

San Francisco Public Works
General – Director's Office
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**Public Works Order No: 212239** 

Recommendation for delegation of authority to Public Works Director to vacate certain streets and public service easements in the Potrero HOPE SF Project area, generally bounded by 26th, Wisconsin, 23rd, Missouri, 22nd, Texas, 25th, and Connecticut (south of 25th) Streets to expedite implementation of the Project; authorize the City to transfer its interest in the vacation area to the San Francisco Housing Authority or the Project sponsor and delegate to the Director of Property authority to grant, accept, and terminate easements to facilitate the vacations.

## **Background and Findings**

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

- 1. This Order shall be dated for reference purposes as of October 22, 2025.
- 2. The Housing Authority of the City and County of San Francisco ("SFHA") owns the project site and is providing various approvals and real estate transfers to facilitate the project and other phases of the Potrero HOPE SF project development. The project includes the complete rebuilding of the existing SFHA Potrero Terrace and Annex parcels and the surrounding streets through the City's HOPE SF Program and will consist of up to 1,700 residential units (including approximately 800 affordable units and 800 market-rate units), retail and community spaces, open space, new realigned streets, utilities, and other infrastructure ("Project").
- 3. The Project is subject to a Development Agreement ("DA") between the City and County of San Francisco ("City"), the Housing Authority of the City and County of San Francisco ("SFHA"), and Bridge-Potrero Community Associates LLC ("Subdivider" or "Developer"), recorded in the Official Records of the City and County of San Francisco on March 3, 2017 as Document No. 2017-K416603-00 and approved by the Board of Supervisors through the passage of Ordinance No. 15-17 ("Development Agreement"). The Development Agreement includes, as Exhibit P, the Potrero HOPE Master Infrastructure Plan ("Infrastructure Plan"), which describes the scope and phases of the public infrastructure that the Subdivider will construct.
- 4. The Project is proceeding in multiple phases, beginning with the southernmost portion of the Project site. A portion of the Project's new infrastructure has been completed and the remainder is to be developed in future phases. The buildings and streets within the Project site, which are currently oriented at irregular angles, will be realigned into a grid-like pattern.
- 5. Existing streets owned by the City as public rights-of-way, and public service easements in the Project area must be vacated in order to facilitate the reconstruction and realignment of new streets and utilities by Subdivider for the Project. The location and extent of the areas to be vacated

for the Project are shown on Exhibit A Project Vacation Area Diagram ("Diagram"), attached hereto, generally including:

- (1) 25th Street from approximately 100 ft east of Wisconsin Street to Texas Street;
- (2) 23rd Street from Wisconsin Street to Missouri Street;
- (3) Wisconsin Street from 23rd Street to just south of Connecticut Street;
- (4) Connecticut Street from Wisconsin Street to 25th Street;
- (5) Dakota Street from 23rd Street to the intersection of 25<sup>th</sup> and Texas Street;
- (6) Texas Street from its northern terminus to 25th Street;
- (7) Missouri Street from 23rd Street to 22nd Street;
- (8) Turner Terrace from Missouri Street to its southern terminus; and
- (9) Watchman Way from Missouri Street to its southern terminus.
- 6. This Diagram also shows the streets previously completed within the Phase 1 and 2 areas as part of the Project Vacation Area in order to address and include unanticipated street or easement vacation adjustments that may be required as the development proceeds, for example, for transitions along the edges or borders where public infrastructure completed in separate phases must connect.
- 7. The proposed legislation would delegate authority to the Public Works Director City Engineer, and County Surveyor (collectively, "PW Director") to approve Individual Street Vacations, authorize the City to transfer its interest in the vacation area to the San Francisco Housing Authority or the Project Developer, and delegate authority to the Director of Property to execute and record deeds for conveyance of the real property underlying each specific Street Vacation area ("Individual Street Vacation"), and to grant, accept, terminate, and/or quitclaim easements to facilitate the Individual Street Vacation pursuant to the approved DA. This proposed delegation is proposed by PW Director based on the following:
  - a. The vacation of the Project Vacation Area is necessary to fulfill the objectives of the Potrero HOPE SF Project, as set forth in the Development Agreement and related approvals.
  - b. Each street vacation will present unique issues based on the location of the street segment, and the context of the phased development as a whole. Each street segment to be vacated must be surveyed, mapped, and described with precision, and such details may need to be adjusted over the course of the development. Other potential issues include whether temporary or alternate street or utility access is required for residents living in portions of the Project site that are not yet under construction; alternate access for re-routed transit lines; emergency access for first responders; whether the street vacation and the real property transfer should occur simultaneously or in a particular sequence; and coordinating different stages of preparation, demolition, and construction work for different phases of the Project.
  - c. Because these unique issues will take substantial time and resources to identify and resolve, it would be inefficient for City departments to prepare a single Project-wide street vacation ordinance and detailed supporting documentation for all potential street vacations for the

entire duration of the Project. It is also unlikely that such a global ordinance could encompass all necessary details for future street vacations, as some issues will not emerge until a particular phase or component of project development is underway. Such issues should be resolved in the most expedient and cost-effective manner possible, and it is unlikely that all such issues can be easily outlined in advance. The best resolution for a particular situation could prove unavailable or infeasible if constrained by one-time Project-wide street vacation ordinance that did not anticipate the particular issue presented for a specific street vacation. Based on prior experience with other large, multi-phase projects, Public Works has found that all such street vacation issues are most effectively and efficiently addressed as they arise, and at a future time when Public Works and other affected City departments can review the street improvement plans and designs for each specific development phase or subphase and determine the best, most efficient, and legally appropriate techniques to vacate streets and public service easements..

- d. If the Board of Supervisors were to approve a Project-wide vacation ordinance without the delegation proposed, future street vacations for this Project might have to return to the Board of Supervisors for approval whenever the conditions of a particular street vacation do not completely align with the conditions outlined in such ordinance, which would be inefficient and contrary to the intention to facilitate and streamline street vacations for the entire Project.
- e. The proposed delegation also reduces the City and Developer resources that would be required if each street vacation were presented to the Board of Supervisors individually over the course of the Project. With the Board of Supervisors' delegation to the PW Director, only one packet of legislative materials and one set of Board of Supervisors meetings and Board committee meetings will be required. The Project will proceed more efficiently if vacations are approved administratively, rather than through separate, months-long legislative processes. Saving both time and financial resources will facilitate more effective and efficient Project delivery.
- f. Because many of these streets and easements will remain in use until specified times based on Project phasing, it is appropriate for the PW Director, in consultation with other affected City departments, SFHA, and the Developer, to establish the specific timing and conditions associated with each Individual Street Vacation.
- g. The public interest, convenience, and necessity requires that, where appropriate, the City reserve from Individual Street Vacations, certain easements for the City, and, if necessary, for public utilities, which easements may be terminated if deemed necessary or appropriate by affected City departments.
- h. Additionally, provisions for interim access for MUNI, emergency vehicles, adjacent property owners, and similar access needs may be included for any Individual Street Vacation or associated actions if deemed necessary or appropriate by affected City departments.

- i. The City plans to transfer its interest in the Project's Street Vacation areas to SFHA or the Developer to facilitate the development of the Project as part of implementing the terms of the Development Agreement. Pursuant to the Development Agreement, once the newly realigned and improved street(s) is completed, SFHA or Developer will transfer the property underlying the new street(s) back to the City.
- j. It would be most efficient to eliminate the need for future Board of Supervisors actions related to vacating these streets and easements by delegating to the Director of the Real Estate Division ("Director of Property") the authority, upon the PW Director's determination that the Individual Street Vacation conditions set forth herein have been met, to execute and record deeds conveying the real property underlying the Individual Street Vacation area to SFHA or its affiliate, or to Developer or its affiliate ("Street Vacation Deeds"), and to grant, accept, terminate, and/or quitclaim public service easements to facilitate the Individual Street Vacation and the Project.
- k. Based on the Project's proposed and actual phasing, it is appropriate for the PW Director, Director of Property, and other affected City departments to establish the specific timing for the execution and recordation of the Street Vacation Deeds and any related actions on public service easements, and other conditions associated with each Individual Street Vacation.
- 8. In a letter dated October 8, 2025, the Director of Property recommended that the City delegate authority to the Director of Property, to approve Street Vacation Deeds and take related actions on easements for Individual Street Vacations within the Project Vacation Area and to execute and record associated deeds and easements.
- 9. In a letter dated October 9, 2025, the Planning Department confirmed the actions proposed in the proposed Ordinance, including the street vacations and quitclaiming of City's property interests are covered within the scope of the final Environmental Impact Report for the Project and the California Environmental Quality Act findings set out in Planning Commission Motion Nos. 19529 and 19530 and, on balance, are consistent with General Plan and Planning Code Section 101.1 findings in Planning Commission Motion No. 19531.
- 10. Prior to approving any Individual Street Vacation, the PW Director will make the following determinations in a Public Works Order issued following a duly noticed hearing:
  - (1) The Individual Street Vacation will facilitate delivery of the Project;
  - (2) The timing and scope of the Individual Street Vacation is appropriate based on the Project phasing, in consultation with Mayor's Office of Housing and Community Development ("MOHCD"), and the Planning Department;
  - (3) The PW Director has incorporated into the Individual Street Vacation approval any conditions the PW Director deems necessary, based on consultation with affected City departments, including but not limited to coordination with the Director of Property regarding whether the

- City should retain public access easements or similar rights from the Individual Street Vacation area;
- (4) All conditions that would have been required for a Board of Supervisors-approved street vacation have been met, including:
  - (A) Required findings under applicable provisions of the California Streets and Highways Code;
  - (B) A SUR Map, including legal description describing the area of the Individual Street Vacation, has been prepared and approved by the County Surveyor;
  - (C) Assessor's Parcel Number(s) have been assigned or reserved for the parcels affected by the Individual Street Vacation; and
  - (D) The PW Director has received a letter documenting the Planning Department's General Plan consistency and CEQA findings for the Individual Street Vacation and Street Vacation Deeds; and
  - (E) The Developer has demonstrated a good faith effort to obtain consent for the Individual Street Vacation from all property owners adjacent to the subject street; and
  - (F) The PW Director has caused to be recorded a copy of the Order of Vacation in the Office of the Recorder of the City and County of San Francisco; and
- (5) The PW Director has received letters of support or similar documentation of concurrence from SFHA and MOHCD.

## NOW THEREFORE BE IT ORDERED THAT,

The Public Works Director determines and the County Surveyor and City Engineer certify:

- 1) the vacation of the Project's Street Vacation areas are required to facilitate the Developer's public infrastructure improvements within the Project site;
- 2) the Individual Street Vacations must proceed in phases to enable construction and delivery of the improvements as contemplated in the Development Agreement;
- 3) the specified vacations would have no adverse effect on public access because realigned replacement streets and utilities will be transferred from SFHA and/or Developer once completed and after the PW Director determines that they meet all applicable City codes, regulations, and standards, and such improvements are ready for their intended use and acceptance by the Board of Supervisors.
- 4) delegating authority to the PW Director, in consultation with affected City departments, to vacate the Project's Street Vacation areas is in the public interest as it would expedite processing of the subdivision mapping and permitting of new public infrastructure, facilitate a timely construction schedule for the Project, and efficiently put the improvements into service.

The Director recommends that the Board of Supervisors approve the legislation as described, and delegate its authority under California Streets and Highways Code Sections 8300 et seq., San Francisco Administrative Code Section 1.51, and Public Works Code Section 787(a) to the Director of Public Works and Director of Property, as specified, and in consultation with affected City departments, to expedite the process for approval of Individual Street Vacations, and take other necessary or related actions.

The Director further recommends the Board of Supervisors authorize the Mayor, Clerk of the Board, Director of Property, County Surveyor, and Director of Public Works to take any and all actions which they or the City Attorney may deem necessary or advisable in order to effectuate the purpose and intent of the Individual Street Vacations, pursuant to the proposed legislation.

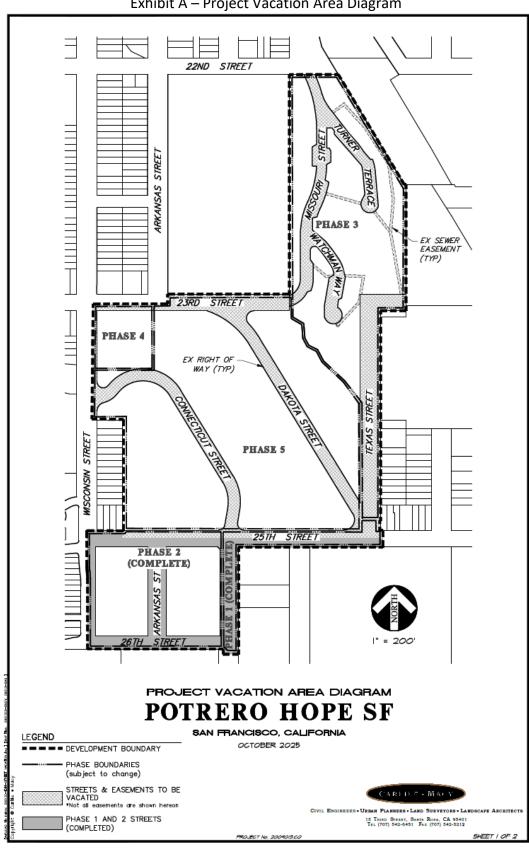
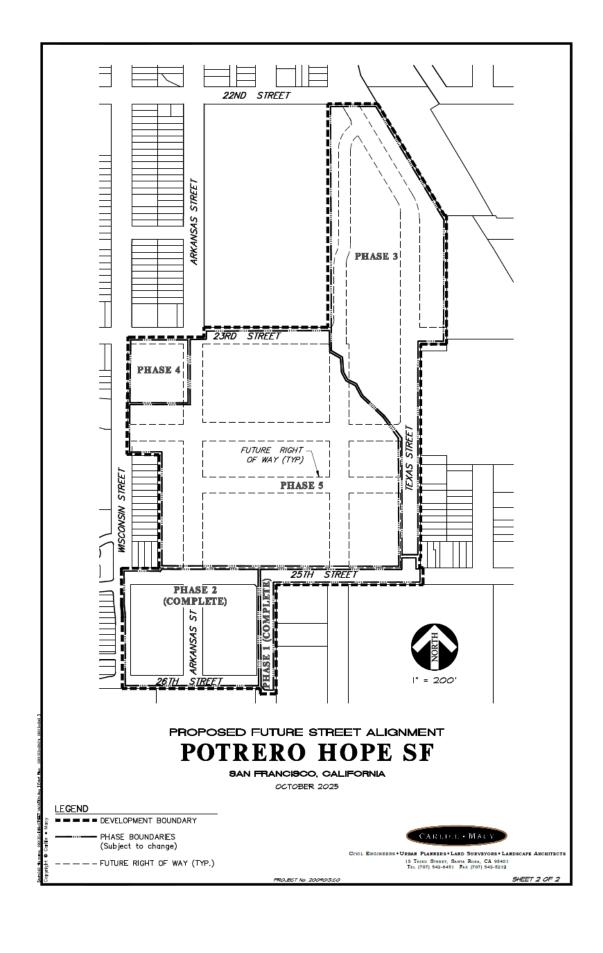


Exhibit A – Project Vacation Area Diagram





Phan, Denny Bureau Manager, Infra & Dev Permitting Signed by:

Fruul, Eli

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French, Eli City and County Surveyor

Patrick Rivera
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Short, Carla Director