
RULES GOVERNING PARTICIPATION BY
PROPERTY OWNERS AND THE
EXTENSION OF REASONABLE PREFERENCES TO
BUSINESS OCCUPANTS IN THE
TRANSBAY REDEVELOPMENT PROJECT



SAN FRANCISCO
REDEVELOPMENT AGENCY

Adopted January 25, 2005

TABLE OF CONTENTS

1.0 – PURPOSE AND INTENT	1
2.0 – DEFINITIONS.....	1
3.0 – ELIGIBILITY	3
4.0 – TYPES OF PARTICIPATION	3
5.0 – CONFORMING OWNERS	4
6.0 – OWNER PARTICIPATION AGREEMENTS.....	4
7.0 – CONTENTS OF OWNER PARTICIPATION AGREEMENTS.....	4
8.0 – LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY	5
9.0 – PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA	5
10.0 – AMENDMENT OF RULES	6

1.0 – PURPOSE AND INTENT

These rules are adopted pursuant to the Community Redevelopment Law of the State of California (Health & Safety Code §§ 33000 *et seq.*) (the “Redevelopment Law”) in order to implement the provisions of the Redevelopment Plan for the Transbay Redevelopment Project (the “Redevelopment Plan”) regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project. These rules set forth the procedures governing such participation and preferences.

It is the intention of the San Francisco Redevelopment Agency (the “Agency”) to encourage and permit participation in the redevelopment of the Project Area by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of the Project Area to the maximum extent consistent with the objectives of the Redevelopment Plan.

2.0 – DEFINITIONS

As used herein, the following definitions apply:

“Agency” means the Redevelopment Agency of the City and County of San Francisco, California.

“Board of Supervisors” means the Board of Supervisors of the City and County of San Francisco, California.

“Business Occupant” means any person, persons, corporation, association, partnership or other entity engaged in business within the Project Area on or after the date of adoption of the Redevelopment Plan by the Board of Supervisors.

“Caltrain Downtown Extension” means the extension of Peninsula Corridor, or “Caltrain,” commuter rail service from 4th and Townsend Streets to a terminus underneath the new Transbay Terminal.

“City” means the City and County of San Francisco, California.

“Community Redevelopment Law” or “CRL” means the Community Redevelopment Law of the State of California (§§ 33000 *et seq.* of the California Health & Safety Code).

“Design for Development” means a document that establishes frameworks for land use, urban form, and streets and public spaces in the Project Area.

“Development Controls and Design Guidelines” means a set of regulations that establish height limits of buildings, land coverage, density, street systems, design criteria, parking and loading

standards and other development controls and design guidelines that will apply to the development of both private and public areas within the Project Area.

“General Plan” means the General Plan for the City and County of San Francisco.

“Owner” means any person, persons, corporation, association, partnership or other entity holding title of record to real property in the Project Area on or after the date of adoption of the Redevelopment Plan by the Board of Supervisors.

“Owner Participation Agreement” means a binding agreement between a property owner and the Agency, required as a condition to participation in redevelopment, by which the participant agrees to rehabilitate, develop, use and maintain the property in conformance with the Redevelopment Plan and to be subject to its provisions.

“Project Area” means the area included within the boundaries of the Transbay Redevelopment Project.

“Real Property” means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

“Redevelopment Commission” means the San Francisco Redevelopment Agency Commission.

“Redevelopment Plan” means the Redevelopment Plan for the Transbay Redevelopment Project.

“Related Plan Documents” means those documents described in Section 1.7 of the Redevelopment Plan.

“Transbay Joint Powers Authority” means the public entity created by the City and County of San Francisco, the Alameda-Contra Costa County Transit District and the Peninsula Corridor Joint Powers Board on April 4, 2001, to develop, design, construct, renovate, rehabilitate, improve, operate, manage and maintain a new regional transit terminal, which shall include the removal of existing structures, which will provide expanded bus and rail service, including the design and construction of the downtown extension of Peninsula Corridor, or “Caltrain,” commuter rail service from 4th and Townsend Streets to the new regional transit terminal, and direct access to transit on the site of the existing terminal and/or property adjacent to the existing terminal.

“Transbay Terminal” means the new regional transit terminal to be constructed on the site of the existing terminal and/or property adjacent to the existing terminal, which will provide expanded bus and rail service.

3.0 – ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan, Related Plan Documents, these rules, and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

- A. the appropriateness of land uses proposed and consistency with the General Plan and the Redevelopment Plan;
- B. the creation, widening, narrowing, alteration, realignment, abandonment, depression or closure of streets and alleys;
- C. the ability of participants to finance acquisition and development in accordance with the Redevelopment Plan, the Design for Development and the Development Controls and Design Guidelines, and applicable sections of the Planning Code;
- D. the desirability of land assemblage in the Project in order to create efficient and marketable residential and commercial parcels; and
- E. the construction or expansion of public improvements and public buildings, including the Transbay Terminal, its access ramps, the temporary terminal facility, railroad extensions and related improvements and facilities.

The Agency presently contemplates that in carrying out the Redevelopment Plan, certain portions of the Project Area may be acquired by the Agency, the City or the Transbay Joint Powers Authority for the Transbay Terminal, its access ramps, the temporary terminal facilities, the Caltrain Downtown Extension, other public improvements and public buildings, and other uses in accordance with the Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

The Agency also presently contemplates that, in most cases, Owners will develop their property in accordance with the standards and procedures of those provisions of the Planning Code applicable to the Project Area and that owner participation agreements may not be necessary for those properties.

4.0 – TYPES OF PARTICIPATION

Subject to these rules and the limitations in Section 3.0 and this Section 4.0, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- A. retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- B. acquiring adjacent or other properties within the Project Area and developing or improving such property for use in accordance with the Redevelopment Plan; or
- C. selling their properties to the Agency and purchasing other properties in the Project Area.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

5.0 – CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

6.0 – OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within the Project Area may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

7.0 – CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the Redevelopment Plan is in force and effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Redevelopment Plan.

8.0 – LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

- A. such building requires structural alteration, improvement, modernization, or rehabilitation;
- B. the site or lot on which the building is situated requires modification in size, shape, or use; or
- C. it is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of the Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Redevelopment Plan.

9.0 – PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA

Business Occupants who desire to remain within the Project Area shall be extended a reasonable preference to remain or reenter in business within the Project Area if they otherwise meet the requirements prescribed in these rules and the Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Project Area.

10.0 – AMENDMENT OF RULES

These rules may be modified or amended from time to time by the Redevelopment Commission at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.