

LEGISLATIVE DIGEST

[Development Agreement - Sunnydale Development Co., LLC - Sunnydale HOPE SF Project]

Ordinance approving a Development Agreement between the City and County of San Francisco, the Housing Authority of the City and County of San Francisco, and Sunnydale Development Co., LLC, for the Sunnydale HOPE SF Project at the approximately 50-acre site located in Visitacion Valley and generally bounded by McLaren Park to the north, Crocker Amazon Park to the west, Hahn Street to the east, and Velasco to the south; confirming the Development Agreement’s compliance with, or waiving certain provisions of, Administrative Code, Chapters 14B, 29, and 56; approving the use of impact fees and exactions for improvements and other community benefits, as set forth in the Development Agreement, and waiving any conflicting fee provisions in Planning Code, Article 4; ratifying past actions taken in connection with the Development Agreement; authorizing further actions taken consistent with the Ordinance; making findings under the California Environmental Quality Act; and making findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1.

Existing Law

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

Amendments to Current Law

This ordinance approves a development agreement between the and Sunnydale Development Co., LLC (“Developer”) in accordance with the Development Agreement Statute and Chapter 56. The development agreement would provide to Developer the right to develop the project site as described in the development agreement (the “Project”). There are no proposed amendments to Chapter 56.

Background Information

Under the development agreement, Developer will attain the vested right to develop the proposed project on the approximately 50-acre site. The term of the development agreement is 25 years. The Project is a mixed use, mixed income development with several different components: (i) construction of the public infrastructure to support the 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 the Project. The Sunnydale HOPE master plan consists of a maximum of 1,770 units, of which 775 are replacement units for existing Sunnydale-Velasco households and 200 are additional affordable housing units. There are also up to 730 units that will be for market rate homeownership. The master plan includes all new streets and utility infrastructure, 3.6 acres of new open spaces, and approximately 60,000 square feet of new neighborhood serving spaces.

Currently, the San Francisco Housing Authority owns and operates 775 units of public housing on the approximately 50-acre site of the Project, which is located in Visitacion Valley

The Project is part of the City's HOPE SF program. 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. Launched in 2007, HOPE SF is a human and real estate capital commitment by the City. 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.

By separate legislation, the Board is considering a number of actions in furtherance of the project, including the approval of amendments to the City's General Plan, Planning Code and Zoning Map.

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