

LEGISLATIVE DIGEST

[Development Agreement - Prologis, L.P. - San Francisco Gateway Project - Toland Street at Kirkwood Avenue]

Ordinance approving a Development Agreement between the City and County of San Francisco and Prologis, L.P., a Delaware limited partnership, for the development of an approximately 17.1-acre site located at Toland Street at Kirkwood Avenue with two multi-story production, distribution, and repair buildings in a core industrial area, including 1,646,000 square feet of production, distribution, and repair, space for non-retail sales and service, automotive, and retail uses, a rooftop solar array, ground-floor maker space, and streets built to City standard; making findings under the California Environmental Quality Act; making findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); making findings of public convenience, necessity, and welfare under Planning Code, Section 302; approving certain development impact fees for the Project and waiving certain Planning Code fees and requirements; and confirming compliance with or waiving certain provisions of Administrative Code, Chapter 56, Chapter 14B, Chapter 82, Chapter 83, and Chapter 23; and ratifying certain actions taken in connection therewith, as defined herein.

Existing Law

California Government Code section 65864 *et seq.* (the “Development Agreement Statute”) and Chapter 56 of the San Francisco Administrative Code (“Chapter 56”) authorize the City to enter into a development agreement regarding the development of real property.

Amendments to Current Law

The proposed ordinance, if adopted, would result in the approval of the proposed development agreement (the “Development Agreement”) with the Developer in accordance with the Development Agreement Statute and Chapter 56. The Development Agreement would provide to Developer the vested right to develop the project site as described in the Development Agreement over a 30 year term. There are no proposed amendments to current law.

Background Information

Under the Development Agreement, the Developer proposes to develop a phased mixed use development on the Project Site that will include two multi-story production, distribution, and repair buildings in a core industrial area, including up to 1,646,000 square feet of production, distribution, and repair space; approximately 514,000 square feet of open, active roof area; non-retail sales and service space; approximately 20,000 square feet ground-floor maker space; approximately 8,400 square feet of ground floor retail; and a rooftop solar array. The

Project will also improve the surrounding streets of Kirkwood and McKinnon Avenues, and Toland, Rankin, and Selby Streets, and provide additional streetscape improvements adjacent to the Project Site. Public benefits of the Project include streetscape and public infrastructure improvements exceeding those that otherwise would be required; a meaningful support program for PDR users and other small businesses; significant training, employment, and economic development opportunities; transportation demand management measures and other transportation-related support exceeding the level otherwise required; and sustainability and resilience measures.

By separate legislation, the Board is considering taking a number of actions in furtherance of the proposed project, including the approval of a Special Use District and Zoning Map amendments

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