

July 26, 2017

San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, California 94103-2479
Attn: John Rahaim, Director

RE: Pier 70 Application for Development Agreement, Administrative Code 56.4

Dear Director Rahaim:

Pursuant to San Francisco Administrative Code Section 56.4, FC Pier 70, LLC ("FC"), submits this letter application for a development agreement ("DA") with respect to the 28-Acre Site portion ("Project") of the Pier 70 Special Use District ("Pier 70 SUD"). The Pier 70 SUD is an approximately 35-acre phased, mixed-use development. Upon completion, the Pier 70 SUD will include substantial residential uses (including affordable housing), office, retail, light industrial, arts, parks and open space areas.

FC has had extensive discussions with City departments and the community about the DA's proposed public benefits. In addition to public benefits associated with the jobs and revenue generated by the mixed-use development of this underutilized and transit rich waterfront site, those discussions led to the following proposed community benefits, which exceed those required by existing ordinances and regulations governing the approval of this project and are additionally consistent with and exceed the robust set of public benefits affirmed by the public in its approval of Proposition F in November 2014.

- Implementing Proposition F – A Broad Range of Benefits
The Project would implement the open space, housing, affordability, historic rehabilitation, artist community preservation, commercial, waterfront height limit and urban design, and jobs policies endorsed by the voters in Proposition F for the 28-Acre Site (November 2014).
- Significant Infrastructure Improvements - \$360+ Million
The Project would invest over \$360 million in improvements in open space, geotechnical, transportation, historic building rehabilitation and other infrastructure critical to serving the Project Site, the Union Iron Works Historic District, the historic ship repair operations and the surrounding neighborhood.
- Transportation Investment
The Project includes an innovative Transportation Demand Management program and a pedestrian-prioritized design. Additionally, the Project will voluntarily pay an amount equivalent to the full Transportation Sustainability Fee levels.
- Affordable Housing Program – 30% Onsite
30% of all units built at the 28-Acre Site will be affordable. The Project would also include a priority housing program for residents of District 10 to the extent allowable. In addition, the Pier 70 SUD would generate approximately \$15-20 million in revenue to support the rebuild of public housing facilities, such as the nearby Potrero Annex and Potrero Terrace public housing communities, in accordance with Board Resolution No. 54-14.

- Historic Rehabilitation

The Project would rehabilitate three contributors to the Union Iron Works Historic District consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties to accommodate new uses, and design and build new infrastructure, public realm areas, parks and buildings consistent with the Pier 70 SUD Design for Development and support the continued integrity of the Union Iron Works Historic District.

- Jobs and Workforce Development

The Project would create business and employment opportunities, including an estimated 10,000 permanent jobs and 11,000 temporary construction jobs, for local workers and businesses during the design, construction, and operation phases of the Proposed Project. The Project sponsors have committed to hiring local employees for 30% of the infrastructure and building construction jobs, and implementing a small diverse business program and a workforce training program that partners with local organizations.

- New Spaces for the Arts and Small-Scale Manufacturing

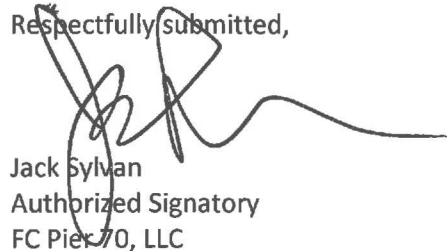
The Project would provide substantial new and renovated space for arts, cultural, non-profits, small-scale manufacturing, local retail and neighborhood services, including a new arts facility up to 90,000 square feet and at least 50,000 square feet of production, distribution and repair ("PDR") uses. The Project would also preserve the artist community currently located in the Noonan Building in new state-of-the-art, on-site space that is affordable, functional and aesthetic.

- Preparation for Sea-Level Rise

The Project would elevate and reinforce site infrastructure and building parcels to allow the new Pier 70 neighborhood to be resilient to projected levels of sea level rise and any major seismic event, as well as incorporate financing strategies and generate funding streams that enable the project and the Port's Bay shoreline to adapt to future, increased levels of sea level rise.

Thank you for your consideration.

Respectfully submitted,



Jack Sylvan
Authorized Signatory
FC Pier 70, LLC

cc: Dan Sider, San Francisco Planning Department
Rich Sucre, San Francisco Planning Department
Ken Rich, Office of Economic & Workforce Development
Sarah Dennis-Phillips, Office of Economic & Workforce Development
Tom Shanahan, Office of Economic & Workforce Development