



# Fire Station 13

## 530 Sansome





# Fire Station 13

## Legislative History

- June 2017 – Resolution 244-17 authorizing use of air rights at 530 Sansome for developing affordable housing in District 3
- May 2018 – Resolution 143-18 authorizes soliciting proposals to develop market rate housing and a new fire station at 530 Sansome with revenues dedicated toward affordable housing at 772 Pacific Ave



# Fire Station 13

## **Legislative History**

- May 2019 - Resolution 220-19 conditionally approved a CPEA (Conditional Property Exchange Agreement) to facilitate a new high-rise development and new Fire Station at no cost to the City.
- The project has been re-designed to better meet the needs of the Fire Department and the anticipated demands of the marketplace. These changes are substantive enough to warrant a new conditional approval.



## Fire Station 13

### **Changes from Original Proposed CPEA**

- Fire Station increased in size to 20,300 sf
- Swapped out 35 for-sale condos for 40,000 sf of office
- Added a voluntary fee \$1.6 M paid by developer
- Fire Station delivery cost increased to \$31.2 M
- Added an apparatus bay for Fire Station



## Fire Station 13

### **Details on Fee Structure**

- Prior proposal included both Jobs-Housing Linkage and In-Lieu fees
- With removal of condos, switch to J-H Linkage fees would result in less fee revenue
- Developer agreed to an additional fee to capture that reduction in fees due to swap from condos to office



## Fire Station 13

### **Details on Cost Increases**

- Developer agreed to cover increase in costs for delivery of first-class next-generation fire station (a cost increase of \$5.7 M)
- Fees allocated to 772 Pacific affordable housing project will exceed \$5.9 M, sufficient to complete the fiscal gap on that project. (MOHCD had originally budgeted \$4 M from this project)
- No Fiscal impact to the City



## Fire Station 13

# Key Points of Conditional Agreement

- Conditional Property Exchange Agreement is subject to Board and Mayor ratification post-CEQA
- Efficiently delivers new, more resilient & functional fire station via private sector at no cost to City, with a construction cost estimate of \$31,200,000
- Upon completion of project, any cost savings in station delivery are realized by Related, except any savings to below a delivery cost of \$25.5 M will be paid to City at closing



## Fire Station 13

### **Key Points of Conditional Agreement**

- All Jobs-Housing Linkage fees (estimated at \$5.9 M) would be dedicated to the 772 Pacific affordable housing project
- Requires Transferable Development Rights purchase from City, resulting in additional GF revenues of \$3M+
- Requires prevailing wages and other City requirements as a restriction against the entire project – including the hotel and office development

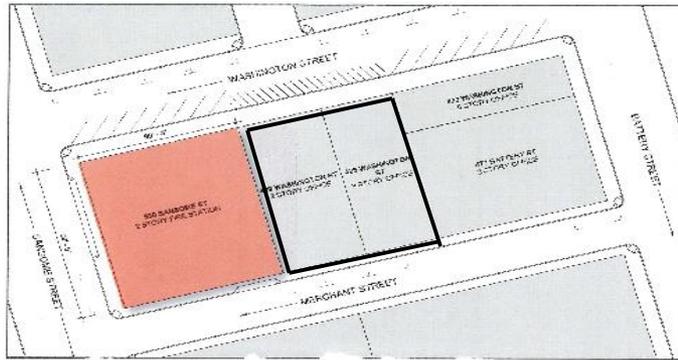


## Conclusion & Next Steps

- Developer is increasing their financial participation, at a time when our appraisal update indicates the City's property value here has actually declined
- Project would next proceed with entitlements
- If CEQA approval obtained, permitting in 2021/2022, after Board and Mayoral ratification of final agreement and ancillary documents
- Construction begins in early 2022
- New project ready for occupancy by end of 2023

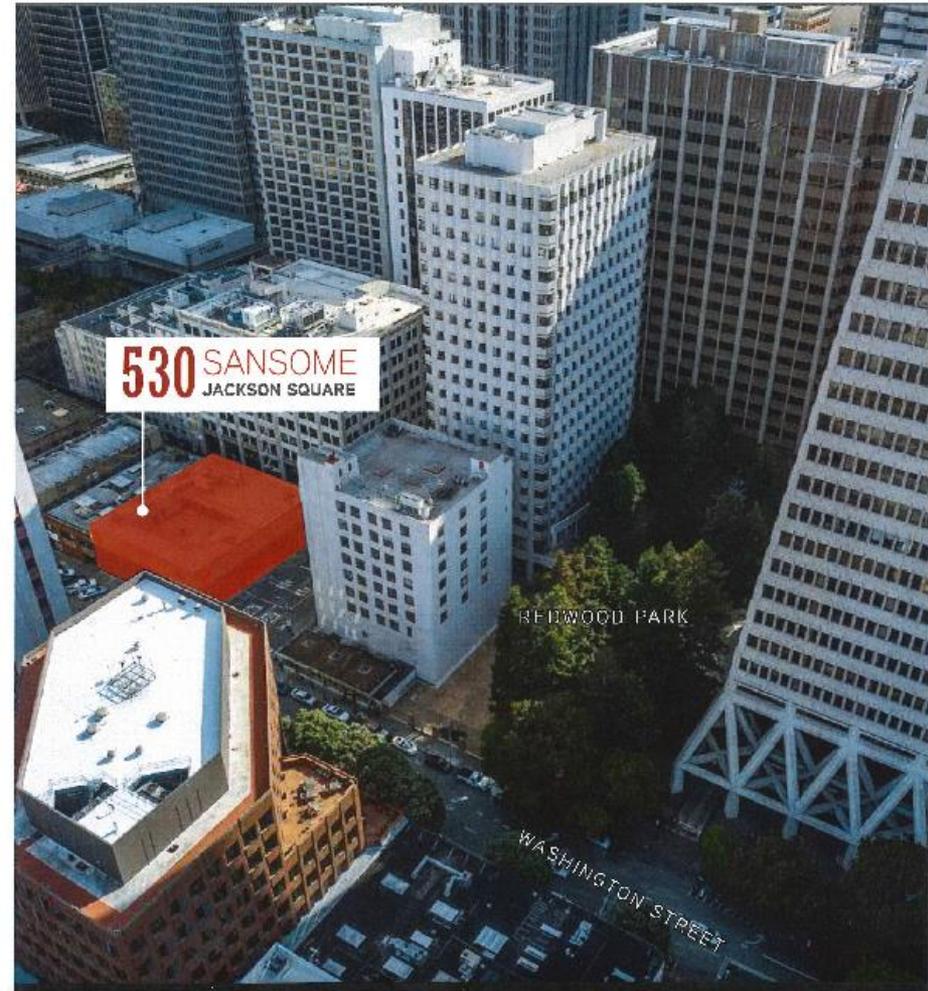


# Fire Station 13



Block map of existing fire station

Context aerial of site

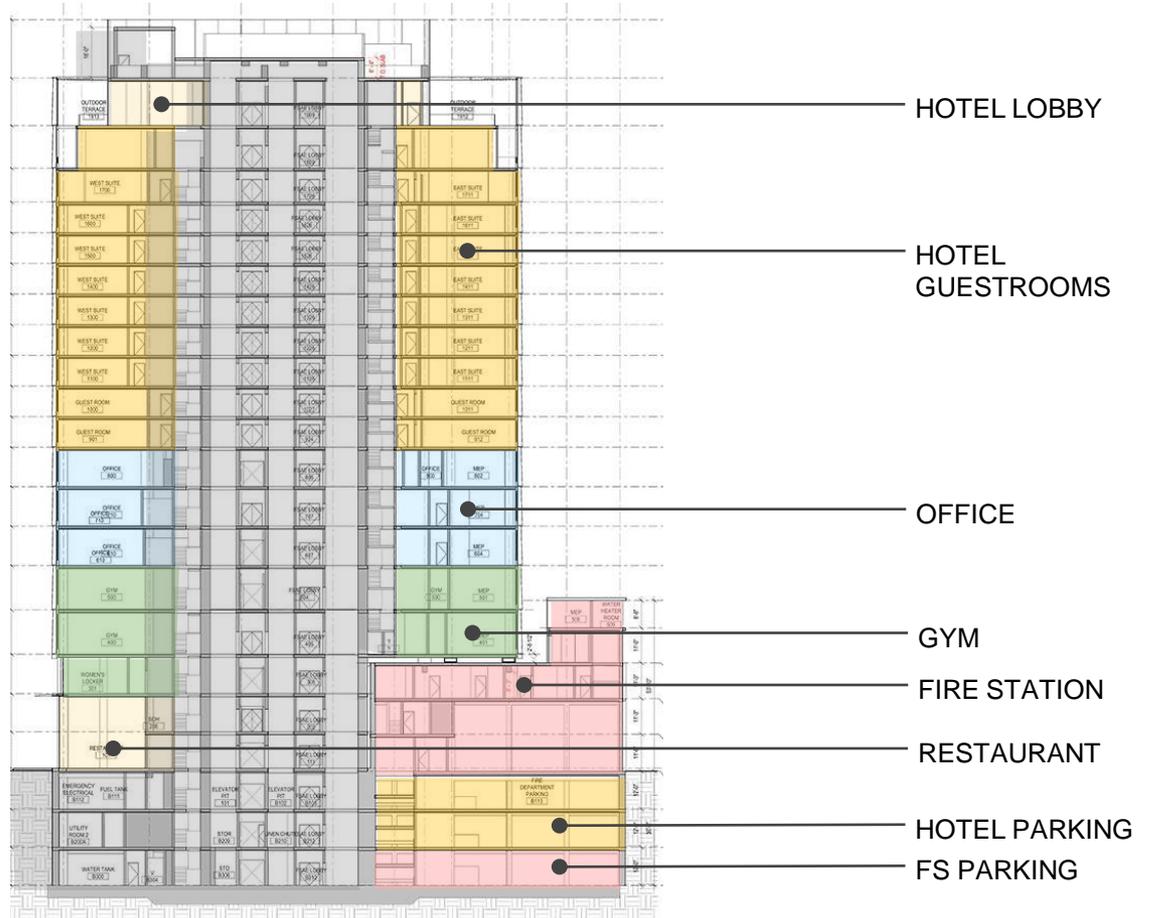




# Fire Station 13

## Neighborhood Context





Section Diagram, Fire Station footprint in red



North Elevation



# Fire Station 13

## Conclusion & Next Steps

Developer has made significant design changes:

In favor of the City, delivering a better product for the Fire Department

In favor of Developer, delivering a product better positioned to be successful in tomorrow's marketplace



Available to answer your questions today:

- Jonathum Shum, Senior VP, Related California
- Mara Blitzer, Director of Housing Development, MOHCD
- Olivia Scanlon, San Francisco Fire Department