

File No. 160898

Committee Item No. 22

Board Item No. \_\_\_\_\_

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance

Date September 7, 2016

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <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                      |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
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Completed by: Victor Young Date September 2, 2016  
 Completed by: \_\_\_\_\_ Date \_\_\_\_\_

1 [Real Property Acquisition - Connecticut Street and 25th Street - San Francisco Housing  
2 Authority - \$1]

3 **Resolution authorizing the acquisition of real property from the Housing**  
4 **Authority of the City and County of San Francisco located at the intersection of**  
5 **Connecticut Street and 25th Street, in order to further the General Plan priority**  
6 **of preserving and enhancing the supply of affordable housing, for the purchase**  
7 **price of \$1.**

8  
9 WHEREAS, The Housing Authority of the City and County of San Francisco  
10 ("SFHA") owns the fee interest in the real property located at the intersection of  
11 Connecticut Street and 25th Street (Assessor's Parcel Block No. 4287, Lot No. 001A)  
12 (the "Property"); and

13 WHEREAS, The City has identified the Property as suitable for the  
14 development of affordable housing and wishes to acquire the Property in order to  
15 further the City's General Plan priority of preserving and enhancing the supply of  
16 affordable housing; and

17 WHEREAS, SFHA and the City have entered into an Option Agreement for the  
18 Purchase and Sale of Real Property (the "Agreement") dated as of June 1, 2016,  
19 pursuant to which SFHA granted to the City the exclusive and irrevocable option (the  
20 "Option") to purchase the Property upon all terms and conditions set forth in the  
21 Agreement, for \$1 (the "Purchase Price") which is in addition to the amount of \$100  
22 tendered pursuant to the executed Agreement as consideration for the Option; and

23 WHEREAS, The City proposes to pay the Purchase Price to SFHA to  
24 purchase the Property on the terms and conditions substantially as shown in the  
25 Agreement, a copy of which is on file with the Clerk of the Board of Supervisors under  
File No. 160898 and incorporated herein by reference; and

1           WHEREAS, The Planning Commission of the Department of Planning took the  
2 following actions on December 10, 2015: Certified the Final Environmental Impact  
3 Report (Motion No. 19529), Adopted CEQA Findings including a statement of  
4 Overriding Considerations and a Mitigation Monitoring and Reporting Program  
5 (Motion No. 19530), and Adopted Findings of Consistency with the General Plan and  
6 Planning Code, Section 101.1 (Motion No. 19531), for the Property; now, therefore,  
7 be it

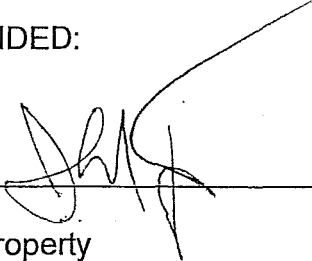
8           RESOLVED, That in accordance with the recommendation of the Director of  
9 Property, the execution, delivery and performance of the Exercise Notice and the  
10 acquisition of the Property substantially in accordance with the terms of the  
11 Agreement are hereby approved and the Director of Property (or his designee) is  
12 hereby authorized to execute the Exercise Notice on behalf of the City to acquire the  
13 Property, and to place the Property under the jurisdiction of the Mayor's Office of  
14 Housing and Community Development ("MOHCD"), and the Director of Property (or  
15 his designee) and the Director of MOHCD (or his designee) are hereby authorized to  
16 execute any such other documents that are necessary or advisable to complete the  
17 transaction contemplated by the Agreement and effectuate the purpose and intent of  
18 this Resolution; and, be it

19           FURTHER RESOLVED, That the Mayor, the Clerk of the Board of  
20 Supervisors, the Director of Property and the Director of MOHCD are each authorized  
21 and directed to enter into any and all documents and take any and all actions which  
22 such party, in consultation with the City Attorney, determines are in the best interest  
23 of the City, do not materially increase the obligations of the City or materially  
24 decrease the benefits to the City, are necessary and advisable to consummate the  
25

1 decrease the benefits to the City, are necessary and advisable to consummate the  
2 performance of the purposes and intent of this Resolution and comply with all  
3 applicable laws, including the City's Charter; and, be it

4 FURTHER RESOLVED, That all actions authorized and directed by this  
5 Resolution and heretofore taken are hereby ratified, approved and confirmed by this  
6 Board of Supervisors.

7  
8  
9 RECOMMENDED:

10  
11   
12 \_\_\_\_\_  
13 John Updike  
14 Director of Property

15   
16 \_\_\_\_\_  
17 Olson Lee  
18 Director, Mayor's Office of Housing and  
19 Community Development  
20  
21  
22  
23  
24  
25

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



Edwin M. Lee  
Mayor

Olson Lee  
Director

July 28, 2016

Barbara Smith  
Acting Executive Director  
1815 Egbert Avenue  
San Francisco, CA 94124

Re: Exercise Notice – 25<sup>th</sup> St. and Connecticut St. parcel Option Agreement

Dear Mrs. Smith,

This notice serves to inform the San Francisco Housing Authority (“SFHA”) that the City and County of San Francisco (the “City”) is exercising its exclusive option to purchase the real property located at the intersection of 25<sup>th</sup> Street and Connecticut Street in San Francisco (Assessor’s Block No. 4287, Lot No. 001A) per the Option Agreement for the Purchase and Sale of Real Estate dated June 1, 2016.

Pursuant to Section 1.5 (Exercise of Option), the City is delivering this Exercise Notice and attached evidence of transaction approval by the Board of Supervisors and the Mayor.

Pursuant to Articles 6.1 and 6.2, the parties shall open escrow for the purchase of the property within five business days of delivery of this Exercise Notice and closing shall occur on the 30<sup>th</sup> day following delivery of this Exercise Notice.

Please contact John Updike at the Real Estate Department ([john.updike@sfgov.org](mailto:john.updike@sfgov.org) or 415-554-9860) and Faith Kirkpatrick ([faith.kirkpatrick@sfgov.org](mailto:faith.kirkpatrick@sfgov.org) or 415-701-5510) at the Mayor’s Office of Housing to facilitate this purchase and sale process.

Thank you,

Olson Lee  
Director

Attachment: Acquisition Resolution, approved September 2016 and September 2016

CC via email: John Updike, Real Estate Department  
Aaron Goodman, San Francisco Housing Authority  
Diane Jackson McLean, Goldfarb & Lipman  
Beth Anderson, Deputy City Attorney

OPTION AGREEMENT FOR THE PURCHASE  
AND SALE OF REAL ESTATE

by and between the

CITY AND COUNTY OF SAN FRANCISCO

and the

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO

For the option to purchase

Real property located at Assessor's Lot 001A and Block 4287

June 1, 2016

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**LIST OF EXHIBITS**

EXHIBIT A:	Legal Description of the Property
EXHIBIT B:	SFHA Deed
EXHIBIT C:	Memorandum of Option

1.4 Extension of Option Term. The City shall have the one-time right to elect to extend the Option Term to a date no later than December 31, 2017, by (i) delivering written notice to SFHA of its election to so extend the Option Term ("**Extension Notice**") no later than February 17, 2017, which Extension Notice shall provide the expiration date of the Option Term as so extended, and (ii) delivering to SFHA the sum of \$100.00 (the "**Extension Consideration**") as consideration for the extension of the Option no later than five (5) business days after delivery of the Extension Notice. If the City delivers the Extension Consideration, the full amount of the Extension Consideration shall become a part of the Option Consideration.

1.5 Exercise of Option.

(a) Subject to Section 1.5(b) and 1.5(c) below, the City may exercise this Option by delivering to SFHA before the expiration of the Option Term written notice of the exercise of the Option ("**Exercise Notice**") in the manner set forth in Section 9.1 hereof. In delivering the Exercise Notice, the City shall also deliver to SFHA evidence of the transaction's authorization by the Board of Supervisors and the Mayor. In the event the City delivers the Exercise Notice, SFHA shall sell the Property to City, and City shall purchase the Property, at the Purchase Price, subject to the terms and conditions set forth herein.

(b) The City's exercise of the Option shall be subject to the prior approval of the Board of Supervisors and the Mayor, each in its sole and absolute discretion, and the appropriation of all necessary funds to pay the Purchase Price. The Parties acknowledge and agree that no prior approval from the Board of Supervisors or Mayor is necessary for the grant of the Option or payment of the Option Consideration, but that, notwithstanding the foregoing, no officer or employee of the City has the authority to commit the City to exercise the Option and purchase the Property unless and until the City's Board of Supervisors and Mayor have each authorized the transaction. Therefore, any obligations or liabilities of the City hereunder that apply on or after delivery of the Exercise Notice are contingent upon the prior approval of the Board of Supervisors and Mayor, and this Agreement shall be null and void if such approvals are not obtained by the end of the Option Term.

1.6 Purchase Price if Option is Exercised. Under the Option, the City shall have the right to purchase the Property for a purchase price of One Dollar (\$1.00) (the "Purchase Price"). The Parties agree that this Purchase Price represents a below market price of the Property. A below market price is acceptable to both parties given the current underutilized nature of the Property and its future use by the City as affordable housing.

## ARTICLE 2: PRE-CLOSING RIGHTS AND OBLIGATIONS

2.2 Due Diligence Investigation of SFHA Property.

(a) Entry. At all times during this term of this Agreement prior to the Closing Date, SFHA shall afford City and its Agents access to the Property so City, at its sole election, may independently conduct its due diligence review of all aspects of the Property and verify SFHA's representations, warranties and covenants in this Agreement. Such activities may include tests of the environmental condition of the Property, including, without limitation, the drilling of test



written consent, which consent shall not be unreasonably withheld or delayed. SFHA hereby consents to the City entering into an Option to Lease with a qualified affordable housing developer for purposes of affordable housing financing applications, should such applications be due prior to Closing; provided, however, that such consent shall not be deemed to waive, limit or impair any conditions to the Closing or grant any right to any party to develop any property owned by SFHA other than the Property.

2.4 No New Improvements; No New Liens; Maintenance. From the Effective Date until the Closing or earlier termination of this Agreement, SFHA agrees that it shall not: (i) construct any improvements on the Property, except to the extent that such improvements are pursuant to City's prior written approval; ii) encumber, lien, transfer, grant, lease or license all or any part of the Property, or enter into any contract affecting the Property that will survive the Closing, if any, except with the written consent of the Director of MOHCD, (iii) cause or authorize any Hazardous Material to be stored or brought onto the Property, or (iv) cause or authorize any use of the Property different from its current uses that would have a material adverse effect on the Property condition as of the Effective Date. In addition, from the Effective Date until the Closing or earlier termination of this Agreement, SFHA agrees to maintain the Property in its current condition and repair, reasonable wear and tear excepted, and to make all repairs, maintenance and replacements of any improvements and otherwise operate the Property in the same manner as before the making of this Agreement.

### ARTICLE 3: TITLE

3.1 Conveyance of Title to the Property. If City delivers the Exercise Notice, at the Closing, SFHA shall convey its right, title and interest in and to the Property to City by using the form of grant deed attached hereto as Exhibit B (the "SFHA Deed").

3.2 Title Insurance; Title Review.

(a) Title Insurance. Delivery of title in accordance with the preceding Section shall be evidenced by the commitment of Chicago Title Insurance Company, at its office at 455 Market Street, Suite 2100, in San Francisco, California, 94105 (the "**Title Company**") to issue to City an ALTA 2006 extended coverage owner's policy of title insurance with standard exceptions removed (the "**Title Policy**") in the amount of an appraisal to be obtained by City at City's sole cost and expense, insuring fee simple title to the Property in City, free of the liens of any and all deeds of trust, mortgages, assignments of rents, financing statements, creditors' claims, rights of tenants or other occupants, and all other exceptions, liens and encumbrances except solely for the Accepted Conditions of Title (as defined below).

(b) Title Approval. During the Option Term, City shall obtain a preliminary title report from the Title Company describing the state of title of the Property (the "**Title Report**") and a survey of the Property (the "**Survey**"). City shall notify SFHA in writing ("**Title Objection Notice**") of any objections City may have to title exceptions or other matters ("**Disapproved Title Matters**") contained in the Report or on the Survey on or before that date which is thirty (30) days prior to the expiration of the Option Term. If City delivers the Title Objection Notice within said period, SFHA shall have a period of ten (10) days after receipt of the Title Objection Notice in which to notify City as to whether SFHA commits to cause any or

SFHA to City in connection with this Agreement contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

(c) SFHA does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than City, that could detrimentally affect the use, operation or value of the Property.

(d) There is no litigation pending or, threatened, against SFHA or any basis therefor that arises out of the ownership of the Property or that might detrimentally affect its use, operation or value, or SFHA's ability to perform its obligations under this Agreement.

(e) SFHA is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, except for this Agreement, SFHA has not granted any option or right of first refusal or first opportunity to any non-City party to acquire any interest in any of the Property.

(f) This Agreement and all documents executed by SFHA that are to be delivered to City at the Closing are, or at the Closing will be, all of the relevant documents and information pertaining to the condition and operation of the Property that are under the possession of SFHA, are duly authorized, executed and delivered by SFHA, are legal, valid and binding obligations of SFHA, enforceable against SFHA in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which SFHA is a party or to which SFHA or the Property are subject.

(g) SFHA's Board of Commissioners and any other necessary parties necessary to authorize SFHA to enter into this Agreement, in their sole discretion, have duly approved of this Agreement in compliance with all Applicable Laws, and all applicable appeal periods for the filing of any administrative or judicial challenge of such approval have expired.

(h) To the best of SFHA's knowledge, the Property is not in violation of any Environmental Laws (as defined in Section 4.3); the Property is not now, nor, to the best of SFHA's knowledge, has ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material (as defined in Section 4.3); to the best of SFHA's knowledge, there has been no release (as defined in Section 4.3) and there is no threatened release of any Hazardous Material in, on, under or about the Property; to the best of SFHA's knowledge, there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the Property; to the best of SFHA's knowledge, the Property does not consist of any landfill or of any building materials that contain Hazardous Material; to the best of SFHA's knowledge, the Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material; and to the best of SFHA's knowledge, there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of

PROPERTY, ITS SUITABILITY FOR CITY'S INTENDED USES OR ANY OF THE PROPERTY CONDITIONS. SFHA DOES NOT GUARANTEE THE LEGAL, PHYSICAL, GEOLOGICAL, ENVIRONMENTAL, ZONING, OTHER CONDITIONS OF THE PROPERTY OR THE SUITABILITY OF THE SFHA PROPERTY FOR ANY USE, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE SFHA PROPERTY OR ITS USE WITH ANY APPLICABLE LAWS. IT IS CITY'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING AND OTHER REGULATIONS AND APPLICABLE LAWS RELATING TO THE PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

(b) As part of its agreement to accept the Property in its "as is and with all faults" condition, the City, on behalf of itself and its successors and assigns, waives any right to recover from, and forever releases and discharges, SFHA or its Agents, officers, employees, agents, contractors and representatives, and their respective heirs, successors, legal representatives and assigns, from any and all Losses, whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with (i) SFHA's and its Agents and customers past, present and future use of the Property, and (ii) the physical, geological or environmental conditions of the Property, including, without limitation, any Hazardous Material in, on, under, above or about the Property and any federal, state, local or administrative law, rule, regulation, order or requirement applicable thereto, including, without limitation, all Environmental Laws.

In connection with the foregoing release, City expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR."

By placing its initials below, City specifically acknowledges and confirms the validity of the releases made above and the fact that the City was represented by counsel who explained, at the time of this Agreement was made, the consequences of the above releases.

INITIALS: City: \_\_\_\_\_

Notwithstanding anything to the contrary in the foregoing, City in its capacity as a transferee (the "Transferee Party") is not waiving, releasing, or discharging SFHA (the "Transferor Party") from any claims for Losses relating to a material adverse condition of the Property being transferred to the Transferee Party of which the Transferor Party had actual knowledge and the Transferee Party had no actual knowledge before the Closing Date, but the Transferor Party failed to disclose to the Transferee Party prior to the Closing Date.

#### 4.4 Definitions.

(a) The term "Environmental Laws" shall mean any present or future federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including,

(e) The term “**release**” when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about any portion of the Property or into the environment.

(f) The term “**remediate**” or “**remediation**” when used with reference to Hazardous Materials means any activities undertaken to clean up, remove, contain, treat, stabilize, monitor or otherwise control Hazardous Materials located in, on, under or about the Property or which have been, are being, or threaten to be released into the environment. “Remediation” includes, without limitation, those actions included within the definition of “remedy” or “remedial action” in California Health and Safety Code Section 25322 and “remove” or “removal” in California Health and Safety Code Section 25323.

#### **ARTICLE 5: CONDITIONS PRECEDENT TO CLOSING**

5.1 City’s Conditions Precedent. In the event that the City delivers the Exercise Notice, the following are conditions precedent to City’s obligations under this Agreement to acquire the SFHA Property (each, a “**City Condition Precedent**”, and collectively, the “**City’s Conditions Precedent**”):

(a) SFHA shall have performed all of the obligations under this Agreement it is required to perform on or before the Closing, no event of default (or event which upon the giving of notice or the passage of time or both shall constitute an event of default) shall exist on the part of SFHA under this Agreement, and each of SFHA’s representations and warranties under this Agreement shall be true and correct as of the Closing Date.

(b) SFHA shall have deposited into Escrow (as defined in Section 6.2) any sums required to be paid by SFHA under this Agreement (if any) and all items to be deposited in Escrow pursuant to Section 6.3(b).

(c) The Title Company shall have issued to City (or shall be irrevocably committed to issue on payment by City of all required premiums) the Title Policy at City’s sole cost and expense.

(d) There shall be no pending or threatened (i) condemnation, environmental or other pending governmental proceedings in respect of Property that would materially and adversely affect City’s intended use thereof or (ii) litigation, administrative agency or other governmental proceeding, either pending or threatened in writing prior to the Closing Date, that would materially and adversely affect any of the Property at or after Closing.

(e) There shall be no material adverse change in the condition of the Property from the Effective Date to the Closing Date.

(f) SFHA shall have removed any of its equipment and personal property from the Property, as requested by City.

(g) City’s Board of Supervisors shall have passed, and the Mayor shall have approved of, in their sole discretion, a resolution approving of the City’s exercise of the Option and

5.4 Failure of SFHA's Conditions Precedent. Each SFHA Condition Precedent is intended solely for the benefit of SFHA. If any SFHA Condition Precedent is not satisfied by the Closing Date or by the date otherwise provided above, SFHA may, at its sole election and by written notice to City, extend the date for satisfaction of the condition, waive the condition in whole or in part, conditionally waive the condition in whole or in part or terminate this Agreement. Notwithstanding anything to the contrary in the foregoing, if any conditional waiver is not acceptable to City in its sole discretion, City may reject such conditional waiver, in which event the original SFHA Condition Precedent shall remain effective. If SFUSD elects to so terminate this Agreement, then upon such termination, neither Party shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement.

5.5 Notification Obligation. From and after the Effective Date through to the Closing Date, SFHA shall promptly deliver written notice to City if SFHA becomes aware of or receives notice of any actual or threatened litigation with respect to the Property, any violation of Applicable Law affecting or related to the Property, or any other material adverse change in the condition of the Property. Such notification shall include all material facts known by SFHA relative to such matter.

5.6 Cooperation of Parties. SFHA shall cooperate (at no additional cost to SFHA with regard to Sections 5.1(c) and (g)) with City and do all acts as may be reasonably requested by City to fulfill any City Condition Precedent, including, without limitation, execution of any documents, applications or permits. SFHA's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any City Condition Precedent. SFHA hereby irrevocably agrees that City and its Agents may make all inquiries with and applications to any party, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

City shall cooperate with SFHA and do all acts as may be reasonably requested by SFHA to fulfill any SFHA Condition Precedent, including, without limitation, execution of any documents, applications or permits. City's representations and warranties to SFHA shall not be affected or released by SFHA's waiver or fulfillment of any SFHA Condition Precedent. City hereby irrevocably agrees that SFHA and its Agents may make all inquiries with and applications to any party, including, without limitation, any regulatory authority with jurisdiction as SFHA may reasonably require to complete its due diligence investigations.

## ARTICLE 6: ESCROW AND CLOSING

6.1 Escrow. If the Board of Supervisors passes, and the Mayor approves of, the Transfer Resolution, and the City delivers the Exercise Notice, within five (5) business days following such delivery, the parties shall open an escrow for the purchase of the Property ("**Escrow**") with Chicago Title Company (the "**Title Company**"), and deposit a fully executed copy of this Agreement with Title Company. This Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the purchase. SFHA and City agree to execute such additional or supplementary instructions as may be reasonably appropriate to enable the Title Company to comply with the terms of this Agreement and effect Closing; provided, however, that if there is any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

6.4 Expenses; Taxes. City shall pay the cost of the Survey, the premium for the Title Policy and the cost of the endorsements thereto, and escrow and recording fees. SFHA shall be responsible for all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section or elsewhere in this Agreement shall be paid by the City. General real estate taxes payable for the tax year prior to year of Closing and all prior years shall be paid by SFHA at or before the Closing. General real estate taxes payable for the tax year of the Closing shall be prorated through escrow by SFHA and City as of the Closing Date. At or before the Closing, SFHA shall pay the full amount of any special assessments against the Property, including, without limitation, interest payable thereon, applicable to the period prior the Closing Date.

6.5 Prorations. SFHA shall pay for all utilities used at the Property prior to the Closing Date. City shall pay for all utilities used at the Property on and after the Closing Date. Any utility deposits paid by either Party for the Property prior to the Closing Date shall remain the property of such depositing Party, and the other Party shall reasonably cooperate to cause the return of such deposits to the depositing Party to the extent the depositing Party is entitled thereto. If any of the foregoing prorations cannot be accurately calculated on the Closing Date, they shall be calculated as soon as reasonably feasible after the Closing Date. Either Party owing the other Party a sum of money based on such subsequent prorations shall promptly pay such sum to the other Party. The provisions of this Section shall survive the Closing.

6.6 Possession. SFHA shall deliver possession of the Property to City on the Closing Date.

#### **ARTICLE 7: RISK OF LOSS**

7.1 Loss. If all or any portion of the Property is condemned, or destroyed or damaged by fire or other casualty before the Closing, then either Party may, at its option, either terminate this Agreement or consummate the purchase pursuant to this Section 7.1. If either Party elects to terminate this Agreement under this Section 7.1, then neither Party shall have any further rights or obligations hereunder except for those that expressly survive the termination of this Agreement. Without limiting the foregoing, in the event City terminates this Agreement following an event of damage or destruction that renders the Property unusable for City's intended purpose and such damage or destruction resulted from SFHA's negligent failure to maintain the Property in the manner required in Section 2.3 above, then SFHA shall be responsible for curing such damage or destruction to the City's satisfaction.

7.2 Self-Insurance. Notwithstanding anything to the contrary contained in this Agreement, each Party acknowledges and agrees that the other Party self-insures and shall not be obligated to purchase any third party comprehensive liability insurance or property insurance.

#### **ARTICLE 8: RESERVED**

For the convenience of the Parties, copies of notice may also be given by facsimile, but a Party may not give official or binding notice by facsimile and the effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a facsimile copy of the notice.

Every notice given to a Party pursuant to this Agreement must state (or must be accompanied by a cover letter that states) substantially the following: (A) the Section of this Agreement under which the notice is given and the action or response required, if any; (B) if applicable, the period of time within which the recipient of the notice must respond thereto; (C) if approval is being requested, shall be clearly marked "Request for Approval"; and (D) if a notice of a disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

Any mailing address or facsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. If delivery of any notice given pursuant to this Agreement is rejected, such notice shall be deemed to have been made on the attempted delivery date.

9.2 Amendments. Except as otherwise provided in this Agreement, this Agreement may be amended or modified only by a written instrument executed by City and SFHA. The Director of Property of City (or any successor City officer as designated by law) shall have the authority to consent to any non-material amendments or other modifications to this Agreement. The Executive Director of SFHA shall have the authority to consent to any non-material amendments or other modifications to this Agreement. For purposes hereof, "non-material change" shall mean any change that does not materially reduce the consideration to a Party under this Agreement or otherwise materially increase the liabilities or obligations of a Party under this Agreement. Material amendments to this Agreement shall require the approval of the SFHA's Board of Commissioners and, if City delivers the Exercise Notice, City's Board of Supervisors, by resolution.

9.3 Severability. If any provision of this Agreement, or its application to any party or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other provision of this Agreement or the application of such provision to any other party or circumstance, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement.

9.4 Non-Waiver. Except as expressly set forth herein to the contrary, a Party's delay or failure to exercise any right under this Agreement shall not be deemed a waiver of that or any other right contained in this Agreement.

9.5 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors, heirs, legal representatives, administrators and assigns. Neither Party's rights or obligations hereunder shall be assignable without the prior written consent of the other Party; provided, however, even if the other Party approves any such proposed assignment, in no event shall the assigning Party be released of any of its obligations hereunder.

limit such term, statement or matter to the specific items or matters, whether or not language of non-limitation is used with reference thereto. Rather, such terms shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter.

(d) References. Wherever reference is made to any provision, term or matter “in this Agreement,” “herein” or “hereof” or words of similar import, the reference shall be deemed to refer to any and all provisions of this Agreement reasonably related thereto in the context of such reference, unless such reference refers solely to a specific numbered or lettered, section or paragraph of this Agreement or any specific subdivision thereof.

(e) Recitals. If there is any conflict or inconsistency between the recitals and any of the remaining provisions of this Agreement, the remaining provisions of this Agreement shall prevail. The Recitals in this Agreement are included for convenience of reference only and are not intended to create or imply covenants under this Agreement.

9.12 Entire Agreement. This Agreement (including the exhibits) contains all the representations and the entire agreement between the Parties with respect to the subject matter herein. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter, are superseded in total by this Agreement (and such other agreements to the extent referenced herein). No prior drafts of this Agreement or changes from those drafts to the executed version of this Agreement shall be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other party and no court or other body shall consider those drafts in interpreting this Agreement.

9.13 Survival. Any and all other representations, warranties and indemnities of the Parties contained herein shall survive the Closing or termination of this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement).

9.14 Parties and Their Agents. As used herein, the term “**Agents**” when used with respect to either Party shall include the agents, employees, officers, contractors and representatives of such Party.

9.15 Attorneys’ Fees. If either Party hereto fails to perform any of its respective obligations under this Agreement or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable Attorneys’ Fees and Costs incurred by the other Party on account of such default or in enforcing or establishing its rights hereunder, including without limitation, court costs. Any such Attorneys’ Fees and Costs incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such Attorneys’ Fees and Costs obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment. For purposes of this Agreement, the reasonable fees of attorneys of the Office of City Attorney of the City and County of San Francisco shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which such



If this Agreement is terminated prior to the Closing, City agrees to execute, acknowledge, and deliver a quitclaim deed to SFHA within ten (10) days after termination and to execute, and deliver any other documents required by any title company to remove the cloud of this Option from the Property.

9.23 Conflicts of Interest. Through its execution of this Agreement, SFHA acknowledges that it is familiar with the provisions of Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if SFHA becomes aware of any such fact during the term of this Agreement, SFHA shall immediately notify the City.

9.24 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

The parties have duly executed this Agreement as of the respective dates written below.

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
John Updike, Director of Property

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

**SFHA:**

HOUSING AUTHORITY OF THE CITY AND COUNTY  
OF SAN FRANCISCO, a public body corporate and politic

By: Barbara T. Smith  
Barbara T. Smith  
Acting Executive Director

Date: 6/9/2016

APPROVED AS TO FORM:

By: Dianne Jackson McLean  
Dianne Jackson McLean, Esq.  
Goldfarb & Lipman LLP  
Special Legal Counsel

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at the point of intersection of the Southerly line of Twenty-fifth Street and the Easterly line of Connecticut Street; running thence Southerly along said line of Connecticut Street fifty (50) feet; thence at a right angle Easterly one hundred (100) feet; thence at a right angle Northerly fifty (50) feet to the Southerly line of Twenty-fifth Street; thence at a right angle Westerly along said line of Twenty-fifth Street one hundred (100) feet to the point of beginning.

Being portion of Potrero Nuevo Block Nos. 253-254.

Assessor's Lot 001A; Block 4287

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

HOUSING AUTHORITY OF THE CITY AND COUNTY  
OF SAN FRANCISCO, a public body corporate and politic

By: \_\_\_\_\_  
Barbara T. Smith  
Acting Executive Director

APPROVED AS TO FORM:

\_\_\_\_\_  
Dianne Jackson McLean, Esq.  
Goldfarb & Lipman LLP  
Special Legal Counsel

CERTIFICATION OF ACCEPTANCE

This is to certify that the interest in real property conveyed by this deed dated \_\_\_\_\_ from the first part to the City and County of San Francisco, is hereby accepted pursuant to Board of Supervisors' Resolution No. \_\_\_\_\_, adopted on \_\_\_\_\_, 2016 and approved on \_\_\_\_\_, 2016, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

John Updike  
Director of Property

**EXHIBIT C**

**MEMORANDUM OF OPTION**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

Director of Property  
Department of Real Estate  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102

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(Space above this line reserved for Recorder's use only)

**MEMORANDUM OF OPTION AGREEMENT**

THIS MEMORANDUM OF OPTION AGREEMENT dated as of \_\_\_\_\_, 2016, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (the "City"), and the HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic ("SFHA").

1. SFHA is the owner of certain real property located in the City and County of San Francisco, California, more particularly described in Exhibit A attached to and incorporated by this reference in this Memorandum of Option Agreement (the "Property").

2. SFHA and City have entered into that certain unrecorded Option Agreement for the Purchase and Sale of Real Property dated for reference purposes only as of \_\_\_\_\_, 2016 and incorporated by this reference into this Memorandum (the "Agreement"), pursuant to which SFHA granted to City the exclusive and irrevocable option to purchase the Property upon all the terms and conditions set forth in the Agreement. The term of the option granted pursuant to the Agreement shall expire no later than March 1, 2017, unless extended to December 31, 2017 pursuant to the terms of the Agreement.

3. The purpose of this Memorandum of Agreement is to give notice of the Agreement and the respective rights and obligations of the parties thereunder, and all of the terms and conditions of the Agreement are incorporated herein by reference as if they were fully set forth herein.

4. This Memorandum of Agreement shall not be deemed to modify, alter or amend in any way the provisions of the Agreement. In the event any conflict exists between the terms of the Agreement and this instrument, the terms of the Agreement shall govern and determine for all purposes the relationship between SFHA and City and their respective rights and duties.

5. This Memorandum of Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective legal representatives, successors and assigns.



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of the document.

State of California )  
County of San Francisco )

On \_\_\_\_\_, \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

(Seal)



**EXHIBIT D**

**DECLARATION**

Recording Requested By  
and When Recorded Mail To:

Housing Authority of the City and  
County of San Francisco  
c/o Goldfarb & Lipman LLP  
1300 Clay Street, 11th Floor  
City Center Plaza  
Oakland, California 94612  
Attention: Dianne Jackson McLean, Esq.

No fee for recording pursuant  
to Government Code Section 27380

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(Space Above This Line For Recorder's Use)

Lot/Block: Lot 001A; Block 4287  
Address: \_\_\_\_\_, San Francisco, CA

**REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS  
(Site X)**

This Regulatory Agreement and Declaration of Restrictive Covenants (this "**Agreement**") is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the "**Effective Date**"), by the Housing Authority of the City and County of San Francisco, a public body, corporate and politic (the "**Authority**"), and the City and County of San Francisco, a municipal corporation (the "**City**"), with reference to the following facts:

**RECITALS**

A. Pursuant to that certain Option Agreement for the Purchase and Sale of Real Estate dated as of \_\_\_\_\_, 2016 (the "**Option Agreement**"), the Authority has sold to the City, and the City has acquired from the Authority, certain real property within the City and County of San Francisco, California (the "**Property**"). The Property is more particularly described in Exhibit A, which is incorporated into this Agreement.

B. As additional consideration for the conveyance of the Property pursuant to the Option Agreement, the Authority has required, and the City has agreed, to enter into this Agreement to restrict the use of the Property to the development and operation of affordable housing.

in the preceding sentence shall be referred to as the "**Term**". Provided that the City has delivered to the Authority written notice of the date for the recordation of the City Restriction, the Authority shall promptly execute and record a termination and release agreement, or such other documentation deemed necessary by the Title Company to evidence the termination and release of this Agreement as an encumbrance against the Property concurrently with the recordation of the City Restriction.

Section 7. Severability. The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions of this Agreement.

Section 8. Multiple Originals; Counterparts. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

*Remainder of Page Left Intentionally Blank*

**SFHA:**

HOUSING AUTHORITY OF THE CITY AND  
COUNTY OF SAN FRANCISCO, a public body  
corporate and politic

By: \_\_\_\_\_  
Barbara T. Smith, Acting Executive Director

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Dianne Jackson McLean, Esq.  
Goldfarb & Lipman LLP  
Special Legal Counsel





# SAN FRANCISCO PLANNING DEPARTMENT

## Planning Commission Motion No. 19530

### CEQA FINDINGS

HEARING DATE: DECEMBER 10, 2015

*Date:* December 3, 2015  
*Case No.:* 2010.0515ETZ/GPR  
*Project:* Potrero HOPE SF Master Plan Project  
CEQA Findings  
*Location:* 1095 Connecticut Street (the area generally bounded by Connecticut Street, 26th Street, Wisconsin Street, 23rd Street, Texas Street, and 25th Street)  
*Parcel(s):* 4167/004, 004A, 4220A/001, 4223/001, 4285B/001, and 4287/001A  
*Project Sponsor:* Dan Adams  
Bridge Housing  
600 California Street, Suite 900  
San Francisco, CA 94108  
  
*Staff Contact:* Mat Snyder – (415) 575-6891  
mathew.snyder@sfgov.org  
*Recommendation:* Adopt the Findings

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

Reception:  
415.558.6378

Fax:  
415.558.6409

Planning  
Information:  
415.558.6377

**ADOPTING ENVIRONMENTAL FINDINGS (AND A STATEMENT OF OVERRIDING CONSIDERATIONS) UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATE GUIDELINES IN CONNECTION WITH THE ADOPTION OF THE POTRERO HOPE SF MASTER PLAN PROJECT AND RELATED ACTIONS NECESSARY TO IMPLEMENT SUCH PLANS.**

### Preamble

On March 6, 2014, Bridge Housing (hereinafter "Project Sponsor") filed Application No. 2010.0515TZ (hereinafter "Application") with the Planning Department (hereinafter "Department") for Planning Code Text and Map amendments to rezone the Assessor's Block and Lots 4167/004, 004A, 4220A/001, 4223/001, 4285B/001, and 4287/001A to establish a Special Use District (hereinafter "SUD"), and change height limits specifically for Potrero HOPE SF Master Plan Project (hereinafter "Project").

On November 10, 2010, the Department issued a Notice of Preparation of an Environmental Impact Report ("NOP") for the Project. On November 5, 2014, the Department published the Draft Environmental Impact Report / Draft Environmental Impact Statement ("DEIR/DEIS") for the Project and provided public notice in a newspaper of general circulation of the availability of the DEIR/DEIS for public review and comment. The DEIR/DEIS was available for public comment from November 7, 2014 through January 7, 2015. The Planning Commission held a public hearing on December 11, 2014 on the DEIR/DEIS at a regularly scheduled meeting to solicit public comment regarding the DEIR/DEIS.

The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the public review period for the DEIR/DEIS, prepared revisions to the text

At completion the Potrero HOPE SF would include up to 1,700 units, including Housing Authority replacement units, and a mix of additional affordable units (approximately 335 units at varying levels of affordability) and market rate units (approximately 661 units). New buildings would provide a consistent street wall with "eyes-on-the-street" active ground floor treatment. A variety of building types including individual townhomes, small apartment buildings and larger corridor apartment buildings would be constructed throughout. Approximately 1,150 parking spaces would be provided for the units largely below grade. Approximately 15,000 gsf of retail, and 30,000 gsf of community-serving uses is also proposed

In 2008, Bridge Housing was selected by the Mayor's Office of Housing and Community Development (hereinafter "MOHCD") (then, the Mayor's Office of Housing) and the San Francisco Housing Authority to work with the local Potrero Terrance and Annex and surrounding Potrero Hill community to create a Master Plan for the site that would not only include reconstructed Housing Authority units, but additional affordable units along with market rate units, neighborhood serving retail, community service, new parks and open space, and new streets and infrastructure. Bridge Housing is also the Master Developer for the site.

In addition to applying for zoning amendments, the Project Sponsor intends to enter into a Development Agreement (hereinafter "DA") with the City and the Housing Authority to memorialize rights, responsibilities, and commitments to rebuilding the Potrero HOPE SF site. The Project Sponsor has begun working with MOHCD, the Office of Workforce and Economic Development (hereinafter "OEWD"), and the San Francisco Housing Authority, in negotiating terms of the DA. Associated with work on the DA, the Project Sponsor has been working with several City Agencies in devising a Master Infrastructure Plan. It is anticipated that the DA will not be ready for finalization until spring 2016. Because the rezoning and the DA are expected to work together, these entitlements will not be ready for Planning Commission approval until 2016.

A part of the Project includes an adjacent property at 1101 Connecticut Avenue owned by the San Francisco Unified School District along with a small Housing Authority parcel (commonly referred to as "Block X") that will be the first construction phase. It is the intention of City to purchase the site. Because Block X has no current residential or commercial uses that would require relocation, beginning construction on Block X is critical for the overall phasing. This new construction project will to enable residents of the subsequent phases to move into the new units before beginning demolition of the existing units. Therefore, MOHCD and the Project Sponsor would like to move forward with the purchase of the property in advance of approval of the DA and rezoning.

Other than those actions described above, several actions will be required for the project over its multi-year buildout. These actions include but are not limited to approval of subdivisions, right-of-way dedications and vacations.

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of Project site, using the legal tools available through the Planning and Administrative Codes, while creating jobs, housing and open space in a safe, pleasant, attractive and livable mixed use neighborhood that is linked rationally to adjacent neighborhoods. The Commission wishes to enable implementing actions, such as the purchase of Block X, prior to approving the rezoning and DA, and therefore is adopting these findings now.



# SAN FRANCISCO PLANNING DEPARTMENT

## Planning Commission Motion NO. M-19529

HEARING DATE: December 10, 2015

*Hearing Date:* December 10, 2015  
*Case No.:* 2010.0515E  
*Project Address:* 1095 Connecticut Street and various parcels  
*Zoning:* RM-2 (Residential – Mixed, Moderate Density), P - Public  
40-X Height and Bulk Districts  
Showplace Square/Potrero Area Plan  
*Block/Lot:* Assessor's Block/Lots: 4167/004, 004A, 4220A/001, 4223/001, 4285B/001,  
and 4287/001A  
*Project Sponsor:* BRIDGE Housing Corporation  
600 California Street, Suite 900  
San Francisco, CA 94108  
*Staff Contact:* Rachel A. Schuett – (415) 575-9030  
[Rachel.Schuett@sfgov.org](mailto:Rachel.Schuett@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

ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT/ ENVIRONMENTAL IMPACT STATEMENT FOR A PROPOSED PROJECT WHICH INCLUDES DEMOLITION OF THE EXISTING 620 PUBLIC HOUSING UNITS ON SITE AND DEVELOPMENT OF UP TO 1,700 RESIDENTIAL UNITS FOR A RANGE OF INCOME LEVELS, INCLUDING REPLACEMENT PUBLIC HOUSING, NEW VEHICLE AND PEDESTRIAN CONNECTIONS, A NEW STREET AND BLOCK LAYOUT, NEW TRANSIT STOPS, AND NEW WATER, WASTEWATER, AND STORM WATER INFRASTRUCTURE, AS WELL AS RETAIL USES, COMMUNITY FACILITIES, AND OPEN SPACE.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the final Environmental Impact Report/Environmental Impact Statement (hereinafter "FEIR/EIS"), identified as Case No. 2010.0515E, the "Potrero HOPE SF Master Plan Project" at 1095 Connecticut Street and various other parcels, above (hereinafter "Project"), based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department (hereinafter "Department"), fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "CEQA"), the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 *et seq.*, hereinafter "CEQA Guidelines") and Chapter 31 of the San Francisco Administrative Code (hereinafter "Chapter 31").
  - A. The Department determined that an Environmental Impact Report (hereinafter "EIR") was required and provided public notice of that determination by publication in a newspaper of general circulation on November 10, 2010.

5. Project EIR/EIS files have been made available for review by the Commission and the public. These files are available for public review at the Department at 1650 Mission Street, Suite 400, and are part of the record before the Commission.
6. A public hearing was held before the Planning Commission on October 22, 2015. At that hearing the certification of the FEIR/FEIS was continued to December 10, 2015.
7. On December 10, 2015, the Commission reviewed and considered the information contained in the FEIR/EIS and hereby does find that the contents of said report and the procedures through which the FEIR/EIS was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.
8. The Planning Commission hereby does find that the FEIR/EIS concerning File No. 2010.0515E reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the DEIR/EIS, and hereby does CERTIFY THE COMPLETION of said FEIR/EIS in compliance with CEQA and the CEQA Guidelines.
9. The Commission, in certifying the completion of said FEIR/EIS, hereby does find that the project described in the EIR/EIS:
  - A. Will have significant cumulative effects on the environment by contributing to substantial delays at four study intersections (i.e., Pennsylvania Avenue/SB-280 Off-Ramp; 25<sup>th</sup> Street/Indiana Street/NB I-280 On-Ramp; Cesar Chavez Street/Vermont Street; and Cesar Chavez Street/US 101 Off-Ramp);
  - B. Will have significant, project-specific impacts to transit capacity on the Muni 10 Townsend line;
  - C. Will have significant, cumulative impacts to transit capacity on the Muni 10 Townsend and 48<sup>th</sup>-Quintara-24<sup>th</sup> Street lines;
  - D. Will have significant, cumulative impacts to transit capacity on the Muni Southeast screenline;
  - E. Will have significant, project-specific impacts to exterior noise levels by causing a substantial permanent increase in ambient noise levels;
  - F. Will have significant, project-specific construction-period air quality impacts; and
  - G. Will have significant cumulative construction-period air quality impacts.
10. The Planning Commission reviewed and considered the information contained in the FEIR/EIS prior to approving the Project.





# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** January 13, 2016

**TO:** John Updike  
Director of Real Estate  
Office of Real Estate  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102

**FROM:** Mat Snyder  
Planner  
(415) 575-6891  
mathew.snyder@sfgov.org

**COPY TO:** Faith Kirkpatrick, Mayor's Office of Housing and Community Development (electronic version only)  
Eugene Flannery, Mayor's Office of Housing and Community Development (electronic version only)  
Dan Adams, Bridge Housing (electronic version only)

**RE:** 1101 Connecticut Street  
General Plan Referral No. 2015-015084GPR  
Planning Commission Motion No. 19531

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

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

The Planning Department is in receipt of your General Plan Referral Application (Case No. 2015-015084GPR). The application is for the purchase of a property at 1101 Connecticut Street on behalf of Mayor's Office of Housing and Community Development ("MOHCD") for the purpose of constructing affordable housing as the first phase of the Potrero HOPE SF Master Plan Project ("Project"). This property consists of two parcels: the first parcel (Assessor's Block and Lot: 4287/007) is currently owned by the San Francisco Unified School District Planning and second parcel (Assessor's Block and Lot: 4287/007A) is currently owned by the San Francisco Housing Authority. The former is a vacant lot, the latter contains a basketball court.

The Potrero HOPE SF Master Plan Project consists of demolishing all existing 620 units, and vacating portions of the right of way that currently cross the site diagonally and building new streets that would better continue the existing street grid. The Project would transform the four existing super blocks into about 19 new fine-grained blocks, add one major new park along with several smaller parks, plazas and pedestrian ways throughout. The site would feature a new

January 13, 2016  
1101 Connecticut Street  
Case No. 2015-015084GPR

“Main Street” along a newly established segment of 24<sup>th</sup> Street; this new segment of 24<sup>th</sup> Street would be aligned with commercial and community uses, and parks and open space.

At completion, the Project would include up to 1,700 units, including Housing Authority replacement units (approximately 606 units), and a mix of additional affordable units (approximately 335 units at varying levels of affordability) and market rate units (approximately 661 units). New buildings would provide a consistent street wall with “eyes-on-the-street” active ground floor treatment. A variety of building types including individual townhomes, small apartment buildings and larger corridor apartment buildings would be constructed throughout. Approximately 1,150 parking spaces would be provided for the units largely below grade. Approximately 15,000 gsf of retail, and 30,000 gsf of community-serving uses is also proposed.

On December 10, 2015, the Planning Commission took the following actions regarding the Project:

- Certified the Final Environmental Impact Report (Motion No. 19529)
- Adopted CEQA Finding including a statement of overriding considerations (Motion No. 19530)
- Adopted Findings of Consistency with the General Plan and Planning Code Section 101.1 (Motion No. 19531)

Because the conveyance of the two parcels at 1101 Connecticut Street would further the Project, the Planning Commission’s actions regarding CEQA consistency with the General Plan and Planning Code Section 101.1 are applied here.

**The Project is therefore, on balance, consistent with the General Plan and Planning Code Section 101.1.**

Please feel free to contact me with any question.

**Attachments**

- Planning Commission Motion 19531
- Attachment A to Planning Commission Motion 19531

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# SAN FRANCISCO PLANNING DEPARTMENT

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## Planning Commission Motion No. 19531

GENERAL PLAN REFERRAL

HEARING DATE: DECEMBER 10, 2015

*Date:* December 3, 2015  
*Case No.:* 2010.0515ETZ / GPR  
*Project:* Potrero HOPE SF Master Plan Project  
General Plan Findings and Planning Code Section 101.1 Findings  
*Location:* 1095 Connecticut Street (the area generally bounded by Connecticut Street, 26th Street, Wisconsin Street, 23rd Street, Texas Street, and 25th Street)  
*Parcel(s):* 4167/004, 004A, 4220A/001, 4223/001, 4285B/001, and 4287/001A  
*Project Sponsor:* Dan Adams  
Bridge Housing  
600 California Street, Suite 900  
San Francisco, CA 94108  
*Staff Contact:* Mat Snyder – (415) 575-6891  
mathew.snyder@sfgov.org  
*Recommendation:* Adopt the Findings

1650 Mission St.  
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Planning  
Information:  
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**ADOPTING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN OF THE CITY AND COUNTY OF SAN FRANCISCO AND WITH SECTION 101.1 OF THE CITY PLANNING CODE FOR THE POTRERO HOPE SF MASTER PLAN PROJECT, INCLUDING VARIOUS ACTIONS NECESSARY FOR THE IMPLEMENTATION OF THE PROJECT, INCLUDING THE PURCHASING OF THE PROPERTY AT 1101 CONNECTICUT STREET.**

### Preamble

San Francisco Charter Section 4.105 and Administrative Code Section 2A.53 of the Administrative Code requires General Plan referrals to the Planning Commission for certain matters so that the Commission may determine if such actions are in conformity with the General Plan and Section 101.1 of the Planning Code. Actions, including but not limited to legislative actions, subdivisions, right-of-way dedications and vacations, and the purchasing of property are required to be in conformity with the General Plan and Planning Code Section 101.1.

On March 6, 2014, Bridge Housing (hereinafter "Project Sponsor") filed Application No. 2010.0515TZ (hereinafter "Application") with the Planning Department (hereinafter "Department") for Planning Code Text and Map amendments to rezone the Assessor's Block and Lots 4167/004, 004A, 4220A/001, 4223/001, 4285B/001, and 4287/001A to establish a Special Use District (hereinafter "SUD"), and change height limits specifically for Potrero HOPE SF Master Plan Project (hereinafter "Project").

On November 10, 2010, the Department issued a Notice of Preparation of an Environmental Impact Report ("NOP") for the Project. On November 5, 2014, the Department published the Draft Environmental Impact Report / Draft Environmental Impact Statement ("DEIR/DEIS") for the Project and provided public notice in a newspaper of general circulation of the availability of the DEIR/DEIS for public review and comment. The DEIR/DEIS was available for public comment from November 7, 2014

through January 7, 2015. The Planning Commission held a public hearing on December 11, 2014 on the DEIR/DEIS at a regularly scheduled meeting to solicit public comment regarding the DEIR/DEIS.

The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the public review period for the DEIR/DEIS, prepared revisions to the text of the DEIR/DEIS in response to comments received or based on additional information that became available during the public review period. This material was presented in a Response to Comments document, published on October 8, 2015, distributed to the Planning Commission and all parties who commented on the DEIR/DEIS, and made available to others upon request at the Department.

A Final Environmental Impact Report / Final Environmental Impact Statement ("FEIR/FEIS" or "Final EIR/EIS") was prepared by the Department, consisting of the Draft EIR/EIS and the Response to Comments document.

Project Environmental Impact Report files have been made available for review by this Commission and the public. These files are available for public review at the Planning Department at 1650 Mission Street, and are part of the record before this Commission.

On December 10, 2015, the Planning Commission reviewed and considered the Final EIR/EIS and found that the contents of the report and the procedures through which the Final EIR/EIS was prepared, publicized, and reviewed complied with the California Environmental Quality Act (California Public Resources Code section 21000 et seq.) ("CEQA"), 14 California Code of Regulations sections 15000 et seq. ("CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code ("Chapter 31").

The Commission found the Final EIR/EIS was adequate, accurate and objective, reflected the independent analysis and judgment of the Department and the Commission, and that the summary of comments and responses contained no significant revisions to the Draft EIR/EIS, and approved the Final EIR/EIS for the Project in compliance with CEQA, the CEQA Guidelines and Chapter 31.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2008.0091E, at 1650 Mission Street, Fourth Floor, San Francisco, California.

Department staff prepared a Mitigation Monitoring and Reporting Program ("MMRP") for the Project and these materials were made available to the public and this Commission for this Commission's review, consideration and action.

#### **Project Description**

By this action, the Planning Commission adopts General Plan Consistency findings, including a finding that the Project, as identified in the Final EIR, is consistent with Planning Code Section 101.1. The Project is generally described below here.

The Potrero HOPE SF Master Plan Project is part of the City's Hope SF Program, which looks to transform several of the City's Housing Authority sites to revitalized mixed-use mixed-income well integrated neighborhoods.

The Potrero HOPE SF Master Plan Project includes demolishing all existing 620 units, and vacating portions of the right of way that currently cross the site diagonally and building new streets that would better continue the existing street grid. The Project would transform the four existing super

blocks into about 19 new fine-grained blocks, add one major new park along with several smaller parks, plazas and pedestrian ways throughout. The site would feature a new "Main Street" along a newly established segment of 24<sup>th</sup> Street; this new segment of 24<sup>th</sup> Street would be aligned with commercial and community uses, and parks and open space.

At completion the Potrero HOPE SF would include up to 1,700 units, including Housing Authority replacement units, and a mix of additional affordable units (approximately 335 units at varying levels of affordability) and market rate units (approximately 661 units). New buildings would provide a consistent street wall with "eyes-on-the-street" active ground floor treatment. A variety of building types including individual townhomes, small apartment buildings and larger corridor apartment buildings would be constructed throughout. Approximately 1,150 parking spaces would be provided for the units largely below grade. Approximately 15,000 gsf of retail, and 30,000 gsf of community-serving uses is also proposed

In 2008, Bridge Housing was selected by the Mayor's Office of Housing and Community Development (hereinafter "MOHCD") (then, the Mayor's Office of Housing) and the San Francisco Housing Authority to work with the local Potrero Terrance and Annex and surrounding Potrero Hill community to create a Master Plan for the site that would not only include reconstructed Housing Authority units, but additional affordable units along with market rate units, neighborhood serving retail, community service, new parks and open space, and new streets and infrastructure. Bridge Housing is also the Master Developer for the site.

In addition to applying for zoning amendments, the Project Sponsor intends to enter into a Development Agreement (hereinafter "DA") with the City and the Housing Authority to memorialize rights, responsibilities, and commitments to rebuilding the Potrero HOPE SF site. The Project Sponsor has begun working with MOHCD, the Office of Workforce and Economic Development (hereinafter "OEWD"), and the San Francisco Housing Authority, in negotiating terms of the DA. Associated with work on the DA, the Project Sponsor has been working with several City Agencies in devising a Master Infrastructure Plan. It is anticipated that the DA will not be ready for finalization until spring 2016. Because the rezoning and the DA are expected to work together, these entitlements will not be ready for Planning Commission approval until 2016.

A part of the Project includes an adjacent property at 1101 Connecticut Avenue owned by the San Francisco Unified School District along with a small Housing Authority parcel (commonly referred to as "Block X") that will be the first construction phase. It is the intention of City to purchase the site. Because Block X has no current residential or commercial uses that would require relocation, beginning construction on Block X is critical for the overall phasing. This new construction project will to enable residents of the subsequent phases to move into the new units before beginning demolition of the existing units. Therefore, MOHCD and the Project Sponsor would like to move forward with the purchase of the property in advance of approval of the DA and rezoning.

Other than those actions described above, several actions will be required for the project over its multi-year buildout. These actions include but are not limited to approval of subdivisions, right-of-way dedications and vacations.

**Motion No. 19531**  
**Hearing Date: December 10, 2015**

**Case No: 2010.0515ETZ / GPR**  
**Potrero HOPE SF Master Plan Project**

The Planning Commission wishes to facilitate the physical, environmental, social and economic revitalization of Project site, using the legal tools available through the Planning and Administrative Codes, while creating jobs, housing and open space in a safe, pleasant, attractive and livable mixed use neighborhood that is linked rationally to adjacent neighborhoods. The Commission wishes to enable implementing actions, such as the purchase of Block X, prior to approving the rezoning and DA, and therefore is adopting these findings now.

The Potrero HOPE SF Master Plan Project provides for a type of development, intensity of development and location of development that is consistent with the overall goals and objectives and policies of the General Plan as well as the Eight Priority Policies of Section 101.1, as expressed in the findings contained in Attachment A to this resolution.

Motion No. 19531  
Hearing Date: December 10, 2015

Case No: 2010.0515ETZ / GPR  
Potrero HOPE SF Master Plan Project

**NOW, THEREFORE, BE IT RESOLVED**, That the Planning Commission hereby adopts the CEQA Findings set forth in Motion No. 19530 and finds that the Project and approval actions thereto are consistent with the General Plan, and with Section 101.1 of the Planning Code as described in Attachment A to this Resolution.

I hereby certify that the foregoing Resolution was ADOPTED by the San Francisco Planning Commission on December 10, 2015.

Jonas Ionin  
Commission Secretary

AYES: Fong, Wu, Antonini, Johnson, Moore, Richards

NOES:

ABSENT: Hillis





**Attachment A**

**To Planning Commission Motion No. 19531**

**Case No. 2010.0515ETZ / GPR**

**The Potrero Hope SF Master Plan Project General Plan Findings**

**and**

**Planning Code Section 101.1 Findings**

The following constitute findings that the Potrero Hope SF Master Plan Project (Project) and approval actions thereto are, on balance, consistent with the General Plan and Planning Code Section 101.1. The Potrero Hope SF Master Plan Project is described within the Final EIR, Certified by the Planning Commission on December 10, 2015, with Planning Commission Motion No. 19530, and within the the CEQA findings under Planning Commission Motion No. 19531.

Approval actions that will be required to implement the Project include, but are not limited to: (1) Adoption of Planning Code Text and Map Amendments that would establish a Hope SF Potrero Special Use District and associated Design Standards and Guidelines Document, and would increase heights in some locations; (2) Approval of a Development Agreement between the City of County of San Francisco, the Master Developer, and the San Francisco Housing Authority; (3) various mapping, street vacation and street dedication actions; and (4) the purchase of the site at Connecticut from the San Francisco Unified School District to the City and County of San Francisco for the development of affordable housing.

**SHOWPLACE SQUARE / POTRERO AREA PLAN**

*The Showplace Square / Potrero Ara Plan was approved in 2009 along with the East Soma, Mission District, and Central Waterfront Area Plans, which together, are referred to as the Eastern Neighborhoods. The Showplace Square / Potrero Area Plan was adopted, in part, to guide development in previously zoned M-1(Light Industrial) and M-2(Heavy Industrial) Districts to assure both preservation of PDR uses, and to encourage high quality mixed-use development where land was being opened up to development. The Showplace Square / Potrero Area Plan also provides objectives and policies to encourage the development of complete neighborhoods – that housing come with complementary uses and needed infrastructure. The Plan also emphasizes maximizing the development of affordable housing to the extent feasible.*

**Showplace Square / Potrero Area Plan – Housing**

- OBJECTIVE 2.1        ENSURE THAT A SIGNIFICANT PERCENTAGE OF NEW HOUSING CREATED IN THE SHOWPLACE / POTRERO IS AFFORDABLE TO PEOPLE WITH A WIDE RANGE OF INCOMES
  
- POLICY 2.1.2        Provide land and funding for the construction of new housing affordable to very low and low income households.
  
- OBJECTIVE 2.2        RETAIN AND IMPROVE EXISTING HOUSING AFFORDABLE TO PEOPLE OF ALL INCOMES
  
- POLICY 2.2.5:        Facilitate the redevelopment of the Potrero View Public Housing through the Hope SF program.
  
- OBJECTIVE 2.3        REQUIRE THAT A SIGNIFICANT NUMBER OF UNITS IN NEW DEVELOPMENTS HAVE TWO OR MORE BEDROOMS EXCEPT SENIOR HOUSING AND SRO DEVELOPMENTS UNLESS ALL BELOW MARKET RATE UNITS ARE TWO OR MORE BEDROOM UNITS
  
- POLICY 2.3.1        Target the provision of affordable units for families.
  
- POLICY 2.3.2        Prioritize the development of affordable family housing, both rental and ownership, particularly along transit corridors and adjacent to community amenities.
  
- POLICY 2.3.4        Encourage the creation of family supportive services, such as childcare facilities, parks and recreation, or other facilities, in affordable housing or mixed use developments.
  
- OBJECTIVE 2.5        PROMOTE HEALTH THROUGH RESIDENTIAL DEVELOPMENT DESIGN AND LOCATION
  
- POLICY 2.5.2        Develop affordable family housing in areas where families can safely walk to schools, parks, retail, and other services.
  
- POLICY 2.5.3        Require new development to meet minimum levels of “green” construction.

**OBJECTIVE 2.6 CONTINUE AND EXPAND THE CITY'S EFFORTS TO INCREASE PERMANENTLY AFFORDABLE HOUSING PRODUCTION AND AVAILABILITY**

*The Potrero Hope SF Master Plan Development meets these objectives and policies in that they provide a truly mixed income community with replacement units for very low income residents including families, additional new affordable units for low income families and seniors, as well as market rate housing..*

*Policy 2.2.5 specifically names the redevelopment through Potrero HOPE SF as meeting Objective 2.1 signaling the important policy priority of this master development. The housing planned is primarily family housing with a smaller senior housing component envisioned. . As a Hope SF Project, community services will be provided at each affordable housing development, as well as additional community wide facilities including child care. Residential-serving uses, such as neighborhood retail is also planned. Parks and green streets that better connect the residents with nearby open space resources are also integral to the Project. Finally, the neighborhood will be designed to LEED Neighborhood Development standards.*

**Showplace Square / Potrero Area Plan – Built Form**

**OBJECTIVE 3.1**

**PROMOTE AN URBAN FORM THAT REFLECTS SHOWPLACE SQUARE AND POTRERO HILL'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER**

**POLICY 3.1.1** Adopt heights that are appropriate for Showplace Square's location in the city, the prevailing street width and block pattern, and the anticipated land uses, while respecting the residential character of Potrero Hill.

**POLICY 3.1.3** Relate the prevailing heights of buildings to street and alley width throughout the plan area.

**POLICY 3.1.5** Respect public view corridors. Of particular interest are the east-west views to the bay or hills, and several north-south views towards downtown and Potrero Hill.

**POLICY 3.1.6** New buildings should epitomize the best in contemporary architecture, but should do so with full awareness of, and respect for, the height, mass, articulation and materials of the best of the older buildings that surrounds them.

- POLICY 3.1.8           New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.
- OBJECTIVE 3.2       PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM
- POLICY 3.2.3       Minimize the visual impact of parking.
- POLICY 3.2.4       Strengthen the relationship between a building and its fronting sidewalk.
- POLICY 3.2.6       Sidewalks abutting new developments should be constructed in accordance with locally appropriate guidelines based on established best practices in streetscape design.
- OBJECTIVE 3.3       PROMOTE THE ENVIRONMENTAL SUSTAINABILITY, ECOLOGICAL FUNCTIONING AND THE OVERALL QUALITY OF THE NATURAL ENVIRONMENT IN THE PLAN AREA
- POLICY 3.3.1       Require new development to adhere to a new performance-based evaluation tool to improve the amount and quality of green landscaping.
- POLICY 3.3.4       Compliance with strict environmental efficiency standards for new buildings is strongly encouraged.

*The Project, on balance, meets the above objectives and policies regarding urban form. The Project includes the re-alignment of the irregular street grid to one that is consistent with and improves connectivity to the rest of the of the Potrero neighborhood. Buildings will be constructed so that they form consistent building "street walls" along rights-of-way in proportion to street widths in accordance principles for good urban design. While at times taller than typical Potrero Hill houses and apartments, buildings will be broken down both vertically and horizontally, and will be aligned with active uses to assure that they are designed to the human scale. New streets will meet the City's Better Streets standards. New parks and open spaces will be established with a variety of active and passive uses. Some of the rights-of-way will also serve as "Green Connections" that will have open space features, and connect the on-site open spaces together as a cohesive network.*

*Due to the new development, portions of existing views across the site will be changed to feature foreground views of the new buildings in place of far-away views of the Bay and hills. For one view from*

*the top of Potrero Recreation Center looking south, a Mitigation Measure limiting some building heights across 23<sup>rd</sup> Street will assure that most of the view will be retained. Even with the change of some views, on balance, the quality of the site will be significantly improved thereby, on balance, meeting the Built Form objectives and policies of the Showplace Square / Potrero Area Plan.*

OBJECTIVE 4.1 IMPROVE PUBLIC TRANSIT TO BETTER SERVE EXISTING AND NEW DEVELOPMENT IN SHOWPLACE SQUARE / POTRERO HILL

POLICY 4.1.1 Commit resources to an analysis of the street grid, the transportation impacts of new zoning, and mobility needs in Showplace Square Potrero /Eastern Neighborhoods to develop a plan that prioritizes transit while addressing needs of all modes (auto circulation, freeway traffic, bicyclists, pedestrians).

OBJECTIVE 4.3 ESTABLISH PARKING POLICIES THAT IMPROVE THE QUALITY OF NEIGHBORHOODS AND REDUCE CONGESTION AND PRIVATE VEHICLE TRIPS BY ENCOURAGING TRAVEL BY NON-AUTO MODES

POLICY 4.3.1 For new residential development, provide flexibility by eliminating minimum off-street parking requirements and establishing reasonable parking caps.

OBJECTIVE 4.5 CONSIDER THE STREET NETWORK IN SHOWPLACE SQUARE/POTRERO HILL AS A CITY RESOURCE ESSENTIAL TO MULTI-MODAL MOVEMENT AND PUBLIC OPEN SPACE

OBJECTIVE 4.6 SUPPORT WALKING AS A KEY TRANSPORTATION MODE BY IMPROVING PEDESTRIAN CIRCULATION WITHIN SHOWPLACE SQUARE/POTRERO HILL AND TO OTHER PARTS OF THE CITY

POLICY 4.6.1 Use established street design standards and guidelines to make the pedestrian environment safer and more comfortable for walk trips.

OBJECTIVE 4.8 ENCOURAGE ALTERNATIVES TO CAR OWNERSHIP AND THE REDUCTION OF PRIVATE VEHICLE TRIPS

POLICY 4.8.3 Develop a Transportation Demand Management (TDM) program for the Eastern Neighborhoods that provides information and incentives for employees, visitors and residents to use alternative transportation modes and travel times.

The project meets the above Showplace Square / Potrero Area Plan objectives and policies regarding Transportation.

*The street network will be re-established to fit in with the Potrero Street grid, where it does not currently; this will greatly improve connectivity for all modes of transportation. Streets will be designed to emphasize safety, comfort and connectivity for pedestrians. Bus lines will be rerouted per the new street layout and per the Muni Forward program improving the bus' access and performance. The Project Sponsor will develop a Transportation Demand Management program that will further encourage modes of transportation other than by single-occupancy vehicle.*

**Showplace Square / Potrero Area Plan – Streets and Open Space**

- OBJECTIVE 5.1 PROVIDE PUBLIC PARKS AND OPEN SPACES THAT MEET THE NEEDS OF RESIDENTS, WORKERS AND VISITORS
- OBJECTIVE 5.2 ENSURE THAT NEW DEVELOPMENT INCLUDES HIGH QUALITY PRIVATE OPEN SPACE
- POLICY 5.2.1 Require new residential and mixed-use residential development to provide on-site private open space designed to meet the needs of residents.
- POLICY 5.2.5 New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have flexibility as to where open space can be located.
- OBJECTIVE 5.3 CREATE A NETWORK OF GREEN STREETS THAT CONNECTS OPEN SPACES AND IMPROVES THE WALKABILITY, AESTHETICS, AND ECOLOGICAL SUSTAINABILITY OF THE NEIGHBORHOOD
- POLICY 5.3.2 Maximize sidewalk landscaping, street trees and pedestrian scale street furnishing to the greatest extent feasible.
- OBJECTIVE 5.4 THE OPEN SPACE SYSTEM SHOULD BOTH BEAUTIFY THE NEIGHBORHOOD AND STRENGTHEN THE ENVIRONMENT

*The Hope SF Potrero Master Plan Project includes about 3.5 acres of new parks and open space. Further, it includes new streets that will have open space features and create a “Green Connections” network within the site. Individual development sites within the overall Hope SF site will have their*

*own usable open space requirement, some of which will also be open to the public. Those blocks that will be developed next to existing rear yards will adhere to rear yard standards typical for San Francisco.*

**Showplace Square / Potrero Area Plan – Community Services and Facilities**

POLICY 7.1.1 Support the siting of new facilities to meet the needs of a growing community and to provide opportunities for residents of all age levels.

POLICY 7.1.3 Ensure childcare services are located where they will best serve neighborhood workers and residents.

OBJECTIVE 7.2 ENSURE CONTINUED SUPPORT FOR HUMAN SERVICE PROVIDERS THROUGHOUT THE EASTERN NEIGHBORHOODS

POLICY 7.2.1 Promote the continued operation of existing human and health services that serve low-income and immigrant communities in the Eastern Neighborhoods, and prevent their displacement.

*Integral to the Hope SF initiative, is a series of community building programs for its population. The Project will include a 25,000 – 35,000 sf community center that will include a child care center, among other services for families and the broader community. Active and continued community engagement is paramount to the multi-year work at the current site to promote connections with services to the low income residents living at Potrero Terrace and Annex.*

## HOUSING ELEMENT

*The principle objectives of the Housing Element are to provide new housing; retain the existing supply; enhance physical conditions and safety without jeopardizing use or affordability; support affordable housing production by increasing site availability and capacity; increase the effectiveness and efficiency of the affordable housing production system; protect the affordability of existing housing; expand financial resources for permanently affordable housing; ensure equal access; avoid or mitigate hardships imposed by displacement; reduce homelessness and the risk of homelessness in coordination with relevant agencies and providers; pursue place making and neighborhood building principles in increasing the supply of housing; and strengthen citywide affordable housing programs through coordinated regional and state efforts.*

*The Project is consistent with and implements the following objectives and policies of the Housing Element:*

- |             |  |
|-------------|--|
| OBJECTIVE 1 | Identify and make available for development adequate sites to meet the City's housing needs, especially permanently affordable housing.  |
| POLICY 1.3  | Work proactively to identify and secure opportunity sites for permanently affordable housing.  |
| Objective 4 | Foster a housing stock that meets the needs of all residents across lifecycles.  |
| POLICY 4.1  | Develop new housing, and encourage the remodeling of existing housing, for families with children.   |
| POLICY 4.2  | Provide a range of housing options for residents with special needs for housing support and services.  |
| POLICY 4.5  | Ensure that new permanently affordable housing is located in all of the city's neighborhoods, and encourage integrated neighborhoods, with a diversity of unit types provided at a range of income levels. |
| Objective 5 | Ensure that all residents have equal access to available units.  |
| POLICY 5.5  | Minimize the hardships of displacement by providing essential relocation services.   |
| POLICY 5.6  | Offer displaced households the right of first refusal to occupy replacement housing units that are comparable in size, location, cost, and rent control protection.  |



- Objective 7            Secure funding and resources for permanently affordable housing, including innovative programs that are not solely reliant on traditional mechanisms or capital.
- POLICY 7.5            Encourage the production of affordable housing through process and zoning accommodations, and prioritize affordable housing in the review and approval processes.
- Objective 8            Build public and private sector capacity to support, facilitate, provide and maintain affordable housing.
- POLICY 8.1            Support the production and management of permanently affordable housing.
- POLICY 8.3            Generate greater public awareness about the quality and character of affordable housing projects and generate communitywide support for new affordable housing.
- Objective 9            Preserve units subsidized by the federal, state or local sources.
- POLICY 9.3            Maintain and improve the condition of the existing supply of public housing, through programs such as HOPE SF.
- POLICY 11.1           Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.
- POLICY 11.2           Ensure implementation of accepted design standards in project approvals.
- POLICY 11.3           Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.
- POLICY 11.6           Foster a sense of community through architectural design, using features that promote community interaction.
- Objective 12           Balance housing growth with adequate infrastructure that serves the City's growing population.
- POLICY 12.1           Encourage new housing that relies on transit use and environmentally sustainable patterns of movement.

- POLICY 12.2 Consider the proximity of quality of life elements, such as open space, child care, and neighborhood services, when developing new housing units.
- POLICY 12.3 Ensure new housing is sustainably supported by the City's public infrastructure systems.

*The Hope SF initiative, including the Potrero Hope SF Master Development Project, is a central affordable housing and community development program for the City and County of San Francisco. Through the Hope SF initiative, existing affordable housing sites for very low income residents will be rebuilt with better connected mixed-income, complete neighborhoods that increase the permanent affordable housing stock of the City as well as provides a range of housing options for residents with special needs and for a range of income levels. The Potrero HOPE SF Master Development Project will seek to minimize displacement of existing residents and will provide essential relocation services that include maintenance of subsidized housing opportunities and the right to return as provided in the Right to Return Ordinance. The proposed funding of this large scale project is creative and leverages extensive public and private sources of capital. The project will receive zoning and priority approval processes to encourage the production of affordable housing. The high visibility of this project will increase capacity of builders and owners of affordable and mixed income communities as well as raise greater public awareness of the high quality design and character of affordable housing. Policy 9.3 specifically names HOPE SF as leading initiative to maintain and improve the condition of existing supply of public housing in the Plan Area. As a site that is well under the Planning Code's density limit, the Hope SF also looks to take advantage of the additional allowed density to construct market-rate units, which, in turn, will both create a mixed-income neighborhood and will cross-subsidizing the cost of reconstructing the existing dilapidated affordable housing. Also central to the Hope SF initiative is the construction of new infrastructure including new streets and parks that meet -- and in some cases exceed -- current City standards for ecological performance, safety, and comfort.*

**COMMERCE AND INDUSTRY**

*The principle objectives for Commerce & Industry are to manage economic growth and change, maintain a sound and diverse economic base and fiscal structure, provide expanded employment opportunities for city residents particularly the unemployed and underemployed in a wide range of fields and levels, improve viability of existing businesses as well as attract new businesses – particularly in new industries, and assure entrepreneurial opportunities for local businesses.*

*The following objectives and policies are relevant to the Project:*

- OBJECTIVE 6            MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.
  
- POLICY 6.1            Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.
  
- POLICY 6.2            Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society
  
- POLICY 6.4            Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and personal services are accessible to all residents.
  
- POLICY 6.7            Promote high quality urban design on commercial streets.

*The Project meets and furthers the Objectives and Policies of the Commerce and Industry Element by reinforcing the typical San Francisco pattern of including resident serving uses along with residential development. The Project will generally permit small scale retail and community related uses throughout and requiring ground floor non-residential uses on a portion of 24<sup>th</sup> Street, which will serve as the neighborhood's "Main Street". Design and Land Use regulations for the development will require that neighborhood commercial retail be established in a pedestrian-oriented active environment typical of San Francisco neighborhoods and specifically called for in the Commerce and Industry Element. The possible provision of retail space will provide entrepreneurial opportunities for local residents and workers. Of course, new development will provide construction business opportunities, especially with outreach to small businesses through the City's SBE program, along with opportunities for property management and maintenance.*

**RECREATION AND OPEN SPACE ELEMENT**

*The principle objectives of the Recreation and Open Space Element are to preserve large areas of open space sufficient to meet the long-range needs of the Bay Region, develop and maintain a diversified and balanced citywide system of high quality public open space, provide a continuous public open space along the shoreline, and provide opportunities for recreation and the enjoyment of open space in every neighborhood.*

- OBJECTIVE 1            ENSURE A WELL-MAINTAINED, HIGHLY UTILIZED, AND INTEGRATED OPEN SPACE SYSTEM
  
- POLICY 1.1            Encourage the dynamic and flexible use of existing open spaces and promote a variety of recreation and open space uses, where appropriate.
  
- POLICY 1.11           Encourage private recreational facilities on private land that provide a community benefit, particularly to low and moderate-income residents.
  
- OBJECTIVE 2           INCREASE RECREATION AND OPEN SPACE TO MEET THE LONG-TERM NEEDS OF THE CITY AND BAY REGION
  
- POLICY 2.7            Expand partnerships among open space agencies, transit agencies, private sector and nonprofit institutions to acquire, develop and/or manage existing open spaces.
  
- POLICY 2.8            Consider repurposing underutilized City-owned properties as open space and recreational facilities.
  
- OBJECTIVE 3           IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE
  
- POLICY 3.1            Creatively develop existing publicly-owned right-of-ways and streets into open space.
  
- POLICY 3.2            Establish and Implement a network of Green Connections that increases access to parks, open spaces, and the waterfront.
  
- POLICY 3.6            Maintain, restore, expand and fund the urban forest.

*The Project meets and furthers the Objectives and Policies of the Recreation and Open Space by creating a new street and open space network within an area that is currently characterized by wide disconnected streets, steep unoccupied terrain, and lack of recreational opportunities. Altogether, 3.5 acres of new parks and open space are proposed for the site. Further, the new street network will improve connectivity from existing residential neighborhoods, parks and open spaces.*

**TRANSPORTATION ELEMENT**

*The Transportation Element is largely concerned with the movement of people and goods. It addresses the need for multi-modal streets and facilities, implementation of the City's transit-first policy, the need to limit parking and auto capacity on the roads, and ways to incentivize travel by transit, bike and by foot. It also addresses the relationship between transportation and land use and how the two should be coordinated to reduce the need for auto trips.*

*The following objectives and policies are relevant to the Project:*

OBJECTIVE 1            MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

POLICY 1.2            Ensure the safety and comfort of pedestrians throughout the city.

POLICY 1.6            Ensure choices among modes of travel and accommodate each mode when and where it is most appropriate.

POLICY 2.5            Provide incentives for the use of transit, carpools, vanpools, walking and bicycling and reduce the need for new or expanded automobile and automobile parking facilities.

OBJECTIVE 18        ESTABLISH A STREET HIERARCHY SYSTEM IN WHICH THE FUNCTION AND DESIGN OF EACH STREET ARE CONSISTENT WITH THE CHARACTER AND USE OF ADJACENT LAND.

POLICY 18.2         Design streets for a level of traffic that serves, but will not cause a detrimental impact on adjacent land uses, or eliminate the efficient and safe movement of transit vehicles and bicycles.

POLICY 18.4         Discourage high-speed through traffic on local streets in residential areas through traffic "calming" measures that are designed not to disrupt transit service or bicycle movement, including:

- Sidewalk bulbs and widenings at intersections and street entrances;
- Lane off-sets and traffic bumps;

- Narrowed traffic lanes with trees, landscaping and seating areas; and
- colored and/or textured sidewalks and crosswalks.

POLICY 20.5 Place and maintain all sidewalk elements, including passenger shelters, benches, trees, newsracks, kiosks, toilets, and utilities at appropriate transit stops according to established guidelines.

OBJECTIVE 23 IMPROVE THE CITY'S PEDESTRIAN CIRCULATION SYSTEM TO PROVIDE FOR EFFICIENT, PLEASANT, AND SAFE MOVEMENT.

POLICY 23.1 Provide sufficient pedestrian movement space with a minimum of pedestrian congestion in accordance with a pedestrian street classification system.

POLICY 23.2 Widen sidewalks where intensive commercial, recreational, or institutional activity is present, sidewalks are congested and where residential densities are high.

POLICY 23.3 Maintain a strong presumption against reducing sidewalk widths, eliminating crosswalks and forcing indirect crossings to accommodate automobile traffic.

POLICY 23.6 Ensure convenient and safe pedestrian crossings by minimizing the distance pedestrians must walk to cross a street.

OBJECTIVE 24 IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

POLICY 24.2 Maintain and expand the planting of street trees and the infrastructure to support them.

POLICY 24.3 Install pedestrian-serving street furniture where appropriate.

POLICY 24.5 Where consistent with transportation needs, transform streets and alleys into neighborhood-serving open spaces or "living streets", especially in neighborhoods deficient in open space.

OBJECTIVE 26 CONSIDER THE SIDEWALK AREA AS AN IMPORTANT ELEMENT IN THE CITYWIDE OPEN SPACE SYSTEM.

- OBJECTIVE 27            ENSURE THAT BICYCLES CAN BE USED SAFELY AND  
CONVENIENTLY AS A PRIMARY MEANS OF TRANSPORTATION, AS  
WELL AS FOR RECREATIONAL PURPOSES.
- OBJECTIVE 28            PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR  
BICYCLES.
- POLICY 28.1            Provide secure bicycle parking in new governmental, commercial, and  
residential developments.
- OBJECTIVE 34            RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND  
NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF  
THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.
- POLICY 34.3            Permit minimal or reduced off-street parking supply for new buildings in  
residential and commercial areas adjacent to transit centers and along  
transit preferential streets.
- OBJECTIVE 35            MEET SHORT-TERM PARKING NEEDS IN NEIGHBORHOOD  
SHOPPING DISTRICTS CONSISTENT WITH PRESERVATION OF A  
DESIRABLE ENVIRONMENT FOR PEDESTRIANS AND RESIDENTS.

*The Project meets and furthers the Objectives and Policies of the Transportation Element by requiring the creation of a new fine-grained street grid in place of the diagonally configured and disconnected street and block pattern that exists today. The Project accommodates the creation of a new mixed-use predominately development in a pattern that encourages walking and using transit. The Project also calls for streetscape improvements that will calm auto traffic while assuring pedestrian comfort and enjoyment.*

**URBAN DESIGN ELEMENT**

*The Urban Design Element addresses the physical character and order of the City. It establishes objectives and policies dealing with the city pattern, conservation (both of natural areas and historic structures), major new developments, and neighborhood environment. It discusses meeting "human needs", largely by assuring quality living environments, and by protecting and enhancing those characteristics of development that make San Francisco special.*

The following objectives and policies are relevant to the Project:

- OBJECTIVE 1            EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.
- POLICY 1.1            Recognize and protect major views in the city, with particular attention to those of open space and water.
- POLICY 1.2            Recognize, protect and reinforce the existing street pattern, especially as it is related to topography.
- POLICY 1.3            Recognize that buildings, when seen together, produce a total effect that characterizes the city and its districts.
- POLICY 1.5            Emphasize the special nature of each district through distinctive landscaping and other features.
- POLICY 1.6            Make centers of activity more prominent through design of street features and by other means.
- POLICY 1.7            Recognize the natural boundaries of districts, and promote connections between districts.
- POLICY 2.9            Review proposals for the giving up of street areas in terms of all the public values that streets afford.
- POLICY 2.10           Permit release of street areas, where such release is warranted, only in the least extensive and least permanent manner appropriate to each case.
- OBJECTIVE 3           MODERATION OF MAJOR NEW DEVELOPMENT TO COMPLEMENT THE CITY PATTERN, THE RESOURCES TO BE CONSERVED, AND THE NEIGHBORHOOD ENVIRONMENT.



- POLICY 3.3 Promote efforts to achieve high quality of design for buildings to be constructed at prominent locations.
- POLICY 3.4 Promote building forms that will respect and improve the integrity of open spaces and other public areas.
- POLICY 3.5 Relate the height of buildings to important attributes of the city pattern and to the height and character of existing development.
- POLICY 3.7 Recognize the special urban design problems posed in development of large properties.
- POLICY 3.8 Discourage accumulation and development of large properties, unless such development is carefully designed with respect to its impact upon the surrounding area and upon the city.
- OBJECTIVE 4 IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY .
- POLICY 4.3 Provide adequate lighting in public areas.
- POLICY 4.4 Design walkways and parking facilities to minimize danger to pedestrians.
- POLICY 4.5 Provide adequate maintenance for public areas.
- POLICY 4.6 Emphasize the importance of local centers providing commercial and government services.
- POLICY 4.8 Provide convenient access to a variety of recreation opportunities.
- POLICY 4.10 Encourage or require the provision of recreation space in private development.
- POLICY 4.12 Install, promote and maintain landscaping in public and private areas.
- POLICY 4.13 Improve pedestrian areas by providing human scale and interest.

*On balance, the Project is consistent with and furthers the Urban Design Element. The project enables the establishment of a new vibrant mixed-use-predominately-residential neighborhood on currently underutilized land. The Project will extend the Potrero street grid and block pattern where it currently*

*does not exist today, thereby reinforcing Potrero's street pattern. The Project's compact urban development of modulated buildings will step along the site's steep topography; open spaces and green streets will punctuate the new block pattern. Taken together, these characteristics will enable the revitalized Hope SF Potrero neighborhood to be both individually distinctive and better integrated into the larger Potrero neighborhood. Streets will be designed to Better Streets standards and will be safe, comfortable, and inviting. While the proposal includes allowing heights of buildings to be as tall as 65-feet at some locations (taller than what's allowed within other residentially portions of Potrero Hill), design standards will require that they be broken down both vertically and horizontally and be designed to the human scale. The portion of the site that allows the tallest heights will be reserved for the center of the neighborhood's planned commercial and community-serving center, thereby demarking the Project's civic heart. While the view across the site -- some from the Potrero Recreation Center -- will change in nature with additional buildings in the foreground, other views will be improved and protected by aligning new streets with existing streets allowing continual views down them and assuring they are not blocked in the future. On balance, the urban design character of the site will be significantly improved; therefore, the Project is consistent with the Urban Design Element.*

**ENVIRONMENTAL PROTECTION ELEMENT**

*The Environmental Protection Element is concerned with protecting the natural environment within San Francisco's urban context. The element provides objectives and policies for the following topics: the Bay, ocean and shoreline, air, fresh water, land, flora and fauna, transportation noise, and energy.*

*The following objectives and policies are relevant to the Project:*

OBJECTIVE 1           ACHIEVE A PROPER BALANCE AMONG THE CONSERVATION, UTILIZATION, AND DEVELOPMENT OF SAN FRANCISCO'S NATURAL RESOURCES.

Policy 1.4             Assure that all new development meets strict environmental quality standards and recognizes human needs.

OBJECTIVE 15         INCREASE THE ENERGY EFFICIENCY OF TRANSPORTATION AND ENCOURAGE LAND USE PATTERNS AND METHODS OF TRANSPORTATION WHICH USE LESS ENERGY.

POLICY 15.3           Encourage an urban design pattern that will minimize travel requirements among working, shopping, recreation, school and childcare areas.

*The Project is consistent with and implements the Environmental Protection Element in that it calls for mixed-use, moderate density, transit-friendly, sustainable development. The Hope SF Potrero EIR identifies potential significant and unavoidable impacts regarding noise and air pollutant emissions; these impacts are largely traffic and construction related and are substantially due to the Project's scale. The Project and all related City approvals are nonetheless consistent with the Environmental Protection Element as the Project satisfies and implements the preponderance of Element's objectives and policies: the Project furthers the Element's emphasis on the need for compact, and sustainable development.*

**COMMUNITY FACILITIES ELEMENT**

*The Community Facilities element addresses police facilities, neighborhood center facilities, fire facilities, library facilities, public health facilities, and touches upon educational facilities, institutional facilities (colleges, etc.) wastewater facilities, and solid waste facilities.*

The following objectives and policies are relevant to the Project:

OBJECTIVE 3            ASSURE THAT NEIGHBORHOOD RESIDENTS HAVE ACCESS TO  
NEEDED SERVICES AND A FOCUS FOR NEIGHBORHOOD  
ACTIVITIES

POLICY 3.6            Base priority for the development of neighborhood centers on relative  
need.

OBJECTIVE 4            PROVIDE NEIGHBORHOOD CENTERS THAT ARE RESPONSIVE TO  
THE COMMUNITY SERVED.

POLICY 4.1            Assure effective neighborhood participation in the initial planning,  
ongoing programming, and activities of multi-purpose neighborhood  
centers

*The Project is consistent with and implements the Community Facilities Element. The Project allows for community serving uses on the ground floor throughout the development. A community center and senior housing development is planned for Block G that among other community-based uses will include child care. Whether or not community uses will eventually establish themselves in other permitted locations will depend on community needs and demands as well as broader market factors as the Project gets built out.*

**PUBLIC SAFETY ELEMENT**

- OBJECTIVE 2            REDUCE STRUCTURAL AND NON-STRUCTURAL HAZARDS TO LIFE SAFETY, MINIMIZE PROPERTY DAMAGE AND RESULTING SOCIAL, CULTURAL AND ECONOMIC DISLOCATIONS RESULTING FROM FUTURE DISASTERS.
- POLICY 2.1            Assure that new construction meets current structural and life safety standards.
- POLICY 2.3            Consider site soils conditions when reviewing projects in areas subject to liquefaction or slope instability.
- POLICY 2.9            Consider information about geologic hazards whenever City decisions that will influence land use, building density, building configurations or infrastructure are made.
- POLICY 2.12           Enforce state and local codes that regulate the use, storage and transportation of hazardous materials in order to prevent, contain and effectively respond to accidental releases.

*The Project is consistent with and implements the Community Safety Element. All improvements, including infrastructure, buildings and open space improvements will be constructed to local seismic standards, taking into account, among other considerations, the geological condition of the soil and where applicable, any remediation activity.*

### AIR QUALITY ELEMENT

*The Air Quality Element is concerned, in part, with reducing the level of pollutants in the air, thus protecting and improving public health, welfare and the quality of life of the citizens of San Francisco and the residents of the metropolitan region. It emphasizes that opportunities for economic growth in the area can be enhanced through implementation of transportation, land use and other policies in harmony with clean air goals.*

*The following objectives and policies are relevant to the Project:*

OBJECTIVE 3            DECREASE THE AIR QUALITY IMPACTS OF DEVELOPMENT BY COORDINATION OF LAND USE AND TRANSPORTATION DECISIONS.

POLICY 3.1            Take advantage of the high density development in San Francisco to improve the transit infrastructure and also encourage high density and compact development where an extensive transportation infrastructure exists.

POLICY 3.2            Encourage mixed land use development near transit lines and provide retail and other types of service oriented uses within walking distance to minimize automobile dependent development.

POLICY 3.6            Link land use decision making policies to the availability of transit and consider the impacts of these policies on the local and regional transportation system.

POLICY 3.9            Encourage and require planting of trees in conjunction with new development to enhance pedestrian environment and select species of trees that optimize achievement of air quality goals

*The Project is consistent with and implements the Air Quality Element in that it calls for mixed-use predominately residential, moderate density, sustainable development that will enable efficient use of land and encourage travel by transit and by foot, thereby reducing auto use. The Project will be built to LEED Neighborhood Development standards. While the Hope SF Potrero EIR identifies potential significant and unavoidable impacts regarding air pollutant emissions, the impacts are largely traffic and construction related, which, in turn, is substantially due to the Project's scale. The Project is nonetheless consistent with the Air Quality Element because it satisfies and implements the preponderance of Element's objectives and policies; most importantly, the Project furthers the Element's emphasis on efficient and compact development.*

### **General Plan Priority Finding**

(Planning Code Section 101.1 Findings)

Planning Code Section 101.1(b) establishes eight priority policies and is a basis by which differences between competing policies in the General Plan are resolved. As described below, the Project is consistent with the eight priority policies set forth in Planning Code Section 101.1(b).

1. That existing neighborhood serving retail uses be preserved and enhanced and future opportunities for resident employment in or ownership of such businesses enhanced.

*The Project will preserve and enhance existing neighborhood serving retail uses. The Project would potentially accommodate roughly 15,000 square feet of new retail uses. The retail uses are envisioned to be local serving. The project does not include the removal of any existing neighborhood serving retail and is not expected to unduly compete against long established Potrero or Dogpatch neighborhood commercial districts along 18<sup>th</sup> Street and 22<sup>nd</sup> Street.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

*The Project accommodates new development on land that is underutilized and improvements that are dilapidated. While it would remove existing housing, the housing will be replaced by significantly improved housing in a neighborhood pattern much more similar to the rest of Potrero Hill than what exists today. Existing tenants will be actively engaged in the relocation planning process and will be offered on-site relocation opportunities as part of a larger community building strategy employed by HOPE SF to preserve the cultural and economic diversity of the neighborhood. . Outside of the boundaries of the Housing Authority site and of the adjacent site partially owned by the San Francisco School District, no Potrero Hill building would be effected by the Project.*

3. That the City's supply of affordable housing be preserved and enhanced.

*The Project is a part of the Hope SF, the Mayor's signature anti-poverty initiative aimed at eradicating intergenerational poverty. . As noted above, existing affordable units will be demolished and replaced with significantly improved units at the same affordable levels as the units removed. Along with replacement units for extremely low income households, about 335 additional affordable units for low income households are also proposed.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

*The Project anticipates and accommodates new transit as planned through the City's Muni Forward Project. Design of streets and bus stops will include bus bulbs and bus shelters; street cross sections and corner design will assure sufficient space for bus travel. Moreover, the Project includes the creation of a pedestrian-oriented street and open space network that will encourage alternative modes of transportation. The Project will provide less than one-to-one parking, further encouraging travel by other modes of travel other than by single-occupancy vehicle.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

*The Project would not adversely affect the industrial sector or service sectors. No such uses would be displaced by the sectors. Construction activity generated by the Project, however, will support these sectors.*

6. That the City achieves the greatest possible preparedness to protect against injury and loss of life in an earthquake.

*All new construction would be subject to the City's Building Code, Fire Code and other applicable safety standards. Thus, the Project would improve preparedness against injury and loss of life in an earthquake by prompting development that would comply with applicable safety standards.*

7. That landmarks and historic buildings be preserved.

*The Project would not accommodate the removal, demolition, or of any known landmark or historic building.*

8. That our parks and open space and their access to sunlight and vistas be protected from development.

*On balance, the Project would improve the City's open space and park system and would not adversely effect parks access to sunlight and vistas. The project includes providing roughly 3.5 acres of additional parks to the City's overall park system. The site is immediately adjacent to and downslope to the Potrero Recreation Center. Because the proposal does include constructing*



*buildings immediately across the street from the park, new shadows will be created on the park, and some views from the park will be changed. However, the EIR has shown that the new shadows would not cause a significant adverse effect. Similarly, a mitigation measure has been established to limit the height of some buildings across 23<sup>rd</sup> Street from the park to assure that the view southward from the park is sufficiently retained. Most of the area on the perimeter of the park that would be effected by shadows and where views would change are characterized by heavily forested trees on steep slopes, where most park use is limited. Given that additional parks and accessible green space is being added by the Project, and the impacts of the proposed development on Potrero Recreation Center are limited, on balance, the Project is consistent with this General Plan Priority Finding.*

Print Form

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission       Youth Commission       Ethics Commission
- Planning Commission       Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.**

**Sponsor(s):**

Cohen

**Subject:**

Real Property Acquisition –Connecticut Street and 25th Street – San Francisco Housing Authority - \$1

**The text is listed below or attached:**

Attached

Signature of Sponsoring Supervisor: *Maha Cohen*

For Clerk's Use Only: