Needed - A Review List.

Likelihood of occurrence evaluations

A rating of "Known" indicates that the species/natural community type has been observed on the site.

A rating of "High" indicates that the species has not been observed, but sufficient information is available to indicate suitable habitat and conditions are present on-site and the species is expected to occur on-Study Area.

A rating of "Moderate" indicates that it is not known if the species is present, but suitable habitat exists on-Study Area.

A rating of "Low" indicates that species was not found during biological surveys conducted to date on the Study Area and may not be expected given the species' known regional distribution or the quality of habitats located on the Study Area.

A rating of "Not Likely" indicates that the taxa would not be expected to occur on the Study Area because the Study Area does not include the known range or does not support suitable habitat.

A rating of "Absent" indicates that no recorded occurrences or suitable habitat(s) occur within the Study Area to support this species.

PLACE
POSTAGE
HERE

The Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103-2479

Attn: Bill Wycko
Hunters View Redevelopment Project Draft EIR
(Case No. 2007.0168E)

PLEASE CUT ALONG DOTTED LINE

RETURN REQUEST REQUIRED FOR FINAL ENVIRONMENTAL IMPACT REPORT

REQUEST FOR FINAL ENVIRONMENTAL IMPACT REPORT

TO: San Francisco Planning Department

Please check one:

☐ **Please send me a hardcopy of the Final EIR.**

☐ **Please send me a CD of the Final EIR.**

Signed: _____

Print Your Name and Address Below



HUNTERS VIEW HOPE SF
PHASE 3 INFRASTRUCTURE LOAN

PRESENTATION TO THE
BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO
BUDGET AND FINANCE COMMITEE
WEDNESDAY, JULY 28, 2021

HOPE SF

Launched in 2007, HOPE SF is a twenty-year human and real estate capital commitment, spanning four mayoral administrations. HOPE SF is the nation's first large-scale community development and reparations initiative aimed at creating vibrant, inclusive mixed-income communities without mass displacement of the original residents.

Hunters View, Sunnydale, Potrero & Potrero Annex, and Alice Griffith, the four HOPE SF sites, share the goal of eradicating intergenerational poverty by:

- Ensuring No Loss of Public Housing.
- Creating an Economically Integrated Community.
- Maximizing the Creation of New Affordable Housing.
- Involving Residents in the Highest Levels of Participation in the Entire Project.
- Providing Economic Opportunities through the Rebuilding Process.
- Integrating Process with Neighborhood Improvement Revitalization Plans.
- Creating Economically Sustainable and Accessible Communities.
- Building a Strong Sense of Community.



Hunters View was the first of the HOPE SF sites to begin construction.

Original Hunters View



- 267 public housing units
- Unconnected to street grid and city services
- Undefined open space/no parks
- No resident services

Revitalized Hunters View



- 1:1 replacement of all public housing units
- Additional affordable and market-rate housing (rental + homeownership)
- Reconfigured street grid and new infrastructure
- 3 new **public parks** and resident services space
- **Orange** blocks represent current and future affordable housing
- **Yellow** blocks represent future market rate housing

Hunters View Phase III

- 2 affordable housing lots
  - 53 public housing replacement units
  - 64 new tax credit units
  - 1 manager's unit
  - Learning center
  - Commercial kitchen that will be bid with a preference for a District 10 business and/or someone from District 10
- To-be-named park
- Market-rate lots
- New roads, sidewalks and public utilities









Thank you!

Questions?

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Incomplete - Pending Signature

San Francisco Ethics Commission
25 Van Ness Avenue, Suite 220, San Francisco, CA 94102
Phone: 415.252.3100 . Fax: 415.252.3112
ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 210812

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4
(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)
A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of $100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: https://sfethics.org/compliance/city-officers/contract-approval-city-officers

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (*for amendment only*)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	**EMAIL**
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Cindy Heavens	415-701-5581
FULL DEPARTMENT NAME	**DEPARTMENT CONTACT EMAIL**
MYR Mayor's Office of Housing & Comm. Dev.	cindy.heavens@sfgov.org

DocuSign Envelope ID: 7EF6FEF5-DF38-4E7E-A1AF-130A414137D6

Incomplete - Pending Signature

5. CONTRACTOR	
NAME OF CONTRACTOR Hunters View Associates, L.P.	**TELEPHONE NUMBER** 415-345-4409
STREET ADDRESS (including City, State and Zip Code) 1388 Sutter Street, 11th Flr., San Francisco, CA 94109	**EMAIL** cetzel@jsco.net

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	**ORIGINAL BID/RFP NUMBER**	**FILE NUMBER (*If applicable*)** 210812
DESCRIPTION OF AMOUNT OF CONTRACT $33,903,540		
NATURE OF THE CONTRACT *(Please describe)* Construction and permanent loan financing for infrastructure construction of Hunters View Phase III, the third and final infrastructure phase of the Hunters View HOPE SF revitalization. HOPE SF is a mayoral initiative launched in 2007. Hunters View Phase III is located west of Middle Point Road and includes area surrounding the vacated streets of Wills and Hare Streets along with West Point Road.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
☐	**THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM**
☒	**A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES** Board of Supervisors
☐	**THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS**

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Incomplete - pending signature

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Coleman	Regina	CEO
2	Starkes	Harriet	Other Principal Officer
3	Brewer	Lauren	CFO
4	Gardner	Jack	CEO
5	Levine	Dan	Other Principal Officer
6	Tustin	Mari	Board of Directors
7	Schwartz	Noah	COO
8	Miller	Margaret	Board of Directors
9	Lee	Chan U	Other Principal Officer
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Incomplete - pending signature

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#	**LAST NAME/ENTITY/SUBCONTRACTOR**	**FIRST NAME**	**TYPE**
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50			
☐	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

10. VERIFICATION	
I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete. **I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**	
SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK BOS Clerk of the Board	**DATE SIGNED**

From:	Peacock, Rebecca (MYR)
To:	BOS Legislation, (BOS)
Cc:	Kittler, Sophia (MYR); Chan, Amy (MYR)
Subject:	Mayor -- [Resolution] -- [Hunters View HOPE SF –Loan Agreement not to exceed $33,903,540 for Infrastructure]
Date:	Tuesday, July 13, 2021 4:22:25 PM
Attachments:	Reso_MOHCD_Hunters View Phase 3 Loan.zip

Attached for introduction to the Board of Supervisors is a **resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development to execute an Infrastructure Loan Agreement with Hunters View Associates, L.P., a California limited partnership, for a total loan amount not to exceed $33,903,540 to finance the third phase of infrastructure improvements related to the revitalization and master development of up to 800 units of replacement public housing, affordable housing and market rate housing, commonly known as the Hunters View HOPE SF Development ("Hunters View Project"); and adopting findings that the loan agreement is consistent with the California Environmental Quality Act, the City's General Plan, and the priority policies of Planning Code Section 101.1.**

Please let me know if you have any questions.

Rebecca Peacock (they/them)
(415) 554-6982 | Rebecca.Peacock@sfgov.org
Office of Mayor London N. Breed
City & County of San Francisco