



San Francisco Public Works
General – Director’s Office
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Public Works Order No: 211755

Recommending the acceptance of an irrevocable offer of public improvements associated with the Potrero HOPE SF Project, Phase 2, including improvements located within portions of 25th Street, 26th Street, Wisconsin Street, Arkansas Street and Connecticut Street, and improvements associated with a new switchgear within a building and an offer of dedication for real property underlying Arkansas, 25th Street, and Connecticut Streets; dedication of the public infrastructure for public use; designation of the public infrastructure for public street and roadway purposes, as specified; acceptance of the public infrastructure for City maintenance and liability purposes, subject to specified limitations; delegation of authority to the Public Works Director to accept deferred infrastructure and documentation, upon completion of such deferred infrastructure; establishment of official street grades, sidewalk, and public right-of-way widths, as specified.

Background and Findings

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

1. This Order shall be dated for reference purposes as June 4, 2025.
2. The Potrero HOPE SF Phase 2 Project area is generally bounded by 25th Street to the north, 26th Street to the south, Wisconsin Street to the west, and Connecticut Street to the east. The infrastructure being offered for acceptance as described below includes improvements located within portions of 25th Street, 26th Street, Wisconsin Street, Arkansas Street and Connecticut Street, and certain offsite improvements located outside of the public right-of-way, as shown on Exhibit A, attached hereto, and further described below.
3. The Project site is owned by the Housing Authority of the City and County of San Francisco (“SFHA”), which is providing various approvals and real estate transfers to facilitate the Project and other phases of the Potrero HOPE SF project development (“Potrero HOPE”). Potrero HOPE 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 streets, utilities, and other infrastructure. Potrero HOPE is planned to proceed in multiple phases in a northward progression. Potrero HOPE is an approximate 38-acre irregularly shaped site, bounded by 23rd Street and Missouri Street to the north, Texas Street to the east, 25th and 26th Street to the south, and Wisconsin Street to the west.

4. This Potrero HOPE SF Project is subject to a Development Agreement between the City and County of San Francisco ("City"), SFHA, and Bridge-Potrero Community Associates LLC ("Subdivider"), 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.
5. On February 12, 2021, in Public Works Order No. 204335, the Director approved certain exceptions to the Subdivision Regulations in connection with the improvements constructed for the project.
6. In Public Works Order No. 204702, the Director recommended that the Board of Supervisors approve Final Map No. 9610, the map including this Phase 2.
7. On May 11, 2021, the Board of Supervisors approved Final Map No. 9610 for the project in Motion No. M21-079, resulting in two lots for housing, and two lots dedicated to the City as Public Right-of-Way. In the same motion, the Board of Supervisors approved the Public Improvement Agreement between the City and Subdivider and authorized the Director and the City Attorney to execute and file the Public Improvement Agreement. The Board of Supervisors also conditionally accepted the offer of dedication and offer of improvements, subject to completion and further Board of Supervisors action. Final Map No. 9610 concerns Phase 2 of Potrero HOPE, which includes infrastructure that is being completed in three subphases, referred to as Subphases 2A, 2B, and 2C.
8. In conjunction with Final Map No. 9610, Subdivider irrevocably offered the Public Infrastructure associated with the Project to the City, as clarified and supplemented by its Amended and Restated Offer of Improvements (the "Offer of Improvements"). Public Works, in Street Improvement Permit No. 21IE-00075, dated February 12, 2021, approved construction of the improvements identified in the Offer of Improvements for City acceptance (collectively, "Public Infrastructure") as well as improvements that will be maintained as private encroachments. Generally, the infrastructure includes street and sidewalk paving, curbs, underground utilities, streetlights, and related facilities.
9. The Public Infrastructure also includes San Francisco Public Utilities Commission ("SFPUC") infrastructure associated with a new switchgear to support power for the Project, more specifically described in the Offer of Improvements (collectively, the "Off-Site Improvements"). The Off-Site Improvements are located outside of the proposed public rights-of-way, located in and adjacent to a new switchgear room in the building on Parcel B, which parcel is owned by SFHA and leased by Potrero Housing Associates II, L.P. ("Developer"). The Off-Site Improvements will be accessed via an easement agreement between SFHA, Developer, and the City, as amended ("Easement"). The Director of the Real Estate Division ("Director of Property") approved an Easement

Agreement and Declaration of Restrictions in conjunction with Final Map No. 9610, recorded in the Official Records of the City on July 21, 2021, as Document No. 2021111532. The Director of Property will approve any necessary amendments to the Easement administratively prior to the City's acceptance of the Public Infrastructure.

10. In an Irrevocable Offer of Dedication, including a quitclaim deed (the "Offer of Dedication"), SFHA offered the real property identified on Final Map No. 9610 as Parcels C and D for new streets and sidewalks. Parcel C underlies a newly constructed one-block length of Arkansas Street. Parcel D is a small, triangular-shaped lot at the southwest corner of the intersection of 25th and Connecticut Streets that underlies a portion of the sidewalk.
11. On October 30, 2023, in Public Works Order No. 208793, the Director conditionally approved certain requests for exceptions to the San Francisco Subdivision Regulations and Code, allowing deferral of certain scopes of work and documentation typically required prior to issuance of a Notice of Completion and consideration for Board of Supervisors formal acceptance, including sidewalks and utilities in the public right-of-way surrounding Parcel B as shown on Final Map 9610, one full block of newly constructed public right-of-way in Arkansas Street between 25th and 26th Streets, and other infrastructure as described in the Order ("Deferred Infrastructure") to be completed in a subsequent Notice of Completion for Subphase 2C. That order set forth the conditions of approval of the deferral, including criteria for when the Deferred Infrastructure must be completed. The Director recommends that the Board delegate authority to the Director, in consultation with applicable City agencies, to approve and accept the Subphase 2C Deferred Infrastructure once it has been completed to the satisfaction of the Director and the City Engineer. Public Works Order No. 208793 is attached to this Order and incorporated herein by this reference.
12. On December 18, 2024, Public Works completed inspection of the Phase 2 Public Infrastructure and the City Engineer, by issuance of a Conditional Notice of Completion for a portion of improvements defined as Subphases 2A and 2B, determined the Public Infrastructure to be complete in accordance with the Improvement Plans and Specifications shown in Street Improvement Permit No. 21IE-00075, as modified by Instructional Bulletins #1 through #4, and all City codes, regulations, and standards governing this infrastructure, subject to certain conditions. In doing so, the City Engineer also certified that the Phase 2 subphase 2A and 2B Public Infrastructure is ready for its intended use.
13. A portion of the infrastructure constructed or installed within public right-of-way pursuant to Street Improvement Permit No. 21IE-00075 will be maintained by the Subdivider as encroachments, generally described as but not limited to: (a) Cobble stones and pavers, (b) Benches, (c) Landscaping, including plantings, irrigation, tree well pavers, landscape islands, and large granite blocks, (d) Temporary walkways to existing buildings, including asphalt walkway, railing, and header, (e) Retaining walls, (f) Drainage facilities, including

temporary drainage feature and storm drain lateral and trap maintenance, and (g) Community Gardens, all of which are more particularly described in the proposed Global Major Encroachment Permit ("Potrero HOPE SF GMEP"). The encroachments do not constitute a portion of the Public Infrastructure, and the City will not accept such encroachments. The Board of Supervisors shall consider the approval of such encroachments through a Master Encroachment Permit via a separate Board of Supervisors action and the encroachments will remain the responsibility of the Subdivider for maintenance and liability.

14. A portion of the improvements installed or constructed pursuant to Street Improvement Permit No. 21IE-00075 are utility facilities that have been transferred from the Subdivider to third party utility providers. These transfers are documented by bills of sale on file at the Department of Public Works. These utility facilities are owned by the third-party utility providers and are not included in the Phase 2 Public Infrastructure proposed for City acceptance.
15. A portion of the work that would have been included in subphase 2C is being removed from Phase 2 via an amendment to the Infrastructure Plan, due to the delay in development of Block A. At this time, it is not known when the vertical development of Block A will begin. Because the irrigation system for proposed street trees and landscaping will rely on the electrical service to be installed with the Block A vertical development, and without it the street trees and landscaping will not be viable, the Director has approved an amendment to the Infrastructure Plan to allow street trees, irrigation, landscaping, street furnishings and related infrastructure adjacent to and surrounding Block A ("Block A Street Trees") to be completed after the acceptance of the Phase 2 Public Infrastructure. Accordingly, the Block A Street Trees are no longer required as part of the Phase 2 Public Infrastructure, are excluded from both the Public Infrastructure and the Deferred Infrastructure described in this Order and are not being recommended for Board of Supervisor's acceptance at this time.
16. The Director recommends and the City Engineer certifies to the Board of Supervisors that the Phase 2 Public Infrastructure as shown in Street Improvement Permit No. 21IE-00075, as modified by Instructional Bulletins #1 through #4, be accepted for public use. The Director also recommends that the Board of Supervisors accept the Phase 2 Public Infrastructure for City maintenance and liability purposes in accordance with Streets and Highways Code Sections 1806 and San Francisco Administrative Code 1.51 et seq. and subject to the exceptions specified herein.
17. The official public right-of-way widths for the applicable portions of Arkansas Street and sidewalk widths established as shown on Drawing Q-20-1210 do not obviate, amend, alter, or in any other way affect the maintenance obligations of the adjacent property owners as set forth in the Public Works Code or as set forth in any agreement or permit regarding maintenance obligations.
18. Map A-17-231 shows the rights-of-way, and applicable portions of 25th, Arkansas, and Connecticut Streets, being offered for dedication and acceptance.

19. In a letter dated April 9, 2025, the Planning Department affirmed that the acceptance of the Public Infrastructure, including improvements and real property associated with the Phase 2 Public Infrastructure, and associated actions are, on balance, in conformity with the General Plan and Planning Code Section 101.1 and comply with the California Environmental Quality Act (CEQA).

NOW THEREFORE BE IT ORDERED THAT,

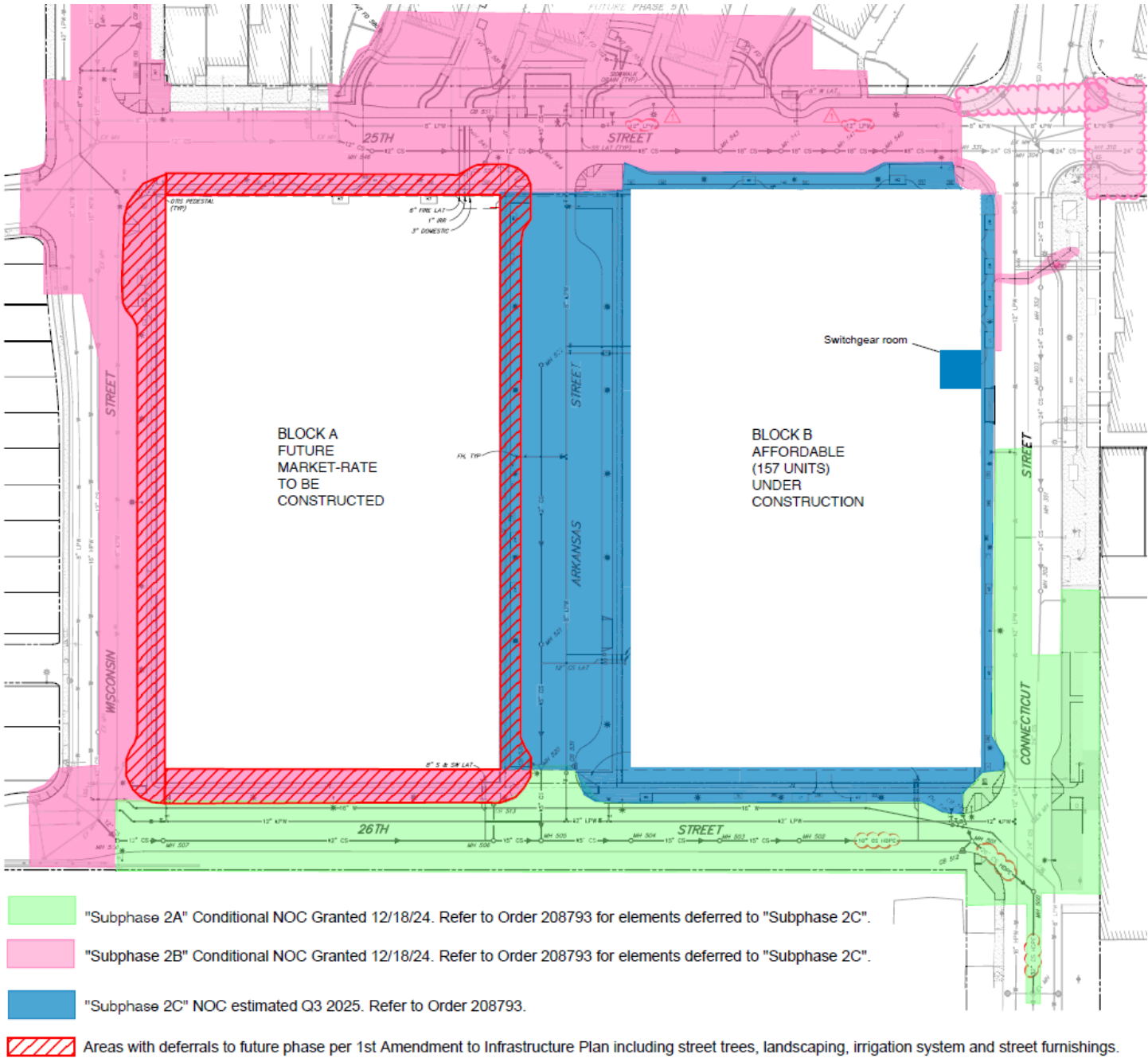
- A. The Director approves all of the following documents referenced herein:
1. Amended and Restated Offer of Improvements for Phase 2 Public Infrastructure
 2. Offer of Dedication for Parcels C and D of Final Map 9610 (SFHA to City)
 3. Quitclaim Deed for Parcels C and D of Final Map 9610 (SFHA to City)
 4. Form of Ordinance to accept the Phase 2 Public Infrastructure and delegate authority to Director of Public Works for acceptance of Deferred Infrastructure
 5. Official Street Dedication and Grade Map A-17-231
 6. Official Sidewalk and Roadway Width Drawing Q-20-1210
- B. The Director and the City Engineer recommend that the Board of Supervisors approve the legislation to accept the Offer of Dedication for Parcels C and D of Final Map 9610 and the associated quitclaim deed and authorize the Director of Property to execute, and record said deed. Hereinafter, the Director's recommendation also includes the City Engineer's certification of actions under the City Engineer's authority.
- C. The Director further recommends that the Board of Supervisors approve the legislation to accept the Offer of Improvements for the Phase 2 Public Infrastructure and dedicate this public infrastructure for public use, subject to the exceptions identified below.
- D. The Director further recommends that the Board of Supervisors approve the legislation to accept the Public Infrastructure for City maintenance and liability, and regarding the street areas, designate it as open public right-of-way for street and roadway purposes, subject to the following conditions:
1. The portions of streets being designated as open public right-of-way for street and roadway purposes are from back of sidewalk to back of sidewalk, unless specified otherwise or as shown on the plans and specifications for the Public Infrastructure;
 2. Acceptance of the Public Infrastructure for City maintenance and liability purposes is from back of curb to back of curb, unless specified otherwise, and sidewalk maintenance is the responsibility of the adjacent property owners in accordance with the Public Works Code;
 3. Acceptance of the Off-Site Improvements for City maintenance and liability purposes is as described in the Offer of Improvements; and maintenance and liability for the building that houses the switchgear room is the responsibility of the Developer as provided in the Easement;

4. Encroachments that are or will be permitted (including but not limited to those encroachments to be included in a Master Encroachment Permit), not permitted, or both, are excluded from acceptance;
 5. The acceptance of the streets does not obviate, amend, alter, or in any way affect existing maintenance agreements between the City and parties to such agreements, and;
 6. Acceptance of Subdivider's conditional assignment of all warranties and guaranties to the City related to the construction of the Public Infrastructure and its warranty obligations under Street Improvement Permit No. 21IE-00075.
- E. The Director further recommends that the Board delegate authority to the Director, in consultation with applicable City agencies, to approve and accept the Deferred Infrastructure deferred through Order 208793 once it is complete to the satisfaction of the Director.
- F. The Director further recommends that the Board of Supervisors approve the legislation to establish official public right-of-way widths, sidewalk widths, and street grades on portions of the streets in accordance with Map A-17-231 and Drawing Q-20-1210 and direct Public Works to revise the Official Public Right-of-Way, Sidewalk Width, and Street Grade maps in accordance with the legislation.

Exhibit A

Potrero HOPE SF Phase 2

Area of Public Infrastructure for Acceptance



X

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

X

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Ko, Albert J
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X

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Degrafinried, Alaric
(for) Director of Public Works