

[Potrero HOPE SF - Street and Public Infrastructure Acceptance for Phase 2 - Establishing Official Public Right-of-Way and Sidewalk Widths and Street Grades]

Ordinance accepting irrevocable offers of public infrastructure associated with the Potrero HOPE SF Project, Phase 2, including improvements located within portions of 25th, 26th, Arkansas, Connecticut, and Wisconsin Streets, and improvements associated with a new switchgear within a building, and an offer of dedication for real property underlying portions of 25th, Arkansas, and Connecticut Streets; dedicating this public infrastructure for public use; designating the public infrastructure for public street and roadway purposes; accepting the public infrastructure for City maintenance and liability purposes, subject to specified limitations; establishing official public right-of-way widths and street grades; amending Ordinance No. 1061 entitled “Regulating the Width of Sidewalks” to establish official sidewalk widths on 25th, 26th, Arkansas, Connecticut, and Wisconsin Streets; accepting a Public Works Order recommending various actions regarding the public infrastructure; delegating limited authority to the Public Works Director to accept specified infrastructure; authorizing official acts, as defined, in connection with this Ordinance; adopting findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

NOTE: **Unchanged Code text and uncoded text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

1 Section 1. Background and General Findings.

2 (a) This ordinance addresses the Board of Supervisors (“Board”) acceptance of and
3 other official acts for certain public infrastructure associated with the Potrero HOPE SF
4 Project, Phase 2 (“Project”). The Project area is generally bounded by 25th Street to the north,
5 26th Street to the south, Wisconsin Street to the west, and Connecticut Street to the east. The
6 infrastructure accepted by this ordinance includes improvements located within portions of
7 25th, 26th, Arkansas, Connecticut, and Wisconsin Streets (collectively, the “Streets”) and
8 certain utilities located outside of the public right-of-way.

9 (b) The Project site is owned by the Housing Authority of the City and County of San
10 Francisco (“SFHA”), which is providing various approvals and real estate transfers to facilitate
11 the Project and other phases of the Potrero HOPE SF project development (“Potrero HOPE”).
12 Potrero HOPE includes the complete rebuilding of the existing SFHA Potrero Terrace and
13 Annex sites and the surrounding streets through the City’s HOPE SF Program, and will
14 consist of up to 1,700 residential units (including approximately 800 affordable and 800
15 market-rate units), retail and community spaces, open space, new streets, utilities, and other
16 infrastructure. Potrero HOPE is proceeding in multiple phases in a northward progression.

17 (c) Potrero HOPE is subject to a Development Agreement between the City and
18 County of San Francisco (“City”), SFHA, and Bridge-Potrero Community Associates LLC
19 (“Subdivider”), recorded in the Official Records of the City on March 3, 2017 as Document No.
20 2017-K416603-00 and approved by the Board in Ordinance No. 15-17 (“Development
21 Agreement”). The Development Agreement includes, as Exhibit P, the Potrero HOPE Master
22 Infrastructure Plan (“Infrastructure Plan”), which describes the scope and phases of the public
23 infrastructure to be constructed by the Subdivider.

24 (d) On May 11, 2021, the Board approved Final Map No. 9610 for the Project in
25 Motion No. M21-079, resulting in two lots for housing and two lots dedicated to the City as

1 public right-of-way. In the same motion, the Board approved the Public Improvement
2 Agreement between the City and Subdivider, and conditionally accepted the offer of
3 dedication and offer of improvements, subject to completion and further Board action. Final
4 Map No. 9610 concerns Phase 2 of Potrero HOPE, which includes infrastructure being
5 completed in three subphases known as Subphases 2A, 2B, and 2C.

6 (e) In conjunction with Final Map No. 9610, Subdivider irrevocably offered the various
7 public improvements associated with the Project to the City, as clarified and supplemented in
8 its Amended and Restated Offer of Improvements ("Offer of Improvements"). The Department
9 of Public Works, in Street Improvement Permit No. 21IE-00075, dated February 12, 2021
10 ("Street Improvement Permit"), approved construction of the improvements identified in the
11 Offer of Improvements for acceptance by the City (collectively, "Public Infrastructure") as well
12 as improvements that will be maintained as private encroachments. Generally, the Public
13 Infrastructure includes street and sidewalk paving, curbs, a portion of the underground
14 utilities, streetlights, and related facilities. The Public Infrastructure does not include the Parcel
15 A Street Trees, as described in subsection (1)(l), below. A copy of the Offer of Improvements
16 is on file with the Clerk of the Board in File No. _____ and incorporated herein by
17 reference.

18 (f) The Public Infrastructure also includes San Francisco Public Utilities Commission
19 ("SFPUC") infrastructure associated with a new switchgear to support power for the Project,
20 more specifically described in the Offer of Improvements (collectively, the "Off-Site
21 Improvements"). The Off-Site Improvements are located outside of the proposed public right-
22 of-ways, located in and adjacent to a new switchgear room in the building on Parcel B, which
23 parcel is owned by SFHA and leased by Potrero Housing Associates II, L.P. ("Developer").
24 The Off-Site Improvements will be accessed via an easement agreement between SFHA,
25 Developer, and the City, as amended ("Easement"). The Director of the Real Estate Division

1 (“Director of Property”) approved an Easement Agreement and Declaration of Restrictions in
2 conjunction with Final Map No. 9610, recorded in the Official Records of the City on July 21,
3 2021 as Document No. 2021111532. A copy of the Easement is on file with the Clerk of the
4 Board of File No. _____.

5 (g) In an Irrevocable Offer of Dedication, including a quitclaim deed (the “Offer of
6 Dedication”), SFHA offered the real property identified on Final Map No. 9610 as Parcels C
7 and D for new streets and sidewalks. Parcel C underlies a new one-block length of Arkansas
8 Street. Parcel D is a small, triangular-shaped lot at the southwest corner of the intersection of
9 25th and Connecticut Streets that underlies a portion of the sidewalk. Copies of the Offer of
10 Dedication and its deed are on file with the Clerk of the Board in File No. _____ and
11 incorporated herein by reference.

12 (h) On December 18, 2024, the City Engineer issued a Conditional Notice of
13 Completion for that portion of the Public Infrastructure described as Subphases 2A and 2B,
14 which determined said Public Infrastructure to be complete in accordance with the plans and
15 specifications shown in the Street Improvement Permit, as modified by Instructional Bulletins
16 Nos. 1 through 4, and all City Codes, regulations, and standards governing this infrastructure,
17 subject to certain conditions. In doing so, the City Engineer also certified that the Subphase
18 2A and 2B Public Infrastructure is ready for its intended use.

19 (i) A portion of the infrastructure constructed or installed pursuant to the Street
20 Improvement Permit will be maintained by Subdivider as encroachments. The encroachments
21 do not constitute a portion of the Public Improvements, the City will not accept such
22 encroachments, and the encroachments will remain the responsibility of Subdivider for
23 maintenance and liability. In related legislation, the Board will consider such encroachments
24 under a Master Encroachment Permit pursuant to Public Works Code Sections 786 et seq.
25 (“Master Encroachment Permit”).

1 (j) In Public Works Order _____, dated _____, 2025 (the "PW
2 Order"), the Public Works Director, with certification from the City Engineer (collectively,
3 the "Director"), recommends that the Board approve the legislation to accept the Offer of
4 Dedication for Parcels C and D and Offer of Improvements for the Public Infrastructure, which
5 includes the Off-Site Improvements, and dedicate this infrastructure for public use, subject to
6 the exceptions identified below. The Director further recommends that the Board approve the
7 ordinance to dedicate the Public Infrastructure to public use, accept it for City maintenance
8 and liability purposes, and regarding the street areas, designate it as open public right-of-way
9 for permit and roadway purposes, subject to the following conditions:

10 (1) the portions of streets being designated as open public right-of-way for street
11 and roadway purposes are from back of sidewalk to back of sidewalk, unless specified
12 otherwise or as shown on the plans and specifications for the Public Infrastructure;

13 (2) acceptance of the Public Infrastructure for City maintenance and liability
14 purposes is from back of curb to back of curb, unless specified otherwise, and sidewalk
15 maintenance is the responsibility of the adjacent property owners in accordance with the
16 Public Works Code;

17 (3) acceptance of the Off-Site Improvements for City maintenance and liability
18 purposes is as described in the Offer of Improvements; and maintenance and liability for the
19 building housing the switchgear room is the responsibility of the Developer as provided in the
20 Easement;

21 (4) encroachments that are or will be permitted (including but not limited to those
22 encroachments to be included in the Master Encroachment Permit), not permitted, or both, are
23 excluded from acceptance;

24 (5) the acceptance of the streets does not obviate, amend, alter, or in any way
25 affect existing maintenance agreements between the City and parties to such agreements; and

1 (6) acceptance of Subdivider's conditional assignment of all warranties and
2 guaranties to the City related to the construction of the Public Infrastructure and its warranty
3 obligations under the Street Improvement Permit.

4 (k) In the PW Order, the Director also recommends establishment of official public
5 right-of-way widths, sidewalk widths, and street grades on portions of the streets in
6 accordance with Map A-17-231 and Drawing Q-20-1210. Further, the Director recommends
7 that the Board amend Ordinance No. 1061 entitled "Regulating the Width of Sidewalks,"
8 regarding official sidewalk widths in accordance with Drawing Q-20-1210.

9 (l) In the PW Order, the Director also recommends that the Board delegate authority to
10 the Director, in consultation with applicable City agencies, to approve and accept the
11 Subphase 2C Public Infrastructure, including sidewalks and utilities in the public right-of-way
12 surrounding Parcel B as shown on Final Map 9610, one full block of newly constructed public
13 right-of-way in Arkansas Street between 25th and 26th Streets, and other infrastructure as
14 described in the order ("Deferred Infrastructure"), once it has been completed to the
15 satisfaction of the Director.

16 (m) Street trees and related infrastructure adjacent to and surrounding Parcel A, as
17 shown on Final Map 9610 ("Parcel A Street Trees") are also being deferred and will be
18 addressed administratively as an amendment to the project, as described in the PW Order.

19 (n) The PW Order also includes a diagram showing the location of the streets that are
20 designated for City acceptance of maintenance and liability in this legislation, encompassing
21 portions of the Streets, as well as the location of the Off-Site Improvements. The Public
22 Infrastructure includes a new one-block length of Arkansas Street and improvements to the
23 previously dedicated public right-of-ways in 25th, 26th, Connecticut, and Wisconsin Streets,
24 and includes the Off-Site Improvements, which Public Infrastructure is now ready for
25 acceptance for purposes of City maintenance and liability. The PW Order, A-Map, Q-Drawing,

1 and the diagram referenced in the above subsections (1)(j) through (1)(n) are on file with the
2 Clerk of the Board in File No. _____ and incorporated herein by reference.

3 (o) The Director of Property, in a letter dated _____, 2025, recommended
4 that the City accept the quitclaim deed for Parcels C and D and an amended Easement for the
5 Off-Site Improvements. A copy of the letter is on file with the Clerk of the Board in File No.
6 _____ and incorporated herein by reference.

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8 Section 2. Environmental and Land Use Findings.

9 (a) In a letter dated April 9, 2025, the Planning Department determined that the
10 acceptance of the Public Infrastructure, including acceptance of the real property associated
11 with this Infrastructure, and associated actions comply with the California Environmental
12 Quality Act (CEQA). For purposes of this ordinance, the Board adopts these findings as its
13 own. A copy of this letter is on file with the Clerk of the Board in File No. _____ and
14 incorporated by reference herein.

15 (b) In the same letter, the Planning Department determined that the acceptance of the
16 Public Infrastructure, including acceptance of the real property associated with this Public
17 Infrastructure, and associated actions are, on balance, in conformity with the General Plan
18 and eight priority policies of Planning Code Section 101.1. For purposes of this ordinance, the
19 Board adopts these findings as its own.

20
21 Section 3. Public Works Actions.

22 The Board has reviewed and approves PW Order No. _____, including the
23 Director's recommendations, as referenced in Section 1 of this ordinance, concerning the
24 acceptance of Public Infrastructure, and other actions set forth in the PW Order.

1 Section 4. Acceptance of Public Infrastructure and Assumption of Maintenance and
2 Liability Responsibilities.

3 (a) Pursuant to California Streets and Highways Code Section 1806 and San
4 Francisco Administrative Code Sections 1.51 et seq., the Board hereby accepts the Offer of
5 Improvements (excluding any private encroachments as identified therein) and dedicates the
6 Public Infrastructure, including the Off-Site Improvements, for public use.

7 (b) The Board hereby accepts the Offer of Dedication for Parcels C and D and their
8 associated quitclaim deed and authorizes the Director of Property to execute and record said
9 deed.

10 (c) The Board hereby designates or re-designates the Streets for street and roadway
11 purposes and accepts the Streets into the City's street system.

12 (d) The Board hereby accepts the Public Infrastructure, including the Off-Site
13 Improvements, for City maintenance and liability purposes.

14 (e) The Board's acceptance of the Public Infrastructure identified in subsections 4(a)
15 through (4)(d) above is subject to the following conditions:

16 (1) The portions of Streets being accepted for street and roadway purposes are
17 constructed from back of sidewalk to back of sidewalk, unless specified otherwise or as
18 shown on the permit materials for the Public Infrastructure.

19 (2) Acceptance of the Public Infrastructure for City maintenance and liability
20 purposes is from back of curb to back of curb, unless specified otherwise, and sidewalk
21 maintenance is the responsibility of adjacent property owners or encroachment permittees in
22 accordance with the Public Works Code.

23 (3) Acceptance of the Off-Site Improvements for City maintenance and liability
24 purposes is as described in the Offer of Improvements; and maintenance and liability for the
25

1 building housing the switchgear room is the responsibility of the Developer as provided in the
2 Easement.

3 (4) Encroachments that are or will be permitted (including the Master
4 Encroachment Permit), not permitted, or both, are excluded from acceptance.

5 (5) The acceptance of the Public Infrastructure does not obviate, amend, alter,
6 or in any way affect existing maintenance agreements between the City and parties to such
7 agreements.

8 (6) Subdivider's conditional assignment of all warranties and guaranties to the
9 City related to the construction of the Public Infrastructure and their warranty obligations.
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11 Section 5. Establishment of Public Right-of-Way Widths, Sidewalk Widths, and Street
12 Grades.

13 (a) In accordance with the PW Order, the Board hereby establishes the official public
14 right-of-way widths for portion of 25th, Arkansas, and Connecticut Streets, as shown on Public
15 Works Map A-17-231.

16 (b) In accordance with the PW Order, Ordinance No. 1061, entitled "Regulating the
17 Width of Sidewalks," a copy of which is in the Clerk of the Board Book of General Ordinances,
18 in effect May 11, 1910, is hereby amended by adding a new section, Section 1646, to read as
19 follows:

20 Section 1646. The width of sidewalks on portions of 25th Street, 26th Street, Arkansas Street,
21 Connecticut Street, and Wisconsin Street, shall be established as shown on the Public Works Drawing
22 Q-20-1210.

23 (c) The sidewalk widths established herein do not obviate, amend, alter, or in any
24 other way affect the maintenance obligations of the adjacent property owners or
25 encroachment permittees as set forth in the Public Works Code.

1 (d) Notwithstanding California Streets and Highways Code Sections 8000 et seq., the
2 Board, in accordance with Administrative Code Sections 1.51 et seq., chooses to follow the
3 City's own procedures for the establishment of street grades. The Board hereby establishes
4 the street grades for portions 25th, 26th, Arkansas, Connecticut, and Wisconsin Streets, as
5 set forth in Public Works Drawing Q-20-1210.

6 (e) The Board hereby directs Public Works to revise the Official Public Right-of-Way,
7 Sidewalk Width, and Street Grade maps in accordance with this ordinance.

8
9 Section 6. Delegation to Approve and Accept Deferred Infrastructure.

10 In regard to the Deferred Infrastructure, the Board of Supervisors hereby delegates
11 authority to the Director, in consultation with applicable City agencies, to approve and accept
12 the finalized Deferred Infrastructure once it is complete to the satisfaction of the Director.

13
14 Section 7. Authorization for Implementation.

15 The Mayor, Clerk of the Board of Supervisors, Director of the Property, and Director
16 are hereby authorized and directed to take any and all actions which they or the City Attorney
17 may deem necessary or advisable in order to effectuate the purpose and intent of this
18 ordinance, including, but not limited to, approving any amended offers of improvements based
19 on as-built conditions, signing and recording the quitclaim deed for Parcels C and D, and filing
20 of the ordinance, A-17 Map, and Q-20 Drawing in the Official Records of the City.

21
22 Section 8. Effective Date.

23 This ordinance shall become effective 30 days after enactment. Enactment occurs
24 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
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1 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
2 Mayor's veto of the ordinance.

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4 APPROVED AS TO FORM:
5 DAVID CHIU, City Attorney

6 By: /s/ JOHN D. MALAMUT
7 JOHN D. MALAMUT
8 Deputy City Attorney

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