

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

September 11, 2019

Planning Commission  
Attn: Jonas Ionin  
1650 Mission Street, Ste. 400  
San Francisco, CA 94103

Dear Commissioners:

On September 3, 2019, Supervisor Stefani submitted the following proposed legislation:

**File No. 190844-2**

**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. 190845-2**

**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.**

The proposed ordinances are being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinances are pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

c: John Rahaim, Director  
Scott Sanchez, Acting Deputy Zoning Administrator  
Corey Teague, Zoning Administrator  
Lisa Gibson, Environmental Review Officer  
Devyani Jain, Deputy Environmental Review Officer  
AnMarie Rodgers, Director of Citywide Planning  
Dan Sider, Director of Executive Programs  
Aaron Starr, Manager of Legislative Affairs  
Joy Navarrete, Environmental Planning  
Don Lewis, Environmental Planning

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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: September 11, 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 September 3, 2019:

**File No. 190844**

**Ordinance amending the Planning Code and Zoning Map to create the 3333 California Street Special Use District; and making environmental findings, findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

**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 (3333 California Street), with various public benefits, including 25% affordable housing, a child care center comprised of approximately 14,665 square feet, and approximately 2.87 acres of privately owned, publicly accessible open space; making findings under the California Environmental Quality Act, and 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; confirming compliance with or waiving certain provisions of Administrative Code, Chapter 56; ratifying certain actions taken in connection with the Development Agreement, as described herein; and authorizing certain actions to be taken under the Development Agreement, as described herein.**

If you have comments or reports to be included with the file, 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 and Zoning Map to create the 3333 California**  
4 **Street Special Use District; and making environmental findings, findings of consistency**  
5 **with the General Plan, and the eight priority policies of Planning Code, Section 101.1,**  
6 **and findings of public convenience, necessity, and welfare under Planning Code,**  
7 **Section 302.**

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

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

16 Section 1. Environmental and Land Use Findings.

17 (a) On \_\_\_\_\_, the Planning Commission conducted a duly noticed public hearing on  
18 the proposed 3333 California Street Project ("Project"), including the proposed Planning Code  
19 and Zoning Map amendments, and by Resolution No. \_\_\_\_\_ recommended the proposed  
20 amendments for approval. At its hearing on \_\_\_\_\_, and prior to recommending the proposed  
21 Planning Code and Zoning Map amendments for approval, the Planning Commission certified  
22 a Final Environmental Impact Report (FEIR) for the Project pursuant to the California  
23 Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000 et  
24 seq.), the CEQA Guidelines (14 Cal. Code Reg. Sections 15000 et seq.) and Chapter 31 of  
25 the Administrative Code. In accordance with the actions contemplated in this ordinance, the  
Board of Supervisors has reviewed the FEIR and concurs with its conclusions, and finds that

1 the actions contemplated in this ordinance are within the scope of the Project described and  
2 analyzed in the FEIR. The Board hereby adopts and incorporates by reference as though fully  
3 set forth herein the Commission's CEQA approval findings, including a statement of overriding  
4 considerations, adopted by the Planning Commission on \_\_\_\_\_ in Motion No. \_\_\_\_\_. This  
5 Board also adopts and incorporates by reference as though fully set forth herein the Project's  
6 Mitigation Monitoring and Reporting Program (MMRP). Said findings and MMRP are on file  
7 with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

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

14 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the  
15 Planning Code and Zoning Map amendments will serve the public necessity, convenience,  
16 and welfare for the reasons set forth in Planning Commission Resolution No. \_\_\_\_\_, and  
17 the Board incorporates such reasons herein by reference.

18  
19 Section 2. Article 2 of the Planning Code is hereby amended by adding Section  
20 249.86, to read as follows:

21 **SEC. 249.86. 3333 CALIFORNIA STREET SPECIAL USE DISTRICT.**

22 (a) Location. A Special Use District entitled the 3333 California Special Use District  
23 ("SUD"), the general boundaries of which are California Street to the north, Presidio Avenue to the  
24 east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel Street/Mayfair Drive to  
25

1 the west, as more specifically shown on Section Map SU03 of the Zoning Maps of the City and County  
2 of San Francisco, is hereby established for the purpose set forth below.

3 (b) Purpose. The purpose of the SUD is to facilitate the development of a mixed use project in  
4 a transit-rich location with residential, non-residential, child care, open space, and related uses, and to  
5 give effect to the Development Agreement for the 3333 California Street Mixed-Use Development  
6 Project, as approved by the Board of Supervisors in the ordinance in File No. 190845. The SUD will  
7 provide benefits to the City including but not limited to: replacement of a large-scale office building  
8 with a series of smaller buildings designed to be consistent with the scale and character of the  
9 neighborhood; construction of hundreds of new housing units, including family-sized units and on-site  
10 senior housing with affordability levels exceeding on-site City requirements; an on-site child care  
11 facility; and construction and maintenance of new, publicly accessible open spaces and new  
12 connections to the surrounding street grid, including new pedestrian connections, and other street and  
13 streetscape improvements.

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

17 (1) Additional Permitted Uses. In addition to the uses permitted in the RM-1 zoning  
18 district, the following uses are principally permitted within the first and second story of all buildings  
19 with frontage on California Street, and shall be subject to the controls of the NC-S zoning applicable to  
20 such uses, except for any prohibition on such use:

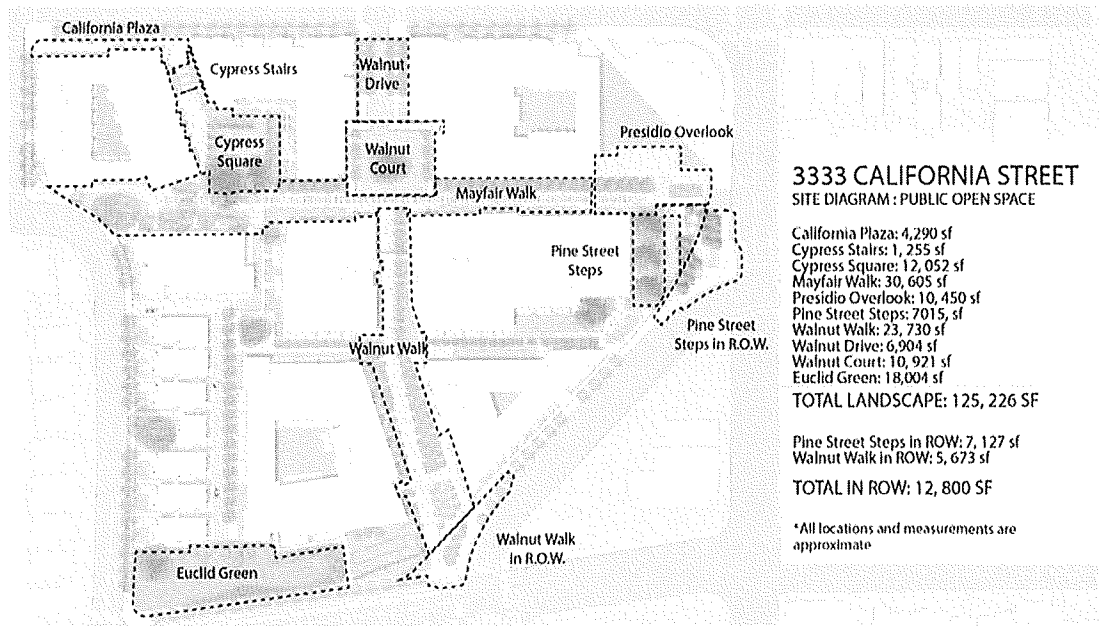
21 (A) Flexible Retail Uses;

22 (B) Social Service or Philanthropic Facilities; and,

23 (C) Other non-residential uses.

24 (2) Usable Open Space Requirements. Usable open space required under Section 135  
25 has been designed on an SUD-wide basis. The open space requirement shall be met through a

1 combination of private and common usable open spaces, as defined in Section 135, that will be  
 2 associated with individual buildings as well as approximately 56,000 square feet of privately owned,  
 3 publicly accessible parks and plazas that will be counted as common usable open space, provided such  
 4 space is otherwise compliant with Section 135(g) and developed in accordance with the Development  
 5 Agreement for the project, including without limitation, Schedule 1 (Community Benefits Linkages and  
 6 impact Fee Schedule) thereof. The open space plan depicted below in this subsection (c)(2) generally  
 7 sets forth the approximate location and size of such privately owned, publicly accessible open space.  
 8 Accordingly, compliance with usable open space requirements for any building in the SUD shall be  
 9 evaluated on a project-wide basis and for consistency with the terms of the Development Agreement.  
 10 Upon expiration or termination of the Development Agreement, the then-applicable open space  
 11 requirements of the Planning Code shall apply to any future development, provided however, that any  
 12 building which has satisfied its open space requirements in accordance with this subsection (c)(2) prior  
 13 to the expiration of the Development Agreement shall be deemed to be Code-conforming as to open  
 14 space requirements and shall not constitute a noncomplying structure or nonconforming use under the  
 15 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  
2 shall be permitted at a rate of 1.5 parking spaces for each nine children who could be accommodated  
3 in the child care facility under the applicable child care licensing requirements.

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 Sections 415 et seq., as amended from time to time, shall apply  
8 to any future development, without reference to the date of any earlier development application.

9                   (5) Child Care Requirements. For so long as the Development Agreement is in effect,  
10 the Child Care requirements of the Development Agreement shall govern. Upon expiration or  
11 termination of the Development Agreement, the then-applicable Child Care requirements set forth in  
12 Planning Code Sections 414 and 414A et seq., as amended from time to time, shall apply to any future  
13 development, without reference to the date of any earlier development application.

14                   (6) Director Determination. During the term of the Development Agreement, all site  
15 and/or building permit applications for construction of new buildings or alterations of, or additions to  
16 existing structures ("Applications") submitted to the Department of Building Inspection shall be  
17 forwarded to the Planning Department for consistency review. For purposes of this subsection (c)(6),  
18 Applications do not include any interior modifications or alterations, provided however, that any such  
19 modification or alteration shall otherwise comply with the applicable requirements of the Planning  
20 Code. In no event may the Planning Director or Planning Commission approve an Application that is  
21 not in substantial conformance with this Section 249.86, the Development Agreement, or any  
22 conditional use authorization and planned unit development authorization.

23                   (7) Discretionary Review. No requests for discretionary review shall be accepted or  
24 heard for projects within the SUD.



1 Section 3. City Planning Commission Resolution 4109, November 13, 1952. Effective  
 2 as of the effective date of this ordinance, City Planning Commission Resolution No. 4109, and  
 3 all related conditions, stipulations, special restrictions, and other limitations imposed in  
 4 connection with the 1952 re-classification of the property (Assessor's Block 1032, Lot A) (the  
 5 "Property") from a First Residential District to a Commercial District shall no longer apply to  
 6 the Property and is hereby extinguished.

7  
 8 Section 4. The Planning Code is hereby amended by revising Special Use District Map  
 9 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 1032/033	3333 California Street Special Use District

14  
 15 Section 5. The San Francisco Planning Code is hereby amended by revising Sectional  
 16 Map HT03 of the Zoning Map of the City and County of San Francisco, based on Assessor's  
 17 Parcel Maps on the effective date of this ordinance, 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	40-X	45-X

1	approximately 215' and from Laurel		
2	Street east approximately 451.75')		
3	Assessor's Parcel Block No. 1032,	40-X	67-X
4	Lot 003 (an approximately 1.64 acre		
5	area of the northeastern portion of		
6	Lot 003 from California Street south		
7	approximately 197' and		
8	approximately 270.63' west of the		
9	northeastern most property corner		
10	along the California Street frontage)		
11	Assessor's Parcel Block No. 1032,	40-X	80-X
12	Lot 003 (an approximately 0.69 acre		
13	area measuring approximately		
14	190.25' by 158.39' centrally located		
15	within Lot 003 197' south of		
16	California Street)		
17	Assessor's Parcel Block No. 1032,	40-X	92-X
18	Lot 003 (an approximately 1.54 acre		
19	area measuring approximately		
20	190.25' by 182.72' centrally located		
21	on the eastern side of Lot 003 197'		
22	south of California Street)		

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

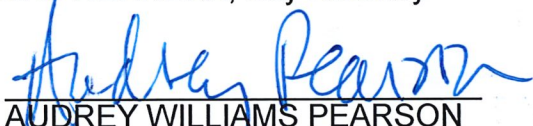
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Section 6. Effective Date and Operative Date.

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

(b) This ordinance shall become operative only on (and no rights or duties are affected until) the later of (1) its effective date, as stated in subsection (a) above, or (2) the effective date of the ordinance approving the Development Agreement for the Project. A copy of said ordinance is on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_.

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

By:   
AUDREY WILLIAMS PEARSON  
Deputy City Attorney

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**REVISED LEGISLATIVE DIGEST**

(Substituted, 9/3/2019)

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

**Ordinance amending the Planning Code and Zoning Map to create the 3333 California Street Special Use District; and making environmental findings, findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public convenience, necessity, and welfare under Planning Code, Section 302.**

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, child care, and inclusionary housing. The district also would allow buildings fronting California Street to include, at the first and second story, flexible retail uses, social services or philanthropic facilities, and other non-residential uses, all 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. Overall, the Project is proposed to include 744 dwelling units within 977,437 gross square feet (gsf) of residential/commercial floor area; 34,496 gsf of retail floor area; a 14,665 gsf childcare facility; 401,234 gsf devoted to off-street parking with 847 parking spaces; 125,226 square feet of privately owned, publicly accessible open space and 86,570 square feet of other open space, including private open space for residents. The Project will contain public pathways through the site and retain 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.

This is substitute legislation (original legislation introduced on July 30, 2019) that updates the open space plan, clarifies the controls for additional uses on the project site, and includes specific controls for child care requirements.

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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**  
7 **child care center comprised of approximately 14,665 square feet, and approximately**  
8 **2.87 acres of privately owned, publicly accessible open space; making findings under**  
9 **the California Environmental Quality Act, and findings of conformity with the General**  
10 **Plan, and the eight priority policies of Planning Code, Section 101.1(b); approving**  
11 **certain development impact fees for the project, and waiving certain Planning Code**  
12 **fees and requirements; confirming compliance with or waiving certain provisions of**  
13 **Administrative Code, Chapter 56; ratifying certain actions taken in connection with the**  
14 **Development Agreement, as described herein; and authorizing certain actions to be**  
15 **taken under the Development Agreement, as described herein.**

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

1 jurisdiction of the city, county, or city and county.

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

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

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

16 (e) The Developer proposes a mixed use development that will include residential,  
17 non-residential, open space, child care, and related uses (the "Project"). Specifically, the  
18 Project includes (1) approximately 744 residential units, including not less than 185 on-site  
19 affordable senior residential units, (2) approximately 34,496 square feet of  
20 retail/restaurant/commercial use in buildings along California Street, (3) 10 below-grade  
21 parking garages with approximately 847 parking spaces, (4) an approximately 14,665 gross  
22 square foot space for child care use, and (5) 125,226 square feet of privately owned, publicly  
23 accessible open space and 86,570 square feet of other open space, including private open  
24 space for residents, all as more particularly described in the Development Agreement.

1 (f) While the Development Agreement is between the City, acting primarily through  
2 the Planning Department, and the Developer, other City agencies retain a role in reviewing  
3 and issuing certain later approvals for the Project, including approval of final maps and street  
4 improvement permits. As a result, affected City agencies have consented to the Development  
5 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 Office of Economic and  
11 Workforce Development has determined that development of the Project under the  
12 Development Agreement will provide additional benefits to the public that could not be  
13 obtained through application of existing City ordinances, regulations, and policies. Additional  
14 public benefits to the City from the Project include (1) on-site affordable housing that exceeds  
15 the amount otherwise required and will equal 25% of the total number of proposed housing  
16 units for the Project; (2) workforce obligations, including significant training, employment, and  
17 economic development opportunities as part of the development and operation of the Project;  
18 (3) construction and maintenance of the privately owned, publicly accessible open space,  
19 totaling approximately 2.87 acres; (4) street improvements, some of which will be maintained  
20 by the Developer at no cost to the City; (5) an approximately 14,665 square foot child care  
21 center, including an outdoor activity area, capable of accommodating at least 175 children,  
22 with 10% of the maximum number of permitted slots to be provided to children in low-income  
23 households; (6) a Transportation Demand Plan under Planning Code Section 169.3(e)(2) that  
24 implements 75% of applicable target points rather than the 50% standard otherwise required  
25 for the Project; and (7) a \$1,055,000 payment towards an auxiliary water supply system that



1 will 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 Sections 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 in this ordinance, the Board of Supervisors has reviewed the FEIR  
16 and related documents, and adopts as its own and incorporates by reference as though fully  
17 set forth herein the CEQA Findings, including the statement of overriding considerations, and  
18 the MMRP.

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

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

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

1 the findings set forth in Planning Commission Resolution No. \_\_\_\_\_ and incorporates those  
2 findings herein by reference.

3 Section 4. Development Agreement.

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

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

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

21 Section 5. Development Impact Fees and Planning Code Conformity.

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

1 (b) For the Project, the Board of Supervisors approves the child care facility and  
2 affordable housing requirements as set forth in the Development Agreement and waives the  
3 requirements of Planning Code Sections 414A, 415.5, 415.6(e), 415.6(f), and 415.7.

4 Section 6. Administrative Code Conformity.

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

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

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

14 (c) The provisions of the Development Agreement, including its attached Workforce  
15 Agreement, apply and satisfy the requirements of Administrative Code Chapter 14B, Section  
16 14B.20, and Chapter 56, Section 56.7(c).

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

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

24 Section 7. Chapter 56 Waiver; Ratification.  
25

1 (a) In connection with the Development Agreement, the Board of Supervisors finds  
2 that the requirements of Chapter 56, as modified hereby, have been substantially complied  
3 with and waives any procedural or other requirements of Chapter 56 if and to the extent to  
4 which they have not been strictly complied.

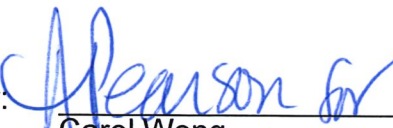
5 (b) All actions taken by City officials in preparing and submitting the Development  
6 Agreement to the Board of Supervisors for review and consideration are hereby ratified and  
7 confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be taken  
8 by City officials consistent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

9 Section 8. Effective and Operative Date.

10 (a) This ordinance shall become effective 30 days after enactment. Enactment occurs  
11 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not  
12 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the  
13 Mayor's veto of the ordinance.

14 (b) This ordinance shall become operative only on (and no rights or duties are affected  
15 until) the later of (1) its effective date, as stated in subsection (a), or (b) the date that  
16 Ordinance \_\_\_\_\_, and Ordinance \_\_\_\_\_, have become effective. Copies of said ordinances  
17 are on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and File No. \_\_\_\_\_.

18  
19 APPROVED AS TO FORM:  
20 DENNIS J. HERRERA, City Attorney

21  
22 By:  \_\_\_\_\_  
23 Carol Wong  
24 Deputy City Attorney

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**REVISED LEGISLATIVE DIGEST**

(Substituted, 9/3/2019)

[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 2.87 acres of privately owned, publicly accessible open space; making findings under the California Environmental Quality Act, and 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; ratifying certain actions taken in connection with the Development Agreement, as described herein; and authorizing certain actions to be taken under the Development Agreement, as described 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. This is a substitute ordinance (original ordinance introduced on July 30, 2019) that updates the amount of privately owned, publicly accessible open space and other private open space for residents and the number of proposed parking spaces on the site.

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 774 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 847 parking spaces, an approximately 14,665 gross square foot space for child care use, approximately 125,226 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, and approximately 86,570 square feet of other open space, including private open space for residents.

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, an auxiliary water supply 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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