

File No. 180943

Committee Item No. 3

Board Item No. 16

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date October 18, 2018

Board of Supervisors Meeting

Date October 30, 2018

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | MOU  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

(Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Linda Wong

Date October 12, 2018

Completed by: Linda Wong

Date October 22, 2018

1 [Accept and Expend Grant - California Department of Housing and Community Development  
2 Affordable Housing and Sustainable Communities Program - 2060 Folsom Street Project -  
3 \$14,000,000]

4 **Resolution authorizing the Mayor's Office of Housing and Community Development to**  
5 **accept and expend an award of \$14,000,000 from the California Department of Housing**  
6 **and Community Development Affordable Housing and Sustainable Communities**  
7 **Program, including a loan of \$9,300,000 and a grant of \$4,700,000 for a project at 2060**  
8 **Folsom Street.**

9  
10 WHEREAS, The State of California, the Strategic Growth Council ("SGC") and the  
11 Department of Housing and Community Development ("Department") issued a Notice of  
12 Funding Availability ("NOFA") dated October 2, 2017, under the Affordable Housing and  
13 Sustainable Communities ("AHSC") Program established under Division 44, Part 1 of the  
14 Public Resources Code commencing with Section 75200; and

15 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC  
16 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines  
17 adopted by SGC on July 17, 2017, errata August 14, 2017 ("Program Guidelines"), an  
18 application package released by the Department for the AHSC Program ("Application  
19 Package"), and an AHSC standard agreement with the State of California ("Standard  
20 Agreement"), the Department is authorized to administer the approved funding allocations of  
21 the AHSC Program; and

22 WHEREAS, The AHSC Program provides grants and loans to applicants identified  
23 through a competitive process for the development of projects that, per the Program  
24 Guidelines, will achieve greenhouse gas reductions and benefit disadvantaged communities  
25 through increased accessibility to affordable housing, employment centers and key

1 destinations via low-carbon transportation; and

2 WHEREAS, The AHSC Program requires that joint applicants for a project will be held  
3 jointly and severally liable for completion of such project; and

4 WHEREAS, 2060 Folsom Housing, L.P., a California limited partnership ("Developer"),  
5 requested that the City and County of San Francisco, acting by and through Mayor's Office of  
6 Housing and Community Development (the "City"), be a joint applicant for its project located at  
7 2060 Folsom Street (the "2060 Folsom Project"); and

8 WHEREAS, On June 10, 2016, by Certificate of Determination, the Planning  
9 Department, by case No. 2015-014715ENV, determined that the development of the 127 unit  
10 affordable housing project at 2060 Folsom Street is eligible for streamlined environmental  
11 review per Section 15183.3 of the California Environmental Quality Act ("CEQA") Guidelines  
12 and California Public Resources Code, Section 21094.5; and

13 WHEREAS, The Planning Department found that any environmental impacts of 2060  
14 Folsom Project were fully reviewed under the Eastern Neighborhoods Area Plan  
15 Environmental Impact Report ("EIR"); and

16 WHEREAS, The EIR was prepared, circulated for public review and comment, and, at  
17 a public hearing on August 7, 2008, by Motion No. 17659, certified by the Planning  
18 Commission as complying with CEQA; and

19 WHEREAS, The San Francisco Municipal Transportation Agency ("SFMTA") plans to  
20 perform upgrades to its 13<sup>th</sup> Street protected bike lanes and install Folsom Street pedestrian  
21 countdown signals and related improvements in the vicinity of the 2060 Folsom Project (the  
22 "SFMTA Work"); and

23 WHEREAS, In collaboration with SFMTA, the Department of Public Works ("DPW")  
24 plans to create Treat Plaza, a new public space in the former rail right-of-way that will benefit  
25 residents, workers and visitors, in keeping with the Mission Area Plan in the vicinity of the

1 2060 Folsom Project (the "DPW Work"); and

2 WHEREAS, The Board of Supervisors authorized the City and County of San  
3 Francisco acting by and through the Mayor's Office of Housing and Community Development  
4 (the "City") to apply for AHSC Program funds and submit an Application Package as a joint  
5 applicant with the Developer through Resolution No. 472-17; and

6 WHEREAS, SFMTA and MOHCD entered into a Memorandum of Understanding to  
7 make commitments on behalf of the City for the Application Package; and

8 WHEREAS, The Department awarded \$14,000,000 to the 2060 Folsom Project  
9 through an award letter dated July 20, 2018; and

10 WHEREAS, The grant terms prohibit including indirect costs in the grant budget; now,  
11 therefore, be it

12 RESOLVED, That the Board of Supervisors authorizes the City to enter into the  
13 Standard Agreement with the Department, with terms and conditions that AHSC Program  
14 funds are to be used for allowable capital asset project expenditures identified in Exhibit A;  
15 and, be it

16 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of  
17 indirect costs in the grant budget; and, be it

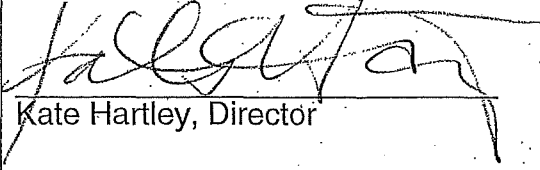
18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
19 MOHCD (or her designee) to execute and deliver any documents in the name of the City that  
20 are necessary, appropriate or advisable to accept and expend the AHSC Program funds from  
21 the Department, and all amendments thereto, and complete the transactions contemplated  
22 herein and to use the funds for eligible capital asset(s) in the manner presented in the  
23 application as approved by the Department and in accordance with the NOFA and Program  
24 Guidelines and Application Package; and, be it



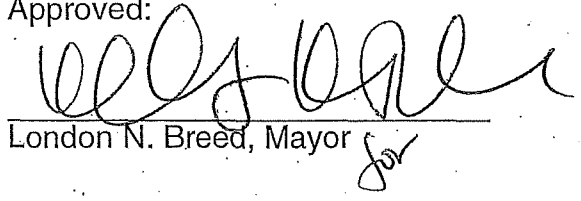
1           FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
2 heretofore taken are ratified, approved and confirmed by this Board of Supervisors.  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

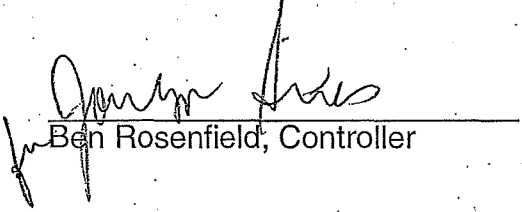
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Recommended:

  
Kate Hartley, Director

Approved:

  
London N. Breed, Mayor *for*

  
Ben Rosenfield, Controller

File Number: 180943  
(Provided by Clerk of Board of Supervisors)

**Grant Resolution Information Form**  
(Effective July 2011)

Purpose: Accompanies proposed Board of Supervisors resolutions authorizing a Department to accept and expend grant funds.

The following describes the grant referred to in the accompanying resolution:

1. Grant Title: **AHSC Program FY 2016-17 – 2060 Folsom**
2. Department: **Mayor's Office of Housing and Community Development**
3. Contact Person: **Benjamin McCloskey** Telephone: **(415) 701-5575**
4. Grant Approval Status (check one):  
 Approved by funding agency                       Not yet approved
5. Amount of Grant Funding Approved or Applied for: **\$4,700,000.00**
6. a. Matching Funds Required: **N/A**  
b. Source(s) of matching funds (if applicable): **N/A**
7. a. Grant Source Agency: **California Department of Housing and Community Development**  
b. Grant Pass-Through Agency (if applicable): **N/A**
8. Proposed Grant Project Summary: **Construction of Affordable Housing**
9. Grant Project Schedule, as allowed in approval documents, or as proposed:  
Start-Date: **TBD, depending on executing of Standard Agreement**  
End-Date: **TBD**
10. a. Amount budgeted for contractual services: **\$0**  
b. Will contractual services be put out to bid? **N/A**  
c. If so, will contract services help to further the goals of the Department's Local Business Enterprise (LBE) requirements? **N/A**  
d. Is this likely to be a one-time or ongoing request for contracting out? **N/A**
11. a. Does the budget include indirect costs?  
 Yes                       No  
b. 1. If yes, how much? **N/A**  
b. 2. How was the amount calculated? **N/A**  
c. 1. If no, why are indirect costs not included? **N/A**  
 Not allowed by granting agency                       To maximize use of grant funds on direct services  
 Other (please explain):  
c. 2. If no indirect costs are included, what would have been the indirect costs? **None.**
12. Any other significant grant requirements or comments: **None.**

**\*\*Disability Access Checklist\*\* (Department must forward a copy of all completed Grant Information Forms to the Mayor's Office of Disability)**

13. This Grant is intended for activities at (check all that apply):

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Existing Site(s) | <input checked="" type="checkbox"/> Existing Structure(s)      | <input checked="" type="checkbox"/> Existing Program(s) or Service(s) |
| <input type="checkbox"/> Rehabilitated Site(s)       | <input checked="" type="checkbox"/> Rehabilitated Structure(s) | <input type="checkbox"/> New Program(s) or Service(s)                 |
| <input type="checkbox"/> New Site(s)                 | <input checked="" type="checkbox"/> New Structure(s)           |   |

14. The Departmental ADA Coordinator or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local disability rights laws and regulations and will allow the full inclusion of persons with disabilities. These requirements include, but are not limited to:

1. Having staff trained in how to provide reasonable modifications in policies, practices and procedures;
2. Having auxiliary aids and services available in a timely manner in order to ensure communication access;
3. Ensuring that any service areas and related facilities open to the public are architecturally accessible and have been inspected and approved by the DPW Access Compliance Officer or the Mayor's Office on Disability Compliance Officers.

If such access would be technically infeasible, this is described in the comments section below:

Comments:

Departmental ADA Coordinator or Mayor's Office of Disability Reviewer:

Eugene Flannery

(Name)

Environmental Compliance Manager

(Title)

Date Reviewed: 9-12-18

Eugene Flannery  
(Signature Required)

Department Head or Designee Approval of Grant Information Form:

Kate Hartley

(Name)

Director

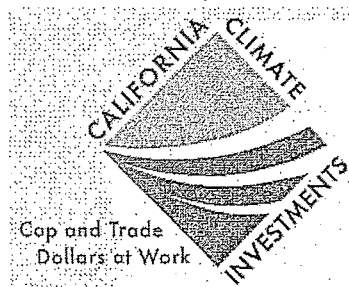
(Title)

Date Reviewed: 9/12/18

[Signature]  
(Signature Required)

# AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

FY 2016-2017 PROGRAM GUIDELINES



CALIFORNIA STRATEGIC  
GROWTH COUNCIL



July 17, 2017  
Technical Amendments: 8/14/17 and 10/23/17

## TABLE OF CONTENTS

	PAGE
ARTICLE I. AHSC General Overview	
Section 100 Purpose and Scope	3
101 AHSC Program Overview	4
ARTICLE II. AHSC Program Requirements and Procedures	
Section 102 Eligible Projects	6
103 Eligible Costs	8
104 Assistance Terms and Limits	14
105 Eligible Applicants	16
106 Program Threshold Requirements	17
107 Scoring Criteria	22
108 Application Process	32
ARTICLE III. AHSC Legal and Reporting Requirements	
Section 109 Legal Documents	35
110 Reporting Requirements	38
111 Performance Requirements	39
112 Default and Cancellations	40
113 Prevailing Wages	41
Figures	
Figure 1 AHSC Program Summary	5
Figure 2 Eligible Capital Projects and Program Costs	8
Figure 3 Eligible Cost Examples	8
Figure 4 Minimum Net Density Requirements	10
Figure 5 Scoring Elements	22
Figure 6 Application Review Process	34
APPENDIX A Definitions	
APPENDIX B Indian Tribe Eligibility Requirements	

***Note: Defined terms are bolded throughout the document. Refer to Appendix A for complete definitions.***

## Article I. AHSC General Overview

### Section 100. Purpose and Scope

- (a) The purpose of these Program Guidelines is to implement Division 44, Part 1 of the Public Resources Code (PRC) (commencing with Section 75200), which establishes the Affordable Housing and Sustainable Communities (AHSC) Program, hereinafter referred to as the **AHSC Program**.
- (b) The purpose of the **AHSC Program** is to reduce greenhouse gas (GHG) emissions through projects that implement land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and that support related and coordinated public policy objectives, including the following:
  - (1) reducing air pollution;
  - (2) improving conditions in disadvantaged communities;
  - (3) supporting or improving public health and other co-benefits as defined in Section 39712 of the Health and Safety Code;
  - (4) improving connectivity and accessibility to jobs, housing, and services;
  - (5) increasing options for mobility, including the implementation of the Active Transportation Program established pursuant to Section 2380 of the Streets and Highway Code;
  - (6) increasing transit ridership;
  - (7) preserving and developing affordable housing for lower income households, as defined in Section 50079.5 of the Health and Safety Code; and
  - (8) protecting agricultural lands to support infill development.

## Section 101. AHSC Program Overview

The **AHSC Program** furthers the purposes of **AB 32** (Chapter 488, Statutes 2006) and **SB 375** (Chapter 728, Statutes, 2008) by investing in projects that reduce GHG emissions by supporting more compact, infill development patterns, encouraging active transportation and transit usage, and protecting agricultural land from sprawl development. Funding for the **AHSC Program** is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds. The Cap-and-Trade Program, a key strategy for achieving the GHG emission reduction goals of AB 32, issues a limited number of GHG emissions permits (called allowances) each year. A portion of these allowances can be purchased from the State at quarterly auctions, thereby generating auction proceeds. These State auction proceeds are then deposited in the GGRF, where they become available for appropriation by the Legislature to further the purposes of AB 32.

The **AHSC Program** is administered by the **Strategic Growth Council (Council)**. The **Department of Housing and Community Development (Department)** will implement the transportation, housing and infrastructure component of the **AHSC Program**. The **Council** staff will coordinate efforts with **Department** staff, working with the **California Air Resources Board (ARB)** and the **Council** to administer the broader **AHSC Program**, including developing program guidelines, evaluating applications, preparing agreements, monitoring agreement implementation, and program reporting.

The **Council** will coordinate with **ARB** to develop and incorporate consistent guidance in the following areas, which will apply to all GGRF programs, including the **AHSC Program**:

- Expenditure records to ensure investments further the goals of AB 32.
- SB 535 (Chapter 830, Statutes 2012) and AB 1550 requirements to maximize benefits to **Disadvantaged Communities** and **Low-Income Communities**.
- Consistent methodologies for quantifying GHG reductions and other economic, environmental and public health co-benefits.
- Project tracking and reporting.

The **AHSC Program** will provide grants and/or loans to projects that will achieve GHG reductions and benefit **Disadvantaged Communities** and **Low-Income Communities** through increasing accessibility of affordable housing, employment centers and **Key Destinations** via low-carbon transportation resulting in fewer vehicle miles traveled (VMT) through shortened or reduced vehicle trip length or mode shift to transit, bicycling or walking. Three project prototypes have been identified to implement this strategy: 1) Transit Oriented Development (TOD) Project Areas, or 2) Integrated Connectivity Project (ICP) Project Areas, or 3) Rural Innovation Project Areas (RIPA).

Funds will be allocated through a competitive process, based on the merits of applications submitted and the proposed use of funds within the identified **Project Area**. The threshold requirements and application selection criteria focus on the extent to which developments realize the **AHSC Program's** objectives of reducing GHG emissions, benefiting **Disadvantaged Communities** and **Low-Income Communities**, providing affordable housing, demonstrating project readiness, and meeting other policy considerations.



## Article II. Program Requirements and Procedures

**Figure 1  
AHSC Program Summary**

Project Area Types	Transit Oriented Development (TOD) Project Area	Integrated Connectivity Project (ICP) Project Area	Rural Innovation Project Area (RIPA)
Transit Requirements (All Project Areas) §102	<ul style="list-style-type: none"> <li>▪ <b>MUST</b> include <b>Qualifying Transit</b></li> <li>▪ <b>Qualifying Transit</b> includes various forms of <b>Rail Service, Bus Service and Flexible Transit Service.</b></li> <li>▪ All Project Areas <b>MUST</b> also include a <b>Transit Station/Stop</b>, served by at least one <b>Qualifying Transit</b> line departing two or more times during <b>Peak Hours</b> (unless it is <b>Flexible Transit Service</b>).</li> </ul> <p><i>Note: Transit requirements based on transit that is operational as of date of application submission. ICP/RIPA projects that would build High Quality Transit will remain eligible as an ICP/RIPA.</i></p>		
Project Area Specific Transit Requirements §102	<ul style="list-style-type: none"> <li>▪ <b>MUST</b> be served by <b>High Quality Transit</b></li> <li>▪ Headway frequency of 15 minutes or less during <b>Peak Hours</b></li> <li>▪ Must operate on a railway or be a <b>Bus Rapid Transit (BRT)</b> service that either fully or partially operates on a dedicated bus-only lanes</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>CANNOT</b> be served by <b>High Quality Transit</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>CANNOT</b> be served by <b>High Quality Transit</b></li> <li>▪ <b>MUST</b> be located within a <b>Rural Area</b></li> </ul>
Required AHSC Funded Components §102	<p><b>AHSC Program funds <u>MUST</u> be used for Affordable Housing (which includes Affordable Housing Developments or Housing Related Infrastructure) <u>AND</u> at least one (1) other type of Eligible Capital Project or Program Cost</b></p>		<p><b>AHSC Program funds <u>MUST</u> be used for Sustainable Transportation Infrastructure <u>AND</u> at least one (1) other type of Eligible Capital Project or Program Cost</b></p>
Eligible Capital Projects or Program Costs §103	<ul style="list-style-type: none"> <li>▪ <b>Affordable Housing Developments (AHD)</b></li> <li>▪ <b>Housing Related Infrastructure (HRI)</b></li> <li>▪ <b>Sustainable Transportation Infrastructure (STI)</b></li> <li>▪ <b>Transportation-Related Amenities (TRA)</b></li> <li>▪ <b>Programs (PGM)</b></li> </ul>		
Affordable Housing Development Requirements §103	<p>Affordable Housing Developments may be:</p> <ul style="list-style-type: none"> <li>▪ New construction</li> <li>▪ Acquisition and <b>Substantial Rehabilitation</b> including preservation of affordable housing at-risk</li> <li>▪ Conversion of one or more nonresidential structures to residential dwelling units</li> </ul>		
Funds Available §108	Target 35 percent of available funds to <b>TOD Project Areas</b>	Target 35 percent of available funds to <b>ICP Project Areas</b>	Target 10 percent of available funds to <b>RIPAs</b>
Project Awards §104	<p>All Project Area Types are subject to the following minimum and maximum award amounts: Maximum: \$20 Million Minimum: \$1 Million</p>		
Statutory Funding Set-asides §108	<ul style="list-style-type: none"> <li>▪ 50 percent of the <b>AHSC Program</b> expenditures shall be for Affordable Housing (Health &amp; Safety Code § 39719(a)(1)(C))</li> <li>▪ 50 percent of <b>AHSC Program</b> expenditures shall be for projects benefitting <b>Disadvantaged Communities</b> (Public Resources Code § 75214)</li> </ul> <p><i>Note: A single project can address both set-asides above, and are not mutually exclusive.</i></p>		

## Section 102. Eligible Projects

The **AHSC Program** is designed to implement GHG emissions reductions through a reduction of vehicle miles travelled (VMT), or fewer and shorter auto-trips. The **AHSC Program** will fund integrated land use and transportation projects supporting low-carbon transportation options. Promoting mode shift to low-carbon transportation will require strategies that link residential areas, major employment centers and other **Key Destinations** to accessible, reliable, affordable, safe and comfortable transit and active transportation options.

- (a) All applicants will be required to define a **Project Area**. The **Project Area** is the area which encompasses transit, housing and destinations and is the area in which **AHSC Program** funds will be invested. Each **Project Area** must:
- (1) Be a contiguous area included within a distinct planning area in a local or regional planning document(s) or transit service area;
  - (2) Include at least one **Transit Station/Stop** consistent with the requirements set forth in (c) or (d) below; and
  - (3) Be of a defined size consistent with one of the following:
    - (A) For **Project Areas** with fixed transit routes, the defined **Project Area** may not exceed a one (1) mile radius from the identified **Transit Station/Stop**.
    - (B) For **Project Areas** with **Flexible Transit Service** routes, the defined **Project Area** must be defined based on the identified service area of the transit line.
    - (C) For **Project Areas** which include a **Transit Corridor** or bicycle network or both, the defined **Project Area** must be identified in a plan, i.e. general plan, bicycle master plan or transit corridor implementation plan.
- (b) The **AHSC Program** includes three eligible **Project Area** types as defined below:
- (1) **Transit Oriented Development (TOD) Project Areas**,
  - (2) **Integrated Connectivity Project (ICP) Project Areas**, and
  - (3) **Rural Innovation Project Areas (RIPA)**.

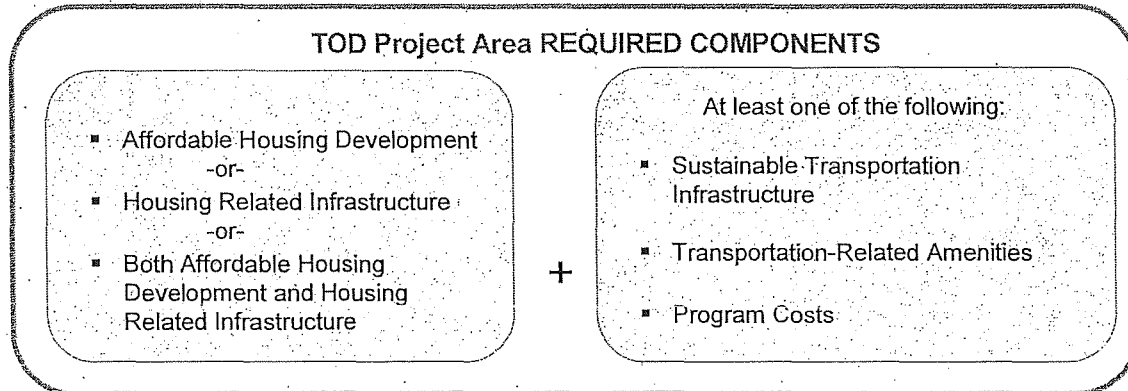
All projects regardless of **Project Area** type must demonstrate VMT reduction through fewer or shorter vehicle trips or incentivize mode shift to transit use, bicycling or walking within transit areas, with an emphasis on integration of or development of affordable housing, and with an emphasis on providing **Disadvantaged Community** or **Low-Income Community** benefits. There are several differentiating requirements between each **Project Area** type, as described below.

- (c) **TOD Project Areas** must demonstrate ALL of the following:
- (1) Include at least one (1) **Transit Station/Stop** served by **High Quality Transit** at the time of application submittal;

- (2) Include an **Affordable Housing Development** located no further than one-half (½) mile from a **Transit Station/Stop** served by High Quality Transit. While the TOD Project Area must include an **Affordable Housing Development**, it may be funded from sources other than the AHSC Program but must meet the requirements of Section 103 (a)(1)(A) through (C);

AND

- (3) Include **Capital Projects** or **Program Costs** as follows:



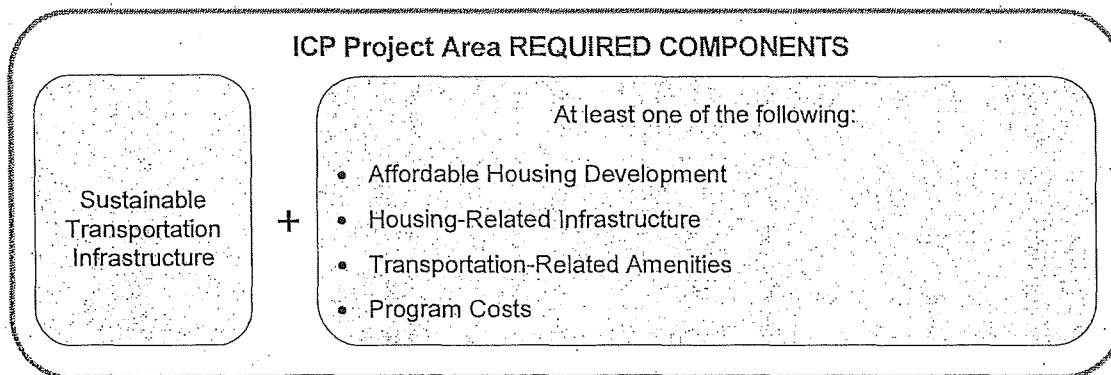
- (d) **ICP Project Areas** must meet all of the following:

- (1) Include at least one (1) **Transit Station/Stop**;

- (2) Be served by at least one (1) mode of **Qualifying Transit** that does not meet the requirements of **High Quality Transit** at the time of application submittal;

AND

- (3) Include **Capital Projects** or **Program Costs** as follows:



If the **ICP Project Area** application proposes to fund an **Affordable Housing Development** with AHSC Program funds, that housing must be located within a ½ mile of a **Transit Station/Stop**.

- (e) **RIPAs** must meet all of the requirements detailed in Section 102(d) above for an **ICP Project Area** and must be located within a **Rural Area**.

**Section 103. Eligible Costs**

The AHSC Program funds **Capital Projects** and eligible **Program Costs** within TOD, ICP and RIPA **Project Areas** consistent with requirements of Section 102(c),(d) and (e) as follows:

<b>Figure 2 Eligible Capital Projects and Program Costs</b>	
<b>Eligible Capital Projects</b>	
<ul style="list-style-type: none"> <li>▪ Affordable Housing Development (AHD)</li> <li>▪ Housing-Related Infrastructure (HRI)</li> <li>▪ Sustainable Transportation Infrastructure (STI)</li> <li>▪ Transportation-Related Amenities (TRA)</li> </ul>	
<b>Eligible Program Costs (PGM)</b>	
<ul style="list-style-type: none"> <li>▪ Active Transportation Programs</li> <li>▪ Transit Ridership Programs</li> </ul>	

*Note: Each Capital Project or Program Cost must be unique to that application and cannot be split over multiple applications.*

Examples of **Eligible Costs** within each category of eligible **Capital Projects** and **Program Costs** are identified in Figure 3 below:

<b>Figure 3: Eligible Cost Examples</b>	AHD/ HRI	STI	TRA	PGM
Construction or substantial rehabilitation of affordable housing	X			
Installation of new or improved walkways that improve mobility and access of pedestrians		X		
Installation of new or improved bikeways that improve mobility and access of cyclists		X		
Installation of new or improved pedestrian crossings or over-crossings		X		
Non-capacity increasing streetscape improvements, including, but not limited to the installation of lighting, signage, or other related amenities for pedestrians, cyclists and transit riders			X	
Street crossing enhancements including installation of accessible pedestrian signals		X		
Traffic calming projects including development of curb extensions, roundabouts, median islands, "road diets," lane narrowing projects		X		
Signage and way-finding markers			X	
Installation of traffic control devices to improve safety of pedestrians and bicyclists		X		
Street furniture (e.g. benches, shade structures, etc.)			X	
Bicycle repair kiosks			X	
Publically accessible bicycle parking			X	

<b>Figure 3 (continued): Eligible Cost Examples</b>	AHD/ HRI	STI	TRA	PGM
Bike Sharing infrastructure and fleet		X		
Bicycle carrying structures on public transit			X	
Development of a dedicated bus lanes as part of a BRT project		X		
Development and/or improvement of transit facilities or stations		X	X	
Transit related equipment to increase service or reliability		X		
Transit Signal Priority technology systems		X		
Real-time arrival/departure information systems			X	
Installation of at-grade boarding infrastructure		X		
Development or improvement of shelters or waiting areas at transit station/stops			X	
Transit ticket machine purchase or improvements			X	
Transit passenger amenities - e.g. Wi-Fi access			X	
Transit Vehicle Procurement for service expansion		X		
Station area signage			X	
Pedestrian and bicycle safety education programs				X
Development and publishing of community walking and biking maps, including school route/travel plans				X
Development & implementation of "walking School Bus" or "bike train" programs				X
School crossing guard training programs				X
Bicycle clinics				X
Public outreach efforts to increase awareness and understand the needs of active transportation users				X
Bike sharing program operations				X
Ride and/or car share programs				X
Transit subsidy programs				X
Education and marketing of transit subsidy programs				X
Transportation Demand Management (TDM) programs				X

Note: In addition to list above, *Energy Efficiency, Water Efficiency, Renewable Energy and Urban Greening* improvements are all eligible costs as components of a *Capital Project*.

(a) **Capital Projects**

(1) **Affordable Housing Development Capital Projects**

(A) **Affordable Housing Development Capital Projects must:**

- (i) Consist of one or more of the following:
  - a. New construction
  - b. Acquisition and **Substantial Rehabilitation** (including preservation of affordable housing at-risk of conversion to market rate)

*Note: The acquisition must be made through a bona fide sale or transfer from the existing ownership entity to the new ownership entity comprised of a completely disparate ownership structure, which contains no common entity interest at any level of the organizational structure.*

- c. Conversion of one or more nonresidential structures to residential dwelling units;

*Note: Re-syndication of an Affordable Housing Development is not an eligible capital project.*

- (ii) Be located within one-half (1/2) mile from a **Transit Station/Stop** that meets the **Project Area** transit requirements as defined in Section 102(c) or (d). The one-half (1/2) mile is to be measured from the nearest boarding point of the **Transit Station/Stop** to the entrance of the residential structure in the **Affordable Housing Development** furthest from the **Transit Station/Stop** along a walkable route. The walkable route, after completion of the proposed **Project**, shall be free of negative environmental conditions that deter pedestrian circulation such as barriers, stretches without sidewalks or walking paths, noisy vehicular tunnels, streets; arterials or highways without regulated crossings that facilitate pedestrian movement, minimize stretches without shade or cover, or stretches without lighted streets;
- (iii) Include at least 20 percent of the total residential units as **Affordable Units** with an overall **Project** average affordability of all **Restricted Units** within the **Project** no greater than 50% represented by **Area Median Income (AMI)**. Average affordability means the total number of **Restricted Units** multiplied by each restricted affordability level divided by the total **Restricted Units**. For example, for a 30 unit project with 10 units restricted to 40% and 10 units restricted to 60% AMI the calculation of the average affordability would be as follows:  
 10 units @ 40% AMI → 10 x 40 = 400  
 10 units @ 60% AMI → 10 x 60 = 600  
 400 + 600 = 1000  
 1000/ 20 total restricted units = average affordability of 50%  
 and;
- (iv) Have a minimum **Net Density**, upon completion of the **Affordable Housing Development**, not less than that shown on the following table:

Project Area Type	Residential only Projects	Mixed-Use Projects (Floor Area Ratio)
TOD	30 units per acre	>2.0
ICP	20 units per acre	>1.5
RIPA	15 units per acre	>0.75

- (1) Mixed-use **Affordable Housing Developments** may demonstrate consistency with the **Net Density** requirements through either the unit per acre or **Floor Area Ratio** requirements detailed in Figure 4.

(2) Acquisition and **Substantial Rehabilitation** (including preservation of affordable housing at-risk of conversion to market rate) are exempt from the above minimum density requirements but shall not result in fewer units or lower percentage of total affordability than currently exists except where reductions in unit count are required to meet building code requirements.

(v) Must supply at least one (1) **Secure Overnight Bicycle Parking** spot for every two units that is not publicly accessible and is completely enclosed. Bicycle parking at the **Affordable Housing Development** will be considered an eligible cost but may not be used to meet required **Project Area** components as outlined in Section 102.

(B) **Affordable Housing Development Capital Projects** may:

- (i) Include residential units that are rental or owner-occupied, or a combination of both;
- (ii) Consist of scattered sites with different ownership entities, within the boundaries of a discrete **Project Area**, as long as the sites are developed together as part of a common development scheme adopted, approved or required by a **Public Agency**; or
- (iii) Include nonresidential uses that are compatible under local zoning.

(C) Eligible costs for **Affordable Housing Development Capital Projects** are limited to:

- (i) Costs for a housing development, as specified in 25 CCR Section 7304 (a) and (b).
- (ii) Soft costs such as those incidentally but directly related to construction or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of total **AHSC Program** award.

(2) **Housing-Related Infrastructure Capital Projects**

(A) Eligible costs for **Housing-Related Infrastructure Capital Projects** are limited to:

- (i) Capital improvements required by a **Locality**, transit agency, or special district as a condition to the approval of the **Affordable Housing Development**.
- (ii) Soft costs such as those incidentally but directly related to construction

or other pre-development components including, but not limited to, planning, engineering, construction management, architectural, and other design work, required mitigation expenses, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of total **AHSC Program** award.

- (iii) Required environmental remediation necessary for the capital project where the cost of the remediation does not exceed 50 percent of **AHSC Program** grant funds.
- (iv) Real property acquisition of the **Housing-Related Infrastructure** project site and associated fees and costs (not to exceed 10 percent of the total **AHSC Program** award). Real estate commissions for purchase or acquisition are not an eligible expenditure.
- (v) Impact fees required by local ordinance are eligible for funding only if used for the identified eligible **Capital Project** not to exceed 15 percent of the **AHSC Program** award up to \$300,000.

**(3) Sustainable Transportation Infrastructure Capital Projects** (including Active Transportation and Transit Infrastructure)

**(A) Eligible costs for Sustainable Transportation Infrastructure Capital Projects** are limited to:

- (i) Capital improvements that result in the improvement or addition of infrastructure that encourages mode-shift by enhancing: 1) public transit access; 2) pedestrian network; or 3) bicycle network (includes public bike-share infrastructure and fleet) within the defined **Project Area** meeting the transit requirements detailed in Section 102 (c) or (d).
- (ii) Soft costs such as those incidentally but directly related to construction or project plans; specifications and estimates including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 30 percent of total **AHSC Program** award.
- (iii) **Activity Delivery Costs** that are associated with the implementation of the **Capital Project** not to exceed 10 percent of the costs associated with the **Capital Project**.
- (iv) Other **Capital Project** costs required as a condition of local approval for the **Capital Project**, as approved by the **Department**.

**(4) Transportation-Related Amenities Capital Projects**

- (A) Transportation-Related Amenities** must be publicly accessible.



- (B) Eligible costs for **Transportation-Related Amenities Capital Projects** are limited to:
- (i) Capital improvements that are publicly accessible and provide supportive amenities to cyclists, pedestrians, and transit riders (i.e. bike parking, bus shelter, benches, street trees, etc.) within the defined **Project Area** meeting the transit requirements detailed in Section 102 (c) or (d).
  - (ii) Soft costs such as those incidentally but directly related to construction project plans, specifications and estimates including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, appraisals, legal expenses, and necessary easements. Soft costs shall not exceed 10 percent of total **AHSC Program** award.
  - (iii) **Activity Delivery Costs** that are associated with the implementation of the **Capital Project** not to exceed 10 percent of the costs associated with the **Capital Project**.
  - (v) Other **Capital Project** costs required as a condition of local approval for the **Capital Project**, as approved by the **Department**.

(b) **Program Costs**

- (1) **Program Costs** include those costs typically associated with 1) program creation, or 2) expansion of existing programs to serve new populations or offer new program service and implementation. Eligible costs may include operational costs for programs for the term of the grant (3 years). Programs include education, outreach and training programs for Active Transportation or Transit Ridership.
- (2) The total grant amount for **Program Costs** within a **Project Area** shall not exceed 30 percent of the funding request for the overall **Project** up to \$500,000

(c) Ineligible costs include all of the following:

- (1) Costs are not eligible for funding if there is another feasible, available source of committed funding for the **Project** portion thereof to be funded by the **AHSC Program** or if the cost is incurred prior to **AHSC Program** award;
- (2) Routine maintenance of transportation infrastructure (including transit fleet);
- (3) In lieu fees for local inclusionary housing programs;
- (4) Ongoing operational costs beyond the term of the grant (3 years) for **Program Costs**; and
- (5) All costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot).

## Section 104. Assistance Terms and Limits

- (a) The maximum **AHSC Program** loan or grant award, or combination thereof, for a TOD, ICP and RIPA **Project Area** is \$20 million with a minimum award of at least \$1 million.
- (b) Loans for rental **Affordable Housing Developments**, or the rental portions of a **Affordable Housing Development**, are subject to the following terms:
- (1) **AHSC Program** funds will be provided as a loan for permanent financing by the **Department** to the owner of the **Affordable Housing Development**, with the same terms as the **Department's** Multifamily Housing (MHP) Program financing as set forth in 25 CCR 7308.
  - (2) The maximum loan amount shall be calculated pursuant to 25 CCR 7307 based on the number of **Restricted Units** in the **Affordable Housing Development**, affordability, unit sizes, location, and on the base amount for loan calculation as specified in the **AHSC Program NOFA**. For **Affordable Housing Developments** not receiving 9% low-income housing tax credits, \$80,000 per **Restricted Unit** may be added to the base amount for loan limit calculation purposes.
  - (3) Unless contradictory to any other provision specifically set forth herein, the Uniform Multifamily Regulations, dated July 10, 2010 ("UMRs") are hereby incorporated by reference in their totality into these Guidelines. The foregoing reference to the UMRs is exclusively as adopted and dated above without reference or incorporation of any subsequent amendment to the UMRs that may occur in the future.
- (c) Grants shall be subject to the following terms:
- (1) The applicant must demonstrate that the grant does not result in a profit that exceeds the commercially reasonable range for other developments of similar size and level of risk.
  - (2) **AHSC Program** grant funds will be disbursed as reimbursed progress payments for eligible costs incurred after the execution of the Standard Agreement in the amount not to exceed the **AHSC Program** award of funds.
  - (3) If the **Capital Project** grant includes multiple phases or developments, all entitlements and construction funding commitments for the first phase must be received prior to disbursement.
  - (4) For **Housing-Related Infrastructure Capital Project** grants:
    - (A) The total **Housing-Related Infrastructure Capital Project** grant amount is \$35,000 per residential unit in the proposed **Affordable Housing Development**, and \$50,000 per **Restricted Unit**.
    - (B) Conditions precedent to the first disbursement of **AHSC Program** funds shall include receipt of all required public agency entitlements and all construction

funding commitments for the **Affordable Housing Development** supported by the **Housing-Related Infrastructure Capital Project**.

- (C) **Rental Affordable Housing Developments** supported by the **Housing-Related Infrastructure Capital Project** shall be subject to a recorded covenant ensuring affordability for duration of at least 55 years, recorded on the fee interest of the real property on which the rental **Affordable Housing Development** is to be located. **Homeownership Affordable Housing Developments** supported by the **Housing-Related Infrastructure Capital Project** shall be subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or equity sharing upon resale, recorded on the fee interest of the real property on which the homeownership **Affordable Housing Development** is to be located.
- (D) For homeownership **Affordable Housing Developments**, **AHSC Program** assistance will be provided in the form of a grant from the **Department** to a **Locality** or **Developer**. It will be disbursed as reimbursed progress payments for **Eligible Costs** incurred for the construction of **Housing Related Infrastructure** required as a condition of approval of the homeownership **Affordable Housing Development**, made available for sale to qualified first-time homebuyers. The total first-time homebuyer grant amount is \$50,000 per **Restricted Unit**. Prior to any disbursement, an affordability covenant will be recorded against the fee interest in the property of the **Affordable Housing Development**. At the time of sale of the **Restricted Unit** to a qualified first-time homebuyer, either the affordability covenant or a resale restriction will be recorded against the **Restricted Unit** for a period of not less than 30 years from the date of recordation.

## Section 105. Eligible Applicants

### (a) Eligible Applicants

- (1) Eligible applicant entities shall include any of the following:
  - (A) A **Locality**, public housing authority, redevelopment successor agency, transit agency or transit operator, Regional Transportation Planning Agency (RTPA), local Transportation Commission, Congestion Management Agency, Joint Powers Authority (JPA), school district, facilities district, University or Community College District.
  - (B) A **Developer** or **Program Operator**.
  - (C) A Federally recognized **Indian Tribe** whose **Project** meets requirements listed in detail in Appendix B.
- (2) Where a **Public Agency** has a real property interest in the proposed **Project**, the application will be required to either include the Public Agency as a joint applicant or otherwise include a commitment to enter into a contractual agreement to develop the **Project**, if it is awarded.
- (3) Joint applicants for the **Project** will be held jointly and severally liable for the completion of the **Project**.
  - (A) A recipient of **Department** funds must remain liable for performing all requirements of the award of funds as those requirements are set forth in the Standard Agreement. Where there are multiple recipients, all such recipients must remain jointly and severally liable to the **Department** for that performance. Notwithstanding the foregoing, recipients may indemnify each other and enter into agreements amongst one another as to which shall bear responsibility as to particular portions of the award.

## Section 106. Program Threshold Requirements

### (a) Application Threshold Requirements

In addition to requirements detailed in Sections 102 through 105, to be eligible for **AHSC Program** funding, an application shall demonstrate to the **Department** all of the following:

- (1) It will achieve a reduction in GHG emissions through fewer vehicle miles travelled (VMT), pursuant to the most recent **AHSC Program** Quantification Methodology, located on the California Air Resources Board's Cap-and-Trade Auction Proceeds Quantification Materials webpage ([www.arb.ca.gov/cci-quantification](http://www.arb.ca.gov/cci-quantification)).
- (2) The proposed **Project** supports implementation of the applicable Sustainable Community Strategy (SCS), as confirmed by the Metropolitan Planning Organization (MPO), or similar sustainable planning document in non-MPO regions, as allowed by **SB 862** (Chapter 36, Statutes of 2014). The application must be consistent with activities or strategies identified in the regional SCS, or similar planning document that demonstrate a per capita reduction in VMT and GHG.
- (3) The proposed **Project** must be consistent with the State planning priorities established pursuant to Section 65041.1 of the Government Code.
- (4) All proposed **Affordable Housing Developments** must provide free transit passes, reloadable transit cards, or discounted passes priced at no more than half of retail cost. At least one (1) pass or card shall be made available for each Restricted Unit for at least 3 years. The card or pass should have a minimum value of 40 average commute length rides a month as determined by the transit agency. These passes or cards may be paid for with AHSC funding.
- (5) Applicants of all proposed **Affordable Housing Developments** must certify that the development will be smoke free and demonstrate compliance by submitting a **Smoke Free Housing** lease addendum prior to construction loan closing.
- (6) The AHSC funded components of the **Project** must:
  - Incorporate more than one **Urban Greening** feature as defined in Appendix A, with dedicated maintenance for at least two years.
  - Include adequate lighting in accordance with local, state, or federal design standards and requirements for all publicly accessible components of the **Project** including active transportation routes and transit stations or stops.
- (7) The **Project** must demonstrate a level of committed funding at time of application that is 0.90 or greater calculated by the following equation:

$$\frac{\text{AHSC funds requested} + \text{Enforceable Funding Commitments (EFCs)} - \text{Deferred Costs}}{\text{Total Development Cost} - \text{Deferred Costs}}$$

*Note: HRI grant requests for Homeownership **Affordable Housing Developments** will not be counted as part of this equation, and therefore are exempt from this EFC threshold.*

- (8) Completion and approval or adoption of all necessary environmental clearances including those required under the California Environmental Quality Act and if applicable, the National Environmental Policy Act, and all applicable time periods for filing appeals or lawsuits have lapsed.
  - (A) STI or TRA components of a **Project** are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) as stated in (8) above until prior to the initial disbursement of grant funds.
- (9) Applications must demonstrate that all necessary discretionary local land use approvals, excluding design review, have been granted.
- (10) The application must be sufficiently complete to assess the feasibility of the proposed project and its compliance with **AHSC Program** and application requirements. For example, the applicant must demonstrate that the **Project** is financially feasible as evidenced by documentation such as, but not limited to, a market study, project pro-forma, sources and uses statement, proposed operating budget, multi-year pro-forma, or other feasibility documentation that is standard industry practice for the type of proposed **Affordable Housing Development**. A market study that meets the requirements specified in TCAC Regulations Section 10322(h)(10) will be accepted by the **Department**.
- (11) The applicant or **Developer** of the **Project** must have **Site Control** sufficient to ensure the timely commencement of the **Project** as determined by the **Department**.
- (12) Applicants must demonstrate prior experience by providing evidence of at least two prior projects that are similar to the proposed **AHSC Project** in scope and size, which have been completed by the applicant, or joint applicant, during the ten (10) years preceding the application due date.
  - (A) For STI or TRA components only, an applicant may demonstrate the requisite experience (as detailed above) by using the past experience of work completed of a Locality or Transportation Agency non-applicant so long as the applicant can provide an executed agreement with that specific Locality or Transportation Agency non-applicant for the completion of the STI or TRA components of the **AHSC Project** for which funding is sought.
- (13) As of the date of application, the applicant(s), the **Project**, or the real property on which the **Project** is proposed (Property) may not be party to or the subject of any claim or action in the state or federal courts. Further, the applicant(s) shall disclose and describe any claim or action undertaken by or against the applicant(s), the **Project** or the Property which affects or potentially affects the feasibility of the **Project**.
- (14) Construction of the **Project** has not commenced as of the application deadline set forth in the **NOFA**.

- (15) **Qualifying Transit** must be completed and offering service to the **Transit Station/Stop of the Project Area** by the time set forth in the Standard Agreement.
- (16) Demonstrate consistency with State Relocation Assistance Law (CA Gov Code Sec. 7260-7277).
- (17) The Housing Element for the jurisdiction in which the **Project** is located must have been adopted by the jurisdiction's governing body and subsequently determined to be in substantial compliance with State housing element law pursuant to Government Code Section 65585 by the date of the award recommendation. A jurisdiction's current housing element compliance status can be obtained by referencing the **Department's** website at [www.hcd.ca.gov](http://www.hcd.ca.gov).
- (18) The applicant must demonstrate that where applicable, climate adaptation measures are integrated into their **Project** as described in Section 107(m).
- (19) The applicant must demonstrate that costs for any **Project** or component thereof will not result in loss or conversion of agricultural or other working lands, or natural resource lands for other uses. Thus the **Project** site must not be designated as agricultural land according to the Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) Tool. In order to receive an exception from the FMMP tool designation of agricultural land, a **Project** must provide documentation to demonstrate that the **Project** site qualifies as an **Infill Site** (as defined in Appendix A).
- (20) Applications requesting **AHSC Program** funding for **Affordable Housing Developments and Housing-Related Infrastructure Capital Projects** must also demonstrate to the satisfaction of the **Department** all of the following:
  - (A) **Rental Affordable Housing Developments** must meet the underwriting standards in the Uniform Multifamily Regulations, 25 CCR 8308 through 8316 and the Multifamily Housing Program Regulations, 25 CCR 7312.
  - (B) The **Affordable Housing Development** and/or **Housing-Related Infrastructure Capital Project(s)** are infeasible without **AHSC Program** funds, and other committed funds are not and will not be supplanted by **AHSC Program** funds.
  - (C) If the application involves demolition or rehabilitation of existing units affordable to lower income households, the replacement **Affordable Housing Development** must include units, comparable in size, with equal or greater affordability, equal to or greater than the number of existing affordable units, except in cases where rehabilitated units provide amenities such as bathrooms and kitchens not present in existing units in which case, the reduction may not result in more than 25 percent fewer units upon project completion. First right of return must be provided to displaced residents.
    - (i) The above no net loss requirements would apply where an **Affordable Housing Development** or **Housing-Related Infrastructure Capital**

**Project** is proposed on any property which includes a parcel or any portion of a parcel on which residential dwelling units affordable to lower income households currently exist or where there have been dwelling units restricted to lower-income households which have been vacated or demolished within the 5 year period preceding the application.

- (D) Applicants must demonstrate the proposed Affordable Housing Development is consistent with State and Federal Fair Housing requirements including duties to affirmatively further fair housing.
  - (E) Where approval by a local public works department, or other responsible local agency, is required for the **Housing-Related Infrastructure Capital Project**, the application must include a statement from that department indicating that the **Housing-Related Infrastructure Capital Project** is consistent with all applicable local rules, regulations, codes, policies and plans enforced or implemented by that **Department**.
- (21) Applications requesting AHSC Program funding for **Sustainable Transportation Infrastructure and/or Transportation-Related Amenities Capital Projects** must satisfy all of the following:
- (A) Where approval by a local public works department, or other responsible local agency, is required for the **Project**, the application must include a statement from that entity indicating that the **Sustainable Transportation Infrastructure and/or Transportation-Related Amenities Capital Project(s)** is consistent with all applicable local rules, regulations, codes, policies and plans enforced or implemented by that entity.
  - (B) If the **Sustainable Transportation Infrastructure and/or Transportation-Related Amenities Capital Project(s)** involves the demolition existing units affordable to lower-income households, the application must demonstrate the replacement of demolished units, comparable in size, of equal or greater affordability and equal to or greater than the number of the demolished affordable units located within comparable access to transit and include first right of return to displaced residents.
    - (i) The above no net loss requirements would apply where an **Sustainable Transportation Infrastructure or Transportation-Related Amenities Capital Project** is proposed on any property which includes a parcel or any portion of a parcel on which residential dwelling units affordable to lower income households currently exist or where there have been dwelling units restricted to lower-income households which have been vacated or demolished within the 5 year period preceding the application.



(22) Applications requesting **AHSC Program** funding for **Program Costs** must also demonstrate to the satisfaction of the **Department** all of the following:

(A) The **Program Costs** are infeasible without **AHSC Program** funds, and other committed funds are not being supplanted by **AHSC Program** funds

(b) **Disadvantaged Community** Benefits

In April 2017, using the updated results from CalEnviroScreen 3.0, the California Environmental Protection Agency (CalEPA) identified **Disadvantaged Communities** to include census tracts that fall within the top 25 percent of CalEnviroScreen 3.0, plus an additional 22 census tracts that score in the highest 5 percent of CalEnviroScreen's Pollution Burden but do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data. AB 1550 has also created new investment requirements for **Low-Income Communities** and **Low-Income Households**. ARB plans to adopt updated Cap-and-Trade Auction Proceeds: Funding Guidelines for Agencies that Administer California Climate Investments (Funding Guidelines) that will provide criteria to evaluate whether or not a project provides a benefit to a **Disadvantaged Community**, **Low-Income Community**, or **Low-Income Household**. These criteria will be included in the NOFA once the updated Cap-and Trade Auction Proceeds Funding Guidelines are released by ARB.

A **Project** that is located in and provides benefits to a **Disadvantaged Community** or **Low-Income Community** may receive priority for funding in order to meet the **AHSC Program Disadvantaged Community and Low-Income Community** funding requirements. All applicants must evaluate the criteria in the forthcoming figure (to be added as an addendum) and, if applicable, demonstrate in the application how the **Capital Project** or **Program Costs** within the **Project** meets one of the criteria.

## Section 107. Scoring Criteria

AHSC Program funds will be allocated through a competitive process, based on the merits of the application to support sustainable development that expands and improves transit, walking and bicycling infrastructure and provides opportunities to reduce VMT by supporting connectivity between housing and destinations to bring about reduction of GHG emissions.

The scoring criteria is divided by three categories, for a total of 100 Points:

1. GHG Quantification Methodology Scoring (30 Points)
2. Quantitative Policy Scoring (55 Points)
3. Narrative-Based Policy Scoring (15 Points)

Applications meeting all threshold requirements as detailed in Section 106 will be reviewed and scored based upon the detailed criteria in all three categories as described in Figure 5 below. The narrative-based policy scoring section of the application will be scored only for projects that obtain over 50% of the total points available (at least 43 of the 85 other available Quantitative and GHG-related points). All of the scoring criteria will be applied to all Projects, regardless of the project components present in each specific Project.

<b>Figure 5 AHSC Scoring Elements and Criteria</b>	
<b>Criteria</b>	<b>Points</b>
<b>GHG Quantification Methodology Scoring</b>	
GHG Efficiency	15
GHG Total	15
<b>Quantitative Policy Scoring</b>	
Active Transportation Improvements	10
Green Buildings and Renewable Energy	10
Housing and Transportation Collaboration	10
Location Efficiency and Access to Destinations	5
Funds Leveraged	5
Programs	3
Anti-Displacement Strategies	5
Local Workforce Development and Hiring Practices	2
Housing Affordability	5
<b>Narrative-Based Policy Scoring</b>	
Collaboration & Planning	6
Community Benefit & Engagement	6
Community Climate Resiliency	3
<b>Total Scoring</b>	<b>100</b>

Points will be assigned based on the following:

## GHG Quantification Methodology – 30 Points

### (a) Estimated GHG Emissions Reductions – 30 Points Maximum

For this section, applications will be scored based on the quantified GHG emission reductions based on: 1) the total **Project** GHG Reduction Score; AND 2) cost efficiency of estimated GHG reductions per AHSC dollar. Each of these scoring methods will represent a maximum of 15 points of the total combined 30 points available under this criterion.

Applications will be awarded points for Project GHG Emissions Reductions according to the following process:

- (1) For each **Project**, applicants will calculate the estimated GHG reductions using the most recent AHSC GHG Quantification Methodology (CalEEMod and TAC), located on the California Air Resources Board's Cap-and-Trade Auction Proceeds Quantification Materials webpage ([www.arb.ca.gov/cci-quantification](http://www.arb.ca.gov/cci-quantification)).
  - (A) Total **Project** GHG Reduction score will represent the total GHG reduction calculated through the Quantification Methodology, and
  - (B) Cost efficiency of estimated GHG reductions will be calculated by the following formula:

$$\frac{\text{Total Project GHG Reductions}}{\text{AHSC \$ Request}}$$

*Note: For the purposes of GHG quantification, the project life will vary based on the project type, as specified in Attachment 2 of the GHG Quantification Methodology. In addition, for phased projects, only the current phase (the phase seeking AHSC funding) of a project may be quantified.*

- (2) All applications will be ranked from highest to lowest for both the total **Project** GHG Reduction score and the Efficiency of Reductions score.
- (3) Each application will be assigned to one of 5 bins representing 1/5<sup>th</sup> of the total number of applications in ranked order with each bin receiving an assigned point score, up to a maximum of 15 points for both (1) total **Project** GHG reduction score and (2) cost efficiency of estimated GHG reductions, as follows:

Bin 1 = 15 points
Bin 2 = 12 points
Bin 3 = 9 points
Bin 4 = 6 points
Bin 5 = 3 points

- (4) Bin scores for 1) total **Project** GHG reduction score and 2) cost efficiency of estimated GHG reductions, will be combined to determine final GHG Emissions Reduction criteria score as follows:

Total Project GHG Reductions
Bin 1 = 15 points
Bin 2 = 12 points
Bin 3 = 9 points
Bin 4 = 6 points
Bin 5 = 3 points

+

Efficiency of Reductions
Bin 1 = 15 points
Bin 2 = 12 points
Bin 3 = 9 points
Bin 4 = 6 points
Bin 5 = 3 points

Note: For the purposes of calculating the points used to determine the GHG quantification score for the TOD, ICP, and RIPA set-asides, projects will be binned within their Project Area Type, and therefore will only compete within their project area type for the first 80% of appropriated funding per section 108.

### Quantitative Policy Scoring – 55 Points

#### (b) Active Transportation Improvements – 10 Points Maximum

- (1) Up to 3 points for the total length (in linear miles) of AHSC funded **Context Sensitive Bikeways** (see definition in Appendix) as follows:
  - 3 points for over 2 miles
  - 2 points for over half a mile but less than 2 miles
  - 1 point for less than half a mile
- (2) 1 Point for the identification of **Key Destinations** within the **Project Area** that will be linked to the **Affordable Housing Development** or **Transit Station or Stop** by bikeways funded by AHSC
- (3) 1 Point for projects that provide a key bicycle network gap closure. Documentation must be provided to certify that the **Project** will do at least one of the following in an attempt to increase bicycle safety and access: reduce vehicular speed or volume near bicycle users, improve sight distance and visibility, eliminate potential conflict points, improve compliance with traffic laws, or address any other barriers to cyclists that may have existed on the route.
- (4) Up to 3 points for the total length (in linear miles) of AHSC funded **Safe and Accessible Walkways** (see definition in Appendix) as follows:
  - 3 Points for greater than half a mile
  - 2 Points for more than an entire block (all 4 sides), but less than half a mile
  - 1 Point for an entire block (all 4 sides) of context sensitive walkways
- (5) 1 Point for the identification of **Key Destinations** within the **Project Area** that will be linked to the **Affordable Housing Development** or **Transit Station or Stop** by walkways funded by AHSC
- (6) 1 Point for projects that provide a key pedestrian network gap closure. Documentation must be provided to certify that the **Project** will do at least one of the following in an attempt to increase pedestrian safety and access: reduce vehicular speed or volume

near pedestrians, improve sight distance and visibility, eliminate potential conflict points, improve compliance with traffic laws, or address any other barriers to pedestrians that may have existed on the route.

(c) **Green Buildings and Renewable Energy - 10 Points Maximum**

(1) Up to 5 points will be awarded for achieving green building status beyond State mandatory green building requirements. Applicants may select from the following green building certification programs.

Residential Construction		
Program	3 points	5 points
CalGreen	Tier 1	Tier 2
LEED	Silver	Gold
Green Point Rated	100 for New Construction; 95 for Rehabilitation	125 for New Construction; 120 for Rehabilitation
ENERGY STAR	N/A	Certified Home

Non-Residential Construction		
Program	3 points	5 points
CalGreen	Tier 1	Tier 2
LEED	Silver	Gold

(2) Up to 5 Points will be awarded for achieving energy grid use reductions based on the following:

Level	Points
Energy Producer	2 Points
Zero Net Energy	5 Points

- Energy Producer: At least one-third (or 33%) of the building energy is produced by on site renewable sources.
- Zero Net Energy: Produces as much energy as it consumes over the course of a year, when accounted for at the energy generation source.

(d) **Housing and Transportation Collaboration (10 points)**

(1) Up to 6 Points for applications with an AHSC funds request of at least \$1,000,000 for **Affordable Housing Developments** AND an AHSC funds request for **Sustainable Transportation Infrastructure** that comprises at least a certain percentage of the total AHSC funds request as detailed below:

STI Funds Request as percentage of Total AHSC Request	Points
25%	6 Points
15%	4 Points
10%	2 Points

- (2) 2 Points for applications which invest at least 5% of total AHSC funds on **Transportation Related Amenities** at a **Transit Station or Stop** within the **Project Area**. Partial credit at 1 Point will be given to projects that invest at least 5% of total AHSC funds on **Transportation Related Amenities**, but not at a **Transit Station or Stop**.
- (3) 1 Point for **Projects** which have received funding from other Greenhouse Gas Reduction Fund (GGRF) programs which directly benefit or contribute to the development of the proposed **Project**.
- (4) 1 Point for **Projects** within environmentally cleared High Speed Rail Station Planning Areas.
- (e) **Location Efficiency and Access to Destinations– 5 points maximum**
- (1) Up to 3 Points will be given for the Location Efficiency of the **Project** site as determined by the US EPA Walkability Index using the address of the **Project** site. If the **Project** is a corridor and does not have a specific address, use the center most point of the **Project** for the calculation. The methodology for the Walkability Index can be found at [www.epa.gov/smartgrowth/smart-location-mapping#walkability](http://www.epa.gov/smartgrowth/smart-location-mapping#walkability) Points will be given on the following scale:
- 3 Points: Most Walkable (Dark Green; 15.25-20)
  - 2 Points: Above Average Walkable (Light Green; 10.51-15.25)
  - 1 Point: Below Average Walkable (Yellow; 5.76-10.5)
  - 0 Points: Least Walkable (Orange; 1-5.75)
- (2) Up to 2 Points will be given for projects that provide a map highlighting the location of the existing and operational services within the Project Area as follows:
- 0.5 Points: Grocery store which meets the CalFresh Program requirements
  - 0.5 Points: Medical clinic that accepts Medi-Cal payments
  - 0.5 Points: Public elementary, middle or high school
  - 0.5 Points: Licensed child care facility
- (f) **Funds Leveraged – 5 Points Maximum**
- A maximum of 5 Points will be awarded for applications demonstrating **Enforceable Funding Commitments** to leverage AHSC funded **Capital Projects** and **Program** activities. Applications will be scored based on the amount of **Enforceable Funding Commitments** (as defined in Appendix A) from sources other than the **AHSC Program**, as a percentage of the requested amount of **AHSC Program** funds as follows:
- 5 Points: >200%
  - 4 Points: 150% to 199%
  - 3 Points: 100% to 149%
  - 2 Points: 50% to 99%
  - 1 Point: 25 to 49%

(g) **Anti-Displacement Strategies – 5 Points Maximum**

(1) **Up to 3 Points** (1 Point per strategy) for **Projects** that either implement strategies or programs, or are located in jurisdictions with policies, strategies or programs that currently exist to prevent the displacement of local community residents from the area surrounding the **Project**. Strategies should be selected from this following list:

- Just cause eviction or tenant anti-harassment policies
- Inclusionary zoning ordinances
- Density bonus ordinances that expand on state requirements
- Job-housing linkage fee
- Affordable housing linkage fee
- First right of return ordinance
- Source of income non-discrimination ordinances
- Policies to preserve SRO units and/or mobile home parks
- Condominium Conversion Restrictions
- Required and/or incentives for contributions to local community land trusts
- Land banking programs
- Community benefit zoning and/or other land value recapture strategy
- Affirmative marketing strategies or plans targeting a **Disadvantaged Community or Low-Income Community**
- Residency Preference Plan prioritizing occupancy for **Disadvantaged Community or Low-Income Community** residents
- Providing the sale of discounted transit passes available for low-income individuals who live in the **Project Area** (not just for residence of the AHD).

(2) **Up to 2 Points** (1 Point per strategy) for **Projects** demonstrating policies, strategies or programs that either currently exist or will be implemented through this **Project** to prevent the displacement of locally-owned businesses from the area surrounding the **Project**. Strategies should be selected from this following list:

- Implementation of an overlay zone to protect and assist small businesses;
- Establishment of a small business advocate office and single point of contact for every small business owner;
- Creation and maintenance of a small business alliance;
- Increased visibility of the jurisdiction's small business assistance programs;
- Formal program to ensure that some fraction of a jurisdiction's purchases of goods and services come from local businesses;
- Prioritization of Minority and Women Business Enterprises (MWBE) for public contracting.

(h) **Local Workforce Development & Hiring Practices - 2 Points Maximum**

(1) **Up to 2 Points for Projects** that implement at least one workforce development strategy. Examples of workforce development strategies include:

- Establishing a partnership with a community-based workforce development and job training entities that have a track record of success serving disadvantaged populations and/or have demonstrated a high job placement rate among trainees from disadvantaged communities;
- Partnerships with pre-apprenticeship programs, state certified community conservation corps programs, "earn-while-you-learn" programs, YouthBuild programs, and/or registered apprenticeship programs that lead to industry recognized credentials, certifications and/or references for long term employment;
- Partnerships with local Workforce Investment Board programs serving disadvantaged populations.
- Projects that have developed project labor, community workforce, or high-road agreements with targeted local hire specifications OR that are located in jurisdictions with local hire ordinances that directly apply to the proposed project

*Note: These items are not eligible for AHSC funding, but must be incorporated directly into the AHSC project to be eligible for points in this category, such as being involved in the development of the Project or ongoing operation of the Project. Projects in which every AHSC project component cannot legally implement local hire or workforce development strategies must include an explanation detailing these barriers in order to receive full points.*

(i) **Housing Affordability - 5 Points Maximum**

(1) **Up to 5 Points** will be awarded for applications which restrict a percentage of the units in the **Affordable Housing Development** to Extremely Low Income (ELI) households. Points will be counted as follows:

<b>% of total units restricted to ELI households</b>	<b>Points</b>
>20%	5 Points
16-20%	4 Points
11-15%	3 Points
5-10%	2 Points
At least 5%	1 Point

(j) **Programs – 3 Points Maximum**

- (1) **2 Points** will be awarded for applicants that propose an AHSC funded **Eligible Program Use** (excludes Transit Pass programs as required in Section 106(a)(4))
- (2) **Up to 1 Point** will be awarded for applicants that provide documentation showing:
- **The Program Operator's** prior experience operating similar successful programs (0.5 Points); **and/or**



- How the **Program Operator** will sustain the program beyond the term of the AHSC standard agreement and funds (0.5 Points).

### Narrative-Based Policy Scoring- 15 Points

The narrative-based policy scoring section of the application will be scored only for projects that obtain over 50% of the Quantitative and GHG QM points. For this section, applicants must include a PDF attachment of a write-up that addresses the following questions and prompts. Please include the bolded headers listed below for each section of the write-up; the questions should not be re-stated in the write-up. The total write-up may not exceed 4 pages, not including required documentation.

#### (k) **Collaboration & Planning- 6 Points Maximum**

Collaboration between regional governments, local governments, and various housing and transportation providers is critical in creating a project that ensures connectivity and responds to its contexts. Outline how the proposed project brings together the efforts of local and regional government, as well as housing and transportation agencies. Please address the prompts below in your narrative.

- **Regional Government Involvement:** Describe how the proposed project implements the region's Sustainable Communities' Strategy (SCS) or equivalent regional sustainability plan, and the extent to which the candidate project aligns with regional priorities. If applicable, please also describe collaboration with the local metropolitan planning organization (MPO) or similar regional planning entity.

*Required Documentation: Applicable section or elements of SCS or equivalent regional plan.*

- **Local Planning Efforts:** Identify what local planning efforts the project implements, and if applicable, describe what particular components of the project are derived from a local plan. Explain how local government agencies were involved in the process of creating the project.
  - Agencies to consider in your answer may include, but are not limited to: local public works department, transit agencies, planning and community development departments, housing departments, local health department, schools/school districts, emergency services, law enforcement, etc.
  - Examples of planning efforts to discuss may include, but are not limited to: General Plan (e.g., circulation element or housing element); Specific Plan; Community Plan; Climate Action Plan; Redevelopment Plan; Bicycle Master Plan; Disadvantaged Community Assessment (Government Code Section 65302); Pedestrian Master Plan; Local Coastal Plan; Transit Plan; Transit Corridor Plan; Station Area Plan; Corridor System Management Plan; Transportation Demand Management (TDM) Strategy or Plan.

*Required Documentation: Applicable section or elements of local planning document.*

- **Housing and Transportation Collaboration:** Describe the relationship between the joint-applicants or partners that worked together to create the proposed AHSC project. Explain the process involved in coming together to create a larger vision for the Project Area. Describe how housing, transportation, and urban greening infrastructure components of the project are integrated to make a cohesive project.

*Required Documentation: Site Plan and project area map (or context plan).*

**(l) Community Benefits & Engagement - 6 Points Maximum**

Community involvement and leadership are crucial to ensuring that both the principle objectives and co-benefits of the project respond to the true needs of local residents. Explain how local residents and community-based organizations were meaningfully engaged in developing the project, especially those from disadvantaged and low-income communities, and how the project addresses community-identified needs. Please address the prompts below in your narrative.

- **Community Engagement and Leadership:** Describe how community-based organizations and local residents have been meaningfully involved in the visioning and development of this project. Explain in which stage(s) of the process community members and CBOs have been and will be engaged.
- **Addressing Community Needs:** Demonstrate how the proposed AHSC project meets one or more identified community needs, articulating how these needs were identified (e.g. through the community engagement process, a local needs assessment, as part of a local health department plan or other city/county plan, etc.). Address community needs beyond the provisions of housing and transportation. For projects located in a **Disadvantaged Community** or **Low-Income Community**, applicants are also encouraged to cite top burdens from their CalEnviroScreen 3.0 score as community needs that their projects will address.

*Required Documentation: Letter of support from local community-based, grassroots organization describing the community engagement process and how feedback from local residents was incorporated into the project.*

(m) **Community Climate Resiliency- 3 Points Maximum**

Communities will continue to experience effects of climate change in various ways, including increased likelihood of droughts, sea level rise, flooding, wildfires, heatwaves and severe weather. Due to these effects, climate resiliency is increasingly becoming a key part of planning and project implementation decisions.

- **Climate Adaptation:** Consider if the surrounding community is experiencing any specific climate vulnerabilities and how this project aims to address specific concerns. Describe how potential climate impacts are taken into consideration in the design of the proposed project, such as the incorporation of **Natural Infrastructure**, and, if applicable, how the project conforms with the local implementation of SB 379, Government Code section 65302(g)(4), where cities and counties are required to address climate adaptation and resiliency strategies in the safety element component of their general plan.

*Note: For tools to help assess climate impacts, please visit <http://beta.cal-adapt.org/>.*

## Section 108. Application Process

- (a) Pursuant to direction of the **Council**, the **Department** shall offer funds through a **NOFA** and applications will be reviewed based on the steps detailed below and illustrated in Figure 6.
- (b) The **Department** will offer optional pre-application consultations as detailed in the **NOFA** in order to provide assistance to applicants regarding minimum threshold eligibility and other program requirements.
- (c) Applications will be made available through the **Department**, and complete applications must be submitted to the **Department** by the deadline detailed in the **NOFA**.
- (d) The highest scoring applications that meet all threshold requirements as determined by the **Department**, based on criteria set forth in these guidelines, shall be recommended to the **Council** for funding as specified in the **NOFA**. The **Council** may make adjustments in this procedure to meet the following objectives:
  - (1) At least fifty (50) percent of **AHSC Program** expenditure for **Projects** benefitting and located in **Disadvantaged Communities**.
  - (2) At least fifty (50) percent of the annual proceeds appropriated for the **AHSC Program** shall be expended for affordable housing. For the purposes of this set-aside, expenditures related to **Affordable Housing Development** and **Housing-Related Infrastructure Capital Projects** shall count toward this requirement.
  - (3) **Project Area** type targets are as follows:
    - (i) Target thirty five (35) percent of funds available as designated in the **NOFA** to **TOD Project Area** applications.
    - (ii) Target thirty five (35) percent of funds available as designated in the **NOFA** to **ICP Project Area** applications.
    - (iii) Target ten (10) percent of funds available as designated in the **NOFA** to **RIPA** applications.
    - (iv) Remaining twenty (20) percent of available funds may be awarded to any eligible project area type.
    - (v) To the extent applications received are not sufficient to meet **TOD Project Area**, **ICP Project Area** or **RIPA** targets detailed in (i), (ii) and (iii) above, the **Council** reserves the right to waive these requirements and recommend funding a greater percentage of applications in either of the three identified **Project Area** types.

- (4) **Project Area** type targets and statutory set-asides detailed in (3) above will be subject to the following process:
- (i) Applications for TOD, ICP and RIPA Project Areas will be ranked based on the result of the Estimated GHG Emissions Reductions as stated in Section 107(a) and binned separately by respective **Project Area** types.
  - (ii) For each application, the resulting score from this initial binning will be added to scores from the quantitative and narrative-based scoring criteria to determine an applicant's total score.
  - (iii) Total application scores will be ranked within each **Project Area** type (TOD, ICP and RIPA). Applications will be recommended to the Council for award based on the amount of funds available in each **Project Area** type, as detailed in Section 108(d)(3).
  - (iv) Applications not recommended for funding based on the application of **Project Area** type set-asides will be re-binned based on the Estimated GHG Emissions Reductions using the same methodology outlined in section 107(a) without regard to **Project Area** type.
  - (v) Each application's resulting GHG Emissions Reductions score will be added to previously determined scores for other project criteria to determine a revised total application score. This revised total application score will be used to allocate the remaining 20 percent of funds available under the NOFA, with specific consideration given to ensure statutory set-asides for Affordable Housing and **Disadvantaged Communities** are met.
- (5) Though there are no statutory requirements or specific targets for regional allocation of awards, the **Council** is committed to striving for an equitable distribution of resources. Since it is in the interest of the State to fund a variety of project types and scales in a variety of locations to demonstrate the many ways GHG emissions may be reduced, adjustments may be made in the recommendation and award of funds.
- (6) A single **Developer** may receive no more than \$40 million per **NOFA** funding cycle, however this limitation may be waived if necessary to meet AHSC statutory funding set-asides.
- (7) As station area plans for High Speed Rail are implemented, the **Council** may prioritize investments in these areas.
- (8) The **Department** may elect to not evaluate compliance with some or all threshold requirements for applications that are not within a fundable range.
- (9) In the event of two or more applications having the same scores, the Council has the discretion to make the final selection regarding these projects to ensure

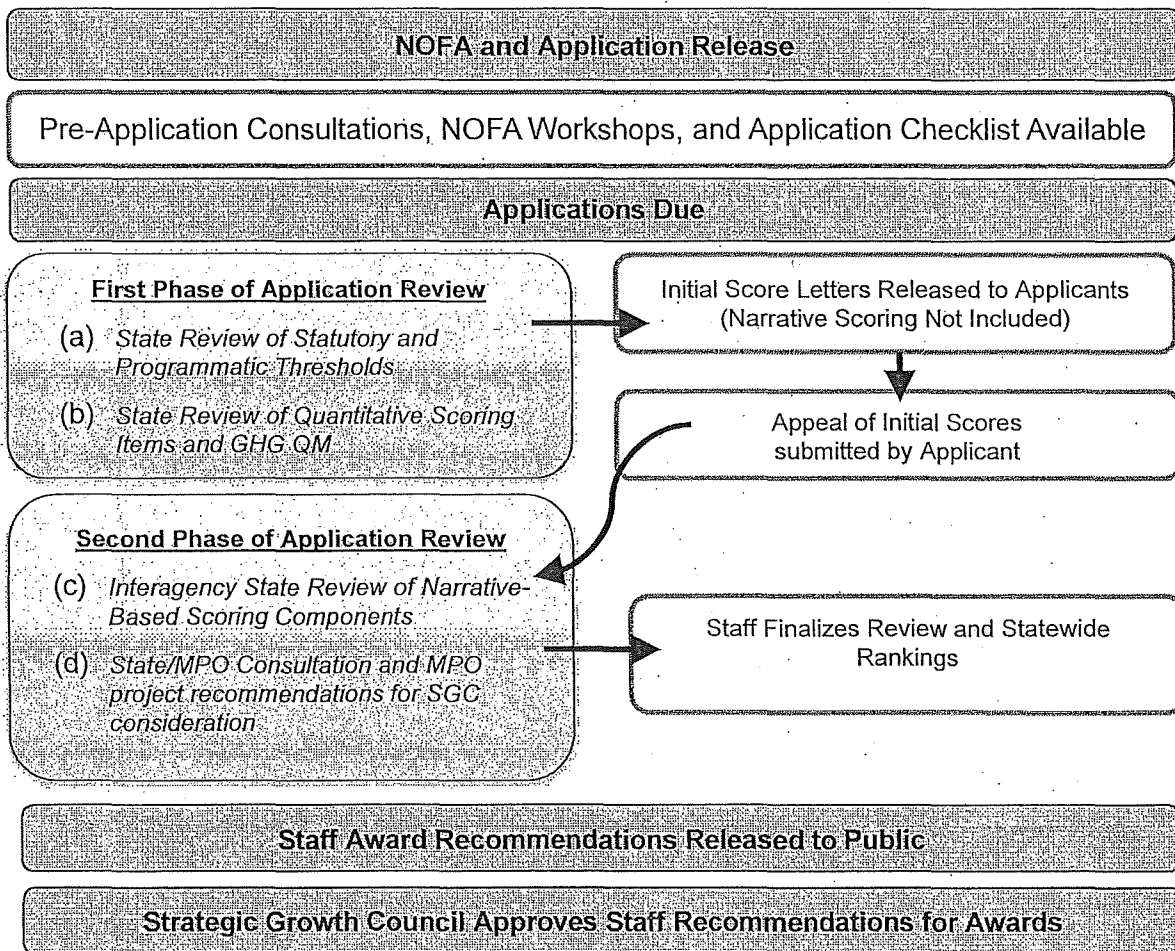
alignment with the objectives set out in these **AHSC Program Guidelines**.

- (10) Applications recommended for funding and approved by the **Council** are subject to conditions specified by the **Department**. Applicants will receive an official letter of award after funding recommendations are approved by the **Council**.
- (11) Applications will be treated in accordance with Public Records Act. Certain information, in accordance with the Public Records Act, may be publicly disclosed.

(e) Metropolitan Planning Agency Role in Application Review

- (1) To support implementation of an applicable SCS and consistency with activities or strategies identified in a regional SCS, or similar planning document that demonstrate a per capita reduction in VMT and GHG, as allowed by SB 862 (Chapter 36, Statutes of 2014), an MPO/region may develop its own process prior to the application due date to identify and recommend applications that have the highest regional priorities based on criteria established by the MPO/region.

**Figure 6: AHSC Program Application Review Process**



## Article III. Legal and Reporting Requirements

### Section 109. Legal Documents

- (a) **Rental Affordable Housing Developments:** Upon the award of **AHSC Program** funds to assist a rental **Affordable Housing Development**, the **Department** shall enter into one or more agreements with the applicant, which may be in the form a State of California Standard Agreement (Standard Agreement), which shall commit funds from the **AHSC Program** in an amount sufficient to fund the approved **AHSC Program** loan amount. The agreement or agreements shall contain the following:
- (1) a description of the approved **Affordable Housing Development** and the permitted uses of **AHSC Program** funds;
  - (2) the amount and terms of the **AHSC Program** loan;
  - (3) the regulatory restrictions to be applied to the **Affordable Housing Development** through the Regulatory Agreement;
  - (4) special conditions imposed as part of the **Department's** approval of the **Affordable Housing Development**;
  - (5) requirements for the execution and the recordation of the agreements and documents required under the **AHSC Program**;
  - (6) terms and conditions required by federal and state law;
  - (7) requirements regarding the establishment of escrow accounts for the deposit of documents and the deposit and disbursement of **AHSC Program** loan proceeds;
  - (8) the approved schedule of the **Affordable Housing Development**, including land acquisition if any, commencement and completion of construction or rehabilitation work, and occupancy by eligible households;
  - (9) terms and conditions for the inspection and monitoring of the **Project** in order to verify compliance with the requirements of the **AHSC Program**;
  - (10) provisions regarding tenant relocation in accordance with State law;
  - (11) provisions relating to the placement of a sign on or in the vicinity of, the **Affordable Housing Development** site indicating that the **Council** has provided financing for the **Affordable Housing Development**. The **Council** may also arrange for publicity of the **AHSC Program** loan in its sole discretion;
  - (12) provisions to ensure that the eligible costs and use of **AHSC Program** funds maintain the required GHG Reduction represented in the application.
  - (13) other provisions necessary to ensure compliance with the requirements of the **AHSC Program**.
  - (14) Description of the conditions constituting breach of the agreement(s) and remedies available to the parties thereto; and
  - (15) Any of the **Department's** standard contractual terms that may be applicable.
- (b) For rental **Affordable Housing Developments** the **Department** shall enter into a Regulatory Agreement with the applicant for not less than the original term of the loan that shall be recorded against the property of the **Affordable Housing Development** prior to the disbursement of funds. The Regulatory Agreement shall include, but not be limited to, the following:
- (1) The number, type and income level of **Restricted Units**;
  - (2) Standards for tenant selection pursuant to 25 CCR 8305;

- (3) Provisions regulating the terms of the rental agreement pursuant to 25 CCR 8307;
  - (4) Provisions related to a Rent Schedule, including initial rent levels for **Restricted Units** and non-Restricted Units pursuant to subsections (a) and (b) of 25 CCR 7312;
  - (5) Conditions and procedures for permitting rent increases pursuant to 25 CCR 7312;
  - (6) Provisions for limitations on Distributions pursuant to 25 CCR 8314 and on developer fees pursuant to 25 CCR 8312;
  - (7) Provisions regarding the deposit and withdrawal of funds to and from reserve accounts in accordance with 25 CCR 8308 and 8309;
  - (8) Assurances that the **Affordable Housing Development** will be maintained in a safe and sanitary condition in compliance with state and local housing codes and the management plan, pursuant to 25 CCR 7324;
  - (9) Description of the conditions constituting breach of the Regulatory Agreement and remedies available to the parties thereto;
  - (10) Provisions governing use and operation of non-Restricted Units and common areas to the extent necessary to ensure compliance with AHSC Program requirements;
  - (11) Special conditions of loan approval imposed by the **Department**;
  - (12) Article 4, Subchapter 4, Chapter 7, Division 1 of Title 25, "Program Operations," Sections 25 CCR 7321 through 7326, shall apply to rental **Affordable Housing Developments** assisted by the **AHSC Program**; and
  - (13) Other provisions necessary to assure compliance with the requirements of the **AHSC Program**.
- (c) All **AHSC Program** loans for assistance to rental **Affordable Housing Developments** shall be evidenced by a promissory note payable to the **Department** in the principal amount of the loan and stating the terms of the loan consistent with the requirements of the **AHSC Program**. The note shall be secured by a deed of trust on the **Affordable Housing Development** property naming the **Department** as beneficiary or by other security acceptable to the **Department**; this deed of trust or other security shall be recorded junior only to such liens, encumbrances and other matters of record approved by the **Department** and shall secure the **Department's** financial interest in the **Affordable Housing Development** and the performance of applicant's **AHSC Program** obligations.
- (d) Grants shall be governed by a Standard Agreement or other agreement with the **Recipient** in a form prescribed by the **Department**. The agreement shall ensure that the provisions of these Guidelines are applicable to the **Project** covered by the agreement and enforceable by the **Department**. The agreement will contain such other provisions as the **Department** determines are necessary to meet the requirements and goals of the **AHSC Program**, including but not limited to the following:
- (1) A description and sources and uses of the approved **Project** and the permitted uses of **AHSC Program** funds;
  - (2) Provisions governing the amount, terms and conditions of the **AHSC Program** grant;
  - (3) Provisions governing the construction work and, as applicable, the acquisition and preparation of the site of the **Capital Project**, and the manner, timing and conditions of the disbursement of grant funds;
  - (4) A schedule for completion of the **Project** and a series of milestones for progress



- toward **Project** completion together with the remedies available to the **Department** in the event of the failure to meet such milestones;
- (5) Provisions for the payment of prevailing wages if and as required by state or federal law;
  - (6) Requirements for periodic reports from the **Recipient** on the construction and use of the **Project** and provisions for monitoring of the **Project** by the **Department**;
  - (7) The **Recipient's** responsibilities for the development of the approved **Project**, including, but not limited to, construction management, maintaining of files, accounts and other records, and report requirements;
  - (8) Provisions relating to the development, construction, affordability and occupancy of the **Affordable Housing Development** supported by the **Housing-Related Infrastructure Capital Project**, if applicable;
  - (9) Provisions relating to the placement on, or in the vicinity of, the **Project** site, a sign indicating that the **Council** has provided financing for the **Project**. The **Council** may also arrange for publicity of the grant in its sole discretion;
  - (10) Remedies available to the **Department** in the event of a violation, breach or default of the Standard Agreement;
  - (11) Requirements that the **Recipient** permit the **Department** or its designated agents and employees the right to inspect the **Project** and all books, records and documents maintained by the **Recipient** in connection with the **AHSC Program** grant or loan or both;
  - (12) Special conditions imposed as part of **Department** approval of the project;
  - (13) Terms and conditions required by federal or state law;
  - (14) Provisions to ensure that the **Project** maintains the required GHG Reduction as represented in the application; and
  - (15) Other provisions necessary to ensure compliance with the requirements of the **AHSC Program**.

## Section 110. Reporting Requirements

- (a) During the term of the Standard Agreement and according to the annual deadline identified in the Standard Agreement, the **Recipient** shall submit, upon request of the **Department** and the **Council**, an annual performance report that demonstrates satisfaction of all reporting requirements pursuant to the **AHSC Program** reporting requirements identified in the Standard Agreement. Recipient shall also submit the reports required by 25 CCR Section 7325 and 7326 and any additional reporting requirements developed by the **Department**, the **Council** or **ARB**. The reports will be filed on forms provided by the **Department**.
- (b) **Recipient** is also responsible for meeting the applicable project reporting requirements of ARB's *Cap-and-Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments* and ARB quantification methodologies. These may include, but are not limited to: **Project** metrics; the duration over which the **Recipient** will track **Project** metrics; how often **Recipient** will report; the format **Recipient** will use to report; **Project** profile information; **Project** benefit information; and information related to **Disadvantaged Community** benefits.

At any time during the term of the Standard Agreement, the **Department** may perform or cause to be performed a financial audit of any and all phases of the **Recipient's Project**. At the **Department's** request, the **Recipient** shall provide, at its own expense, a financial audit prepared by a certified public accountant. The State of California has the right to review project documents and conduct audits during project implementation and over the project life

## Section 111. Performance Requirements

- (a) **Recipients** shall begin construction of the housing units to be developed in the **Affordable Housing Development** that is a **Capital Project** and the housing designated in the application within the time set forth in the Standard Agreement but not more than two (2) years from the date of the **AHSC Program** award.
- (b) The housing units to be developed in the **Affordable Housing Development** that is a **Capital Project** and the housing designated in the application must be completed, as evidenced by receipt of a certificate of occupancy, within the period of time set forth in the Standard Agreement, but not more than five (5) years from the date of the **AHSC Program** award.
- (c) **AHSC Program** funds must be disbursed in accordance with deadlines specified in the Standard Agreement, and in no event later than the disbursement deadlines outlined in the **NOFA**.
- (d) **Recipients** may only reapply for **AHSC Program** funds in a subsequent **NOFA** for the same **Project** if the Recipient has disbursed at least fifty (50) percent of the funds allocated from prior awards.

## Section 112. Defaults and Cancellations

- (A) In the event of a breach or violation by the **Recipient** of any of the provisions of the Standard Agreement, the **Department** may give written notice to the **Recipient** to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the **Department** within the specified time period, the **Department**, at its option, may declare a default under the Standard Agreement and may seek legal remedies for the default including the following:
- (1) The **Department** may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the **Project** in accordance with **AHSC Program** requirements.
  - (2) The **Department** may seek such other remedies as may be available under the relevant agreement or any law.
- (b) The **Department** may cancel funding commitments and Standard Agreements under any of the following conditions:
- (1) The objectives and requirements of the **AHSC Program** cannot be met by continuing the commitment or Standard Agreement;
  - (2) Construction of the **Capital Project** or implementation of **Program Costs** cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement; or
  - (3) Funding conditions have not been or cannot be fulfilled within required time periods.
- (c) Upon receipt of a notice of intent to cancel the grant from the **Department**, the **Recipient** shall have the right to appeal to the Director of the **Department**.

### **Section 113. Prevailing Wages**

For the purposes of the State Prevailing Wage Law (Labor Code Sections 1720 – 1781), a grant or loan under the **AHSC Program** shall be considered public funding for the construction, rehabilitation, demolition, relocation, preservation, or other physical improvement of the **Capital Project** subject to the provisions of the State Prevailing Wage Law. AHSC Program funding of the **Project** shall not necessarily, in and of itself, be considered public funding of a **Project** unless such funding is considered public funding under the State Prevailing Wage Law. It is not the intent of the **Department** in these regulations to subject **Projects** to the State Prevailing Wage Law by reason of **AHSC Program** funding of the **Project** in those circumstances where such public funding would not otherwise make the **Project** subject to the State Prevailing Wage Law. Although the use of **AHSC Program** funds does not require compliance with federal Davis Bacon wages, other funding sources may require compliance with federal Davis Bacon wages.

## Appendix A. Definitions

- (a) "Active Transportation" means infrastructure and non-infrastructure projects that encourage increased use of active modes of transportation, but does not include funding program operations. The project types include but are not limited to:
- (1) Infrastructure Projects: capital improvements (construction) that will encourage increased use of active modes of transportation, such as biking and walking
  - (2) Non-infrastructure Projects: education, encouragement and planning activities must encourage increased use of active modes of transportation, such as biking and walking.
- (b) "Active Transportation Program" means non-infrastructure related programs which instill safe pedestrian, bicyclist and motorist behaviors to make safe active transportation possible. Non-infrastructure activities can stand-alone or be conducted with infrastructure projects (fixed facilities or permanent structural changes) to increase effectiveness.
- (c) "Activity Delivery Costs" means staff costs incurred by the Public Agency that are directly related to implementing specific Capital Project and Program Costs. They may include costs such as project document preparation, project underwriting, construction management, inspections, or reporting to the Department.
- (d) "Affordable Housing Development" means a Capital Project that is a Housing Development in which at least 20 percent of the total units are Affordable Units.
- (e) "Affordable Unit" means a housing unit that satisfies all the following criteria:
- (1) The unit must satisfy one of the following affordability criteria:
    - (A) It is available at an "affordable rent" as that term is used and defined in Section 50053 of the Health & Safety Code;
    - (B) It is offered at an "affordable housing cost", as that term is used and defined in Section 50052.5 of the Health & Safety Code; or
    - (C) It is available at an "affordable rent" or an "affordable housing cost" according to the alternative percentages of income for agency-assisted rental and cooperative housing developments pursuant to Department regulations adopted under Health and Safety Code section 50462(f).
  - (2) For "Affordable Units" that are rental units, they must be subject to a recorded Program covenant ensuring affordability for a duration of at least 55 years.
  - (3) For "Affordable Units" that are ownership units, they must be sold to and occupied by an income-qualified household, and subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or equity sharing upon resale.
  - (4) For the purposes of this definition, the terms "persons and families of low income" and "area median income" shall have the same meanings as set forth in Health and Safety Code section 50093 and 50093(c).
  - (5) The unit must be occupied by a "lower income household" as defined by Health and Safety Code section 50079.5, which includes "very low income households"

as defined by Health and Safety Code section 50105 and also includes "extremely low income households" as defined by Health and Safety Code section 50106.

- (f) "AHSC Program" means the program as outlined by these Program Guidelines.
- (h) "ARB" means the California Air Resources Board.
- (i) "Area Median Income" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee.
- (j) "Bus Rapid Transit" (BRT) means a rubber-tired form of rapid transit in an integrated system of facilities, equipment, services, and amenities that exceed the speed and reliability of regular bus service. BRT usually includes use of dedicated right-of way, including busways, exclusive lanes, and bypass/queue jumping lanes for buses at congested intersections to reduce vehicle running time and typically includes a combination of the following additional features: (1) center of road alignment, mixed-traffic prohibitive intersection treatments; (2) use of more limited-stop service including express service and skip-stopping; (3) application of Intelligent Transportation Systems (ITS) technology such as signal priority, automatic vehicle location systems, system security, and customer information; (4) platform level boarding and off-board fare collection.
- (k) "Bus Service" means regularly scheduled public transit service operating with limited stops using a fixed route.
- (l) "Capital Project" means a project consisting of the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement that is an integral part of, or is necessary for completion of a Project.
- (m) "CCR" means the California Code of Regulations.
- (n) "Context Sensitive Bikeway" means on-street infrastructure for bicycle riding that is appropriately applied based on the traffic volumes and speeds on a specific street, as recommended in the California Highway Design Manual as follows:
  - a. For off street applications, install a Class I bicycle facility (Bicycle Path).
  - b. For streets with speed limits of less than or equal to 25MPH and vehicular average daily trips (ADT) of over 2,000, install Class II bicycle facility (Bike Lanes).
  - c. For streets with speed limits of less than or equal to 25MPH and vehicular average daily trips (ADT) of under 2,000, install Class III bicycle facility (Bicycle Route) that functions as a "Bicycle Boulevard", that is, a route which includes both sharrow markings and traffic control devices aimed at lowering vehicle speed, and which prioritize bicycle through trips for bicycles over vehicles.
  - d. For streets with a speed limit greater than 25MPH, install a Class IV bicycle facility (Protected Bike Lanes, or also known as Cycletracks).
- (o) "Council" means the California Strategic Growth Council, established pursuant to Public Resources Code Section 75121.

- (p) "Currently Developed" means that the land in question is altered by paving, construction, and/or land use that would typically have required regulatory permitting to have been initiated.
- (q) "Deferred Costs" means costs deferred at construction loan closing, including but not limited to: capitalized reserves, loan fees, syndication costs, legal, accounting, audit, consultant fees, and developer fees paid from operating cashflow.
- (r) "Department" means the Department of Housing and Community Development of the State of California.
- (s) "Developer" means the entity responsible for the construction of an Affordable Housing Development, housing-related infrastructure or sustainable transportation infrastructure or transportation related amenity Capital Project.
- (t) "Disadvantaged Community" means a census tract with a score in the top 25% or one of the 22 additional census tracts that score in the highest 5% of Pollution Burden in identified in California Environmental Protection Agency's CalEnviroScreen 3.0 tool.
- (u) "Enforceable Funding Commitment" means permanent commitments, including but not limited to the following:
- (1) Low-income housing tax credit equity contributions (without the necessity of a tax credit reservation letter) and tax-exempt bonds in connection with four (4) percent low-income housing tax credits, AHSC Program funds, will be considered committed in this calculation.
  - (2) Funds conditionally reserved under the following programs shall be accepted as funding commitments: the Department of Housing and Urban Development's (HUD) Supportive Housing Program (SHP), HOME Investment Partnerships Program (HOME), Community Development Block Grant Program (CDBG), and the California Department of Mental Health's Mental Health Services Act (MHSA) Program.
  - (3) A land donation in fee for no other consideration that is supported by an appraisal or purchase/sale agreement ("Land Donation") or a local fee waiver resulting in quantifiable cost savings for the Project where those fees are not otherwise required by federal or state law ("Local Fee Waiver") may be considered a funding commitment. The value of the Land Donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third party appraisal prepared by a MAI-qualified appraiser within one year of the application deadline. A funding commitment in the form of a Local Fee Waiver must be supported by written documentation from the local Public Agency.
  - (4) Owner equity contributions or developer funds. Such contributions or funds shall not be subsequently substituted with a different funding source or forgone if committed in the application, except that a substitution may be made for up to 50% of deferred developer fee. The Department may require the applicant to evidence the availability of the proposed amount of owner equity or developer



funds.

- (5) Funds for transportation projects which are programmed for allocation and expenditure in the applicable capital improvement plan consistent with the terms and timeframes of the Standard Agreement.
- (v) "Energy Efficiency" means managing and restraining the growth in energy consumption.
- (w) "Flexible Transit Service" means a form of transit for the public characterized by flexible routing and scheduling of small/medium vehicles operating in shared-ride mode (with at least two passengers) between pick-up and drop-off locations according to passenger needs. Flexible Transit Service includes vanpool, shuttle and feeder bus systems that reduce vehicle miles travelled.
- (x) "Floor Area Ratio" (FAR) means the square footage of the floor area of a building divided by the site square footage, excluding therefrom dedicated streets, sidewalks, parks and open space. The floor area of a building is the sum of the gross area of each floor of the building, excluding mechanical space, cellar space, floor space in open balconies, enclosed parking and elevators or stair bulkheads. Multiplying the FAR by the area of the site produces the minimum amount of floor area required in a building on the lot. For example, on a 10,000 square-foot site in a district with a minimum FAR of 1.5, the floor area of a building must be at least 15,000 square feet.
- (y) "Greenhouse Gas Reduction" (GHG Reduction) means actions designed to reduce emissions of one or all of the following gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
- (z) "Green Streets" means a sustainable stormwater strategy that meets regulatory compliance and resource protection goals by using a natural systems approach to manage stormwater, reduce flows, improve water quality and enhance watershed health.
- (x) "High Quality Transit" means a **Qualifying Transit** line with high frequencies AND permanent infrastructure as follows:
- (1) Frequency: **High Quality Transit** must have **Peak Period** headway frequency of every 15 minutes or less and service seven days a week.
  - (2) Permanent Infrastructure: High Quality Transit must operate on a railway or be transit service with **Bus Rapid Transit** features that either fully or partially operate on a dedicated bus-only lane, or uses High Occupancy Vehicle (HOV) or High Occupancy Toll (HOT) lanes.
- (y) "Housing Development" means a residential development or the residential portion of a mixed-use development.
- (z) "Housing-Related Infrastructure" means a capital infrastructure improvement required as a condition of approval of an affordable housing development by a Locality, transit agency or special district such as sewer, water or utility system upgrades, streets, drainage basins, etc.

- (aa) "Indian Tribe" means Indian native tribe, band, nation, pueblo, village or community that the Secretary of the Interior acknowledges to exist as an Indian tribe, pursuant to the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C. 479a.
- (bb) "Infill Site" means a site for which at least 75 percent of the perimeter of the site adjoins parcels that are **Currently Developed** with qualified **Urban Uses**. In calculating this percentage, perimeters bordering navigable bodies of water and improved parks shall not be included. In order to qualify as an infill site, the site must also be located in an urbanized area meaning that it fulfills one of the following requirements:
  - a. located within an incorporated city according to an official City or County map, OR
  - b. located within an urbanized area or urban cluster as defined by the U.S. Census Bureau at <http://www.census.gov/2010census/>, OR
  - c. for unincorporated areas outside an urbanized area or urban cluster, the area shall be within a designated urban service area that is designated in the local general plan for urban development and is served by public sewer and water.
- (cc) "Integrated Connectivity Project (ICP) Project Area" means a Project Area which includes at least one (1) Transit Station/Stop with a combination of two or more eligible costs as defined in Section 103.
- (dd) "Intelligent Transportation Systems" means electronics, communications, or information technology, used singly or in combination, to improve the efficiency, accessibility or safety of the surface transportation system.
- (ee) "Key Destinations" means vital community amenities and resources such as medical centers, schools, grocery stores, or child care centers.
- (ff) "Locality" means a California city, unincorporated area within a county or a city and county.
- (gg) "Lower Income" has the meaning set forth in Health and Safety Code Section 50079.5.
- (hh) "Low-Income Community" means a census tract with either 1) median household incomes at or below 80 percent of the statewide median income, or 2) median household income at or below the threshold designated as low-income by Department of Housing and Community Development's State Income Limits pursuant to the Health and Safety Code Section 50093.
- (ii) "Low-Income Households" mean individual households with either 1) household incomes at or below 80 percent of the statewide median income, or 2) household incomes at or below the threshold designated as low-income by Department of Housing and Community Development's State Income Limits adopted pursuant to Health and Safety Code Section 50093.

- (jj) "Mixed Use Development" means a building, combination of buildings, or building complex, designed to functionally and physically integrate non-residential uses such as retail, commercial, institutional, recreational, or community uses with residential uses, in a complementary manner.
- (kk) "Moderate Income" has the meaning set forth in Health and Safety Code Section 50093.
- (ll) "MHP" shall mean the Multifamily Housing Program authorized and governed by Sections 50675 through 50675.14 of the Health and Safety Code and the regulations promulgated there under in 25 CCR 7300, *et seq.*
- (mm) "Natural Infrastructure" means the preservation and/or restoration of ecological systems, or utilization of engineered systems that use ecological processes, to increase resiliency to climate change and/or manage other environmental problems. Some examples relative to AHSC could include street trees and greenspace for water catchment, infiltration and surface cooling; water treatment facilities that utilize ecologically functioning wetlands; flood mitigation systems that utilize the natural floodplain and stable shorelines used in tandem with constructed flood barriers.
- (nn) "Net Density" means the total number of dwelling units per acre of land to be developed for residential or mixed use, excluding allowed deductible areas. Allowed deductible areas are public dedications of land which are for public streets, public sidewalks, public open space, public drainage facilities. Non-allowed deductible areas include utility easements, setbacks, private drives and walkways, general landscaping, common areas and facilities, off street parking, and traditional drainage facilities exclusive to a development project. Mitigations required for development will not be included in the allowed deductible areas.
- (oo) "NOFA" means a Notice of Funding Availability issued by the Department.
- (pp) "Peak Hours" or "Peak Period" means the period with the highest ridership during the entire transit service day as determined by the transit operator. Must include at least one hour during the morning commute hours and one during evening commute hours, Monday through Friday. Each Peak Period cannot be longer than three hours.
- (qq) "Performance measures" means indicators of transit regarding data indicators such as accessibility, mobility choices and ridership.
- (rr) "Program Cost" means the cost(s) associated with 1) program creation, or 2) expansion of existing programs to serve new populations or offer new program service and implementation.
- (ss) "Program Operator" means the entity that administers the day-to-day operational responsibilities for the program for which the AHSC Program funding is sought.
- (tt) "Project" means the proposed use of funds representing a combination of Capital Projects or Program Costs which are proposed by the applicant to be funded the AHSC Program.

- (uu) "Project Area" means the area encompassing the Transit Station/Stop, housing and **Key Destinations**.
- (vv) "Public Agency" means a Locality, transit agency, public housing authority or redevelopment successor agency.
- (ww) "Qualifying Transit" means a transit line serving the public that is operated by the following: (1) Directly operated by a public entity; (2) Operated by a public entity via a contract for purchased transportation service with a private or non-profit provider; or (3) Operated by a private or non-profit entity as a grant Recipient or sub-recipient from a public entity. Qualifying Transit for the purpose of the Program includes various forms of fixed transit service (Rail Service and Bus Service) and Flexible Transit Service. A Qualifying Transit line requires service that departs two (2) or more times during Peak Hours as defined by the transit operator. Flexible Transit service is exempt from these Peak Hours frequency requirements:
- (xx) "Rail Service" means regularly scheduled public transit service running on rails or railways.
- (yy) "Recipient" means the eligible applicant receiving a commitment of Program funds.
- (zz) "Restricted Units" mean residential units restricted by an enforceable covenant or agreement with the Department or other public agency to occupancy by low- or very low-income households, with affordable rents pursuant to 25 CCR 7312 of the MHP regulations or affordable housing costs pursuant to the BEGIN Program for at least 55 years. Restricted Units must be substantially equivalent in size and number of bedrooms to the balance of units in the Housing Development. Restricted Units may consist of units designated for any housing tenure, rental or owner-occupied, within the Housing Development.
- (aaa) "Rural Area" means the definition in Health and Safety Code Section 50199.21
- (bbb) "Rural Innovation Project Area (RIPA)" means a Project Area located within a Rural Area which includes at least one (1) Transit Station/Stop with a combination of two or more eligible costs as defined in Section 103.
- (ccc) "Safe and Accessible Walkway" means a pedestrian corridor that has the following:
  - a. Continuously-paved, ADA-compliant sidewalks Marked pedestrian crossings at all arterial intersections
  - b. Attributes which contribute to comfort and safety including, but not limited to, adequate lighting or shade canopy

- (ddd) "Secure Overnight Bicycle Parking" means bicycle parking that is not accessible to the general public, is completely enclosed and protects the bicycle from inclement weather, and allows for the bicycle frame to be secured to the bicycle rack at two points. Examples of Secure Overnight Bicycle Parking include bicycle rooms, bicycle lockers, and bicycle cages.
- (eee) "Site Control" means the applicant or developer has control of property through one or more of the following:
- (1) Fee title;
  - (2) A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to grant funding, compliance with all program requirements;
  - (3) An enforceable option to purchase or lease which shall extend through the anticipated date of the Program award as specified in the NOFA;
  - (4) An executed disposition and development agreement, right of way, or irrevocable offer of dedication to a Public Agency;
  - (5) An executed encroachment permit for construction of improvements or facilities within the public right of way or on public land;
  - (6) An executed agreement with a public agency that gives the applicant exclusive rights to negotiate with the agency for the acquisition of the site; provided that the major terms of the acquisition have been agreed to by all parties;
  - (7) A land sales contract or enforceable agreement for acquisition of the property; or
  - (8) Other forms of site control that give the **Department** assurance (equivalent to 1-7 above) that the applicant or developer will be able to complete the Project and all housing designated in the application in a timely manner and in accordance with all the requirements of the Program.
- (fff) "Smoke Free Housing" means an Affordable Housing Development that implements a policy banning the ignition and burning of tobacco products (including, but not limited to, cigarettes, cigars, pipes, and water pipes or hookahs) in all living units, indoor common areas, and all other interior spaces. The smoke-free policy must also extend to all outdoor areas within 25 feet of occupied buildings on the AHD property.
- (ggg) "Substantial Rehabilitation" means a Housing Development with reasonable direct rehabilitation construction contract costs of at least \$35,000 per residential unit. Rehabilitation shall include energy efficiency upgrades per residential units. Rehabilitation projects must fully and efficiently address all of the physical needs of the Project for the term of the project loan and therefore merely meeting the minimum threshold cost amount of \$35,000 per residential unit may not, in and of itself, be sufficient to be considered Substantial Rehabilitation for purposes of the project loan.
- (hhh) "Sustainable Transportation Infrastructure" means capital project(s) that result in the improvement or addition of infrastructure that encourages mode-shift from single occupancy vehicles by enhancing: 1) public transit service, 2) pedestrian networks, or 3) bicycle networks (includes public bike-share programs) within the defined **Project Area** meeting the transit requirements detailed in Section 102 (c) or (d).

- (iii) "TCAC" means the California Tax Credit Allocation Committee.
- (jjj) "Transit Corridor" means a transportation corridor which meets one of the following criteria: 1) A corridor served by Qualifying Transit; or 2) A corridor served by High Quality Transit that has been the subject of analysis, planning and environmental mitigation, and has been designated for investment within the regional transportation plan of a MPO, RTPA, or within a long range transportation plan of a transit agency.
- (kkk) "Transit Signal Priority (TSP)" means an operational strategy that facilitates the movement of transit vehicles through traffic-signal controlled intersections. Objectives of TSP include meeting on time schedule performance and improved transit travel time efficiency while minimizing impacts to normal traffic operations. TSP is made up of four components: (1) a detection system that lets the TSP system where the vehicle requesting signal priority is located. The detection system communicates with a (2) priority request generator that alerts the traffic control system that the vehicle would like to receive priority. (3) Priority control strategies; and 4) System management software collecting data and generating reports.
- (lll) "Transit Station/Stop" means a designated location at which the various **Qualifying Transit** service(s) drop-off and pick-up riders.
- (mmm) "Transportation Demand Management" (TDM) means strategies that increase transportation system efficiency by encouraging shifting from single-occupant vehicle (SOV) trips to non-SOV transportation modes, or shifting SOV trips off peak travel periods. Effective TDM strategies result in reduction of vehicle miles traveled (VMT) by increasing travel options, providing incentives and information to incentivize individuals and employers to modify their travel behavior to support these objectives, and/or by reducing the need to travel or reducing travel distance via location efficient development patterns. TDM strategies encourage travel by transit, bike, walking or in shared vehicles.
- (nnn) "Transportation-Related Amenities" means capital improvements that are publicly accessible and provide supportive amenities to pedestrians, cyclists and transit riders (i.e. bike parking, bus shelter, benches, street trees, etc.) within the defined **Project Area** meeting the transit requirements detailed in Section 102 (c) or (d).
- (ooo) "Urban Forestry" means the cultivation and management of native or introduced trees and related vegetation in urban areas for their present and potential contribution to the economic, physiological, sociological, and ecological well-being of urban society.
- (ppp) "Urban forest" means those native or introduced trees and related vegetation in the urban and near-urban areas, including, but not limited to urban watersheds, soils and related habitats, street trees, park trees, residential trees, natural riparian habitats, and trees on other private and public properties.
- (qqq) "Urban Greening" means the incorporation of greenscaped pedestrian and bicycle trail systems, urban street canopy, green alleys, drought tolerant and native species landscaping and landscape restoration, green roofing, community gardens, natural infrastructure and stormwater features into public open spaces.

- (rrr) "Urban Uses" means any residential, commercial, industrial, transit, transportation passenger facility, or retail use, or any combination of those uses. Urban uses do not include lands used for agricultural uses or parcels in excess of 15,000 square feet in size and containing only one single-family residence.
- (sss) "Very-Low Income" has the meaning set forth in Health and Safety Code Section 50105.
- (ttt) "Vulnerable Communities" means communities which include, but are not limited to, women, racial or ethnic groups, low-income individuals and families, individuals who are incarcerated and those who have been incarcerated, individuals with disabilities, individuals with mental health conditions, children, youth and young adults, seniors, immigrants and refugees, individuals who are Limited English Proficient (LEP), and lesbian, gay, bisexual, transgender, queer and questioning (LGBTQQ) communities, or combinations of these populations.
- (uuu) "Water Efficiency" means controlling water at the source through design—both rainfall and storm water runoff through a decentralized system that distributes storm water across a project site in order to replenish groundwater supplies.

## Appendix B. Indian Tribe Eligibility

Indian Tribes may qualify for AHSC funds if their **Project** meets the following requirements:

- (a) Projects are located on one of the following lands:
- (1) Tribal Trust Lands. Real property that is held in trust by the United States Government for the benefit of an **Indian Tribe**;
  - (2) Individual Trust Lands. Real property that is held in trust by the United States Government for the benefit of an individual member of an **Indian Tribe**;
  - (3) Tribal Fee Restricted Lands. Fee lands that are owned by or under the control of an Indian Tribe that are subject to a United States Government restriction that the land continue to be owned by or remain under the control of an **Indian Tribe** or member or members thereof;
  - (4) Individual Fee Restricted Lands. Fee lands that were conveyed by the United States Government as individual allotments to member or members of an Indian Tribe, regardless as to whether the property is now under common ownership among several members of that same **Indian Tribe**;
  - (5) Tribally-Owned Unrestricted Lands. Fee lands that are owned by or under the control of an Indian Tribe that are not subject to a United States Government restriction that the land continue to be owned by or remain under the control of an Indian Tribe or member or members thereof;

AND;

- (b) The applicant meets the following requirement as a condition of award funding as set forth in a Standard Agreement, but not as a condition to engage in the competitive award process:
- (1) BIA Consent. Applicants shall obtain Bureau of Indian Affairs consent to applicant's execution and recordation (as applicable) of all Department-required documents that are subject to 25 CFR sec. 152.34 or 25 CFR sec. 162.12, all prior to award disbursement. This requirement shall not apply to projects that are within subdivision (i)(5) of this Section.
  - (2) Personal Jurisdiction for Tribal Applicants. For applicants that are Indian Tribes or Indian Tribe controlled entities, all such applicants shall provide and execute a limited waiver of sovereign immunity agreeing to the personal jurisdictions of state court.



- (3) Subject Matter Jurisdiction for Restricted Tribal Lands. For applicants proposing projects that are to be within property described in sub-divisions (i)(1), (i)(2), (i)(3), and (i)(4), all such applicants shall cause the subject Indian Tribe to provide and execute a limited waiver of sovereign immunity satisfactory to the Department, agreeing to the subject matter jurisdiction of state court.
- (4) Title Insurance Requirements. Applicants shall provide title insurance for the property underlying the Project satisfactory to the Department. Notwithstanding the foregoing sentence, upon a showing of good cause, for Applicants unable to provide a conventional title insurance policy satisfactory to the Department, all such Applicants shall demonstrate to the satisfaction of the Department that they hold title to the property pursuant to a title condition report issued by the BIA Land Title and Records Office, and pursuant to a title opinion letter issued for the benefit of the Department but paid for by the Applicant.
- (5) Recordation Requirements. Where recordation of instruments are required by the Department, the subject instrument shall be deemed sufficiently recorded if recorded with the Land Titles and Records Office at the BIA or if the subject instruments are recorded in the County recording system having jurisdiction over the property.
- (6) Fee Security Required. For all Projects, except those falling within subdivision (i)(1) and (ii)(2), fee security shall be required, unless the terms allowing leasehold security are satisfied as set forth in Title 25 CCR 8316. If a Department loan/grant is recorded on fee land then there must be a restriction preventing that land being put into trust until the Department loan/grant term is complete.
- (7) Minimum Requirements for Sovereign Immunity Waivers. Sovereign immunity waiver language shall be included in the Department Standard Agreement, and all Department regulatory and loan or grant agreements, all of which may be accomplished by incorporating by reference a separately executed sovereign immunity waiver instrument. The Applicant shall also provide or obtain a separate limited waiver of sovereign immunity instruments for both personal and subject matter jurisdiction which shall require, at a minimum, compliance with State construction standards and regulations.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500, 95833  
P. O. Box 952054  
Sacramento, CA 94252-2054  
(916) 263-2771 / FAX (916) 263-2763  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



October 2, 2017

**MEMORANDUM FOR: POTENTIAL APPLICANTS**

**FROM:** Lisa Bates, Deputy Director  
Division of Financial Assistance

**SUBJECT: NOTICE OF FUNDING AVAILABILITY (NOFA)  
AFFORDABLE HOUSING AND SUSTAINABLE  
COMMUNITIES (AHSC) PROGRAM**

The Department of Housing and Community Development (Department) is pleased to announce the availability of approximately \$255 million in funding for the Affordable Housing and Sustainable Communities (AHSC) Program. The AHSC Program furthers the purposes of AB 32 (Chapter 488, Statutes of 2006) and SB 375 (Chapter 728, Statutes of 2008). The purpose of the AHSC Program is to reduce greenhouse gas (GHG) emissions through projects implementing land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and supporting related and coordinated public policy objectives. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

The AHSC Program is part of California Climate Investments (CCI), a statewide program funded through the GGRF that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities.

Assembly Bill 1550 (Chapter 369, Statutes of 2016), increased the percent of funds for projects located in disadvantaged communities from and added a focus on investments in low-income communities and households. Applicants will be asked to identify proposed projects located in and benefiting either disadvantaged communities or low-income communities, or benefiting low-income households. Applicants will also be asked to explain how communities were engaged in the development of the proposed projects, how the projects benefit these communities or households, and how the projects address an important community need.

AHSC applicants are encouraged to apply to the Department's Infill Infrastructure Grant (IIG) Program for infrastructure in support of affordable housing developments.

**NOFA AHSC Program**

**Page 2**

Procedures for utilizing IIG funding in support of an AHSC application are included in the AHSC application instructions. The IIG NOFA is available on HCD's IIG webpage.

Applications and required attachments must be submitted electronically via the Financial Assistance Application Submittal Tool (FAAST) no later than 11:59 p.m. Pacific Standard Time on **January 16, 2018** (Tuesday).

Applicants are also required to submit a hardcopy of the Application Workbooks (Excel files only) with original signatures, through a mail carrier service such as U.S. Postal Service, UPS, FedEx or other carrier services that provide date stamp postmarked verification. Those documents must be postmarked no later than 5:00 p.m. Pacific Standard Time on **January 16, 2018** (Tuesday) to the address below:

**AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM**

Department of Housing and Community Development  
Division of Financial Assistance, NOFA Section  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

**Personal deliveries will not be accepted. No late applications, incomplete applications, facsimiles, walk-ins or application revisions will be accepted.**

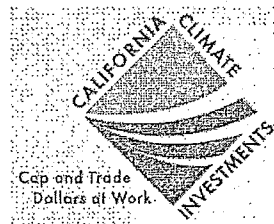
The AHSC Program application forms, workshop details, and related Program information, is available at <http://www.hcd.ca.gov/grants-funding/active-funding/ahsc.shtml>. To receive information on workshops and other updates, please subscribe to the Department's listserv for the AHSC Program. Questions may be directed to the AHSC Program at (916) 263-2771 or [ahsc@sgc.ca.gov](mailto:ahsc@sgc.ca.gov).

Attachment

# AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

## FUNDING ROUND 3 Notice of Funding Availability

October 2, 2017



CALIFORNIA STRATEGIC  
GROWTH COUNCIL



Edmund G. Brown Jr., Governor  
State of California

Alexis Podesta, Secretary  
Business, Consumer Services and Housing Agency

Ben Metcalf, Director  
Department of Housing and Community Development

2020 West El Camino Avenue, Suite 500 , Sacramento, CA 95833

Phone: (916) 263-2771

Website: <http://www.hcd.ca.gov/grants-funding/active-funding/ahsc.shtml>

E-mail address: [ahsc@sgc.ca.gov](mailto:ahsc@sgc.ca.gov)

## Table of Contents

<b>I. Overview</b> .....	<b>1</b>
A. Notice of Funding Availability.....	1
B. Timeline.....	1
C. Authorizing Legislation and Regulations.....	1
D. Program Summary .....	1
<b>II. Program Requirements</b> .....	<b>2</b>
A. Eligible Applicants .....	2
B. Eligible Projects.....	3
C. Eligible Costs.....	3
D. Program Threshold Requirements.....	3
E. Program Funding Amounts and Terms.....	3
F. Application Scoring.....	3
<b>III. Application, Review, and Announcement Process</b> .....	<b>3</b>
A. Application Process .....	3
B. Financial Assistance Application Submittal Tool (FAAST) Application Components .....	4
C. Hardcopy Application Packaging and Submittal .....	5
D. Application Workshops .....	6
E. State Prevailing Wages .....	7
F. Disclosure of Application .....	7
<b>IV. Award Announcements and Contracts</b> .....	<b>7</b>
A. Award Announcements.....	7
B. Contracts .....	7

# AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM NOTICE OF FUNDING AVAILABILITY

## I. Overview

### A. Notice of Funding Availability

The Strategic Growth Council (SGC) and Department of Housing and Community Development (Department) hereby announce the availability of approximately \$255 million in funding for the Affordable Housing and Sustainable Communities (AHSC) Program. The AHSC Program is administered by SGC and the Department implements the transportation, housing and infrastructure components. The California Air Resources Board (CARB) provides the quantification methodology for determining the greenhouse gas (GHG) emissions reductions for the AHSC Program.

### B. Timeline

NOFA Release	October 2, 2017
Application Due Date	January 16, 2018
Award Announcements	June 2018

### C. Authorizing Legislation and Regulations

The AHSC Program furthers the purposes of AB 32 (Chapter 488, Statutes of 2006) and SB 375 (Chapter 728, Statutes of 2008). The purpose of the AHSC Program is to reduce GHG emissions through projects implementing land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and supporting related and coordinated public policy objectives. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

Assembly Bill 1550 (Chapter 369, Statutes of 2016), increased the percent of funds for projects located in disadvantaged communities from and added a focus on investments in low-income communities and households. Applicants will be asked to identify proposed projects located in and benefiting either disadvantaged communities or low-income communities, or benefiting low-income households. Applicants will also be asked to explain how communities were engaged in the development of the proposed projects, how the projects benefit these communities or households, and how the projects address an important community need.

### D. Program Summary

The AHSC Program will provide loans or grants, or combination thereof, to projects that will achieve GHG emissions reductions to benefit all California communities, particularly through increasing accessibility to affordable housing, employment centers and key destinations via low-carbon transportation resulting in fewer vehicle miles traveled (VMT)

through shortened or reduced trip length or mode shift from Single Occupancy Vehicle (SOV) use to transit, bicycling or walking.

Available funds are subject to the AHSC Program Guidelines issued by SGC and dated July 17, 2017 - Errata Date: August 14, 2017 (Guidelines). These Guidelines include detailed information on eligibility requirements, application selection criteria, established terms, conditions, and procedures for funds awarded under AHSC. The Guidelines are available on SGC's website at <http://www.sgc.ca.gov/Grant-Programs/AHSC-Guidelines.html>.

**Applicants are responsible for complying with the AHSC Program requirements set forth in the Guidelines. Applicants are urged to carefully review the Guidelines and information contained in this NOFA before submitting applications.**

**PLEASE TAKE NOTICE OF THE FOLLOWING PENDING CHANGE BEING CONSIDERED TO THE GUIDELINES. THE PROPOSED CHANGE MAY SIGNIFICANTLY AFFECT THE RULES AND STANDARDS APPLICABLE TO YOUR APPLICATION:**

Section 104(b)(3) of the Guidelines specifies that the Uniform Multifamily Regulations (UMRs) dated July 10, 2010 shall apply without reference to any future amendment of the UMRs. SGC is currently considering amending the Guidelines to incorporate any future versions of the UMRs. The UMRs are in the process of being amended but have not been adopted.<sup>1</sup> Until such time as the Guidelines are amended and the UMRs are amended, adopted and effective, the July 10, 2010 UMRs apply; as such, the Application should adhere to the requirements of the July 10, 2010 UMRs.

## **II. Program Requirements**

The following is provided as a summary and is not to be considered a complete representation of the entirety of the eligibility, threshold, or other requirements or terms and conditions of the AHSC Program.

### **A. Eligible Applicants**

Applicants must be eligible pursuant to Guidelines Section 105, Eligible Applicants.

Along with other eligible applicants described in the Guidelines, a Federally-recognized Indian Tribe with a project that meets the AHSC Guidelines, Appendix B, Indian Tribe Eligibility requirements, may now be an eligible applicant.

---

<sup>1</sup> For more information regarding the proposed changes to the UMRs, please refer to the HCD website at <http://www.hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>

## **B. Eligible Projects**

Proposed projects must be eligible pursuant to Guidelines Section 102, Eligible Projects and must fall into one of the following three eligible Project Area types:

- Transit Oriented Development (TOD) Project Areas,
- Integrated Connectivity Project (ICP) Project Areas; or
- Rural Innovation Project Areas (RIPA).

## **C. Eligible Costs**

All costs must be eligible pursuant to Guidelines Section 103, Eligible Costs.

## **D. Program Threshold Requirements**

In addition to meeting the requirements of the Guidelines sections described in paragraphs A, B, and C above, applicants and projects are also required to meet the Program Threshold Requirements found in Section 106 of the Guidelines.

## **E. Program Funding Amounts and Terms**

1. **AHSC Program Funding Award Maximum:** The maximum AHSC Program loan or grant award, or combination thereof, for a TOD, ICP or RIPA Project Area is \$20 million with a minimum award of at least \$1 million for each of the three Project Area types.
2. **AHSC Program Funding Developer Maximum:** A single Developer may receive no more than \$40 million per NOFA funding cycle. This limitation may be waived by SGC if necessary to meet statutorily required Affordable Housing and Disadvantaged Community set-asides as detailed in Guidelines Section 108(d)(6).
3. **Terms of Assistance:** The assistance terms and limits are set forth in Guidelines Section 104, Assistance Terms and Limits. Loans for rental Affordable Housing Developments, or the rental portions of an Affordable Housing Development, are subject to the requirements set forth in Guidelines Section 104(b). Grants are subject to the terms and requirements set forth in Guidelines Section 104(c).

## **F. Application Scoring**

Applications will be scored according to Guidelines Section 107, Scoring Criteria. AHSC Program funds will be allocated through a competitive process, based on the merits of the application.

## **III. Application, Review, and Announcement Process**

### **A. Application Process**



1. Pre-Application Workshops and Consultations

Round 3 introduces a single phase application with more clearly defined threshold requirements, fewer subjective criteria than previous rounds and an opportunity for the applicant to tell their story in a multi-page narrative document.

2. Application Review: Phase One

Application completeness and threshold criteria will be confirmed. The threshold review for financial feasibility includes verification of documentation completeness, not an evaluation of the material facts. In-depth analysis of financial feasibility will be performed during Phase Three. Phase One is a pass/fail stage and applicants will receive notification of their status upon completion of threshold reviews.

3. Application Review: Phase Two

Quantitative policy criteria and greenhouse gas quantification methodology (GHG QM) will be evaluated for proposals which have met the requirements of Phase One. An initial score letter will be provided to applicants with a five-day opportunity to appeal the findings of the reviews. AHSC staff will review appeal responses and revise scores where appropriate. Applicants who score less than 50 percent of the quantitative policy criteria and GHG QM will not be eligible to move forward. The final score letter will include notification of application status.

4. Application Review: Phase Three

An interagency team will review the narrative section of applications which have scored 50 percent or higher in Phase Two. **During Phase Three, an in-depth evaluation of the project's financial feasibility will be performed.**

5. Award Recommendations and Announcement

Award recommendations will be posted on the SGC AHSC webpage in May and presented for adoption at the June 2018 Strategic Growth Council meeting.

**B. Financial Assistance Application Submittal Tool (FAAST) Application Components**

Complete applications may include the following components: 1) AHSC Application Workbook, 2) Universal Application (UA), 3) Infill Infrastructure Grant (IIG) Supplemental Application Workbook, and 4) FAAST Submission. Additionally, supporting documentation must be uploaded to FAAST.

1. AHSC Application Workbook

All applicants must complete the AHSC Application Workbook. Depending upon the requested component funding, the AHSC Application Workbook could include up to four sections: Overview, Capital Projects, Program, and Scoring.

2. Universal Application

The UA must be completed for projects seeking funds for Affordable Housing Development (AHD) or Housing Related Infrastructure (HRI), including applications for IIG funded infrastructure. Applicants for both AHSC and IIG programs need to complete only one UA workbook.

3. IIG Supplemental Application Workbook

Applicants who apply to the IIG program for their housing-related infrastructure needs must complete the IIG Supplemental Application Workbook and the UA Workbook.

4. Electronic FFAST Submission

Requirements for uploading supporting documentation, including naming conventions, are described in the Application instructions available on the Department's AHSC webpage. Applicants must upload all application materials (workbooks and supporting documentation) to the FFAST system. FFAST instructions will be available on the Department's AHSC webpage.

**C. Hardcopy Application Packaging and Submittal**

Applicants must submit hardcopies of the Application Workbooks (Excel files ONLY) with original signatures, through a mail carrier service such as U.S. Postal Service, UPS, Fed Ex or other carrier services that provide date stamp postmark verification and these documents must be postmarked no later than **5:00 p.m. Pacific Standard Time on January 16, 2018** (Tuesday) to the Department's offices at:

**AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM**

Department of Housing and Community Development  
Division of Financial Assistance, NOFA Section  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

**Personal deliveries will not be accepted. No late applications, incomplete applications, facsimiles, walk-ins or application revisions will be accepted. The hardcopy must match the Application Workbooks submitted via the FFAST system.** In the event of discrepancies between hardcopies and electronically submitted workbooks, the electronic FFAST submission will prevail.

Applications must meet eligibility requirements upon submission. Modification of the application forms by the applicant is prohibited. It is the applicant's responsibility to ensure the application is clear, complete and accurate. After the application deadline, Department staff may request clarifying information, provided such information does not affect the competitive rating of the application. No information, whether written or oral, will be solicited or accepted if this information would result in a competitive advantage to an applicant or a competitive disadvantage to other applicants. No applicant may appeal the evaluation of another applicant's application.

## D. Application Workshops

The Department, SGC and CARB will conduct application workshops and pre-application consultations as follows:

Date	Location	Time
October 2, 2017	<u>Workshop Location:</u> Council Chambers Sacramento City Hall 915 I Street, Sacramento, CA 95814.	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> Room X Sacramento City Hall 915 I Street, Sacramento, CA 95814	1:00 – 4:00
October 4, 2017	<u>Workshop Location:</u> Fresno City Hall 2600 Fresno Street, Fresno, CA 93721	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> Fresno City Hall 2600 Fresno Street, Fresno, CA 93721	1:00 – 4:00
October 5, 2017	<u>Workshop Location:</u> San Francisco Dept. of Public Health 101 Grove Street, San Francisco, CA 94102	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> Mayor's Office of Housing and Community Development 1 South Van Ness, San Francisco, CA 94103	1:00 – 4:00
October 10, 2017	<u>Workshop Location:</u> Ron F. Deaton Civic Auditorium 100 West 1 <sup>st</sup> Street, Los Angeles, CA 90012	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> Los Angeles City Hall 200 North Spring Street, Los Angeles, CA 90012	1:00 – 4:00
October 11, 2017	<u>Workshop Location:</u> Riverside City Hall 3900 Main Street, Riverside, CA 92501	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> Riverside City Hall 3900 Main Street, Riverside, CA 92501	1:00 – 4:00
October 12, 2017	<u>Workshop Location:</u> San Diego Central Library 330 Park Boulevard, San Diego, CA 92101	9:00 – 12:00
	<u>Pre-Application Consultation Location:</u> San Diego Central Library 330 Park Boulevard, San Diego, CA 92101	1:00 – 4:00

Appointments are required for pre-application consultations. AHSC workshop details, and related program information, will be posted on the [SGC](#) website. Questions may be directed to the AHSC Program at: (916) 263-2771 or [ahsc@sgc.ca.gov](mailto:ahsc@sgc.ca.gov).

## **E. State Prevailing Wages**

AHSC Program funds awarded under this NOFA are subject to State prevailing wage law, as set forth in Labor Code Section 1720 et seq., and require the payment of prevailing wages unless the project meets one of the exceptions of Labor Code 1720 (c) as determined by the Department of Industrial Relations. **Applicants are urged to seek professional advice as to how to comply with State prevailing wage law.**

## **F. Disclosure of Application**

Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act (Chapter 1473, Statutes of 1968). As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions applicants to use discretion in providing information not specifically requested, including but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information to the Department, the applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request.

## **IV. Award Announcements and Contracts**

### **A. Award Announcements**

Award recommendations will be posted on the SGC AHSC webpage in May and presented for adoption at the June 2018 Strategic Growth Council meeting.

### **B. Contracts**

Successful Applicants (Awardee(s)) will enter into a Standard Agreement with the Department. The Standard Agreement contains all the relevant state and federal requirements, as well as specific information about the award and the work to be performed.

A condition of award will be that a Standard Agreement must be executed by the Awardee(s) within 90 days (Contracting Period) of the Awardees' receipt of the Standard Agreement(s). Failure to execute the Standard Agreement(s) within the Contracting Period may result in award cancellation. The Awardee(s) shall remain a party to the Standard Agreement for the entire term of the Standard Agreement; removal of the Awardee(s) shall be prohibited.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT****DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500, 95833  
 P. O. Box 952054  
 Sacramento, CA 94252-2054  
 (916) 263-2771 / FAX (916) 263-2763  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



July 20, 2018

Norman Fong, Executive Director  
 Chinatown Community Development Center  
 1525 Grant Avenue  
 San Francisco, CA 94133

Luis Granados, Chief Executive Officer  
 Mission Economic Development Agency  
 2301 Mission Street, Suite 301  
 San Francisco, CA 94110

Kate Hartley, Director  
 City and County of San Francisco  
 1 South Van Ness Avenue, 5th Floor  
 San Francisco, CA 94103

Dear Norman Fong, Luis Granados and Kate Hartley:

**RE: Award Announcement - AHSC Program FY 2016-17 NOFA, Round 3  
 PIN 40983 – 2060 Folsom Street Affordable Housing**

The Department of Housing and Community Development (Department) and the Strategic Growth Council are pleased to announce Chinatown Community Development Center, Mission Economic Development Agency and the City and County of San Francisco have been awarded an Affordable Housing and Sustainable Communities (AHSC) program award in the amount of \$14,000,000. This letter constitutes notice of the award as approved by the Strategic Growth Council on June 28, 2018 of the following AHSC Program funds:

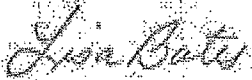
AHSC Program <i>Loan</i> Funds		AHSC Program <i>Grant</i> Funds	
Amount Awarded	\$9,300,000	Amount Awarded	\$4,700,000
Contract Number	17-AHSC-12133	Contract Number	17-AHSC-12134

Chinatown Community Development Center, Mission Economic Development Agency and the City and County of San Francisco will be able to draw down funds when the Standard Agreement is fully executed, and any general and special conditions have been cleared in writing by the Department. In addition, grant expenditures may not be incurred prior to the execution of the Standard Agreement.

Please be advised that this award is subject to the terms and conditions of the Standard Agreement, which must be fully executed within ninety days of the date of this award letter. Failure by Chinatown Community Development Center, Mission Economic Development Agency and the City and County of San Francisco to sign and return the Standard Agreement upon receipt from the Department within this timeframe may result in award cancellation.

Congratulations on your successful application. For further information, please contact Laura Bateman, Section Chief, at (916) 263-1302 or [Laura.Bateman@hcd.ca.gov](mailto:Laura.Bateman@hcd.ca.gov).

Sincerely,



Lisa Bates  
Deputy Director

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU"), dated as of January 11th, 2018 (the "Effective Date"), is by and between the San Francisco Municipal Transportation Agency (SFMTA) and the Mayor's Office of Housing and Community Development (MOHCD).

### RECITALS

A. The City and County of San Francisco (the City), through MOHCD, owns real property located at 1950 Mission Street, Assessor's block and lot number 3554/005 (the 1950 Mission Property). The City also owns real property located at 2060 Folsom Street, Assessor's block and lot number 3571/031 (the 2060 Folsom Property).

B. The 1950 Mission Property and the 2060 Folsom Property are located in the Eastern Neighborhoods Planning Area. On August 7, 2008, by Motion No. 17659, the Planning Commission certified the Environmental Impact Report (EIR) for the Eastern Neighborhoods Planning Area as complying with the California Environmental Quality Act (CEQA). On June 10, 2016, and July 6, 2017, respectively, the Planning Department issued Certificates of Determination for the 2060 Folsom Property and the 1950 Mission Property, that the developments were eligible for expedited environmental review under Section 15183.3 of CEQA.

C. MOHCD issued a Request for Proposal (RFP) on March 13, 2015, for the development of affordable housing on the 1950 Mission Property. MOHCD selected a joint venture comprised of BRIDGE Housing and Mission Housing Development Corporation (BRIDGE/MHDC) as the developer for the 157-unit, 100% affordable family housing project with ground floor commercial space (the 1950 Mission Project).

D. MOHCD issued an RFP on May 1, 2015, for the development of affordable housing on the 2060 Folsom Property. MOHCD selected a joint venture comprised of 2060 Folsom, L.P. and Chinatown Community Development Center (2060 Folsom LP/CCDC) as the developer for the 129-unit, 100% affordable family housing project with 29 units for homeless or at-risk transitional age youth with ground floor community-serving uses (the 2060 Folsom Project). Bridge/MHDC and 2060 Folsom LP/CCDC will be referred to, collectively, as "the Developers."

E. On October 2, 2017, the State of California's Strategic Growth Council and Department of Housing and Community Development (CalHCD) issued a Notice of Funding Availability, under the Affordable Housing and Sustainable Communities (AHSC) Program established under Public Resources Code Sections 75200, et seq. A principal focus of the AHSC Program is the reduction of Green House Gases (GHG) through coupling affordable housing for low- and moderate-income individuals and families at sites close to public transit—with transit, bicycle, and pedestrian improvements.

F. MOHCD has identified both the 1950 Mission Project and the 2060 Folsom Project as strong candidates for AHSC Program funding.

G. The SFMTA has identified several qualifying transit, bicycle and pedestrian improvements to complement the 1950 Mission Project and the 2060 Folsom Project. These include improvements to the 22 Fillmore bus line, upgrades to the bicycle lanes on Upper Market Street and Valencia Street, and pedestrian upgrades to South Van Ness Avenue (together the 1950 Mission Transportation Improvements). Similarly, protected bicycle lanes on 13th Street

and pedestrian countdown signals on Folsom Street (together, the 2060 Folsom Transportation Improvements) will complement the 2060 Folsom Street Project. These are collectively referred to throughout this document as the "Transportation Improvements."

H. The City, through MOHCD, plans to jointly submit an AHSC application for the 1950 Mission Project with BRIDGE/MHDC, to include the 1950 Mission Project and the 1950 Mission Transportation Improvements. MOHCD will be requesting up to \$10,500,000 for the 1950 Mission Project and up to \$4,500,000 for the 1950 Mission Transportation Improvements in the AHSC application.

I. The City, through MOHCD, plans to jointly submit an AHSC application for the 2060 Folsom Project with 2060 Folsom LP/CCDC, to include the 2060 Folsom Project and the 2060 Folsom Transportation Improvements. MOHCD will be requesting up to \$10,000,000 for the 2060 Folsom Project and up to \$5,000,000 for the 2060 Folsom Transportation Improvements in the AHSC application.

J. Should the State approve the respective applications and award the grants, the funds for the 1950 Mission Transportation Improvements and the 2060 Folsom Transportation Improvements (together, the Transportation Improvements) will be delivered to the SFMTA, on a reimbursement basis, after award of the grants.

NOW, THEREFORE, the parties agree as follows:

#### AGREEMENT

1. Award Amounts. If awarded AHSC funding for the 1950 Mission Project, MOHCD or the BRIDGE/MHDC (or its affiliate) will receive up to \$10,500,000 of the award for the 1950 Mission Project and the SFMTA will receive up to \$4,500,000 for the 1950 Mission Transportation Improvements. If awarded AHSC funding for the 2060 Folsom Project, MOHCD will receive up to \$10,000,000 of the award for the 2060 Folsom Project and the SFMTA will receive up to \$5,000,000 for the 2060 Folsom Transportation Improvements. Each of the respective City agencies will be required to comply with State regulations and guidance governing the disbursement of the AHSC funds.

2. Project Collaboration. In order for the 1950 Mission Project to successfully utilize the 1950 Mission Transportation Improvements and for the 2060 Folsom Project to successfully utilize the 2060 Folsom Transportation Improvements, it is vitally important that MOHCD and the SFMTA collaborate effectively, and that both agencies have authority to review applications for funding related to the GHG reduction goals of the AHSC program. In furtherance of such goals, MOHCD and the SFMTA will each designate a single Project Manager for both the 1950 Mission Project and the 2060 Folsom Project, who will serve as the points of contact for communications relating to each Projects and will be primarily responsible for coordinating the review, comments and approvals processes of their respective agencies relating to the matters described in this MOU. While MOHCD will have overall responsibility for all aspects of the development of the 1950 Mission Project and 2060 Folsom Project, the SFMTA will be responsible for causing the completion of the 1950 Mission Transportation Improvements and the 2060 Folsom Transportation Improvements within the timelines and in accordance with the requirements of the AHSC program, and by CalHCD.

a. Community Engagement. MOHCD, with assistance from the Developers, will be solely responsible for community engagement and building community support related to the 1950 Mission Project and the 2060 Folsom Project. MOHCD will notify the SFMTA in advance of any public meeting regarding the 1950 Mission Project and the 2060 Folsom Project,



and MOHCD and the SFMTA will collaborate to provide timely information to the public. The SFMTA will be solely responsible for community engagement and building community support related to the 1950 Mission Transportation Improvements and 2060 Folsom Transportation Improvements. The SFMTA will notify MOHCD and the Developers in advance of any public meeting regarding the Transportation Improvements, and MOHCD and the SFMTA will collaborate to provide timely information to the public.

b. Affordable Housing Development Plan. MOHCD will be primarily responsible for coordinating the development plans with BRIDGE/MHDC and 2060 Folsom LP/CCDC.

c. Transportation Improvements. Subject to completion of environmental review of the Transportation Improvements and selection of any or all of such 1950 Mission Transportation Improvements and/or 2060 Folsom Transportation Improvements for implementation, the SFMTA will be responsible for implementing the projects, and coordinating any such implementation with the Developers.

d. Project Costs. MOHCD will assume all development costs associated with the 1950 Mission Project and 2060 Folsom Project. The SFMTA will not be responsible for any development costs of the 1950 Mission Project and 2060 Folsom Project other than its own staff time, and will be responsible for all costs directly associated with the consultation, advice, review, and possible implementation of the Transportation Improvements.

e. Joint and Several Liability. The City, acting through MOHCD, shall assume any joint and several liability obligation for completion of the Transportation Improvements required by the terms of any grant awarded under the AHSC Program. The City, acting through MOHCD, shall assume any joint and several liability for completion of the 1950 Mission Project and 2060 Folsom Project required by the terms of any grant or loan awarded under the AHSC Program.

3. Term. The term of this MOU shall commence on the Effective Date and terminate upon completion of the AHSC requirements relating to the Transportation Improvements, should they all be implemented. In addition, MOHCD and the SFMTA agree that if either the 1950 Mission Project and 2060 Folsom Projects are infeasible for any reason at any time prior to execution of the commitment from CalHCD (the "Standard Agreement"), then either party may terminate this MOU upon written notice to the other.

4. Notices. All notices, demands, consents or approvals that are or may be required to be given by either party to the other under this MOU shall be in writing and shall be deemed to have been fully given when delivered in person, and addressed as follows:

If to the SFMTA: San Francisco Municipal Transportation Agency  
1 South Van Ness Avenue, 3<sup>rd</sup> Floor  
San Francisco, CA 94103  
Attn: Edward D. Reiskin, Director of Transportation

If to MOHCD: Mayor's Office of Housing and Community Development  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, California 94103  
Attn: Kate Hartley, Director

or such other address that a party may from time to time designate by notice to the other parties given pursuant to the provisions of this Section.

5. Authority. All matters requiring MOHCD's approval shall be approved by the Director of MOHCD or his or her designee. All matters requiring SFMTA's approval shall be approved by the SFMTA's Director of Transportation or his or her designee.

6. Cooperation. The SFMTA and MOHCD acknowledge and agree that the 1950 Mission Project, the 2060 Folsom Project, and the Transportation Improvements are in the predevelopment phase, and that most of the Transportation Improvements have not undergone environmental review.<sup>1</sup>

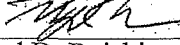
Should the Transportation Improvements be selected for implementation, the SFMTA and MOHCD shall use reasonable efforts to do, or cause to be done, all things reasonably necessary or advisable to complete the Transportation Improvements according to the terms of the State's Standard Agreement. Notwithstanding anything to the contrary in this MOU, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the actions described in this MOU, including, without limitation, the discretion to eliminate or substitute all or any portion of the Transportation Improvements.

7. Miscellaneous. (a) This MOU may be amended or modified only by a document signed by the SFMTA's Director of Transportation, or his or her designee, and the Director of MOHCD, or his or her designee. (b) No waiver by any party of any of the provisions of this MOU shall be effective unless in writing and signed by the party's authorized representative, and only to the extent expressly provided in such written waiver. (c) This MOU contains the entire understanding between the parties as of the date of this MOU, and all prior written or oral negotiations, discussions, understandings and agreements are merged herein.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the date first written above.

SFMTA:

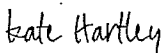
SAN FRANCISCO MUNICIPAL  
TRANSPORTATION AGENCY

By:   
Edward D. Reiskin  
Director of Transportation

Date: 1/10/2018

MOHCD:

MAYOR'S OFFICE OF HOUSING AND  
COMMUNITY DEVELOPMENT

By:   
Kate Hartley, Director

Date: 1/11/2018

<sup>1</sup> However, environmental clearance for improvements to the 22-Fillmore bus line was granted in an Environmental Impact Report for the Transportation Effectiveness Project, issued March 27, 2014. Environmental clearance for the upgrades to the bicycle lanes on Upper Market Street and Valencia Street is expected by February 2019. Environmental clearance for the pedestrian upgrades to South Van Ness Avenue is expected by June 2019.

Mayor's Office of Housing and Community Development  
City and County of San Francisco



London N. Breed  
Mayor

Kate Hartley  
Director

TO: Angela Calvillo, Clerk of the Board of Supervisors

FROM: Benjamin McCloskey, Deputy Director Mayor's Office of Housing and Community Development

DATE: September 6, 2018

SUBJECT: Accept and Expend Resolution for California Department of Housing and Community Development AHSC Grant – 2060 Folsom

GRANT TITLE: Affordable Housing and Sustainable Communities – 2060 Folsom

---

Attached please find the original and 2 copies of each of the following:

- Proposed resolution; original signed by Department, Mayor, Controller
- Grant information form
- Grant budget
- Grant application
- Grant award letter from funding agency
- Other (Explain):

Departmental representative to receive a copy of the adopted resolution:

Name: Benjamin McCloskey

Phone: 701-5575

Interoffice Mail Address: Benjamin.McCloskey@sfgov.org

Certified copy required Yes  No

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).



# SAN FRANCISCO PLANNING DEPARTMENT

## Certificate of Determination EXEMPTION FROM ENVIRONMENTAL REVIEW

Case No.: 2015-014715ENV  
 Project Address: 2060 Folsom Street  
 Zoning: P (Public) Use District  
 50-X Height and Bulk District  
 Block/Lot: 3571/031  
 Lot Size: 29,075 square feet  
 Prior EIR: Eastern Neighborhoods Area Plan (Mission)  
 Project Sponsors: Mission Economic Development Agency  
 Elaine Yee - (415) 282-3334  
 Chinatown Community Development Center  
 Shannon Dodge - (415) 929-1026  
 Staff Contact: Don Lewis, (415) 575-9168, [don.lewis@sfgov.org](mailto:don.lewis@sfgov.org)

1650 Mission St.  
 Suite 400  
 San Francisco,  
 CA 94103-2479

Reception:  
 415.558.6378

Fax:  
 415.558.6409

Planning  
 Information:  
 415.558.6377

### PROJECT DESCRIPTION

The project site is an irregular-shaped lot located on the west side of Folsom Street between 16<sup>th</sup> and 17<sup>th</sup> streets in the Mission neighborhood. The project site is a surface parking lot with approximately 95 vehicle spaces, three light standards, and a small information kiosk/pay station. It is currently zoned P (Public) and within a 50-X height and bulk district. The project sponsor proposes the rezoning and height re-classification of the project site to an Urban Mixed Use (UMU) district and an 85-X height and bulk district. The proposed project involves removal of the surface parking lot and construction of a nine-story, 85-foot-tall (94-foot-tall with elevator penthouse), approximately 165,350-square-foot, mixed-use building. The proposed building would contain up to 134 affordable residential units, 9,670 square feet of

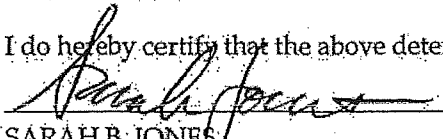
(Continued on next page.)

### EXEMPT STATUS

Exempt per Section 15183.3 of the California Environmental Quality Act (CEQA) Guidelines and California Public Resources Code Section 21094.5.

### DETERMINATION

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

  
 SARAH B. JONES  
 Environmental Review Officer

June 10, 2016  
 Date

cc: Elaine Yee, Project Sponsor  
 Shannon Dodge, Project Sponsor  
 Supervisor David Campos, District 9

Yvina Byrd, M.D.F  
 Exemption/Exclusion File  
 Kimberly Durandet, Current Planning Division

**PROJECT DESCRIPTION (continued)**

community support services, 1,230 square feet of accessory office space, 4,420 square feet for a child development center, and 600 square feet of retail use. The proposed unit mix would include transitional age youth units (TAY; which are generally smaller than studio units), one-bedroom units, two-bedroom units, and three-bedroom units. It is anticipated that at least 20 percent of the proposed units would be transitional age youth units. No vehicular parking is proposed. The proposed project would include 107 Class I bicycle spaces at the ground-floor level and 12 Class II bicycle spaces would be located on the sidewalk in front of the project site (nine on Folsom Street and three on Shotwell Street). The existing 12-foot-wide curb cut on Shotwell Street would be removed and standard sidewalk and curb dimensions restored. The proposed project would install a 40-foot-long loading zone within two proposed sidewalk bulb-outs on Folsom Street for the residential use and the child development center. In addition, one 20-foot-long, on-street car share space would be located on Folsom Street. The Folsom Street sidewalk in front of the project site would be widened from 11 feet, 7 inches to 12 feet while the Shotwell Street sidewalk in front of the project site would be widened from 10 feet to 12 feet.

The proposed project includes an approximately 4,460-square-foot promenade that borders a park to the south (17<sup>th</sup> & Folsom Park), which is currently under construction, and a 2,960-square-foot open courtyard that would be located towards the center of the project site and would create an east and west building wing. Immediately north of the open courtyard would be a 1,530-square-foot outdoor open space for the child development center. The proposed project also includes an 860-square-foot roof deck for the residential units. The proposed project would replace five existing street trees along the project site (four on Folsom Street and one on Shotwell Street) and ten new trees would be planted (four on Shotwell Street, four within the proposed promenade, and two on Shotwell Street).

During the approximately 22-month construction period, the proposed project would require up to 30 feet of excavation below ground surface (bgs) for the proposed foundation work which would require cement deep soil mixing and any soil remediation deemed necessary, resulting in approximately 2,500 cubic yards of soil disturbance. The west wing of the proposed building would be supported by a shallow foundation (a mat slab) while the east wing would require a deep foundation (drilled piles would extend up to 65 feet bgs). Impact piling driving is not proposed. The project site is located within the Mission Plan Area of the Eastern Neighborhoods Area Plans.

**PROJECT APPROVAL**

The proposed project at 2060 Folsom Street would require the following approvals:

**Actions by the Planning Commission**

- Approval of a Legislative Amendment for proposed zoning change and height re-classification under Section 302 of the Planning Code. The Planning Commission's approval of the Legislative Amendment would be the Approval Action for the project. The Approval Action date establishes the start of the 30-day appeal period for this CEQA exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

**Actions by the Board of Supervisors**

- Approval of a Legislative Amendment for proposed zoning change and height re-classification.

**Actions by the Planning Department**

- Approval of a Large Project Authorization for development of a building greater than 25,000 gross square feet, if the proposed legislative amendment is approved. Per Planning Code Section 315, a Large Project Authorization for 100 percent Affordable Housing Projects may be approved by the Planning Department.

**Actions by City Departments**

- Approval of a Site Mitigation Plan from the San Francisco Department of Public Health prior to the commencement of any excavation work.
- Approval of a Site Permit from the Department of Building Inspection (DBI) for new construction.

**PROJECT SETTING**

The project site is an irregular-shaped lot located on the west side of Folsom Street between 16<sup>th</sup> and 17<sup>th</sup> streets in the Mission neighborhood. The project site is primarily flat with no noticeable slope and has frontages on Folsom, and Shotwell streets. The project site is a surface parking lot with approximately 95 vehicle spaces, three light standards, and a small information kiosk/pay station. The project site has been previously developed with residential and light industrial structures (including a wrecking company, an auto washing area, a trailer manufacturing factory, and a paint booth). By 1987 the project site did not contain residential or light industrial structures and has since been used as a surface parking lot.

Land uses near the project site include industrial, residential, commercial, office, and public space. The 16<sup>th</sup> Street-Mission BART station, a major regional transit station, is located three blocks (approximately 900 feet) west of the project site. There are three Muni stops approximately 300 feet north of the project site near the intersection of 16<sup>th</sup> and Folsom streets. Within a quarter mile of the project site, the San Francisco Municipal Railway (Muni) operates the following bus lines: 12, 14, 14R, 22, 33, 49, and 55. There is a bicycle lane on 17<sup>th</sup> Street and a bicycle route on Folsom Street. Buildings in the project vicinity range from 15 to 40 feet in height. Surrounding parcels are zoned PDR-1-G (General Production, Distribution, and Repair) with the exception of one lot west of the project site that is zoned UMU (Urban Mixed Use). Height and bulk districts in the project vicinity are 50-X and 58-X.

Immediately adjacent to the south of the project site is a proposed park that is currently under construction.<sup>1</sup> Immediately adjacent to the north of the project site is the 2000-2014 Folsom Street building which is a reinforced-concrete industrial building (constructed in 1948) that ranges from one to three stories in height with frontages on Folsom, 16<sup>th</sup>, and Shotwell streets. The uses in the building include food manufacturing, office, and commercial.

Across Folsom Street to the east of the project site, from 17<sup>th</sup> Street to 16<sup>th</sup> Street, is a two-story residential building with ground-floor commercial ("Rite Spot Cafe"); a one-story industrial building with

<sup>1</sup> The site of the 17<sup>th</sup> & Folsom Park, which is under construction, was a former surface parking lot with approximately 219 spaces. It is anticipated that the park would open mid-2017.

warehouse and office uses ("Comcast Shipping and Receiving"), a two-story commercial building ("Sherman Williams Automotive Finishes"), a three-story residential building, and a three-story residential building with ground-floor retail.

Across 17<sup>th</sup> Street to the south of the project site, between Shotwell and Folsom street, is a one-story warehouse building ("Ocean Sash & Door Company"), a two-story commercial building ("Lutz Plumbing"), a one-story industrial building with an adjacent parking lot for approximately twelve vehicles ("Hans Art Automotive"), and a two-story industrial building ("Pacific Investment Services").

Across Shotwell Street to the west of the project site, between 16<sup>th</sup> Street to 17<sup>th</sup> Street, is a two-story office building with an approximately 25-space parking lot ("Mission Neighborhood Health Center"), a two-story residential building with a ground-floor studio gallery, a two-story industrial building ("Dubbelju Motorcycle Rentals"), and a two-story industrial building ("Ocean Sash & Door Company"). At the southeast corner of Shotwell and 17<sup>th</sup> streets is a three-story performing arts building ("ODC Theater").

Two blocks west of the project site is the 600 South Van Ness Avenue development (Case No. 2013.0614ENV) that is currently under construction. That project entails the construction of a five-story, mixed-use building with 27 dwelling units, 3,060 square feet of commercial use, and 20 off-street parking spaces. Two blocks northwest of the project site is an approved development at 490 South Van Ness (Case No. 2015-010406ENV) which entails replacing a former gasoline station with a seven-story, mixed-use development with 72 dwelling units, 1,100 square feet of commercial use, and 48 off-street parking spaces.<sup>2</sup>

## STREAMLINING FOR INFILL PROJECTS OVERVIEW

California Public Resources Code Section 21094.5 and CEQA Guidelines Section 15183.3 provides a streamlined environmental review process for eligible infill projects by limiting the topics subject to review at the project level where the effects of infill development have been previously addressed in a planning level decision<sup>3</sup> or by uniformly applicable development policies.<sup>4</sup> CEQA does not apply to the effects of an eligible infill project under two circumstances. First, if an effect was addressed as a significant effect in a prior Environmental Impact Report (EIR)<sup>5</sup> for a planning level decision, then that effect need not be analyzed again for an individual infill project even when that effect was not reduced to a less than significant level in the prior EIR. Second, an effect need not be analyzed, even if it was not analyzed in a prior EIR or is more significant than previously analyzed, if the lead agency makes a finding that uniformly applicable development policies or standards, adopted by the lead agency or a city or county, apply to the infill project and would substantially mitigate that effect. Depending on the effects addressed in the prior EIR and the availability of uniformly applicable development policies or standards that apply to the eligible infill project, the streamlined environmental review would range from complete exemption from environmental review to a narrowed, project-specific environmental document.

<sup>2</sup> The Mayor's Office of Housing and Community Development purchased the property in 2015 with the intention of building an affordable housing development.

<sup>3</sup> Planning level decision means the enactment of amendment of a general plan or any general plan element, community plan, specific plan, or zoning code.

<sup>4</sup> Uniformly applicable development policies are policies or standards adopted or enacted by a city or county, or by a lead agency, that reduce one or more adverse environmental effects.

<sup>5</sup> Prior EIR means the environmental impact report certified for a planning level decision, as supplemented by any subsequent or supplemental environmental impact reports, negative declarations, or addenda to those documents.

Pursuant to CEQA Guidelines Section 15183.3, an eligible infill project is examined in light of the prior EIR to determine whether the infill project will cause any effects that require additional review under CEQA. The evaluation of an eligible infill project must demonstrate the following:

- (1) the project satisfies the performance standards of Appendix M of the CEQA Guidelines;
- (2) the degree to which the effects of the infill project were analyzed in the prior EIR;
- (3) an explanation of whether the infill project will cause new specific effects<sup>6</sup> not addressed in the prior EIR;
- (4) an explanation of whether substantial new information shows that the adverse effects of the infill project are substantially more severe than described in the prior EIR; and
- (5) if the infill project would cause new specific effects or more significant effects than disclosed in the prior EIR, the evaluation shall indicate whether uniformly applied development standards substantially mitigate<sup>7</sup> those effects.<sup>8</sup>

No additional environmental review is required if the infill project would not cause any new site-specific or project-specific effects or more significant effects, or if uniformly applied development standards would substantially mitigate such effects.

### INFILL PROJECT ELIGIBILITY

To be eligible for the streamlining procedures prescribed in Section 15183.3, an infill project must meet all of the following criteria.

- a) *The project site is located in an urban area on a site that either has been previously developed or that adjoins existing qualified urban uses on at least seventy-five percent of the site's perimeter.<sup>9</sup>*

The project site is located within an urban area and has been previously developed. According to historical Sanborn maps, the project site has been developed with residential and light industrial structures since 1889. Based on building permits, past businesses on the project site included a wrecking company, an auto washing area, a trailer manufacturing factory, and a paint booth. Based on the 1938 and 1946 aerial photographs, the project site was occupied by a building. Based on the 1987 aerial photograph, the building was no longer present and the project site was depicted as a paved parking lot. To date the project site remains developed as a paved parking lot.

<sup>6</sup> A new specific effect is an effect that was not addressed in the prior EIR and that is specific to the infill project or the infill project site. A new specific effect may result if, for example, the prior EIR stated that sufficient site-specific information was not available to analyze the significance of that effect. Substantial changes in circumstances following certification of a prior EIR may also result in a new specific effect.

<sup>7</sup> More significant means an effect will be substantially more severe than described in the prior EIR. More significant effects include those that result from changes in circumstances or changes in the development assumptions underlying the prior EIR's analysis. An effect is also more significant if substantial new information shows that: (1) mitigation measures that were previously rejected as infeasible are in fact feasible, and such measures are not included in the project; (2) feasible mitigation measures considerably different than those previously analyzed could substantially reduce a significant effect described in the prior EIR, but such measures are not included in the project; or (3) an applicable mitigation measure was adopted in connection with a planning level decision, but the lead agency determines that it is not feasible for the infill project to implement that measure.

<sup>8</sup> Substantially mitigate means that the policy or standard will substantially lessen the effect, but not necessarily below the levels of significance.

<sup>9</sup> For the purpose of this subdivision "adjoin" means the infill project is immediately adjacent to qualified urban uses, or is only separated from such uses by an improved public right-of-way. Qualified urban use means any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.



b) *The proposed project satisfies the performance standards provided in Appendix M of the CEQA Guidelines.*

The proposed project satisfies the performance standards provided in Appendix M of the CEQA Guidelines.<sup>10</sup> The Appendix M checklist, which can be located within the project file, covers the following topics for mixed-use residential projects: hazardous materials, air quality, transportation, and affordable housing. The project site is not included on any list compiled pursuant to Section 65962.5 of the Government Code (i.e., the "Cortese" list), and is not located near a high-volume roadway or a stationary source of air pollution (i.e., project site is not within an Air Pollutant Exposure Zone). The project site is located within a low vehicle travel area, within a half mile of an existing major transit stop, and consists of less than 300 affordable housing units.

c) *The proposed project is consistent with the general use designation, density, building intensity, and applicable policies specified in the Sustainable Communities Strategy.*

Plan Bay Area is the current Sustainable Communities Strategy and Regional Transportation Plan that was adopted by the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) in July 2013, in compliance with California's governing greenhouse gas reduction legislation, Senate Bill 375.<sup>11</sup> To be consistent with Plan Bay Area, a proposed project must be located within a Priority Development Area (PDA), or must meet all of the following criteria:

- Conform with the jurisdiction's General Plan and Housing Element;
- Be located within 0.5 miles of transit access;
- Be 100% affordable to low- and very-low income households for 55 years; and
- Be located within 0.5 miles of at least six neighborhood amenities.<sup>12</sup>

The project site is located within the Eastern Neighborhoods PDA, and therefore the project is consistent with the general use designation, density, building intensity, and applicable policies specified in Plan Bay Area.<sup>13</sup> As discussed above, the proposed project at 2060 Folsom Street meets criteria a, b, and c, and is therefore considered an eligible infill project.

## PLAN-LEVEL ENVIRONMENTAL IMPACT REPORT

The 2060 Folsom Street project site is located within the Mission Plan Area of the Eastern Neighborhoods Area Plans which were evaluated in the Eastern Neighborhoods Rezoning and Area Plans Programmatic Environmental Impact Report (PEIR).<sup>14</sup> The Eastern Neighborhoods PEIR, which was certified in 2008, is a comprehensive programmatic document that presents an analysis of the environmental effects of implementation of the Eastern Neighborhoods Rezoning and Area Plans, as well as the potential impacts under several proposed alternative scenarios. The Eastern Neighborhoods PEIR estimated that

<sup>10</sup> San Francisco Planning Department, *Eligibility Checklist: CEQA Guidelines Appendix M Performance Standards for Streamlined Environmental Review, 2060 Folsom Street*, May 3, 2016. This document (and all other documents cited in this report, unless otherwise noted), is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400 as part of Case File No. 2015-014715ENV.

<sup>11</sup> Metropolitan Transportation Commission and Association of Bay Area Governments, *Plan Bay Area*. Available: <http://onebayarea.org/plan-bay-area/final-plan-bay-area.html>. Accessed April 25, 2016

<sup>12</sup> Choin, Miriam, Association of Bay Area Governments (ABAG) Planning & Research Director, letter to Don Lewis, Environmental Planner, San Francisco Planning Department, February 22, 2016, *Re: 2070 Folsom Street Project SCS Consistency*.

<sup>13</sup> Ibid.

<sup>14</sup> Planning Department Case No. 2004.0160E and State Clearinghouse No. 2005032048

implementation of the Eastern Neighborhoods Plan could result in approximately 7,400 to 9,900 net dwelling units and 3,200,000 to 6,600,000 square feet of net non-residential space (excluding PDR loss) built in the Plan Area throughout the lifetime of the Plan (year 2025).

This determination and the Infill Environmental Checklist (Attachment A) concludes that the proposed project at 2060 Folsom Street: (1) is eligible for an infill streamlining exemption; (2) the effects of the infill project were analyzed in the Eastern Neighborhoods PEIR and applicable mitigation measures from the PEIR have been incorporated into the proposed project; (3) the proposed project would not cause new specific effects that were not already addressed in the Eastern Neighborhoods PEIR; and (4) there is no substantial new information that shows that the adverse environmental effects of the infill project are more significant than described in the prior EIR. Therefore, no further environmental review is required for the proposed 2060 Folsom Street project and this Certificate of Exemption for the proposed project comprise the full and complete CEQA evaluation necessary for the proposed project.

## POTENTIAL ENVIRONMENTAL EFFECTS

The Eastern Neighborhoods PEIR included analyses of environmental issues including: land use; plans and policies; visual quality and urban design; population, housing, business activity, and employment (growth inducement); transportation; noise; air quality; parks, recreation and open space; shadow; archeological resources; historic architectural resources; hazards; and other issues not addressed in the previously issued initial study for the Eastern Neighborhoods Rezoning and Area Plans. The Eastern Neighborhoods PEIR analyzed a range of rezoning options for the project site, including an option to rezone the project site from a 50-foot height limit to a 68-foot height limit and from a P (Public) zoning district to an UMU district.<sup>15</sup> Thus, the Eastern Neighborhoods PEIR considered the incremental impacts of the proposed 2060 Folsom Street project. As a result, the proposed infill project would not result in adverse environmental effects that are more significant than were identified in the Eastern Neighborhoods PEIR.

Significant and unavoidable impacts were identified in the Eastern Neighborhoods PEIR for the following topics: land use, historic architectural resources, transportation and circulation, and shadow. Regarding land use, the PEIR found a significant impact related to the cumulative loss of PDR. The approximately 29,075-square-foot project site at 2060 Folsom is a surface parking lot; therefore, there are no existing PDR uses at the project site. The project site is located within a P (Public) use district, which does not allow PDR uses. Since the project site was not part of the PDR land supply, the proposed project would not contribute to the significant land use impact identified in the PEIR. Regarding historic architectural resources, the PEIR found that changes in use districts and height limits under the Eastern Neighborhoods Area Plans could have substantial adverse changes on the significance of both individual historic resources and on historic districts within the Plan Area. The proposed project does not involve demolition of a structure and the project site is not located within a historic district. Therefore, the proposed project would not contribute to the significant historic resource impact identified in the Eastern Neighborhoods PEIR. Regarding transit, the PEIR found that the anticipated growth resulting from the zoning changes could result in significant impacts on transit ridership. Transit ridership generated by the

<sup>15</sup> San Francisco Planning Department, *Eastern Neighborhoods Rezoning and Area Plans Final Environmental Impact Report (PEIR)*, August 7, 2008. Case No. 2004.0160E, Figure C&R-1 Proposed Use Districts in Preferred Project and Figure C&R-2 Proposed Height Limited in Preferred Project. Available at <http://www.sf-planning.org/index.aspx?page=1893>, accessed on May 25, 2016. This document also is available for review at 1650 Mission Street, Suite 400, San Francisco, CA, as part of Case No. 2004.0160E.

project would not contribute considerably to the transit impacts identified in the Eastern Neighborhoods PEIR. Finally, regarding shadow impacts, the PEIR could not conclude if the rezoning and community plans would result in less-than-significant shadow impacts because the feasibility of complete mitigation for potential new shadow impacts of unknown proposals could not be determined at that time. The proposed project would not substantially affect the adjacent 17<sup>th</sup> & Folsom Park since project shadow would be limited to early morning and evening hours in the summer months during periods that are typically low for park use.

The Eastern Neighborhoods PEIR identified feasible mitigation measures to address significant impacts related to noise, air quality, archeological resources, historic resources, hazardous materials, and transportation. The Infill Environmental Checklist discusses the applicability of each mitigation measure from the Eastern Neighborhoods PEIR and identifies uniformly applicable development standards that would reduce environmental effects of the project.<sup>16</sup> Table 1 below lists the mitigation measures identified in the Eastern Neighborhoods PEIR that would apply to the proposed project.

**Table 1 – Applicable Eastern Neighborhoods PEIR Mitigation Measures**

Mitigation Measure	Applicability	Compliance
F-2: Construction Noise	Applicable: temporary construction noise from the use of heavy equipment would be generated	The project sponsor has agreed to develop and implement a set of noise attenuation measures during construction.
J-2: Properties with no Previous Studies	Applicable: project site is located in an area with no previous archeological studies	The Planning Department has conducted a Preliminary Archeological Review. The project sponsor has agreed to implement procedures related to archeological testing in compliance with this mitigation measure.

As discussed in the attached Infill Environmental Checklist, the following mitigation measures identified in the Eastern Neighborhoods PEIR are not applicable to the proposed project: F-1: Construction Noise (Pile Driving), F-3: Interior Noise Levels, F-4: Siting of Noise-Sensitive Uses, F-5: Siting of Noise-Generating Uses, F-6: Open Space in Noisy Environments, G-2: Air Quality for Sensitive Land Uses, G-3: Siting of Uses that Emit DPM, G-4: Siting of Uses that Emit other TACs, J-1: Properties with Previous Archeological Studies, J-3: Mission Dolores Archeological District, K-1: Interim Procedures for Permit Review in the Eastern Neighborhoods Plan area, K-2: Amendments to Article 10 of the Planning Code Pertaining to Vertical Additions in the South End Historic District, K-3: Amendments to Article 10 of the Planning Code Pertaining to Alterations and Infill Development in the Dogpatch Historic District, L-1: Hazardous Building Materials, E-1: Traffic Signal Installation, E-2: Intelligent Traffic Management, E-3: Enhanced Transportation Funding, E-4: Intelligent Traffic Management, E-5: Enhanced Transit Funding, E-6: Transit Corridor Improvements, E-7: Transit Accessibility, E-8: Muni Storage and Maintenance, E-9: Rider Improvements, E-10: Transit Enhancement, and E-11: Transportation Demand Management.

<sup>16</sup> The Infill Environmental Checklist is attached to this document as Attachment A.

Please see the attached Mitigation Monitoring and Reporting Program<sup>17</sup> (MMRP) for the complete text of the applicable mitigation measures. With implementation of these mitigation measures and uniformly applicable development standards, the proposed project would not result in significant impacts beyond those analyzed in the Eastern Neighborhoods PEIR.

## PUBLIC NOTICE AND COMMENT

A "Notification of Project Receiving Environmental Review" was mailed on May 11, 2016 to adjacent occupants and owners of properties within 300 feet of the project site. No comments were received.

## CONCLUSION

As summarized above and further discussed in the Infill Environmental Checklist<sup>18</sup>:

1. The proposed project is eligible for the streamlining procedures, as the project site has been previously developed and is located in an urban area, the proposed project satisfies the performance standards provided in Appendix M of the CEQA Guidelines, and the project is consistent with the Sustainable Communities Strategy;
2. The effects of the proposed infill project were analyzed in a prior EIR, and no new information shows that the adverse environmental effects of the infill project are more significant than that described in the prior EIR;
3. The proposed infill project would not cause any significant effects on the environment that either have not already been analyzed in a prior EIR or that are more significant than previously analyzed, or that uniformly applicable development policies would not substantially mitigate; and
4. The project sponsor will undertake feasible mitigation measures specified in the Eastern Neighborhoods PEIR to mitigate project-related significant impacts.

Therefore, the proposed project is exempt from further environmental review pursuant to Public Resources Code Section 21094.5 and CEQA Guidelines Section 15183.3.

---

<sup>17</sup> The MMRP is attached to this document as Attachment B.

<sup>18</sup> Ibid.



# SAN FRANCISCO PLANNING DEPARTMENT

## ATTACHMENT A

### Infill Environmental Checklist

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Case No.: 2015-014715ENV  
 Project Address: 2060 Folsom Street  
 Zoning: P (Public) Use District  
 50-X Height and Bulk District  
 Block/Lot: 3571/031  
 Lot Size: 29,075 square feet  
 Prior EIR: Eastern Neighborhoods Area Plan (Mission)  
 Project Sponsors: Mission Economic Development Agency  
 Elaine Yee – (415) 282-3334  
 Chinatown Community Development Center  
 Shannon Dodge – (415) 929-1026  
 Staff Contact: Don Lewis – (415) 575-9168  
[don.lewis@sfgov.org](mailto:don.lewis@sfgov.org)

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

#### PROJECT DESCRIPTION

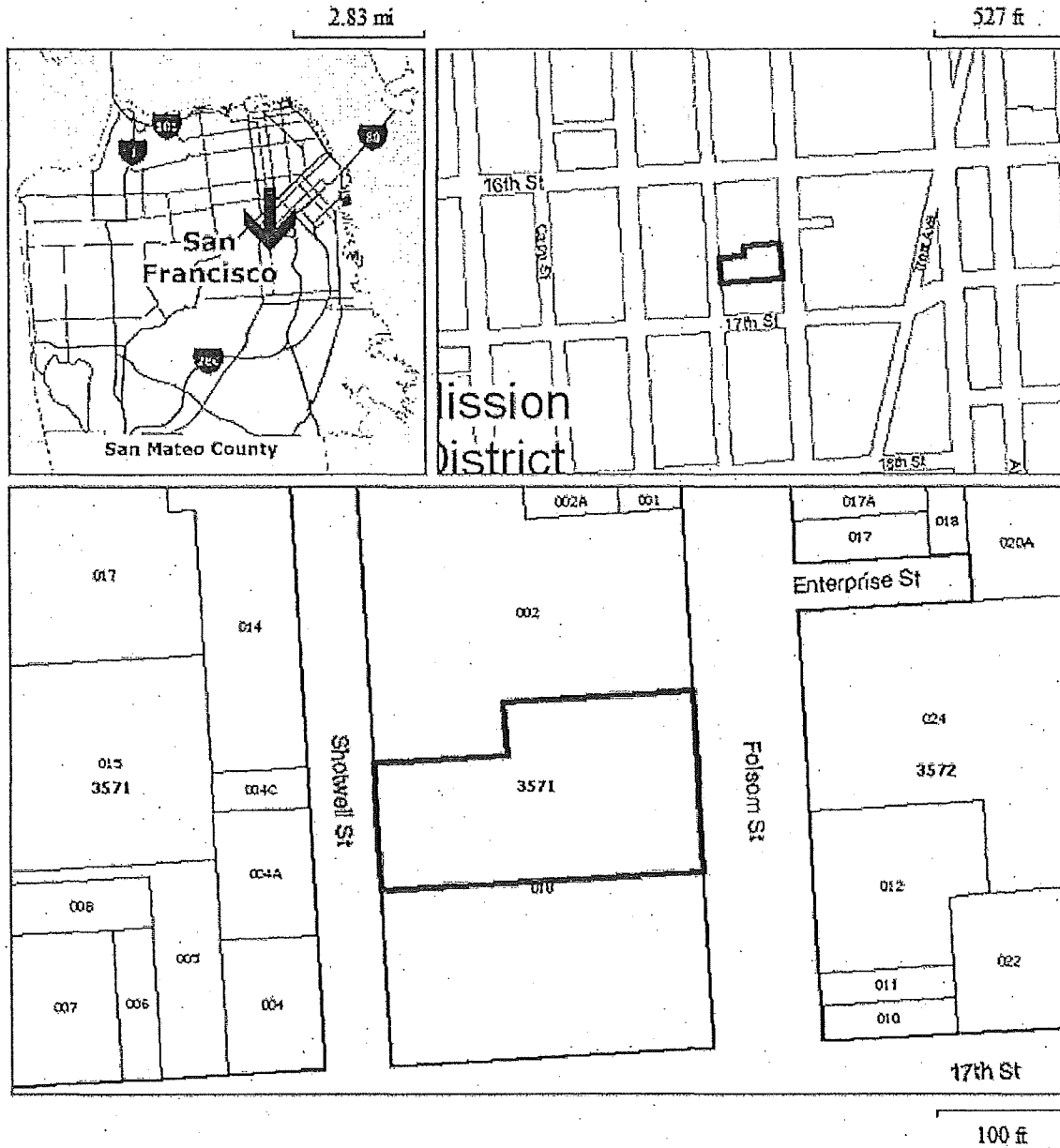
##### Project Location

The project site is an irregular-shaped lot located on the west side of Folsom Street between 16<sup>th</sup> and 17<sup>th</sup> streets, with frontages on Folsom and Shotwell streets, in the Mission neighborhood (see Figure 1, Project Location). The project site is a surface parking lot with approximately 95 vehicle spaces, three light standards, and a small information kiosk/pay station. It is currently zoned P (Public) and within a 50-X height and bulk district. Immediately adjacent to the south of the project site is the 17<sup>th</sup> & Folsom Park, which is under construction and under the jurisdiction of the Recreation and Park Department.

##### Project Characteristics

The project sponsor proposes the rezoning and height re-classification of the project site to an Urban Mixed Use (UMU) district and an 85-X height and bulk district. The proposed project involves the removal of the surface parking lot and construction of a nine-story, 85-foot-tall (94-foot-tall with elevator penthouse), approximately 165,350-square-foot, mixed-use building. The proposed building would contain up to 134 affordable residential units, 9,720 square feet of community support services, 4,420 square feet for a child development center, 1,230 square feet of accessory office space, and 600 square feet of retail use. The unit mix would include transitional age youth units (which are generally smaller than studio units), one-bedroom units, two-bedroom units, and three-bedroom units. It is anticipated that at least 20 percent of the proposed units would be transitional age youth units. No off-street vehicular parking is proposed. The proposed project would include 107 Class I bicycle spaces at the ground-floor level and twelve Class II bicycle spaces would be located on the sidewalk in front of the project site (nine on Folsom Street and three on Shotwell Street). The existing 12-foot-wide curb cut on Shotwell Street would be removed and standard sidewalk and curb dimensions restored. The proposed project would install a 40-foot-long loading zone within two proposed sidewalk bulb-outs on Folsom Street for the

Figure 1: Project Location



residential use and the child development center. In addition, one 20-foot-long, on-street car share space would be located on Folsom Street. The Folsom Street sidewalk in front of the project site would be widened from 11 feet, 7 inches to 12 feet while the Shotwell Street sidewalk in front of the project site would be widened from 10 feet to 12 feet. The proposed project would replace five existing street trees along the project site (four on Folsom Street and one on Shotwell Street) and ten new trees would be planted (four on Shotwell Street, four within the proposed promenade, and two on Shotwell Street).

The ground-floor level would include the following: 5,400 square feet of community support services; two bicycle storage rooms that would contain the Class I bicycle spaces; a 4,420-square-foot child development center; 1,230 square feet of office space; a 1,020-square-foot lobby with reception accessed from Folsom Street; and a 600-square-foot café would be located along Folsom Street. The proposed project would also include the following ground-floor open space: a 4,460-square-foot promenade would border the under construction 17th & Folsom Park to the south, where two park access gates would be located; a 2,960-square-foot open courtyard would be located towards the center of the project site and would create an east and west building wing; and immediately north of the open courtyard would be a 1,530-square-foot outdoor area for the child development center (see Figures 2 and 3, Proposed Site Plan and Proposed Ground Floor).

The second-floor level would contain residential units, including two family day care units with a 550-square-foot open space, 3,970 square feet of community support services, and a 300-square-foot lounge for the transitional age youth units (see Figure 4, Proposed Second Floor). Floors three through seven would include residential units (see Figure 5, Proposed Floor Plans 3-7). Floors eight and nine would include residential units, an 860-square-foot roof garden for the residents, and a 350-square-foot community room (see Figure 6, Proposed Floor Plans 8-9). The roof-top would include building-related mechanical systems and solar thermal arrays (see Figure 7, Proposed Roof Plan). Project elevations are provided as Figures 8, 9, and 10. The proposed project would pursue GreenPoint Rated certification.

### **Project Construction**

During the approximately 22-month construction period, the proposed project would require up to 30 feet of excavation below ground surface (bgs) for the proposed foundation work which would require cement deep soil mixing and any soil remediation deemed necessary, resulting in approximately 2,500 cubic yards of soil disturbance. The west wing of the proposed building would be supported by a shallow foundation (a mat slab) while the east wing would require a deep foundation (drilled piles would extend up to 65 feet bgs). Impact piling driving is not proposed.

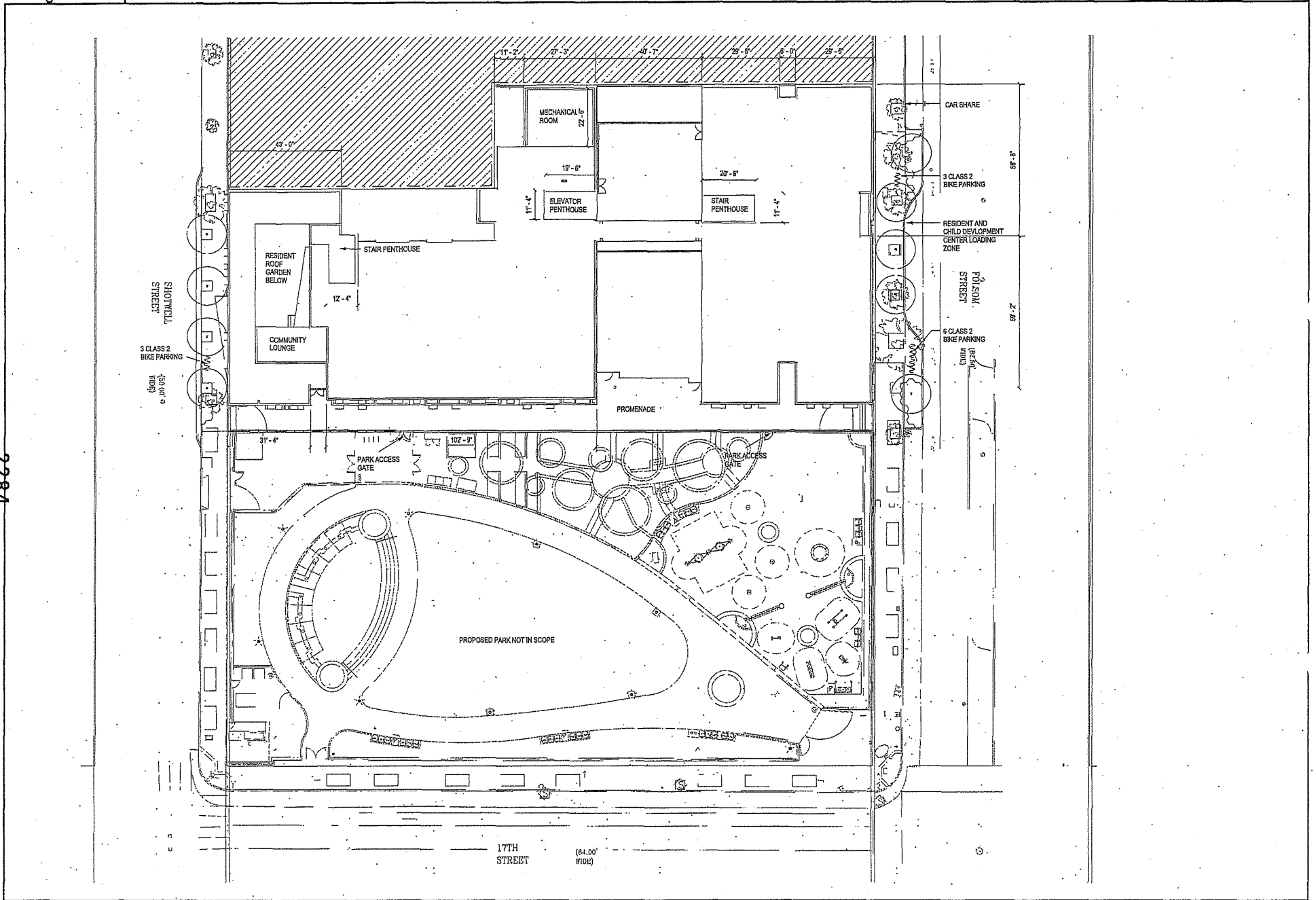
### **PROJECT APPROVAL**

The proposed project at 2060 Folsom Street would require the following approvals:

#### **Actions by the Planning Commission**

- Approval of a Legislative Amendment for proposed zoning change and height re-classification under Section 302 of the Planning Code. The Planning Commission's approval of the Legislative Amendment would be the Approval Action for the project. The Approval Action date establishes the start of the 30-day appeal period for this CEQA exemption determination pursuant to Section 31.04(h) of the San Francisco Administrative Code.

Figure 2. Proposed Site Plan

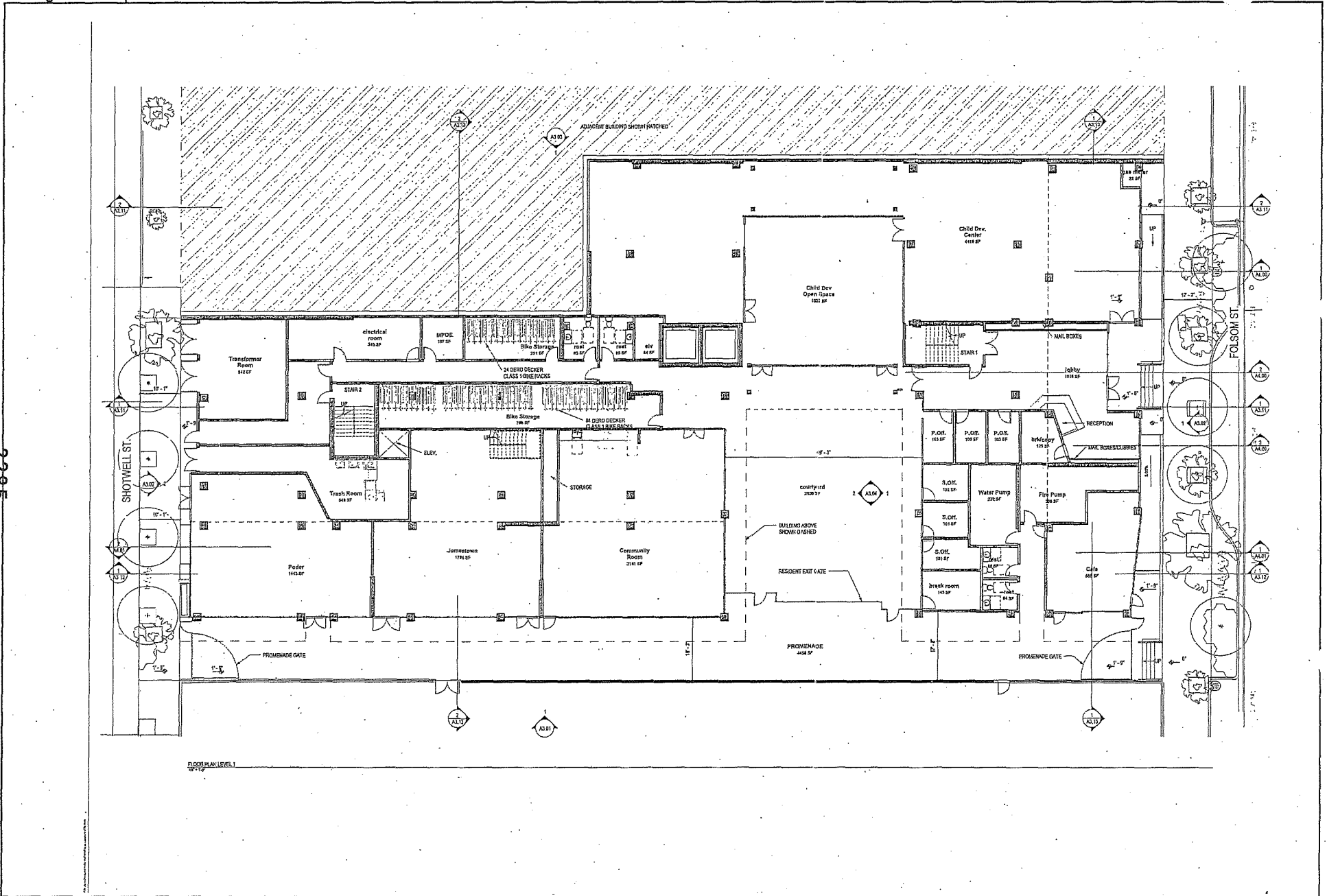


2284

Comments: Not to Scale  
 Source: Mithun, April 14, 2016



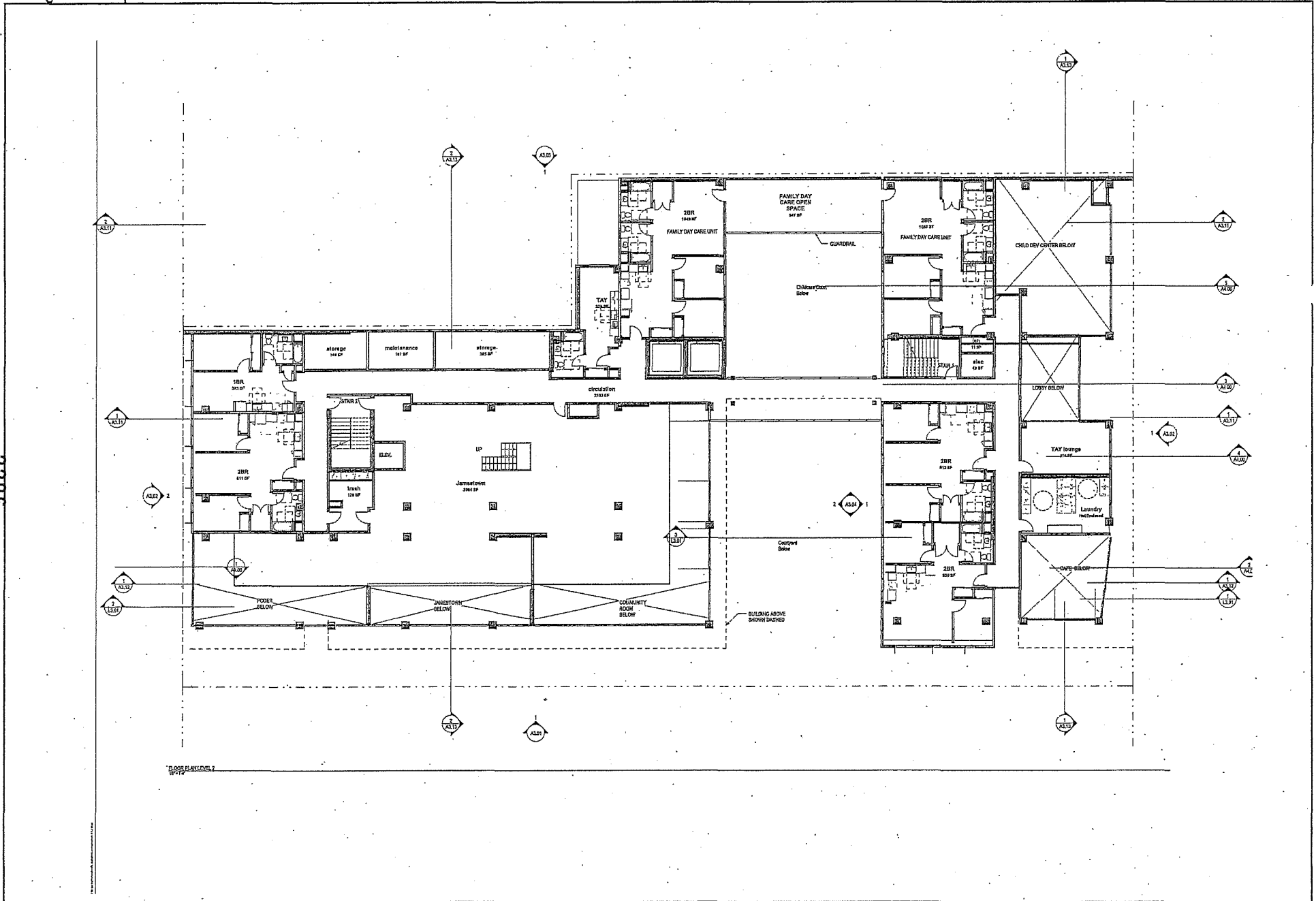
Figure 3. Proposed Ground Floor Plan



2285

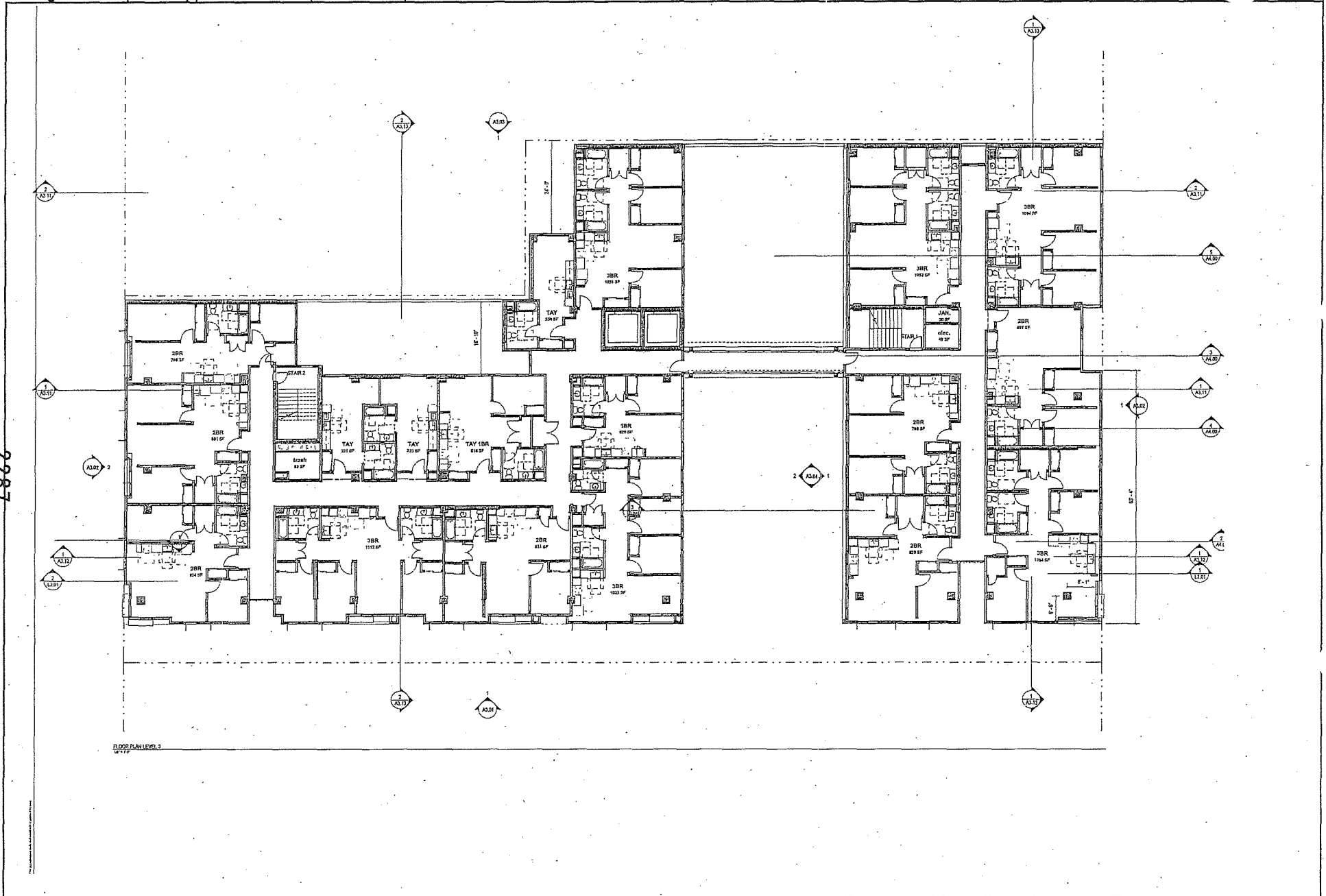
Comments: Not to Scale  
 Source: Mithun, April 14, 2016

Figure 4. Proposed Second Floor Plan



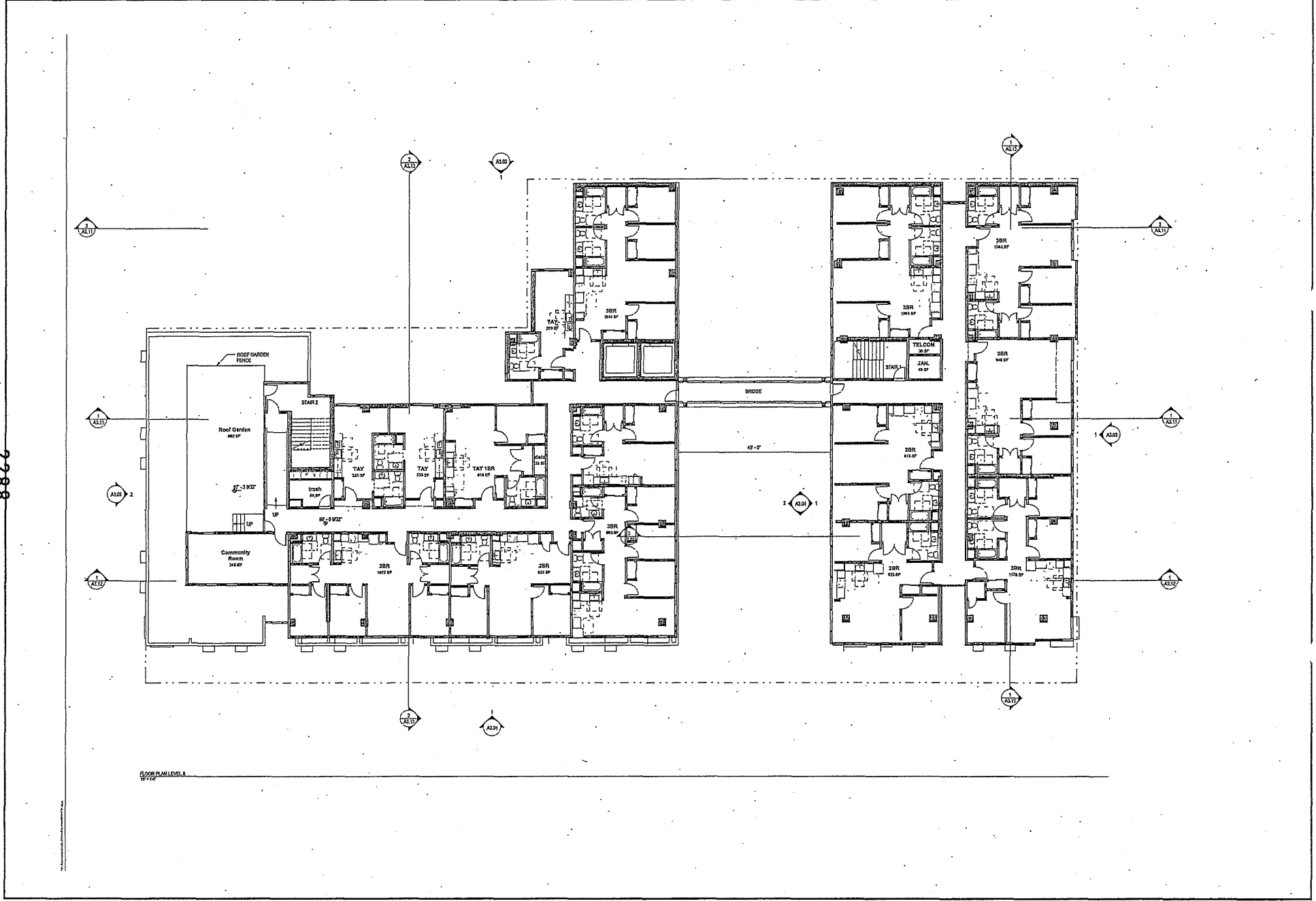
Comments: Not to Scale  
 Source: Mithun, April 14, 2016

Figure 5. Proposed Upper Floor Plans (Levels 3 to 7)



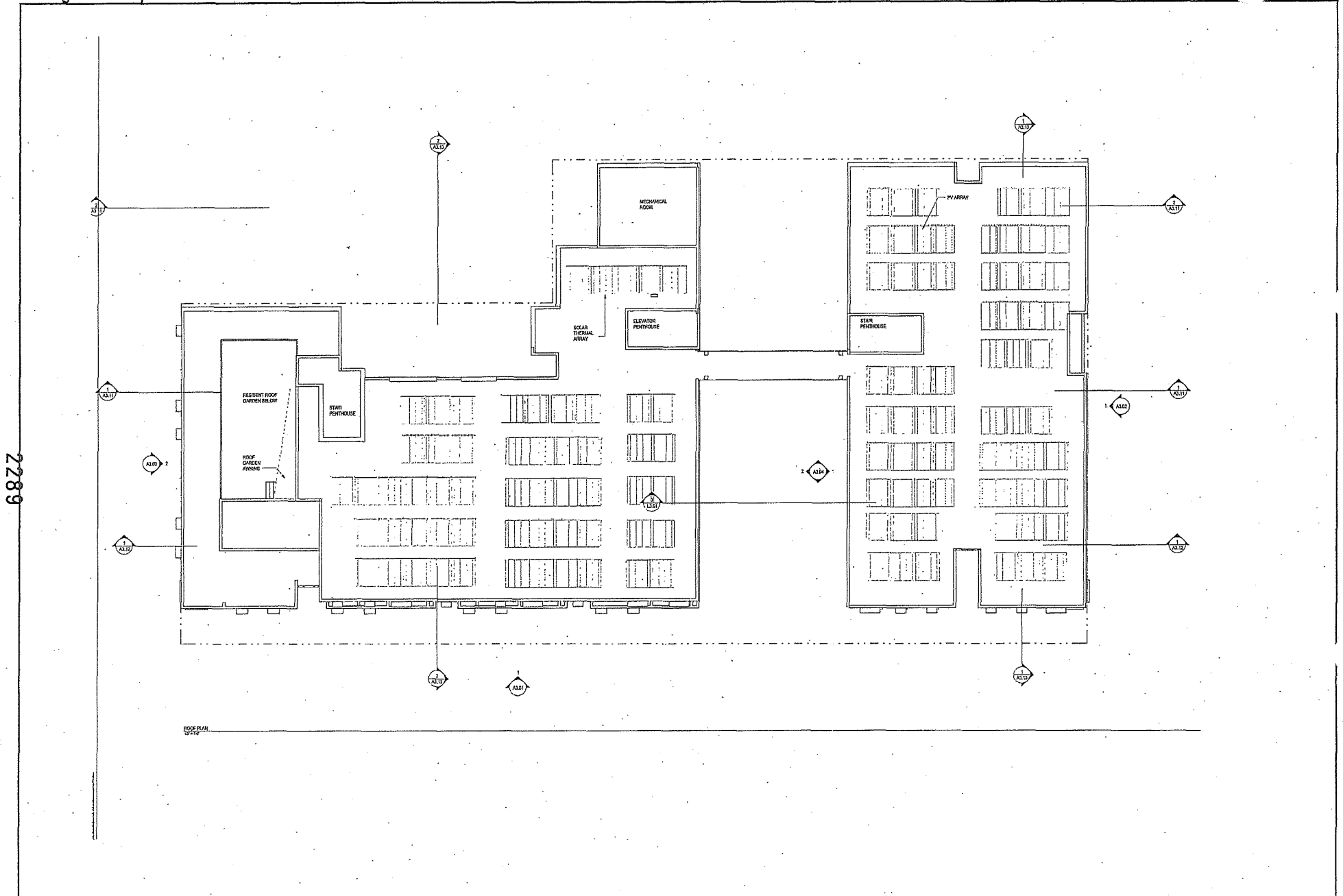
Comments: Not to Scale  
Source: Mithun, April 14, 2016

Figure 6. Proposed Upper Floor Plans (Levels 8 to 9)



Comments: Not to Scale  
 Source: Mithun, April 14, 2016

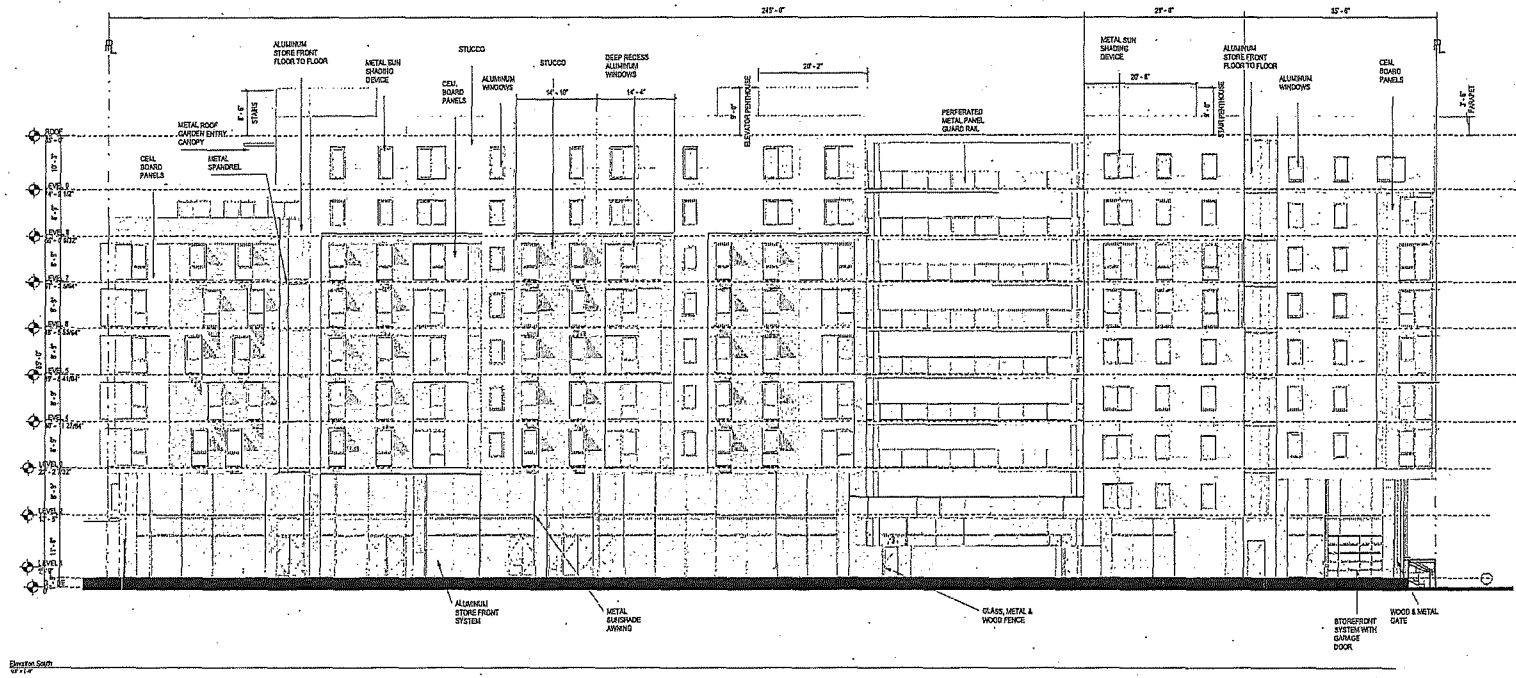
Figure 7. Proposed Roof Plan



Comments: Not to Scale  
Source: Mithun, April 14, 2016

Figure 8. Proposed South Elevation (17th Street)

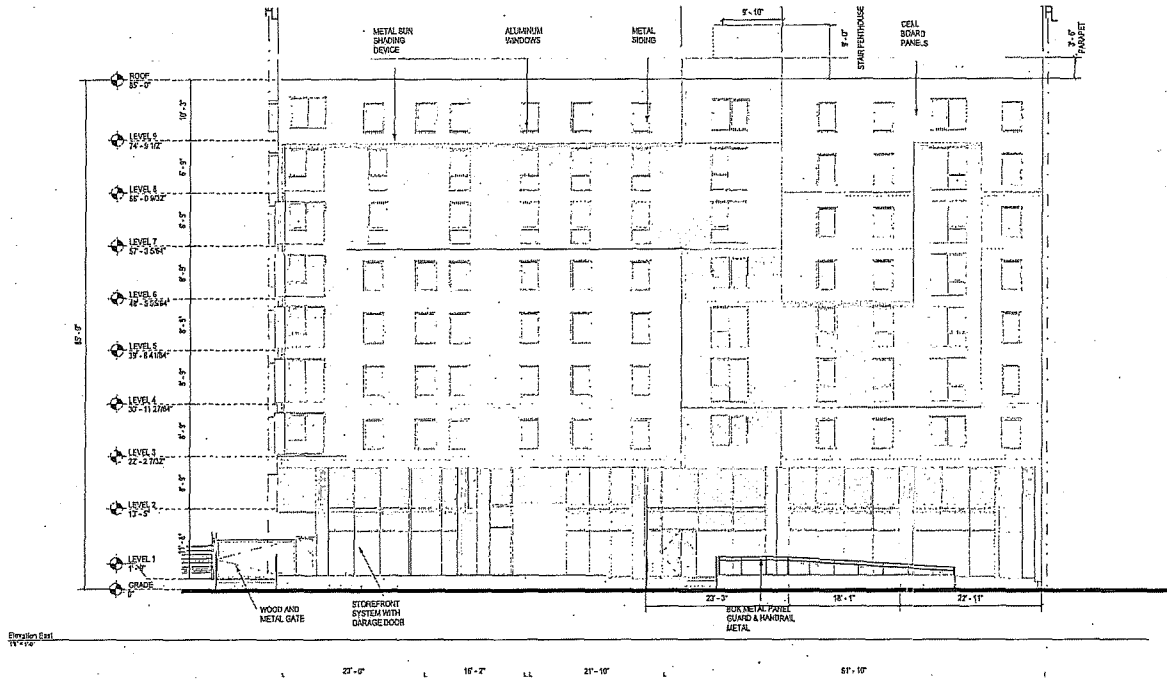
2290



Comments: Not to Scale  
 Source: Mithun, April 14, 2016

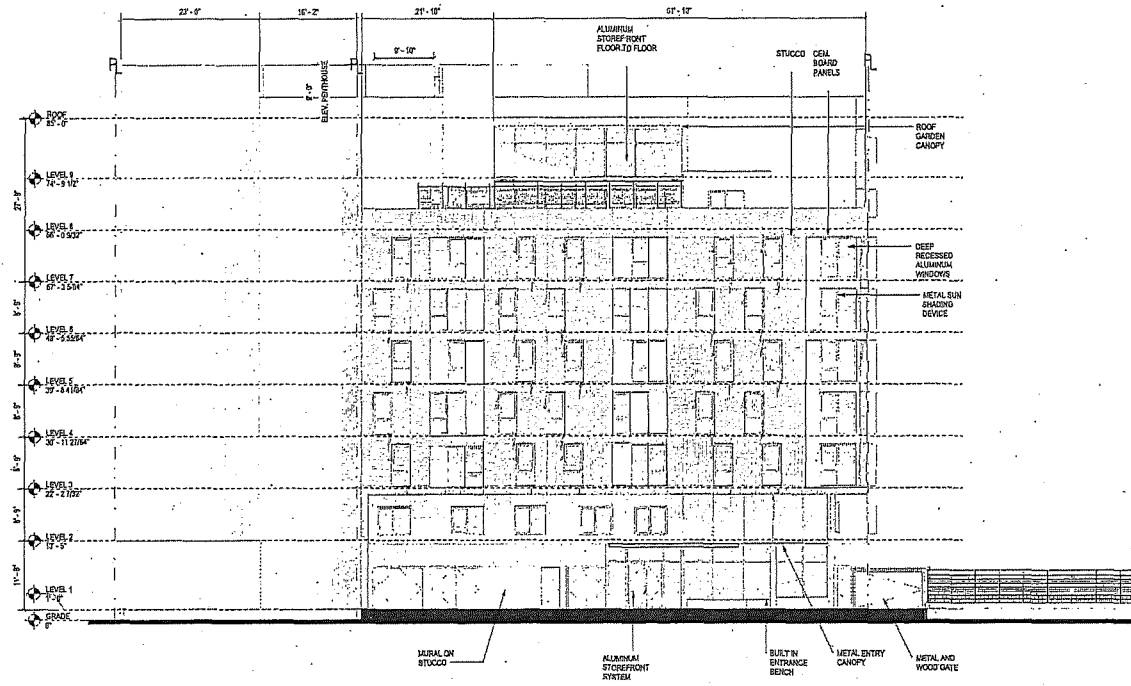
Figure 9. Proposed East (Folsom) Elevation

2291



Comments: Not to Scale  
Source: Mithun, April 14, 2016

Figure 10. Proposed West (Shotwell) Elevation



2292

Comments: Not to Scale  
Source: Mithun, April 14, 2016



**Actions by the Board of Supervisors**

- Approval of a Legislative Amendment for proposed zoning change and height re-classification.

**Actions by the Planning Department**

- Approval of a Large Project Authorization for development of a building greater than 25,000 gross square feet, if the proposed legislative amendment is approved. Per Planning Code Section 315, a Large Project Authorization for 100 percent Affordable Housing Projects may be approved by the Planning Department.

**Actions by City Departments**

- Approval of a Site Mitigation Plan from the San Francisco Department of Public Health prior to the commencement of any excavation work.
- Approval of a Site Permit from the Department of Building Inspection (DBI) for new construction.

**EVALUATION OF ENVIRONMENTAL EFFECTS**

This Infill Environmental Checklist was prepared to examine the proposed project in light of a prior Environmental Impact Report (EIR) to determine whether the project would cause any effects that require additional review under CEQA. The Infill Environmental Checklist indicates whether the effects of the proposed project were analyzed in a prior EIR, and identifies the prior EIR's mitigation measures that are applicable to the proposed project. The Infill Environmental Checklist also determines if the proposed project would cause new specific effects<sup>1</sup> that were not already addressed in a prior EIR and if there is substantial new information that shows that the adverse environmental effects of the project are more significant<sup>2</sup> than described in a prior EIR. Such impacts, if any, will be evaluated in a project-specific Mitigated Negative Declaration or EIR. If no such impacts are identified, the proposed project is exempt from further environmental review in accordance with Public Resources Code Section 21094.5 and CEQA Guidelines Section 15183.3.

The prior EIR for the proposed 2060 Folsom Street project is the Eastern Neighborhoods Rezoning and Area Plans Programmatic Environmental Impact Report (PEIR).<sup>3</sup> The Eastern Neighborhoods PEIR identified significant impacts related to land use, transportation, cultural resources, shadow, noise, air quality, and hazardous materials. Additionally, the PEIR identified significant cumulative impacts related

<sup>1</sup> A new specific effect is an effect that was not addressed in a prior EIR and that is specific to the infill project or the infill project site. A new specific effect may result if, for example, the prior EIR stated that sufficient site-specific information was not available to analyze the significance of that effect. Substantial changes in circumstances following certification of a prior EIR may also result in a new specific effect.

<sup>2</sup> More significant means an effect will be substantially more severe than described in the prior EIR. More significant effects include those that result from changes in circumstances or changes in the development assumptions underlying the prior EIR's analysis. An effect is also more significant if substantial new information shows that: (1) mitigation measures that were previously rejected as infeasible are in fact feasible, and such measures are not included in the project; (2) feasible mitigation measures considerably different than those previously analyzed could substantially reduce a significant effect described in the prior EIR, but such measures are not included in the project; or (3) an applicable mitigation measure was adopted in connection with a planning level decision, but the lead agency determines that it is not feasible for the infill project to implement that measure.

<sup>3</sup> Planning Department Case No. 2004.0160E and State Clearinghouse No. 2005032048.

to land use, transportation, and cultural resources. Mitigation measures were identified for the above impacts and reduced all impacts to less-than-significant except for those related to land use (cumulative impacts on Production, Distribution, and Repair (PDR) use), transportation (program-level and cumulative traffic impacts at nine intersections; program-level and cumulative transit impacts on seven Muni lines), cultural resources (cumulative impacts from demolition of historical resources), and shadow (program-level impacts on parks). Mitigation measures identified in the Eastern Neighborhoods PEIR are discussed under each topic area, and measures that are applicable to the proposed project are provided under the Mitigation Measures Section at the end of this checklist.

The project sponsor proposes the rezoning and height re-classification of the project site to a UMU district and an 85-X height and bulk district. The proposed project would include the removal of the surface parking lot and construction of a nine-story, 85-foot-tall (94-foot-tall with elevator penthouse), approximately 165,350-square-foot, mixed-use building. The proposed building would contain up to 134 affordable residential units, 9,670 square feet of community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail use. As discussed below in this checklist, the effects of the proposed infill project have already been analyzed and disclosed in the Eastern Neighborhoods PEIR and are not more significant than previously analyzed.

## CHANGES IN THE REGULATORY ENVIRONMENT

Since the certification of the Eastern Neighborhoods PEIR in 2008, several new policies, regulations, statutes, and funding measures have been adopted, passed, or are underway that affect the physical environment and/or environmental review methodology for projects in the Eastern Neighborhoods plan areas. As discussed in each topic area referenced below, these policies, regulations, statutes, and funding measures have implemented or will implement mitigation measures or further reduce less-than-significant impacts identified in the PEIR. These include:

- State statute regarding Aesthetics, Parking Impacts, effective January 2014, and state statute and Planning Commission resolution regarding automobile delay, and vehicle miles traveled, (VMT) effective March 2016 (see "CEQA Section 21099" heading below);
- The adoption of 2016 interim controls in the Mission District requiring additional information and analysis regarding housing affordability, displacement, loss of PDR and other analyses, effective January 2016;
- San Francisco Bicycle Plan update adoption in June 2009, Better Streets Plan adoption in 2010, Transit Effectiveness Project (aka "Muni Forward") adoption in March 2014, Vision Zero adoption by various City agencies in 2014, Proposition A and B passage in November 2014, and the Transportation Sustainability Program process (see Checklist section "Transportation");
- San Francisco ordinances establishing Construction Dust Control, effective July 2008, and Enhanced Ventilation Required for Urban Infill Sensitive Use Developments, amended December 2014 (see Checklist section "Air Quality");
- San Francisco Clean and Safe Parks Bond passage in November 2012 and San Francisco Recreation and Open Space Element of the General Plan adoption in April 2014 (see Checklist section "Recreation");
- Urban Water Management Plan adoption in 2011 and Sewer System Improvement Program process (see Checklist section "Utilities and Service Systems"); and

- Article 22A of the Health Code amendments effective August 2013 (see Checklist section "Hazardous Materials").

## CHANGES IN THE PHYSICAL ENVIRONMENT

Since the certification of the Eastern Neighborhoods PEIR in 2008, as evidenced by the volume of development applications submitted to the Planning Department since 2012, the pace of development activity has increased in the Eastern Neighborhoods plan areas. The Eastern Neighborhoods PEIR projected that implementation of the Eastern Neighborhoods Plan could result in a substantial amount of growth within the Eastern Neighborhoods plan areas, resulting in an increase of approximately 7,400 to 9,900 net dwelling units and 3,200,000 to 6,600,000 square feet of net non-residential space (excluding PDR loss) throughout the lifetime of the Plan (year 2025).<sup>4</sup> The Eastern Neighborhoods PEIR projected that this level of development would result in a total population increase of approximately 23,900 to 33,000 people throughout the lifetime of the plan.<sup>5</sup> Growth projected in the Eastern Neighborhoods PEIR was based on a soft site analysis (i.e., assumptions regarding the potential for a site to be developed through the year 2025) and not based upon the created capacity of the rezoning options (i.e., the total potential for development that would be created indefinitely).<sup>6</sup>

As of February 2016, projects containing 9,749 dwelling units and 2,807,952 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review<sup>7</sup> within the Eastern Neighborhoods plan areas.<sup>8</sup> This level of development corresponds to an overall population increase of approximately 23,758 to 25,332 persons. Of the 9,749 dwelling units that are under review or have completed environmental review, building permits have been issued<sup>9</sup> for 4,583 dwelling units, or approximately 47 percent of those units (information is not available regarding building permit issuance for non-residential square footage).

<sup>4</sup> Tables 12 through 16 of the Eastern Neighborhoods Draft EIR and Table C&R-2 in the Comments and Responses show projected net growth based on proposed rezoning scenarios. A baseline for existing conditions in the year 2000 was included to provide context for the scenario figures for parcels affected by the rezoning, not projected growth totals from a baseline of the year 2000. Estimates of projected growth were based on parcels that were to be rezoned and did not include parcels that were recently developed (i.e., parcels with projects completed between 2000 and March 2006) or have proposed projects in the pipeline (i.e., projects under construction, projects approved or entitled by the Planning Department, or projects under review by the Planning Department or Department of Building Inspection). Development pipeline figures for each Plan Area were presented separately in Tables 5, 7, 9, and 11 in the Draft EIR. Environmental impact assessments for these pipeline projects were considered separately from the Eastern Neighborhoods rezoning effort.

<sup>5</sup> Table 2 Forecast Growth by Rezoning Option Chapter IV of the Eastern Neighborhoods Draft EIR shows projected net growth based on proposed rezoning scenarios. A baseline for existing conditions in the year 2000 was included to provide context for the scenario figures for parcels affected by the rezoning.

<sup>6</sup> San Francisco Planning Department, Community Planning in the Eastern Neighborhoods, Rezoning Options Workbook, Draft, February 2003. This document is available at: <http://www.sf-planning.org/index.aspx?page=1678#background>.

<sup>7</sup> For this and the Land Use and Land Use Planning section, environmental review is defined as projects that have or are relying on the growth projections and analysis in the Eastern Neighborhoods PEIR for environmental review (i.e., Community Plan Exemptions [CPE] or Focused Mitigated Negative Declarations and Focused Environmental Impact Reports with an attached Community Plan Exemption Checklist, or eligible infill projects).

<sup>8</sup> These estimates include projects that have completed environmental review and foreseeable projects (including the proposed project). Foreseeable projects are those projects for which environmental evaluation applications have been submitted to the San Francisco Planning Department.

<sup>9</sup> An issued building permit refers to buildings currently under construction or open for occupancy. This number includes all units approved under CEQA (including CPEs, eligible infill exemptions, Categorical Exemptions and other types of CEQA documents).

Within the Mission Plan Area, the Eastern Neighborhoods PEIR projected that implementation of the Eastern Neighborhoods Plan could result in an increase of 800 to 2,100 net dwelling units and 700,000 to 3,500,000 non-residential space (excluding PDR loss) through the year 2025. This level of development corresponds to an overall population increase of approximately 4,719 to 12,207 persons. As of February 2016, projects containing 2,451 dwelling units and 355,842 square feet of non-residential space (excluding PDR loss) have completed or are proposed to complete environmental review within the Mission Plan Area. This level of development corresponds to an overall population increase of 8,764 to 10,650 persons. Of the 2,451 dwelling units that are under review or have completed environmental review, building permits have been issued for 989 dwelling units, or approximately 40 percent of those units. Therefore, currently anticipated growth within the Mission Plan Area is within the Eastern Neighborhoods PEIR growth projections.

Growth that has occurred within the plan areas since adoption of the Eastern Neighborhoods PEIR has been planned for and the effects of that growth were anticipated and considered in the Eastern Neighborhoods PEIR. Although the number of housing units under review is approaching or exceeds the residential unit projections for the Mission and Showplace Square/Potrero Hill Area Plans of the Eastern Neighborhoods PEIR, the non-residential reasonably foreseeable growth is well below what was anticipated. Therefore, population growth associated with approved and reasonably foreseeable development is within the population that was projected for 2025. Furthermore, the number of constructed projects within Eastern Neighborhoods is well below what has been approved for all plan areas.

The Eastern Neighborhoods PEIR utilized the growth projections to analyze the physical environmental impacts associated with that growth for the following environmental impact topics: Land Use; Population, Housing, Business Activity, and Employment; Transportation; Noise; Air Quality; Parks, Recreation, and Open Space; Utilities/Public Services; and Water. The analysis took into account the overall growth in the Eastern Neighborhoods and did not necessarily analyze in isolation the impacts of growth in one land use category, although each land use category may have differing severities of effects. The analysis of environmental topics covered in this checklist take into account the differing severities of effects of the residential and employee population.

In summary, projects proposed within the Eastern Neighborhoods Plan Areas have not exceeded the overall population growth that was projected in the Eastern Neighborhoods PEIR; therefore, foreseeable growth within the plan areas do not present substantial new information that was not known at the time of the PEIR and would not result in new significant environmental impacts or substantially more severe adverse impacts than discussed in the PEIR.

## **SENATE BILL 743**

### **Aesthetics and Parking**

In accordance with CEQA Section 21099 – Modernization of Transportation Analysis for Transit Oriented Projects – aesthetics and parking shall not be considered in determining if a project has the potential to result in significant environmental effects, provided the project meets all of the following three criteria:

- a) The project is in a transit priority area;
- b) The project is on an infill site; and
- c) The project is residential, mixed-use residential, or an employment center.

The proposed project meets each of the above three criteria and thus, this checklist does not consider aesthetics or parking in determining the significance of project impacts under CEQA.<sup>10</sup> See Figures 8,9, and 10 for project elevations.

**Automobile Delay and Vehicle Miles Traveled**

In addition, CEQA Section 21099(b)(1) requires that the State Office of Planning and Research (OPR) develop revisions to the CEQA Guidelines establishing criteria for determining the significance of transportation impacts of projects that “promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses.” CEQA Section 21099(b)(2) states that upon certification of the revised guidelines for determining transportation impacts pursuant to Section 21099(b)(1), automobile delay, as described solely by level of service or similar measures of vehicular capacity or traffic congestion shall not be considered a significant impact on the environment under CEQA.

In January 2016, OPR published for public review and comment a *Revised Proposal on Updates to the CEQA Guidelines on Evaluating Transportation Impacts in CEQA*<sup>11</sup> recommending that transportation impacts for projects be measured using a vehicle miles traveled (VMT) metric. On March 3, 2016, in anticipation of the future certification of the revised CEQA Guidelines, the San Francisco Planning Commission adopted OPR’s recommendation to use the VMT metric instead of automobile delay to evaluate the transportation impacts of projects (Resolution 19579). (Note: the VMT metric does not apply to the analysis of project impacts on non-automobile modes of travel such as riding transit, walking, and bicycling.) Instead, a VMT and induced automobile travel impact analysis is provided in the Transportation section.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>1. LAND USE AND LAND USE PLANNING—Would the project:</b>					
a) Physically divide an established community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>10</sup> San Francisco Planning Department. *Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 2060 Folsom Street*, May 11, 2016. This document (and all other documents cited in this report, unless otherwise noted), is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400 as part of Case File No. 2015-014715ENV.

<sup>11</sup> This document is available online at: [https://www.opr.ca.gov/s\\_sb743.php](https://www.opr.ca.gov/s_sb743.php).

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
c) Have a substantial impact upon the existing character of the vicinity?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on land use and land use planning under Chapter IV.A, on pages 35-82; Chapter V, on page 501; Chapter VI on pages 526-527; Chapter VIII on pages C&R-16 to C&R-19, C&R-50 to C&R-64, and C&R-131; and Chapter IX, Appendix A on page 24.<sup>12</sup>

The project site is located within the boundary of the Mission Area Plan. The Mission Area Plan promotes a wide range of uses to create a livable and vibrant neighborhood. The Area Plan includes the following community-driven goals that were developed specially for the Mission: increase the amount of affordable housing; preserve and enhance the unique character of the Mission’s distinct commercial areas; promote alternative means of transportation to reduce traffic and auto use; improve and develop additional community facilities and open space; and minimize displacement. Through the Eastern Neighborhoods planning process, the project site was specifically called out for affordable housing development with a park adjacent to it. As an affordable residential project with ground-floor community facilities and an adjacent open space, the project is implementing that vision.

The Eastern Neighborhoods PEIR determined that adoption of the Area Plans would result in an unavoidable significant impact on land use due to the cumulative loss of PDR. The proposed project would not remove any existing PDR uses, and the project site is located within a P (Public) use district, which does not allow PDR uses. Therefore, the proposed project would not contribute to any impact related to loss of PDR uses that was identified in the Eastern Neighborhoods PEIR.

The Eastern Neighborhoods PEIR determined that implementation of the Area Plans would not create any new physical barriers in the Eastern Neighborhoods because the rezoning and Area Plans do not provide for any new major roadways, such as freeways that would disrupt or divide the plan area or individual neighborhoods. The proposed project would be developed within existing lot boundaries and would include a promenade that would connect with the proposed park at 17<sup>th</sup> & Folsom streets and would therefore not divide an established community.

Plans, policies, and regulations adopted for the purpose of avoiding or mitigating an environmental effect are those that directly address environmental issues and/or contain targets or standards that must be met in order to maintain or improve characteristics of the City’s physical environment. Examples of such plans, policies, or regulations include the Bay Area Air Quality Management District’s 2010 Clean Air Plan and the San Francisco Regional Water Quality Control Board’s San Francisco Basin Plan. The proposed project would not obviously or substantially conflict with any plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect.

<sup>12</sup> Page numbers to the Eastern Neighborhoods PEIR reference page numbers in the Eastern Neighborhoods Rezoning and Area Plans Final EIR. The PEIR is available for review at <http://www.sf-planning.org/index.aspx?page=1893>, accessed on May 25, or at 1650 Mission Street, Suite 400, San Francisco, CA, as part of Case No. 2004.0160E.

Implementation of the proposed project would not result in significant impacts that were not identified in the Eastern Neighborhoods PEIR related to land use and land use planning, and no mitigation measures are necessary.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>2. POPULATION AND HOUSING— Would the project:</b>					
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)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing units or create demand for additional housing, necessitating the construction of replacement housing?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on population and housing under Chapter IV.D, on pages 175-252; Chapter V, on pages 523-525; Chapter VIII on pages C&R-16 to C&R-19 and C&R-70 to C&R-84; and Chapter IX, Appendix A on page 25.

One of the objectives of the Eastern Neighborhoods Area Plans is to identify appropriate locations for housing in the City's industrially zoned land to meet the citywide demand for additional housing. The PEIR concluded that an increase in population in the Plan Areas is expected to occur as a secondary effect of the proposed rezoning and that any population increase would not, in itself, result in adverse physical effects, but would serve to advance key City policy objectives, such as providing housing in appropriate locations next to Downtown and other employment generators and furthering the City's Transit First policies. It was anticipated that the rezoning would result in an increase in both housing development and population in all of the Area Plan neighborhoods. The Eastern Neighborhoods PEIR determined that the anticipated increase in population and density would not result in significant adverse physical effects on the environment related to population and housing. No mitigation measures were identified in the PEIR.

The proposed building would contain up to 134 affordable residential units, 9,670 square feet of community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail use. Implementation of the proposed project would result in a net increase of about 303 residents on the project site and a net increase of about 58 employees on the project

site.<sup>13</sup> The non-residential components of the project are not anticipated to create a substantial demand for increased housing as these uses would not be sufficient in size and scale to generate such demand. Moreover, the proposed project would not displace any housing, as none currently exists on the project site. The increase in population facilitated by the project would be within the scope of the Eastern Neighborhoods PEIR analysis and would not be considered substantial. For the above reasons, the proposed project would not result in significant impacts that were not identified in the Eastern Neighborhoods PEIR related to population and housing. As stated in the "Changes in the Physical Environment" section above, these direct effects of the proposed project on population and housing are within the scope of the population growth evaluated in the Eastern Neighborhoods PEIR.

For the above reasons, the proposed project would not result in significant impacts on population and housing that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>3. CULTURAL AND PALEONTOLOGICAL RESOURCES—Would the project:</b>					
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 <i>Planning Code</i> ?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on cultural resources under Chapter IV.J, on pages 419-440; Chapter IV.K, on pages 441-474; Chapter V, on pages 512-522; Chapter VI on page 529; Chapter VIII on pages C&R-27 to C&R-29, C&R-120 to C&R-129, and C&R-139 to C&R-143; and Chapter IX, Appendix A on page 68.

<sup>13</sup> According to the 2010 Census, the average household size in San Francisco is 2.26 persons (134 \* 2.26 = 303). This number is conservative since at least 20 percent of the proposed units would be transitional age youth units which are single occupancy. Retail and office employment was calculated using information in the 2002 Transportation Impacts Analysis Guidelines for Environmental Review (Transportation Guidelines).



### Historic Architectural Resources

Pursuant to CEQA Guidelines Sections 15064.5(a)(1) and 15064.5(a)(2), historical resources are buildings or structures that are listed, or are eligible for listing, in the California Register of Historical Resources or are identified in a local register of historical resources, such as Articles 10 and 11 of the San Francisco Planning Code. The Eastern Neighborhoods PEIR determined that future development facilitated through the changes in use districts and height limits under the Eastern Neighborhoods Area Plans could have substantial adverse changes on the significance of both individual historic resources and on historic districts within the Plan Areas. The PEIR determined that approximately 32 percent of the known or potential historic resources in the Plan Areas could potentially be affected under the preferred alternative. The Eastern Neighborhoods PEIR found this impact to be significant and unavoidable. This impact was addressed in a Statement of Overriding Considerations with findings and adopted as part of the Eastern Neighborhoods Rezoning and Area Plans approval on January 19, 2009.

The project site, which is a surface parking, is not considered a historic resource. In addition, the project site is not located within a historic district or adjacent to a potential historic resource. Therefore, the proposed project would not contribute to the significant historic resource impact identified in the Eastern Neighborhoods PEIR, and no historic resource mitigation measures would apply to the proposed project.

For these reasons, the proposed project would not result in significant impacts on historic architectural resources that were not identified in the Eastern Neighborhoods PEIR.

### Archeological Resources

The Eastern Neighborhoods PEIR determined that implementation of the Area Plan could result in significant impacts on archeological resources and identified three mitigation measures that would reduce these potential impacts to a less than significant level. Eastern Neighborhoods PEIR Mitigation Measure J-1 applies to properties for which a final archeological research design and treatment plan is on file at the Northwest Information Center and the Planning Department. Mitigation Measure J-2 applies to properties for which no archeological assessment report has been prepared or for which the archeological documentation is incomplete or inadequate to serve as an evaluation of potential effects on archeological resources under CEQA. Mitigation Measure J-3, which applies to properties in the Mission Dolores Archeological District, requires that a specific archeological testing program be conducted by a qualified archeological consultant with expertise in California prehistoric and urban historical archeology.

The proposed project at 2060 Folsom Street would involve up to approximately 30 feet of excavation below ground surface for the proposed foundation work, which would require cement deep soil mixing, resulting in approximately 2,500 cubic yards of soil disturbance. The proposed project would be subject to Mitigation Measure J-2 in the Eastern Neighborhoods PEIR (Project Mitigation Measure 1). In accordance with Mitigation Measure J-2, a Preliminary Archaeological Review (PAR) was conducted by Planning Department staff archeologists, which determined that the proposed project has the potential to adversely affect CEQA-significant archeological resources. The PAR determined that the project sponsor would be required to prepare an Archeological Testing Program to more definitively identify the potential for California Register-eligible archeological resources to be present within the project site and determine the appropriate action necessary to reduce the potential effect of the project on archeological resources to a less-than-significant level.<sup>14</sup> The project sponsor has agreed to implement Eastern Neighborhoods PEIR

---

<sup>14</sup> Randall Dean, Staff Archeologist, San Francisco Planning Department. Archeological Review Log.

Mitigation Measure J-2, as Project Mitigation Measure 1 (full text provided in the "Mitigation Measures" section below and in the MMRP, which is attached herein as Attachment B).

For these reasons, the proposed project would not result in significant impacts on archeological resources that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>4. TRANSPORTATION AND CIRCULATION—Would the project:</b>					
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels, obstructions to flight, or a change in location, that results in substantial safety risks?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Result in inadequate emergency access?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on transportation and circulation under Chapter IV.E, on pages 253-302; Chapter V, on pages 502-506 and page 525; Chapter VI on pages 527-528; Chapter VIII

on pages C&R-23 to C&R-27, C&R-84 to C&R-96, and C&R-131 to C&R-134; and Chapter IX, Appendix A on page 26.

The Eastern Neighborhoods PEIR anticipated that growth resulting from the zoning changes would not result in significant impacts related to pedestrians, bicyclists, loading, emergency access, or construction.

However, the Eastern Neighborhoods PEIR anticipated that growth resulting from the zoning changes could result in significant impacts on transit ridership, and identified seven transportation mitigation measures, which are described further below in the Transit sub-section. Even with mitigation, however, it was anticipated that the significant adverse cumulative impacts on transit lines could not be fully mitigated. Thus, these impacts were found to be significant and unavoidable. As discussed above under "SB 743", in response to state legislation that called for removing automobile delay from CEQA analysis, the Planning Commission adopted resolution 19579 replacing automobile delay with a VMT metric for analyzing transportation impacts of a project. Therefore, impacts and mitigation measures from the Eastern Neighborhoods PEIR associated with automobile delay are not discussed in this checklist.

The Eastern Neighborhoods PEIR did not evaluate vehicle miles traveled or the potential for induced automobile travel. The VMT Analysis and Induced Automobile Travel Analysis presented below evaluate the project's transportation effects using the VMT metric.

The project site is not located within an airport land use plan area, or in the vicinity of a private airstrip. Therefore, the Infill Environmental Checklist topic 4c is not applicable.

#### **Vehicle Miles Traveled (VMT) Analysis**

Many factors affect travel behavior. These factors include density, diversity of land uses, design of the transportation network, access to regional destinations, distance to high-quality transit, development scale, demographics, and transportation demand management. Typically, low-density development at great distance from other land uses, located in areas with poor access to non-private vehicular modes of travel, generate more automobile travel compared to development located in urban areas, where a higher density, mix of land uses, and travel options other than private vehicles are available.

Given these travel behavior factors, San Francisco has a lower VMT ratio than the nine-county San Francisco Bay Area region. In addition, some areas of the City have lower VMT ratios than other areas of the City. These areas of the City can be expressed geographically through transportation analysis zones. Transportation analysis zones are used in transportation planning models for transportation analysis and other planning purposes. The zones vary in size from single city blocks in the downtown core, multiple blocks in outer neighborhoods, to even larger zones in historically industrial areas like the Hunters Point Shipyard.

The San Francisco County Transportation Authority (Transportation Authority) uses the San Francisco Chained Activity Model Process (SF-CHAMP) to estimate VMT by private automobiles and taxis for different land use types. Travel behavior in SF-CHAMP is calibrated based on observed behavior from the California Household Travel Survey 2010-2012, Census data regarding automobile ownership rates and county-to-county worker flows, and observed vehicle counts and transit boardings. SF-CHAMP uses a synthetic population, which is a set of individual actors that represents the Bay Area's actual population, who make simulated travel decisions for a complete day. The Transportation Authority uses tour-based analysis for office and residential uses, which examines the entire chain of trips over the course of a day, not just trips to and from the project. For retail uses, the Transportation Authority uses trip-based analysis, which counts VMT from individual trips to and from the project (as opposed to entire chain of trips). A trip-based approach, as opposed to a tour-based approach, is necessary for retail

projects because a tour is likely to consist of trips stopping in multiple locations, and the summarizing of tour VMT to each location would over-estimate VMT.<sup>15,16</sup>

A project would have a significant effect on the environment if it would cause substantial additional VMT. OPR's Proposed Transportation Impact Guidelines recommend screening criteria to identify types, characteristics, or locations of projects that would not result in significant impacts to VMT. If a project meets one of the three screening criteria provided (Map-Based Screening, Small Projects, and Proximity to Transit Stations), then it is presumed that VMT impacts would be less than significant for the project and a detailed VMT analysis is not required. Map-Based Screening is used to determine if a project site is located within a transportation analysis zone (TAZ) that exhibits low levels of VMT<sup>17</sup>; Small Projects are projects that would generate fewer than 100 vehicle trips per day; and the Proximity to Transit Stations criterion includes projects that are within a half mile of an existing major transit stop, have a floor area ratio of greater than or equal to 0.75, vehicle parking that is less than or equal to that required or allowed by the Planning Code without conditional use authorization, and are consistent with the applicable Sustainable Communities Strategy.

For residential development, the existing regional average daily VMT per capita is 17.2.<sup>18</sup> For office development, regional average daily work-related VMT per employee is 19.1. For retail development, regional average daily retail VMT per employee is 14.9.<sup>19</sup> Average daily VMT for all three land uses is projected to decrease in future 2040 cumulative conditions. Refer to Table 1: Daily Vehicle Miles Traveled, which includes the transportation analysis zone in which the project site is located, 592.

As shown in Table 1, the proposed project's residential, retail, and office uses would be located in a TAZ where existing VMT for residential, retail, and office uses are more than 15 percent below regional averages.<sup>20</sup> The existing average daily household VMT per capita is 4.6 for TAZ 592, which is 73 percent below the existing regional average daily VMT per capita of 17.2. Future 2040 average daily household VMT per capita is 3.9 for TAZ 592, which is 76 percent below the future 2040 regional average daily VMT per capita of 16.1. The existing average daily VMT per office employee is 8.5 for TAZ 592, which is 56 percent below the existing regional average daily VMT per office employee of 19.1. Future 2040 average

<sup>15</sup> To state another way: a tour-based assessment of VMT at a retail site would consider the VMT for all trips in the tour, for any tour with a stop at the retail site. If a single tour stops at two retail locations, for example, a coffee shop on the way to work and a restaurant on the way back home, then both retail locations would be allotted the total tour VMT. A trip-based approach allows us to apportion all retail-related VMT to retail sites without double-counting.

<sup>16</sup> San Francisco Planning Department, Executive Summary: Resolution Modifying Transportation Impact Analysis, Appendix F, Attachment A, March 3, 2016.

<sup>17</sup> A project would cause substantial additional VMT if it exceeds both the existing City household VMT per capita minus 15 percent and existing regional household VMT per capita minus 15 percent. In San Francisco, the City's average VMT per capita is lower (8.4) than the regional average (17.2). Therefore, the City average is irrelevant for the purposes of the analysis. For office projects, a project would generate substantial additional VMT if it exceeds the regional VMT per employee minus 15 percent. For retail projects, the Planning Department uses a VMT efficiency metric approach, and a project would generate substantial additional VMT if it exceeds the regional VMT per retail employee minus 15 percent.

<sup>18</sup> Includes the VMT generated by the households in the development.

<sup>19</sup> Retail travel is not explicitly captured in SF-CHAMP, rather, there is a generic "Other" purpose which includes retail shopping, medical appointments, visiting friends or family, and all other non-work, non-school tours. The retail efficiency metric captures all of the "Other" purpose travel generated by Bay Area households. The denominator of employment (including retail; cultural, institutional, and educational; and medical employment; school enrollment, and number of households) represents the size, or attraction, of the zone for this type of "Other" purpose travel.

<sup>20</sup> San Francisco Planning Department, *Eligibility Checklist: CEQA Section 21099 – Modernization of Transportation Analysis for 2060 Folsom Street*, May 11, 2016.

daily VMT per office employee is 7.7 for TAZ 592, which is 55 percent below the future 2040 regional average daily work-related VMT per office employee of 17.0. The existing average daily VMT per retail employee is 9.7 for TAZ 592, which is 35 percent below the existing regional average daily VMT per retail employee of 14.9. Future 2040 average daily VMT per retail employee is 9.4 for TAZ 592, which is 36 percent below the future 2040 regional average daily work-related VMT per retail employee of 14.6.

**Table 1: Daily Vehicle Miles Traveled**

Land Use	Existing			Cumulative 2040		
	Bay Area Regional Average	Bay Area Regional Average minus 15%	TAZ 592	Bay Area Regional Average	Bay Area Regional Average minus 15%	TAZ 592
Households (Residential)	17.2	14.6	4.6	16.1	13.7	3.9
Employment (Office)	19.1	16.2	8.5	17.0	14.5	7.7
Employment (Retail)	14.9	12.6	9.4	14.6	12.4	9.7

Given the project site is located in an area where existing VMT is more than 15 percent below the existing regional average, the proposed project’s residential, office, and retail uses would not result in substantial additional VMT, and the proposed project would not result in a significant impact related to VMT. Furthermore, the project site meets the Proximity to Transit Stations screening criteria, which also indicates that the proposed project’s residential, office and retail uses would not cause substantial additional VMT.<sup>21</sup>

**Induced Automobile Travel Analysis**

A project would have a significant effect on the environment if it would substantially induce additional automobile travel by increasing physical roadway capacity in congested areas (i.e., by adding new mixed-flow lanes) or by adding new roadways to the network. OPR’s Proposed Transportation Impact Guidelines includes a list of transportation project types that would not likely lead to a substantial or measureable increase in VMT. If a project fits within the general types of projects (including combinations of types), then it is presumed that VMT impacts would be less than significant and a detailed VMT analysis is not required.

The proposed project is not a transportation project. However, the proposed project would include features that would alter the transportation network. The existing 12-foot-wide curb cut on Shotwell Street would be removed and standard sidewalk and curb dimensions restored. The Folsom Street sidewalk in front of the project site would be widened from 11 feet, 7 inches to 12 feet while the Shotwell Street sidewalk in front of the project site would be widened from 10 to 12 feet. The proposed project would install a 40-foot-long loading zone and one 20-foot-long, on-street car share on Folsom Street for the residential units and the child development center. The proposed project would also include the installation of twelve Class 2 bicycle parking facilities on the sidewalk in front of the project site (nine of

<sup>21</sup> *Ibid.*

Folsom Street and three on Shotwell Street). These features fit within the general types of projects that would not substantially induce automobile travel, and the impacts would be less than significant.<sup>22</sup>

### Trip Generation

The proposed building would contain up to 134 affordable residential units, 9,670 square feet of community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail use. No off-street vehicular parking is proposed. The proposed project would include 107 Class I bicycle spaces at the ground-floor level and twelve Class 2 bicycle spaces would be located on the sidewalk in front of the project site (nine on Folsom Street and three on Shotwell Street).

Localized trip generation of the proposed project was calculated using a trip-based analysis and information in the 2002 *Transportation Impact Analysis Guidelines for Environmental Review* (SF Guidelines) developed by the San Francisco Planning Department.<sup>23</sup> The proposed project would generate an estimated 1,546 person trips (inbound and outbound) on a weekday daily basis, consisting of 613 person trips by auto (488 vehicle trips accounting for vehicle occupancy data for this Census Tract), 577 transit trips, 167 walk trips and 188 trips by other modes. During the p.m. peak hour, the proposed project would generate an estimated 235 person trips, consisting of 88 person trips by auto (77 vehicle trips accounting for vehicle occupancy data), 94 transit trips, 23 walk trips and 30 trips by other modes.

### Transit

Mitigation Measures E-5 through E-11 in the Eastern Neighborhoods PEIR were adopted as part of the Plan with uncertain feasibility to address significant transit impacts. These measures are not applicable to the proposed project, as they are plan-level mitigations to be implemented by City and County agencies. In compliance with a portion of Mitigation Measure E-5: Enhanced Transit Funding, the City adopted impact fees for development in Eastern Neighborhoods that goes towards funding transit and complete streets. In addition, San Francisco Board of Supervisors approved amendments to the San Francisco Planning Code, referred to as the Transportation Sustainability Fee (Ordinance 200-154, effective December 25, 2015).<sup>24</sup> The fee updated, expanded, and replaced the prior Transit Impact Development Fee, which is in compliance with portions of Mitigation Measure E-5: Enhanced Transit Funding. The proposed project would be subject to the fee. The City is also currently conducting outreach regarding Mitigation Measures E-5: Enhanced Transit Funding and Mitigation Measure E-11: Transportation Demand Management. Both the Transportation Sustainability Fee and the transportation demand management efforts are part of the Transportation Sustainability Program.<sup>25</sup> In compliance with all or portions of Mitigation Measure E-6: Transit Corridor Improvements, Mitigation Measure E-7: Transit Accessibility, Mitigation Measure E-9: Rider Improvements, and Mitigation Measure E-10: Transit Enhancement, the San Francisco Municipal Transportation Authority (SFMTA) is implementing the Transit Effectiveness Project (TEP), which was approved by the SFMTA Board of Directors in March 2014. The TEP (now called Muni Forward) includes system-wide review, evaluation, and recommendations to improve service and increase transportation efficiency. Examples of transit priority and pedestrian safety improvements within the Eastern Neighborhoods Plan area as part of Muni Forward include the 14

<sup>22</sup> *Ibid.*

<sup>23</sup> San Francisco Planning Department, *Transportation Calculations for 2060 Folsom Street*, May 5, 2016.

<sup>24</sup> Two additional files were created at the Board of Supervisors for TSF regarding hospitals and health services, grandfathering, and additional fees for larger projects: see Board file nos. 151121 and 151257.

<sup>25</sup> <http://tsp.sfplanning.org>

Mission Rapid Transit Project, the 22 Fillmore Extension along 16<sup>th</sup> Street to Mission Bay (expected construction between 2017 and 2020), and the Travel Time Reduction Project on Route 9 San Bruno (initiation in 2015). In addition, Muni Forward includes service improvements to various routes within the Eastern Neighborhoods Plan area; for instance the implemented new Route 55 on 16<sup>th</sup> Street.

Mitigation Measure E-7 also identifies implementing recommendations of the Bicycle Plan and Better Streets Plan. As part of the San Francisco Bicycle Plan, adopted in 2009, a series of minor, near-term, and long-term bicycle facility improvements are planned within the Eastern Neighborhoods, including along 2nd Street, 5th Street, 17th Street, Townsend Street, Illinois Street, and Cesar Chavez Boulevard. The San Francisco Better Streets Plan, adopted in 2010, describes a vision for the future of San Francisco's pedestrian realm and calls for streets that work for all users. The Better Streets Plan requirements were codified in Section 138.1 of the Planning Code and new projects constructed in the Eastern Neighborhoods Plan area are subject to varying requirements, dependent on project size. Another effort which addresses transit accessibility, Vision Zero, was adopted by various City agencies in 2014. Vision Zero focuses on building better and safer streets through education, evaluation, enforcement, and engineering. The goal is to eliminate all traffic fatalities by 2024. Vision Zero projects within the Eastern Neighborhoods Plan area include pedestrian intersection treatments along Mission Street from 18th to 23rd streets, the Potrero Avenue Streetscape Project from Division to Cesar Chavez streets, and the Howard Street Pilot Project, which includes pedestrian intersection treatments from 4th to 6th streets.

The project site is located within a quarter mile of several local transit lines including Muni lines 12, 14, 14R, 22, 33, 49, and 55. In addition, the 16th Street-Mission BART station, a major regional transit station, is three blocks west of the project site. The proposed project would be expected to generate 577 daily transit trips, including 94 during the p.m. peak hour. Given the wide availability of nearby transit, the addition of 94 p.m. peak hour transit trips would be accommodated by existing capacity. As such, the proposed project would not result in unacceptable levels of transit service or cause a substantial increase in delays or operating costs such that significant adverse impacts in transit service could result.

Each of the rezoning options in the Eastern Neighborhoods PEIR identified significant and unavoidable cumulative impacts relating to increases in transit ridership on Muni lines, with the Preferred Project having significant impacts on seven lines. Of those lines, the project site is located within a quarter-mile of Muni lines 22, 33, and 49. The proposed project would not contribute considerably to these conditions as its minor contribution of 94 p.m. peak hour transit trips would not be a substantial proportion of the overall additional transit volume generated by Eastern Neighborhood projects. The proposed project would also not contribute considerably to 2025 cumulative transit conditions and thus would not result in any significant cumulative transit impacts.

### **Pedestrians**

Trips generated by the proposed project would include walk trips to and from the proposed residential and non-residential uses, plus walk trips to and from transit stops. The proposed project would add up to 117 pedestrian trips to the surrounding streets during the weekday p.m. peak hour (this includes 94 transit trips and 23 walk trips). The new pedestrian trips could be accommodated on sidewalks and crosswalks adjacent to the project site and would not substantially overcrowd the sidewalks along Folsom or Shotwell streets.<sup>26</sup> Implementation of the proposed project would improve pedestrian circulation at the project site by removing the curb cut on Shotwell Street and by providing no off-street

---

<sup>26</sup> The Folsom Street sidewalk in front of the project site would be widened from 11 feet, 7 inches to 12 feet while the Shotwell Street sidewalk in front of the project site would be widened from 10 feet to 12 feet.

vehicle parking spaces. The project-generated 117 pedestrian trips during the weekday p.m. peak hour would be dispersed throughout the project vicinity and would not substantially affect pedestrian conditions.

**Bicycles**

The following bicycle facilities are located near the project site: Folsom Street has a north-south bike lane; 17<sup>th</sup> Street has an east-west bike lane; 16<sup>th</sup> Street has an east-west bike route, and Harrison Street has a primarily north-south bike lane. The proposed project would include 107 Class I bicycle spaces at the ground-floor level and 12 Class II bicycle spaces would be located on the sidewalk in front of the project site (nine on Folsom Street and three on Shotwell Street). As previously discussed, the proposed project would remove the existing curb cut on Shotwell Street and would not provide off-street vehicle parking spaces. Implementation of the proposed project would not substantially affect bicycle travel in the area.

**Loading**

The proposed project would install a 40-foot-long loading zone on Folsom Street for the residential use and the child development center. The proposed loading demand would be accommodated within the proposed loading zone and the proposed project would not create potentially hazardous traffic conditions involving traffic, transit, bicycles, or pedestrians.

**Conclusion**

For the above reasons, the proposed project would not result in significant impacts that were not identified in the Eastern Neighborhoods PEIR related to transportation and circulation and would not contribute considerably to cumulative transportation and circulation impacts that were identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>5. NOISE—Would the project:</b>					
a) Result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
e) For a project located within an airport land use plan area, or, where such a plan has not been adopted, in an area within two miles of a public airport or public use airport, would the project expose people residing or working in the area to excessive noise levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) For a project located in the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Be substantially affected by existing noise levels?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects related to noise under Chapter IV.F, on pages 303-322; Chapter V, on pages 507-509 and page 525-525a; Chapter VIII on pages C&R-96 to C&R-100 and C&R-134 to C&R-136; and Chapter IX, Appendix A on pages 26-29.

The Eastern Neighborhoods PEIR determined that implementation of the Eastern Neighborhoods Area Plans and Rezoning would result in significant noise impacts during construction activities and due to conflicts between noise-sensitive uses in proximity to noisy uses such as PDR, retail, entertainment, cultural/institutional/educational uses, and office uses. The Eastern Neighborhoods PEIR also determined that incremental increases in traffic-related noise attributable to implementation of the Eastern Neighborhoods Area Plans and Rezoning would be less than significant. The Eastern Neighborhoods PEIR identified six noise mitigation measures, three of which may be applicable to subsequent development projects.<sup>27</sup> These mitigation measures would reduce noise impacts from construction and noisy land uses to less-than-significant levels.

**Construction Noise**

Eastern Neighborhoods PEIR Mitigation Measures F-1 and F-2 relate to construction noise. Mitigation Measure F-1 addresses individual projects that include pile-driving, and Mitigation Measure F-2 addresses individual projects that include particularly noisy construction procedures (including pile-driving). Construction of the proposed project would be supported by a combination of a shallow

<sup>27</sup> Eastern Neighborhoods PEIR Mitigation Measures F-3, F-4, and F-6 address the siting of sensitive land uses in noisy environments. In a decision issued on December 17, 2015, the California Supreme Court held that CEQA does not generally require an agency to consider the effects of existing environmental conditions on a proposed project's future users or residents except where a project or its residents may exacerbate existing environmental hazards (*California Building Industry Association v. Bay Area Air Quality Management District*, December 17, 2015, Case No. S213478. Available at: <http://www.courts.ca.gov/opinions/documents/S213478.PDF>). As noted above, the Eastern Neighborhoods PEIR determined that incremental increases in traffic-related noise attributable to implementation of the Eastern Neighborhoods Area Plans and Rezoning would be less than significant, and thus would not exacerbate the existing noise environment. Therefore, Eastern Neighborhoods Mitigation Measures F-3, F-4, and F-6 are not applicable. Nonetheless, for all noise sensitive uses, the general requirements for adequate interior noise levels of Mitigation Measures F-3 and F-4 are met by compliance with the acoustical standards required under the California Building Standards Code (California Code of Regulations Title 24).

foundation (a mat slab for the west wing) and a deep foundation (drilled piles would extend up to 65 feet bgs for the east wing). Impact pile driving is not proposed as part of the project, and therefore Mitigation Measure F-1 is not applicable. Since construction of the proposed project would require heavy construction equipment, Mitigation Measure F-2 is applicable. Mitigation Measure F-2 would require the project sponsor to develop and implement a set of noise attenuation measures during construction. The project sponsor has agreed to implement Eastern Neighborhoods PEIR Mitigation Measure F-2 as Project Mitigation Measure 2 (full text provided in the "Mitigation Measures" section below and in the MMRP, which is attached herein as Attachment B).

In addition, all construction activities for the proposed project (approximately 22 months) would be subject to and required to comply with the San Francisco Noise Ordinance (Article 29 of the San Francisco Police Code) (Noise Ordinance). Construction noise is regulated by the Noise Ordinance. The Noise Ordinance requires construction work to be conducted in the following manner: (1) noise levels of construction equipment, other than impact tools, must not exceed 80 dBA at a distance of 100 feet from the source (the equipment generating the noise); (2) impact tools must have intake and exhaust mufflers that are approved by the Director of Public Works (PW) or the Director of the Department of Building Inspection (DBI) to best accomplish maximum noise reduction; and (3) if noise from the construction work would exceed the ambient noise levels at the site property line by 5 dBA, the work must not be conducted between 8:00 p.m. and 7:00 a.m. unless the Director of PW authorizes a special permit for conducting the work during that period.

DBI is responsible for enforcing the Noise Ordinance for private construction projects during normal business hours (8:00 a.m. to 5:00 p.m.). The Police Department is responsible for enforcing the Noise Ordinance during all other hours. Nonetheless, during the construction period for the proposed project of approximately 22 months, occupants of the nearby properties could be disturbed by construction noise. Times may occur when noise could interfere with indoor activities in nearby residences and other businesses near the project site. The increase in noise in the project area during project construction would not be considered a significant impact of the proposed project, because the construction noise would be temporary, intermittent, and restricted in occurrence and level, as the contractor would be required to comply with the Noise Ordinance and Eastern Neighborhoods PEIR Mitigation Measure F-2, which would reduce construction noise impacts to a less-than-significant level.

### **Operational Noise**

Eastern Neighborhoods PEIR Mitigation Measure F-5 addresses impacts related to individual projects that include uses that would be expected to generate noise levels in excess of ambient noise in the project vicinity. The proposed building would contain up to 134 affordable residential units, 9,670 square feet of community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail use. The proposed uses would not substantially increase the ambient noise environment. Therefore, Eastern Neighborhoods PEIR Mitigation Measure F-5 is not applicable.

The proposed project would be subject to the following interior noise standards, which are described for informational purposes. The California Building Standards Code (Title 24) establishes uniform noise insulation standards. The Title 24 acoustical requirement for residential structures is incorporated into Section 1207 of the San Francisco Building Code and requires that new residential structures be designed to prevent the intrusion of exterior noise so that the noise level with windows closed, attributable to exterior sources, shall not exceed 45 dBA in any habitable room. Title 24 allows the project sponsor to choose between a prescriptive or performance-based acoustical requirement for non-residential uses. Both compliance methods require wall, floor/ceiling, and window assemblies to meet certain sound

transmission class or outdoor-indoor sound transmission class ratings to ensure that adequate interior noise standards are achieved. In compliance with Title 24, DBI would review the final building plans to ensure that the building wall, floor/ceiling, and window assemblies meet Title 24 acoustical requirements. If determined necessary by DBI, a detailed acoustical analysis of the exterior wall and window assemblies may be required.

The project site is not located within an airport land use plan area, within two miles of a public airport, or in the vicinity of a private airstrip. Therefore, Infill Environmental Checklist topics 12e and f from the CEQA Guidelines are not applicable.

For the above reasons, the proposed project would not result in significant noise impacts that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>6. AIR QUALITY—Would the project:</b>					
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) 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)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on air quality under Chapter IV.G, on pages 323-362; Chapter V, on pages 509-512; Chapter VIII on pages C&R-100 to C&R-107 and C&R-137 to C&R-138; and Chapter IX, Appendix A on pages 29-31.

The Eastern Neighborhoods PEIR identified potentially significant air quality impacts resulting from construction activities and impacts to sensitive land uses<sup>28</sup> as a result of exposure to elevated levels of diesel particulate matter (DPM) and other toxic air contaminants (TACs). The Eastern Neighborhoods PEIR identified four mitigation measures that would reduce these air quality impacts to less-than-significant levels and stated that with implementation of identified mitigation measures, the Area Plan would be consistent with the Bay Area 2005 Ozone Strategy, the applicable air quality plan at that time. All other air quality impacts were found to be less than significant.

Eastern Neighborhoods PEIR Mitigation Measure G-1 addresses air quality impacts during construction, and PEIR Mitigation Measures G-3 and G-4 address proposed uses that would emit DPM and other TACs.<sup>29</sup>

### Construction Dust Control

Eastern Neighborhoods PEIR Mitigation Measure G-1 Construction Air Quality requires individual projects involving construction activities to include dust control measures and to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants. The San Francisco Board of Supervisors subsequently approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Construction Dust Control Ordinance (Ordinance 176-08, effective July 30, 2008). The intent of the Construction Dust Control Ordinance is to reduce the quantity of fugitive dust generated during site preparation, demolition, and construction work in order to protect the health of the general public and of on-site workers, minimize public nuisance complaints, and to avoid orders to stop work by DBL. Project-related construction activities would result in construction dust, primarily from ground-disturbing activities.

For projects over one half-acre, such as the proposed project, the Dust Control Ordinance requires that the project sponsor submit a Dust Control Plan for approval by the San Francisco Department of Public Health. DBI will not issue a building permit without written notification from the Director of Public Health that the applicant has a site-specific Dust Control Plan, unless the Director waives the requirement. The site-specific Dust Control Plan would require the project sponsor to implement additional dust control measures such as installation of dust curtains and windbreaks and to provide independent third-party inspections and monitoring, provide a public complaint hotline, and suspend construction during high wind conditions.

The regulations and procedures set forth by the San Francisco Dust Control Ordinance would ensure that construction dust impacts would not be significant. These requirements supersede the dust control provisions of PEIR Mitigation Measure G-1. Therefore, the portion of PEIR Mitigation Measure G-1 Construction Air Quality that addresses dust control is no longer applicable to the proposed project.

### Criteria Air Pollutants

While the Eastern Neighborhoods PEIR determined that at a program-level the Eastern Neighborhoods Rezoning and Area Plans would not result in significant regional air quality impacts, the PEIR states that "Individual development projects undertaken in the future pursuant to the new zoning and area plans

<sup>28</sup> The Bay Area Air Quality Management District (BAAQMD) considers sensitive receptors as: children, adults or seniors occupying or residing in: 1) residential dwellings, including apartments, houses, condominiums, 2) schools, colleges, and universities, 3) daycares, 4) hospitals, and 5) senior care facilities. BAAQMD, Recommended Methods for Screening and Modeling Local Risks and Hazards, May 2011, page 12.

<sup>29</sup> The Eastern Neighborhoods PEIR also includes Mitigation Measure G-2, which has been superseded by Health Code Article 38, as discussed below, and is no longer applicable.

would be subject to a significance determination based on the BAAQMD's quantitative thresholds for individual projects."<sup>30</sup> The BAAQMD's *CEQA Air Quality Guidelines* (Air Quality Guidelines) provide screening criteria<sup>31</sup> for determining whether a project's criteria air pollutant emissions would violate an air quality standard, contribute to an existing or projected air quality violation, or result in a cumulatively considerable net increase in criteria air pollutants. Pursuant to the Air Quality Guidelines, projects that meet the screening criteria do not have a significant impact related to criteria air pollutants. Criteria air pollutant emissions during construction and operation of the proposed project would meet the Air Quality Guidelines screening criteria. The proposed mixed-use affordable housing development involves the construction of up to 134 dwelling units, which would meet the Air Quality Guidelines criteria air pollutant screening levels for operation and construction.<sup>32</sup> The proposed project also includes 9,670 community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail space.<sup>33</sup> The proposed uses would collectively meet the criteria air pollutant screening levels. Therefore, the project would not have a significant impact related to criteria air pollutants, and a detailed air quality assessment is not required.

### Health Risks

Since certification of the PEIR, San Francisco Board of Supervisors approved a series of amendments to the San Francisco Building and Health Codes, generally referred to as the Enhanced Ventilation Required for Urban Infill Sensitive Use Developments or Health Code, Article 38 (Ordinance 224-14, amended December 8, 2014)(Article 38). The purpose of Article 38 is to protect the public health and welfare by establishing an Air Pollutant Exposure Zone and imposing an enhanced ventilation requirement for all urban infill sensitive use development within the Air Pollutant Exposure Zone. The Air Pollutant Exposure Zone as defined in Article 38 are areas that, based on modeling of all known air pollutant sources, exceed health protective standards for cumulative PM<sub>2.5</sub> concentration, cumulative excess cancer risk, and incorporates health vulnerability factors and proximity to freeways. Projects within the Air Pollutant Exposure Zone require special consideration to determine whether the project's activities would expose sensitive receptors to substantial air pollutant concentrations or add emissions to areas already adversely affected by poor air quality.

### Construction

The project site is not located within an identified Air Pollutant Exposure Zone. Therefore, the ambient health risk to sensitive receptors from air pollutants is not considered substantial and the remainder of Mitigation Measure G-1 that requires the minimization of construction exhaust emissions is not applicable to the proposed project.

### Siting New Sources

The proposed project would not be expected to generate 100 trucks per day or 40 refrigerated trucks per day. Therefore, Eastern Neighborhoods PEIR Mitigation Measure G-3 is not applicable. In addition, the

---

<sup>30</sup> San Francisco Planning Department, Eastern Neighborhood's Rezoning and Area Plans Final Environmental Impact Report. See page 346. Available online at: <http://www.sf-planning.org/Modules/ShowDocument.aspx?documentid=4003>. Accessed June 4, 2014.

<sup>31</sup> Bay Area Air Quality Management District, CEQA Air Quality Guidelines, updated May 2011. See pp. 3-2 to 3-3.

<sup>32</sup> Bay Area Air Quality Management District, CEQA Air Quality Guidelines, Updated May 2011. Table 3-1. Criteria air pollutant screening sizes for an Apartment, Mid-Rise Building is 494 dwelling units for operational and 240 dwelling units for construction. Criteria air pollutant screening sizes for a General Office Building is 346,000 square feet for operational and 277,000 square feet for construction, a Day-care Center is 53,000 square feet for operational and 277,000 square feet for construction, and a Regional Shopping Center is 99,000 square feet for operational and 277,000 square feet for construction.

proposed project would not include any sources that would emit DPM or other TACs.<sup>34</sup> Therefore, Eastern Neighborhoods PEIR Mitigation Measure G-4 is not applicable and impacts related to siting new sources of pollutants would be less than significant.

**Conclusion**

For the above reasons, none of the Eastern Neighborhoods PEIR air quality mitigation measures are applicable to the proposed project and the project would not result in significant air quality impacts that were not identified in the PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>7. GREENHOUSE GAS EMISSIONS—Would the project:</b>					
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects related to greenhouse gas emissions under Chapter IV.G, on pages 323-362; and Chapter VIII on pages C&R-105 to C&R-106.

The Eastern Neighborhoods PEIR assessed the GHG emissions that could result from rezoning of the Mission Area Plan under the three rezoning options. The Eastern Neighborhoods Rezoning Options A, B, and C are anticipated to result in GHG emissions on the order of 4.2, 4.3 and 4.5 metric tons of CO<sub>2</sub>E<sup>35</sup> per service population,<sup>36</sup> respectively. The Eastern Neighborhoods PEIR concluded that the resulting GHG emissions from the three options analyzed in the Eastern Neighborhoods Area Plans would be less than significant. No mitigation measures were identified in the PEIR.

The BAAQMD has prepared guidelines and methodologies for analyzing GHGs. These guidelines are consistent with CEQA Guidelines Sections 15064.4 and 15183.5 which address the analysis and determination of significant impacts from a proposed project's GHG emissions and allow for projects that

<sup>34</sup> The proposed project does not include a back-up generator.

<sup>35</sup> CO<sub>2</sub>E, defined as equivalent Carbon Dioxide, is a quantity that describes other greenhouse gases in terms of the amount of Carbon Dioxide that would have an equal global warming potential.

<sup>36</sup> Memorandum from Jessica Range to Environmental Planning staff, Greenhouse Gas Analyses for Community Plan Exemptions in Eastern Neighborhoods, April 20, 2010. This memorandum provides an overview of the GHG analysis conducted for the Eastern Neighborhoods PEIR and provides an analysis of the emissions using a service population (equivalent of total number of residents and employees) metric.

are consistent with an adopted GHG reduction strategy to conclude that the project's GHG impact is less than significant. San Francisco's *Strategies to Address Greenhouse Gas Emissions*<sup>37</sup> presents a comprehensive assessment of policies, programs, and ordinances that collectively represent San Francisco's GHG reduction strategy in compliance with the BAAQMD and CEQA guidelines. These GHG reduction actions have resulted in a 23.3 percent reduction in GHG emissions in 2012 compared to 1990 levels,<sup>38</sup> exceeding the year 2020 reduction goals outlined in the BAAQMD's *2010 Clean Air Plan*,<sup>39</sup> Executive Order S-3-05<sup>40</sup>, and Assembly Bill 32 (also known as the Global Warming Solutions Act).<sup>41,42</sup> In addition, San Francisco's GHG reduction goals are consistent with, or more aggressive than, the long-term goals established under Executive Orders S-3-05<sup>43</sup> and B-30-15.<sup>44,45</sup> Therefore, projects that are consistent with San Francisco's GHG Reduction Strategy would not result in GHG emissions that would have a significant effect on the environment and would not conflict with state, regional, and local GHG reduction plans and regulations.

The proposed project would increase the intensity of use of the project site by removing a surface parking lot with a mixed-use building that contains up to 134 residential units, 9,670 square feet of community support services, 1,230 square feet of office space, 4,420 square feet for a child development center, and 600 square feet of retail use. Therefore, the proposed project would contribute to annual long-term increases in GHGs as a result of increased vehicle trips (mobile sources), and residential and the non-residential operations that result in an increase in energy use, water use, wastewater treatment, and solid waste disposal. Construction activities would also result in temporary increases in GHG emissions.

The proposed project would be subject to regulations adopted to reduce GHG emissions as identified in the GHG reduction strategy. As discussed below, compliance with the applicable regulations would reduce the project's GHG emissions related to transportation, energy use, waste disposal, wood burning, and use of refrigerants.

Compliance with the City's Commuter Benefits Program, transportation management programs, and bicycle parking requirements would reduce the proposed project's transportation-related emissions. Additionally, the proposed project does not provide any off-street vehicle parking spaces and includes

---

<sup>37</sup> San Francisco Planning Department, *Strategies to Address Greenhouse Gas Emissions in San Francisco*, November 2010. Available at [http://sfmea.sfplanning.org/GHG\\_Reduction\\_Strategy.pdf](http://sfmea.sfplanning.org/GHG_Reduction_Strategy.pdf), accessed March 3, 2016.

<sup>38</sup> ICF International, *Technical Review of the 2012 Community-wide Inventory for the City and County of San Francisco*, January 21, 2015.

<sup>39</sup> Bay Area Air Quality Management District, *Clean Air Plan*, September 2010. Available at <http://www.baaqmd.gov/plans-and-climate/air-quality/plans/current-plans>, accessed March 3, 2016.

<sup>40</sup> Office of the Governor, *Executive Order S-3-05*, June 1, 2005. Available at <https://www.gov.ca.gov/news.php?id=1861>, accessed March 3, 2016.

<sup>41</sup> California Legislative Information, *Assembly Bill 32*, September 27, 2006. Available at [http://www.leginfo.ca.gov/pub/05-06/bill\\_asm/ab\\_0001-0050/ab\\_32\\_bill\\_20060927\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/05-06/bill_asm/ab_0001-0050/ab_32_bill_20060927_chaptered.pdf), accessed March 3, 2016.

<sup>42</sup> Executive Order S-3-05, Assembly Bill 32, and the Bay Area 2010 Clean Air Plan set a target of reducing GHG emissions to below 1990 levels by year 2020.

<sup>43</sup> Executive Order S-3-05 sets forth a series of target dates by which statewide emissions of GHGs need to be progressively reduced, as follows: by 2010, reduce GHG emissions to 2000 levels (approximately 457 million MTCO<sub>2</sub>E); by 2020, reduce emissions to 1990 levels (approximately 427 million MTCO<sub>2</sub>E); and by 2050 reduce emissions to 80 percent below 1990 levels (approximately 85 million MTCO<sub>2</sub>E).

<sup>44</sup> Office of the Governor, *Executive Order B-30-15*, April 29, 2015. Available at <https://www.gov.ca.gov/news.php?id=18938>, accessed March 3, 2016. Executive Order B-30-15 sets a state GHG emissions reduction goal of 40 percent below 1990 levels by the year 2030.

<sup>45</sup> San Francisco's GHG reduction goals are codified in Section 902 of the Environment Code and include: (i) by 2008, determine City GHG emissions for year 1990; (ii) by 2017, reduce GHG emissions by 25 percent below 1990 levels; (iii) by 2025, reduce GHG emissions by 40 percent below 1990 levels; and by 2050, reduce GHG emissions by 80 percent below 1990 levels.

one on-street car share vehicle parking space on Shotwell Street. These regulations and project components reduce GHG emissions from single-occupancy vehicles by promoting the use of alternative transportation modes with zero or lower GHG emissions on a per capita basis.

The proposed project would be required to comply with the energy efficiency requirements of the City's Green Building Code, Stormwater Management Ordinance, and Water Conservation and Irrigation ordinances, which would promote energy and water efficiency, thereby reducing the proposed project's energy-related GHG emissions.<sup>46</sup> Additionally, the project would be required to meet the renewable energy criteria of the Green Building Code, further reducing the project's energy-related GHG emissions.

The proposed project's waste-related emissions would be reduced through compliance with the City's Recycling and Composting Ordinance, Construction and Demolition Debris Recovery Ordinance, and Green Building Code requirements. These regulations reduce the amount of materials sent to a landfill, reducing GHGs emitted by landfill operations. These regulations also promote reuse of materials, conserving their embodied energy<sup>47</sup> and reducing the energy required to produce new materials.

Compliance with the City's Street Tree Planting requirements would serve to increase carbon sequestration. Other regulations, including the Wood Burning Fireplace Ordinance would reduce emissions of GHGs and black carbon, respectively. Regulations requiring low-emitting finishes would reduce volatile organic compounds (VOCs).<sup>48</sup> Thus, the proposed project was determined to be consistent with San Francisco's GHG reduction strategy.<sup>49</sup>

Therefore, the proposed project's GHG emissions would not conflict with state, regional, and local GHG reduction plans and regulations. Furthermore, the proposed project is within the scope of the development evaluated in the PEIR and would not result in impacts associated with GHG emissions beyond those disclosed in the PEIR. For the above reasons, the proposed project would not result in significant GHG emissions that were not identified in the Eastern Neighborhoods PEIR and no mitigation measures are necessary.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>8. WIND AND SHADOW—Would the project:</b>					
a) Alter wind in a manner that substantially affects public areas?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>46</sup> Compliance with water conservation measures reduce the energy (and GHG emissions) required to convey, pump and treat water required for the project.

<sup>47</sup> Embodied energy is the total energy required for the extraction, processing, manufacture and delivery of building materials to the building site.

<sup>48</sup> While not a GHG, VOCs are precursor pollutants that form ground level ozone. Increased ground level ozone is an anticipated effect of future global warming that would result in added health effects locally. Reducing VOC emissions would reduce the anticipated local effects of global warming.

<sup>49</sup> San Francisco Planning Department, *Greenhouse Gas Analysis: Compliance Checklist for 2060 Folsom Street*, May 26, 2016.



Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
b) Create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on wind and shadow under Chapter IV.I, on pages 380-418; Chapter VI on pages 529-530; Chapter VIII on pages C&R-118 to C&R-119; and Chapter IX, Appendix A on pages 31-32.

**Wind**

Based on the height and location of the proposed building, which would be approximately 85 feet tall (94 feet tall with elevator penthouse), a pedestrian wind assessment (“wind assessment”) was prepared by a qualified wind consultant for the proposed project.<sup>50</sup> The objective of the wind assessment was to provide a qualitative evaluation of the potential wind impacts of the proposed development, which provides a screening-level estimation of the potential wind impact from the project. The results of the wind assessment are summarized below.

Adjacent to the north of the project site is an existing two-story building that fronts on Folsom, Shotwell, and 16<sup>th</sup> streets. Further north of the project site across 16<sup>th</sup> Street is a one-story industrial building with a surface parking lot, and beyond that are one- to three-story buildings. South of the project site, across 17<sup>th</sup> Street, is a block with two- to three-story buildings. To the west of the project site across Shotwell Street are two-story buildings that form a wall along the project’s Shotwell Street frontage. Farther to the west are three- to five-story buildings that are located along the west side of South Van Ness Avenue. In addition to buildings, the street grid can also affect the wind environment. In the project vicinity, local west winds are channeled down the east-west streets of 16<sup>th</sup> and 17<sup>th</sup> streets. The project site’s direct exposure to west winds are reduced due to the sheltering of existing upwind buildings west of Shotwell Street and because the project is setback approximately 160 feet from 17<sup>th</sup> Street.

Considering the available information from wind tests and assessing the comparisons between street grids, street widths, and the height and density of surrounding development, the wind assessment concluded that there are no existing wind hazards around the project site. It is anticipated that the proposed building would likely result in an approximately two mile per hour change in ten percent exceeded wind speeds on nearby sidewalks and such changes are generally considered to be insubstantial. The proposed project would result in unnoticeable increases in wind speeds along the Shotwell Street sidewalks, and since the project site is approximately 160 feet from 17<sup>th</sup> Street, the wind speeds along sidewalks on 17<sup>th</sup> Street would also not be expected to result in noticeable changes. Furthermore, the wind speeds within the under construction 17<sup>th</sup> & Folsom Park would be expected to result in small increases at the northern end of the park, while low or no change in wind speeds would be expected at the southern end.

<sup>50</sup> Environmental Science Associates, *Potential Wind Effects of Mixed Use Residential Project, 2060 Folsom Street Development, San Francisco, CA*, May 13, 2016. The wind consultant reviewed the results of wind tunnel tests in the project vicinity.

In conclusion, the wind assessment found that implementation of the proposed project would not substantially affect the pedestrian wind environment.

### Shadow

Planning Code Section 295 generally prohibits new structures above 40 feet in height that would cast additional shadows on open space that is under the jurisdiction of the San Francisco Recreation and Park Commission between one hour after sunrise and one hour before sunset, at any time of the year, unless that shadow would not result in a significant adverse effect on the use of the open space. Under the Eastern Neighborhoods Rezoning and Area Plans, sites surrounding parks could be redeveloped with taller buildings without triggering Section 295 of the Planning Code because certain parks are not subject to Section 295 of the Planning Code (i.e., under jurisdiction of departments other than the Recreation and Parks Department or privately owned). The Eastern Neighborhoods PEIR could not conclude if the rezoning and community plans would result in less-than-significant shadow impacts because the feasibility of complete mitigation for potential new shadow impacts of unknown proposals could not be determined at that time. Therefore, the PEIR determined shadow impacts to be significant and unavoidable. No mitigation measures were identified in the PEIR.

The proposed project would remove the existing surface parking lot and construct a new 85-foot-tall (94-foot-tall with mechanic elevator) building. The Planning Department prepared a shadow fan analysis that determined that the proposed project has potential to cast new shadow on the adjacent 17th & Folsom Park, which is under construction and under the jurisdiction of the Recreation and Park Department.<sup>51</sup> Therefore, a more refined shadow study was conducted to determine the project's shadow impact on the park.<sup>52</sup>

The 17th & Folsom Park is immediately adjacent to the south of the project site and would be approximately 0.73 acres (31,800 square feet) in size with frontages on 17th, Folsom, and Shotwell streets (see Figure 11). The park would include a natural grass lawn located towards the center of the park. West of the lawn would be an outdoor classroom/performance space that would include a demonstration garden for wildlife habitat and water conservation and an arbor with seatwall seating. To the north of the lawn would be a community garden, an operations and garden support area, and a garden educational area that could also be used for flexible space. To the east of the lawn would be an activity area that would include a children's play area, an adult fitness equipment area, and an interactive water feature that commemorates Mission Creek. A mixture of seating and native landscaped areas would be located throughout the park. The park boundary would be demarcated by both a living fence, made of espaliered fruit trees, and an ornamental fence and gate.

The 17th & Folsom Park has approximately 117,774,182 square feet hours ("sfh") of Theoretically Available Annual Sunlight ("TAAS"), which is the amount of theoretically available sunlight on the park annually if there were no shadows from structures, trees or other facilities. Shadows would exist on the future park in the morning, late afternoon, and evening during various times of year. The shadow load from existing surrounding development is 1,706,067 sfh annually, which is approximately 1.5 percent of the total TAAS. Existing shadows on the park would occur only in the early morning from the building along Folsom Street between 17th and 18th streets and in the late afternoon from the buildings along

<sup>51</sup> Construction on the 17th & Folsom Park commenced in March 2016 with an expected completion date of early/mid 2017.

<sup>52</sup> CADP, 2060 Folsom Street, 17th & Folsom Park Shadow Analysis, June 6, 2016.

Shotwell between 17th and 18th Streets. These shadows are limited to the western and eastern edges of the park.

The proposed project would add 1,643,442 sfh of shadow on the park, which is a 1.4 percent increase in shadow as a percentage of TAAS. The net new shadow would almost double the shadow on the park, as the new shadow would be increased from 1.5 to 2.8 percent. New shadow would be cast in the summer in the early mornings and evenings with all shadows gone no later than 8:30 AM and not returning until 5:15 PM and lasting until approximately sunset.

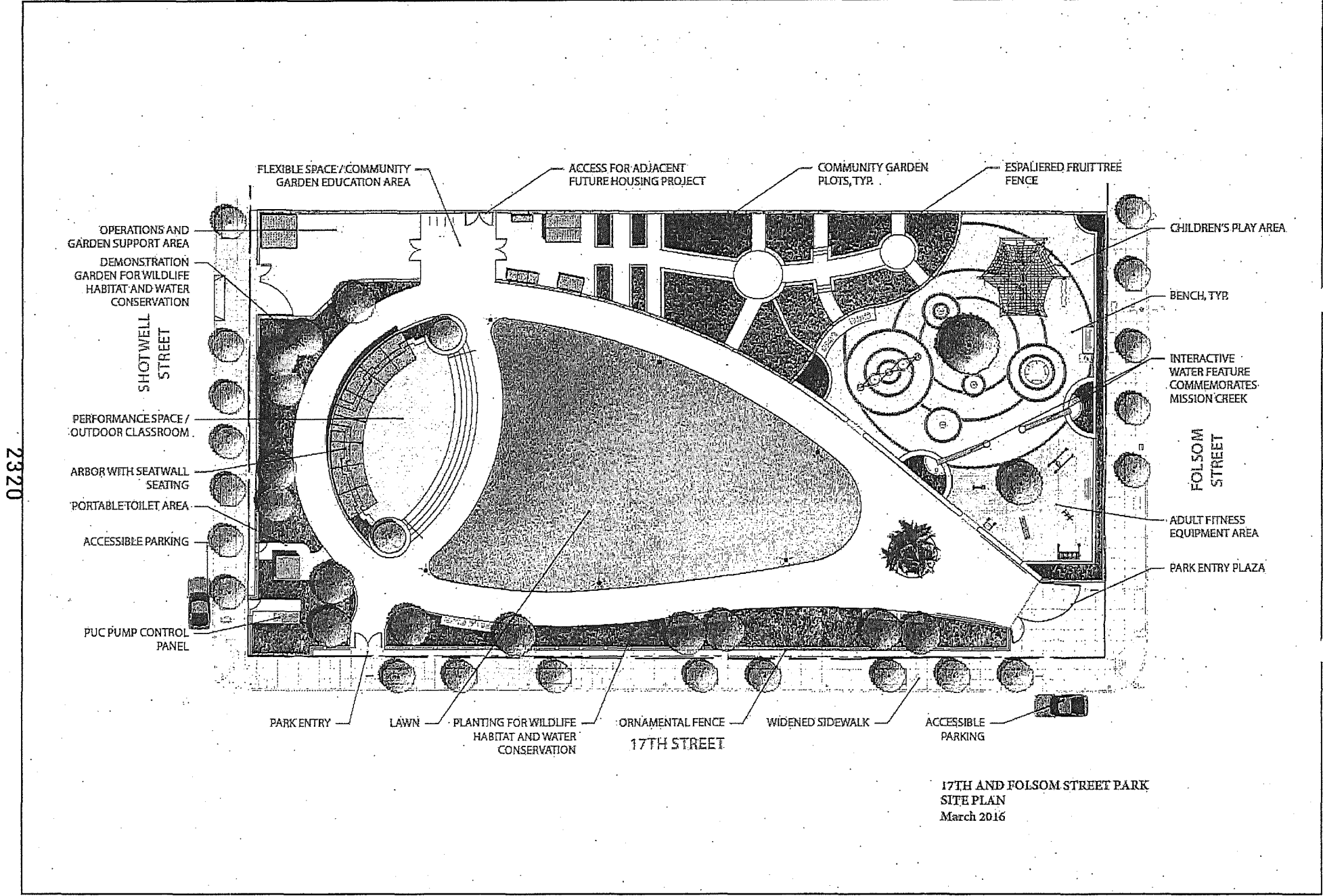
The maximum net new shadow would occur on June 21<sup>st</sup> and contribute 21,795 sfh. On this day, the proposed project would cast new shadow on the park for approximately 4 hours and 19 minutes from 6:46 AM to approximately 8:30 AM (1 hour and 50 minutes) and from approximately 5:15 PM to 7:36 PM (2 hours and 29 minutes). During the morning hours, the net new shadow would reach the northwest corner of the park in a passive use area designated for the community garden, garden education area, the operations and garden support area, and portions of the performance space/outdoor classroom including the adjoining arbor with seatwall seating. An insubstantial portion of the lawn area would be shaded for a very limited time in the early morning. During the evening hours, the net new shadow would reach the northeast corner of the park in an active use area designated for the children's play area and the adult fitness equipment area. Project shadow would reach the children's play area at 5:15 PM and would reach the adult fitness equipment area at approximately 7 PM. Shadow would also occur on the community garden area in the evening hours.

The 17th & Folsom Park would have active and passive use throughout the year, with individuals more likely to use the park in spring and fall which historically have the most sunshine and lowest levels of rain and/or fog. Project shadow would occur only from April 5<sup>th</sup> to September 6<sup>th</sup>. At its shortest, new shadow would be cast for 8 minutes and 24 seconds on April 5<sup>th</sup> and September 6<sup>th</sup>, and at its longest, new shadow would be cast for 4 hours and 19 minutes on June 21<sup>st</sup>. The average shadow when the park receives new shadow from the project during both morning and evening would be approximately 2 hours and 37 minutes. The largest new shadow by area would occur on June 21<sup>st</sup> at 7:36 PM, when at its maximum, the new shadow area would be 11,114 square feet in size, covering approximately one third of the park (see Figure 12). The maximum new shadow in the morning would occur on June 21<sup>st</sup> at 6:48 AM (see Figure 13). The park is presumably at its lowest point of use from 6:48 AM to 8:30 AM and from 5:15 PM to sunset.<sup>53</sup>

Under CEQA, a project is considered to have a significant shadow impact if the project would create new shadow in a manner that substantially affects outdoor recreation facilities or other public areas. The new shadow created by the proposed project would not be considered substantial since it would be limited to early morning and evening hours in the summer months during periods that are typically low for park use. Project shadow would begin to reach the children's play area at 5 PM, and approximately one third of the play area would be shaded at 6 PM. By 7 PM the children's play area would be entirely covered, which is when the adult fitness equipment area would begin to receive project shadow in the summer months. Project shadow would only reach a small sliver of the lawn area at 6:48 AM and would

<sup>53</sup> Recent observations conducted by CADP at Parque Ninos Unidos, which is located approximately six blocks away, indicates that park playground use on weekdays typically peaks in the hours after school at approximately 2:00 PM and begins to dissipate at 5:00 PM with a continued decline in playground use into the evening hours. At Parque Ninos Unidos, children are rarely present before 8:30 AM with parents and toddlers appearing after 8:30 AM.

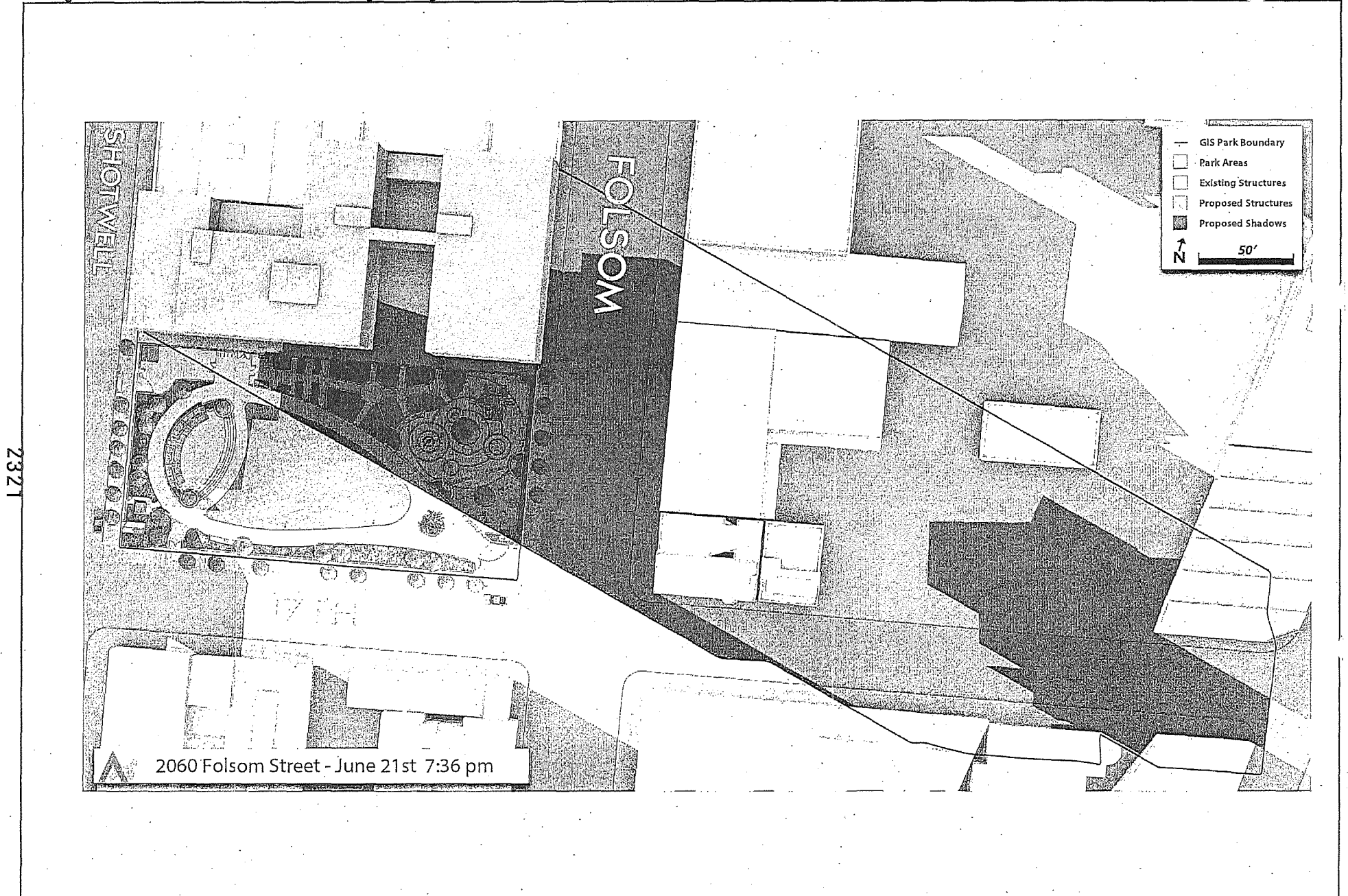
Figure 11. 17th & Folsom Park Site Plan



17TH AND FOLSOM STREET PARK  
 SITE PLAN  
 March 2016

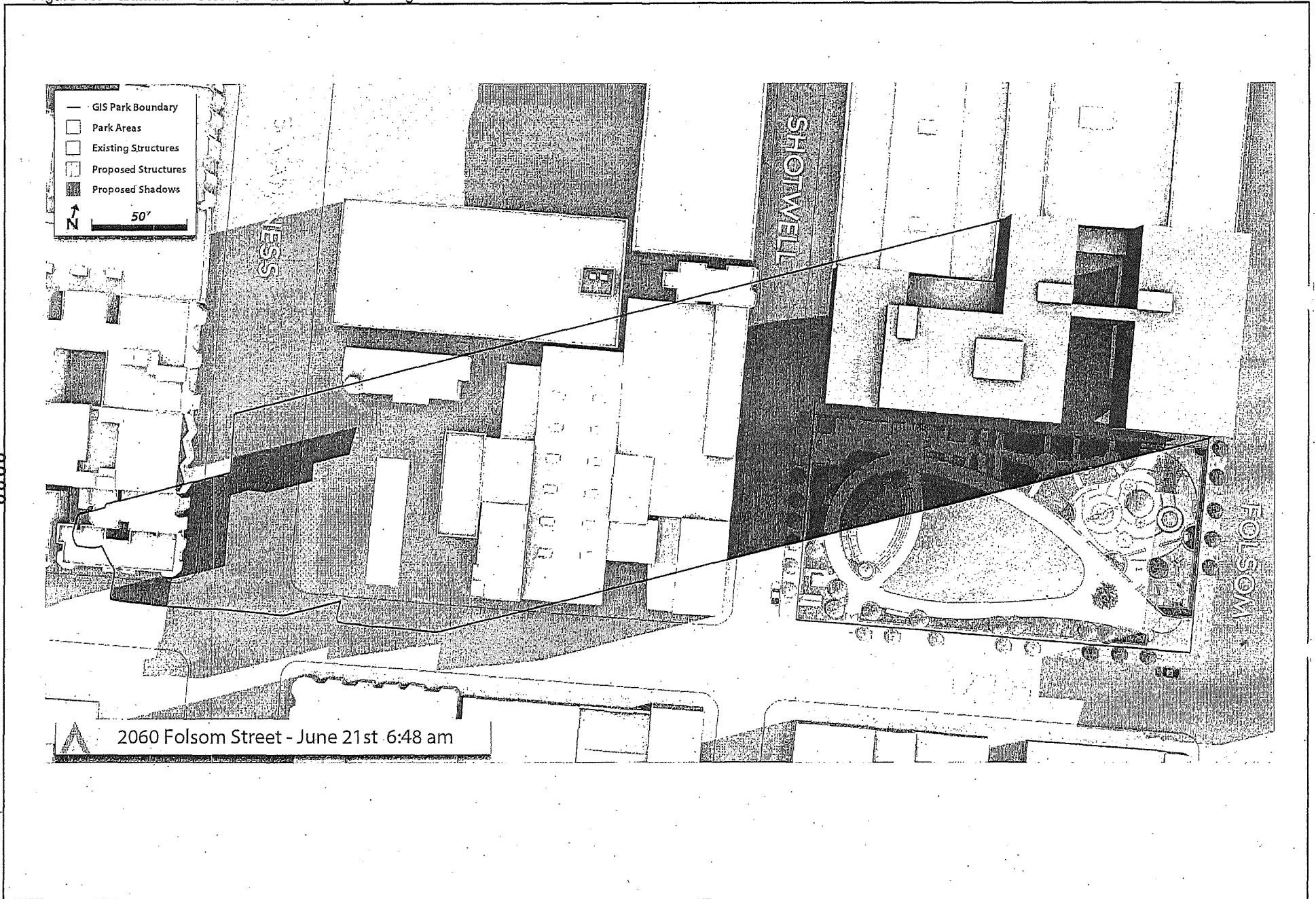
Comments: Not to Scale  
 Source: RPD, March 2016

Figure 12. maximum Net New Shadow During Evening



Comments: Not to Scale  
Source: CADP, June 2016

Figure 13. Maximum Net New Shadow During Morning



Comments: Not to Scale  
Source: CADP, June 2016

be gone by 8 AM during the summer months. Furthermore, there would be no project shadow from 8:45 AM to 5:00 PM at any time throughout the year, which are times when park use is expected to be greater. Because project shadow would occur only during the early morning and evening hours which are times of low park use, the new shadow would not be expected to preclude or substantially reduce the use of the active areas, which includes the children’s play area, the adult fitness equipment area, and the lawn.

The proposed project would also shade portions of nearby streets and sidewalks and private property at times within the project vicinity. Shadows upon streets and sidewalks would not exceed levels commonly expected in urban areas and would be considered a less-than-significant effect under CEQA. Although occupants of nearby property may regard the increase in shadow as undesirable, the limited increase in shading of private properties as a result of the proposed project would not be considered a significant impact under CEQA.

For the above reasons, the proposed project would not result in significant impacts related to shadow that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>9. RECREATION—Would the project:</b>					
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Physically degrade existing recreational resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on recreation under Chapter IV.H, on pages 363-379; Chapter V, on page 525a; Chapter VIII on page C&R-34 and pages C&R-107 to C&R 118; and Chapter IX, Appendix A on page 43.

The Eastern Neighborhoods PEIR concluded that implementation of the Eastern Neighborhoods Rezoning and Area Plans would not result in substantial or accelerated deterioration of existing recreational resources or require the construction or expansion of recreational facilities that may have an adverse effect on the environment. No mitigation measures related to recreational resources were identified in the Eastern Neighborhoods PEIR. However, the PEIR identified Improvement Measure H-1: Support for Upgrades to Existing Recreation Facilities. This improvement measure calls for the City to



implement funding mechanisms for an ongoing program to repair, upgrade and adequately maintain park and recreation facilities to ensure the safety of users.

As part of the Eastern Neighborhoods adoption, the City adopted impact fees for development in Eastern Neighborhoods that goes towards funding recreation and open space. Since certification of the PEIR, the voters of San Francisco passed the 2012 San Francisco Clean and Safe Neighborhood Parks Bond providing the Recreation and Parks Department an additional \$195 million to continue capital projects for the renovation and repair of parks, recreation, and open space assets. This funding is being utilized for improvements and expansion to Garfield Square, South Park, Potrero Hill Recreation Center, Warm Water Cove Park, and Pier 70 Parks Shoreline within the Eastern Neighborhoods Plan area. The impact fees and the 2012 San Francisco Clean and Safe Neighborhood Parks Bond are funding measures similar to that described in PEIR Improvement Measure H-1: Support for Upgrades to Existing Recreation Facilities.

An update of the Recreation and Open Space Element (ROSE) of the General Plan was adopted in April 2014. The amended ROSE provides a 20-year vision for open spaces in the City. It includes information and policies about accessing, acquiring, funding, and managing open spaces in San Francisco. The amended ROSE identifies areas within the Eastern Neighborhoods Plan area for acquisition and the locations where new open spaces and open space connections should be built, consistent with PEIR Improvement Measure H-2: Support for New Open Space. Two of these open spaces, Daggett Park and at 17<sup>th</sup> and Folsom, are both set to open in 2016. In addition, the amended ROSE identifies the role of both the Better Streets Plan (refer to "Transportation" section for description) and the Green Connections Network in open space and recreation. Green Connections are special streets and paths that connect people to parks, open spaces, and the waterfront, while enhancing the ecology of the street environment. Six routes identified within the Green Connections Network cross the Eastern Neighborhoods Plan area: Mission to Peaks (Route 6); Noe Valley to Central Waterfront (Route 8), a portion of which has been conceptually designed; Tenderloin to Potrero (Route 18); Downtown to Mission Bay (Route 19); Folsom, Mission Creek to McLaren (Route 20); and Shoreline (Route 24).

Furthermore, the Planning Code requires a specified amount of new usable open space (either private or common) for each new residential unit. Some developments are also required to provide privately owned, publicly accessible open spaces. The Planning Code open space requirements would help offset some of the additional open space needs generated by increased residential population to the project area. Furthermore, the proposed project would be immediately adjacent to the under construction 17<sup>th</sup> & Folsom Park, thus providing convenient open space amenities for residents and other users of the project site.

As the proposed project would not degrade recreational facilities and is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on recreation beyond those analyzed in the Eastern Neighborhoods PEIR.



Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>10. UTILITIES AND SERVICE SYSTEMS—Would the project:</b>					
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on utilities and service systems under Chapter IX, Appendix A on pages 32-43.

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact to the provision of water, wastewater collection and treatment, and solid waste collection and disposal. No mitigation measures were identified in the PEIR.

Since certification of the PEIR, the San Francisco Public Utilities Commission (SFPUC) adopted the 2010 Urban Water Management Plan (UWMP) in June 2011. The UWMP update includes city-wide demand projections to the year 2035, compares available water supplies to meet demand and presents water demand management measures to reduce long-term water demand. Additionally, the UWMP update includes a discussion of the conservation requirement set forth in Senate Bill 7 passed in November 2009 mandating a statewide 20% reduction in per capita water use by 2020. The UWMP includes a quantification of the SFPUC's water use reduction targets and plan for meeting these objectives. The UWMP projects sufficient water supply in normal years and a supply shortfall during prolonged

droughts. Plans are in place to institute varying degrees of water conservation and rationing as needed in response to severe droughts.

In addition, the SFPUC is in the process of implementing the Sewer System Improvement Program, which is a 20-year, multi-billion dollar citywide upgrade to the City's sewer and stormwater infrastructure to ensure a reliable and seismically safe system. The program includes planned improvements that will serve development in the Eastern Neighborhoods Plan area including at the Southeast Treatment Plant, the Central Bayside System, and green infrastructure projects, such as the Mission and Valencia Green Gateway.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on utilities and service systems beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>11. PUBLIC SERVICES—Would the project:</b>					
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on public services under Chapter IX, Appendix A on pages 32-43.

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact to public services, including fire protection, police protection, and public schools. No mitigation measures were identified in the PEIR.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on public services beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>12. BIOLOGICAL RESOURCES—</b>					
<b>Would the project:</b>					
a) 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) 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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on biological resources under Chapter IV.M, on page 500; and Chapter IX, Appendix A on page 44.

As discussed in the Eastern Neighborhoods PEIR, the Eastern Neighborhoods Plan area is in a developed urban environment that does not provide native natural habitat for any rare or endangered plant or animal species. There are no riparian corridors, estuaries, marshes, or wetlands in the Plan Area that could be affected by the development anticipated under the Area Plan. In addition, development envisioned under the Eastern Neighborhoods Area Plan would not substantially interfere with the movement of any resident or migratory wildlife species. For these reasons, the PEIR concluded that implementation of the Area Plan would not result in significant impacts on biological resources, and no mitigation measures were identified.

The project site is located within Mission Plan area of the Eastern Neighborhoods Area Plan and therefore, does not support habitat for any candidate, sensitive or special status species. As such, implementation of the proposed project would not result in significant impacts to biological resources not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>13. GEOLOGY AND SOILS—Would the project:</b>					
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Special Publication 42.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial risks to life or property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Change substantially the topography or any unique geologic or physical features of the site?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on geology and soils under Chapter IX, Appendix A on pages 44-54.

The Eastern Neighborhoods PEIR concluded that implementation of the Plan would indirectly increase the population that would be subject to an earthquake, including seismically induced ground-shaking, liquefaction, and landslides. The PEIR also noted that new development is generally safer than comparable older development due to improvements in building codes and construction techniques. Compliance with applicable codes and recommendations made in project-specific geotechnical analyses would not eliminate earthquake risks, but would reduce them to an acceptable level, given the seismically active characteristics of the Bay Area. Thus, the PEIR concluded that implementation of the Plan would not result in significant impacts with regard to geology, and no mitigation measures were identified in the Eastern Neighborhoods PEIR.

A geotechnical investigation was prepared for the proposed project.<sup>54</sup> The project site is underlain by a surficial layer of loose to medium dense sandy soils that include fill. The loose to medium dense sands extend down to the top of natural soils, which vary from east to west across the project site. The eastern portion of the project site contains loose clayey sand and medium stiff silts and clays below the surficial fill materials. Groundwater was identified at 8.5 feet below the ground surface (bgs). The project site is located within a liquefaction zone, and the liquefiable soils that extend approximately 30 feet bgs across the project site would need to be improved. The geotechnical report recommends using cement deep soil mixing (CDSM). The CDSM method involves the in-situ mixing of soil with cement to create vertical columns or panels that harden into a strong and rigid material. Overlapping CDSM panels are installed to create a continuous vertical grid-like structure in which liquefiable soils are confined. The west wing of the proposed building can be supported entirely upon shallow foundations (spread footings and/or structural mats) providing that the soils are improved. Due to the presence of compressible silts/clays on the eastern portion of the project site, the east wing of the proposed building would need to be supported on deep foundations (piers or piles). Suitable deep foundation types at this site potentially include: 1) conventional drilled piers; 2) driven piles; 3) drilled displacement piles; and 4) auger-cast piles. Drilled displacement piles and auger-cast piles are recommended as they can be installed efficiently with minimal noise and vibrations. Impact piling driving is not proposed as part of the project.

The project is required to conform to the San Francisco Building Code, which ensures the safety of all new construction in the City. DBI will review the project-specific geotechnical report during its review of the building permit for the project. In addition, DBI may require additional site specific soils report(s) through the building permit application process, as needed. The DBI requirement for a geotechnical report and review of the building permit application pursuant to DBI's implementation of the Building Code would ensure that the proposed project would have no significant impacts related to soils, seismic or other geological hazards.

In light of the above, the proposed project would not result in a significant effect related to seismic and geologic hazards. Therefore, the proposed project would not result in significant impacts related to geology and soils that were not identified in the Eastern Neighborhoods PEIR, and no mitigation measures are necessary.

---

<sup>54</sup> A3GEO, Inc., *Geotechnical Investigation Report, 2060 Folsom Street, January 22, 2016.*

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>14. HYDROLOGY AND WATER QUALITY—Would the project:</b>					
a) Violate any water quality standards or waste discharge requirements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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 or siltation on- or off-site?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Place within a 100-year flood hazard area structures that would impede or redirect flood flows?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Expose people or structures to a significant risk of loss, injury or death involving inundation by seiche, tsunami, or mudflow?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on hydrology and water quality under Chapter IV.M, on page 500; and Chapter IX, Appendix A on pages 54-67.

The Eastern Neighborhoods PEIR determined that the anticipated increase in population would not result in a significant impact on hydrology and water quality, including the combined sewer system and the potential for combined sewer outflows. No mitigation measures were identified in the PEIR.

The project site, which is currently an asphalt surface parking lot, is completely covered with an impervious surface, and thus implementation of the proposed project would not increase impervious surface cover. As a result, the proposed project would not increase stormwater runoff.

Therefore, the proposed project would not result in any significant impacts related to hydrology and water quality that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>15. HAZARDS AND HAZARDOUS MATERIALS—Would the project:</b>					
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury, or death involving fires?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on hazards and hazardous materials under Chapter IV.L, on pages 475-499; Chapter V, on page 523; Chapter VIII on page 34 and pages C&R-129 to C&R-130; and Chapter IX, Appendix A on page 67.

The Eastern Neighborhoods PEIR noted that implementation of any of the proposed project's rezoning options would encourage construction of new development within the project area. The PEIR found that there is a high potential to encounter hazardous materials during construction activities in many parts of the project area because of the presence of 1906 earthquake fill, previous and current land uses associated with the use of hazardous materials, and known or suspected hazardous materials cleanup cases. However, the PEIR found that existing regulations for facility closure, Under Storage Tank (UST) closure, and investigation and cleanup of soil and groundwater would ensure implementation of measures to protect workers and the community from exposure to hazardous materials during construction.

**Hazardous Building Materials**

The Eastern Neighborhoods PEIR determined that future development in the Plan Area may involve demolition or renovation of existing structures containing hazardous building materials. Some building materials commonly used in older buildings could present a public health risk if disturbed during an accident or during demolition or renovation of an existing building. Hazardous building materials addressed in the PEIR include asbestos, electrical equipment such as transformers and fluorescent light ballasts that contain PCBs or di (2 ethylhexyl) phthalate (DEHP), fluorescent lights containing mercury vapors, and lead-based paints. Asbestos and lead based paint may also present a health risk to existing building occupants if they are in a deteriorated condition. If removed during demolition of a building, these materials would also require special disposal procedures. The Eastern Neighborhoods PEIR identified a significant impact associated with hazardous building materials including PCBs, DEHP, and mercury and determined that that Mitigation Measure L-1: Hazardous Building Materials would reduce effects to a less-than-significant level. Because the proposed development does not include demolition or renovation of an existing building, Mitigation Measure L-1 would not apply.

**Soil and Groundwater Contamination**

Since certification of the PEIR, Article 22A of the Health Code, also known as the Maher Ordinance, was expanded to include properties throughout the City where there is potential to encounter hazardous materials, primarily industrial zoning districts, sites with industrial uses or underground storage tanks,



sites with historic bay fill, and sites in close proximity to freeways or underground storage tanks. The over-arching goal of the Maher Ordinance is to protect public health and safety by requiring appropriate handling, treatment, disposal and when necessary, remediation of contaminated soils that are encountered in the building construction process. Projects that disturb 50 cubic yards or more of soil that are located on sites with potentially hazardous soil or groundwater within Eastern Neighborhoods Plan area are subject to this ordinance.

The proposed project would require up to 30 feet of excavation below ground surface (bgs) for the proposed foundation work which would require cement deep soil mixing, resulting in approximately 2,500 cubic yards of soil disturbance. The project site has been developed with light industrial structures and residential structures that may have included a historic heating oil tank. Therefore, the project is subject to Article 22A of the Health Code, also known as the Maher Ordinance, which is administered and overseen by the Department of Public Health (DPH). In compliance with the Maher Ordinance, the project sponsor has submitted a Maher Application to DPH with the following reports that have been prepared to assess the potential for site contamination: Phase II Subsurface Investigation Report (2010), Soil and Ground Water Investigation Report (2011), and Geotechnical Investigation Report (2016).<sup>55</sup> The Phase II investigation included the installation of seven soil borings to five feet bgs to collect soil samples and five borings to groundwater to collect soil and groundwater samples. Discrete soil samples were analyzed for total petroleum hydrocarbons as gasoline (TPH-g), TPH-diesel (TPH-d), TPH-motor oil (TPH-mo), asbestos and volatile organic compounds (VOCs). Composite soil samples were analyzed for lead and asbestos. Groundwater samples were analyzed for TPH-g, TPH-d, TPH-mo and VOCs.

Analytical results indicated that TPH-g and VOCs were not detected (ND) in soil samples. TPH-d ranged from ND to 240 ppm, TPH-mo ranged from ND to 1,000 parts per million (ppm), lead in the composite samples ranged from 100 to 690 ppm. Asbestos samples were all less than one percent, which is the level above which a soil must be especially handled as an asbestos containing material. The TPH-d in soil was above the Regional Water Quality Control Board's (RWQCB) Environmental Screening Levels (ESLs) for residential and commercial land use. TPH-mo and lead were above the residential ESLs. TPH-g, TPH-d, TPH-mo, and Methyl tert-butyl ether (MTBE) were above ESLs for gross contamination. Four additional borings were taken on the project site and were sampled at various depths. The deeper composite samples were analyzed for TPH as gasoline. None of these samples contained concentrations above the laboratory detection limit (ND). No volatile or semi volatile organic compounds were detected in any sample.

Metals analyses showed that antimony, arsenic, lead, mercury, nickel and vanadium exceeded ESL concentrations for shallow soils, over a non-drinking water source for the residential scenario.<sup>56</sup> The concentrations of arsenic, nickel and vanadium were described as within naturally occurring background ranges found in California. Soluble lead was analyzed using the California Waste Extraction Test<sup>57</sup> (WET) procedure. Each WET sample exceeded the State Soluble Threshold Limit Concentration (STLC) for lead. The value for nickel exceeded the ESL for construction worker protection.

---

<sup>55</sup> Stephanie Cushing, SFDPH, letter to Chinatown Community Development Center (co-project sponsor), Article 22A Compliance for 2060 Folsom Street, EHB-SAM Case Number 1403, April 27, 2016.

<sup>56</sup> A residential scenario is a residential land use that is stated in the RWQCB's ESLs. ESLs have been created for residential land use, commercial land use and construction worker exposure.

<sup>57</sup> The Waste Extraction Test is a method used in California to determine whether a waste is a toxic hazardous waste.

Groundwater samples were collected from two monitoring wells that were installed on the project site. The groundwater samples were analyzed individually for organic chemicals, and as a composite sample for inorganic chemicals. ESL values were not exceeded by any constituent measured in the groundwater samples.

The soils exceeding ESL values should be excavated and replaced with clean soil, placement of an adequate barrier material above the impacted soil, use of a site specific health and safety plan and/or other appropriate measures to eliminate or reduce the potential risks to future site residents, users of the proposed park or construction/trench workers. An indicator barrier should be placed between the native soil and the imported clean fill soil. Soils exceeding the Threshold Limit Concentration (TTL) must be removed and disposed as hazardous waste. Soils containing metals above the TTL must be disposed as hazardous waste if they are removed from the site. Soils exceeding 200 mg/kg lead should not be exposed at the site and should be covered by at least two feet of clean soil over an indicator barrier. The project sponsor is required to submit a Site Mitigation Plan to DPH, in compliance with Health Code Article 38.

The proposed project would be required to remediate potential soil contamination described above in accordance with Article 22A of the Health Code. Therefore, the proposed project would not result in any significant impacts related to hazardous materials that were not identified in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>16. MINERAL AND ENERGY RESOURCES—Would the project:</b>					
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on mineral and energy resources under Chapter IV.M, page 500; and Chapter IX, Appendix A on page 67.

The Eastern Neighborhoods PEIR determined that the Area Plan would facilitate the construction of both new residential units and commercial buildings. Development of these uses would not result in use of large amounts of fuel, water, or energy in a wasteful manner or in the context of energy use throughout the City and region. The energy demand for individual buildings would be typical for such projects and would meet, or exceed, current state and local codes and standards concerning energy consumption, including Title 24 of the California Code of Regulations enforced by DBI. The Plan Area does not include any natural resources routinely extracted and the rezoning does not result in any natural resource extraction programs. Therefore, the Eastern Neighborhoods PEIR concluded that implementation of the Area Plan would not result in a significant impact on mineral and energy resources. No mitigation measures were identified in the PEIR.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on mineral and energy resources beyond those analyzed in the Eastern Neighborhoods PEIR.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>17. AGRICULTURE AND FOREST RESOURCES:—Would the project:</b>					
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)) or timberland (as defined by Public Resources Code Section 4526)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or forest land to non-forest use?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Eastern Neighborhoods PEIR analyzes effects on agricultural resources under Chapter IV.M, on page 500.

The Eastern Neighborhoods PEIR determined that no agricultural resources exist in the Area Plan; therefore the rezoning and community plans would have no effect on agricultural resources. No mitigation measures were identified in the PEIR. The Eastern Neighborhoods PEIR did not analyze the effects on forest resources.

As the proposed project is within the development projected under the Eastern Neighborhoods Rezoning and Area Plans, there would be no additional impacts on agriculture beyond those analyzed in the Eastern Neighborhoods PEIR. The project site is located in a built up urban environment and no forest resources exist on the project site.

Topics:	Analyzed in the Prior EIR	Not Analyzed in the Prior EIR			
		No Impact	Substantially Mitigated by Uniformly Applicable Development Policies	Less Than Significant or Less Than Significant with Mitigation Incorporated	Significant Impact
<b>18. MANDATORY FINDINGS OF SIGNIFICANCE—Would the project:</b>					
a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have impacts that would be individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Have environmental effects that would cause substantial adverse effects on human beings, either directly or indirectly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The proposed project would not substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, or reduce the number or restrict the range of a rare or endangered plant or animal. The project sponsor would be required to prepare an Archeological Testing Program to more definitively identify the potential for California Register-eligible archeological resources to be present within the project site and determine the appropriate action necessary to reduce the potential effect of the project on archeological resources to a less-than-significant level. For these reasons, the proposed project would not result in the elimination of important examples of major periods of California history or prehistory.

The proposed project would not combine with past, present, or reasonably foreseeable future projects to create significant cumulative impacts related to any of the topics discussed in this Infill Environmental Checklist. There would be no significant cumulative impacts to which the proposed project would make cumulatively considerable contributions.

Since construction of the proposed project would generate temporary noise from the use of heavy construction equipment that could affect nearby residents and other sensitive receptors, the project sponsor is required to develop and implement a set of noise attenuation measures during construction. In addition, all construction activities would be subject to and required to comply with the San Francisco Noise Ordinance. The proposed project would also be required to comply with the Construction Dust Control Ordinance, which would reduce the quantity of fugitive dust generated during project-related construction activities. The project site is not located within the Air Pollutant Exposure Zone; therefore, the ambient health risk to sensitive receptors from air pollutants is not considered substantial. For these reasons, the proposed project would not result in environmental effects that would cause substantial adverse effects on human beings.

---

## MITIGATION MEASURES

### ARCHEOLOGICAL RESOURCES

#### Project Mitigation Measure 1 – Archeological Testing (Eastern Neighborhoods Mitigation Measure J-2)

Based on a reasonable presumption that archeological 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 an archeological consultant from the rotational Department Qualified Archeological Consultants List (QACL) maintained by the Planning Department archeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this measure. The archeological consultant's work shall be conducted in accordance with this measure at the direction of the Environmental Review Officer (ERO). 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. Archeological 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 archeological resource as defined in CEQA Guidelines Sect. 15064.5 (a) and (c).

*Consultation with Descendant Communities:* On discovery of an archeological site<sup>58</sup> associated with descendant Native Americans, the Overseas Chinese, or other potentially interested descendant group an

---

<sup>58</sup> By the term "archeological site" is intended here to minimally include any archeological deposit, feature, burial, or evidence of burial.

appropriate representative<sup>59</sup> of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to offer recommendations to the ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archeological Resources Report shall be provided to the representative of the descendant group.

*Archeological Testing Program.* The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.

At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. No archeological data recovery shall be undertaken without the prior approval of the ERO or the Planning Department archeologist. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

- A) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- B) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

*Archeological Monitoring Program.* If the ERO, in consultation with the archeological consultant, determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological 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 archeological consultant shall determine what project activities shall be archeologically monitored. In most cases, any soils-disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation

---

<sup>59</sup> An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America. An appropriate representative of other descendant groups should be determined in consultation with the Department archeologist.

work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archeological monitoring because of the risk these activities pose to potential archeological resources and to their depositional context;

- The archeological 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 archeological resource;
- The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;
- The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;
- If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

*Archeological Data Recovery Program.* The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological 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 archeological 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 archeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archeological 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 and 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. This shall include 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 archeological consultant, project sponsor, ERO, and MLD shall have up to but not beyond six days of discovery make all reasonable efforts to develop an agreement for the treatment of human remains and associated or unassociated funerary objects with appropriate dignity (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects. Nothing in existing State regulations or in this mitigation measure compels the project sponsor and the ERO to accept recommendations of an MLD. The archeological consultant shall retain possession of any Native American human remains and associated or unassociated burial objects until completion of any scientific analyses of the human remains or objects as specified in the treatment agreement if such agreement has been made or, otherwise, as determined by the archeological consultant and the ERO.

*Final Archeological Resources Report.* The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

Once approved by the ERO, copies of the FARR shall be distributed as follows: California Archeological 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 Environmental Planning division of the Planning Department shall receive one bound, one unbound and one unlocked, searchable PDF copy on CD 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 in or the high interpretive value of the resource, the ERO may require a different final report content, format, and distribution than that presented above.



**NOISE***Project Mitigation Measure 2 – Construction Noise (Eastern Neighborhoods Mitigation Measure F-2)*

The project sponsor shall develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the Department of Building Inspection to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible:

- Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses;
- Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site;
- Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses;
- Monitor the effectiveness of noise attenuation measures by taking noise measurements;

Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.

**DETERMINATION**

On the basis of this evaluation:

- I find that the proposed infill project would not have any significant effects on the environment that either have not already been analyzed in a prior EIR or that are more significant than previously analyzed, or that uniformly applicable development policies would not substantially mitigate. Pursuant to Public Resources Code Section 21094.5, CEQA does not apply to such effects. A Notice of Determination (Section 15094) will be filed.
- I find that the proposed infill project will have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. With respect to those effects that are subject to CEQA, I find that such effects would not be significant and a Negative Declaration, or if the project is a Transit Priority Project a Sustainable Communities Environmental Assessment, will be prepared.
- I find that the proposed infill project will have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. I find that although those effects could be significant, there will not be a significant effect in this case because revisions in the infill project have been made by or agreed to by the project proponent. A Mitigated Negative Declaration, or if the project is a Transit Priority Project a Sustainable Communities Environmental Assessment, will be prepared.
- I find that the proposed infill project would have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. I find that those effects would be significant, and an infill EIR is required to analyze those effects that are subject to CEQA.

ATTACHMENT B: MITIGATION MONITORING AND REPORTING PROGRAM

MONITORING AND REPORTING PROGRAM

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><b>MITIGATION MEASURES</b></p> <p><b>Project Mitigation Measure 1 – Archeological Testing (Eastern Neighborhoods Mitigation Measure J-2.</b></p> <p>Based on a reasonable presumption that archeological 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 an archaeological consultant from the rotational Department Qualified Archaeological Consultants List (QACL) maintained by the Planning Department archaeologist. The project sponsor shall contact the Department archeologist to obtain the names and contact information for the next three archeological consultants on the QACL. The archeological consultant shall undertake an archeological testing program as specified herein. In addition, the consultant shall be available to conduct an archeological monitoring and/or data recovery program if required pursuant to this requirement. The archeological consultant’s work shall be conducted in accordance with this requirement at the direction of the Environmental Review Officer (ERO). 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. Archeological monitoring and/or data recovery programs required by this requirement 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 archeological resource as defined in CEQA</p>	Project sponsor, project archeologist.	Prior to issuance of any permit for soils-disturbing activities and during construction activities.	Project sponsor, project archeologist, ERO.	During soils-disturbing and construction activities.

2343

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
Guidelines Sect. 15064.5 (a)(c).				
<p><i>Consultation with Descendant Communities:</i> On discovery of an archeological site<sup>1</sup> associated with descendant Native Americans or the Overseas Chinese an appropriate representative<sup>2</sup> of the descendant group and the ERO shall be contacted. The representative of the descendant group shall be given the opportunity to monitor archeological field investigations of the site and to consult with ERO regarding appropriate archeological treatment of the site, of recovered data from the site, and, if applicable, any interpretative treatment of the associated archeological site. A copy of the Final Archaeological Resources Report shall be provided to the representative of the descendant group.</p>	Project sponsor, construction contractor(s).	During construction.	Project sponsor, Planning Department.	Project sponsor shall submit monthly reports to the Planning Department during construction period.

2344

1 By the term "archeological site" is intended here to minimally included any archeological deposit, feature, burial, or evidence of burial.  
 2 An "appropriate representative" of the descendant group is here defined to mean, in the case of Native Americans, any individual listed in the current Native American Contact List for the City and County of San Francisco maintained by the California Native American Heritage Commission and in the case of the Overseas Chinese, the Chinese Historical Society of America.

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><i>Archeological Testing Program.</i> The archeological consultant shall prepare and submit to the ERO for review and approval an archeological testing plan (ATP). The archeological testing program shall be conducted in accordance with the approved ATP. The ATP shall identify the property types of the expected archeological resource(s) that potentially could be adversely affected by the proposed project, the testing method to be used, and the locations recommended for testing. The purpose of the archeological testing program will be to determine to the extent possible the presence or absence of archeological resources and to identify and to evaluate whether any archeological resource encountered on the site constitutes an historical resource under CEQA.</p>	Project sponsor, construction contractor(s).	Prior to the start of and during use of on-site heavy diesel equipment.	Project sponsor, Planning Department.	During demolition and construction activities. The project sponsor shall submit quarterly reports to the ERO during the construction period and a final report at the end of the construction period.

2345

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	-----------------------------------	---------------------------------	-------------------------------------	---------------------

At the completion of the archeological testing program, the archeological consultant shall submit a written report of the findings to the ERO. If based on the archeological testing program the archeological consultant finds that significant archeological resources may be present, the ERO in consultation with the archeological consultant shall determine if additional measures are warranted. Additional measures that may be undertaken include additional archeological testing, archeological monitoring, and/or an archeological data recovery program. If the ERO determines that a significant archeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

- A) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archeological resource; or
- B) A data recovery program shall be implemented, unless the ERO determines that the archeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

2346

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/ Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	---	--	--	------------------------

*Archeological Monitoring Program.* If the ERO in consultation with the archeological consultant determines that an archeological monitoring program shall be implemented the archeological monitoring program shall minimally include the following provisions:

- The archeological 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 archeological consultant shall determine what project activities shall be archeologically 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 archeological monitoring because of the risk these activities pose to potential archaeological resources and to their depositional context;
- The archeological 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 archeological resource;
- The archeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archeological consultant and the ERO until the ERO has, in consultation with project archeological consultant, determined that project construction activities could have no effects on significant archeological deposits;

The archeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis.

2347

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	-----------------------------------	---------------------------------	-------------------------------------	---------------------

- If an intact archeological deposit is encountered, all soils-disturbing activities in the vicinity of the deposit shall cease. The archeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction activities and equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archeological monitor has cause to believe that the pile driving activity may affect an archeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archeological consultant shall immediately notify the ERO of the encountered archeological deposit. The archeological consultant shall make a reasonable effort to assess the identity, integrity, and significance of the encountered archeological deposit, and present the findings of this assessment to the ERO.

Whether or not significant archeological resources are encountered, the archeological consultant shall submit a written report of the findings of the monitoring program to the ERO.

2348



**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	-----------------------------------	---------------------------------	-------------------------------------	---------------------

*Archeological Data Recovery Program.* The archeological data recovery program shall be conducted in accord with an archeological data recovery plan (ADRP). The archeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP prior to preparation of a draft ADRP. The archeological consultant shall submit a draft ADRP to the ERO. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archeological 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 archeological 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 archeological data recovery program.
- *Security Measures.* Recommended security measures to protect the archeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and

2349

MONITORING AND REPORTING PROGRAM

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/ Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	---	--	--	------------------------

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.

2350

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/ Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	---	--	--	------------------------

*Human Remains and 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. This shall include 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 archeological 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, custodianship, curation, and final disposition of the human remains and associated or unassociated funerary objects.

2351

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/ Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
---	---	--	--	------------------------

*Final Archeological Resources Report.* The archeological consultant shall submit a Draft Final Archeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archeological resource and describes the archeological and historical research methods employed in the archeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archeological resource shall be provided in a separate removable insert within the final report.

2352

**MONITORING AND REPORTING PROGRAM**

Adopted Mitigation/Improvement Measures	Responsibility for Implementation	Mitigation/Improvement Schedule	Monitoring/Reporting Responsibility	Monitoring Schedule
<p><u>Project Mitigation Measure 2: Construction Noise (Implementing Eastern Neighborhoods PEIR Mitigation Measure F-2)</u> The project sponsor shall develop a set of site-specific noise attenuation measures under the supervision of a qualified acoustical consultant. Prior to commencing construction, a plan for such measures shall be submitted to the Department of Building Inspection (DBI) to ensure that maximum feasible noise attenuation will be achieved. These attenuation measures shall include as many of the following control strategies as feasible:</p> <ul style="list-style-type: none"> <li>• Erect temporary plywood noise barriers around a construction site, particularly where a site adjoins noise-sensitive uses;</li> <li>• Utilize noise control blankets on a building structure as the building is erected to reduce noise emission from the site;</li> <li>• Evaluate the feasibility of noise control at the receivers by temporarily improving the noise reduction capability of adjacent buildings housing sensitive uses;</li> <li>• Monitor the effectiveness of noise attenuation measures by taking noise measurements; and</li> <li>• Post signs on-site pertaining to permitted construction days and hours and complaint procedures and who to notify in the event of a problem, with telephone numbers listed.</li> </ul>	Project sponsor, construction contractor(s)	During construction	Project Sponsor to provide Planning Department with monthly reports during construction period.	Considered complete upon receipt of final monitoring report at completion of construction.

2353



TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Mayor London Breed *YKC*  
RE: Accept and Expend Grant - Affordable Housing and Sustainable  
Communities Program - 2060 Folsom Street Project  
DATE: September 25, 2018

---

**Resolution authorizing the Mayor's Office of Housing and Community Development to accept and expend an award of \$14,000,000 from the California Department of Housing and Community Development Affordable Housing and Sustainable Communities Program, including a loan of \$9,300,000 and a grant of \$4,700,000.**

Please note that Supervisor Ronen is a co-sponsor of this ordinance.

Should you have any questions, please contact Kanishka Karunaratne Cheng at 554-6696.

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2018 SEP 25 PM 2:07  
BY *[Signature]*

**FORM SFEC-126:**  
**NOTIFICATION OF CONTRACT APPROVAL**  
(S.F. Campaign and Governmental Conduct Code § 1.126)

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: <b>2060 Folsom Housing, L.P., a California limited partnership</b>

*Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.*

The borrowing entity for the 2060 Folsom Affordable Housing Project is 2060 Folsom Housing, L.P., a California limited partnership. 2060 Folsom Housing, L.P. has no employees and decisions are made by its co-general partners, CCDC 2060 Folsom LLC, a California Limited Liability Corporation, with sole manager, Chinatown Community Development Center (Chinatown CDC); and MEDA 2060 Folsom LLC, a California limited liability company, with sole manager, Mission Economic Development Agency (MEDA).

Please see the below Board list to comply with request #1. Additionally, the contractor's chief executive officer, chief financial officer and deputy directors are Chinatown CDC's and MEDA's governing officers as the result of 2060 Folsom Housing, L.P.'s relationship to Chinatown CDC and MEDA.

**Chinatown CDC Board of Directors:**

1. Chin, Gregory (Board Treasurer)
2. Chin, Jane
3. Chin, Philip (Board Chair)
4. Craig, Cathy
5. Fong, Mark
6. Golvin, Benjamin
7. Jew, Clayton
8. Leadbetter, Julie
9. Lee, Winston
10. Lin, Barbara
11. Louie, Michael
12. McCray, James
13. Nguyen, James
14. Quock, Lindsey
15. Ruiz, Santiago
16. Tse, Janet Lee (Board Vice Chair)
17. Tse, Nigel
18. Wong, Susan
19. Wu, Jade
20. Zhang, Mary
21. Zheng, Eddy
22. Zoubi, Fady (Board Secretary)

**MEDA Board of Directors:**

Dolores Terrazas (Chairperson)  
Whitney Jones (Treasurer)  
Rafael Yaquian-Illescas (Secretary)  
Graciela Aponte-Diaz

Ed Cabrera  
 Marco Chavarin  
 Miriam Chion  
 Ysabel Duron  
 M. Teresa Garcia  
 Jabari Herbert  
 Paul Monge  
 Luaire Scolari  
 Kevin Stein

**Chief Executive Officer:** Norman Fong (Chinatown CDC), and Luis Granados (MEDA).

**Chief Financial Officer(s):** Karen Gansen (Chinatown CDC), Libardo Clavijo (MEDA)

**Deputy Directors:** Cindy Wu and Malcolm Yeung (Chinatown CDC), Jillian Spindle (MEDA)

Items #3-5 do not apply to 2060 Folsom Housing, L.P.

Contractor address: 2060 Folsom Housing, L.P., 1525 Grant Ave., San Francisco, CA 94133 Attn: Executive Director

Date that contract was approved:

Amount of contract: Not to exceed \$15,000,000

Describe the nature of the contract that was approved: Resolution authorizing MOHCD to accept and expend an award of \$14 million under the HCD Affordable Housing and Sustainable Communities Program (AHSC) as a joint applicant with 2060 Folsom Housing, L.P., a California limited partnership for 2060 Folsom Street for the development of the project and related transit improvements.

Comments:

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves : San Francisco Board of Supervisors  
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

**Filer Information** (Please print clearly.)

Name of filer:  
**Angela Calvillo, Clerk of the Board**

Contact telephone number:  
**(415) 554-5184**

Address:  
**City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102**

E-mail:  
**Board.of.Supervisors@sfgov.org**

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed