

BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244  
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## MEMORANDUM

TO: Tom Hui, Director, Department of Building Inspection  
John Rahaim, Director, Planning Department  
Kate Hartley, Director, Mayor's Office of Housing and Community  
Development  
Shireen McSpadden, Executive Director, Department of Aging and Adult  
Services

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: August 5, 2019

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Stefani on July 30, 2019:

**File No. 190844**

**Ordinance amending the Planning Code to add Section 249.86 to create the 3333 California Street Special Use District and amending Sectional Maps SU03 and HT03 of the Zoning Map; and making environmental findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

**File No. 190845**

**Ordinance approving a Development Agreement between the City and County of San Francisco and Laurel Heights Partners, LLC, a Delaware limited liability company, for the development of an approximately 10.25-acre site located at California Street at Presidio Avenue with various public benefits, including 25% affordable housing, a child care center comprised of approximately 14,665 square feet, and approximately 4.47 acres of open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); approving certain development impact fees for the project, and waiving certain Planning Code fees and requirements; and confirming compliance with or waiving certain provisions of Administrative Code, Chapter 56, and ratifying certain actions taken in connection therewith, as defined herein.**

If you have comments or reports to be included with the files, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [erica.major@sfgov.org](mailto:erica.major@sfgov.org).

- c: William Strawn, Department of Building Inspection
- Carolyn Jayin, Department of Building Inspection
- Scott Sanchez, Planning Department
- Corey Teague, Planning Department
- Lisa Gibson, Planning Department
- Devyani Jain, Planning Department
- AnMarie Rodgers, Planning Department
- Dan Sider, Planning Department
- Aaron Starr, Planning Department
- Joy Navarrete, Planning Department
- Don Lewis, Planning Department
- Eugene Flannery, Mayor's Office of Housing and Community Development
- Bridget Badasow, Department of Aging and Adult Services

1 [Planning Code, Zoning Map - 3333 California Street Special Use District]

2  
3 **Ordinance amending the Planning Code to add Section 249.86 to create the 3333**  
4 **California Street Special Use District and amending Sectional Maps SU03 and HT03 of**  
5 **the Zoning Map; and making environmental findings, and findings of consistency with**  
6 **the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

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

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

15 Section 1.

16 (a) On \_\_\_\_\_ the Planning Commission conducted a duly noticed public hearing on  
17 the proposed 3333 California Street Project (Project), including the proposed Planning Code  
18 and Zoning Map amendments, and by Resolution No. \_\_\_\_\_ recommended the proposed  
19 amendments for approval. The Planning Commission found that the proposed Planning Code  
20 and Zoning Map amendments were, on balance, consistent with the City's General Plan as it  
21 is proposed to be amended and with Planning Code Section 101.1(b) for the reasons set forth  
22 in Planning Code Resolution No. \_\_\_\_\_. A copy of said Resolution is on file with the Clerk of  
23 the Board of Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference

24 (b) California Environmental Quality Act. At its hearing on \_\_\_\_\_, and prior to  
25 recommending the proposed Planning Code and Zoning Map amendments for approval, the  
Planning Commission certified a Final Environmental Impact Report (FEIR) for the Project

1 pursuant to the California Environmental Quality Act (CEQA) (California Public Resources  
2 Code Section 21000 et seq.), the CEQA Guidelines (14 Cal. Code Reg. Section 15000 et  
3 seq.) and Chapter 31 of the Administrative Code. In accordance with the actions  
4 contemplated herein, this Board has reviewed the FEIR and concurs with its conclusions, and  
5 finds that the actions contemplated herein are within the scope of the Project described and  
6 analyzed in the FEIR. The Board hereby adopts and incorporates by reference as though fully  
7 set forth herein the Commission's CEQA approval findings, [including a statement of  
8 overriding considerations], adopted by the Planning Commission on \_\_\_\_\_ in Motion No.  
9 \_\_\_\_\_. This Board also adopts and incorporates by reference as though fully set forth herein  
10 the Project's Mitigation Monitoring and Reporting Program (MMRP). Said findings and MMRP  
11 are on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

12 (b) On \_\_\_\_\_, the Planning Commission, in Resolution No. \_\_\_\_\_,  
13 adopted findings that the actions contemplated in this ordinance are consistent, on balance,  
14 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The  
15 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of  
16 the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

17 (c) Pursuant to Planning Code section 302, this Board finds that the Planning Code  
18 and Zoning Map amendments will serve the public necessity, convenience, and welfare for  
19 the reasons set forth in Planning Commission Resolution No. \_\_\_\_\_, and the Board  
20 incorporates such reasons herein by reference.

21  
22 Section 2. Article two of the Planning Code is hereby amended by adding Section  
23 249.86, to read as follows:

24 (a) Location. A Special Use District entitled the 3333 California Special Use District (SUD),  
25 the general boundaries of which are California Street to the north, Presidio Avenue to the east,

1 Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel Street/Mayfair Drive to the  
2 west, as more specifically shown on Section Map SU03 of the Zoning Maps of the City and County of  
3 San Francisco, is hereby established for the purpose set forth below.

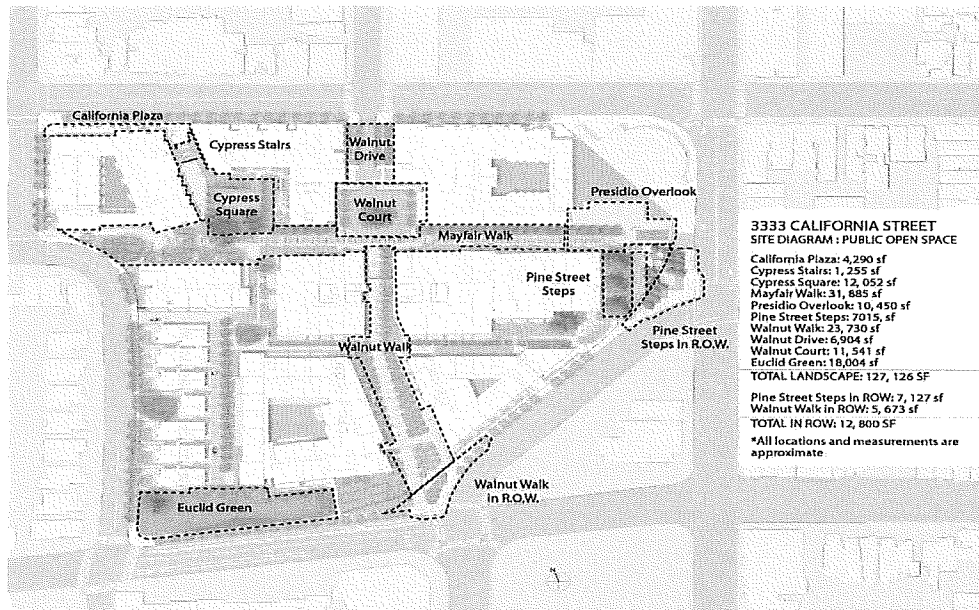
4 (b) Purpose. The purpose of the SUD is to facilitate the development of a mixed use project in  
5 a transit-rich location with residential, non-residential, child care, open space, and related uses, and to  
6 give effect to the Development Agreement for the 3333 California Street project, as approved by the  
7 Board of Supervisors in the ordinance in File No. \_\_\_\_\_ . The SUD will provide benefits to the City  
8 including but not limited to: replacement of a large-scale office building with a series of smaller  
9 buildings designed to be consistent with the scale and character of the neighborhood; construction of  
10 hundreds of new housing units, including family sized units and on-site senior housing with  
11 affordability levels exceeding on-site City requirements; and on-site child care facility; and  
12 construction and maintenance of new, publicly accessible open spaces and new connections to the  
13 surrounding street grid, including new pedestrian connections, and other street and streetscape  
14 improvements.

15 (c) Development Controls. Applicable provisions of the Planning Code shall apply to the SUD  
16 except as otherwise provided in this Section. In the event of a conflict between other provisions of the  
17 Planning Code and this Section, the provisions of this Section 249.86 shall control.

18 (1) Additional Permitted Uses. In addition to the uses permitted in the RM-1 zoning  
19 district, the following uses are principally permitted within the ground floor and second floor of all  
20 buildings with frontage on California Street: (i) Flexible Retail Uses; (ii) Social Service or  
21 Philanthropic Facilities; and (iii) non-residential uses, which shall be subject to the use controls of the  
22 NC-S zoning district applicable to such uses.

23 (2) Usable Open Space Requirements. Usable open space required under Section 135  
24 has been designed on an SUD-wide basis. The open space requirement shall be met through a  
25 combination of private and common usable open spaces, as defined in Section 135, that will be

1 associated with individual buildings as well as approximately 56,000 square feet of privately owned,  
 2 publically accessible parks and plazas that will be counted as common usable open space, provided  
 3 such space is otherwise complaint with Section 135(g) and developed in accordance with the  
 4 Development Agreement for the project, including without limitation, Schedule 1 (Community Benefits  
 5 Linkages and impact Fee Schedule) thereof. The open space plan depicted below generally sets forth  
 6 the approximate location and size of such privately owned, publically accessible open space.  
 7 Accordingly, compliance with usable open space requirements for any building in the SUD shall be  
 8 evaluated on a project-wide basis and for consistency with the terms of the Development Agreement.  
 9 Upon expiration or termination of the Development Agreement, the then-applicable open space  
 10 requirements of the Planning Code shall apply to any future development, provided however, that any  
 11 building which has satisfied its open space requirements in accordance with this subsection (c)(2) prior  
 12 to the expiration of the Development Agreement shall be deemed to be Code-conforming as to open  
 13 space requirements and shall not constitute a noncomplying structure or nonconforming use under the  
 14 provisions of Article 1.7, notwithstanding the expiration of the Development Agreement.



1           (3) Child Care Facility Parking. Off-street parking spaces for any child care facility shall be  
2 permitted at a rate of 1.5 parking spaces for each nine (9) children who could be accommodated in the  
3 child care facility under the applicable child care licensing requirements at any one time.

4           (4) Inclusionary Housing. For so long as the Development Agreement is in effect, the  
5 affordable housing requirements of the Development Agreement shall govern. Upon expiration or  
6 termination of the Development Agreement, the then-applicable Inclusionary Affordable Housing  
7 requirements set forth in Planning Code 415 et seq shall apply to any future development, without  
8 reference to the date of any earlier development application.

9           (5) Director Determination. During the term of the Development Agreement, all site and/or  
10 building permit applications for construction of new buildings or alterations of, or additions to existing  
11 structures ("Applications") submitted to the Department of Building Inspection shall be forwarded to  
12 the Planning Department for consistency review. For purposes of this subsection, Applications do not  
13 include any interior modifications or alterations, provided however that any such modification or  
14 alteration shall otherwise comply with the applicable requirements of the Planning Code. In no event  
15 may the Planning Director or Commission approve an Application that is not in substantial  
16 conformance with this Section 249.86, the Development Agreement, or any conditional use  
17 authorization and planned unit development authorization.

18           (6) Discretionary Review. No requests for discretionary review shall be accepted or heard for  
19 projects within the SUD.

20  
21           Section 3. City Planning Commission Resolution 4109, November 13, 1952. Effective  
22 as of the effective date of this ordinance, City Planning Commission Resolution No. 4109, and  
23 all related conditions, stipulations, special restrictions, and other limitations imposed in  
24 connection with the 1952 re-classification of the property (Assessor's Block 1032, Lot A) (the  
25

1 “Property”) from a First Residential District to a Commercial District shall no longer apply to  
2 the Property and is hereby extinguished.

3  
4 Section 4. The San Francisco Planning Code is hereby amended by amending Special  
5 Use District Map SU03 of the Zoning Map of the City and County of San Francisco, as follows:

Description of Property	Special Use District Hereby Approved
Assessor’s Block/Lot 1032/0033	3333 California Street Special Use District

6  
7  
8  
9  
10  
11 Section 5. The San Francisco Planning Code is hereby amended by amending  
12 Sectional Map HT03 of the Zoning Map of the City and County of San Francisco, based on  
13 Assessor’s Parcel Maps on the effective date of this legislation, as follows:

Description of Property	Height and Bulk Districts to be Superseded	Height and Bulk Districts Hereby Approved
Assessor's Parcel Block No. 1032, Lot 003 (an approximately 2.13 acre area of the northwestern portion of Lot 003 from California Street south approximately 215.00' and from Laurel Street east approximately 451.75')	40-X	45-X



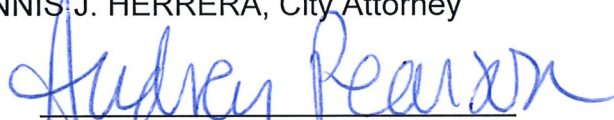
<p>1 Assessor's Parcel Block No. 1032,  2 Lot 003 (an approximately 1.64 acre  3 area of the northeastern portion of  4 Lot 003 from California Street south  5 approximately 197.00' and  6 approximately 270.63' west of the  7 northeastern most property corner  8 along the California Street frontage)</p>	<p>40-X</p>	<p>67-X</p>
<p>9 Assessor's Parcel Block No. 1032,  10 Lot 003 (an approximately 0.69 acre  11 area measuring approximately  12 190.25' by 158.39' centrally located  13 within Lot 003 197' south of  14 California Street)</p>	<p>40-X</p>	<p>80-X</p>
<p>15 Assessor's Parcel Block No. 1032,  16 Lot 003 (an approximately 1.54 acre  17 area measuring approximately  18 190.25' by 182.72' centrally located  19 on the eastern side of Lot 003 197'  20 south of California Street)</p>	<p>40-X</p>	<p>92-X</p>

21  
22 A pictorial representation of the above height and bulk districts on Assessor's Parcel  
23 Block 1032, Lot 3 is contained in Board of Supervisors File No. \_\_\_\_\_.

1 Section 6. Effective Date and Operative Date. This ordinance shall become effective  
2 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor  
3 returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it,  
4 or the Board of Supervisors overrides the Mayor's veto of the ordinance. This Ordinance shall  
5 become operative only on (and no rights or duties are affected until) the later of (a) 30 days  
6 from the date of its passage, or (b) the date that Ordinance \_\_\_\_\_, approving the  
7 Development Agreement for the Project, has become effective. A copy of said Ordinance is  
8 on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

9  
10 APPROVED AS TO FORM:  
11 DENNIS J. HERRERA, City Attorney

12 By:

  
13 Audrey Williams Pearson  
14 Deputy City Attorney

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## **LEGISLATIVE DIGEST**

[Planning Code, Zoning Map - 3333 California Street Special Use District]

**Ordinance amending the Planning Code to add Section 249.86 to create the 3333 California Street Special Use District and amending Sectional Maps SU03 and HT03 of the Zoning Map; and making environmental findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

### Existing Law

Currently, the property at 3333 California Street (Assessor's Block 1032, Lot 003)(“the property”), generally bounded by California Street, Presidio Avenue, Masonic Avenue, Euclid Avenue, and Laurel Street/Mayfair Drive, is zoned RM-1 with a height limit of 40 feet. The property is also subject to Planning Commission Resolution 4109, which governs the location, type, and size of uses on the property.

### Amendments to Current Law

This ordinance would create a special use district for the property, to facilitate the reuse of the existing office building as two residential buildings, and the development of 13 new buildings, including seven duplexes. The special use district would be subject to the Planning Code controls for parcels zoned RM-1, except it would have special controls related to open space, parking for child care uses, and inclusionary housing. The district also would allow buildings fronting California Street to include, at the ground and second floors, flexible retail uses, social services or philanthropic facilities, and non-residential uses, subject to the controls of NC-S zoning. Permits for the buildings would be reviewed by the Planning Director for consistency with a development agreement (proposed in separate legislation) and the special use district controls, and requests for discretionary review would not be considered.

The ordinance would increase the height limit for buildings on the northern half of the property. Along California Street, between Laurel Street and the continuation of Walnut Avenue, the height limit would increase to 45 feet. On California Street between the continuation of Walnut Avenue and Presidio Avenue (but not including the northeast corner lot containing the San Francisco Fire Credit Union Building) the height limit would increase to 67 feet. In the interior of the property, at the current location of the existing building, the height limit would increase to 80 feet and 92 feet. The height limit would remain 40 feet along Laurel Street south of the intersection with Mayfair Drive, and along Euclid Avenue and Masonic Avenue to approximately Pine Street.

The ordinance would revoke Resolution 4109.

Background Information

Laurel Heights Partners, LLC, a Delaware limited liability company ("Developer") has proposed a mixed-use development project ("Project") that includes converting an existing office building into two residential buildings, constructing 13 new buildings containing approximately 744 residential units, including 185 on site affordable senior residential units, and approximately 34,496 square feet for retail/restaurant/commercial use. The Project would also include 10 below-grade parking garages with approximately 857 parking spaces, an approximately 14,665 gross square foot space for child care use, approximately 41,288 square feet of private open space, and approximately 127,126 square feet of privately owned, publicly accessible open space that will include public pathways through the site and an existing open space at Euclid Avenue.

City staff has negotiated a development agreement with the Developer for a term of 15 years. Under the development agreement, Developer will attain the vested right to develop the Project in return for specified community benefits, including the affordable housing, public open space, child care facility, transportation, street improvements, auxiliary water supply system contribution, and workforce commitments made by Developer. The Board will consider the development agreement in separate legislation.

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1 [Development Agreement - Laurel Heights Partners, LLC - 3333 California Street Project -  
2 California Street at Presidio Avenue]

3 **Ordinance approving a Development Agreement between the City and County of San**  
4 **Francisco and Laurel Heights Partners, LLC, a Delaware limited liability company, for**  
5 **the development of an approximately 10.25-acre site located at California Street at**  
6 **Presidio Avenue with various public benefits, including 25% affordable housing, a child**  
7 **care center comprised of approximately 14,665 square feet, and approximately 4.47**  
8 **acres of open space; making findings under the California Environmental Quality Act,**  
9 **findings of conformity with the General Plan, and the eight priority policies of Planning**  
10 **Code, Section 101.1(b); approving certain development impact fees for the project, and**  
11 **waiving certain Planning Code fees and requirements; and confirming compliance with**  
12 **or waiving certain provisions of Administrative Code, Chapter 56, and ratifying certain**  
13 **actions taken in connection therewith, as defined herein.**

14 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
15 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
16 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.  
17 **Board amendment additions** are in double-underlined Arial font.  
18 **Board amendment deletions** are in ~~Arial font~~.  
19 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
20 subsections or parts of tables.

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

22 Section 1. Project Findings.

23 The Board of Supervisors makes the following findings:

24 (a) California Government Code Section 65864 et seq. authorizes any city, county,  
25 or city and county to enter into an agreement for the development of real property within the  
jurisdiction of the city, county, or city and county.

///

1 (b) Chapter 56 of the San Francisco Administrative Code ("Chapter 56") sets forth  
2 certain procedures for the processing and approval of development agreements in the City  
3 and County of San Francisco (the "City").

4 (c) Laurel Heights Partners, LLC, a Delaware limited liability company ("Developer")  
5 owns and operates an approximately 10.25-acre site bounded by California Street to the  
6 north, Presidio Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the  
7 south, and Laurel Street and Mayfair Drive to the west, currently composed of an  
8 approximately 455,000 gross square foot office building, an approximately 14,000 gross  
9 square foot annex building, surface and subsurface parking areas, and approximately 165,200  
10 square feet of landscaping or landscaped open space (the "Project Site").

11 (d) On \_\_\_\_\_, 2019, Developer filed an application with the City's  
12 Planning Department for approval of a development agreement relating to the Project Site  
13 (the "Development Agreement") under Chapter 56. A copy of the Development Agreement is  
14 on file with the Clerk of the Board in File No. \_\_\_\_\_.

15 (e) The Developer proposes a mixed use development that will include residential,  
16 non-residential, open space, child care, and related uses (the "Project"). Specifically, the  
17 Project includes (1) approximately 744 residential units, including not less than 185 on site  
18 affordable senior residential units, (2) approximately 34,496 square feet of  
19 retail/restaurant/commercial use in buildings along California Street, (4) 10 below-grade  
20 parking garages with approximately 857 parking spaces, (5) an approximately 14,665 gross  
21 square foot space for child care use, and (6) approximately 56,730 square feet of privately  
22 owned, publicly accessible open space required under Planning Code Section 135,  
23 approximately 70,396 square feet of additional privately owned, publicly accessible open  
24 space, and approximately 41,288 square feet of private open space, all as more particularly  
25 described in the Development Agreement.

1 (f) While the Development Agreement is between the City, acting primarily through  
2 the Planning Department, and Developer, other City agencies retain a role in reviewing and  
3 issuing certain later approvals for the Project. Later approvals include approval of final maps  
4 and street improvement permits. As a result, affected City agencies have consented to the  
5 Development Agreement.

6 (g) The Project is anticipated to generate an annual average of approximately 675  
7 construction jobs, and on completion, an approximate \$10 million annual increase in property  
8 taxes and approximately \$15 million in development impact fees (including transportation,  
9 housing linkages, and school fees). In addition to the significant housing, jobs, urban  
10 revitalization, and economic benefits to the City from the Project, the City has determined that  
11 development of the Project under the Development Agreement will provide additional benefits  
12 to the public that could not be obtained through application of existing City ordinances,  
13 regulations, and policies. Additional public benefits to the City from the Project include (1) on-  
14 site affordable housing that exceeds the amount otherwise required and will equal twenty five  
15 percent (25%) of the total number of proposed housing units for the Project; (2) workforce  
16 obligations, including significant training, employment and economic development  
17 opportunities as part of the development and operation of the Project; (3) construction and  
18 maintenance of the publicly accessible privately owned open space, totaling approximately  
19 2.92 acres; (4) street improvements, some of which will be maintained by the Developer at no  
20 cost to the City; (5) an approximately 14,665 square foot child care center, including an  
21 outdoor activity area, capable of accommodating at least 175 children, with 10% of the  
22 maximum number of permitted slots to be provided to children in low-income households; (6)  
23 a Transportation Demand Plan under Planning Code Section 169.3(e)(2) that implements  
24 75% of applicable target points rather than the 50% standard otherwise required for the  
25 Project; and (7) a \$1,055,000 payment towards an auxiliary water supply system that will

1 service the Project (the "AWSS Community Benefit Fee").

2 (h) Concurrently with this ordinance, the Board is taking a number of actions in  
3 furtherance of the Project, as generally described in the Development Agreement, including  
4 Exhibit E to the Development Agreement.

5 Section 2. CEQA Findings.

6 On \_\_\_\_\_, by Motion No. \_\_\_\_\_, the Planning Commission certified as  
7 adequate, accurate and complete the Final Environmental Impact Report ("FEIR") for the  
8 Project pursuant to the California Environmental Quality Act (California Public Resources  
9 Code Section 21000 et seq.) ("CEQA"). A copy of Planning Commission Motion No.  
10 \_\_\_\_\_ is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

11 Also on \_\_\_\_\_, by Motion No. \_\_\_\_\_, the Planning Commission adopted findings,  
12 including a rejection of alternatives and a statement of overriding considerations (the "CEQA  
13 Findings") and a Mitigation Monitoring and Reporting Program ("MMRP"). These Motions are  
14 on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_. In accordance with  
15 the actions contemplated herein, this Board has reviewed the FEIR and related documents,  
16 and adopts as its own and incorporates by reference as though fully set forth herein the  
17 CEQA Findings, including the statement of overriding considerations, and the MMRP.

18 Section 3. General Plan and Planning Code Section 101.1 (b) Findings.

19 (a) The Board of Supervisors finds that the Development Agreement will serve the  
20 public necessity, convenience, and general welfare for the reasons set forth in Planning  
21 Commission Resolution No. \_\_\_\_\_ and incorporates those reasons herein by reference.

22 (b) The Board of Supervisors finds that the Development Agreement is in conformity  
23 with the General Plan and the eight priority policies of Planning Code Section 101.1 for the  
24 reasons set forth in Planning Commission Resolution No. \_\_\_\_\_. The Board hereby adopts  
25 the findings set forth in Planning Commission Resolution No. \_\_\_\_\_ and incorporates those



1 findings herein by reference.

2 Section 4. Development Agreement.

3 (a) The Board of Supervisors approves all of the terms and conditions of the  
4 Development Agreement in substantially the form on file with the Clerk of the Board of  
5 Supervisors in File No. \_\_\_\_\_.

6 (b) The Board of Supervisors approves and authorizes the execution, delivery, and  
7 performance by the City of the Development Agreement as follows: (1) the Director of  
8 Planning and (other City officials listed thereon) are authorized to execute and deliver the  
9 Development Agreement and consents thereto, and (2) the Director of Planning and other  
10 applicable City officials are authorized to take all actions reasonably necessary or prudent to  
11 perform the City's obligations under the Development Agreement in accordance with the  
12 terms of the Development Agreement. The Director of Planning, at his or her discretion and in  
13 consultation with the City Attorney, is authorized to enter into any additions, amendments, or  
14 other modifications to the Development Agreement that the Director of Planning determines  
15 are in the best interests of the City and that do not materially increase the obligations or  
16 liabilities of the City or materially decrease the benefits to the City as provided in the  
17 Development Agreement.

18 (c) The Board of Supervisors authorizes the Controller to accept any payments  
19 made by the Developer under the Development Agreement.

20 Section 5. Development Impact Fees and Planning Code Conformity

21 (a) For the Project, the Board of Supervisors approves the development impact fees  
22 as set forth in the Development Agreement and waives any inconsistent provision in Planning  
23 Code Article 4.

24 (b) For the Project, the Board of Supervisors approves the child care facility and  
25 affordable housing requirements as set forth in the Development Agreement and waives the

1 requirements of Planning Code Section 414A, Section 415.5, Section 415.6(e), Section  
2 415.6(f), and Section 415.7.

3 Section 6. City Administrative Code Conformity.

4 The Development Agreement shall prevail if there is any conflict between the  
5 Development Agreement and Chapter 56, and without limiting the generality of the foregoing  
6 clause, for purposes of the Development Agreement only, the provisions of Chapter 56 are  
7 waived or its provisions deemed satisfied as follows:

8 (a) Laurel Heights Partners, LLC shall constitute a permitted "Applicant/Developer"  
9 for purposes of Chapter 56, Section 56.3(b).

10 (b) The Project comprises approximately 10.25 acres and is the type of large multi-  
11 phase and/or mixed-use development contemplated by the City Administrative Code and  
12 therefore is satisfies the provisions of Chapter 56, Section 56.3(g).

13 (c) The provisions of the Development Agreement, including its attached Workforce  
14 Agreement, apply and satisfy the requirements of City Administrative Code Chapter 14B,  
15 Section 14B.20 and Chapter 56, Section 56.7(c).

16 (d) The provisions of the Development Agreement regarding any amendment or  
17 termination, including those relating to "Material Change," shall apply in lieu of the provisions  
18 of Chapter 56, Section 56.15.

19 (e) The provisions of Chapter 56, Section 56.20 have been satisfied by the  
20 Memorandum of Understanding between Developer and the Mayor's Office of Economic and  
21 Workforce Development for the reimbursement of City costs, a copy of which is on file with the  
22 Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

23 Section 7. Chapter 56 Waiver; Ratification.

24 (a) In connection with the Development Agreement, the Board of Supervisors finds  
25 that the requirements of Chapter 56, as modified hereby, have been substantially complied

1 with and waives any procedural or other requirements of Chapter 56 if and to the extent to  
2 which they have not been strictly complied.

3 (b) All actions taken by City officials in preparing and submitting the Development  
4 Agreement to the Board of Supervisors for review and consideration are hereby ratified and  
5 confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken  
6 by City officials consistent with this ordinance.

7 Section 8. Effective and Operative Date.

8 This ordinance shall become effective 30 days from the date of passage. This  
9 ordinance shall become operative only on (and no rights or duties are affected until) the later  
10 of (a) 30 days from the date of its passage, or (b) the date that Ordinance \_\_\_\_\_, Ordinance  
11 \_\_\_\_\_, and Ordinance \_\_\_\_\_ have become effective. Copies of said Ordinances are on file  
12 with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

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14 APPROVED AS TO FORM:  
15 DENNIS J. HERRERA, City Attorney

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18 By:

  
\_\_\_\_\_  
Carol Wong  
Deputy City Attorney

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## LEGISLATIVE DIGEST

[Development Agreement Amendment - Laurel Heights Partners, LLC - 3333 California Street Project - California Street at Presidio Avenue]

**Ordinance approving a Development Agreement between the City and County of San Francisco and Laurel Heights Partners, LLC, a Delaware limited liability company, for the development of an approximately 10.25-acre site located at California Street at Presidio Avenue with various public benefits, including 25% affordable housing, a child care center comprised of approximately 14,665 square feet, and approximately 4.47 acres of open space; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); approving certain development impact fees for the project, and waiving certain Planning Code fees and requirements; and confirming compliance with or waiving certain provisions of Administrative Code, Chapter 56, and ratifying certain actions taken in connection therewith, as defined herein.**

### Background Information

California Government Code sections 65864 et seq. (the "Development Agreement Statute") and San Francisco Administrative Code Chapter 56 ("Chapter 56") authorize the City to enter into a development agreement regarding the development of real property. There are no amendments to existing law.

### Proposed Amendment

Laurel Heights Partners, LLC, a Delaware limited liability company ("Developer") has proposed a mixed-use development project ("Project") for the approximately 10.25-acre site bounded by California Street to the north, Presidio Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel Street and Mayfair Drive to the west. The Project includes converting an existing office building into two residential buildings, constructing 13 new buildings, and developing open space to result in approximately 744 residential units, including 185 on site affordable senior residential units, approximately 34,496 square feet for retail/restaurant/commercial use, 10 below-grade parking garages with approximately 857 parking spaces, an approximately 14,665 gross square foot space for child care use, approximately 41,288 square feet of private open space, and approximately 127,126 square feet of privately owned, publicly accessible open space that will include public pathways through the site and an existing open space at Euclid Avenue.

City staff has negotiated a development agreement with Developer for a term of 15 years. Under the development agreement, Developer will attain the vested right to develop the Project in return for specified community benefits, including the affordable housing, public open space, child care facility, transportation, street improvements, auxiliary water supply

FILE NO. 190845

system contribution, and workforce commitments made by Developer. Approval of the ordinance would adopt certain environmental findings, allow City staff to enter into the development agreement, and waive specified provisions of the Administrative Code and Planning Code for the Project.

By separate legislation, the Board is considering a number of other actions in furtherance of the Project, including the creation of a special use district and amendments to the City's Planning Code, Height Map and Zoning Map, and approving a major encroachment permit.

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