



PARAMOUNT GROUP, INC.

File 151015 - 151018

BOS-11, COB,
BOS - Legislation
Cpages

MARCE SANCHEZ
VICE PRESIDENT
CONSTRUCTION & DEVELOPMENT

November 17, 2015

Mayor Edwin M. Lee
City Hall,
Room 200,
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

London Breed, President
Supervisor Jane Kim
Members of the San Francisco Board of Supervisors
c/o Clerk of the Board of Supervisors
#1 Dr. Carlton B. Goodlett Place
City Hall, Room #244
San Francisco, CA 94102-4689

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2015 NOV 17 AM 10:53
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Re: Commitment to Provide Additional Affordable Housing Funds

Dear Mr. Mayor, President Breed, Supervisor Kim and Members of the Board:

I write on behalf of the RDF 75 Howard LP, the Project Sponsor of the 75 Howard Street project which was approved by the San Francisco Planning Commission on September 3, 2015 pursuant to Motions No. 19448, 19449, 19450 and 19451 as well as a Variance decision to be issued by the Zoning Administrator after resolution of Appeal No. 151015 (collectively, the "75 Howard Project Approvals"). The Planning Commission's certification of the Final Environmental Impact Report for the 75 Howard Project has been appealed to the Board of Supervisors and is set for hearing on November 17, 2015 (Appeal No.151015).

As you know, the 75 Howard Project Approvals provide, among other conditions, that the Project Sponsor pay an in-lieu fee for affordable housing pursuant to Section 415.5 of the San Francisco Planning Code. (Conditions 31 and 32 of Motion 19450). The Project Sponsor is acutely aware of the housing shortage in San Francisco and is pleased that the 75 Howard Project will remove an above-grade 8 story, approximately 550 car parking garage and replace it with a residential project with ground floor retail. As more specifically described in Conditions 31 and 32 of Planning Commission Motion No. 19450, the Project is required under the law to pay an Affordable Housing Fee at a rate equivalent to twenty



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percent (20%) of the number of units in the principal project in the manner and at the times set forth in the Project Approvals (collectively, the "Project Approvals Affordable Housing Fee Condition"). The Project Sponsor is pleased to participate in the City's efforts to create affordable housing through payment of the Affordable Housing Fee, but also wishes to assist further in the City's efforts to produce more affordable housing. Consequently, the Project Sponsor hereby offers the City of San Francisco a commitment, that if the Project Sponsor constructs the 75 Howard Project pursuant to the 75 Howard Project Approvals, the Project Sponsor will pay an additional sum of money to the City for use in the Inclusionary Affordable Housing Program in the amount of Six Million Ten Thousand Forty Seven Dollars (\$6,010,047) to be paid, at the same time as the payments are to be made under the Project Approvals Affordable Housing Fee Condition. This offer cannot be revoked if the 75 Howard Project is constructed pursuant to the 75 Howard Project Approvals.

| We hope that the City will accept this offer. Thank you for your consideration.

Sincerely,

Marce Sanchez
Vice President
Construction & Development

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