

Commission on Community Investment and Infrastructure

RESOLUTION NO. 53-2013

Adopted November 19, 2013

RECOMMENDING APPROVAL TO THE OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY'S LONG-RANGE PROPERTY MANAGEMENT PLAN ("PMP") GOVERNING
THE DISPOSITION OF REAL PROPERTY UNDER REDEVELOPMENT
DISSOLUTION LAW

- WHEREAS, The Successor Agency (otherwise known as the Office of Community Investment and Infrastructure, or OCII) became the successor to the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, exercising its functions and powers and organized and existing under the Community Redevelopment Law of the State of California (the "Former Redevelopment Agency"), after the Former Redevelopment Agency was dissolved on February 1, 2012, pursuant to the California Assembly Bill known as AB 26 and the California Supreme Court's decision and order in the case entitled *California Redevelopment Association et al. v. Ana Matosantos*. Shortly thereafter, all of the Former Redevelopment Agency's non-housing assets, including all real property, were transferred to the Successor Agency; and,
- WHEREAS, As a result of AB 26, the Successor Agency continues to own or lease certain real property in redevelopment project areas and other areas of the City and County of San Francisco (the "Agency Property"); and,
- WHEREAS, On June 27, 2012, California's Governor approved legislation amending Assembly Bill No. 26 (statutes 2011, chapter 5) ("AB 26") entitled Assembly Bill No. 1484 (statutes 2012, chapter 26) ("AB 1484") (together, AB 26 and AB 1484 are the "Redevelopment Dissolution Law"). AB 1484 imposes certain requirements on the successor agencies to redevelopment agencies established by AB 26, including a requirement that suspends certain dispositions of former redevelopment agency property until certain state-imposed requirements are met. Cal. Health & Safety Code §§ 34177(c); 34181(a); 34191.4; and,
- WHEREAS, Redevelopment Dissolution Law requires successor agencies to prepare a long range property management plan ("PMP") to dispose of any of its properties (Cal Health & Safety Code § 34191.5). The plan must include an inventory of all successor agency properties, with information about date of acquisition, purpose of acquisition, parcel data, current value, revenue generation, environmental contamination, potential for transit-oriented development, and previous development proposals for each property. The plan must also categorize each property by one of four permissible uses: (1) retention for

governmental use; (2) retention for future development; (3) disposition; or (4) use of the property to fulfill an enforceable obligation; and,

WHEREAS, Redevelopment Dissolution Law also requires the Oversight Board to make certain findings regarding housing assets that include both low- and moderate-income housing and other uses, such as commercial uses. The Oversight Board must consider “the overall value to the community as well as the benefit to taxing entities of keeping the entire development intact or dividing the title and control over the property between the housing successor and the successor agency or other public or private agencies.” Cal. Health & Safety Code §§ 34176(f); and,

WHEREAS, Redevelopment Dissolution Law requires that both the Oversight Board and the Department of Finance (“DOF”) approve the PMP. Cal. Health & Safety Code § 34191.5 (b); and,

WHEREAS, In compliance with AB 1484, the Successor Agency has prepared the PMP (attached hereto as Exhibit A) for the Agency Property, and will be seeking the Oversight Board’s approval of the PMP prior to the statutory deadline, which is six months from the date the Successor Agency received its “Finding of Completion” from DOF (i.e., the deadline is November 29, 2013); and,

WHEREAS, Chapter Four of the PMP is the Yerba Buena Gardens Long-Range Property Management Plan (“YBG PMP”), which proposes a transfer of the Successor Agency’s Yerba Buena Gardens assets (“YBG Assets”) to the City and County of San Francisco (“City”) for a governmental purpose. The City is considering several ownership/management structures for the YBG Assets, which will be determined after the YBG PMP is submitted to DOF; and,

WHEREAS, Community stakeholders in Yerba Buena Gardens have expressed a strong preference for certain ownership/management structures for the YBG Assets and have communicated their preferences to the Commission in letters and at public meetings. In addition, community stakeholders have developed a list of fundamental principles to guide the transfer of the YBG Assets to the City. See Attachment B to the Memorandum for the Commission Meeting of November 19, 2013 for community preferences and principles. In response to the community, the OCII Commission strongly urges the City to consider the community’s preferences and principals as it determines the future ownership/management structure for the YBG Assets; and,

WHEREAS, The PMP is exempt from the California Environmental Quality Act (“CEQA”) on the following grounds: (1) under Section 15262 of the State CEQA Guidelines, the PMP is a planning study for a future action that has not yet been approved and does not legally bind the Successor Agency to transfer the Agency Property; (2) under Section 15061 (b) (3) of the CEQA Guidelines, the PMP does not have the potential for causing a significant effect on the environment because it merely provides documentation for pre-

disposition and planning activities; and (3) under Section 15268 of the CEQA Guidelines, the PMP is a ministerial act required under the Redevelopment Dissolution Law; now therefore be it

RESOLVED, That the Commission hereby finds that the PMP is exempt from CEQA for the reasons stated above and recommends that the Oversight Board approve the PMP in compliance with Redevelopment Dissolution Law for the subsequent disposition of the Agency Property, and authorizes the Executive Director to take any and all actions, including changes to the PMP, that are necessary to secure the Oversight Board's approval of the PMP at its regularly scheduled meeting on November 25, 2013; and, be it further

RESOLVED, That the Commission strongly urges the City and County of San Francisco to take into consideration the concerns and demands of the relevant communities when deciding how to use or develop property transferred to the City and County, including, without limitation, Yerba Buena Gardens, the Fillmore Heritage Center, and Hunters Point Shipyard.

Exhibit A: Long Range Property Management Plan ("PMP")

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of November 19, 2013.


Commission Secretary

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LONG RANGE PROPERTY MANAGEMENT PLAN MAJOR APPROVED DEVELOPMENT PROJECT TRANSBAY

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of real property in the Transbay Redevelopment Project Area, (the “Transbay Property” or the “Development Parcels”). Transbay will be the most transit-rich neighborhood on the West Coast and one of the most transit-oriented neighborhoods in the United States, with more than 3,000 new housing units and nearly 3.0 million square feet of new commercial space developed on publicly owned land surrounding the new, state-of-the-art, Transbay Transit Center (“TTC”) being developed by the Transbay Joint Powers Authority (“TJPA”). The disposition of the Transbay Property is required under enforceable obligations, as defined in Section 34171 (d) (1) of the California Health and Safety Code¹ and in a Final and Conclusive Determination by the Department of Finance (“DOF”) under Section 34177.5 (i).² DOF has already determined that “any sale, transfer, or conveyance of property related to this project, and as outlined in the project documents, is authorized.”³

The Development Parcels are comprised of Market-Rate Parcels (to be developed with private, market-rate residential/commercial uses), Affordable Housing Parcels (to be developed with affordable housing) and Park Parcels (to be developed as public parks). The Successor Agency owns some of these Development Parcels now. However, the vast majority of these parcels will be acquired, and then transferred, by the Successor Agency in the future, pursuant to Transbay enforceable obligations which are discussed in greater detail below.

Under Transbay enforceable obligations, the Successor Agency is required to exercise its purchase option on these parcels, and own them until they are either: (i) sold for private development, (ii) developed as affordable housing, or (iii) developed as public parks. Therefore, the Successor Agency proposes the following disposition plan pursuant to Redevelopment Dissolution Law for the Transbay Property:

- **Market-Rate Parcels**
 - **Future Ownership** (Blocks 4, 5, 8, and 9 and Parcel F) – Acquire and sell at market value to third-party developers pursuant to the Transbay Implementation Agreement. The estimated sales dates are between 2014 and 2020.

¹ All future statutory references are to the California Health and Safety Code unless otherwise noted.

² Letter, S. Szalay, DOF, Local Government Consultant, to Tiffany Bohee, Successor Agency, Executive Director (April 15, 2012), available at

http://www.dof.ca.gov/redevelopment/final_and_conclusive/Final_and_Conclusive_Letters/documents/San_Francisco_F&C_EO_Items_102_105_&_237.pdf

³ Email, Justyn Howard, DOF, Assist. Program Budget Manager, to Tiffany Bohee, Successor Agency, Executive Director (Sep. 10, 2013, 09:17 a.m.) (See Attachment C.)

- Sales proceeds – Sales proceeds are restricted under the Transbay Pledge Agreement and must be used to help pay the cost of designing and constructing the new TTC (pursuant to the Transbay Pledge Agreement, the Transbay Implementation Agreement, and the Transbay Option Agreement).
- ***Affordable Housing Parcels***
 - Current Ownership (Block 11A) – Retain until affordable housing is complete to fulfill Transbay enforceable obligations (i.e., to ensure funding and development of affordable housing to meet the state-mandated 35% affordable housing requirement in Transbay). Once the affordable housing is complete, the Successor Agency will transfer it to the City as Housing Successor Agency pursuant to Redevelopment Dissolution Law. The estimated transfer date is 2014.
 - Current Ownership (a portion of Block 1) – Retain until parcel can be aggregated with adjacent private parcels, sell at market value to adjacent property owner, and use proceeds for, or require on-site development of, affordable housing. The estimated sales date is 2014.
 - Future Ownership (Blocks 2, 7 and 12 and portions of Blocks 4, 6, 8, and 9) – Acquire and retain to fulfill Transbay enforceable obligations (i.e., to ensure these parcels are developed into affordable housing to meet the state-mandated 35% affordable housing requirement in Transbay). Once the affordable housing is complete, the Successor Agency will transfer it to the City as Housing Successor Agency pursuant to Redevelopment Dissolution Law. The estimated transfer dates are between 2014 and 2020.
- ***Park Parcels***
 - Current Ownership (Block 11B) -- Retain to fulfill an enforceable obligation (i.e., ensure Block 11B is developed into a park). Once the park is complete, the Successor Agency will transfer it to the City for a governmental purpose (i.e., a public park). The estimated transfer date is 2016.
 - Future Ownership (Block 3) – Acquire and retain to fulfill an enforceable obligation (i.e., ensure Block 3 is developed into a park). Once the park is complete, the Successor Agency will transfer it to the City for a governmental purpose (i.e., a public park). The estimated transfer date is 2019.

BACKGROUND

In 2005, the City and County of San Francisco (the “City”) adopted the Transbay Redevelopment Project Area (the “Project Area” or “Transbay”), which consists of 40 acres in the City’s financial district, including the new TTC and 10 acres of publicly owned property, most of which was formerly owned by the State of California (the “State”). Most of the formerly

State-owned parcels are part of the former Embarcadero Freeway, which was demolished after the 1989 Loma Prieta Earthquake. The Redevelopment Plan for the Project Area (the “Redevelopment Plan”) designates most of the formerly State-owned parcels as part of Zone 1, where the Successor Agency has final land use authority over projects.

The Redevelopment Plan has three primary goals, all of which are covered by the Transbay enforceable obligations discussed later in this document:

1. Funding (from sales proceeds, tax increment, and other sources) the construction of the new, multi-modal TTC on the site of the former terminal and construct a rail extension from the current Caltrain station at Fourth and King Streets to the new TTC (the “Downtown Extension”). The TJPA is responsible for planning, constructing and eventually operating the new TTC.
2. Developing a new, transit-oriented neighborhood on approximately 10 acres of publicly owned property, most of which was formerly owned by the State, including more than 3,000 new residential units and 3.0 million square feet of new commercial space as well as new parks, plazas, streetscapes, and related improvements.
3. Providing that 35 percent (or approximately 1,200 units) of the new residential units constructed in the Project Area are affordable to low- and moderate-income households by requiring market rate development to include affordable units and providing tax increment financing for Successor Agency-subsidized units.

The Redevelopment Plan authorizes the transformation of the Project Area into a new, mixed-use neighborhood surrounding a state-of-the-art, multi-modal transit station. The TJPA is responsible for constructing, owning and operating the new TTC, which is currently under construction and scheduled to be completed in 2017. The TTC will be a modern transit hub accommodating regional bus, light rail, and future high-speed rail service throughout the Bay Area and California.

In 2003, in anticipation of this plan, the TJPA, the City, and the State Department of Transportation (“Caltrans”) executed the 2003 Cooperative Agreement, which required Caltrans to transfer 24 parcels to the City and the TJPA for the construction of the TTC and future neighborhood development (the “Transbay Cooperative Agreement”). The Transbay Cooperative Agreement further required that all land sale proceeds from the sale of the State-owned parcels and all net tax increment generated by their development must be used for the construction of the new TTC, including its access ramps.

Under the enforceable obligations described below, the Successor Agency is responsible for facilitating development on publicly owned parcels within the Project Area and also for planning and constructing a wide range of infrastructure improvements in the Project Area, including new public parks, new pedestrian-oriented alleys, and widened sidewalks. The infrastructure improvements are detailed in the 2006 Transbay Redevelopment Project Area Streetscape and Open Space Plan (the “Streetscape and Open Space Plan”).

Summary of Enforceable Obligations

Transbay enforceable obligations require the Successor Agency to exercise purchase options on the Development Parcels and own them until they are either: (i) sold for private development, (ii) developed as affordable housing, or (iii) developed as public parks. These Transbay enforceable obligations are:

Enforceable Obligations to Acquire Property

- The Transbay Redevelopment Project Implementation Agreement dated January 20, 2005, between the Successor Agency and the TJPA (the “Transbay Implementation Agreement”)

Enforceable Obligations to Retain Property for Development

- The Transbay Implementation Agreement; and
- California State Assembly Bill 812, passed July 22, 2003 and codified in California Public Resources Code Section 5027.1, which imposes a 35% affordable housing requirement in the Transbay Redevelopment Project Area (“Assembly Bill 812”); and
- The Transbay Redevelopment Project Tax Increment Allocation and Sales Proceeds Pledge Agreement dated January 31, 2008, between the Successor Agency, the TJPA and the City (the “Transbay Pledge Agreement”).

Each of these enforceable obligations is discussed in greater detail below and are collectively referred to as the “Transbay Enforceable Obligations.”

The Transbay Implementation Agreement. The Transbay Implementation Agreement is an enforceable obligation under Redevelopment Dissolution Law. Parcels that the Successor Agency does not own now, but may own in the future, are defined as “Agency Transfer Parcels” in the Transbay Implementation Agreement and in the 2008 Option Agreement for the Purchase and Sale of Real Property between the Successor Agency, the City, and the TJPA (the “Transbay Option Agreement”). The Agency Transfer Parcels include all of the Development Parcels, except for Block 1.

The Transbay Implementation Agreement requires that the Successor Agency “prepare and sell the Agency Transfer Parcels to third parties.” (See Implementation Agreement, Section 2.1 (a) at page 4.) This requirement is also contained in the Option Agreement, which grants the Successor Agency “the exclusive and irrevocable option to purchase the Agency Transfer Parcels.” (See Option Agreement, Section 2.1 at page 4.) The Option Agreement provides the means by which the Successor Agency can fulfill its obligations under the Implementation Agreement to prepare and sell the Agency Transfer Parcels. In addition, the Implementation Agreement obligates the Successor Agency to fund and develop major infrastructure improvements and affordable housing.

The Transbay Implementation Agreement and the Transbay Option Agreement are in furtherance of the Transbay Pledge Agreement (discussed below) and the Transbay Cooperative Agreement.

On April 15, 2013, DOF determined “finally and conclusively” that the Transbay Implementation Agreement is an enforceable obligation that will not require additional DOF review in the future, although expenditures under the Transbay Implementation Agreement are subject to continuing DOF review.

Assembly Bill 812. Assembly Bill 812 is an obligation imposed by state law and is thus an enforceable obligation under Redevelopment Dissolution Law. (See Section 34171(d) (1) (C).) It imposes a 35% affordable housing requirement in the Project Area. To meet this requirement, the Successor Agency must ensure that the maximum number of affordable units be developed on the Development Parcels (identified as “Agency Transfer Parcels” in the Transbay Implementation Agreement) and on Block 1. Prior to dissolution, the former redevelopment agency acquired, with Low- and Moderate-Income Housing Funds, a portion of Block 1, which includes the Successor Agency’s parcel and three adjacent privately-owned parcels. The Transbay Redevelopment Project Area Development Controls and Design Guidelines (the “DCDG”) require that the Successor Agency’s portion of Block 1, also known as the “Spear Street Parcel,” be aggregated with the adjacent private parcels before Block 1 can be developed.

Development of Block 1 with a significant amount of affordable housing is needed to fulfill the affordable housing requirements of Assembly Bill 812, which the Successor Agency estimates as requiring approximately 1,200 below-market-rate units.

On April 15, 2013, DOF determined “finally and conclusively” that Assembly Bill 812 is an enforceable obligation that will not require additional DOF review in the future, although expenditures under Assembly Bill 812 are subject to continuing DOF review.

The Transbay Pledge Agreement. This agreement, another enforceable obligation under Redevelopment Dissolution Law, pledges all of the sales proceeds and all of the net tax increment from the formerly State-owned parcels to fund the TTC. The Transbay Pledge Agreement arose from the Transbay Cooperative Agreement.

On April 15, 2013, DOF determined “finally and conclusively” that the Transbay Pledge Agreement is an enforceable obligation that will not require additional DOF review in the future, although expenditures under the agreement are subject to continuing DOF review.

The Transbay Pledge Agreement, the Transbay Implementation Agreement, and the Transbay Option Agreement all require that the Successor Agency deposit the gross sales proceeds from the sale of the Agency Transfer Parcels into a separate account, which shall be used by the TJPA to help pay the cost of designing and constructing the new TTC.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The Successor Agency currently owns only three Development Parcels in Transbay: Two Affordable Housing Parcels (Block 11A and a portion of Block 1), and one Park Parcel (Block 11B). The vast majority of property covered in the Successor Agency’s PMP is property the Successor Agency will own in Transbay in the future. These properties are also shown on Attachment A (DOF Tracking Sheet for Transbay and Attachment B (Map of Transbay Property).

Date of Acquisition

See Attachment A for acquisition dates for the Market-Rate Parcels, the Affordable Housing Parcels, and the Park Parcels.

Value of Transbay Property at Time of Acquisition

See Attachment A for acquisition values for the Market-Rate Parcels, the Affordable Housing Parcels, and the Park Parcels.

Estimate of the Current Value

See Attachment A for estimated current values for the Market-Rate Parcels. The Affordable Housing Parcels have no value under Redevelopment Dissolution Law due to long-term affordability restrictions and future transfer to the City as Housing Successor Agency. The Park Parcels, except for Block 11B, are zoned as public open space, and therefore have no value. Block 11B is too small to be financially feasible as a private development and instead will be developed as a public park, increasing the open space already planned and zoned immediately to the south.

The source for the values of the Market-Rate Parcels is The Concord Group, a real estate consulting firm, which performed a pro-forma and comparables analysis for all of the formerly State-owned parcels that will be developed with market-rate housing and/or commercial space.

Block 1 is the only Development Parcel that is not a formerly State-owned parcel. The value of Block 1 is a pro-rata value based on the recent sale of two of the three adjacent privately-owned parcels, adjusted for the level of affordable housing required on Block 1 to meet the affordable housing obligations for the Project Area. Pursuant to the zoning for the Project Area, Block 1 must be assembled with these three privately-owned parcels to be developed.

Purpose for which the Transbay Property was Acquired

The Transbay Property -- including the Market-Rate Parcels, the Affordable Housing Parcels, and the Park Parcels -- was acquired, or will be acquired, for the purpose of developing a new, transit-oriented neighborhood surrounding the new TTC, to generate revenue to help construct the new TTC and fulfill the affordable housing enforceable obligation. Through an extensive community process, the former redevelopment agency created the zoning for the new

neighborhood, which will be the densest neighborhood in San Francisco at more than 350 residential units per acre. Along with this density, however, the zoning designates certain parcels as open space for the new neighborhood, as described in the Redevelopment Plan and the Streetscape and Open Space Plan.

In addition, Block 1 was acquired from the City in 2003 using affordable housing funds for the purpose of developing affordable housing. The market-rate sale of this property will help fund the affordable housing on Block 1, which is required to meet the Successor Agency's affordable housing obligations in the Project Area.

Address/Location

See Attachment A for the specific addresses for the Market-Rate Parcels, the Affordable Housing Parcels, and the Park Parcels.

These properties are mostly located along Folsom Street, and between Main and Beale Streets north of Folsom Street and south of Mission Street. These areas were formerly occupied by a portion of the Embarcadero Freeway, which was demolished after the 1989 Loma Prieta Earthquake, thus clearing the way for the State, the City and the TJPA to negotiate an agreement to transfer the parcels for the purpose of developing a new neighborhood and generating revenue to help construct the new TTC.

Other parcels, including portions of Blocks 2, 4 and 5 and Parcel F, were formerly occupied by the bus ramps to the former terminal before it was demolished. The new TTC will have fewer, more narrow ramps connecting it to Interstate 80, thus freeing up these parcels for development.

Lot Size

See Attachment A for the lot sizes for the Market-Rate Parcels, the Affordable Housing Parcels, and the Park Parcels.

Current Zoning

All of the Development Parcels (except Parcel F) are located within Zone 1 of the Project Area, as shown on the map in Attachment B. The Market-Rate Parcels and the Affordable Housing Parcels are zoned as "Transbay Downtown Residential" in the Redevelopment Plan and the DCDG. Transbay Downtown Residential is a mixed-use, high-density residential district that also provides convenience goods and services to the immediately surrounding neighborhoods, as well as comparison shopping goods for a wider market. There is no maximum residential density for living units. Permitted uses per the Redevelopment Plan include residential (3,200 dwelling units), retail businesses and personal services, arts activities and spaces, office and hotel uses, and other ancillary and supporting uses. Tower heights range from 250 to 550 feet.

Block 3, a Park Parcel, is zoned as "Public Open Space" in the Redevelopment Plan and the DCDG. It will be developed as a large neighborhood park and will be surrounded by private development in the future. It will function as a traditional city park.

Block 11B, the other Park Parcel, is zoned “Transbay Downtown Residential.” Block 11B, which the Successor Agency owns now is too small to be financially feasible as a private development. Instead, Block 11B will be developed as a public park, increasing the open space already planned and zoned immediately to the south.

Parcel F is located in Zone 2 of the Project Area, which is a special use district under the City’s Planning Code. It is zoned as one of the City’s Downtown Commercial Districts (C-3-O, or Downtown Office), which allows for high-density office development.

Estimate of the Current Value (Including Appraisal Information)

See Attachment A for estimated current values for the Market-Rate Parcels. The Affordable Housing Parcels have no value under Redevelopment Dissolution Law due to long-term affordability restrictions and future transfer to the City as Housing Successor Agency. The Park Parcels, except for Block 11B, are zoned as public open space, and therefore have no value. Block 11B is too small to be financially feasible as a private development and instead will be developed as a public park, increasing the open space already planned and zoned immediately to the south.

The source for the values of the Market-Rate Parcels is The Concord Group, a real estate consulting firm, which performed a pro-forma and comparables analysis for all of the formerly State-owned parcels that will be developed with market-rate housing and/or commercial space.

Block 1 is the only Development Parcel that is not a formerly State-owned parcel. The value of Block 1 is a pro-rata value based on the recent sale of two of the three adjacent privately-owned parcels, adjusted for the level of affordable housing required on Block 1 to meet the affordable housing obligations for the Project Area. Pursuant to the zoning for the Project Area, Block 1 must be assembled with these three privately-owned parcels to be developed.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

None of the Development Parcels has generated or will generate any revenues, except for the portion of Block 1 that the Successor Agency currently owns. When the former redevelopment agency acquired a portion of Block 1 in October 2003, it was assigned a long-standing lease with a parking operator for \$28,000 per month to operate a surface parking lot. The lease revenue received by the former redevelopment agency was deposited into an account for low- and moderate-income housing, since Block 1 was purchased with these same funds. The lease is month-to-month and requires a 90-day notice of termination. Upon dissolution, these revenues have been retained by the Successor Agency and are being used to fund Transbay affordable housing obligations under the Transbay Implementation Agreement. The Successor Agency expects to sell Block 1 at its market value to an adjacent property owner, pursuant to the Redevelopment Plan and the DCDG. This sale is expected to occur in 2014, at which time, the lease with the parking operator will be terminated.

History of Environmental Contamination, Studies, Remediation Efforts

A general survey of environmental conditions was conducted as part of the 2004 Environmental Impact Statement/Environmental Impact Report for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project (the "EIS/EIR"). The EIS/EIR states: "The proposed project would involve construction within an urbanized area, where hazardous materials/hazardous wastes would be a concern due to past land uses and undocumented releases to the subsurface environment." However, there is no known environmental contamination or hazardous waste on the Development Parcels, and therefore there have not been any remediation efforts to date.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Project Area will be the most transit-rich neighborhood on the West Coast and one of the most transit-oriented neighborhoods in the United States, with more than 3,000 new housing units and nearly 3.0 million square feet of new commercial space developed on publicly owned land surrounding the new, state-of-the-art, TTC. The new TTC will be built on the site of the former transit terminal and will serve 11 transportation systems: AC Transit, BART, Caltrain, Golden Gate Transit, Greyhound, Muni, SamTrans, WestCAT Lynx, Amtrak, Paratransit and future high-speed rail from San Francisco to Los Angeles/Anaheim. The first phase of the project will create the new TTC with one above-grade bus level, a concourse, and two below-grade rail levels for Caltrain and future high-speed rail. The first phase will also create new bus ramps that will connect the TTC to a new off-site bus storage facility and the San Francisco-Oakland Bay Bridge. The first phase is currently under construction and more than \$700 million has been spent by the TJPA to date. The second phase of the TTC consists of the improvements necessary to extend the existing Caltrain rail line that terminates at Fourth and King Streets to the new rail station at the TTC. The current cost estimate for the second phase is \$2.5 billion.

The new neighborhood surrounding the TTC will be the densest neighborhood in San Francisco, with more than 350 residential units per acre and towers ranging from 300 to more than 1,000 feet in height. The Transbay Enforceable Obligations require this development not only to generate land sales and tax increment funding for the TTC, but also to provide funding for affordable housing and the construction of a wide range of public improvements to improve the area for pedestrians and bicyclists. The Streetscape and Open Space Plan includes new public parks, new pedestrian-oriented alleys, and widened sidewalks, as well as new and widened bike lanes along all the major streets. The Transbay Enforceable Obligations require improvements to pedestrian and bicycle safety in the Project Area by widening sidewalks and bike lanes, narrowing streets to slow down traffic, and adding new pedestrian-oriented alleyways lined with residential townhouses. Furthermore, the development of all of the Affordable Housing Parcels fulfills the planning objectives contained in the Transbay Redevelopment Plan, the City's General Plan and the Housing Element, all of which identify a need for permanently affordable housing.

History of Previous Development and Leasing Proposals

The following briefly summarizes the history of previous development and leasing proposals for the Transbay Property:

- Since October 2003, when the former redevelopment agency acquired Block 1 (a portion), it was assigned a long-standing lease with a parking operator for \$28,000 per month to operate a surface parking lot. The lease revenue received by the former redevelopment agency was deposited into an account for low- and moderate-income housing, since Block 1 was purchased with these same funds. The lease is month-to-month and requires a 90-day notice of termination. Upon dissolution, these revenues have been retained by the Successor Agency and are being used to fund Transbay affordable housing obligations under the Transbay Implementation Agreement. The Successor Agency expects to sell Block 1 at its market value to an adjacent property owner, pursuant to the Redevelopment Plan and the DCDG. This sale is expected to occur in 2014, at which time, the lease with the parking operator will be terminated.
- In October 2008, the former redevelopment agency released a request for proposals (“RFP”) for Block 8. Two proposals were received in early 2009. However, due to the poor state of the economy, the former redevelopment agency, in consultation with the TJPA, decided to suspend the RFP and wait for the economy to improve.
- In July 2011, the former redevelopment agency released an RFP for Blocks 6 and 7. A development team was selected to develop a market-rate and affordable housing development on those parcels. The transaction for Block 6 has been completed, and that parcel was transferred to the market-rate developer in October 2013, prior to the start of construction. Block 6 is listed on the DOF Tracking Sheet because the market-rate developer is required to deed back to the Successor Agency the portion of the parcel on which a 100% affordable housing project will be constructed, which will then be ground leased to the affordable housing developer in order to provide site access to construct the units and to apply long term affordability restrictions. After the 100% affordable housing project on Block 6 is completed in 2015, the Successor Agency will transfer that portion of the parcel to the City as Housing Successor Agency pursuant to Redevelopment Dissolution Law. The development of Block 7, which will also be a 100% affordable housing project, is anticipated to be completed in 2016, at which point the Successor Agency will transfer the parcel to the City as Housing Successor Agency.
- In September 2012, the Successor Agency released an RFP for Block 9. A development team was selected in April 2013 to develop a market-rate and affordable housing development on that parcel.
- In November 2013, the Successor Agency re-released the suspended RFP for Block 8. The RFP seeks a development team to develop a market-rate and affordable housing development on that parcel.

Disposition of the Transbay Property

Based on the foregoing, the Successor Agency proposes the following disposition plan pursuant to Redevelopment Dissolution Law for the Transbay Property:

- ***Market-Rate Parcels***
 - Future Ownership (Blocks 4, 5, 8, and 9 and Parcel F) – Acquire and sell at market value to third-party developers pursuant to the Transbay Implementation Agreement. The estimated sales dates are between 2014 and 2020.
 - Sales proceeds – Sales proceeds are restricted under the Transbay Pledge Agreement and must be used to help pay the cost of designing and constructing the new TTC (pursuant to the Transbay Pledge Agreement, the Transbay Implementation Agreement, and the Transbay Option Agreement).
- ***Affordable Housing Parcels***
 - Current Ownership (Block 11A) -- Retain to fulfill Transbay Enforceable Obligations (i.e., to ensure these parcels are developed into affordable housing to meet the state-mandated 35% affordable housing requirement in Transbay). Once the affordable housing is complete, the Successor Agency will transfer it to the City as Housing Successor Agency pursuant to Redevelopment Dissolution Law. The estimated transfer date is 2014.
 - Current Ownership (a portion of Block 1) – Sell at market value to adjacent property owner pursuant to the Redevelopment Plan and the DCDG, and in furtherance of the affordable housing requirement mandated by AB 812. The estimated sales date is 2014.
 - Future Ownership (Portions of Blocks 2, 4, 6, 7, 8, 9 and 12) – Acquire and retain to fulfill Transbay Enforceable Obligations (i.e., to receive tax increment financing and develop affordable housing to meet the state-mandated 35% affordable housing requirement in Transbay). The Successor Agency intends to provide the affordable housing developer for each parcel with a ground lease to provide site access to construct the affordable housing, as well as apply long term affordability restrictions to the project. Once the affordable housing is complete, the Successor Agency will transfer it to the City as Housing Successor Agency pursuant to Redevelopment Dissolution Law. The estimated transfer dates are between 2014 and 2020.
- ***Park Parcels***
 - Current Ownership (Block 11B) -- Retain to fulfill an enforceable obligation (i.e., ensure Block 11B is developed into a park). Pursuant to the Transbay Implementation Agreement, staff will use tax increment to build the park improvements on Block 11B. Once the park is complete, the Successor Agency will transfer it to the City for a governmental purpose (i.e., a public park) and the City can use funds generated from a to-be-formed community benefits district to maintain the park. The estimated transfer date for this park is 2016.
 - Future Ownership (Block 3) – Acquire and retain to fulfill an enforceable obligation (i.e., ensure Block 3 is developed into a park). Pursuant to the Transbay Implementation Agreement, staff will use tax increment to build the park improvements on Block 3. Once the park is complete, the Successor Agency will transfer it to the

City for a governmental purpose (i.e., a public park) and the City can use funds generated from a to-be-formed community benefits district to maintain the park. The estimated transfer date for this park is 2019.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See section above.

Attachment A: DOF Tracking Sheet for Transbay
Attachment B: Map of Transbay Property
Attachment C: September 10, 2013 email from Justyn Howard, DOF

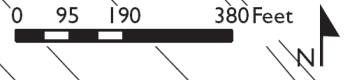
Attachment A
DOF Tracking Sheet for Transbay

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - TRANSRAY

No.	Property Name	Property Type	HSC 34191.5 (c)(3)		HSC 34191.5 (c)(1)(A)				SALE OF PROPERTY			HSC 34191.5 (c)(1)(B)			HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)		HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)		HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)				
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property potential for transit oriented development	Advancement of planning objectives of the successor agency	History of previous development proposals and activity							
Development Parcels																														
1	Block 1 (market-rate housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	10/20/2003	\$ 5,062,704	\$ 13,975,000	Market	Jul. 2013	Fair Market Value	2015	See narrative	235 Main Street	3740-027(p)	16,701	Residential	\$ 13,575,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
2	Block 1 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	10/20/2003	\$ 5,931,436	\$ -	(1) Market	Jul. 2013	Fair Market Value	2015	See narrative	235 Main Street	3740-027(p)	16,432	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative
3	Block 6 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2016	See narrative	Fremont/Main north of Folsom	3738-015	7,365	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
4	Block 7 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	10/10/2013	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2016	See narrative	Fremont/Main north of Folsom	3738-004 (p)	27,103	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
5	Block 11A (affordable housing)	Residential	Fullfill Enforceable Obligation	See narrative	12/1/2011	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2014	See narrative	25 Essex Street	3749-503	17,191	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
6	Block 2 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2016	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2018	See narrative	Folsom between Beale/Main	3739-004,006(p),07,008(p)	42,625	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
7	Block 4 (market-rate housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2015	\$ -	\$ 65,800,000	Market	Jul. 2013	Fair Market Value	2018	See narrative	South of Howard between Beale/Main	3739-006(p)	20,873	Residential	\$ 65,800,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
8	Block 4 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2015	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2018	See narrative	South of Howard between Beale/Main	3739-006(p)	24,503	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
9	Block 5 (commercial office space)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ 117,700,000	Market	Jul. 2013	Fair Market Value	2015	See narrative	North of Howard between Beale/Main	3718-012,005-027	45,375	Commercial	\$ 117,700,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
10	Block 8 (market-rate housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ 77,100,000	Market	Jul. 2013	Fair Market Value	2015	See narrative	Folsom between First/Fremont	3737-005(p),012(p),028(p)	19,608	Residential	\$ 77,100,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
11	Block 8 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2015	See narrative	Folsom between First/Fremont	3737-005(p),012(p),028(p)	23,018	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
12	Block 9 (market-rate housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ 43,320,000	Market	Jul. 2013	Fair Market Value	2014	See narrative	Folsom between Ecker/First	3736-120(p)	34,100	Residential	\$ 43,320,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
13	Block 9 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2014	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2014	See narrative	Folsom between Ecker/First	3736-120(p)	8,525	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
14	Block 12 (affordable housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2020	\$ -	\$ -	(1) Market	Jul. 2013	Fair Market Value	2020	See narrative	Harrison at Second	3762-068	13,750	Residential	\$ -	(1) See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
15	Parcel F (commercial office and market-rate housing)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2015	\$ -	\$ 69,900,000	Market	Jul. 2013	Fair Market Value	2016	See narrative	Natoma between First/Second	3721-15A	23,750	Mixed Use	\$ 69,900,000	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
Parks																														
16	Block 11B (park)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	12/1/2011	\$ -	\$ -	Market	Nov. 2013	\$ -	2016	See narrative	Lansing Street at Essex	3749-504	10,619	Residential	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
17	Block 3 (park)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	2017	\$ -	\$ -	Market	Nov. 2013	\$ -	2019	See narrative	Beale/Main north of Folsom	3739-006(p),098(p)	48,000	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	
18	Block 10 (park)	Vacant Lot/Land	Fullfill Enforceable Obligation	See narrative	Will not acquire	\$ -	\$ -	Market	Nov. 2013	\$ -	2016	See narrative	Ciennolina between Second/Ecker	3736-108	7,177	Residential	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	See narrative	

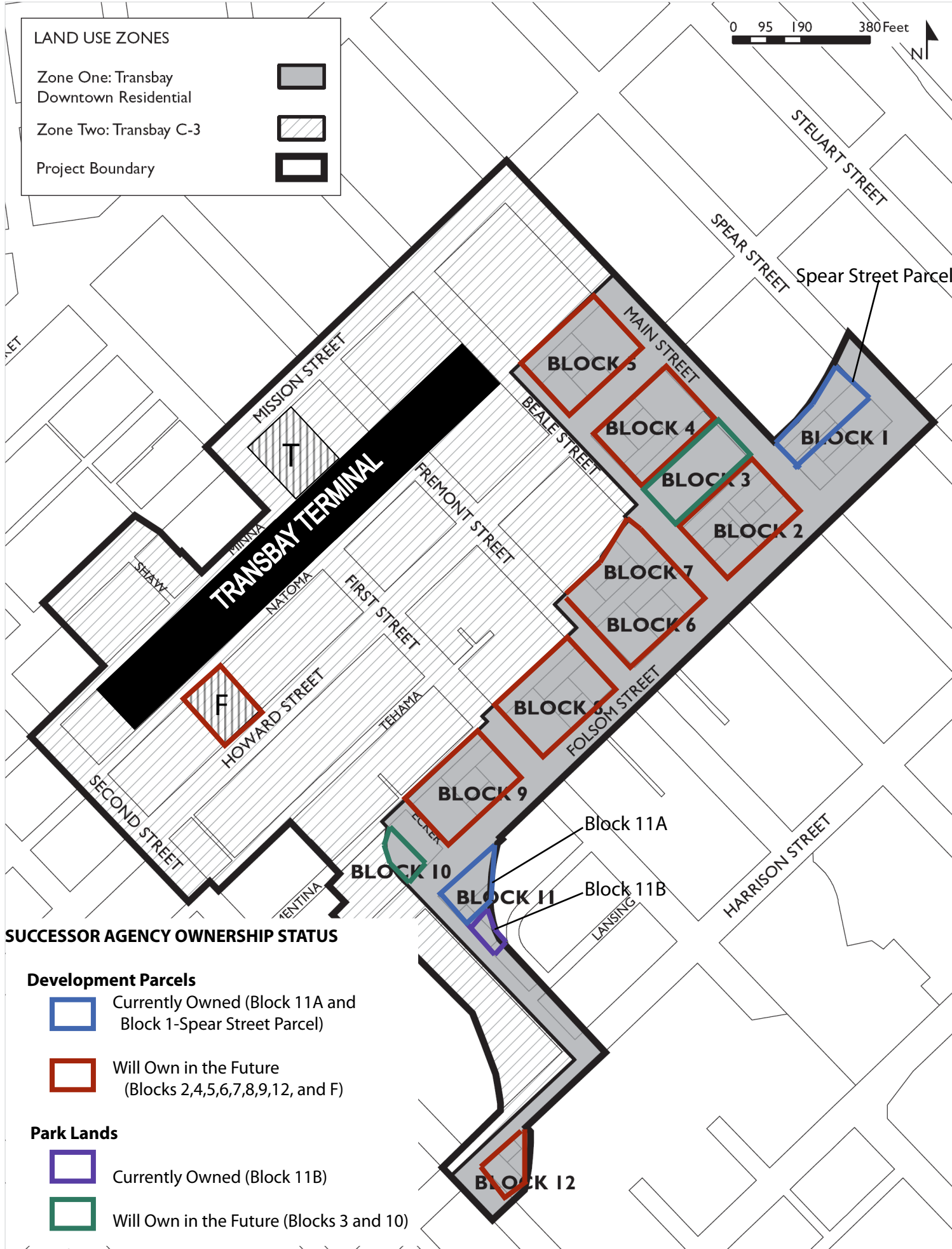
Notes: (1) No value under Redevelopment Dissolution Law due to long-term affordability restrictions and future transfer to the City as Housing Successor Agency.

Attachment B
Map of Transbay Property



LAND USE ZONES

- Zone One: Transbay Downtown Residential
- Zone Two: Transbay C-3
- Project Boundary



SUCCESSOR AGENCY OWNERSHIP STATUS

Development Parcels

- Currently Owned (Block 11A and Block 1-Spear Street Parcel)
- Will Own in the Future (Blocks 2,4,5,6,7,8,9,12, and F)

Park Lands

- Currently Owned (Block 11B)
- Will Own in the Future (Blocks 3 and 10)

Attachment C
September 10, 2013 email from Justyn Howard, DOF



Trans Bay Transit Center Property Transactions

Howard, Justyn to: tiffany.bohee@sfgov.org

09/10/2013 09:17 AM

Cc: "Szalay, Steve", "Howard, Justyn"

1 attachment



winmail.dat

Dear Tiffany Bohee and Other Interested Parties (Including Title Companies),

This email confirms that the Department of Finance (Finance) has issued a final and conclusive enforceable obligation determination related to San Francisco's Trans Bay Transit Center Redevelopment Project. As such, any sale, transfer, or conveyance of property related to this project, and as outlined in the project documents, is authorized. These activities would be done in compliance with an approved final and conclusive enforceable obligation. Title companies may rely conclusively on this email from Finance as verification that no objection to any sale, transfer and/or conveyance of property related to this project will be initiated.

Should any parties have further questions related to this San Francisco Successor Agency obligation please do not hesitate to ask.

Regards,
Justyn Howard
Assistant Program Budget Manager
Department of Finance
Local Government Unit
915 L St., 10th Floor
Sacramento, CA 95814
Phone: 916-445-1546
Email: justyn.howard@dof.ca.gov<mailto:justyn.howard@dof.ca.gov>

**LONG RANGE PROPERTY MANAGEMENT PLAN
MAJOR APPROVED DEVELOPMENT PROJECT
MISSION BAY**

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of certain real property (the “Mission Bay Property”) in the Mission Bay North and South Redevelopment Project Areas (together, the “Mission Bay Project”). The Mission Bay Property includes land that the Successor Agency owns and leases (now and in the future) for parks and affordable housing.

In November 1998, the former redevelopment agency (the “SFRA”) and the master developer and owner of most of the land in the Mission Bay Project (the “Developer”) entered into Owner Participation Agreements (the “OPAs”) authorizing a mixed-use, mixed-income transit-oriented development on 300 acres of land.

Under the OPAs, the Developer is required, among other things, to develop Park Parcels on land owned by the City and County of San Francisco (the “City”). The Successor Agency is required to lease, in phases, the Park Parcels from the City (as they are developed into parks) and maintain them using funds generated from a community facilities district (the “Maintenance CFD”). Under the CFD formation documents, the Successor Agency administers the Maintenance CFD until fiscal year 2043-44. A 2001 Ground Lease with the City, which terminates in 2045, implements the Successor Agency’s obligation to lease and maintain the Mission Bay Park Parcels (the “Agency Lease”). To date, the Successor Agency has leased about 13.2 acres under the Agency Lease (the “Completed Parks”) and will lease an additional 27.3 acres when they are complete (the “Future Parks”).

In addition, the OPAs require the Developer to contribute “building ready” Affordable Housing Parcels to the Successor Agency after the Developer has remediated hazardous materials, graded the sites, and provided infrastructure for the development of affordable housing. The Successor Agency is required to use the Affordable Housing Parcels solely for the development of affordable housing units using tax increment generated from Mission Bay.

In light of the Redevelopment Dissolution Law’s wind down of former redevelopment agency activities, the Successor Agency proposes the following disposition plan providing for the early termination of the Agency Lease for the Park Parcels and the transfer of Affordable Housing Parcels to the City as Housing Successor after the Successor Agency fulfills its obligation to fund and develop affordable housing on the parcels:

- ***Park Parcels*** – Continue to lease the Completed Parks (Parks NP1-5, P1, P10, P16-18, and P21) under the Agency Lease and add Future Parks (Parks P2-3, P5-7, P8-9, P11, P11A, P12-13, P15, P19-20, P22-24, and P26-27) to the Agency Lease as they are

developed into parks. The Successor Agency will ensure completion of all Future Parks and then terminate its leasehold interests and transfer the property management responsibility of all the Park Parcels to the City for a governmental purpose (i.e., a cohesive public park system). The estimated transfer date is 2022.

- ***Affordable Housing Parcels*** -- Acquire and retain the Affordable Housing Parcels (Blocks 3 East, 4 East, 6 East and West, 7 West, 9 and 9A, and 12 West) to fulfill the Successor Agency's obligation under the OPAs to develop Affordable Housing Parcels and, upon completion of each specific development, transfer it to the City Housing Successor, as required under Redevelopment Dissolution Law. The estimated transfer dates are between 2015 and 2022.

BACKGROUND

During the early-to-mid-1990s, the neighborhood currently known as Mission Bay was an underutilized industrial railyard, primarily owned by one private property owner, Catellus Development Corporation, which was the development arm of the former rail company. Some of the Mission Bay lands were also owned by the City, including portions owned by the Port of San Francisco (the "Port"). Some of the publicly owned lands are under the jurisdiction of the State Lands Commission, as waterfront land held in public trust.

In November 1998, the City's Board of Supervisors approved Redevelopment Plans for Mission Bay North and for Mission Bay South (the "Redevelopment Plans"), establishing the Mission Bay North and South Redevelopment Project Areas, which together cover approximately 300 acres. Mission Bay is a mixed-use, mixed-income transit-oriented development that is well in progress. At full build-out, it will contain up to 6,350 new residential units, including 1,900+ affordable units. The project includes up to 4.4 million square feet of private commercial space, including office space for high-tech companies and laboratory space for biotechnology and life science companies. Importantly, the project has at its center a 43-acre research campus for the University of California, San Francisco ("UCSF") and a new UCSF medical center serving children, women and cancer patients. It also includes neighborhood-serving retail, a new hotel, and other public facilities, such as a new public library, new local fire and police stations, and possibly a new public school.

Also in November 1998, in conjunction with the approval of the Redevelopment Plans, the SFRA and the Developer, Catellus Development Corporation ("Catellus"), entered into the OPAs for the Mission Bay North and South projects. FOCIL-MB, LLC, an entity that Farallon Capital Management controls, is the successor-in-interest to Catellus and holds all of Catellus' rights and obligations as "Owner" under the OPAs. There are separate OPAs for Mission Bay North and Mission Bay South, but the OPAs are substantially similar, particularly as to the enforceable obligations that are the subject of this PMP.¹ Planning for the Mission Bay North

¹ On November 20, 2012, the Successor Agency requested a "final and conclusive" determination from DOF that the North OPA and the South OPA are enforceable obligations under Redevelopment Dissolution Law.

and Mission Bay South projects are closely intertwined and the public's ability to realize the full benefits of each separate project depends on the successful development of both projects.

Also in 1998, the Developer, the City, and the City acting through the Port, executed land transfer agreements to facilitate the appropriate land uses under the Redevelopment Plans (the "Land Transfer Agreements"). The Land Transfer Agreements include the Amended and Restated Mission Bay City Land Transfer Agreement (the "CLTA"), the Amended and Restated Mission Bay Port Land Transfer Agreement (the "PLTA"), and the Amended and Restated Agreement Concerning the Public Trust, which included as a party the State of California (the "Public Trust Agreement").

Both the CLTA and the PLTA require the City and the Port to lease approximately 40 acres of City-owned land designated as parks in the Mission Bay Redevelopment Plan to the SFRA (the "Park Parcels"). Under the CLTA and the PLTA, the SFRA (and now the Successor Agency) must maintain the Park Parcels using funds generated from a community facilities district that runs until 2043 – a date that is 45 years from the adoption of the Mission Bay Redevelopment Plan. The PLTA also includes a term sheet for the Agency Lease.

Mission Bay Enforceable Obligations

Obligations regarding the Park Parcels. Under the OPAs, the Developer is required to finance and build the park improvements on the publicly owned Park Parcels. The OPAs, at Section 7, state that the "Agency shall enter into the Agency Lease" within a certain time period (between 30 and 60 days) after the Developer begins the park improvements on a Park Parcel. In the Financing Plans attached as Attachment E to the OPAs, the former redevelopment agency agreed to form the Maintenance CFD "for the purpose of providing monies to pay the ongoing maintenance" of the Park Parcels. (See Section 7.A.i of the Financing Plan.) The Financing Plan further provided that "[a]ll CFDs established to implement the Financing Plan will be formed by the [Agency] Commission, acting as the legislative body for the CFDs under the [Mello-Roos Community Facilities] Act." (See Section 3.A.i. of the Financing Plan.) Finally, it required the SFRA to use the taxes collected from the Maintenance CFD to "operate, maintain, and repair, or cause to be operated, maintained, and repaired" the Park Parcels for 45 years (i.e., until 2043). The SFRA formed, by Agency Resolution No. 217-99 (Dec. 21, 1999), the Maintenance CFD and approved the Rate and Method of Apportionment of Special Tax.

To implement the obligations under the OPAs, the former redevelopment agency entered into a Ground Lease with the City (and the City acting through the Port) on November 16, 2001 (the "Agency Lease"). The Agency Lease runs for 45 years, and currently covers the Completed Parks. The rent is \$1 per year, to be payable in advance (\$45 was paid to the City at lease commencement). The Agency Lease requires the Successor Agency to add Future Parks to the leasehold after the City and Agency have received the Developer's notice "specifying the portions of the Open Space Development Parcels that the Owner intends to develop as public open space, parks, or plazas in accordance with the Plan documents." (See Ground Lease, Section 2.1 at page 7.)

Obligations regarding Affordable Housing Parcels. The OPAs require the Developer to donate “building ready” land to the Successor Agency for the development of affordable housing. The OPAs and the Tax Increment Allocation Pledge Agreements for Mission Bay North and South require the Successor Agency to use tax increment generated from the Mission Bay Project to finance the affordable housing development. The North OPA (See Attachment C, Housing Program) requires the Developer to contribute between 2.5 and 3.8 acres to the Successor Agency for the development of up to 345 affordable housing units. The South OPA (See Attachment C, Housing Program) requires the Developer to contribute 11.5 acres to the Successor Agency for the development of up to 1,108 affordable housing units. The total 14.9 acres are the “Affordable Housing Parcels.” The OPAs require the Developer to record a “memorandum of option” on any Affordable Housing Parcel to be donated to the Successor Agency in the future as each major phase of development is approved. The Successor Agency is required to accept title to the Affordable Housing Parcels once the Successor Agency is ready to start construction on the parcel, assuming the stated preconditions are met. The Successor Agency must ensure that these parcels are developed with affordable housing, using the tax increment that is pledged from the Mission Bay Project. Since dissolution of the former redevelopment agency, the Successor Agency has transferred approximately 394 units of affordable housing in 4 separate projects to the City Housing Successor as required under Redevelopment Dissolution Law.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The Mission Bay Property is comprised of the Park Parcels (40.5 acres, which includes both the Completed Parks and the Future Parks) and the Affordable Housing Parcels (14.9 acres, which includes eight parcels the Successor Agency will own in the future). These properties are also shown on Attachment A (DOF Tracking Sheet for Mission Bay) and Attachment B (Map of Mission Bay Property).

Date of Acquisition

See Attachment A for acquisition dates for the Park Parcels and the Affordable Housing Parcels.

Value of Property at Time of Acquisition

See Attachment A for acquisition values for the Park Parcels and the Affordable Housing Parcels.

Estimate of the Current Value

See Attachment A for estimates of current values for the Park Parcels and the Affordable Housing Parcels. The source of the values for the Park Parcels is based on the current tax rolls. The Affordable Housing Parcels have an estimated value of zero under Redevelopment Dissolution Law due to long-term affordability restrictions and future transfer to the City as Housing Successor Agency.

Purpose for which the Mission Bay Property was Acquired

The Park Parcels are leased by the Successor Agency for the purpose of maintaining the Park Parcels with special taxes that the Successor Agency collects through the Maintenance CFD, as required by the OPAs. The Park Parcels have been designed and developed as a cohesive park system. For example, park maintenance facilities are shared and concentrated in certain areas to cut costs and streamline operations.

The Affordable Housing Parcels will be acquired by the Successor Agency for the purpose of constructing affordable housing, as required by the OPAs. Upon completion of a particular affordable housing development, the Successor Agency will transfer it to the Housing Successor, as required under Redevelopment Dissolution Law.

Address/Location

See Attachment A for the specific addresses/locations of the Park Parcels and the Affordable Housing Parcels. A map of these parcels is attached as Attachment B.

Lot Size

See Attachment A for the lot sizes of the Park Parcels (40.5 acres) and the Affordable Housing Parcels (14.9 acres). A map of these parcels is attached as Attachment B.

Current Zoning

The Park Parcels are zoned MB-RA in the San Francisco Planning Code. The MB-RA zone refers to the Mission Bay Redevelopment Plan which designates the Park Parcels as “Open Space.” The Affordable Housing Parcels are also zoned MB-RA in the San Francisco Planning Code. The MB-RA zone refers to the Mission Bay Redevelopment Plan which designates the Affordable Housing Parcels as “Mission Bay South Residential.”

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

The Park Parcels currently generate a small amount of revenue (less than \$30,000 a year) from special events and facility rental fees. This money is used to offset the cost of those private events and support public community events, such as kite-day and free concerts. The Affordable Housing Sites are owned by the Developer, so the parcels do not currently generate any revenues for the Successor Agency.

History of Environmental Contamination, Studies, Remediation Efforts

The Mission Bay Property has undergone significant environmental studies over the past several decades. As part of the original approval process, an Environmental Impact Report was prepared in 1998 that addressed environmental contamination within the Mission Bay Project. The area is considered a brownfield site, with low levels of contamination, resulting from the materials used to fill in the bay over the years. A Risk Management Plan (“RMP”) was prepared for the

Mission Bay Project in 1999. The RMP applies to both the Park Parcels and the Affordable Housing Parcels and includes mitigations to address soil contamination on all sites.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Mission Bay Project is a successful example of transit-oriented development. In 2010, the Mission Bay Project was recognized by the California Department of Housing and Community Development as a Gold Catalyst Community (i.e., a great example of how to build a sustainable, economically vibrant community). The design principles embedded in the Mission Bay Redevelopment Plan envision a transit-oriented neighborhood that promotes transit, bicycle, and pedestrian modes of transportation. The development of all of the Affordable Housing Parcels fulfills the planning objectives contained in the Mission Bay South Redevelopment Plan, the City's General Plan and the Housing Element, all of which identify a need for permanently affordable housing.

Specifically, the Mission Bay Project concentrates 6,350 new residential units, 4.4 million square feet of office/bio-tech uses, 400,000 square feet of retail uses, a new 43-acre research campus, 550-bed hospital, and public uses, including a school, police/fire station, police headquarters, and 49-acres of new parkland in an area that is highly served by transit. Specifically, within Mission Bay there is a Caltrain station that provides rail service to the South Bay, two light rail lines, and multiple bus lines connecting to the rest of the City that will be further extended to the southern portion of Mission Bay once the roadways are completed. A private shuttle service is also provided by a Transportation Management Association and additional shuttle service is provided by the University of California, San Francisco to link their Mission Bay campus to their other locations within San Francisco.

History of Previous Development and Leasing Proposals

There have been no other development or leasing proposals put forward for the Park Parcels and the Affordable Housing Parcels.

Disposition of the Mission Bay Property

The Successor Agency has an enforceable obligation to ensure the Park Parcels are developed and maintained as a cohesive, financially self-sustaining park system and to use the funding from the Maintenance CFD for this purpose. Any amendments to this enforceable obligation (including the proposal below) will require the concurrence and written consent of the counterparty under the enforceable obligation (Developer). Such consent has not yet been sought or received, and there is no guarantee Developer will provide consent. Under the existing obligations, the City becomes responsible for managing the Park Parcels after 2043. In light of the Redevelopment Dissolution Law's wind down of former redevelopment agency activities, the Successor Agency proposes a more expedited disposition plan whereby the Successor Agency would continue managing the Park Parcels until all the park improvements are complete and the Park Parcels can transfer to the City as a package of interlocking parks. The City, Developer, and Mission Bay community representatives have expressed a preference for this approach to ensure that the Park Parcels (1) remain together and continue to be managed as a single asset by

a single entity (i.e., either one City entity or a separate non-profit), (2) continue to be professionally managed under a competitive bidding process, and (3) continue to be managed in a way that allows for direct community involvement and oversight.

Accordingly, the PMP proposes the following:

- ***Park Parcels*** – Continue to lease the Completed Parks (Parks NP1-5, P1, P10, P16-18, and P21) under the Agency Lease and add Future Parks (Parks P2-3, P5-7, P8-9, P11, P11A, P12-13, P15, P19-20, P22-24, and P26-27) to the Agency Lease as they are developed into parks. The Successor Agency will ensure completion of all Future Parks and then terminate its leasehold interests and transfer the property management responsibility of all the Park Parcels to the City for a governmental purpose (i.e., a cohesive public park system). The Successor Agency will continue administering the Maintenance CFD, but will provide the City with the CFD funds to maintain the Park Parcels. The estimated transfer date is 2022.
- ***Affordable Housing Parcels*** -- Acquire and retain the Affordable Housing Parcels (Blocks 3 East, 4 East, 6 East and West, 7 West, 9 and 9A, and 12 West) to fulfill the Successor Agency’s obligation under the OPAs to develop Affordable Housing Parcels. The Successor Agency intends to provide the affordable housing developer for each parcel with a ground lease to provide site access to construct the affordable housing, as well as apply long term affordability restrictions to the project. Upon completion of each specific development, transfer it to the City as Successor Housing Agency, as required under Redevelopment Dissolution Law. The estimated transfer dates are between 2015 and 2022.

The transfer dates above are estimates based on current market conditions and anticipated phasing of private development within Mission Bay. However, if there is a change in the economy outside the control of the Successor Agency the timing of the transfer of both the Park and Affordable Housing Parcels may change.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See section above.

Attachment A: DOF Tracking Sheet for Mission Bay
Attachment B: Map of Mission Bay Property

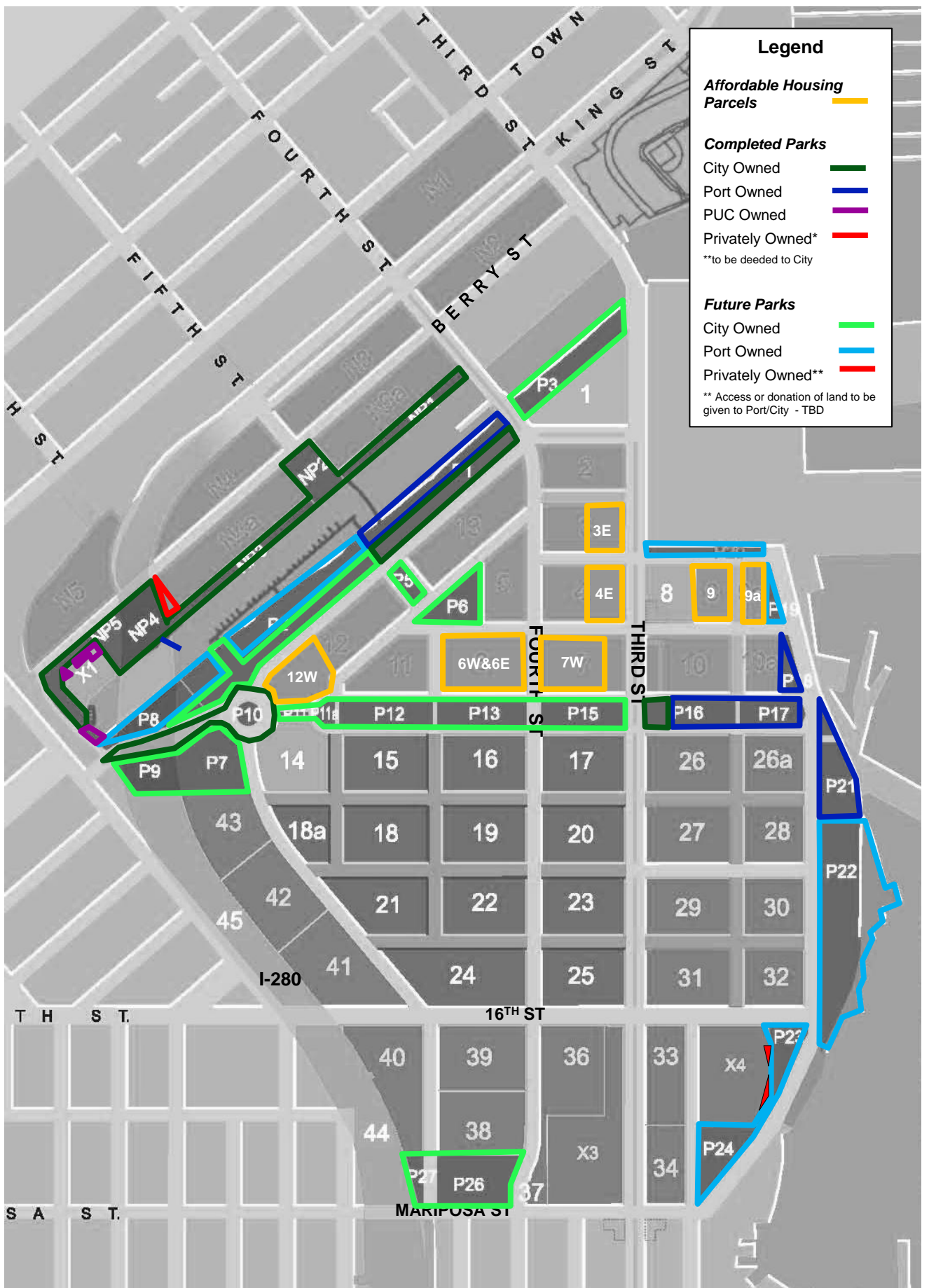
Attachment A
DOF Tracking Sheet for Mission Bay

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - MISSION BAY

No.	Property Name	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)		SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)		HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)		HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)		
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency
20	Park P8	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2016	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Between Mission Creek and Mission Bay Drive, partially under I-280	8709-003(p)	121,532	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
21	Park P9	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2018	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	South of Mission Bay Drive under I-280	8709-002	37,462	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
22	Park P11	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Between Mission Bay Blvd N&S, east of Mission Bay Circle	8710-003(p)	10,454	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
23	Park P11A	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Between Mission Bay Blvd N&S, east of Mission Bay Circle	8710-003(p)	Included above	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
24	Park P12	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2021	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	West side of Merrimac between Mission Bay Blvd, North and South	8710-003(p)	60,113	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
25	Park P13	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2021	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	East side of Merrimac between Mission Bay Blvd, North and South	8710-003(p)	56,628	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
26	Park P15	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2021	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	East side of 4th Street between Mission Bay Blvd, North and South	8711-005(p); 8732-001(p)	53,143	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
27	Park P19	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	West side of Terry Francois Blvd, between Mission Rock and China Basin	8722-005	23,958	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
28	Park P20	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2021	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Rock Street between Third Street and Terry Francois Blvd.	8719-002(p)	14,810	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
29	Park P22	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2020	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	East side of Terry Francois Blvd, between South and 16th Streets	8722-001(p); 005,006, 007, 009(p); 013(p)	235,224	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
30	Park P23	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Southwest corner of 16th Street and Terry Francois Blvd.	3940-002(p); 8722-005(p); 3941-001(p); 3940-001(p)	87,120	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
31	Park P24	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Northeast corner of Illinois Street and Terry Francois Blvd.	3491-001(p)	Included above	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
32	Park P26	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mariposa between Owens and 4th Streets	8723-003, 004, 006, 007(p)	87,556	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
33	Park P27	Vacant Lot/Land	Fulfill Enforceable Obligation	See narrative	2015	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	Northwest corner of Owens and Mariposa Streets	8723-002	15,246	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
Mission Bay North - Park Lands																						
34	Park NP1	Park	Fulfill Enforceable Obligation	See narrative	8/26/2005	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Creek west of 4th Street	8708-002(p)	139,392	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
35	Park NP2	Park	Fulfill Enforceable Obligation	See narrative	8/26/2005	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Creek west of NP1	8708-002(p); 8707-002(p)	Included in NP1	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
36	Park NP3	Park	Fulfill Enforceable Obligation	See narrative	6/4/2008	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Creek west of NP2	8707-002(p)	Included in NP1	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
37	Park NP4	Park	Fulfill Enforceable Obligation	See narrative	6/4/2008	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Creek west of NP3	8730-001(p); 8707-003(p)	130,680	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative
38	Park NP5	Park	Fulfill Enforceable Obligation	See narrative	6/4/2008	\$ -	0	Market	Nov. 2013	\$ -	See narrative	See narrative	North side of Mission Creek west of NP4	8730-001(p); 3806-006(p)	Included in NP4	Open Space	\$ -	See narrative	See narrative	See narrative	See narrative	See narrative

NOTES: (1) No value under Redevelopment Dissolution Law due to long-term affordability restrictions and future transfer to the City as Housing Successor Agency.

Attachment B
Map of Mission Bay Property



Attachment B – Map of Mission Bay Property

**LONG RANGE PROPERTY MANAGEMENT PLAN
MAJOR APPROVED DEVELOPMENT PROJECT
HUNTERS POINT SHIPYARD/CANDLESTICK POINT**

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“SFRA”) now the “Successor Agency” submits its Long Range Property Management Plan (“PMP”) for the disposition of real property in the Hunters Point Shipyard/Candlestick Point Redevelopment Project (the “Project”). The Project is comprised of two adjacent areas – the Hunters Point Shipyard and Candlestick Point. The portion of the Project on the Hunters Point Shipyard is referred to herein as the “Shipyard,” and the portion of the Project on Candlestick Point is referred to herein as “Candlestick.” The real property in these portions are referred to herein as the “Property.”

The Shipyard, a former federal naval base, and Candlestick, which contains various vacant lands and the soon-to-be-vacated Candlestick Park, are together the largest undeveloped acreage in San Francisco. The Project is the subject of two disposition and development agreements that call for about 12,000 new residential units (of which about 32% will be affordable), office space, regional and community-serving retail space, more than 350 acres of parks and open spaces, community facilities, and significant infrastructure improvements, including new roadways, utilities, and pedestrian walkways. The disposition of the Property is required under enforceable obligations, as defined in Section 34171 (d) (1) of the California Health and Safety Code¹ and in a Final and Conclusive Determination by the Department of Finance (“DOF”) under Section 34177.5 (i).²

The development of the Shipyard is divided into two phases:

- Phase 1 covers approximately 75 acres and is commonly known as “Hilltop” and “Hillside.” The Phase 1 Property used to be owned by the U.S. Navy (the “Navy”), but is now jointly owned by the Successor Agency and a private developer, HPS Development Co., LP, (the “Phase 1 Developer”) which is currently constructing the infrastructure improvements under a disposition and development agreement (the “Phase 1 DDA”).
- Phase 2 covers more than 700 acres at the Shipyard and at Candlestick. The Phase 2 Shipyard Property is owned by the Navy) and the Phase 2 Candlestick Property is mostly owned by the City and County of San Francisco (the “City”), the State of California (the “State”) and various private land owners. Phase 2 is governed by a second disposition and development agreement (the “Phase 2 DDA”) with a second, but affiliated private

¹ All future statutory references are to the California Health and Safety Code unless otherwise noted.

² Letter, S. Szalay, DOF, Local Government Consultant, to Tiffany Bohee, Successor Agency, Executive Director (December 14, 2012) , *available at*

[http://www.dof.ca.gov/redevelopment/final_and_conclusive/Final_and_Conclusive_Letters/documents/San Francisco F&C EO Items 67 123 173 & 174.pdf](http://www.dof.ca.gov/redevelopment/final_and_conclusive/Final_and_Conclusive_Letters/documents/San_Francisco_F&C_EO_Items_67_123_173_&_174.pdf)

developer. CP Development Co., LP, (the “Phase 2 Developer”). The Phase 1 Developer and the Phase 2 Developer are sometimes referred to in this PMP, individually or collectively as the context requires, as the “Developer.”

The Phase 1 and Phase 2 DDAs (individually or collectively as the context requires, the “DDAs”) require that (1) the Successor Agency acquire land in the Project in phases from the Navy after the Navy cleans up the land, which has been designated a “Superfund” site under the federal Comprehensive Environmental Response, Compensation and Liability Act, and from the State and the City in connection with development, (2) the Successor Agency acquire additional land from the State of California and the City and County of San Francisco, and engage in certain property exchanges to assemble necessary land for the Project, (3) the Successor Agency transfer land to the Developer over time, in phases, for development consistent with the approved land use plan, (4) the Developer acquire, or use good faith efforts to acquire, certain private property within the project area (the “Private Parcels”) for development consistent with the approved land use plan, (5) the Successor Agency use the tax increment it has committed to the Project for the development of infrastructure, affordable housing and other Project costs.

The Property subject to this PMP includes property in Phase 1 and Phase 2 and is comprised of (1) property the Successor Agency owns or will own in the future and convey to the Developer for private development (i.e., residential and commercial) (the “Developer Property”) (2) property the Successor Agency owns or will own to develop affordable housing (the “Affordable Housing Parcels”), (3) property the Successor Agency owns or will own to develop public parks and open space (the “Park Parcels”), (4) property the Successor Agency owns or will own to develop public streets and transportation networks (the “Street Parcels”), and (5) property the Successor Agency owns or will own to develop community-serving uses (the “Community Facility Parcels”).

Under its enforceable obligations for the Project, the Successor Agency assembles most of the land for the project (except for certain privately owned parcels to be acquired directly by the Developer), and then must transfer property to the Developer for the private development, and retain the Affordable Housing Parcels, the Park Parcels, the Street Parcels and the Community Facilities Parcels (collectively, the “Public Property”) and ensure they are developed with these public uses consistent with the DDAs. In addition, the Successor Agency has obligations under state law to ensure that certain “public trust land” are developed and used for purposes consistent with the public trust. The Successor Agency may either transfer the entirety of a Sub-Phase to the Developer for horizontal development, with an obligation by the Developer to transfer back the Public Property once the streets and lots are completed, or the Successor Agency may retain all of the Public Property in a Sub-Phase and allow the Developer to access the Public Property as required to complete the streets and lots.

The Successor Agency submits the following disposition plan pursuant to Redevelopment Dissolution Law for the Property:

- **Land Assembly.** Acquire the property in Phase 2 from the Navy once the properties have been remediated to their intended land use per the enforceable obligations for the Project and from the City and the State as needed in connection with the development of the

Project, and then transfer them in accordance with the DDAs (with other assembled land from the City and the State) to the Developer for development. The transfer dates are expected to occur between 2016 and 2039.

- ***Affordable Housing Parcels.*** Retain Affordable Housing Parcels in Phase 1 and acquire and retain³ Affordable Housing Parcels in Phase 2 to fulfill the Successor Agency’s enforceable obligations under the DDAs to develop the Affordable Housing Parcels. The Successor Agency intends to provide the affordable housing developer for each Affordable Housing Parcel with a ground lease to provide site access to construct the affordable housing, as well as apply long term affordability restrictions to the project. Upon completion of each specific vertical development, the land and the vertical housing project will be transferred to the City as the Housing Successor Agency, as required under Redevelopment Dissolution Law. In the case of the Affordable Housing Parcels and vertical housing projects associated with the Alice Griffith Public Housing Replacement Project, the Successor Agency will transfer these parcels and projects to the San Francisco Housing Authority (“SFHA”), pursuant to the Project’s enforceable obligations. The estimated transfer dates are expected to occur between 2018 and 2039.
- ***Park Parcels.*** Retain Park Parcels in Phase 1 and acquire and retain Park Parcels in Phase 2 to fulfill the Successor Agency’s obligations under the DDAs to ensure the Developer completes the park improvements on the Park Parcels. U.S. Department of Commerce’s Economic Development Administration (“EDA”) grant funds were used in 2011 to construct a community facility building within a Phase 1 park. The building is part of the park’s program. The Successor Agency has an enforceable obligation to ensure the Park Parcels are developed and maintained consistent with the DDA’s park designs, the EDA grant, are financially self-sustaining, and to use the funding from the parks operations community facility district set up for this purpose. Upon completion of each specific “major phase and sub phase” of development, the finished interlocking Park Parcels will be transferred to the City for a governmental purpose subject to the approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the DDAs. The estimated transfer dates are between 2020 and 2039.
- ***Street Parcels.*** Retain Street Parcels in Phase 1 and acquire and retain Street Parcels in Phase 2 to fulfill the Successor Agency’s obligations under the DDAs to ensure the Developer completes the street improvements on the Street Parcels. The DDAs include an Acquisition Agreement under which the Developer will construct and the City will accept infrastructure which includes but is not limited to utilities, roads, sidewalks, street furniture, and components of transportation systems. Upon completion of each specific “major phase and sub phase” of development, the finished Street Parcels will be transferred to the City for a governmental purpose subject to the approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the DDAs. The estimated transfer dates are between 2015 and 2039.

³ All references in this PMP to the Successor Agency’s “retention” of property include the possibility of transfer to the Developer with a mandated transfer back to the Successor Agency when the Developer completes the streets, infrastructure, mapping, and lots, i.e., after the Developer has completed all horizontal obligations.

- ***Community Facilities Parcels***

- Vacant Land. Retain the vacant land in Phase 1, and acquire and retain additional raw land in Phase 2, all of which has been designated for community facilities (including but not limited to school and fire station properties), to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the required parcels, mapping, and infrastructure to serve these parcels. Upon completion of each specific “major phase and sub phase” of development, these Community Facilities Parcels will be transferred to the City, subject to the approval of the Developer pursuant to the DDAs, as finished developable lots for future development potentially with a community development corporation, community land trust, public entity, or not for-profit organization with the requirement that the City facilitate the timely development of these facilities in a manner consistent with the DDAs, the applicable Redevelopment Plan, and that the Community Facilities Parcels “be used to provide, preserve and leverage such critical local resources as social services, education and other community services as determined by the (Successor) Agency in collaboration with the Hunters Point Shipyard Citizens Advisory Committee (“CAC”) and the Bayview Hunters Point Representative Entity,” (community organizations identified in the Phase 1 DDA that are required to be consulted with). (See Section 3.3 of the Phase 2 Community Benefits Plan and Section 1.1 of Attachment 23 to the Phase 1 DDA) The estimated transfer dates are between 2015 and 2039.
- Artist Studios. Retain Building 101, and acquire and retain a new artist studio building (the “Artist Replacement Building”), both of which have been designated as permanent artist studio space, to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the Artist Replacement Building and the permanent infrastructure serving both buildings. Upon completion of the Developer’s development obligations (and artists have moved into the Artist Replacement Building), these Artist Replacement Buildings will be transferred to the City for a governmental purpose (explained below) subject to the approval of the Developer pursuant to the DDAs. The estimated transfer dates are between 2015 and 2022.

The Project’s inclusion of the Artist Replacement Building fulfills a government purpose and the City’s goals to retain and increase arts related facilities on de-commissioned military sites in buildings that are subject to local government control. The City’s General Plan, a voter initiative (Proposition G), and the Shipyard Redevelopment Plan established these goals and the (Successor) Agency fulfilled the goals through the Phase 2 DDA. See more on this in Attachment C, Summary of Project Enforceable Obligations.

- Building 813. Acquire Building 813 in Phase 2 to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the permanent infrastructure serving the building. Upon the completion of the Developer’s infrastructure obligations, Building 813 will be transferred to the City, subject to the approval of the Developer (as required by the DDAs), for a

governmental purpose with the restriction that this building must be used for the benefit of BVHP community and the Project as a center for the incubation of emerging businesses and technologies (see Section 3 of the Phase 2 Community Benefits Plan). The estimated transfer dates are between 2014 and 2026, during which time interim uses are permitted in accordance with the Phase 2 DDA and the Shipyard Redevelopment Plan.

The Successor Agency also leases a number of buildings from the Navy for temporary facilities (i.e., artist studios, storage/construction staging, and for the San Francisco Police Department (the “Temporary Facilities”). The Successor Agency will continue leasing the Temporary Facilities until the applicable land is conveyed to the Developer for development as described above. Lease terminations are expected to occur between 2016 and 2021.

Under the DDA, the Agency is prohibited from transferring Property where the transfer would materially and adversely impair Developer’s (or any “Vertical Developer’s”) performance under the DDA. Accordingly, the foregoing is subject to Developer’s (and any Vertical Developer’s) rights under the DDA.

BACKGROUND

For decades, the Navy operated a large naval facility at the Shipyard. At its peak, the Shipyard employed 17,000 civilian and military personnel, many of whom lived in the adjacent neighborhood. But by 1974, the Shipyard had outlived its usefulness as a naval facility and was closed. The state legislature has described the Project in these terms:

Together, they comprise approximately 760 acres and make up the largest area of underused land in the city. The shipyard, once a source of economic opportunity for the surrounding Bayview Hunters Point community, has stood dilapidated and abandoned for over 30 years and now stands as a barrier to public health, open space, and the waterfront, and a blight on one of San Francisco's poorest communities. The revitalization of Candlestick Point has been contemplated for over 10 years to create much needed economic and public benefits, affordable housing for Bayview Hunters Point residents, and other tangible benefits to the Bayview Hunters Point community. The stadium at Candlestick Point is nearing the end of its useful life and is in need of replacement, the nearby public housing development at Alice Griffith requires a complete rebuilding, and the restoration and improvement of the adjoining state recreation area has been a long-time goal of the state, the city, and the Bayview Hunters Point community

* Statutes 2009, Chapter 203, § 1 (f) (granting to the San Francisco Redevelopment Agency the state’s interest in public trust lands at the Shipyard and Candlestick Point)

In the summer of 1997, the City designated the Shipyard as a redevelopment project area (amending it in August 2010) and approved the Shipyard Redevelopment Plan (the Candlestick Point portion of the Project is subject to a separate but related redevelopment plan called the Bayview Hunters Point Redevelopment Plan). Pursuant to Section 33492.9 of the California Health and Safety Code specific to the redevelopment of former military installations, the

Shipyard's Redevelopment Plan expires in 2042. In 1991, the U.S. Congress passed legislation that ordered the Navy to convey its land at no cost to the City or its designated local reuse authority, pursuant to a to-be-negotiated conveyance agreement ("Conveyance Agreement"). Concurrently, the City designated the former San Francisco Redevelopment Agency (the "SFRA") as its local reuse authority and directed it to accept the Navy's property. The following briefly describes each enforceable obligation for the Project that stemmed from these actions:

1. ***The Conveyance Agreement.*** In April 2004, the SFRA's Commission approved the Conveyance Agreement with the Navy, which established a framework and orderly process for the SFRA to receive remediated land from the Navy in phases. Under the Conveyance Agreement, the Navy must complete the environmental remediation of its land (which has been designated a federal "Superfund" site) to a level consistent with the intended re-use of the property. Once the environmental remediation is complete, the Navy must transfer the property to the SFRA (now the Successor Agency). To date, 75 acres of land has been transferred to the Successor Agency ("Phase 1") under the Conveyance Agreement in 2004. The Developer is required to provide property management services for the Phase 1 Property that the Successor Agency currently owns and certain property that the Successor Agency currently leases from the Navy under a lease with the Successor Agency (the "Interim Lease").
2. ***The Phase 1 DDA.*** In December 2003, the SFRA Commission approved the Phase 1 DDA with the Phase 1 Developer for 75 acres at the Shipyard. Under the Phase 1 DDA, the SFRA is required to (1) transfer all the land designated for private uses to the Phase 1 Developer, and (2) retain all the land designated for affordable housing, parks, and community facilities. Under the Phase 1 DDA, the Developer is required to finance and build the horizontal improvements and some of the public uses (i.e., parks) and to transfer land on which private residential and commercial uses are to be constructed by Vertical Developers. The SFRA (and now the Successor Agency) is required to finance and build the affordable housing and assist with financing the rest of the community facilities.
3. ***Other Conveyance Agreements.*** In October 2009, the state legislature approved Senate Bill 792 (2009 Statutes, Chapter 203) ("SB 792"), which allowed land owned by the State Department of Parks and Recreation ("State Parks") at Candlestick to be improved and reconfigured as part of the Project. It permits the exchange of certain public trust lands and the reconfiguration and improvement of the Candlestick Point State Recreation Area, a currently under-resourced public open space owned by State Parks. In furtherance of SB 792, land exchange agreements were executed in 2010-2011 between the SFRA (now the Successor Agency) and State Parks (the "State Parks Agreement") and the State Lands Commission (the "Trust Exchange Agreement"). In addition, as part of the approval of the Project and as approved by the City's voters under Proposition G, SFRA (now the Successor Agency) and the City, acting through its Parks and Recreation Department entered into a "City Land Transfer Agreement" related to the land on which Candlestick Park currently stands. The Developer is a third party beneficiary of these agreements and requires the Successor Agency to accept title to land owned by State Lands, State Park, and the City in furtherance of the Project. These agreements are sometimes referred to herein as the "Other Conveyance Agreements."

4. ***The Phase 2 DDA.*** In June 2010, the SFRA Commission approved the Phase 2 DDA with the Phase 2 Developer for the Phase 2 Property at the Shipyard and Candlestick.

The Phase 1 and 2 DDAs, together with a number of related binding agreements attached to or referenced in the text of both DDAs, establish a comprehensive set of enforceable obligations that collectively govern the completion of the Project. The Phase 1 and 2 DDAs remain in effect until the Project is complete or until the applicable redevelopment plan has expired, whichever is earlier. On December 14, 2012, the Department of Finance issued a Final and Conclusive Determination that the DDAs were enforceable obligations.⁴

More information about these enforceable obligations, including the provisions that relate to the Developer Property, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels, is contained in Attachment C.

LONG RANGE PROPERTY MANAGEMENT PLAN

The Project's Property and various uses are generally described on Attachment A (DOF Tracking Sheet for the Project and Attachment B (Map of Property).

Date of Acquisition

See Attachment A for anticipated acquisition dates for the Developer, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the lease start dates for the Successor Agency's leasehold interests in the Temporary Facilities.

Value of Property at Time of Acquisition

See Attachment A for the estimated acquisition values for the Developer Property, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the acquisition values for the Successor Agency's leasehold interests in the Temporary Facilities.

Estimate of the Current Value

See Attachment A for estimated current values for the Developer Property, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the estimated current values for the Successor Agency's leasehold interests in the Temporary Facilities. The source of these values are appraisals.

Purpose for which the Property was Acquired

⁴ See footnote 2, above.

Revitalizing the Shipyard, and Candlestick, is one of the City’s highest priorities, as this area – part of the Bayview-Hunters Point neighborhood -- has suffered economically ever since the federal naval base was closed in 1974. Toward that end, federal, state and local entities have executed the various binding legal documents mentioned in this PMP (including the Phase 1 DDA and the Phase 2 DDA) all of which are designed to redevelop feasibly and comprehensively the largest area of under-utilized land in San Francisco.

The Developer Property will be acquired from the Navy for the purposes of transferring them to the Developer for the development included in the Project, pursuant to the Phase 1 and Phase 2 DDAs.

The Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels (again collectively, the “Public Property”) all were, and shall be, acquired for the purposes of constructing the various affordable housing and public uses at the Project, pursuant to the Phase 1 and Phase 2 DDAs.

The Temporary Facilities were leased to provide temporary facilities for artists and public safety personnel until permanent facilities were built. The Developer is building permanent facilities for the artists and the City is building permanent facilities for the public safety personnel off-site. The Temporary Facilities were also leased for storage and construction staging purposes.

Address/Location

See Attachment A for the specific addresses for the Developer Property, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the specific addresses for the Successor Agency’s leasehold interest in the Temporary Facilities. A map of all these parcels is attached as Attachment B.

Lot Size

See Attachment A for the estimated lot sizes for the Developer Property, the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the lot sizes for the Successor Agency’s leasehold interest in the Temporary Facilities. A map of all these parcels is attached as Attachment B.

Current Zoning

The zoning or land uses for the Project are codified in the Shipyard Redevelopment Plan and the Bayview Hunters Point Redevelopment Plan. Since all the land in the Project is being assembled and reconfigured, the land uses described in the two redevelopment plans are under an umbrella of land use districts. Each land use district has a range of allowed uses to allow for a mixed use community to develop over time. As such, each land use district has portions of land that allows for residential, retail, and commercial uses, and in some cases office, multi-media/digital arts, and or industrial uses (i.e. Private Lands and Affordable Housing). Each land use district also has portions of land set aside for recreation/park, civic/community facility, arts/cultural, public safety, educational, and social services uses (i.e. Community Facilities, Parks, and Streets).

Some of the lands (i.e. Parks and Streets) are subject to the State public trust and must be used for purposes of commerce, navigation, and fisheries, and for other public trust purposes, subject to SB 792.

Estimate of the Current Value (Including Appraisal Information)

See Attachment A for estimated current values for the Developer Property (Buildings 808), the Affordable Housing Parcels, the Park Parcels, the Street Parcels, and the Community Facilities Parcels. Also, see Attachment A for the estimated current values for the Successor Agency's leasehold interests in the Temporary Facilities. The source of these values are appraisals.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

The Interim Lease covers portions of the Phase 1 Property that the Successor Agency currently owns and certain property that the Successor Agency currently leases from the Navy and allows the Developer to sublease certain buildings (indirectly) to about 300 subtenants. The Interim Lease is anticipated to remain in effect until the leased premises are transferred to Developer, the DDA terminates as to the leased premises without transfer or Developer's obligations for the leased premises are satisfied. The revenue generated by the Successor Agency under the Interim Lease currently covers only the basic costs of managing these buildings, but not capital costs. Any future revenues generated by the Successor Agency will be used for deferred maintenance and capital repairs, as required under the Interim Lease.

History of Environmental Contamination, Studies, Remediation Efforts

As mentioned, the Shipyard has been designated as a "Superfund" site by the U.S. Environmental Protection Agency ("EPA"). Significant hazardous materials exist at the Shipyard, resulting from the activities of the Navy and its contractors and tenants during the decades between 1940 and 1986. In 1992, the Navy, EPA and the State executed an agreement that required the Navy to investigate and remediate hazardous materials at the Shipyard according to a specified process and schedule. In October 2004, various state and federal regulatory bodies deemed the Phase 1 Property at the Shipyard remediated for its intended land uses, and authorized the transfer of Phase 1 from the Navy to the SFRA.

The Navy continues to remediate other areas of the Shipyard, under the supervision of various federal, state and local agencies. The Navy has completed numerous specific reports and analyses for areas of potential contamination on the Shipyard. Based on those reports, specific cleanup plans have been developed and many have already been completed. After specific cleanup actions are finished, additional confirmatory testing is done to ensure the cleanup was effective and the Shipyard Phase 1 Property can be used safely.

To date, the Navy has spent or obligated more than \$850 million on the cleanup of the Shipyard. The types of contamination that are being remediated by the Navy include but are not limited to, contaminated groundwater, soil based volatile organic compounds, low-level radiological materials, naturally occurring asbestos, abrasive blast material, naturally occurring metals, lead-based paint, mercury, arsenic, iron, manganese, nickel, and PCB's.

A final environmental impact report (“Phase 1 EIR”) pursuant to the California Environmental Quality Act, or CEQA, was completed for the Phase 1 Project and certified by the San Francisco Planning Commission and the SFRA Commission in February 2000. In addition a, final environmental impact report (“Phase 2 EIR”) pursuant to CEQA, was completed for the Phase 2 Project and certified by the San Francisco Planning Commission in June 2010. (Acting on an appeal of the Planning Commission decision, the San Francisco Board of Supervisors upheld the certification of the Final EIR in July 2010.) In addition, certain components of the Project have been reviewed under the National Environmental Protection Act (“NEPA”), including the Alice Griffith Parcels.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

In 2010 the Association of Bay Area Governments, or ABAG, designated the Project as a “Priority Development Area” or PDA. The PDA designation is one way that ABAG encourages future growth near transit and in the existing communities that surround the San Francisco Bay. To be eligible to become a PDA, an area has to be within an existing community, near existing or planned fixed transit or served by comparable bus service, and planned for more housing. The Project is surrounded by some of the region’s most important transportation infrastructure (i.e., Caltrain, BART, Interstate 280, Highway 101, Muni light rail, etc.). However, a major planning objective of the Project’s Shipyard Redevelopment Plan, the Bayview Hunters Point Redevelopment Plan and other planning documents is to better link residents to transportation networks so they have better access to jobs, healthcare services, and other critical community services. As such, transportation improvements in the Project focus on creating a multi-modal system of streets, transit facilities, pedestrian paths, and dedicated bicycle lanes to link the Project to the transportation infrastructure that exists beyond the Project’s borders. Infrastructure improvements are designed to give priority to buses (i.e., exclusive transit right-of-ways and transit signal priority) and there will be dedicated bike lanes and roadways, paving, landscaping and lighting improvements designed for sustainability and expansion flexibility.

Some of the other specific ways the Project is a “transit-oriented” development include (1) its compact land use pattern organized around rapid/express bus service, (2) dedicated bike paths to attract both commuter and recreational users, (3) a fine-grained street grid which is linked to the surrounding City grid and built to the City’s “better streets” standards to promote walking, (4) a high jobs/housing ratio, meaning a mix of employment, retail, entertainment and community uses within walking distance of homes, (5) pedestrian upgrades to plazas and rail-stop waiting areas, (6) the reconfiguration of local truck routes to decrease conflicts with light-rail, buses, cars, bikes and pedestrians, and (7) a specialized transportation demand management program which will use programs (such as mandatory transit passes for each household), incentives (such as free car share parking) and amenities) such as showers in all commercial buildings) to encourage alternative modes of transportation.

One of the specific components of the Project that will benefit from these transportation improvements is the Alice Griffith Replacement Project, which was awarded a Choice Neighborhoods Initiative Implementation (“CNI”) grant of \$30.5 million in 2011 from the U.S. Department of Housing and Urban Development (“HUD”). The CNI program supports locally

driven strategies to address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. The Alice Griffith Replacement in the Project fulfills the planning objectives of the CNI program by replacing a distressed public housing project with a network of low-rise buildings situated around a central park. Furthermore, the development of all of the Affordable Housing Parcels fulfills the planning objectives contained in the Bayview Hunters Point and Shipyard Redevelopment Plans, the City's General Plan and the Housing Element, all of which identify a need for permanently affordable housing.

History of Previous Development and Leasing Proposals

In 1997, the City designated the Shipyard as a redevelopment project area and approved the Shipyard Redevelopment Plan, which served as the guiding framework for the development initiatives and agreements that followed (i.e., the Phase 1 DDA and the Phase 2 DDA). In 1998, the SFRA issued a Request for Qualifications and five proposals to redevelop the Shipyard were received. Three development teams were interviewed and Lennar/BVHP, LLC was selected as the Developer. The Phase 1 Developer and the Phase 2 Developer are the successors to Lennar/BVHP, LLC.

Disposition of the Property

Based on the foregoing, and the information contained in Attachment D, the Successor Agency submits the following disposition plan pursuant to Redevelopment Dissolution Law for the Property:

- ***Land Assembly.*** Acquire the property in the Project under the Conveyance Agreement from the Navy once they have been remediated to their intended land use per enforceable obligations for the Project and under the Other Conveyance Agreements from the City and the State as needed in connection with the development of the Project, and then transfer these parcels to the Developer for development pursuant to the Phase 2 DDA enforceable obligations. The estimated transfer dates are expected to occur between 2016 and 2033.
- ***Affordable Housing Parcels.*** Retain Affordable Housing Parcels in Phase 1 and acquire and retain Affordable Housing Parcels in Phase 2 to fulfill the Successor Agency's enforceable obligations under the DDAs to fund and develop the Affordable Housing Parcels. The Successor Agency intends to provide the affordable housing developer for each Affordable Housing Parcel with a ground lease to provide site access to construct the affordable housing, as well as apply long term affordability restrictions to the project. Upon completion of each specific development, the property and ground lease will be transferred to the City as the Housing Successor Agency, as required under Redevelopment Dissolution Law. In the case of the Affordable Housing Parcels associated with the Alice Griffith Public Housing Replacement Project, the Successor Agency will transfer these parcels to the SFHA, pursuant to Shipyard enforceable obligations and subject to the approval of the Developer pursuant to the DDAs.

- ***Park Parcels.*** Retain Park Parcels in Phase 1 and acquire and retain Park Parcels in Phase 2 to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the park improvements on the Park Parcels. The Successor Agency has an enforceable obligation to ensure the Park Parcels are developed and maintained consistent with the DDA’s park designs, the EDA grant, are financially self-sustaining, and to use the funding from the parks operations community facility district set up for this purpose. Upon completion of each specific “major phase and sub phase” of development, the finished interlocking Park Parcels will be transferred to the City for a governmental purpose subject to the approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the DDAs.

- ***Street Parcels.*** Retain Street Parcels in Phase 1 and acquire and retain Street Parcels in Phase 2 to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the street improvements on the Street Parcels. The DDAs include an Acquisition Agreement that describes a process by which the Developer will construct and the City will accept infrastructure which includes but is not limited to utilities, roads, sidewalks, street furniture, and components of transportation systems. Upon completion of each specific “major phase and sub phase” of development, the finished Street Parcels will be transferred to the City for a governmental purpose subject to the approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the DDAs.

- ***Community Facilities Parcels***
 - **Vacant Land.** Retain the vacant land in Phase 1, and acquire and retain additional raw land in Phase 2 that has been designated for community facilities, to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the permanent infrastructure serving these parcels. Upon completion of each specific “major phase” of development, these Community Facilities Parcels will be transferred to the City, subject to the approval of the Developer pursuant to the DDAs, as finished developable lots for future development potentially with a community development corporation, community land trust, public entity, or not for-profit organization with the requirement that the City facilitate the timely development of these facilities in a manner consistent with the DDAs, the applicable Redevelopment Plan, and that the Community Facilities Parcels “be used to provide, preserve and leverage such critical local resources as social services, education and other community services as determined by the (Successor) Agency in collaboration with the CAC and the Bayview Hunters Point Representative Entity.

 - **Artist Studios.** Retain Building 101, and acquire and retain new artist studios (the “Artist Replacement Building”), both of which have been designated as permanent affordable artist studio space, to fulfill the Successor Agency’s enforceable obligations under the DDAs to ensure the Developer completes the Artist Replacement Building and the permanent infrastructure serving both buildings. Upon completion of the Developer’s development obligations (and artists have moved into the Artist Replacement Building), these Community Facilities will be transferred to the City, subject to the approval of the Developer pursuant to the DDAs, to ensure

compliance with the Phase 2 DDA's enforceable obligation limiting studio rents to the costs of operation and maintenance of the Shipyard Artist Studios..

Under the Phase 2 DDA's Community Benefits Plan, the Successor Agency must lease the Artist Studios at rates necessary to reimburse the Agency for its costs, including any operation and maintenance costs, reserves and any administrative fees, but not more than required to reimburse such costs to the Agency. In other words, the enforceable obligations were designed to ensure that these spaces remain affordable to artists, and could not be used as a profit center for one or more property owners.

- Building 813. Acquire Building 813 in Phase 2 to fulfill the Successor Agency's enforceable obligations under the DDAs to ensure the Developer completes the permanent infrastructure serving the building. Upon the completion of the Developer's infrastructure obligations, Building 813 will be transferred to the City, subject to the approval of the Developer (as required by the DDAs), for a governmental purpose with the restriction that this building must be used for the benefit of BVHP community and the Project as a center for the incubation of emerging businesses and technologies (see Section 3 of the Phase 2 Community Benefits Plan). The estimated transfer dates are between 2014 and 2026.

The Successor Agency also leases a number of buildings from the Navy for Temporary Facilities. The Successor Agency will continue leasing the Temporary Facilities until the applicable property is transferred to the Developer for development consistent with the DDA. In connection with any such transfer, the Successor Agency will terminate its leases on the Temporary Facilities. Lease terminations are expected to occur between 2016 and 2021.

Under the DDA, the Agency is prohibited from transferring Property where the transfer would materially and adversely impair Developer's (or any Vertical Developer's) performance under the DDA. Accordingly, the foregoing is subject to Developer's (and any Vertical Developer's) rights under the DDA.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See section above.

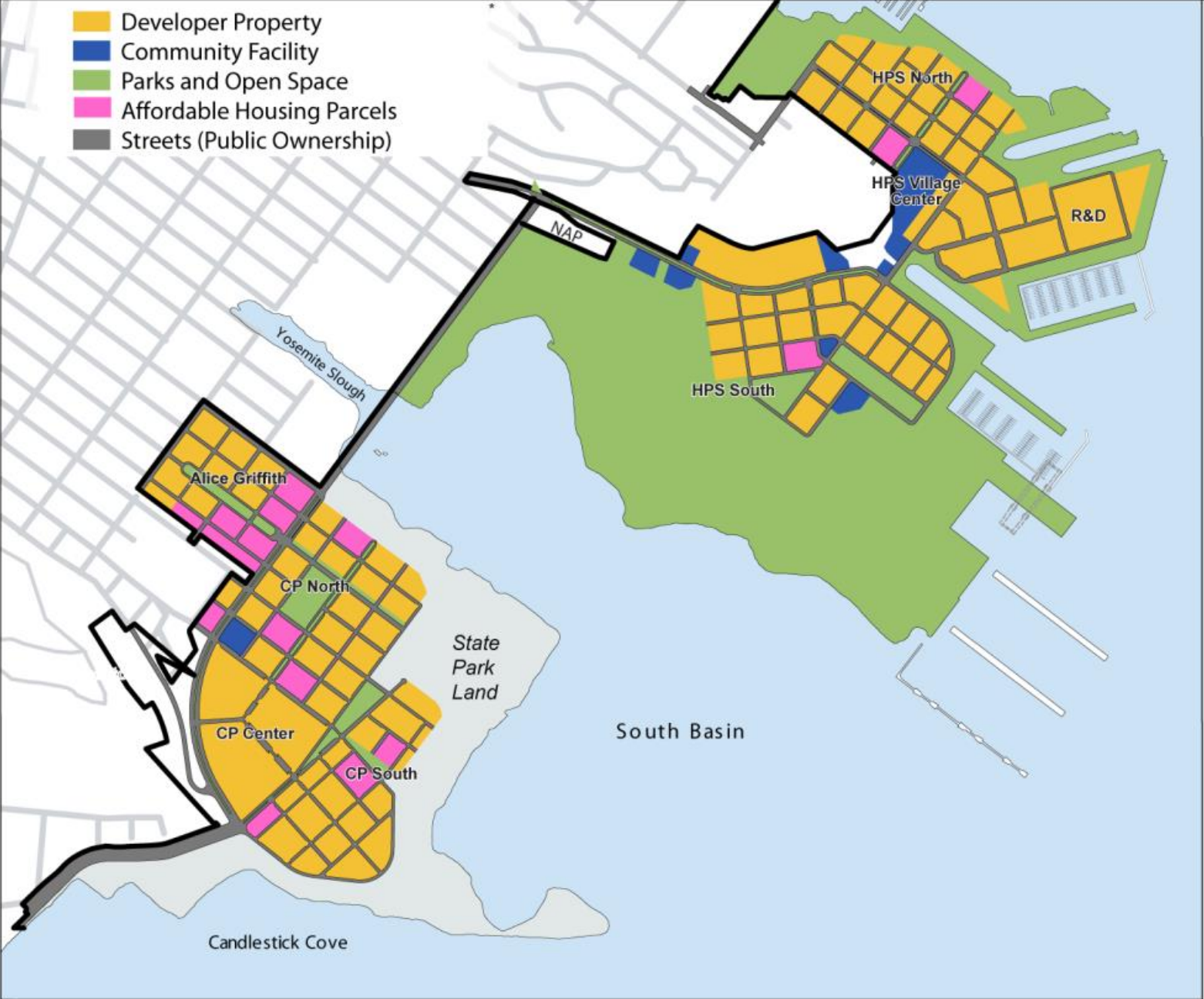
- Attachment A: DOF Tracking Sheet for the Hunters Point Shipyard/Candlestick Point
- Attachment B: Map of Property
- Attachment C: Summary of the Project's Enforceable Obligations

Attachment A
DOF Tracking Sheet Summary of the Project's Enforceable Obligations

Attachment B
Map of Property

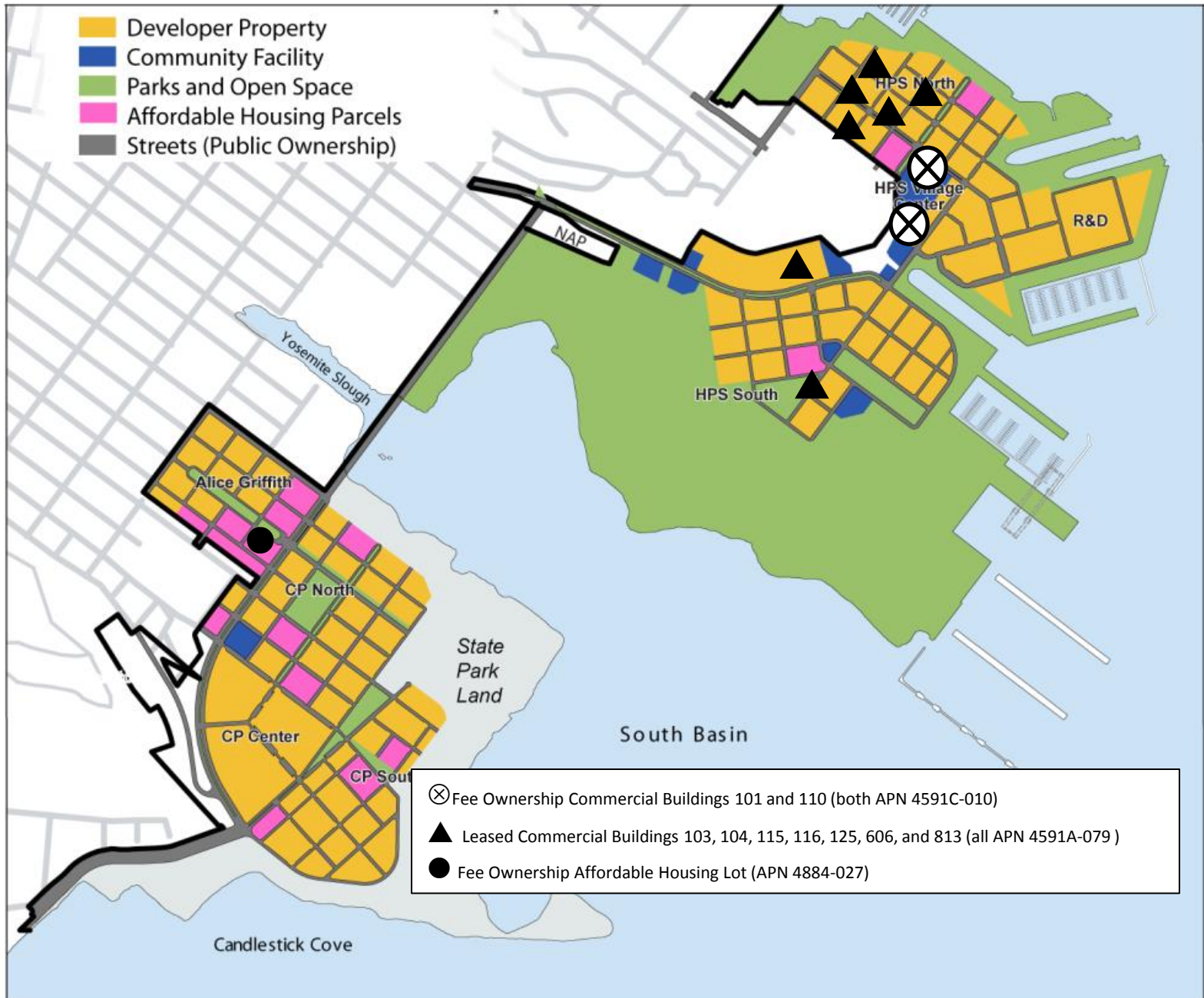
ATTACHMENT B-1

Map of Property (page 1 of 1)



ATTACHMENT B-2

Map of Property Leased and Owned (Phase 2 and Candlestick) (page 1 of 3)



ATTACHMENT B-3

Map of Property Leased and Owned (Phase 1 Hilltop) (page 2 of 3)



ATTACHMENT B-4

Map of Property Leased and Owned (Phase 1 Hillside) (page 3 of 3)



Attachment C

Summary of Shipyard Enforceable Obligations

Under Project's enforceable obligations, the Successor Agency is required to transfer the Developer Property to the Developer for the private development, and retain the Affordable Housing Parcels, the Park Parcels, the Street Parcels and the Community Facilities Parcels and ensure they are developed with these public uses. The Project's enforceable obligations include but are not limited to:

Enforceable Obligations to Acquire Property

- The 2004 Conveyance Agreement between the Successor Agency and the Navy (the "Conveyance Agreement"); and
- The 2010 Agreement for Transfer of Real Estate between the City and the Successor Agency (the "City Land Transfer Agreement").
- The 2011 Hunters Point Shipyard/Candlestick Point Title Settlement, Public Trust Exchange and Boundary Line Agreement between the State Lands Commission, the State Department of Parks and Recreation, the Successor Agency, the City, and the Port of San Francisco (the "Trust Exchange Agreement"); and
- The 2011 Candlestick Point State Recreation Area Reconfiguration, Improvement and Transfer Agreement between the State Lands Commission, the State Department of Parks and Recreation, and the Successor Agency (the "State Parks Agreement"); and

Enforceable Obligations to Retain Property for Development

- The 2003 Phase 1 Disposition and Development Agreement between the Successor Agency and the Phase 1 Developer (the "Phase 1 DDA"); and
- The 2004 Interim Lease between the Successor Agency and the Developer (the "Interim Lease"); and
- The 2010 Candlestick Point Hunters Point Shipyard Phase 2 Disposition and Development Agreement between the Successor Agency and the Phase 2 Developer (the "Phase 2 DDA").

Each of these enforceable obligations is discussed in greater detail below.

The Conveyance Agreement. Under the Conveyance Agreement, the Successor Agency is "obligated to accept title" to any property that the Navy transfers to the Successor Agency, assuming the Navy has met the closing conditions, including remediating the property consistent with its intended land use (See Article 3(e)) pursuant to the Shipyard Redevelopment Plan. The Navy's property is comprised of all the land in Phase 1 and Phase 2, except Candlestick Point.

The Trust Exchange Agreement, the State Parks Agreement, and the City Land Transfer Agreement. These three agreements were executed as a result of the passage of SB 792 and Proposition G. The 1) Trust Exchange Agreement and the 2) State Parks Agreement provide for the exchange of public lands at Candlestick (which the Navy does not own) and the Shipyard. These agreements require the Successor Agency to accept and exchange title to lands under the jurisdiction and or ownership of the State Lands Commission and the State Department of Parks and Recreation in both Candlestick and the Shipyard for the development of the public uses of the Project, including parks, streets, and community facilities.

In a similar fashion, the 3) City Land Transfer Agreement requires the Successor Agency to accept title to land currently owned by the City, acting by and through the Park and Recreation Department. Under the City Land Transfer Agreement, “the City agrees to convey to the (Successor) Agency, and the (Successor) Agency agrees to accept from the City, the City’s interest in the real property” at Candlestick (See Section 1.1). Furthermore, the Successor Agency is required “to use and dispose” of this land pursuant to the Phase 2 DDA (discussed below) and Proposition G, a voter-approved proposition passed in 2008 that requires the Developer to provide new open space areas at least equal in size to the portion of the City’s property that must be used for non-recreational purposes (See Section 1.2).

The Phase 1 DDA. The Phase 1 DDA only governs a portion (i.e., the Hilltop and Hillside properties) of the Shipyard. The following discusses what the Phase 1 DDA states about how the various parcels slated for private development, affordable housing, parks, streets, and community facilities in Phase 1 are to be developed and managed over the long-term:

- **Land Assembly.** Once the SFRA accepted title to the Hilltop and Hillside properties from the Navy pursuant to the Conveyance Agreement, it was required under the Phase 1 DDA to “convey the Project Site” to the Phase 1 Developer “for the purposes of developing and constructing” the infrastructure so that the improved land could be sold to other developers (See Section 6.1 of the Phase 1 DDA). The “Project Site” is defined as all the Phase 1 land except the “Agency Parcels.” The Agency Parcels include the Park Parcels, the Affordable Housing Parcels, and the Community Facilities Parcels. Thus, the SFRA was required to transfer all the land slated for private development to the Phase 1 Developer and retain all the land slated for public development (i.e., parks, community facilities, and affordable housing).
- **The Affordable Housing Parcels.** The Affordable Housing Parcels are defined in the Phase 1 DDA as “parcels to be retained by the Agency and designated” for affordable housing to be built by the Successor Agency (See Section 1.1). Further, in Section 11, the Successor Agency “shall commence and complete construction” of the affordable housing projects on these parcels, in accordance with future development agreements.
- **The Park Parcels.** The Park Parcels are defined in the Phase 1 DDA as “parcels retained by the (Successor) Agency and designated for parks, public recreation and other open space uses” (See Section 1.1). The Developer is required to finance and build the park improvements on the Successor Agency’s land as part of its overall obligation to build the horizontal infrastructure in Phase 1 at the Shipyard. Thus, the Successor

Agency is required to retain these parcels and ensure the Developer constructs the park improvements on them in accordance with the Phase 1 DDA, subject to approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the Phase 1 DDA. In 2008, the SFRA established a community facilities district so that a funding stream would be available for the maintenance of the Shipyard Park Parcels in Phase 1, but the district has yet to levy or collect any special taxes.

Federal EDA grant funds were used in 2011 to construct a community facility building within a Phase 1 park. The building is part of the park's program. These grant funds carry with them certain restrictions that run with the land for 20 years. These restrictions require that the building be used to further the implementation of an "arts and technology district" in the park at the Shipyard, even if the building is sold within the 20-year restriction period. There is no funding source to maintain this building, other than rental revenue generated from the building. It is currently vacant and the park is incomplete.

- The Street Parcels. In the Phase 1 DDA, all the land designated for street systems and street improvements within the Project Area are part of the property conveyed to the Phase 1 Developer who is responsible for constructing all the infrastructure, or horizontal improvements, in Hilltop and Hillside. These improvements include street systems and street improvements, wet utilities, dry utilities, public open space and other improvements (See Section 1.1). However, three Street Parcels -- that were part of the Navy's conveyance to the SFRA -- were located outside the boundaries of the Shipyard Redevelopment Project Area and served existing private properties. As such, they were not transferred to the Phase 1 Developer. The Phase 1 Developer is responsible for improving these three parcels as part of the Phase 1 DDA. The DDA includes an Acquisition Agreement under which the Developer will construct and the City will accept infrastructure which includes but is not limited to utilities, roads, sidewalks, street furniture, and components of transportation systems. These streets are dedicated to the City as public rights of way once they are improved by the Developer.
- The Community Facilities Parcels. The Community Facilities Parcels (1.2 acres) are defined in the Phase 1 DDA as "parcels retained by the (Successor) Agency and designated for ultimate disposition for community development or community facilities." As to uses, the Phase 1 DDA states that the Shipyard Community Facilities Parcels "will be used to provide, preserve and leverage such critical local resources as social services, education and other community services as determined by the (Successor) Agency in collaboration with the CAC and the Bayview Hunters Point Representative Entity. See Section 1.1 of Attachment 23 to the Phase 1 DDA.

Under the Phase 1 DDA, the Phase 1 Developer is not required to build the improvements on the Community Facilities Parcels. Before dissolution, the SFRA intended to use the Phase 1 tax increment to finance the development of these parcels. The Phase 1 DDA requires the Successor Agency to "identify certain land use restrictions, based on land uses determined in consultation" with the community for the Shipyard Community Facilities Parcels "which shall ensure that such parcels shall be dedicated to community purposes in perpetuity. The development of the Community Facilities Parcels will be

determined by the (Successor) Agency as part of the collaborative planning process” with the surrounding community (See Section 1.3 of Attachment 23 to the Phase 1 DDA).

The Interim Lease. Anticipating that the SFRA would acquire property as it was remediated, but have no funds to manage it, the Phase 1 DDA requires the Developer to maintain and manage Phase 1 Property that the Successor Agency currently owns and certain property that the Successor Agency currently leases from the Navy. The Interim Lease requires the Developer to provide, at no cost to the Successor Agency, certain “baseline services” and “active services, which may include site management, operations, utilities, security, fencing, maintenance and repair services, and to indemnify the Successor Agency for certain losses caused by the Developer in performing its obligations under the Interim Lease. The Interim Lease is anticipated to remain in effect until the leased premises are transferred to Developer, the DDA terminates as to the leased premises without transfer or Developer’s obligations for the leased premises are satisfied. The Interim Lease does not cover Candlestick.

The Phase 2 DDA. The Phase 2 DDA governs the rest of the Shipyard and Candlestick, both of which together span more than 760 acres. The following discusses what the Phase 2 DDA states about how the various parcels slated for private development, affordable housing, parks, streets, and community facilities in Phase 2 are to be developed and managed over the long-term:

- **Land Assembly.** Once the Successor Agency has accepted title to the Navy’s property in Phase 2, then the Successor Agency must “convey to Developer all real property” the Agency owns (or acquires as contemplated herein) that is part of the Sub-phase, other than real property that is subject to the Public Trust and or is the “Public Property).” (See Section 3.4.2 of the Phase 2 DDA) The definition of Public Property includes the Park Parcels, the Affordable Housing Parcels, and the Community Facilities Parcels. It also includes property for other uses, such as land held in “Public Trust” under the jurisdiction of the State Lands Commission.

The Successor Agency is required to transfer all the land slated for private development to the Phase 2 Developer, and retain all the land slated for public development in Phase 2 (i.e., parks, streets, community facilities, and affordable housing). The Phase 2 DDA requires that the property reserved for the public uses be developed along the same schedule as the private development (See Section 1.5 of the Phase 2 DDA).

- **The Affordable Housing Parcels.** The Affordable Housing Parcels are defined in the Phase 2 DDA as part of the Public Property the Successor Agency retains for development of affordable housing (See Section 3.4.2). The Successor Agency “shall use good faith efforts to construct (or cause to be constructed by qualified housing developers)” up to 1,140 units of affordable housing (See Section 4.1 of Exhibit F to the Phase 2 DDA).

These parcels include parcels slated for a public housing project that is to replace the dilapidated “Alice Griffith” public housing project in Candlestick (the “Alice Griffith Parcels”). The current Alice Griffith public housing project, which sits on 22.5 acres, is owned by SFHA. The Phase 2 DDA requires that a new housing project comprised of a

one-for-one replacement of the 256 existing public housing units and 248 new affordable housing units, be built on land owned by the SFHA, the Successor Agency, and State Parks (the “Alice Griffith Replacement Project”). Pursuant to the Phase 2 DDA, the Successor Agency “shall convey” any property it owns needed for the Alice Griffith Replacement Project to the SFHA on or before the Alice Griffith Replacement Project is completed (See Section 6.2.3(a)). Any property owned by the Successor Agency not needed for the Alice Griffith Replacement Project shall be conveyed to the Developer for the purposes of constructing the infrastructure (See Section 6.2.3(a)). The property the Successor Agency will convey to the SFHA and the Developer is the “Alice Griffith Parcels.”

- The Park Parcels. The Park Parcels are defined in the Phase 2 DDA as part of the “Public Property” the Successor Agency retains for development of the public open spaces at the Shipyard (See Section 3.4.2). Again, the Developer is required to finance and build the park improvements on the Successor Agency’s land as part of its overall obligation to build the horizontal infrastructure on Phase 2 at the Shipyard. Thus, the Successor Agency is required to retain these parcels and ensure the Developer constructs the park improvements on them in accordance with the Phase 2 DDA subject to approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the Phase 2 DDA. (See e.g. Section 7.8.6 of the Phase 2 DDA (requiring Developer to complete all surface improvements for the Open Space Lots in accordance with the Parks and Open Space Plan)). An additional community facilities district is envisioned as the funding mechanism for the maintenance of these parcels. (See Section 2.7 of Attachment H (Financing Plan) attached to and made part of the Phase 2 DDA).
- The Street Parcels. The Street Parcels are defined in the Phase 2 DDA as part of the “Public Property” the Successor Agency retains for development of the public rights of way (See Section 3.4.2). These Street Parcels may then be conveyed to the Phase 2 Developer for construction of the roads and utilities (See Section 1.1). The DDA includes an Acquisition Agreement under which the Developer will construct and the City will accept infrastructure which includes but is not limited to utilities, roads, sidewalks, street furniture, and components of transportation systems. Once complete, the Street Parcels are accepted by the City through the City’s subdivision map process for the Project, subject to approval of the State Lands Commission pursuant to SB 792 and the Developer pursuant to the Phase 2 DDA.
- The Community Facilities Parcels. The Community Facilities Parcels (5.8 acres) are defined in the Phase 2 DDA as part of the “Public Property” the Successor Agency retains for development of the community facilities at the Shipyard. In addition, there is 15,000 to 30,000 square feet set aside for an arts center within the existing land area of Building 101. These parcels include vacant land and buildings reserved for community-serving uses:
 - Vacant Land. This land “shall be provided in fee to the (Successor) Agency at no cost to the (Successor) Agency” and “shall be used” in a way that complies with the Shipyard’s planning and development documents, including the Shipyard

Redevelopment Plan and the Phase 2 DDA (See Section 3.3 of Exhibit G to the Phase 2 DDA). Furthermore, the Successor Agency “shall use commercially reasonable efforts to (i) select the use of such land and the identity of such transferee as soon as reasonably feasible and (ii) secure the maximum feasible amount of third-party, local, state, and federal funding to pay for the completion of such selected uses so as to ensure that the benefits” to the Bayview-Hunters Point community “may be realized in a timely fashion.” [The Successor Agency owns some of this land now (the land already conveyed by the Navy on the Hilltop in Phase 1, but will own more land in the future as the Phase 2 lands are conveyed by the Navy. Neither the Phase 2 DDA nor its Tax Allocation Pledge Agreement, however, commits property tax revenue (i.e. former tax increment) to the development of this vacant land. All of the tax increment in Phase 2 is pledged pursuant to enforceable obligations to affordable housing and to the Developer to reimburse it for the construction of the infrastructure improvements.

- Buildings. The community-serving buildings discussed in Section 3.4 of Exhibit G to the Phase 2 DDA include (1) artist studios (i.e., Building 101, and a new building the Developer is required to build adjacent to Building 101 (the “Artist Replacement Building”), and (2) Building 813, a 260,000-square-foot building slated for a clean-tech business incubator. Each of these is discussed below:

- (1) The Project’s inclusion of Artist Studios, the Artist Replacement Building, and the Arts Center are the fulfillment of long standing City goals to retain and increase arts related uses in the City. The City’s General Plan, Policy VI-1.7 “encourages the use of available and existing facilities under local government jurisdiction by artists and arts organizations.” Policy VI-1.6 relating to “de-commissioned military facilities in San Francisco” states that “portions of Hunters Point Shipyard are currently used for artists’ studio space.....” “The continued and expanded use of these facilities for the arts should be considered, and included as a general principal of the Hunters Point Shipyard Redevelopment Plan.” Further, in November 2007, voters approved Proposition G: Bayview Jobs, Parks and Housing Initiative. Proposition G lists one of the Shipyard’s development goals as, “subsidizing the creation of permanent space on the Shipyard Property for existing artists.”

In response, the (Successor) Agency included in the Shipyard Redevelopment Plan land use objectives for the Shipyard Village Center Cultural District where the arts related buildings are as, “provide space dedicated for artists and arts related uses.....” The Phase 2 DDA’s Community Benefits Plan, Section 3.4.(a) specifies that the Developer shall build an Artist Replacement Building and land for an Arts Center, provide these improvements to the (Successor) Agency at no cost, and that the (Successor) Agency would lease the Artist Replacement Building at affordable rent restricted rates (see below).

Artist Studios. The Successor Agency already owns Building 101, and spent federal grant dollars recently to renovate it. The Developer is required to

“complete the infrastructure” serving Building 101 (See Section 3.4 of Exhibit G to the Phase 2 DDA).

The Artist Replacement Building (which includes a culinary arts facility) will be built by the Developer on land the Successor Agency already owns. Once built, the Developer “shall convey to the (Successor) Agency, at no cost to the (Successor) Agency, fee title to new permanent artist studio space” (See Section 3.4 of Exhibit G to the Phase 2 DDA). The Successor Agency Commission is required to approve a relocation plan before artists are asked to relocate and/or move into the Artist Replacement Building. The Successor Agency Commission is also required to approve a management agreement before artists move into the Artist Replacement Building (the “Management Agreement”). Under the Management Agreement “the (Successor) Agency shall lease” the Artist Replacement Building at rents “necessary to reimburse the (Successor) Agency for its costs, including any operation and maintenance costs, reserves and any administrative fees, but the (Successor) Agency shall not charge more than is required to reimburse such costs to the (Successor) Agency.” (See Section 3.4 of Exhibit G to the Phase 2 DDA).

- (2) Building 813. Per the Phase 2 DDA, the Developer “shall reasonably cooperate” with the Successor Agency, the City, and the community “to facilitate the rehabilitation of Building 813 ... for use as a center for the incubation of emerging businesses and technologies, including, but not limited to, clean tech, biotech, green business, arts and digital media.” (See Section 3.4 of Exhibit G to the Phase 2 DDA). Furthermore, the Developer “shall reasonably cooperate with the (Successor) Agency to ensure the timely availability of interim and permanent infrastructure to support the renovated building.” The Phase 2 DDA, however, does not provide financing for the renovation of Building 813.

LONG RANGE PROPERTY MANAGEMENT PLAN YERBA BUENA GARDENS

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of a group of real property assets commonly known as Yerba Buena Gardens (the “YBG Properties”). The YBG Properties are located in the central three blocks (“Central Block One or “CB-1,” Central Block Two or “CB-2” and Central Block Three or “CB-3”) of the former Yerba Buena Center Redevelopment Project Area D-1 (the “Project Area”), which was duly adopted in accordance with Community Redevelopment Law, and which expired by its own terms on January 1, 2011. See Attachment A, DOF Tracking Sheet for Yerba Buena Gardens for a detailed list of the YBG Properties and Attachment B, Map of Yerba Buena Gardens for the approximate location of the YBG Properties.

The former San Francisco Redevelopment Agency (“SFRA”) implemented a redevelopment program in the Project Area that centered on destination cultural facilities, public open spaces, museums, hotels, and market-rate and affordable housing. Since January 1, 2011, upon the expiration of the Project Area, no new development could be initiated and the SFRA moved into an asset management role for both its real property assets as well as other contractual obligations.

The YBG Properties are a collection of urban mixed-use spaces that include commercial and retail properties, cultural facilities, performance venues, recreational venues, and vast amounts of public open space that includes garden areas, plazas, children’s play areas, artwork, a historic carousel, and fountains.

The Successor Agency proposes to transfer the YBG Properties to the City and County of San Francisco (the “City”) for a governmental purpose (i.e., parks, recreational facilities, children’s facilities, cultural facilities), since the properties were constructed with public funds and used for a public purpose. The City has agreed to accept the YBG Properties for a governmental purpose and manage them as a single, unified set of properties using a restricted revenue source generated from the YBG Properties (defined below). The Successor Agency’s restricted revenue stream and related enforceable obligations (also defined below) will be transferred along with the YBG Properties to the City, so the City can continue to fulfill the Successor’s Agency’s long-term obligations. Since the YBG Properties will be transferred to the City for a governmental purpose, the transfer value is zero.

The YBG Properties are by far the largest and most complicated portfolio of properties that the Successor Agency owns and manages. Therefore, the Successor Agency is estimating the transfer date of the YBG Properties in either 2014 or 2015.

BACKGROUND

The YBG Properties were constructed by the SFRA between 1993 and 2008 with bond and land sale proceeds, and represent a civic investment of about \$175 million. The YBG Properties are a collection of urban mixed-use spaces that include commercial and retail properties, cultural facilities, performance venues, recreational venues, a child development center, and vast amounts of public open space that includes garden areas, plazas, children's play areas, artwork, a historic carousel, and fountains - including the Martin Luther King Jr. Memorial Fountain. Attachment C defines the YBG Properties in greater detail and has photographs of a few of the YBG Properties.

For almost thirty years, the Successor Agency has owned and managed these public assets as an intact portfolio of financially self-sustaining properties and is proposing to transfer the entire portfolio of YBG Properties intact as a group, along with a restricted long-term source of funding, to the City to fulfill a governmental purpose. The dedicated funding stream itself is an enforceable obligation of the Successor Agency's pursuant to an interlocking set of agreements¹ with the Successor Agency's long-term tenants (e.g., the Marriott Hotel, the Metreon, and an affiliate of Millennium Partners) and other Yerba Buena Gardens stakeholders. See Attachment D, Enforceable Obligations Document Excerpts, for a summary of the provisions which define the Successor Agency's obligations in the governing documents listed in the footnote below. These long-term agreements (ranging from 78 to 90 years) require the Agency to operate, maintain, and program the open space, and fund cultural operations at Yerba Buena Gardens. The agreements also require the Successor Agency to deposit lease revenue and developer exactions funds from all Yerba Buena Gardens sources into a restricted, segregated account (the "Separate Account").

Additionally, the governing documents define and restrict expenditures from the Separate Account according to a distinct priority (first, to fund maintenance, operations, security of Yerba Buena Gardens, and activation of the open space, and second, to fund cultural operations in Yerba Buena Gardens). The former SFRA Commission solidified and funded this single ownership/management structure in its many actions over the years, and the underlying legal documents reflect this structure and its self-financing mechanism. The PMP disposition section below also discusses the Successor Agency's plan for these enforceable obligations.

¹ Documents defining the Successor Agency's enforceable obligations include the (1) Central Block 2 Entertainment and Retail Lease dated May 9, 1997 between the Successor Agency and Yerba Buena Entertainment Center LLC, (2) Yerba Buena Gardens Amended and Restated Construction, Operation and Reciprocal Easement Agreement and Agreement Creating Liens dated March 31, 1998 between the Successor Agency and YBG Associates LLC, and (3) Central Block 1 Retail Lease dated March 31, 1998 between the Successor Agency and CB-1 Entertainment Partners LP.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

Date of Acquisition

From 1967 to 1983 the SFRA acquired and assembled land for development of the Yerba Buena Properties on CB-1, CB-2. Construction of SFRA-owned improvements on CB-1, CB-2, and CB-3 was completed between 1993 and 2008. The Successor Agency is using completion of construction as the “acquisition date” for its improvements, since that date is when an asset was placed into service for accounting purposes. See Attachment A, the DOF Tracking Sheet for Yerba Buena Gardens for acquisition dates by property.

Value of Property at Time of Acquisition

The value of a property at the time of acquisition is based on (1) the land acquisition costs paid by SFRA when it purchased a property, and (2) construction costs incurred by SFRA to build its Yerba Buena Gardens improvements. See Attachment A, the DOF Tracking Sheet for Yerba Buena Gardens, for acquisition costs by property.

Estimate of the Current Value

See the “Estimate of Current Value” section below and Attachment A, the DOF Tracking Sheet for Yerba Buena Gardens for estimated current values for the YBG Properties.

Purpose for which the Agency Property was Acquired

The YBG Properties were acquired for the purpose of satisfying the objectives of the Project Area Plan. The SFRA originally acquired the YBG Properties with urban renewal funds provided through a federal Contract for Loan and Capital Grant dated December 2, 1966 (Contract No. Calif. R-59) and approved by the U.S. Department of Housing and Urban Renewal (the “HUD Contract”). Under the HUD Contract, the SFRA was required to use the federal funds to carry out redevelopment activities in accordance with the Project Area plan and the federal standards for urban renewal under Title I of the Housing Act of 1949. In 1983, the SFRA and the City executed, with HUD concurrence, the Yerba Buena Center Redevelopment Project Closeout Agreement (the “**YBC Closeout Agreement**”), which mentions the YBG Properties.

Address/Location

See Attachment A, the DOF Tracking Sheet for Yerba Buena Gardens, for addresses/locations of the YBG Properties. A map showing the approximate location of the YBG Properties is attached as Attachment B, Map of Yerba Buena Gardens.

Lot Size

See Attachment A, the DOF Tracking Sheet for Yerba Buena Gardens, for the YBG Properties lot sizes.

Current Zoning

CB-1

Since January 1, 2011, when the plan for the Project Area expired, CB-1 has been subject to the zoning controls established by the City Planning Code within the Downtown Retail (C-3-R) District. The C-3-R District is a regional center for comparison shopper retailing and direct consumer services. The base Floor-Area-Ratio, or FAR, in the C-3-R District is 6.0 to 1. The base FAR can be increased to a maximum FAR of 9.0 to 1 with the purchase of transferable development rights.

CB-2 and CB-3

Since January 1, 2011, when the plan for the Project Area expired, CB-2 and CB-3 have been subject to the zoning controls established by the City Planning Code within the Downtown Support (C-3-S) District. The C-3-S District includes San Francisco's Convention Center, hotels, museums and cultural facilities, housing, retail, and offices arranged around public gardens and plazas. The base Floor-Area-Ratio, or FAR, in the C-3-S District is 5.0 to 1. The base FAR can be increased to a maximum FAR of 7.5.0 to 1 with the purchase of transferable development rights.

Estimate of the Current Value (Including Appraisal Information)

The estimate of current values for the individual YBG Properties are based on one of the following: (1) the book value reflected in the Successor Agency's annual audited financial statements; (2) fair market value based on recent comparable sales of local commercial properties and an analysis of retail value per square foot related to the comparables; and, in the case of the improvements, (3) the replacement values reflected in the property insurance schedule provided by the Successor Agency's insurance provider. According to the insurance provider, they base their replacement values on internal appraisals of the properties performed periodically.

See Attachment A for estimates of current values for each property. The Successor Agency does not have current third-party appraisals for any of the YBG Properties.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

As noted above, revenues generated by the YBG Properties come from existing short- and long-term commercial and ground leases, operating leases, and development exactions/fees. The Successor Agency maintains a Separate Account for these restricted funds pursuant to the enforceable obligations with its long-term tenants and other Yerba Buena Gardens stakeholders. This revenue can only be used for maintenance, operations, and security, and open space programming, as well as funding for the Successor Agency's cultural operators. Additionally, the Successor Agency will use a portion of these funds for capital improvement projects (explained below).

The private entities contributing the most to Yerba Buena Garden's operating revenues are the Marriott Hotel and the Metreon, which together contribute about \$5.5 million a year. The only public entity that contributes to Yerba Buena Garden's operating revenues is the Moscone Convention Center (North), which contributes \$870,000 a year (these payments will expire in 2018). Yerba Buena Garden's operating revenues and expenses have typically ranged from \$7 to \$8 million annually over the past few years. Revenues are able to cover all current operations, and a \$590,000 contribution to the Yerba Buena Gardens capital reserve.

In the approved Yerba Buena Gardens budget for fiscal year 2013/2014, the Successor Agency estimates about \$9.2 million in projected revenue from the YBG Properties (from leases and development fees) and will use about \$293,000 prior year lease revenue reserves for a total budget of \$9.5 million. This year's operating revenue projections are higher than previous years due to rents tied to a percentage of hotel and retail sales (which are tied to an improving economy). See Attachment E, Fiscal Year 2013/2014 Budget Chart, for a breakout of revenue and expenses.

In 1999, the SFRA established a capital reserve for Yerba Buena Gardens to ensure that adequate funds would be available to replace and renovate the public facilities at Yerba Buena Gardens over the coming decades. In the past, capital improvements were financed with periodic infusions of tax increment (which is no longer available) and a \$590,000 annual set-aside from operating revenues, which is not enough to cover the expected cost of future capital improvements at Yerba Buena Gardens (estimated at around \$30 million over the next 20 years). There is currently about \$5.5 million in the capital reserve, but the Successor Agency plans to spend \$2.7 million of it this fiscal year, leaving \$3.4 million as of July 1, 2014. The Successor Agency has hired a consultant to research potential funding mechanisms for future capital improvements.

History of Environmental Contamination, Studies, Remediation Efforts

A general survey of environmental conditions was conducted as part of the 1995 Environmental Impact Report for the Yerba Buena Center ("EIR"), including the YBG Properties. The EIR identified that the area has an industrial past and there has been the use of unknown sources of fill dirt over the years to level the area. As a result of these past uses and practices, there could be soil contamination and other hazards, such as underground storage tanks, which are common in an urban setting. However, the EIR did not find that there were any known superfund sites in the area or other significant hazards requiring major remediation. As a result, the primary hazards for the YBG Properties are associated with the excavation and disposal of contaminated groundwater and soil. The EIR included mitigation measures to implement when the YBG Properties were redeveloped to ensure that if contamination was found at unsafe levels the appropriate remediation would be completed.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The YBC Properties were developed as a transit-oriented development and is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Muni bus lines, which can be used to access regional transit. Service to and from the East

Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART.

Under the City Planning Code, C-3-R Districts and C-3-S Districts are compact in area and easily traversed on foot. They are well-served by City and regional transit. In order to encourage pedestrian activity and minimize conflicts between pedestrians and vehicles, parking facilities tend to be located at the periphery of C-3-R Districts.

History of Previous Development and Leasing Proposals

In the late 1960s, the SFRA developed conceptual plans for the development of the Project Area's central blocks, sought proposals, and selected Schlesinger-Arcon/Pacific as the master developer. However, the development never materialized, due to delays caused by ongoing legal challenges/lawsuits related to the development.

Beginning in the mid-1970s, the SFRA, together with the City and the community, resumed what turned out to be a lengthy planning process for development of Yerba Buena Gardens. In the early 1980s, the SFRA selected Olympia and York Equity Corporation as the master developer for Yerba Buena Gardens. The plan for the central three blocks included a mixed-use neighborhood of office buildings, hotels, amusement/recreational uses, cultural uses, open spaces, parking, commercial retail spaces, and a convention center. However, by 1993, due to economic reasons and defaults by Olympia and York, only the Marriott Hotel at Fourth and Mission Streets had been completed. As a result, the SFRA severed its ties with Olympia and York and took on a more direct role in the development of Yerba Buena Gardens as it exists today.

The SFRA entered into long-term leases (75 to 90 years) for most of its land in Yerba Buena Gardens, which are still in effect today, except for two small café spaces on Central Block 2. Due to the second-floor location and difficulties with past tenants, the spaces remained empty for some time in the mid-2000s. In 2006, the SFRA hired a retail broker to market the café spaces to viable café/retail tenants. Since then, the café spaces have been leased pursuant to 10-year leases with provisions for extended terms.

Disposition of the Agency Property

Disposition for a Governmental Purpose: The Successor Agency proposes to transfer the YBG Properties to the City for a governmental purpose (i.e., parks, recreational facilities, children's facilities, cultural facilities). With the City's prior consent, the YBG Properties were funded with public dollars for a public purpose (for the benefits and amenities provided to the Project Area and the City). The City further contemplated that the YBG Properties would be publically owned assets. See Attachment F, Board of Supervisor's Resolution 917-84, which was adopted by the board on December 3, 1984, for additional historical background on the City's position with regard to the YBG Properties.

Today, the City has agreed to accept the YBG Properties for a governmental purpose and manage them as a single, unified set of properties using the fees and payments currently generated from the YBG Properties. As mentioned earlier in this PMP, the Successor Agency has enforceable obligations related to the YBG Properties restricted long-term revenue stream and the Separate Account funds. The Successor Agency's enforceable obligations and Separate Account funds will be transferred along with the YBG Properties to the City, so the City can continue to fulfill the Successor's Agency's long-term obligations.

Several ownership/management structures are currently under discussion for the YBG Properties. One involves a non-profit entity, controlled by the City, which would manage the YBG Properties on behalf of the City under a master lease with the City. Another involves the City transferring the YBG Properties to a separate public entity formed by the City (i.e., some kind of authority or trust), which would own and manage the YBG Properties. Still another involves a City department, such as the Department of Real Estate, coordinating the management of the YBG Properties.

Community stakeholders have expressed a strong preference in the ownership/management models involving a separate non-profit or separate public entity and have written many letters to the Successor Agency and the City stating that preference. The City is considering a variety of management models. The final management structure will be determined by the City at a later date, after the Successor Agency's PMP has been submitted to DOF for approval.

Transfer Value: The YBG Properties will be transferred to the City for a governmental purpose and therefore the transfer value is zero.

Transfer Date: The YBG Properties are by far the largest and most complicated portfolio of properties that the Successor Agency owns and manages. As a result, closing a real estate transaction of this magnitude will require a significant amount of time (drafting transfer documents and completing title work, etc.). Therefore, the Successor Agency is estimating the transfer date of the YBG Properties in either 2014 or 2015.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See section above.

Attachment A:	DOF Tracking Sheet for Yerba Buena Gardens
Attachment B:	Yerba Buena Gardens Map
Attachment C:	YBG Properties and Photographs
Attachment D:	Enforceable Obligations Document Excerpts
Attachment E:	Fiscal Year 2013/14 Budget Chart
Attachment F:	1984 Board of Supervisor's Resolution

Attachment A
DOF Tracking Sheet for Yerba Buena Gardens

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - YERBA BUENA GARDENS

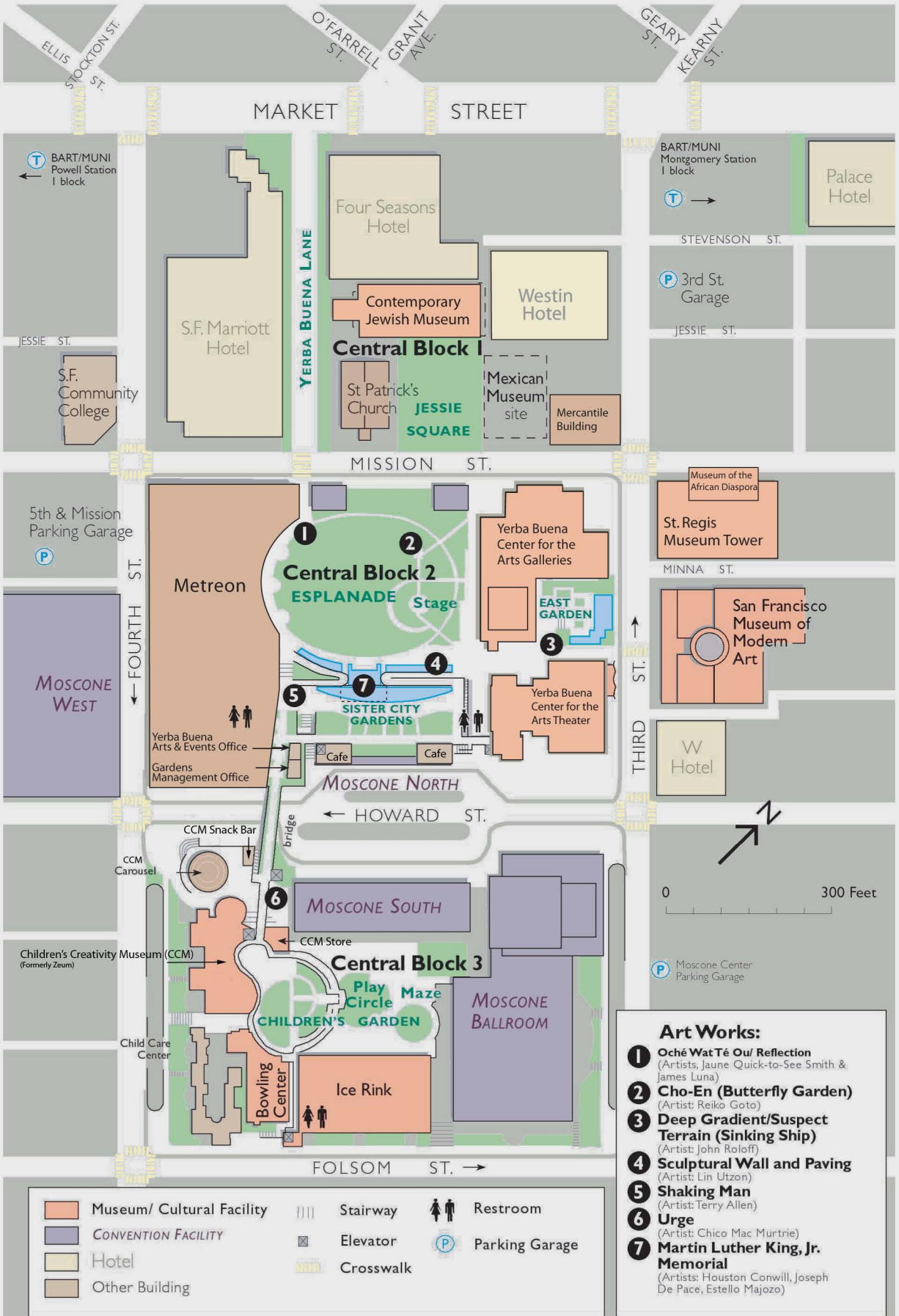
No.	Property Name	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)		Value Basis	Date of Estimated Current Value	SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)	HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)		
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase			Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development
Central Block 1 (CB-1)																					
Land (Fee)																					
1	Jessie Square Plaza	Park	Governmental Use	See Narrative	10/19/1967-12/2/1971	\$ 977,570	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	Fronting Mission Street between 3rd & 4th Streets	3706-277 (por)	46,528	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
2	Yerba Buena Lane	Roadway/Walkway	Governmental Use	See Narrative	4/17/1967-8/11/1983	Reflected in Marriott Hotel land value (line 8)	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	Mid-block pathway linking Market and Mission Streets	3706-119	3,177	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
3	"	"	"	See Narrative	"	"	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-120	17,177	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
4	"	"	"	See Narrative	"	"	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-121	993	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
5	"	"	"	See Narrative	"	"	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-122	454	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
6	"	"	"	See Narrative	"	"	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-123	137	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
7	"	"	"	See Narrative	"	"	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-124	9	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
8	Marriott Hotel	Commercial	Governmental Use	See Narrative	4/17/1967 - 8/11/1983	\$ 18,460,227	\$ 19,415,000	Book	2/1/2012	\$ 0	2015-2016	See Narrative	55 Fourth Street	3706-96 (por.)	127,000	3-C-R	\$19,415,000	See Narrative	See Narrative	See Narrative	See Narrative
Improvements																					
9	Jessie Square Plaza	Park	Governmental Use	See Narrative	2008	\$ 5,858,226	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	Fronting Mission Street between 3rd & 4th Streets	3706-277 (por)	46,528	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
10	Yerba Buena Lane	Roadway/Walkway	Governmental Use	See Narrative	2005	Included in plaza costs on line 20	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	Mid-block pathway linking Market and Mission Streets	3706-119, 120, 121, 122, 123, 124	21,947	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
Airspace Parcels																					
11	First Floor Marriott Retail Spaces	Commercial	Governmental Use	See Narrative	5/12/1970-8/11/1983	Reflected in Marriott Hotel land value (line 8)	\$ 2,345,460	Market	2/1/2012	\$ 0	2015-2016	See Narrative	760A - 760C Mission Street; 773B - 773H Mission Street; 773 Market Street	3706-103	9,009	3-C-R	\$2,345,460	See Narrative	See Narrative	See Narrative	See Narrative
12	"	"	"	See Narrative	"	"	included above	Market	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-104	6,500	3-C-R	included above	See Narrative	See Narrative	See Narrative	See Narrative
13	"	"	"	See Narrative	"	"	"	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-105	658	3-C-R	"	See Narrative	See Narrative	See Narrative	See Narrative
14	"	"	"	See Narrative	"	"	"	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-106	2,278	3-C-R	"	See Narrative	See Narrative	See Narrative	See Narrative
15	"	"	"	See Narrative	"	"	"	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-107	240	3-C-R	"	See Narrative	See Narrative	See Narrative	See Narrative
16	"	"	"	See Narrative	"	"	"	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-108	959	3-C-R	"	See Narrative	See Narrative	See Narrative	See Narrative
17	"	"	"	See Narrative	"	"	"	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-109	406	3-C-R	"	See Narrative	See Narrative	See Narrative	See Narrative
18	Second Floor Marriott classroom spaces	Commercial	Governmental Use	See Narrative	8/18/1969-8/11/1983	Reflected in Marriott Hotel land value (line 8)	\$ 1,676,160	Market	2/1/2012	\$ 0	2015-2016	See Narrative	55 Fourth Street	3706-110	10,784	3-C-R	\$ 1,676,160	See Narrative	See Narrative	See Narrative	See Narrative
19	"	"	"	See Narrative	"	"	included above	"	2/1/2012	\$ 0	2015-2016	See Narrative	"	3706-111	6,496	3-C-R	included above	See Narrative	See Narrative	See Narrative	See Narrative
20	Four Seasons Hotel Retail Spaces	Commercial	Governmental Use	See Narrative	10/17/2003	\$ 1.00	\$ 5,313,660	Market	2/1/2012	\$ 0	2015-2016	See Narrative	757 Market Street; 20 Yerba Buena Lane	3706-272	59,160	3-C-R	\$5,313,660	See Narrative	See Narrative	See Narrative	See Narrative
21	BART spaces under Market Street	Roadway/Walkway	Governmental Use	See Narrative	5/10/1971	Reflected in Marriott Hotel land value (line 8)	\$ 0	Market	2/1/2012	\$ 0	2015-2016	See Narrative	N/A	3706-101	2,952	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
22	"	"	"	See Narrative	5/10/1971	"	\$ 0	"	2/1/2012	\$ 0	2015-2016	See Narrative	N/A	3706-102	3,708	3-C-R	\$ 0	See Narrative	See Narrative	See Narrative	See Narrative
Central Block 2 (CB-2)																					
Land (Fee)																					
23	All of the land on CB-2	Mixed-Use	Governmental Use	See Narrative	3/13/1967-7/13/1970	\$ 7,065,658	\$ 7,639,429	Book	2/1/2012	\$ 0	2015-2016	See Narrative	N/A	3723-113 3723-114 3723-115 3723-116 3723-117	487,481	3-C-S	\$7,639,429	See Narrative	See Narrative	See Narrative	See Narrative
24	Open Spaces	Park	"	See Narrative	"	Acquisition value is reflected above in line 23	included above	Book	2/1/2012	\$ 0	2015-2016	See Narrative	N/A	3723-115 (por)	Included in line 22 above	3-C-S	included above	See Narrative	See Narrative	See Narrative	See Narrative
25	Metreon	Commercial	"	See Narrative	"	"	"	Book	2/1/2012	\$ 0	2015-2016	See Narrative	101 Fourth Street	3723-114 3723-115 (por)	Included in line 22 above	3-C-S	"	See Narrative	See Narrative	See Narrative	See Narrative
26	Marriott Hotel (ballroom, loading dock, Mission Street tunnel)	Commercial	"	See Narrative	"	"	"	Book	2/1/2012	\$ 0	2015-2016	See Narrative	55 Fourth Street	3723-113 3723-115 (por) 3723-116 3723-117	Included in line 22 above	3-C-S	"	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Open Spaces & Support Facilities																					
27	Gardens & Support Facilities	Park	Governmental Use	See Narrative	1993	\$ 35,190,544.00	\$ 40,773,620	Appraised	2/1/2012	\$ 0	2015-2016	See Narrative	750 Howard Street	3723-115 (por)	239,580	3-C-S	\$40,773,620	See Narrative	See Narrative	See Narrative	See Narrative
28	East Garden	Park	Governmental Use	See Narrative	1993	included above in line 27	\$ 2,254,019	Appraised	2/1/2012	\$ 0	2015-2016	See Narrative	Mid-block garden fronting Third Street	3723-115 (por)	21,780	3-C-S	\$2,254,019	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Cultural Facilities																					
29	Yerba Buena Center for the Arts - Forum Building	Other	Governmental Use	See Narrative	10/1993	\$ 10,889,000	\$ 15,817,024	Appraised	2/1/2012	\$ 0	2015-2016	See Narrative	701 Mission Street	3723-115 (por)	55,000	3-C-S	\$15,817,024	See Narrative	See Narrative	See Narrative	See Narrative
30	Yerba Buena Center for the Arts - Theatre Building	Other	Governmental Use	See Narrative	10/1993	\$ 8,249,000	\$ 17,436,513	Appraised	2/1/2012	\$ 0	2015-2016	See Narrative	700 Howard Street	3723-115 (por)	46,800	3-C-S	\$17,436,513	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Commercial Space																					

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - YERBA BUENA GARDENS

No.	Property Name	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)				SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)		
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency
31	East Café (B Restaurant)	Commercial	Governmental Use	See Narrative	1993	included above in line 27	\$ 363,719	Appraised	2/1/2012	\$0	2015-2016	See Narrative	720 Howard Street	3723-115 (por)	2,096	3-C-S	\$363,719	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
32	West Café (Samovar Restaurant)	Commercial	Governmental Use	See Narrative	1993	included above in line 27	\$ 437,990	Appraised	2/1/2012	\$0	2015-2016	See Narrative	730 Howard Street	3723-115 (por)	2,524	3-C-S	\$437,990	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
Central Block 3 (CB-3)																						
Land (Fee & Leasehold)																						
33	LEASEHOLD: Rooftop Surface	Mixed-Use	Governmental Use	See Narrative	7/1/1996	\$1.00	\$0	Market	2/1/2012	\$0	2015-2016	See Narrative	N/A	3734-091 (por)	218,500	3-C-S	\$0	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
34	FEE: Tunnel under Howard Street	Roadway/Walkway	Governmental Use	See Narrative	7/13/1988	\$0.00	\$0	Market	2/1/2012	\$0	2015-2016	See Narrative	N/A	3734-091 (por)	2,415	3-C-S	\$0	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Open Space																						
35	The Children's Garden: Open Space, Playground Areas, Gardens	Park	Governmental Use	See Narrative	1998	\$ 12,655,314	\$ 14,946,796	Appraised	2/1/2012	\$0	2015-2016	See Narrative	N/A	3734-091 (por)	130,000	3-C-S	\$14,946,796	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Children's Facilities																						
36	Child Development Center	Other	Governmental Use	See Narrative	1998	\$ 46,530,130	\$ 3,063,923	Appraised	2/1/2012	\$0	2015-2016	See Narrative	790 Folsom Street	3734-091 (por)	10,000	3-C-S	\$3,063,923	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
37	Children's Creativity Museum	Other	Governmental Use	See Narrative	1998	included above in line 36	\$ 11,464,317	Appraised	2/1/2012	\$0	2015-2016	See Narrative	221 Fourth Street	3734-091 (por)	41,000	3-C-S	\$11,464,317	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
Improvements: Recreational																						
38	Bowling Center	Commercial	Governmental Use	See Narrative	1998	included above in line 36	\$ 2,779,657	Appraised	2/1/2012	\$0	2015-2016	See Narrative	750 Folsom Street	3734-091 (por)	10,000	3-C-S	\$2,779,657	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative
39	Ice Skating Center	Commercial	Governmental Use	See Narrative	1998	included above in line 36	\$ 8,690,692	Appraised	2/1/2012	\$0	2015-2016	See Narrative	750 Folsom Street	3734-091 (por)	32,000	3-C-S	\$8,690,692	See Narrative	See Narrative	See Narrative	See Narrative	See Narrative

Attachment B
Yerba Buena Gardens Map

YERBA BUENA GARDENS



- Art Works:**
- 1** **Oché Wat Té Ou/ Reflection**
(Artists: Jaune Quick-to-See Smith & James Luna)
 - 2** **Cho-En (Butterfly Garden)**
(Artist: Reiko Goto)
 - 3** **Deep Gradient/Suspect Terrain (Sinking Ship)**
(Artist: John Roloff)
 - 4** **Sculptural Wall and Paving**
(Artist: Lin Utzon)
 - 5** **Shaking Man**
(Artist: Terry Allen)
 - 6** **Urge**
(Artist: Chico Mac Murtrie)
 - 7** **Martin Luther King, Jr. Memorial**
(Artists: Houston Conwill, Joseph De Pace, Estello Majoza)

Museum/ Cultural Facility	Stairway	Restroom
CONVENTION FACILITY	Elevator	Parking Garage
Hotel	Crosswalk	
Other Building		

Attachment C
The YBG Properties and Photographs

The YBG Properties and Photographs

The YBG Properties are defined below by the original central block designations (CB-1, CB-2 and CB-3) used by the SFRA in the 1960s to describe the Project Area. The YBG Properties have many leases, operating agreements, reciprocal agreements, and other legal documents/enforceable obligations are associated with the properties. See Exhibit 1 to this Attachment C for a list of these documents [to be provided].

Central Block One (“CB-1”)

The Successor Agency owns significant property on this block and leases most of it to affiliates of Millennium Partners and Marriott Corporation, which operate large hotels and commercial properties on this block. The properties OCII owns on this block includes:

Jessie Square Plaza – Completed in 2008, Jessie Square Plaza is improved with an expansive fountain, outdoor seating, and landscaping and is used frequently for public events.

Yerba Buena Lane – This landscaped public footpath linking Mission and Market Streets was completed in 2005 and is adjacent to Jessie Square Plaza.

The Marriott Hotel Land and Second Floor Classroom Parcels – The Marriott Hotel sits on about 127,000 square feet of land owned by the Successor Agency, along with about 17,000 square feet of space on the second floor of the hotel used for classroom/conference space. The land and the second floor space are leased to the hotel operator.

Commercial Airspace Parcels – The Successor Agency owns a group of airspace parcels scattered around CB-1 and leases (along with Yerba Buena Lane) to a single tenant. These parcels include retail spaces in the Four Seasons Hotel, retail spaces under the Marriott Hotel fronting Yerba Buena Lane, and parcels under Market Street that were going to provide access to local transit stops from Yerba Buena Gardens.

Central Block Two (“CB-2”)

CB-2 is home to the biggest concentration of public open space amenities in the surrounding Yerba Buena neighborhood. The Successor Agency owns all the land and buildings on this entire block, except for the Metreon building at the corner of Fourth and Mission Streets. The Successor Agency either maintains these properties as open space and support facilities, or leases them to cultural operators, restaurants, and other private parties. These properties include:

Public Open Space and Support Facilities – This six-acre public open space and gardens, with a large central grassy knoll, includes several terraced gardens, plazas and fountains, an upper terrace loggia, associated outdoor furnishings and artwork, an outdoor performance area and stage, and an elevated pedestrian bridge connecting CB-2 and CB-3. Open spaces of this magnitude require supporting facilities and these include administration offices, a green room and dressing rooms for performers, public restrooms, and numerous underground rooms that house mechanical equipment, engineering offices, fountain equipment, and supplies/materials.

Yerba Buena Center for the Arts – The Successor Agency owns the Forum and Theatre buildings at Yerba Buena Center for the Arts and has an operating agreement with a non-profit cultural institution to operate the center. The Forum is a two-story building that includes three galleries, a media screening room, administrative offices, and a multi-use forum space used for performances, dancing, lectures, meetings, and special events. The building has full theatrical lighting and sound, stages, audio visual equipment, backstage dressing rooms, and a box office.

The Theater Building is a 755-seat proscenium theater with dual-level lobbies, a stage, orchestra pit, projection room, and an extensive technical inventory. The improvements also include backstage dressing rooms with restrooms and showers, a green room, a wardrobe room, a rehearsal studio, and amenities such as a wet bar, concession stand, box office, and coat check room.

Café Spaces – The Successor owns and leases two small café spaces (about 2,000 square feet each) on the upper terrace above the MLK Memorial Fountain.

The Land under the Metreon Building and an Underground Section of Mission Street – The Successor Agency owns the land under the Metreon and leases it to the owners of the Metreon building. The property below the Metreon is leased to Marriott Corporation for access to its hotel loading dock and ballroom space. The Successor Agency’s pedestrian tunnel under Mission Street is also leased to the hotel, creating a continuous link between the hotel’s CB-1 and CB-2 properties.

Central Block Three (“CB-3”)

The Successor Agency leases a portion of the rooftop of the Moscone Convention Center (South) from the City. On this leased land, the SFRA constructed various improvements, mostly designed for children. The Successor Agency continues to own and operate these improvements, described below:

The Children’s Garden – The Children’s Garden, is located in the center of CB-3, and includes about 100,000 square feet of outdoor space with grassy areas, gardens, a child-size labyrinth made of hedges, an outdoor amphitheater, play circles, a sand circle, a play stream, and assorted playground equipment.

The Children’s Creativity Museum – The Children’s Creativity Museum is a two-story building that includes a 200-seat theatre, 3,000 square feet of exhibition/gallery space, several classrooms, digital/sound/animation studios, screening room, patio areas, and administration offices. The Successor Agency has an operating agreement with a nonprofit to run the museum, which also includes a separate gift shop, snack bar space, and a 1906 Charles Loeff Carousel.

The Bowling Center – The Bowling Center is a two-story building with 12-lanes, a snack bar, and a full service restaurant and terrace area on second story. The building also has mechanical and equipment rooms and storage rooms.

The Ice Skating Center – The Ice Skating Center is located next to the Bowling Center and includes a regulation-sized ice rink and spectator seating for 300, a snack bar, pro shop, locker area, dressing rooms, and mechanical equipment and storage rooms. The Successor Agency has an operating lease with an entity that manages both centers.

The Child Development Center – The Child Development Center is a three-story, building with a large landscaped courtyard in the center. The facilities also include a free-standing pavilion with multi-purpose activity space for children, meeting space, many small-scale rooms, classrooms with private landscaped courtyards, a kitchen and laundry room, offices and a staff lounge. The Successor Agency has an operating agreement with a nonprofit to run the center.

Additionally, the Successor Agency owns a fee interest in an underground portion of Howard Street that is used as an access tunnel between CB-2 and CB-2 and serves the loading docks for the Yerba Buena Gardens, the Metreon, and the Marriott Hotel on CB-2.

Central Block One (“CB-1”)



Jessie Square Plaza at Night

Central Block Two (“CB-2”)



Loggia



Fountain



Pedestrian Bridge



Aerial of Yerba Buena Gardens Open Space



Yerba Buena Center for the Arts

Central Block Three (“CB-3”)



Aerial of the Children’s Garden



Children’s Creativity Museum Carousel

Exhibit 1

List of Legal Documents/Enforceable Obligations

[to follow later]

Attachment D
Enforceable Obligations Document Excerpts

Yerba Buena Gardens Separate Account

The Successor Agency’s obligation to establish the “Separate Account” is set forth in the following governing documents:

1. CB-2 Entertainment and Retail Lease (“Metreon Lease”) – May 9, 1997
2. CB-1 Retail Lease (for the Yerba Buena Lane commercial parcels) – March 31, 1998
3. Amended and Restated Construction, Operation and Reciprocal Easement Agreement and Agreement Creating Liens (“CB-1 REA”) – March 31, 1998

The Separate Account is a restricted, segregated bank account, into which certain lease revenue and developer exactions are deposited. The Separate Account is defined in the following excerpts from the governing documents:

The Metreon Lease

Section 2.14(b):

“Because of the integrated nature of the development of CB-2 and the CB-3 Gardens Parcel; and because of the importance to the Landlord that the uses on such real property be successfully operated as part of the integrated development; and because appropriate operation of the cultural activities by Landlord’s cultural subtenants and sub-subtenants, and the appropriate operation, maintenance and security of the Gardens Parcels is necessary to the integration and feasibility of the development, directly benefits Tenant and is important to Tenant, and, in the opinion of the parties, essential to the ultimate commercial and noncommercial success of the uses and CB-2 and the CB-3 Gardens Parcel, Landlord shall establish a separate bank account (the “**Separate Account**”) into which:

- (i) Tenant, shall pay its share of the GMOS, as provided in Section 2.15;
- (ii) Tenant shall pay Rent;
- (iii) Landlord shall deposit all rent received from the tenant under the Hotel Lease [Marriott Lease] or other tenants of the CB-2 Hotel Parcel; and
- (iv) Other tenants of Landlord may deposit rent and other sums.

The CB-1 Retail Lease

Section 2.7(b):

“Because of the integrated nature of the development of CB-1 and the Gardens Parcels; and because of the importance to the Landlord that the uses on such real property be successfully operated as part of the integrated development; and because appropriate operation of the cultural activities by Landlord’s cultural subtenants and sub-subtenants, and the appropriate operation, maintenance and security of the Gardens Parcels is necessary to the integration and feasibility of the development, directly benefits Tenant and is important to Tenant, and, in the opinion of the parties, essential to the ultimate commercial and noncommercial success of the uses and CB-1, CB-2 and the Gardens Parcels, Landlord shall, in accordance with term and provisions of the CB-2 Lease, establish a separate bank account (the “**Separate Account**”) into which:

- (i) Tenant, shall pay its share of the GMOS, as provided in Section 2.8;
- (ii) Tenant shall pay Rent;
- (iii) Landlord shall deposit all rent received from the tenant under the Hotel Lease [Marriott Lease] or other tenants of the CB-1; and
- (iv) Other tenants of Landlord may deposit rent and other sums.

The CB-1 REA

Section 7.7.(2):

“A separate account (the “**Separate Account**”) shall be established by SFRA at a bank or trust company designated by SFRA having an office in San Francisco, California, and which has capital and surplus of at least Fifty Million Dollars (\$50,000,000), into which SFRA shall deposit all amounts received by it which comprise Net Cash Flow [i.e., rent revenue, any revenue in connection with the use of any portion of the CB-1 Real Property, or any portion of CB-2 or CB-3, and interest earnings].”

Funds are disbursed from the Separate Account for the following restricted uses:

Metreon Lease

Section 2.14(e): “Until the same [GMOS] has been in full for any calendar year, the Landlord shall pay the **CMO** (Agency’s annual payments to Agency’s cultural tenants or operators...for operating, maintaining and securing the Agency-owned Cultural Parcels) and the **GMOS** (annual expenditure of maintenance costs for the Gardens for the maintenance, operation and security of the Gardens Parcels ... and costs of Promotional Events in the Gardens) from the Separate Account and shall not use funds in the Separate Account for any other purpose. Until GMOS for any Lease Year has been paid in full, Landlord shall use that portion of the GMOS paid to Landlord by Tenant solely for uses required by this Lease.”

Section 2.14(f): “After payment in full of the applicable CMO and GMOS for any calendar year, at the option of the Landlord, unexpended and legally uncommitted amounts remaining in the Separate Account may be paid to Landlord or carried forward.”

Section 2.14(g): “Landlord shall maintain, repair and operate the Gardens Parcels as a first-class open space, consistent with the level of maintenance, repair and operation required of Tenant with respect to the Premises.”

The CB-1 Retail Lease

Section 2.7(a)(i): “GMOS means the [Agency’s] annual expenditure of maintenance costs for the Gardens Parcels to be made pursuant to the Gardens Budget for maintenance, operation and security of the Gardens Parcels necessary to maintain, operate and secure the Gardens Parcels in a first-class condition, and costs of promotional, marketing, cultural and recreational events in the Gardens Parcels limited, however, to the funds annually available for such purposes from the Separate Account.

Any income from promotional, marketing, cultural and recreational events in the Gardens Parcels shall be utilized to offset the costs thereof and any excess after the payment of such costs shall be deposited into the Separate Account.

Section 2.7(e): “...the Landlord shall pay the GMOS from the Separate Account and shall not use funds in the Separate Account for any other purpose. Until GMOS for any Lease Year has been paid in full, Landlord shall use that portion of the GMOS paid to Landlord by Tenant solely for uses required by this Lease.”

Section 2.7(f): “After payment in full of the applicable GMOS for any calendar year, at the option of the Landlord, unexpended and legally uncommitted amounts remaining in the Separate Account may be paid to Landlord or carried forward.”

Section 2.7(g): “...Landlord shall maintain, repair and operate the Gardens Parcels as a first-class open space, consistent with the level of maintenance, repair and operation ...”

The CB-1 REA

Section 7.7(2)

“Funds from the Separate Account shall be applied by SFRA in the following order and priority, to the extent that SFRA does not pay such obligations from sums obtained from other sources:

- (a) First, to the payment of all costs of maintenance, operation and security of gardens and open space uses developed by SFRA on CB-2 and CB-3;
- (b) Then, to the payment of SFRA to SFRA’s cultural tenants or operators, in such amount as SFRA shall be obligated to pay such cultural tenants and/or operators for operating,

maintaining, repairing and securing SFRA-owned cultural parcels and/or SFRA's subleased property located on CB-2;

- (c) Then, to the payment by SFRA of its Allocable Share of Allocable Costs as Owner under this Section 7.7(2), first to the extent of any unpaid portion thereof for the Accounting Period preceding the current Accounting Period..., and thereafter to its Allocable Share of Allocable Costs for the current Accounting Period;
- (d) Then, to the payment of rent to the City and County of San Francisco, if applicable, under SFRA's lease of all portions of CB-3;
- (e) Then in such manner as SFRA shall determine in its sole and absolute discretion.”

Attachment E
Fiscal Year 2013/14 Budget Chart

OCII FY 2013-14 Budget: Yerba Buena Gardens Budget

Sources	Yerba Buena Gardens	Notes
Rent & Lease Revenues	\$9,212,000	Restricted lease revenues, including City payment for Moscone (\$870,000 - almost 10% of revenues)
Fund Balance - Other	\$293,000	Prior year restricted lease revenues
Total Sources	\$9,505,000	

Uses - Operations

Allocated Staff & Operating Expenses	\$258,000	OCII staffing costs
Legal Services	\$40,000	City attorney or other legal costs as needed
Asset Management	\$3,251,000	YBG property management costs
Grants to Community-Based Organizations	\$3,980,000	Yerba Buena Center for the Arts (\$3,300,000), Children's Creativity Musuem (\$575,000), Yerba Buena Arts & Events (\$75,000)
Payments to other Public Agencies	\$68,000	CBD annual assessment
Other Current Expenses	\$100,000	Insurance Expense
Subtotal Uses - Operations	\$7,697,000	

Development Infrastructure	\$1,808,000	Capital Improvements: expansion joint repair, carousel vacillator bearing, children's play circle safety pavement replacement, café space ceiling repair, electrical transformer replacement, childcare facility security and ventilation upgrades
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Total Uses **\$9,505,000**

Attachment F
1984 Board of Supervisors Resolution

Office of the Clerk of
BOARD OF SUPERVISORS
City Hall

San Francisco, California

To: REDEVELOPMENT AGENCY

Your attention is hereby directed to the following passed by the
Board of Supervisors of the City and County of San Francisco:

STATE OF CALIFORNIA
City and County of San Francisco

I, John L. Taylor, Clerk of the Board
of Supervisors of the City and County of
San Francisco do hereby certify that the

annexed Res. No. 917-84, Approved 12-3-84
is a full, true and correct copy of the
original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto
set my hand, and affixed the official
seal of the City and County this

14th day of December, 1984

JOHN L. TAYLOR
Clerk of the Board of Supervisors
City and County of San Francisco

By Jean Sun

FILE NO. 91-84-10

RESOLUTION NO. 917.84

[YERBA BUENA]

1 FINDING THAT CULTURAL FACILITIES AND OTHER IMPROVEMENTS AND
2 FACILITIES ARE OF BENEFIT TO THE YERBA BUENA CENTER APPROVED
3 REDEVELOPMENT PROJECT AREA D-1 AND THAT NO OTHER REASONABLE
4 MEANS OF FINANCING THESE FACILITIES AND IMPROVEMENTS IS
5 AVAILABLE TO THE COMMUNITY EXCEPT FINANCING BY THE
6 REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

7 WHEREAS, The Redevelopment Agency of the City and County
8 of San Francisco (the "Agency") is implementing the Redevelop-
9 ment Plan (the "Plan") for the Yerba Buena Center Redevelop-
10 ment Project (the "Project") pursuant to, and in accordance
11 with, the Community Redevelopment Law of the State of
12 California; and

13 WHEREAS, The Agency is the owner of various parcels of
14 land in the Project, and has received and accepted, (subject
15 to certain conditions) an offer to purchase, lease and develop
16 certain of said parcels from YBG Associates, a California
17 limited partnership of which Olympia & York California Eq-
18 uities Corp., a Delaware corporation, and the Marriott Corpo-
19 ration, a Delaware corporation, are the general partners,
20 which Limited Partnership is hereinafter called the "Develop-
21 er"; and

22 WHEREAS, The Developer's offer is contained in a proposed
23 Disposition and Development Agreement ("DDA") which has been
24 executed by the Developer and approved by the Agency (subject
25 to certain conditions), attached to which are descriptions of
26 the parcels of land the Developer has offered to purchase,
27 lease and develop; and

28 WHEREAS, All significant environmental effects attendant
29 the proposed development described in the DDA and other
30 aspects of the development in the Project have been fully and

1 adequately analyzed in the environmental documentation refer-
2 enced in Resolution No. 915-84, adopted by this Board on
3 November 26, 1984 at which time this Board also
4 adopted findings including environmental mitigation measures
5 which form part of said Resolution No. 915-84. Resolution
6 No. 915-84 is incorporated herein by reference. This Board
7 has considered the environmental effects described in said
8 documentation as they relate to the findings and determina-
9 tions and approvals in this resolution; and

10 WHEREAS, Under the DDA the Agency obligates itself to use
11 purchase price proceeds received from the Developer to con-
12 struct (i) a portion of the landscaped open space on the block
13 between Mission, Howard, Third and Fourth Streets (CB-2) and
14 pedestrian bridge over Mission Street ("CB-2 Gardens") which
15 CB-2 Gardens are located and described in the DDA, and (ii)
16 also on CB-2, a portion of the cultural facilities located and
17 described in the DDA, which CB-2 Gardens and cultural facil-
18 ities will be publicly owned; and

19 WHEREAS, The Agency has also stated its intent to use
20 other funding available to it after meeting outstanding
21 obligations particularly from additional purchase price
22 proceeds received by it from the Developer and others in the
23 entire Project to complete the CB-2 Gardens and the cultural
24 facilities on CB-2 and landscaped open space on the block
25 between Howard, Folsom, Third and Fourth Streets (CB-3) and
26 one or two pedestrian bridges over Howard Street ("CB-3
27 Gardens") which CB-3 Gardens and cultural facilities will be
28 publicly owned; and

29 WHEREAS, Said cultural facilities will consist of build-
30 ings, structures and other improvements and said Gardens will

include a fountain and may include other appropriate improvements, structures and buildings; and

WHEREAS, Said publicly owned Gardens and cultural facilities are of benefit to the development contemplated by the DDA and to the Project and thus to the area in which the Project is being implemented ("Project Area") and to the City and County of San Francisco not only by reason of the benefits and amenities they will provide the public but also because certain CB-2 retail, amusement, recreational and entertainment development obligations of the Developer specified in the DDA are conditioned upon the financing and construction of that portion of the CB-2 Gardens and cultural facilities specified in the DDA, and similar obligations of the Developer on CB-3 are conditioned upon the financing and construction of the CB-3 Gardens; and

WHEREAS, It appears from the foregoing that the Agency has or will be able to obtain the financing for these Gardens and cultural facilities and no other reasonable means of financing them is available to the community; and

WHEREAS, The Agency has found and determined that said publicly owned facilities described above "Gardens and Cultural" will be of benefit to the Project Area and that there are not other reasonable means available for the financing thereof by the community except by the Agency as noted above, which findings were made pursuant to the California Community Redevelopment Law Section 33445; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby finds and determines that the provision of the cultural buildings, structures, improvements and facilities and other public improvements and facilities (including the CB-2 and CB-3

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Gardens) by the Agency pursuant to the DDA is of benefit to the Project Area and that no other reasonable means of financing such facilities is available to the community, and the Agency is hereby authorized to pay for all of the costs, of land for and the installation and construction of such cultural buildings, structures, improvements and facilities and other public improvements and facilities (including the CB-2 and CB-3 Gardens), and that such findings and determinations are based upon the DDA, the financial information prepared and submitted by the Agency, and upon other material, all on file with this Board; and be it

FURTHER RESOLVED, That the Agency be, and it is hereby authorized to pay for all of the costs of installation and construction of such cultural buildings, structures, improvements and facilities and other public improvements and facilities (including the CB-2 and CB-3 Gardens) described in the DDA which will be publicly owned.

APPROVED AS TO FORM:
GEORGE AGNOST, CITY ATTORNEY

By: Robert A. Demas

**LONG RANGE PROPERTY MANAGEMENT PLAN
FILLMORE HERITAGE CENTER
GARAGE AND COMMERCIAL AIR RIGHTS PARCEL**

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of a 112-space public parking garage (the “Garage Parcel”) and 50,000 square feet of commercial space (the “Commercial Air Rights Parcel”) (together, the “Property”) in the Fillmore Heritage Center in the former Western Addition A-2 Redevelopment Project Area, which expired on January 1, 2009.

The Fillmore Heritage Center is an \$80.5 million public-private partnership that includes 80 condominiums, the Commercial Air Rights Parcel, and the Garage Parcel. Of that \$80.5 million, about 35% (\$28.1 million) was financed using public funds from the City and County of San Francisco (the “City”) and the former San Francisco Redevelopment Agency (the “SFRA”). The public investment of dollars built the Garage Parcel and the Commercial Air Rights Parcel, both of which were intended to help revitalize the lower Fillmore Street commercial corridor.

The City financed the construction of the Commercial Air Rights Parcel by borrowing \$5.5 million from the U.S. Department of Housing and Urban Development, or HUD (the “HUD Loan”) and then loaning that money to the commercial developer (“FDC”) to build the Commercial Air Rights Parcel (the “FDC Loan”). The SFRA financed the construction of the Garage Parcel (\$5.6 million) and also contributed the land (\$6.6 million), and allowed FDC to pay the purchase price for the land over time under a ground lease on the Commercial Air Rights Parcel (the “Ground Lease”). FDC subleases the Commercial Air Rights Parcel to two subtenants, a jazz club/restaurant and a second restaurant. The SFRA provided these two subtenants with tenant improvement loans totaling \$10.4 million.

The Successor Agency continues to own the Commercial Air Rights Parcel and the Garage Parcel. FDC is currently in default on the FDC Loan and owes the City about \$1.4 million. In addition, the main tenant in the Commercial Air Rights Parcel (Yoshi’s San Francisco) is in bankruptcy and will likely not continue operating in this space for much longer.

Disposition Plan. The disposition plan for the Garage Parcel is a sale at market value. Because the land is part of the Garage Parcel, any proceeds from a sale will be considered Community Development Block Grant (“CDBG”) program income because the land was purchased with federal urban renewal grant funds.¹

¹ See Closeout Agreement by and between the Redevelopment Agency and the City Relating to Western Addition Area Two Redevelopment Project (June 16, 2982) which requires that all “proceeds from the sale or lease of such property after financial settlement . . . shall be treated as program income to the Community Development Block Grant Program” (the “Closeout Agreement”).

The disposition plan for the Commercial Air Rights Parcel is a transfer to the City to continue enforcing the Ground Lease with FDC. The Ground Lease has a 35-year term, and allows FDC to pay the remaining balance of the purchase price for the land (about \$3.0 million) to the Successor Agency over the term of the Ground Lease, after FDC pays off the FDC Loan to the City. Any payments the Successor Agency receives pursuant to the Ground Lease would be available for purposes consistent with Redevelopment Dissolution Law. The Successor Agency believes a governmental purpose exists in this case because of the significant investment of federal funds in the Property and the obligation to repay the City's HUD Loan.

In the likely event that the City forecloses on its leasehold interest in the Commercial Air Rights Parcel, the Successor Agency will sell the Commercial Air Rights Parcel at market value with the proceeds distributed first to the City to repay the HUD Loan and second to the Successor Agency for purposes consistent with Redevelopment Dissolution Law.

BACKGROUND

The Fillmore Heritage Center can be divided into three components: (1) the residential units, which were entirely privately financed, (2) the Commercial Air Rights Parcel, which was financed with both private and public funds, and (3) the Garage Parcel, which was entirely publicly financed. Each of these components is discussed in more detail below.

- **Residential Units.** The Fillmore Heritage Center includes 80 condominiums, including 12 affordable condominiums. The construction of these units was completely privately financed with about \$35 million from a pension fund. No public dollars went into the residential component of the Fillmore Heritage Center. All the units have been sold to individual homeowners, and the proceeds were used to pay back the private construction lender and the SFRA for a portion (\$3.5 million) of the \$6.6 million land value. The condo owners operate a homeowners' association, which manages the residential space, a separate residential garage, and the common areas within the Fillmore Heritage Center (the "HOA"). All the condo owners pay common area maintenance fees to the HOA.
- **Commercial Air Rights Parcel.** The Fillmore Heritage Center also includes about 50,000 square feet of commercial space on the ground floor of the building (the "Commercial Air Rights Parcel"). The City financed the construction of the commercial space. To do this, the City, acting through the Mayor's Office of Housing ("MOH"), borrowed \$5.5 million from HUD in the form of a securitized Section 108 loan, which is backed by the City's federal CDBG fund allocation (the "HUD Loan"). The City then gave these federal dollars to FDC, an affiliate of the developer, Fillmore Development Associates ("FDA"), in the form of a construction loan, so that FDC could build the commercial space (the "FDC Loan"). The SFRA also contributed about \$10.4 million in loan funds for the tenant improvements.

The Successor Agency owns the Commercial Air Rights Parcel and master leases the entire 50,000 square feet under a ground lease to FDC. The ground lease structure was

used as a financing mechanism to allow the developer to pay the \$6.6 million purchase price for the land over time instead of in one lump sum upfront. FDC, as master tenant, subleases the commercial space to two tenants: (1) Yoshi's San Francisco, a jazz club/restaurant, and (2) Food for Soul, which operates another restaurant called "1300 on Fillmore". These subtenants pay rent and common area maintenance fees to FDC, who is supposed to (a) pass the rent through to the City as a debt service payment on the FDC Loan, and (b) pass the common area maintenance payments through to the HOA. FDC, however, has not recently made payments on a regular basis to the City and the HOA. FDC is about \$1.4 million in arrears on the FDC Loan with the City and about \$120,000 behind on its common area maintenance payments to the HOA.

FDC is required to pay the common area maintenance charges under its ground lease with the Successor Agency; however, the Successor Agency is ultimately liable for these charges, as owner of the Commercial Air Rights Parcel, under a separate project document. The Successor Agency has paid the outstanding amount to the HOA with reserve balances authorized under the Successor Agency's Recognized Obligations Payment Schedule III and 13-14A, both approved by the Oversight Board and the State Department of Finance ("DOF"). Staff has asked for new property tax funds to cover some common area maintenance payments going forward (in the event the space currently occupied by Yoshi's San Francisco doesn't generate enough income to pay them) on the Successor Agency's Recognized Obligations Payment Schedule 13-14B, which still needs approval from the Oversight Board and DOF.

- **Garage Parcel.** The Fillmore Heritage Center also includes a 112-space public parking garage (the "Garage Parcel"). The SFRA financed the construction of this garage using \$5.6 million in tax exempt bond proceeds. The SFRA also used about \$860,000 in federal grant funds for site preparation/environmental remediation. The Successor Agency still owns the Garage Parcel and operates it through a garage management agreement with a private garage operator. The garage also pays common area maintenance fees to the HOA.

In sum, the public investment went into the land, site preparation, and building the Garage Parcel and the Commercial Air Rights Parcel. The SFRA contributed the land, which was valued at about \$6.6 million, and accepted a payback plan on the purchase price of the land over time (\$3.5 million has been paid to date). The SFRA contributed an additional \$5.6 million in grant funds for construction of the Garage Parcel. And about \$16 million in SFRA/City loan funds went into building the Commercial Air Rights Parcel.

LONG RANGE PROPERTY MANAGEMENT PLAN ("PMP")

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Garage Parcel and the Commercial Air Rights Parcel. These properties are also shown on Attachment A (Photo of Fillmore Heritage Center) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

The SFRA purchased the 52,938-square-foot lot on which the Fillmore Heritage Center now sits (which was an assemblage of 12 different lots) between April 1967 and April 1969 with urban renewal grant funds from the federal government (explained in more detail below).

Value of Property at Time of Acquisition

The sum the SFRA paid to purchase the 12 different lots was \$939,450.

Current Value of the Property

The estimated current value for the Garage Parcel is \$4.0 million and the estimated current value for the Commercial Air Rights Parcel is \$7.8 million. More information about these values, and restrictions on sales proceeds, is described in sections below.

Purpose for which the Property was Acquired

During the 1960s and 1970s, redevelopment agencies across the country were buying up huge tracts of land for the purposes of implementing redevelopment programs, using urban renewal grant funds from the federal government. This program was generally referred to as the “Urban Renewal Program” authorized by the U.S. Congress, which set federal standards for urban renewal under Title I of the Housing Act of 1949. This program, which displaced thousands of people from their homes and businesses, also occurred in San Francisco, most dramatically in the former Western Addition A-2 Redevelopment Project Area.

The SFRA originally acquired the land on which the Fillmore Heritage Center now sits with urban renewal funds provided through a federal Loan and Grant Contract dated December 27, 1956 (Contract No. Calif. 2-2 (LG)), which was approved by the U.S. Department of Housing and Urban Renewal (the “HUD Contract”). Under the HUD Contract, the SFRA was required to use the federal funds to carry out redevelopment activities in accordance with the local redevelopment plan and the federal urban renewal standards.

In 1982, the City and the SFRA executed, with HUD concurrence, a Closeout Agreement for the Western Addition Area Two Redevelopment Project (Calif. R-54) in which the land that was developed for the Property is identified as Parcel 732-A. (See the Closeout Agreement, Exhibit A at page 3.) The Closeout Agreement states: “All remaining undisposed properties acquired by the Agency in the redevelopment area are shown in Exhibit A hereto. All the proceeds from the sale or lease of such property after financial settlement of the Program shall be treated as program income to the Community Development Block Grant Program under the provisions of 24 C.F.R. 570.506.” (See the Closeout Agreement at p. 2.)

Address/Location

The Garage Parcel and the Commercial Air Rights Parcel are both located at the Fillmore Heritage Center at 1310 Fillmore Street.

Lot Size

The Garage Parcel (0732-32) is approximately 50,000 square feet, and includes 112 parking stalls and miscellaneous parking equipment. The Commercial Parcel (0732-33) is also 50,000 square feet, and includes (1) a 28,000-square-foot jazz club/restaurant (“Yoshi’s San Francisco”) (2) a 6,300-square-foot restaurant/music lounge (“1300 on Fillmore”), and (3) a gallery, screening room, and common areas.

Current Zoning

Both the Garage Parcel and the Commercial Parcel are zoned under the San Francisco Planning Code as NC-3, a moderate-scale neighborhood commercial district. This designation is intended in most cases to offer a wide variety of comparison and specialty goods and services to a population greater than the immediate neighborhood, additionally providing convenience goods and services to the surrounding neighborhoods. These districts are linear districts located along heavily trafficked thoroughfares which also serve as major transit routes. They include some of the longest linear commercial streets in the City, some of which have continuous retail development for many blocks. Large-scale lots and buildings and wide streets distinguish these districts from smaller-scaled commercial streets, although NC-3 districts may include small as well as moderately scaled lots. Buildings typically range in height from two to four stories with occasional taller structures. Moderately large commercial uses and buildings are permitted.

A wide variety of uses are permitted with special emphasis on neighborhood-serving businesses. Eating and drinking, entertainment, financial service and certain auto uses generally are permitted with certain limitations at the first and second stories. Other retail businesses, personal services and offices are permitted at all stories of new buildings. Limited storage and administrative service activities are permitted with some restrictions.

Estimate of the Current Value (Including Appraisal Information)

Garage Parcel. A recent appraisal by Carneghi-Blum dated July 19, 2010, valued the Garage Parcel as of August 2012 at \$4.0 million. In its appraisal, Carneghi-Blum stated that the Garage Parcel “is well positioned within the Lower Fillmore area parking market, and will offer growth opportunities that parallel the area's growth prospects once the regional and national economies resume job creation. Lack of development land, structural limitations on new parking development and municipal policy is restricting new supply.”

Commercial Air Rights Parcel. Another recent appraisal by Carneghi-Blum dated December 3, 2012 valued a smaller but similar jazz club/restaurant just down the street from the Commercial Air Rights Parcel. In that appraisal, the smaller jazz club/restaurant was valued at approximately \$325 per square foot as of November 2012. The comparable properties analyzed in the appraisal ranged from about \$227 to \$331 per square foot of building area. Using the low end of this range to value the revenue-producing square footage in the Commercial Air Rights Parcel, the value would be approximately \$7.8 million.

In its December 3, 2012 appraisal of the smaller jazz club, Carneghi-Blum states, “Like restaurants, the economics of the business are difficult and sometimes the operations are not operated in a business-like manner. However, San Francisco has a strong tradition of nightlife, and the ability to open new nightclubs and bars in most areas of the City is difficult. Therefore, areas which allow these uses and buildings which currently house them do have an advantage in terms of leasing or selling the facilities to new operators. The future outlook for entertainment, bar, and nightclub venues in the subject neighborhood is considered stable.”

Restricted Funds. Any proceeds from the sale of the Garage Parcel (which includes the land) is restricted and must be used as CDBG program income because the land was purchased with federal urban renewal grant funds and is subject to the Closeout Agreement described above. Any proceeds from the sale of the Commercial Air Rights Parcel must first go to the City to pay off the City’s \$5.5 million HUD Loan.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

Garage Parcel. The Garage Parcel generates on average between \$25,000 and \$27,000 a month, after parking taxes. That revenue goes toward reimbursing the garage operator for the expenses incurred in running the garage, per the Garage Management Agreement between the Successor Agency and Pacific Park Management Inc. dated May 1, 2011 (the “Management Agreement”). Per the Management Agreement, the Successor Agency must reimburse the garage operator for any operating deficits every six months. The garage’s performance is very dependent on the performance of the commercial tenants in the Fillmore Heritage Center. Currently, the garage is running a deficit of about \$2,000 a month on average, which is a significant improvement from just three years ago, when the average deficit was about \$8,000 a month. Thus, the Successor Agency is seeking property tax funds (“RPTTF”) to cover the expected deficit, along with replenishment of the garage’s operating and capital reserve, on its Oversight Board-approved Recognized Obligations Payment Schedule 13-14B, which still needs approval from DOF.

If surplus revenues are generated, the Management Agreement requires the operator to set aside \$4,000 a month for an operating/capital reserve. The operator is also entitled per the Management Agreement to a modest incentive fee if surplus revenues are generated.

Commercial Air Rights Parcel. As mentioned, the Commercial Air Rights Parcel is ground leased to FDC, who in turn subleases it to two subtenants: Yoshi’s San Francisco and “1300 on Fillmore.” The rent from these two subtenants totals about \$58,000 a month. FDC uses this rental income to make its debt service payment to the City on the FDC Loan, per its loan agreement with the City. The City then uses that money to make its debt service payment on the HUD Loan, per its loan agreement with the federal government.

History of Environmental Contamination, Studies, Remediation Efforts

Baseline Environmental Consulting prepared reports on the land on which the Fillmore Heritage Center sits in May 1996 and July 2000. These reports concluded that the property contains lead- and petroleum-contaminated soils to a depth of approximately four feet. Historical land uses include a storage company, upholstery shop, furniture store, printing shop, sign painter, paved

and unpaved parking areas, and construction staging area, all of which may have contributed to the contamination. The report recommended that the contaminated soil be excavated and properly disposed of in a hazardous waste facility. The consultants estimated the cost of excavation to be between \$600,000 and \$840,000. As a result, the SFRA applied for and received a grant from the California Environmental Protection Agency of \$860,000 to remediate the site when construction began on the Fillmore Heritage Center in 2005.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

As mentioned, both the Garage Parcel and the Commercial Parcel are zoned under the San Francisco Planning Code as NC-3, a moderate-scale neighborhood commercial district. These districts are linear districts located along heavily trafficked thoroughfares which also serve as major transit routes. Due to its centralized location within San Francisco, the lower Fillmore Street commercial corridor is served by several municipal bus routes.

In the RFQ that sought a developer for the land on which the Fillmore Heritage Center now sits, the SFRA emphasized that development of the property was “pivotal to the successful revitalization of the lower Fillmore (Street) commercial corridor,” which is the center of the Fillmore Jazz Preservation District (the “Jazz District”). The Jazz District was established by the SFRA Commission to focus resources on reestablishing a vibrant commercial district along lower Fillmore Street that reflects the historical and cultural heritage of the area. A key component of this economic development strategy was to develop catalyst sites to draw people from a wide geographic area, so that existing businesses would benefit from the increased customer base and new businesses would be created. The land on which the Fillmore Heritage Center sits was such a catalyst site, given its location, size and development potential. Developing it with destination entertainment/retail uses fulfilled these planning objectives.

History of Previous Development and Leasing Proposals

The land on which the Fillmore Heritage Center now sits sat vacant for more than 30 years. Various development proposals were floated over the years but nothing ever materialized into a development agreement. Finally, in 1989, the SFRA entered into an Agreement for Disposition of Land for Private Development (the “LDA”) with Fillmore Renaissance Associates, L.P. (“Renaissance Associates”). Due to unfavorable market conditions and other factors, Renaissance Associates was not able to proceed with the residential development originally planned for the land. Years later, in 1995, the LDA was amended to permit a multi-screen cinema complex, a jazz and supper club, and a parking garage. For the next six years, Renaissance Associates attempted to sign leases with tenants and put the financing together to build the project, but was ultimately unsuccessful.

In June 2001, the SFRA began the solicitation process for a new developer. This solicitation resulted in the selection of Fillmore Development Associates, or FDA, which built the Fillmore Heritage Center (An affiliate of FDA, Fillmore Development Commercial, or FDC, built the Commercial Air Rights Parcel). The Fillmore Heritage Center opened in 2007.

Disposition of the Property

Based on the foregoing, the Successor Agency proposes the following disposition plan for the Garage Parcel and the Commercial Air Rights Parcel.

The disposition plan for the Garage Parcel is a sale at market value. Because the land is part of the Garage Parcel, any proceeds from a sale will be considered CDBG program income because the land was purchased with federal urban renewal grant funds.²

The disposition plan for the Commercial Air Rights Parcel is a transfer to the City to continue enforcing the Ground Lease with FDC. The Ground Lease has a 35-year term, and allows FDC to pay the remaining balance of the purchase price for the land (about \$3.0 million) to the Successor Agency over the term of the Ground Lease, after FDC pays off the FDC Loan to the City. Any payments the Successor Agency receives pursuant to the Ground Lease would be available for purposes consistent with Redevelopment Dissolution Law. The Successor Agency believes a governmental purpose exists in this case because of the significant investment of federal funds in the Property and the obligation to repay the City's HUD Loan.

In the likely event that the City forecloses on its leasehold interest in the Commercial Air Rights Parcel, the Successor Agency will sell the Commercial Air Rights Parcel at market value with the proceeds distributed first to the City to repay the HUD Loan and second to the Successor Agency for purposes consistent with Redevelopment Dissolution Law.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Photo of Fillmore Heritage Center
Attachment B: DOF Tracking Sheet --Other Properties

² See Closeout Agreement by and between the Redevelopment Agency and the City Relating to Western Addition Area Two Redevelopment Project (June 16, 2982) which requires that all "proceeds from the sale or lease of such property after financial settlement . . . shall be treated as program income to the Community Development Block Grant Program" (the "Closeout Agreement").

Attachment A
Photo of Fillmore Heritage Center



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN 345 WILLIAMS AVENUE

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of Block 5423A, Lot 009, commonly known as 345 Williams Avenue (the “Site”). The Site is a 92,209-square-foot lot improved with surface parking and a 29,000-square-foot Foodsco supermarket leased to and operated by The Kroger Company (“Kroger”), potentially until 2031. The former San Francisco Redevelopment Agency (“SFRA”) acquired the Site with federal Community Development Block Grant (“CDBG”) funds in 1990 specifically for the development of a full-service supermarket in Bayview Hunters Point, an under-served neighborhood.

The lease is an enforceable obligation that could remain in effect until 2031 if Kroger, in its sole discretion, chooses to exercise each of its remaining lease options. The Successor Agency proposes to transfer the Site to the City and County of San Francisco (the “City”) so the City can assume the obligation of managing the property and the lease. A transfer to the City would ensure that the original economic development purpose for acquiring the Site – that is, to develop a full-service supermarket in an underserved neighborhood – continues to be met, particularly in the event that Kroger does not exercise its remaining options.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Site. This property is also shown on Attachment A (Map of 345 Williams Avenue) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

Pursuant to Resolution No. 249-90, adopted September 18, 1990, the SFRA acquired the Site on September 27, 1990 for the stated purpose of developing a full-service supermarket.

Value of Property at Time of Acquisition

The SFRA acquired the Site for \$4,000,000 pursuant to Resolution No. 249-90, which authorized the purchase of the Site for a full-service supermarket and allocated the expenditure of funds from the SFRA’s Economic Development budget. The SFRA’s Economic Development budget included \$4,000,000 in federal CDBG funds allocated by the San Francisco Board of Supervisors for fiscal year 1990-1991 specifically for acquisition of the Site.

Estimate of the Current Value

The estimated current value of the Site is \$3,800,000, as determined by a January 4, 2011 appraisal of the SFRA's leased fee interest in the Site by Hamilton, Ricci & Associates, Inc.

Purpose for which the Property was Acquired

Safeway operated a supermarket at 345 Williams Avenue until its closure in 1988. At that time, Safeway was the only supermarket serving the 30,000 residents of Bayview Hunters Point. After closure of Safeway, residents were cut off from easy access to nutritious, competitively priced food. Residents instead had to patronize smaller, independent inner-city stores with poorer selection, and prices as much as 40% higher. Bayview Hunters Point residents identified a supermarket as the area's highest priority, and requested that the SFRA assist in its development. With assistance from the Mayor's Office of Business and Economic Development, the SFRA assessed multiple locations, and determined that the Site, which already contained a vacant supermarket building, would allow a new supermarket to be developed in the most cost effective way.

Address/Location

The Site is located at 345 Williams Street in Bayview Hunters Point and the former Bayview Hunters Point Redevelopment Survey Area and includes one parcel: Block 5423A, Lot 009. A map of the Site is attached as Attachment A.

Lot Size

The Site is a 92,209-square-foot lot improved with a 29,000-square-foot supermarket structure and surface parking.

Current Zoning

Pursuant to the San Francisco Planning Code, the Site is located in the Neighborhood Commercial, Shopping Center (NC-S) zoning district and the 65-J Height and Bulk District. NC-S districts are intended to serve as small shopping centers or supermarket sites which provide retail goods and services for primarily car-oriented shoppers.

Estimate of the Current Value (Including Appraisal Information)

The estimated current value of the Site is \$3,800,000, as determined by a January 4, 2011 appraisal of the SFRA's leased fee interest in the Site by Hamilton, Ricci & Associates, Inc.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

In 1991, pursuant to Resolution No. 95-91, the SFRA entered into a lease with Cala Foods, Inc. (now Kroger) to develop and operate a full-service supermarket on the Site. The lease

commenced on October 29, 1991 with an initial term of ten years, with six renewable option periods of five years each. The lease is now in its third option period, which expires in 2016. Lease payments are comprised of (i) base rent and (ii) percentage rent of 1.25 percent of annual gross sales less offsets for the base rent, insurances and taxes. Per the appraisal by Hamilton, Ricci & Associates, the percentage rent collected under the lease is approximately 50% of market rents. In 2012, the base rent was \$308,312 and the percentage rent was \$7,988, for a total rent of \$316,300. The lease payments are CDBG program income, and can only be used for CDBG eligible purposes.

History of Environmental Contamination, Studies, Remediation Efforts

The Site has no known history of environmental contamination. However, the Site is located within the Bayview Hunters Point area, which has historically been the industrial center of the City of San Francisco. Bayview Hunters Point is home to the Southeast Water Pollution Control Plant that treats 80 percent of the City's sewage. The PG&E Hunters Point Power Plant was also located within the Bayview Hunters Point community until its recent closure. The area is also subject to heavy traffic, with the adjacent Interstate 280 and US 101 routing the main flow of traffic from the south of the Bay along the area's eastern boundary. The site of the former Hunters Point Naval Shipyard, also located in Bayview Hunters Point, has areas of heavy contamination and has been designated a Superfund site by the United States Environmental Protection Agency. Remediation efforts at the Shipyard are ongoing.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Site is about six blocks (.35 miles) west of Third Street, a commercial thoroughfare served by light rail. The Site is directly served by one bus route, and an additional eight bus routes are located within .5 miles of the Site.

History of Previous Development and Leasing Proposals

Safeway operated a supermarket at 345 Williams Avenue until its closure in 1988. At that time, Safeway was the only supermarket serving the 30,000 residents of Bayview Hunters Point. Working with the Mayor's Office of Business and Economic Development and the Bayview Hunters Point community, the SFRA purchased the Site on September 27, 1990 for the stated purpose of developing of a full-service supermarket.

In 1991, the SFRA entered into the lease with Cala Foods (now Kroger) that included improvements to the existing building and premises. The lease commenced on October 29, 1991 with an initial ten-year term and six, five-year options. The lease is now in its third option period, which expires in 2016. If Kroger decides, in its sole discretion, to exercise each of its remaining options, the lease would remain in effect until 2031.

Disposition of the Property

As discussed above, the lease is an enforceable obligation that could remain in effect until 2031 if Kroger exercises each of its remaining options. The Successor Agency could attempt to sell

the Site at fair market value, with the lease in place. It is very unlikely, however, that there would be interest in the Site given that it is encumbered, potentially until 2031, with a below-market lease. If a buyer was found, the proceeds from the sale would be considered CDBG program income because the land was purchased with CDBG funds, and would not be distributable to the taxing entities.

Given these restrictions, the Successor Agency has a property management function that preserves the community development purposes for the Site, a function that the City could assume as the administrator of the CDBG program. Accordingly, the Successor Agency proposes transferring the Site to the City so the City can assume the obligation of managing the property and the lease. Transferring the Site to the City would also ensure that the original economic development purpose for acquiring the Site – that is, to develop a full-service supermarket in an underserved neighborhood – continues to be met, particularly in the event that Kroger does not exercise its remaining options. Preservation of the supermarket on the Site remains critical and a high priority for the City.¹ Even with Foodsco in operation on the Site, portions of the Bayview Hunters Point neighborhood still have very limited access to fresh, healthy and affordable food. Approximately half of the neighborhood has been designated as a “food desert” by the U.S. Department of Agriculture (“USDA”).² Similarly, the City’s Department of Public Health gave the Bayview Hunters Point neighborhood a Food Market Score of only 33 out of 100, one of the lowest in the City.³

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See section above.

Attachment A: Map of 345 Williams Avenue
Attachment B: DOF Tracking Sheet for Other Properties

¹ In September 2013, the San Francisco Board of Supervisors adopted the Health Food Retailer Ordinance, the goal of which is to protect “public health by ensuring that healthy, fresh, sustainable, and affordable food is accessible to all residents of the City, particularly those living in neighborhoods with high rates of obesity, poverty and chronic disease, a high concentration of seniors and families with children, and/or a relative lack of public transit.”

²Food Deserts are defined by the USDA as “as urban neighborhoods and rural towns without ready access to fresh, healthy, and affordable food. Instead of supermarkets and grocery stores, these communities may have no food access or are served only by fast food restaurants and convenience stores that offer few healthy, affordable food options.” <http://apps.ams.usda.gov/fooddeserts/foodDeserts.aspx>.

³ The Food Market Score is a combined measure of the quality, quantity, and proximity of all retail food resources near any one point. A high Food Market Score indicates that a neighborhood is geographically close to a range of different food store types. http://www.sustainablecommunitiesindex.org/city_indicators/view/45

Attachment A

Map of 345 Williams Avenue (Block 5423A, Lot 009)

© COPYRIGHT SAN FRANCISCO
CITY & COUNTY ASSESSOR 1995

REVISED '90
" '41



5423A
"1930"

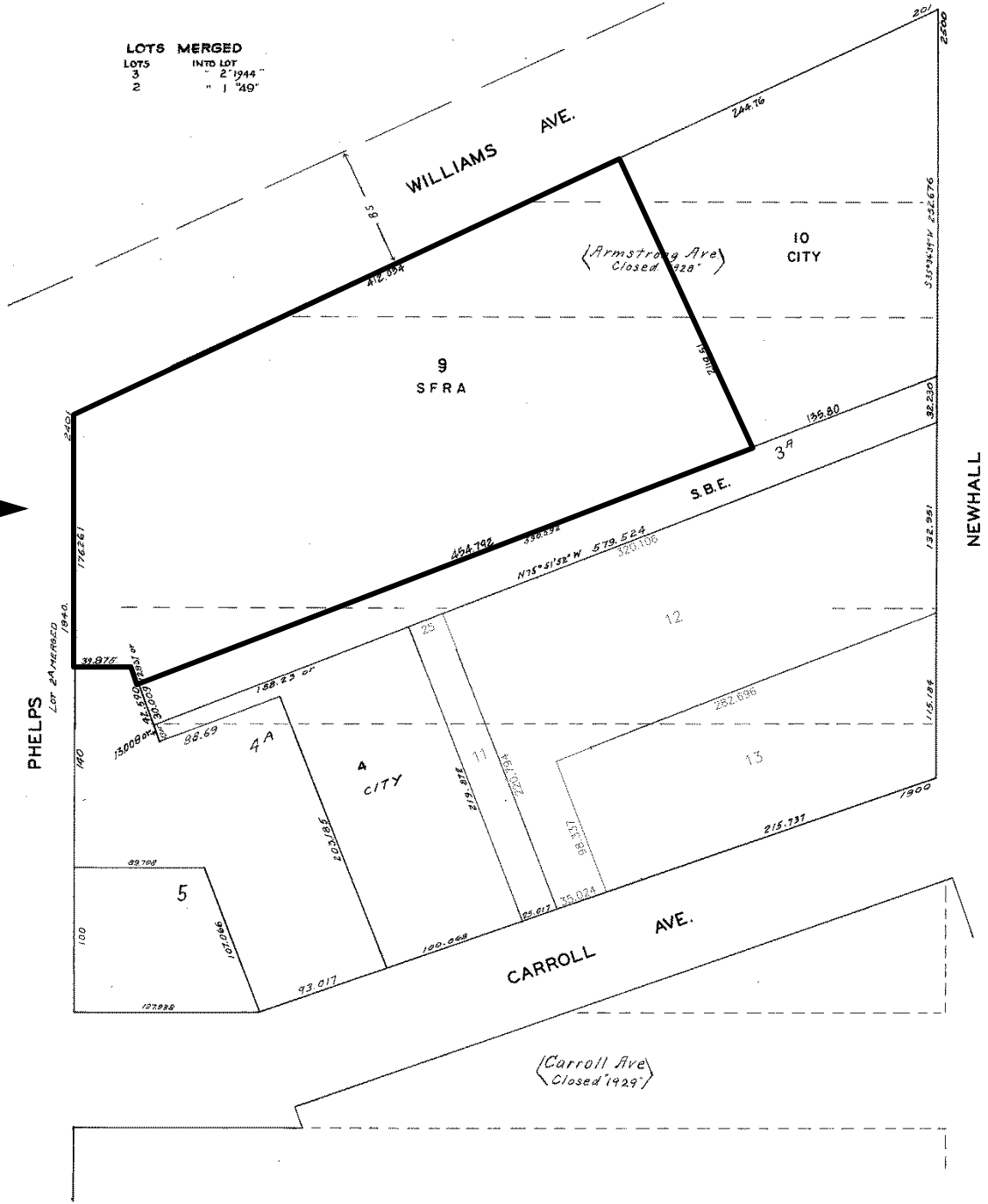
Revised 2003

HALEY PUR. BLKS 471 & 481

(lots 6 & 7 & 8 into lots 11 & 13 for 2003 roll)

LOTS MERGED

LOTS	INTO LOT
3	" 2 '1944"
2	" 1 '49"



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN REMNANT PARCELS

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of remnant parcels in the expired India Basin Industrial Park Redevelopment Project Area, Yerba Buena Center Approved Redevelopment Project Area D-1, and Western Addition Redevelopment Project Area A-2.

The Successor Agency proposes the following disposition plan for these remnant parcels:

India Basin Industrial Park

- Burke Street Parcels (Block 5203, Lots 037 and 044) – Transfer to the City for a governmental purpose (i.e. streets).
- Cargo Way Sidewalk Parcels (Block 4570, Lots 020, 021 and 028) – Transfer to the City for a governmental purpose (i.e. sidewalks).

Yerba Buena Center

- Senior Housing Parcels (Block 3733, Lots 096 and 098) – Sell at fair market value to owner(s) of adjacent senior housing projects.
- Bonifacio and Rizal Sidewalk Parcels (Block 3751, Lots 167 and 168) – Transfer to the City for a governmental purpose (i.e. sidewalks).

Western Addition

- Ellis Street Driveway Parcel (Block 0725, Lot 026) – Sell at fair market value.

LONG RANGE PROPERTY MANAGEMENT PLAN

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Remnant Parcels. These properties are also shown on Attachments A1-A5 (Maps of Remnant Parcels) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

See Attachment B for acquisition dates.

Value of Property at Time of Acquisition

See Attachment B for values at time of acquisition.

Estimate of the Current Value

- ***India Basin Industrial Park***
 - Burke Street Parcels – As remnant street parcels, the fair market value is \$0
 - Cargo Way Sidewalk Parcels – As remnant sidewalk parcels, the fair market value is \$0.

- ***Yerba Buena Center***
 - Senior Housing Parcels – As undevelopable remnant parcels, the fair market value is \$0.
 - Bonifacio and Rizal Sidewalk Parcels – As remnant sidewalk parcels, the fair market value is \$0.

- ***Western Addition***
 - Ellis Street Driveway Parcel – \$10,000, as determined by a September 14, 2011 appraisal by Carneghi-Blum and Partners, Inc. This parcel is encumbered by easements in favor of adjacent property owners for emergency vehicle access. Development of the site is further restricted in that footings and foundations cannot be installed on or beneath the surface. Thus, this site utility is limited to access for the adjacent sites.

Purpose for which the Agency Property was Acquired

- ***India Basin Industrial Park***
 - Burke Street Parcels – Consistent with provisions of the Redevelopment Plan for the India Basin Industrial Park, the City vacated a number of streets in India Basin and transferred the land to the RDA in 1974. The RDA realigned the street grid, and ultimately transferred the streets back to the City, with the exception of these remnant parcels.
 - Cargo Way Sidewalk Parcels – In the 1970s, consistent with the purposes of the Redevelopment Plan for the India Basin Industrial Park, the RDA purchased hundreds of parcels in India Basin with federal urban renewal funds, including all of the parcels along Cargo Way between Jennings Street and Mendell. The parcels were reassembled, and typically sold off for private development. The Cargo Way Sidewalk Parcels were held back by the RDA for completion of sidewalks along Cargo Way, and for unknown reasons were not transferred to the City upon completion of the sidewalks.

- ***Yerba Buena Center***
 - Senior Housing Parcels – In 1967, the RDA acquired Block 3733, Lots 087 and 045 in Yerba Buena. In 1970, Lots 087 and 045 were sold off as part of the larger Agency Disposition Parcel 3733-A, B, and C but for two small two small slivers of land that were retained by the RDA for unknown reasons. These slivers become Lots 096 and 098, which are still owned by the Successor Agency.

Agency Disposition Parcel 3733-A, B, and C was sold to Yerba Buena Developers for the construction of a turnkey senior housing project, which was completed in 1971. Upon completion, the property and the completed project, Clementina Towers, were transferred to the San Francisco Housing Authority. Block 3733, Lot 098 is a .323 foot by 80 foot strip of land that runs immediately adjacent to the Clementina Towers project.

In 1998, the San Francisco Housing Authority entered into an agreement with Tenant and Owners Development Corporation (“TODCO”) to lease to TODCO approximately 11,625-square feet of undeveloped real property connected with Clementina Towers for the purpose of constructing a senior housing project. TODCO constructed the Eugene Coleman Community House, which includes 85 units of rental housing for very low-income seniors. Block 3733, Lot 096 is a .75 foot by 155 foot strip of land that runs immediately adjacent to the Eugene Coleman Community House.

- Bonifacio and Rizal Sidewalk Parcels – In the 1960s, consistent with the purposes of the Redevelopment Plan for the Yerba Buena Center Approved Redevelopment Project Area D-1, the RDA purchased large swaths of land in Yerba Buena with federal urban renewal funds. Most of the parcels were reassembled and sold off for economic development purposes or retained for public purposes. These parcels were retained by the RDA for completion of sidewalks along Bonifacio and Rizal Streets, and for unknown reasons were not transferred to the City upon completion of the sidewalks.

- ***Western Addition***

- Ellis Street Driveway Parcel – The City transferred this parcel to the RDA in 1982 as part of a larger land assemblage for commercial and residential uses.

Address/Location

See Attachment B for specific addresses. Maps of the parcels are attached as Attachments A1-A5.

Lot Size

See Attachment B for the lot sizes of the parcels. Maps of the parcels are attached as Attachments A1-A5.

Current Zoning

India Basin Industrial Park

- Burke Street Parcels – Zoned Core Production Distribution and Repair (PDR-2) under the San Francisco Planning Code. PDR-2 promotes the introduction, intensification, and protection of a wide range of light and contemporary industrial activities.

- Cargo Way Sidewalk Parcels – Zoned Core Production Distribution and Repair (PDR-2) under the San Francisco Planning Code. PDR-2 promotes the introduction, intensification, and protection of a wide range of light and contemporary industrial activities.

Yerba Buena Center

- Senior Housing Parcels – Zoned Residential–Commercial High Density (RC-4). RC-4 provides for a mixture of high-density dwellings with supporting commercial uses.
- Bonifacio and Rizal Sidewalk Parcels – Zoned Mixed Use-Residential (MUR). MUR serves as a buffer between the higher-density, predominantly commercial area of Yerba Buena Center to the east and the lower-scale, mixed use service/industrial and housing area west of Sixth Street.

Western Addition

- Ellis Street Driveway Parcel – Zoned Moderate Scale Neighborhood Commercial (NC-3). NC-3 offers a wide variety of comparison and specialty goods and services to a population greater than the immediate neighborhood, additionally providing convenience goods and services to the surrounding neighborhoods.

Estimate of the Current Value (Including Appraisal Information)

- ***India Basin Industrial Park***
 - Burke Street Parcels – As remnant street parcels, the fair market value is \$0.
 - Cargo Way Sidewalk Parcels– As remnant sidewalk parcels, the fair market value is \$0.
- ***Yerba Buena Center***
 - Clementina Commons Parcels – As undevelopable remnant parcels, the fair market value is \$0.
 - Bonifacio and Rizal Sidewalk Parcels – As remnant sidewalk parcels, the fair market value is \$0.
- ***Western Addition***
 - Ellis Street Driveway Parcel – \$10,000, as determined by a September 14, 2011 appraisal by Carneghi-Blum and Partners, Inc. This parcel is encumbered by easements in favor of adjacent property owners for emergency vehicle access. Development of the site is further restricted in that footings and foundations cannot be installed on or beneath the surface. Thus, this site utility is limited to access for the adjacent sites.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

No revenues are generated from any of the remnant parcels.

History of Environmental Contamination, Studies, Remediation Efforts

- ***India Basin Industrial Park***
 - Burke Street Parcels and Cargo Street Sidewalk Parcels – The Successor Agency was not able to locate information related to the history of environmental contamination on these parcels. In general, prior to redevelopment, India Basin Industrial was a one hundred twenty-six acre blighted area which included: 25 acres of automobile wrecking yards, 19 acres of general industrial uses, 7 acres of vacant land, 35 acres of unimproved streets and 16 acres devoted to remnants of "Old Butchertown" meat packing businesses.

- ***Yerba Buena Center***
 - Senior Housing Parcels and Bonifacio and Rizal Sidewalk Parcels – The Successor Agency was not able to locate information related to the history of environmental contamination on these parcels. A general survey of environmental conditions was conducted as part of the 1995 Environmental Impact Report for the Yerba Buena Center ("EIR"). The EIR noted the industrial past of the area and that unknown sources of fill dirt have been used over the years to level the area. As a result of these past uses and practices, there could be soil contamination and other hazards, such as underground storage tanks, which are common in an urban setting. However, the EIR did not find any known superfund sites in the area or other significant hazards requiring major remediation.

- ***Western Addition***
 - Ellis Street Driveway Parcel – The Successor Agency was not able to locate information related to the history of environmental contamination on this parcel. However, Baseline Environmental Consulting prepared reports on the land immediately adjacent to this parcel in May 1996 and July 2000. These reports concluded that the adjacent property contained lead- and petroleum-contaminated soils to a depth of approximately four feet. Historical land uses include a storage company, upholstery shop, furniture store, printing shop, sign painter, paved and unpaved parking areas, and construction staging area, all of which may have contributed to the contamination. The report recommended that the contaminated soil be excavated and properly disposed of in a hazardous waste facility.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

There is no potential for transit-oriented development on any of the Remnant Parcels. All of the India Basin and Yerba Buena Center parcels are too small to be developed. Development of the Ellis Street Driveway parcel is prohibited due to a restriction imposed by the City for access to the utilities underneath the parcel.

History of Previous Development and Leasing Proposals

There is no history of previous development and leasing proposals, as these remnant parcels are not developable.

Disposition of the Agency Property

India Basin Industrial Park

- Burke Street Parcels – The Successor Agency proposes to transfer these parcels to the City for a governmental purpose (i.e. public streets).
- Cargo Way Sidewalk Parcels – The Successor Agency proposes to transfer these parcels to the City for a governmental purpose (i.e. public sidewalks).

Yerba Buena Center

- Senior Housing Parcels – The Successor Agency proposes to sell these parcels at fair market value to the owners of Clementina Towers and Eugene Coleman Community House.
- Bonifacio and Rizal Sidewalk Parcels – The Successor Agency proposes to transfer these parcels to the City for a governmental purpose (i.e. public sidewalks).

Western Addition

- Ellis Street Driveway Parcel (Block 0725, Lot 026) – The Successor Agency proposes to sell this parcel at fair market value.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A-1:	Map of Burke Street Parcels
Attachment A-2:	Map of Cargo Way Sidewalk Parcels
Attachment A-3:	Map of Senior Housing Parcels
Attachment A-4:	Map of Bonifacio and Rizal Sidewalk Parcels
Attachment A-5:	Map of Ellis Street Driveway
Attachment B:	DOF Tracking Sheet – Other Properties

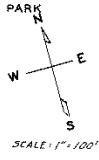
Attachment A-1

Map of Burke Street Parcels

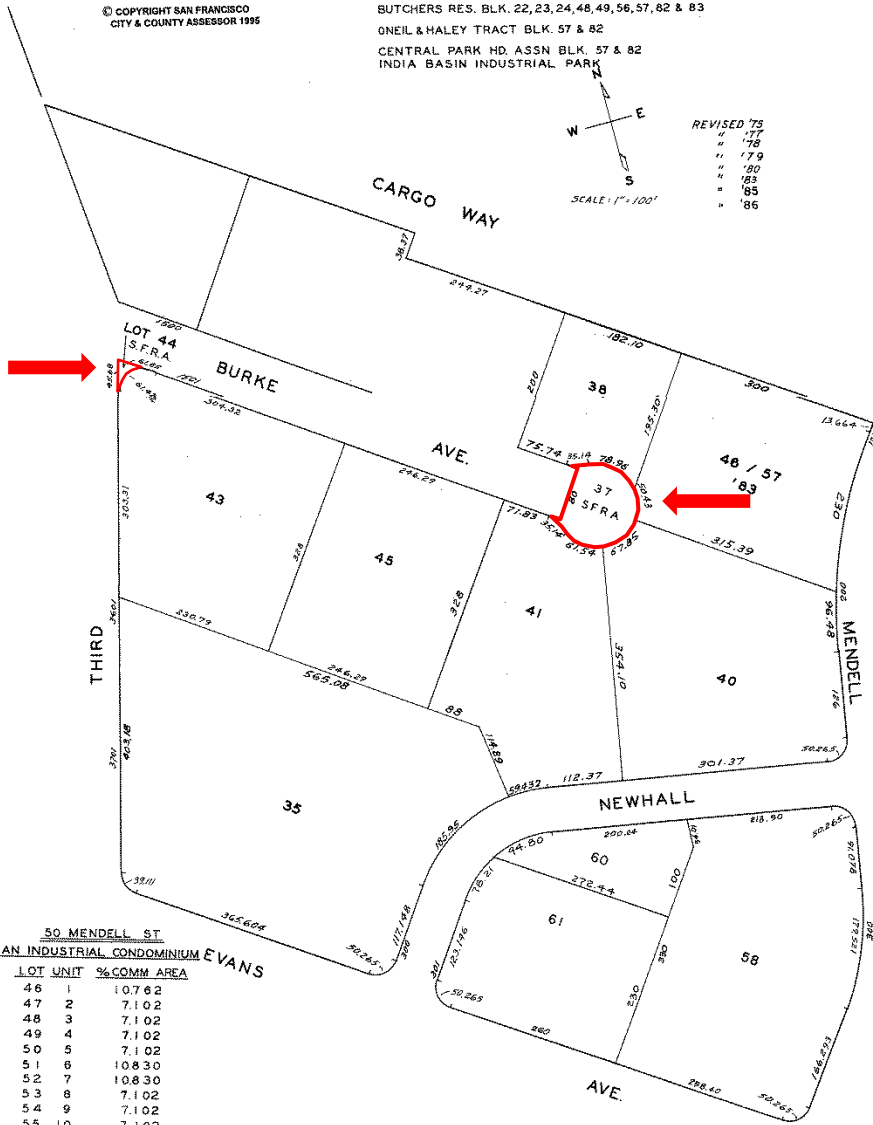
5203

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VISIT. VA. HD. ASSN.
 SUNNYVALE HD. ASSN. BLK. 4
 BUTCHERS RES. BLK. 22, 23, 24, 48, 49, 56, 57, 82 & 83
 ONEIL & HALEY TRACT BLK. 57 & 82
 CENTRAL PARK HD. ASSN. BLK. 57 & 82
 INDIA BASIN INDUSTRIAL PARK



REVISED '75
 " '77
 " '78
 " '79
 " '80
 " '83
 " '85
 " '86



50 MENDELL ST
 AN INDUSTRIAL CONDOMINIUM EVANS

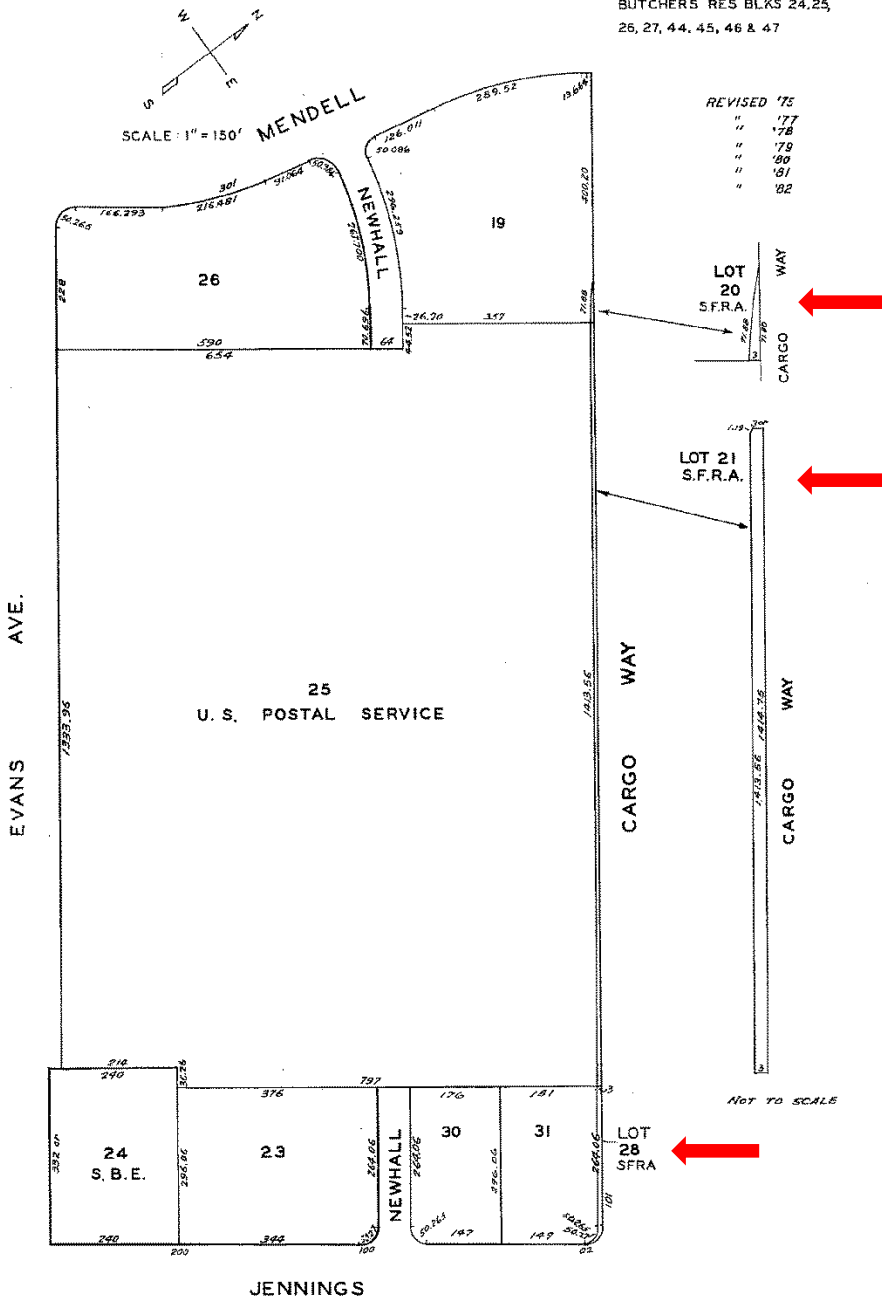
LOT UNIT	% COMM AREA
46 1	10.762
47 2	7.102
48 3	7.102
49 4	7.102
50 5	7.102
51 6	10.830
52 7	10.830
53 8	7.102
54 9	7.102
55 10	7.102
56 11	7.102
57 12	10.762

Attachment A-2

Map of Cargo Way Sidewalk Parcels

4570

BUTCHERS RES BLKS 24, 25,
26, 27, 44, 45, 46 & 47



Attachment A-3

Map of Senior Housing Parcels

lot58 into 110to136 for 1997 roll
 lot60 into lots137to140 for 1998 roll
 lot104 into lots108&109 for 1999 roll
 lot 60A into lots 141/142 for 1999 roll

lot22 into lots145/147 for 2002 roll
 lot16 into lots148/158 for 2002 roll
 lot102 into lots159to161 for 2003 roll
 lot108 into lots171/174 for 2012 roll

Lots # merged into Lot # '99'
 15 " " " " 14
 27,32-33 " " " " 26
 30 " " " " 29
 35 " " " " 34
 36-55 " " " " 44
 51 " " " " 48
 58 " " " " 59
 64 " " " " 68



LOTS MERGED
 65'2" INTO LOT '99'
 85 " " " " 76 '99'
 73'7" " " " " 81 '99'
 43'6" " " " " 72 '99'
 37 " " " " 58 '99'
 37'0" " " " " 108 '99'
 108'1" " " " " 148/158 '99'

3733
 100 VARA BLK. 373

355 TEHAMA ST.
 A CONDOMINIUM

LOT	UNIT	% COMM. AREA
141	1	42.07
142	2	57.93

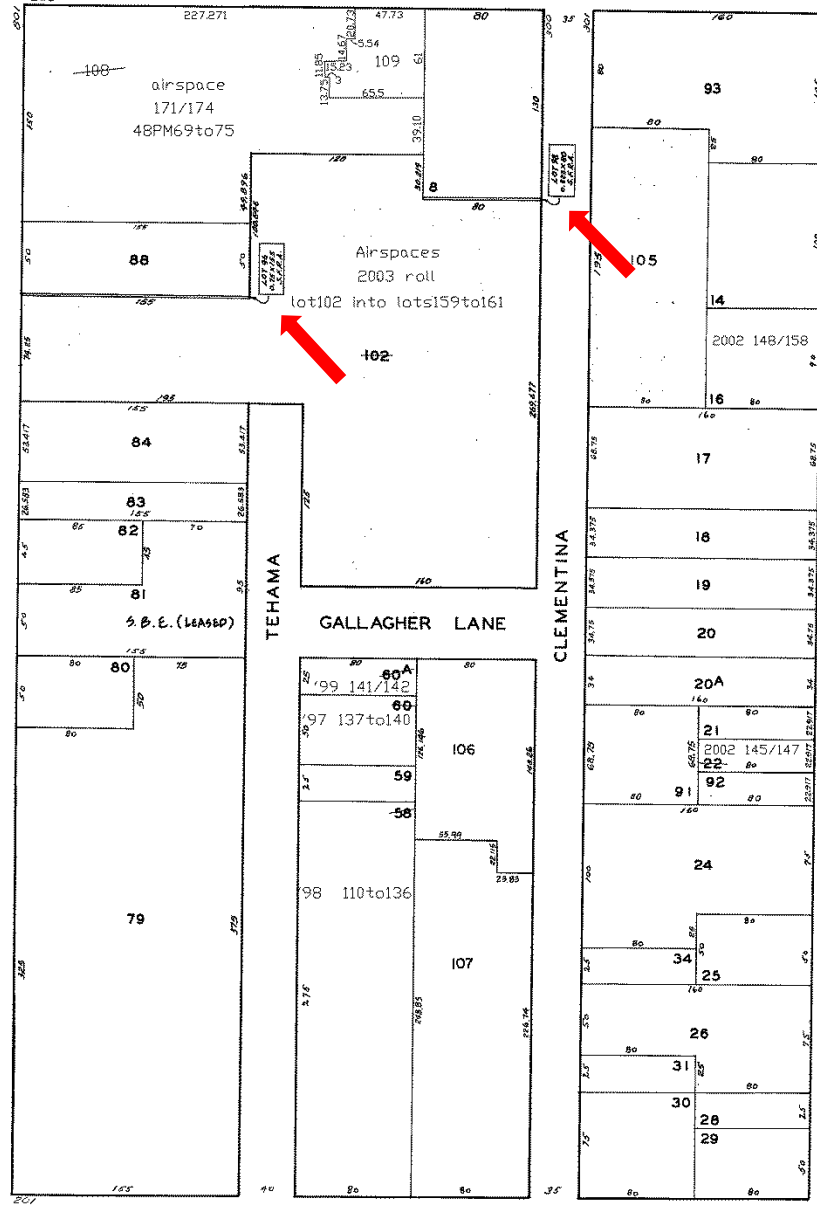
REVISED '58
 REVISED '63
 REVISED '65
 " " '71
 " " '72
 " " '76
 " " '81
 " " '84
 " " '91
 Revised '97
 Revised '98
 Revised '99
 Revised 2002
 Revised 2005
 Revised 2012

860 FOLSOM ST.
 A CONDOMINIUM

LOT	UNIT	% COMM. AREA
145	A	39.34
146	B	15.24
147	C	46.42

826 FOLSOM ST.
 A CONDOMINIUM

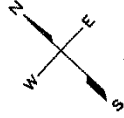
LOT	UNIT	% COMM. AREA
148	826	46.82
149	1	5.76
150	2	6.36
151	3	5.78
152	4	6.03
153	5	5.14
154	6	4.94
155	7	4.78
156	8	4.86
157	9	4.99
158	10	4.54



5TH

Attachment A-4

Map of Bonifacio and Rizal Sidewalk Parcels



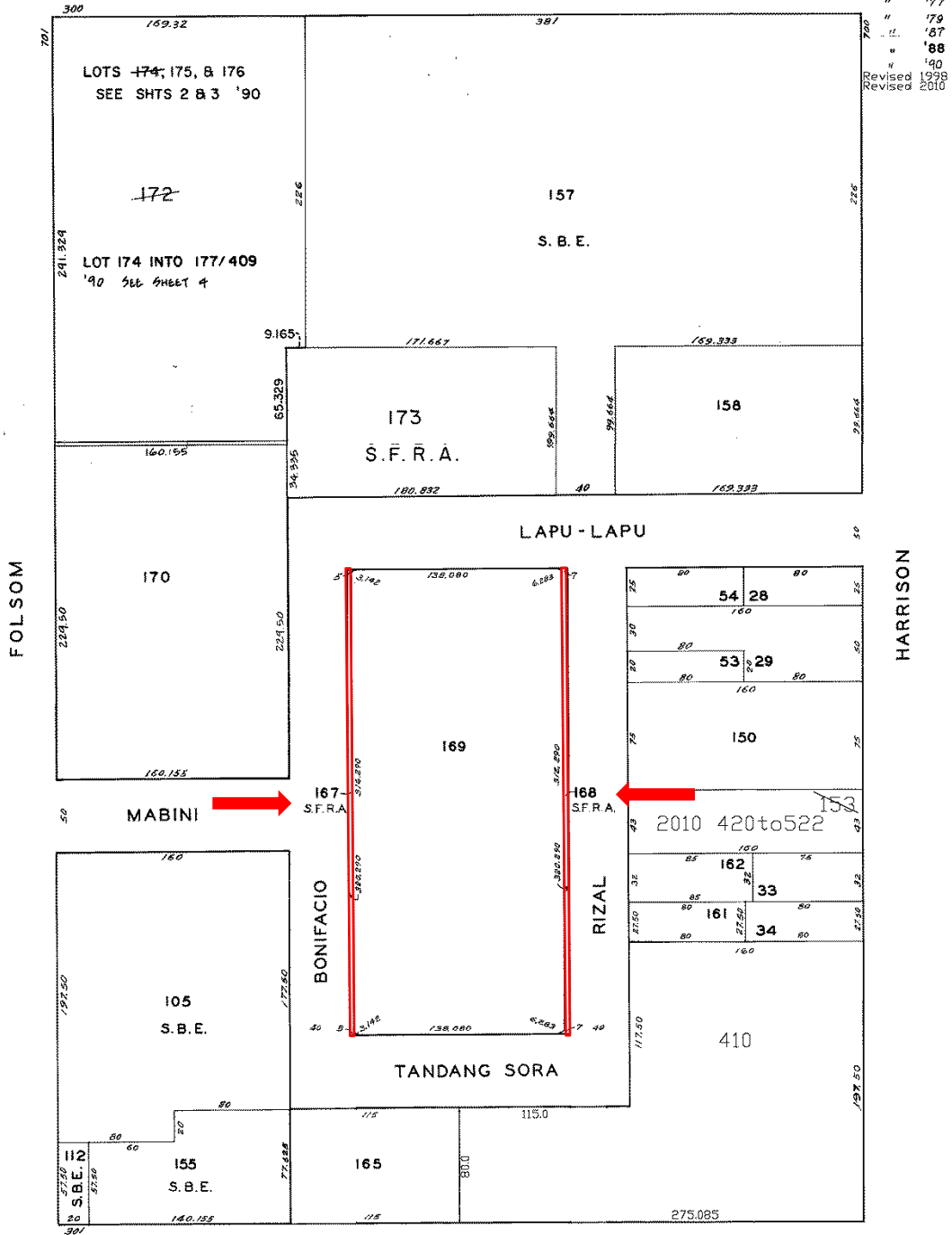
© COPYRIGHT SAN FRANCISCO
CITY & COUNTY ASSESSOR 1995
lots 77&78&163&164 into lots 410 for 1998 roll.
lots 153 into lots 420 to 522 for 2010 roll.

3751

100 VARA BLK 365 SHEET 1

REVISED '75
" '77
" '79
" '87
" '88
" '90
Revised 1998
Revised 2010

THIRD



FOURTH

Attachment A-5

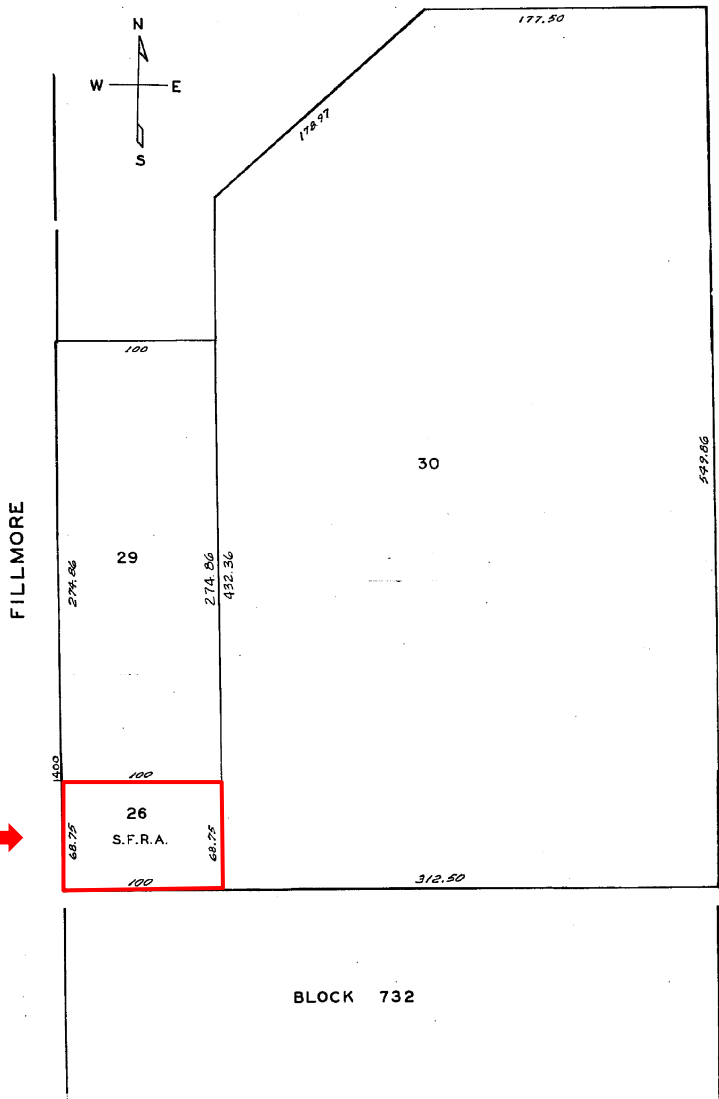
Map of Ellis Street Driveway

725

LOTS MERGED
Lots 25, 27 INTO Lot 19-24, 19
708-21/23 '90

W A BLK. 307

REVISED '75
REVISED '83
" '86
" '90



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN LAND LEASED FROM THE PORT OF SAN FRANCISCO

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long-Range Property Management Plan (“PMP”) for the disposition of its leasehold interests in land owned by the Port of San Francisco (the “Port”) in the Rincon Point-South Beach Redevelopment Project Area (the “Leased Land”). Given that the Leased Land is subject to the public trust, state law and the Successor Agency’s leases with the Port (the “Port Leases”) establish certain standards for the termination of the Port Leases prior to, or upon, completion of the redevelopment program that is described in the Rincon Point-South Beach Redevelopment Plan (the “RP-SB Plan”) and related documents.

Disposition Plan. Terminate the Port Leases (and other ancillary agreements) and transfer the Leased Land back to the Port, subject to any approvals required by the State Lands Commission and the San Francisco Bay Conservation and Development Commission (“BCDC”). At the same time the Port Leases are terminated, all Subleases (defined below) with the Successor Agency will convert to direct leases with the Port. The estimated transfer date is June 2014

BACKGROUND

During the 1970s, development proposals emerged that called for massive private development along the San Francisco waterfront, which at that time consisted of large swaths of under-utilized waterfront property with an undesirable street pattern. These proposals were met with broad public opposition, and, as a result, the San Francisco Board of Supervisors called for an extensive planning effort to re-envision the waterfront south of the Ferry Building. This effort resulted in the RP-SB Plan, which the San Francisco Board of Supervisors adopted in 1981. The RP-SB Plan called for large public open spaces, waterfront promenades, a small boat harbor, and more modest commercial and residential development in the Rincon Point-South Beach Redevelopment Project Area (the “RP-SB Project Area”).

The RP-SB Project Area included lands owned by the Port. As such, the Port entered into 16 Port Leases with the former San Francisco Redevelopment Agency (“SFRA”), to allow the SFRA to develop the Port’s property over time, and in stages, in accordance with the RP-SB Plan. The Leased Land is waterfront real property, which may be either tidal and submerged lands or areas that were formerly tidal or submerged lands, and thus are subject to the Public Trust Doctrine to protect the public’s interest in commerce, navigation, and fisheries.

The SFRA leased this land from the Port in stages, mostly during the 1980s and 1990s, for the purposes of redeveloping the Port’s waterfront property. Under the Port Leases, most of which run until 2050, the SFRA was allowed to sublease the Leased Land to entities interested in either developing the vacant land or renting the rehabilitated commercial space (the “Subleases”).

Revenues generated from the Subleases were used to pay rent to the Port under the Port Leases, and offset property management costs on the Port's property.

During the past 30 years, the SFRA implemented the redevelopment program called for in the RP-SB Plan. The redevelopment program included constructing a new small boat harbor and harbor services building ("South Beach Harbor"), building new waterfront parks and open spaces, including Rincon Park, installing a new children's play area, rehabilitating commercial spaces, constructing two new affordable housing projects, and reconfiguring the network of streets and parking lots. The redevelopment program is essentially complete with the exception of repaying bond financing for South Beach Harbor and providing public access improvements on the perimeter of Pier 40. Completion of these improvements are required under permits issued by BCDC for the South Beach Harbor improvements.

The SFRA financed the construction of the waterfront improvements, including the small boat harbor, with \$23.9 million in tax increment bond financing and two loans from the California Department of Boating and Waterways ("CalBoating"), one in the amount of \$8.0 million and the other in the amount of \$7.3 million. Of that \$23.9 million in tax increment bond financing, about \$4.5 million remains an enforceable obligation of the Successor Agency. The two CalBoating loans included the Port as a co-borrower, and the Port has assumed the responsibility of paying back these loans using revenue generated from South Beach Harbor.

Lease Termination. Chapter 310 of the California Statutes of 1987 ("Chapter 310") specifies certain requirements relating to the use of the Leased Land. Chapter 310 authorized the Port to lease the property to the SFRA to complete the improvements described in the RP-SB Plan. Upon completion of those improvements, SFRA's leasehold interest would terminate and "the San Francisco Port Commission, which administers the granted lands on behalf of the city and county, will either reassume the direct administration of the granted lands, or succeed to the sublessor status of the redevelopment agency with regard to certain subleases executed in furtherance of the project." Chapter 310, § 1(c).

Under Chapter 310, the SFRA was required to offer to terminate the Port Leases "[n]ot later than the date of completion of the last of the improvements that are proposed by the Rincon Point – South Beach Redevelopment Project;" the Port Commission is required to accept the termination "unless to do so would not be in the best interests of the trust in furtherance of which the lands were granted to the city and county." Chapter 310, § 3. In addition, Chapter 310 provides for the early termination of the Port Leases where the Port Commission obtains "the concurrence of the State Lands Commission that the termination is in the best interest of the trust in furtherance of which the lands were granted to the city and county." Id.

The Port Leases also require termination upon completion of the development under the redevelopment program and they provide for early termination. (See Section 3 (a)(ii).)

Since the SFRA's dissolution, staff of the Successor Agency has been in discussions with the Port about an early termination that would transfer the Leased Land back to the Port before 2050, since the Successor Agency's development obligations in the RP-SB Project Area are substantially completed. The transfer has been complicated by the lease structure, ongoing debt

obligations at South Beach Harbor, and BCDC requirements. The Successor Agency expects these issues to be resolved by June 2014.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Leased Land. These properties are also shown on Attachment A (Maps of Leased Land) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

See Attachment B for lease start dates for the Leased Land. The 16 Port Leases were executed between 1984 and 2002.

Value of Property at Time of Acquisition

See Attachment B for acquisition values for the Leased Land. The 16 Port Leases were executed at rental rates between \$24,000 and \$130,000 a year.

Estimate of the Current Value

See Attachment B for current values for the Leased Land. The 16 Port Leases currently have rental rates between \$50,000 and \$272,000 a year.

Purpose for which the Leasehold Interest was Acquired

The SFRA leased this land from the Port in stages, mostly during the 1980s and 1990s, for the purposes of redeveloping the Port’s waterfront property in accordance with the RP-SB Plan. At that time, the Leased Land was a swath of under-utilized waterfront property with an undesirable street pattern. The redevelopment effort included constructing a new small boat harbor and harbor services building, building new waterfront parks and open spaces, including Rincon Park, installing a new children’s play area, rehabilitating commercial spaces, constructing two new affordable housing projects, and reconfiguring the network of streets and parking lots.

Address/Location

See Attachment B for addresses and/or locations for the Leased Land. All of the Leased Land is located within a 1,000-foot band along San Francisco Bay, south of the Ferry Building and adjacent to both the City’s financial district and the waterfront between Third Street and Mission Street. Maps of the Leased Land are attached as Attachment A.

Lot Size

See Attachment B for estimated lot sizes for the Leased Land. Maps of the Leased Land are attached as Attachment A.

Current Zoning

The Leased Land remains under the land use controls contained in the RP-SB Plan, which does not expire until January 2021. Under the RP-SB Plan, the Leased Land is zoned as follows:

- *Small Boat Harbor.* Port Leases N1-A, N1-B, N1-C, and N-2 fall under this zoning designation. These parcels were improved with a 700-berth small boat harbor called South Beach Harbor, a harbor services building, and ancillary improvements.
- *Residential.* Port Lease K falls under this zoning designation. It was developed with a 108-unit traditional affordable housing project called Steamboat Point Apartments.
- *Residential with Neighborhood Commercial.* Port Lease J falls under this zoning designation. It was developed with an innovative special-needs housing project called Delancey Street, which houses 500 formerly unemployable drug addicts, homeless people, and ex-felons, and includes training facilities to train this population for employment. It also includes significant commercial space on the ground floor fronting The Embarcadero.
- *Major Park.* The remaining Port Leases fall under this zoning designation. They were improved with a major waterfront park and promenade, a children's play area, and Rincon Park. One of the remaining Port Leases (K-1) is a reconfigured Townsend Street.

Estimate of the Current Value (Including Appraisal Information)

See Attachment B for current values for the Leased Land. The 16 Port Leases currently have rental rates between \$50,000 and \$272,000 a year. No appraisal information is available.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

Only six of the 16 Port Leases include rent payments to the Port. Of those six Port Leases, three (Port Leases N-1A, N-1B, and N-2) are associated with South Beach Harbor. South Beach Harbor pays the Port about \$520,000 a year under these three leases, but only generates about \$250,000 from the associated subleases. The difference (approximately \$270,000) is paid to the Port using harbor berth revenues and operating reserve.

The other three Port Leases (Site J, Site K, and Port Lease M-3, M-4A, S-1D) require payments to the Port totaling about \$410,000 a year. The subleases associated with these three leases generate about \$680,000 a year. The difference (approximately \$270,000) is being used to fund the maintenance of Rincon Park, with any surplus likely to be used to replenish South Beach Harbor's operating reserve.

History of Environmental Contamination, Studies, Remediation Efforts

The Leased Land is part of the City's northeastern waterfront. It has been a focus of growth since the Gold Rush, when port activities began in the area. In the late 1800s, large sections of

the San Francisco Bay were filled in, and a seawall was built, creating the topography that exists in the area today. Traditional port activities continued in the area for decades, until San Francisco's port was not able to compete with newer shipping technologies that were being implemented at competing ports. As a result, the Port's land and buildings fell into disrepair. Before redevelopment, much of the area was characterized by dilapidated warehouses, open cargo storage yards, abandoned or underutilized buildings, several piers in unsound condition and an extensive network of underutilized street rights-of-way. Environmental contamination on the Leased Land reflected these historic uses and the quality of the fill material.

An environmental impact report for the RP-SB Project Area was completed in 1980, and a supplemental environmental impact report was completed in 1991, to assess the environmental impacts of implementing the redevelopment program contained in the RP-SB Plan. Further environmental analysis and remediation (if required) occurred on a site-by-site basis, as sites were redeveloped over the last 30-40 years.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Leased Land is located along The Embarcadero, which has become a major thoroughfare since the demolition of the Embarcadero Freeway after the 1989 Loma Prieta earthquake. The Embarcadero is a major thoroughfare for cars, buses, and the City's light-rail system. The Leased Land is also within walking distance of the Ferry Building, where a regional network of ferry boats is located, and Market Street, where a regional heavy-rail system takes riders to other parts of the City and numerous locations in the East Bay.

The purpose of the Port Leases was to allow the SFRA to develop the Port's property in accordance with the RP-SB Plan. Under the Port Leases, the SFRA constructed a new small boat harbor and harbor services building ("South Beach Harbor"), built new waterfront parks and open spaces, including Rincon Park, installed a new children's play area, rehabilitated commercial spaces, constructed two new affordable housing projects, and reconfigured the network of streets and parking lots.

History of Previous Development and Leasing Proposals

In the 1970s, two private proposals were set forward for developing a total of about 3.0 million square feet of office space, 650,000 square feet of commercial uses, 2,200 hotel room, parking, and a new ship terminal on 20 acres of new fill near the Ferry Building. Adverse reaction to these proposals prompted BCDC to create a special plan for the area to control filling of the bay and to improve public access, views and the appearance of the waterfront shoreline. Also, the City developed the "Plan for the Northeastern Waterfront" in 1977 that established objectives and policies for land use, transportation and urban design for the area. In the same year, the City's Board of Supervisors authorized a planning effort to investigate various ways to improve the area. This planning effort brought together the City's Department of City Planning, the SFRA, the Port, and a citizen's advisory committee. The Rincon Point-South Beach Redevelopment Plan, approved by the City's Board of Supervisors in January 1981, synthesized the results of this extensive planning effort. To implement the development program outlined in

the RP-SB Plan, the Port entered into the Port Leases with the SFRA, to allow the SFRA to develop the Port's property in accordance with the RP-SB Plan.

Disposition of the Agency Property

Both State legislation (i.e., Chapter 310) and the Port Leases contemplate that the SFRA's leasehold interest in the Port's land would terminate and jurisdiction over the land would return to the Port once the SFRA completed the improvements outlined in the RP-SB Plan.

Since the SFRA's dissolution, staff of the Successor Agency has been in discussions with the Port about termination of leases that would transfer the Leased Land back to the Port before 2050. The transfer has been complicated by the lease structure, ongoing debt obligations at South Beach Harbor, and BCDC requirements. The Successor Agency expects these issues to be resolved by June 2014.

Disposition Plan. Terminate the Port Leases (and other ancillary agreements) and transfer the Leased Land back to the Port, pursuant to the early termination provisions set forth in the Port Leases. At the same time the Port Leases are terminated, all Subleases with the Successor Agency will convert to direct leases with the Port. The estimated transfer date is June 2014.

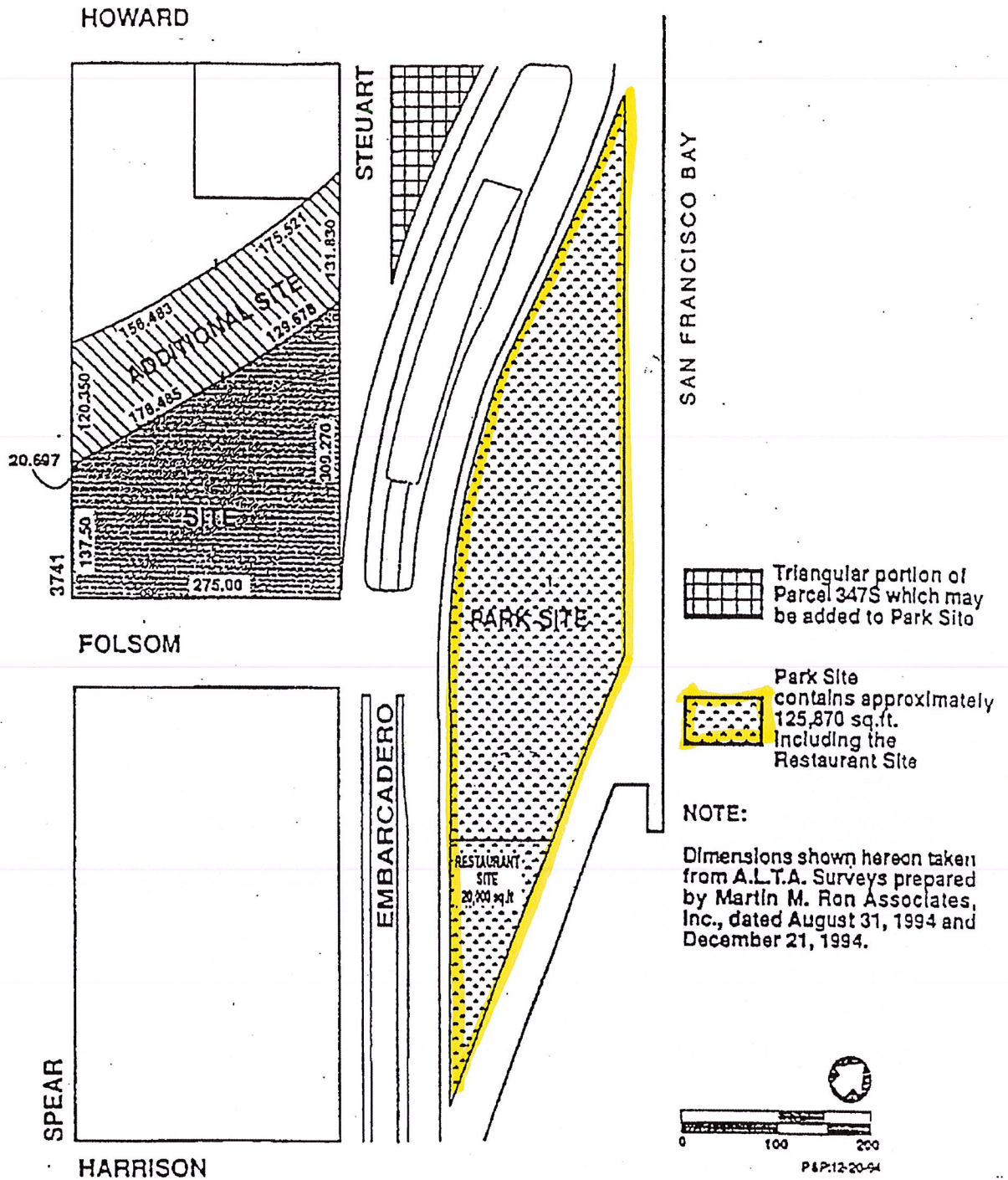
Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

N/A

Attachment A: Maps of Leased Land
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A
Maps of Leased Land

**Attachment A-2
Map of Leased Land (Port Leases – Rincon Point)**



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN WESTBROOK PLAZA – GARAGE AND HEALTH CLINIC PARCELS

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the transfer to the Housing Successor Agency of the City and County of San Francisco two parcels located at 227-255 Seventh Avenue in the former South of Market Redevelopment Project Area that comprise a portion of Westbrook Plaza, a mixed-use project containing affordable housing and a neighborhood-serving health clinic. Westbrook Plaza contains three parcels: (1) Block 3731, Lot 240, which is currently owned by the Successor Agency and includes land and an underground garage serving the project; (2) Block 3731, Lot 241, an airspace parcel currently owned by the Successor Agency that is leased to and contains the South of Market Health Center (“SMHC”); and (3) Block 3731, Lot 242, an airspace parcel that is owned by the Housing Successor Agency, leased to Mercy Housing California (“Mercy Housing”) and contains 48 units of affordable housing for low-income families.

The Successor Agency proposes to transfer Block 3731, Lot 240 and 241 (the “Site”) to the City’s Housing Successor Agency pursuant to Section 34176 (f) of the Redevelopment Dissolution Law.

BACKGROUND

In 2008, the former San Francisco Redevelopment Agency (the “SFRA”) acquired Block 3731, Lot 235, which was subsequently subdivided into Lots 240, 241, 242, from Mercy Housing and SMHC for financing purposes. The SFRA then leased an airspace parcel (Lot 241) back to SMHC, for the purpose of constructing a health clinic to provide medical assistance to low-income, homeless and medically underserved residents in the South of Market Redevelopment Project Area (the “Project Area”). A second airspace parcel (Lot 242) was leased back to Mercy Housing for the construction of 48 units of permanent, affordable housing for low-income families. The SFRA retained the land (Lot 240) under the airspace parcels. The mixed-use project, Westbrook Plaza, was completed in 2010. Westbrook Plaza is a four-story building constructed atop a subsurface parking garage. The health clinic occupies the first two levels of the building, while the affordable housing development occupies the balance.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Site. The Site is also shown on Attachment A (Map of South of Market Health Center) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

SMHC and Mercy Housing purchased the Site in 2003. In 2008, the SFRA acquired what is currently Block 3731, Lot 240 from SMHC and Mercy and leased a portion (Block 3731, Lot 241) back to SMHC to construct the health clinic. At the same time, a separate lease was executed with Mercy Housing for Lot 242.

Value of Property at Time of Acquisition

The total cost to the SFRA of acquiring the property, including the land and the airspace parcels for both the health clinic and the affordable housing, was \$5,578,801. The value of the portion that was leased back to SMHC, determined at the use and with the conditions, covenants, and development costs required by the lease, was \$1,600,000.

Estimate of the Current Value

The use of Block 3731, Lot 241 is limited by the ground lease to “the construction and operation of an approximately 20,000-square-foot health clinic.” (Article 8.02(a)) The use of Block 3741, Lot 240, is restricted by the Declaration Established Reciprocal Easements and Covenants Running with the Land (“REA”) to parking for the health clinic and the affordable housing. SMHC pays rent to the Successor Agency of \$1 per year. Because the use is restricted, the Site has no current value.

Purpose for which the Property was Acquired

The SFRA acquired the property in order to assist in the creation of the new health clinic to promote continuing medical care to residents of the Project Area, and to provide affordable housing.

Address/Location

The Site is located at 227-255 Seventh Avenue in the South of Market neighborhood and includes two parcels: Block 3731, Lots 240 and 241. Lot 240 is entirely below ground. Lot 241 is directly above Lot 240 and is adjacent to and below Block 3731, Lot 242, which is occupied by the affordable housing development.

Lot Size

Block 3731, Lot 240 contains approximately 22,618 square feet of underground garage space. Block 3731, Lot 241 contains approximately 18,580 square feet of health clinic space.

Current Zoning

Under the San Francisco Planning Code, the Site is zoned RED (South of Market Residential Enclave) with a height limit of 65 feet.

Estimate of the Current Value (Including Appraisal Information)

The use of Block 3731, Lot 241 is limited by the ground lease to “the construction and operation of an approximately 20,000-square-foot health clinic.” (Article 8.02(a)) The use of Block 3741, Lot 240, is restricted by the REA to parking for the health clinic and the affordable housing. SMHC pays rent to the Successor Agency of \$1 per year. Because the use is restricted, the Site has no current value.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

Under the ground lease, SMHC pays rent of \$1 per year to the Successor Agency.

History of Environmental Contamination, Studies, Remediation Efforts

The Site has no significant history of environmental contamination.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Site is within the dense, transit-rich South of Market neighborhood in Downtown San Francisco. The health clinic is within easy walking distance of several thousand residential units and is accessible by Bay Area Rapid Transit (BART) trains (2 blocks to Civic Center BART Station) and San Francisco Municipal Transportation Agency (MTA) buses and trains.

History of Previous Development and Leasing Proposals

The development of the Site was completed in 2010.

Disposition of the Property

The Successor Agency is proposing to transfer the Site to the Housing Successor Agency pursuant to Redevelopment Dissolution Law. Section 34176 (f) of the Redevelopment Dissolution Law states: “If a development includes both low- and moderate-income housing that meets the definition of a housing asset under subdivision (e) and other types of property use, including, but not limited to, commercial use, governmental use, open space, and parks, the oversight board shall consider the overall value to the community as well as the benefit to taxing entities of keeping the entire development project intact or dividing the title and control over the property between the housing successor and the successor agency or other public or private agencies.”

The City’s Housing Successor Agency already owns Block 3731, Lot 242, the airspace parcel that includes the affordable housing development. Transferring Block 3731, Lots 240 and 241, to the Housing Successor Agency would keep the entire development project intact. The overall value of Westbrook Plaza is enhanced by keeping it intact as was originally intended. The affordable housing complements the vision of the health clinic to serve the needs of low-income households, and the residents of the affordable housing benefit from having the clinic within

their building. In addition, because the two uses share various operating expenses, having the entire development owned by a single entity will result in greater management efficiency.

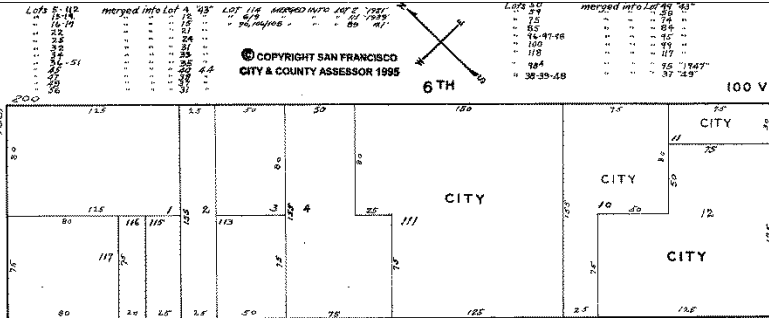
Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Map of Westbrook Plaza
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A Map of Westbrook Plaza

lots 54-56 into lots 128/149 for 1998 roll
lot 42 into lots 128/149 for 1998 roll
lot 119 into lots 128/149 for 2002 roll
lot 128 into lots 128/149 for 2002 roll
lot 130 into lots 128/149 for 2002 roll
lot 131 into lots 128/149 for 2002 roll
lot 132 into lots 128/149 for 2002 roll
lot 133 into lots 128/149 for 2002 roll
lot 134 into lots 128/149 for 2002 roll
lot 135 into lots 128/149 for 2002 roll
lot 136 into lots 128/149 for 2002 roll
lot 137 into lots 128/149 for 2002 roll
lot 138 into lots 128/149 for 2002 roll
lot 139 into lots 128/149 for 2002 roll
lot 140 into lots 128/149 for 2002 roll
lot 141 into lots 128/149 for 2002 roll
lot 142 into lots 128/149 for 2002 roll
lot 143 into lots 128/149 for 2002 roll
lot 144 into lots 128/149 for 2002 roll
lot 145 into lots 128/149 for 2002 roll
lot 146 into lots 128/149 for 2002 roll
lot 147 into lots 128/149 for 2002 roll
lot 148 into lots 128/149 for 2002 roll
lot 149 into lots 128/149 for 2002 roll



**LIGHTHOUSE LOTS
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
128	1	4.5454...
129	2	4.5454...
130	3	4.5454...
131	4	4.5454...
132	5	4.5454...
133	6	4.5454...
134	7	4.5454...
135	8	4.5454...
136	9	4.5454...
137	10	4.5454...
138	11	4.5454...
139	12	4.5454...
140	13	4.5454...
141	14	4.5454...
142	15	4.5454...
143	16	4.5454...
144	17	4.5454...
145	18	4.5454...
146	19	4.5454...
147	20	4.5454...
148	21	4.5454...
149	22	4.5454...

**1026 FOLSOM ST.
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
171	1	2.42
172	2	5.29
173	3	6.63
174	4	6.63
175	5	10.14
176	6	8.60
177	7	5.39
178	8	6.63
179	9	6.63
180	10	6.37
181	11	12.43
182	12	13.22

**170-172 RUSS ST.
A CONDOMINIUM**

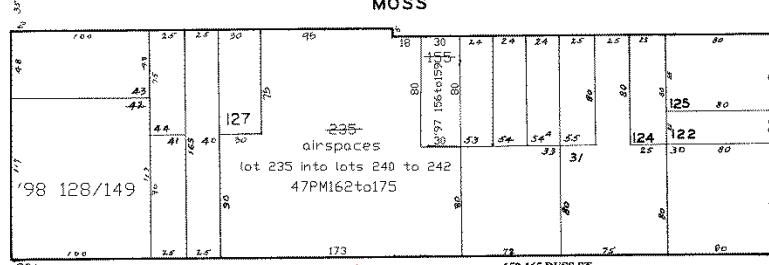
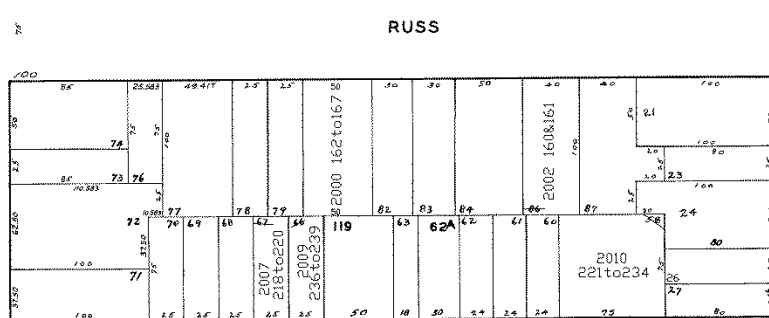
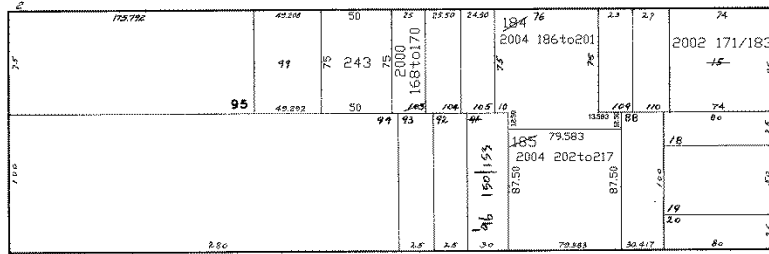
LOT	UNIT	% COMM. AREA
160	172	52.00
161	170	48.00

**142 RUSS ST.
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
162	1	11.76
163	2	11.42
164	3	18.38
165	4	20.24
166	5	19.10
167	6	19.10

**54-56 HARRIET ST.
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
168	2	39.18
169	2	25.06
170	3	25.76



**56-60 MOSS ST.
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
156	1	23.50
157	2	29.50
158	3	23.50
159	4	23.50

**149-165 RUSS ST.
A CONDOMINIUM**

LOT	UNIT	% COMM. AREA
150	159	31.42
151	161	31.42
152	163	18.58
153	165	18.58

3731
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REVISED '58
" '61
REVISED '64
" '68
" '88
It 146
Revised '97
Revised '98
Revised 2000
Revised 2002
Revised 2007
Revised 2007
Revised 2010
Revised 2012

50 HARRIET ST.
A CONDOMINIUM

LOT	UNIT	% COMM. AREA
186	1	4.99
187	2	4.34
188	3	5.08
189	4	5.12
190	5	5.08
191	6	5.12
192	7	5.40
193	8	7.42
194	9	6.69
195	10	6.53
196	11	6.57
197	12	7.54
198	13	8.57
199	14	6.65
200	15	7.95
201	16	6.65

175 RUSS ST.
A CONDOMINIUM

LOT	UNIT	% COMM. AREA
202	1	3.98
203	2	4.50
204	3	5.00
205	4	4.89
206	5	4.84
207	6	4.89
208	7	3.92
209	8	3.97
210	9	7.26
211	10	7.95
212	11	6.30
213	12	8.41
214	13	8.30
215	14	8.41
216	15	8.43
217	16	5.95

33-35 MOSS ST.
A CONDOMINIUM

LOT	UNIT	% COMM. AREA
218	1	32.83
219	2	33.54
220	3	33.63



7 TH

Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN HUNTERS POINT MINI-PARKS

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long-Range Property Management Plan (“PMP”) which includes the disposition of seven mini-parks located in the former Hunters Point Redevelopment Project Area (the “Mini-Parks”). The seven Mini-Parks are identified by their former redevelopment disposition parcel names (i.e., D-2, DD-4, E-2, E-4, F-2, FF-7, and HH-2).

The Mini-Parks were developed to serve adjacent affordable housing projects in the early 1970s. The former San Francisco Redevelopment Agency (the “SFRA”) acquired the Mini-Parks as part of a larger land acquisition from the San Francisco Housing Authority (“SFHA”) and the City and County of San Francisco (the “City”) to fulfill the redevelopment program contained in the Hunters Point Redevelopment Plan (the “HP Plan”). The land was acquired at little or no cost and then sold to residential developers to create the new Hunters Point community. New open spaces and parks were also built, and the SFRA was able to transfer other park lands it owned to adjacent property owners. It was unable to transfer the seven Mini-Parks for a variety of reasons and continues to own them. Due to their irregular shapes and topographical challenges, the Mini-Parks are not useable for anything other than open space. They were all improved with open space areas, pedestrian walkways and stairs, and are currently maintained by either the City and County of San Francisco (the “City”) or the adjacent property owners. Only one Mini-Park (DD-4), otherwise known as Shoreview Park, is still maintained by the Successor Agency.

Disposition Plan. Two Mini-Parks (DD-4 and FF-7) function as traditional city parks, and one is adjacent to a park owned and maintained by the City. These two Mini-Parks will be transferred to the City for a governmental purpose. The remaining five Mini-Parks (D-2, E-2, E-4, F-2, and HH-2) primarily serve as open space and walkways for the adjacent affordable housing projects. These Mini-Parks will be sold at fair market value to the adjacent property owners. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs.

BACKGROUND

In the 1960s and 1970s, the SFRA acquired large blocks of land in the Hunters Point Redevelopment Project Area (“Hunters Point”) from the SFHA and the City, acting through the San Francisco Unified School District, to implement the redevelopment program envisioned in the HP Plan, which primarily consisted of new affordable residential development and open spaces. All of the land the SFRA acquired (except the Mini-Parks) was sold or transferred to developers to construct the residential units and associated open spaces.

The U.S. Department of Housing and Urban Development, or HUD, provided low-cost construction financing to some of the affordable housing developers. Due to HUD's statutory mortgage limits, operating costs at these projects had to be substantially reduced. Operating costs included property management costs for the open spaces surrounding the affordable housing projects. As a result, the SFRA had to retain ownership of the Mini-Parks, and pay for their upkeep, to keep the operating costs down for the affordable housing projects.

The Mini-Parks are comprised primarily of irregularly shaped lots with moderate to very steep sloping terrain. Some include usable open space/parkland. The majority of the Mini-Parks have limited street frontage and are undevelopable for anything other than open spaces and pedestrian walkways. The following provides a detailed description of each Mini-Park:

- **Mini-Park D-2** – Stairwells and walkways between existing residential units, with a small seating plaza off of McKinnon Avenue (0.36 acres); maintained by adjacent property owner.
- **Mini-Park DD-4** – Shoreview Park, a small neighborhood park with children's play equipment and grassy area (approximately 5.0 acres); maintained by Successor Agency.
- **Mini-Park E-2** – A staircase running between residential buildings, connecting Commer Court to an overlook and grassy area (0.27 acres); maintained by adjacent property owner.
- **Mini-Park E-4** – A small triangular grassy area with a trash enclosure serving the adjacent, surrounding residential buildings (0.06 acres); maintained by adjacent property owner.
- **Mini-Park F-2** – Stairs and pathways located between existing residential buildings (0.36 acres); maintained by adjacent property owner.
- **Mini-Park FF-7** – A landscaped parcel that has been incorporated into the publically-owned Adam Rogers Park, which directly abuts Mini-Park FF-7 (0.16 acres); maintained by City.
- **Mini-Park HH-2** – Small grassy area between existing residential buildings and Ingalls Street (0.18 acres); maintained by adjacent property owner.

The SFRA was unable to transfer the Mini-Parks despite repeated attempts to do so over the years. The City and adjacent property owners expressed concerns in the past over liability, capital improvement costs, and property management costs.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Mini-Parks. These properties are also shown on Attachment A (Map of Hunters Point Mini-Parks) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

The Mini-Parks were acquired in 1969 and 1972 as part of large land acquisitions from the SFHA and the City. See Attachment A for acquisition dates for the Mini-Parks.

Value of Property at Time of Acquisition

The SFRA acquired the land from the SFHA for \$0. The SFRA acquired the land from the City (which included the land for Shoreview Park) for \$125,169, which was an amount negotiated between the SFRA, the City, and HUD, and does not reflect the land's market value at the time.

Purpose for which the Mini-Parks were Acquired

As mentioned, the land on which the Mini-Parks now sit was acquired as part of two large land acquisitions by the SFRA to implement the redevelopment program contained in the HP Plan. The HP Plan called for a new Hunters Point community with new affordable residential development, new streets, and new parks and open spaces. The land was acquired at little or no cost and then sold to residential developers to create the new Hunters Point community. New open spaces and parks were also built, and the SFRA was able to transfer other park lands it owned to adjacent property owners. The SFRA retained ownership of the Mini-Parks at the time to reduce operating costs for the adjacent affordable housing projects so that HUD's statutory mortgage requirements could be met. Over the years, the SFRA attempted to transfer the Mini-Parks to adjacent property owners and/or the City but was unsuccessful.

Address/Location

See Attachment A for the specific locations of the Mini-Parks. A map of the Mini-Parks is attached as Attachment B.

Lot Size

See Attachment A for the lot sizes of the Mini-Parks. A map of the Mini-Parks is attached as Attachment B.

Current Zoning

All of the Mini-Parks are zoned for residential uses, consistent with the abutting residential land uses. Specifically, the following is a description of the maximum residential development allowed under each of the three residential zoning districts that apply to the Mini-Parks:

- RH-1 (House, One Unit) – Applies to Mini-Park FF-7 and allows one residential dwelling unit per lot, up to one unit per 3,000 square feet of lot area (maximum of three units) with conditional use approval.
- RH-2 (House, Two Units) – Applies to Mini-Parks D-2, DD-4, E-2, E-4, and F-2 and allows two residential dwelling units per lot, up to one unit per 1,500 square feet of lot area (maximum of three units) with conditional use approval.

- RM-1 (Mixed Apartments/Houses - Low Density) – Applies to Mini-Park HH-2 and allows three dwelling units per lot or one dwelling unit per 800 square feet of lot area.

Estimate of the Current Value (Including Appraisal Information)

Due to their irregular shapes and topographical challenges, the Mini-Parks are not useable for anything other than open space. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs. No appraisal information is available.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

None of the Mini-Parks has ever generated any revenues.

History of Environmental Contamination, Studies, Remediation Efforts

According to a Phase I and II Environmental Site Assessment Study (the “ESA”) prepared for Mini-Park DD-4 (“Shoreview Park”) in June 2006, the Mini-Parks are located on land that generally was unoccupied until about World War II (1941-1945) when Hunters Point was developed with military housing. The ESA did find elevated levels of nickel, chromium and cobalt in the soils of Mini-Park DD-4, which they attribute to the fact that the soils are derived from the native serpentine bedrock at the site, which usually contains slightly elevated levels of these metals. The levels were within the range of naturally occurring metals in serpentine rock. The other Mini-Parks may also have been built on similar serpentine rock due to their proximity to Mini-Park DD-4, so they also could be expected to have elevated levels of these metals. No other significant contaminants were identified by the ESA. The ESA recommended additional studies of Mini-Park DD-4 and additional safety precautions when working with exposed serpentine bedrock.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

Hunters Point is well-served by several municipal bus lines, and is near the City’s light-rail system that runs along Third Street.

History of Previous Development and Leasing Proposals

No previous development or leasing proposals for the Mini-Parks exist.

Disposition of the Mini-Parks

Two Mini-Parks currently function as traditional city parks. Mini-Park DD-4, Shoreview Park, is surrounded by residential development and Mini-Park FF-7 is a portion of Adam Rogers Park, which is a park the City already owns and manages. These two Mini-Parks will be transferred to the City for a governmental purpose. The transfer date is expected in 2014/2015.

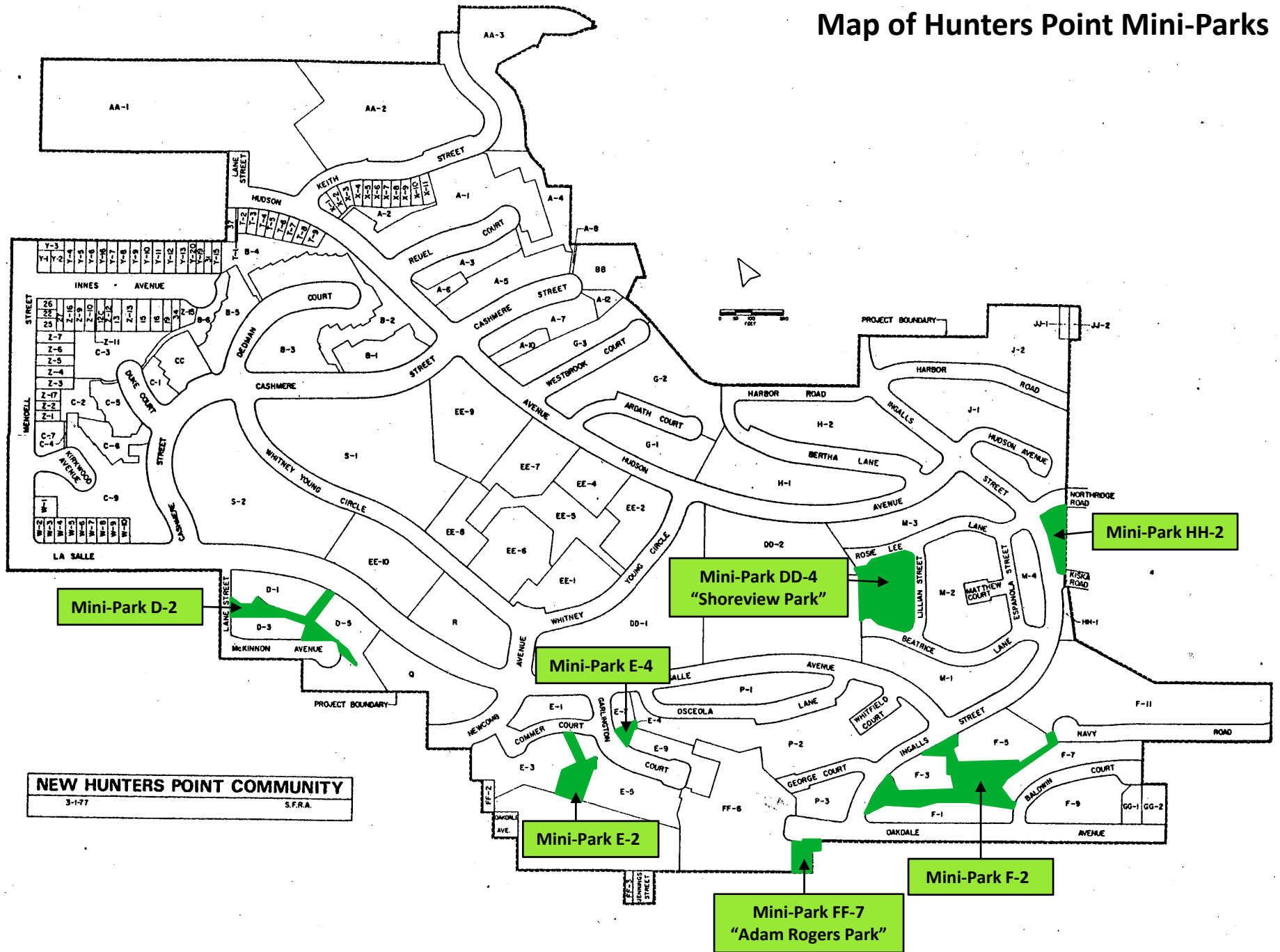
The remaining five Mini-Parks (D-2, E-2, E-4, F-2, and HH-2) primarily serve as open space and walkways for the adjacent affordable housing projects. These Mini-Parks will be sold at fair market value to the adjacent property owners. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs. The transfer date is expected in 2014/2015.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Map of Hunters Point Mini-Parks
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A Map of Hunters Point Mini-Parks



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

**LONG RANGE PROPERTY MANAGEMENT PLAN
MUSEUM AIRSPACE PARCEL
ABOVE AND BELOW THE CONTEMPORARY JEWISH MUSEUM**

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long-Range Property Management Plan (“PMP”) which includes the disposition of an airspace parcel that is located both above and below the Contemporary Jewish Museum (the “Jewish Museum”) (the “Museum Airspace Parcel”). The former redevelopment agency (“SFRA”) originally acquired the land on which the Jewish Museum sits during the 1960s and 1970s with federal urban renewal funds, and was required to use the federal funds to carry out redevelopment activities in accordance with the Yerba Buena Center Redevelopment Plan (the “YBC Plan”) and the federal standards for urban renewal under Title I of the Housing Act of 1949.

Toward that end, the SFRA entered into a disposition and development agreement with the Jewish Museum in 1995 for the development of a 63,000-square-foot museum on the site, which included a historic brick power station, known as the “Jessie Street Substation” (as amended and restated, the “DDA”). In 2006, the SFRA sold the land and the airspace for the future Jewish Museum to the Jewish Museum, but retained ownership of the Museum Airspace Parcel. The Jewish Museum opened in 2008, and included space in the renovated Jessie Street Substation and new construction (See Attachment A).

Disposition Plan. The Successor Agency proposes to sell the Museum Airspace Parcel to the Jewish Museum, as the only interested buyer, for fair market value. The Museum Airspace Parcel has no market value, as more fully discussed below. The Jewish Museum has expressed an interest in purchasing the Museum Airspace Parcel with use restrictions that allow museum and ancillary uses only.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Museum Airspace Parcel.

Date of Acquisition

The lots that comprise the land on which the Jewish Museum sits were acquired between 1967 and 1971. The associated subterranean and air rights associated with those lots were acquired at the same time. See Attachment B for additional details.

Value of Property at Time of Acquisition

The value of the land (which included the subterranean and air rights) on which the Jewish Museum sits was \$445,549 at the time of acquisition.

Estimate of the Current Value

The estimated current value of the Museum Airspace Parcel is zero. The airspace above the Jewish Museum is not developable. All of the development rights above the Jewish Museum were sold, pursuant to the DDA as transferable development rights (“TDR”), to offset the cost of rehabilitating the historic Jessie Street Substation and constructing the Jewish Museum. The airspace below the Jewish Museum is not accessible, and therefore not developable. Its use is limited to storage for the Jewish Museum.

Purpose for which the Museum Airspace Parcel was Acquired

As mentioned in the Executive Summary, the SFRA originally acquired the land on which the Jewish Museum sits during the 1960s and 1970s with federal urban renewal funds, and was required to use the federal funds to carry out redevelopment activities in accordance with the YBC Plan and the federal standards for urban renewal under Title I of the Housing Act of 1949.

Address/Location

The Museum Airspace Parcel is located above and below the Jewish Museum, which is located at 736 Mission Street. A photo of the Jewish Museum is attached as Attachment A.

Lot Size

The footprint of the Jewish Museum is approximately 20,300 square feet. The Museum Airspace Parcel includes (1) the airspace above the top of the Jewish Museum to infinity, and (2) the airspace from the bottom of the Jewish Museum to the center of the earth.

Current Zoning

The Museum Airspace Parcel falls under the zoning controls established in the City Planning Code within the Downtown Retail (C-3-R) District. The C-3-R District is a regional center for comparison shopper retailing and direct consumer services. The base Floor-Area-Ratio, or FAR, in the C-3-R District is 6.0 to 1. The base FAR can be increased to a maximum FAR of 9.0 to 1 with the purchase of transferable development rights. Building heights are limited to 400 feet.

Estimate of the Current Value (Including Appraisal Information)

As mentioned above, the estimated current value of the Museum Airspace Parcel is zero. No appraisal information is available.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

Neither the SFRA nor the Successor Agency has received any revenue from the Museum Airspace Parcel.

History of Environmental Contamination, Studies, Remediation Efforts

A general survey of environmental conditions was conducted as part of the 1995 Environmental Impact Report for the Yerba Buena Center Redevelopment Project Area (the “EIR”), including the land on which the Jewish Museum now sits. The EIR noted the area’s industrial past and the use of unknown sources of fill dirt over the years. As a result, the EIR noted that soil contamination and other hazards, such as underground storage tanks, were likely to be found during construction. When the Jewish Museum and surrounding improvements were constructed, various mitigation measures were implemented according to recommendations contained in the EIR, such as excavating and disposing of contaminated groundwater and soil.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Jewish Museum is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Muni bus lines, which can be used to access regional transit. Service to and from the East Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART. Under the City Planning Code, C-3-R Districts are compact in area and easily traversed on foot. They are well-served by City and regional transit. To encourage pedestrian activity and minimize conflicts between pedestrians and vehicles, parking facilities tend to be located at the periphery of C-3-R Districts.

The disposition of the Museum Airspace Parcel for ancillary uses associated with the Jewish Museum fulfills the planning objectives contained in the YBC Plan.

History of Previous Development and Leasing Proposals

No previous development or leasing proposals for the Museum Airspace Parcel have been made.

Disposition of the Museum Airspace Parcel

The Successor Agency proposes to sell the Museum Airspace Parcel to the Jewish Museum, as the only interested buyer, for fair market value. The Museum Airspace Parcel has no value, because it is not developable. The Jewish Museum has expressed an interest in purchasing the Museum Airspace Parcel with use restrictions that allow museum and ancillary uses only.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

N/A

Attachment A: Photo of Jewish Museum
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A

Contemporary Jewish Museum at Night



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN MOSCONE CONVENTION CENTER NORTH

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) which includes the disposition of the Moscone Convention Center North (“Moscone North”). Moscone North is located in the former Yerba Buena Center Redevelopment Project Area D-1 (the “Project Area”), which was duly adopted in accordance with Community Redevelopment Law, and which expired by its own terms on January 1, 2011.

Moscone North is part of a larger group of convention facilities known as the Moscone Center that span large portions two blocks in the Project Area known as Central Block Two (“CB-2”) and Central Block Three (“CB-3). The former San Francisco Redevelopment Agency (the “SFRA”) issued lease revenue bonds to finance the construction and improvements associated with the Moscone Center. The bonds were secured by leases with the City and County of San Francisco (the “City”).

The Moscone Center complex was built in phases on CB-2 and CB-3 between 1979 and 1992 as the need for additional convention space grew. The SFRA acquired all the real property on CB-2 and CB-3 – including the Moscone Center properties – with federal urban renewal funds in the 1960s and 1970s. Today, the Successor Agency and the City share ownership of the Moscone Center. The City owns Moscone Convention Center South (“Moscone South”), which the SFRA transferred to the City in 2011 after the City paid the bonds in full. And, the Successor Agency owns Moscone North.

In 1988, the SFRA and the City entered into a lease for Moscone North for the expansion and financing of the Moscone Center (the “Lease”). The SFRA issued \$140 million in lease revenue bonds to build Moscone North, which opened in 1992. Since then, the City has operated the convention facilities pursuant to the Lease.

The premises under the Lease includes the following land and improvements: (1) the esplanade ballroom and administration building on the rooftop surface (i.e., the land) of CB-3, and (2) an above-ground lobby on the CB-2 side of Howard Street, (3) an underground portion of Howard Street connecting the Moscone North and South buildings on both sides of Howard Street, and (4) an expansive underground section of land on CB-2.

Disposition Plan. The Successor Agency proposes to transfer Moscone North to the City pursuant to an enforceable obligation (i.e., the Lease) for zero dollars. According to the Lease with City, Moscone North must transfer to City once the City pays off the construction bonds and deferred rental payments. That is expected to happen in 2014. At that time, and assuming agreement can be reached on outstanding deferred rental payments, the property would transfer to the City pursuant to this enforceable obligation.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for Moscone North. This property is also shown on Attachment A Photographs of Moscone North.

Date of Acquisition

The lots that comprise the land on which Moscone North sits were acquired between 1967 and 1970. Construction of the Moscone North improvements was completed in 1992. The Successor Agency is using completion of construction as the “acquisition date” for its improvements, since that date is when an asset was placed into service for accounting purposes

Value of Property at Time of Acquisition

The value of the land on which Moscone North sits was approximately \$7,226,000. The value of the improvements at the time acquisition is \$140 million and is based the value of the construction bonds issued by the SFRA.

Estimate of the Current Value

The current value of the land on which Moscone North sits is approximately \$115,000,000. This is based on a 2011 valuation of Moscone South by the City’s Department of Real Estate of \$200/square foot.

The current value of the Moscone North improvements is approximately \$193,000,000. This is based on a 2011 valuation of Moscone South’s net rentable square footage by the City’s Department of Real Estate of \$325/building square foot.

Purpose for which the Agency Property was Acquired

The Moscone North properties were acquired for the purpose of satisfying the objectives of the Project Area Plan.

Address/Location

Moscone North is located at 747 Howard Street.

Lot Size

The size of the land on which Moscone North sits is approximately 574,200 square feet. The size of the improvements is approximately 594,900 square feet.

Current Zoning

CB-2 and CB-3

Since January 1, 2011, when the plan for the Project Area expired, CB-2 and CB-3 have been subject to the zoning controls established by the City Planning Code within the Downtown Support (C-3-S) District. The C-3-S District includes San Francisco's Convention Center, hotels, museums and cultural facilities, housing, retail, and offices arranged around public gardens and plazas. The base Floor-Area-Ratio, or FAR, in the C-3-S District is 5.0 to 1. The base FAR can be increased to a maximum FAR of 7.5.0 to 1 with the purchase of transferable development rights.

Estimate of the Current Value (Including Appraisal Information)

The current value of the land on which Moscone North sits is approximately \$115,000,000. This is based on a 2011 valuation of Moscone South by the City's Department of Real Estate of \$200/square foot.

The current value of the Moscone North improvements is approximately \$193,000,000. This is based on a 2011 valuation of Moscone South's net rentable square footage by the City's Department of Real Estate of \$325/building square foot.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

The Moscone North Lease generates \$870,000 a year in deferred rental payments. The Successor Agency's use of these rental payments is restricted pursuant to an interlocking set of agreements¹ with the Successor Agency's long-term Yerba Buena Gardens tenants (e.g., the Marriott Hotel, the Metreon, and an affiliate of Millennium Partners) and other Yerba Buena Gardens stakeholders.

The agreements also require the Successor Agency to deposit lease revenue (including the Moscone North payments) and all other funds generated in the Project Area's central three blocks into a restricted, segregated account (the "Separate Account"). Additionally, these governing documents define and restrict expenditures from the Separate Account according to a distinct priority (first, to fund maintenance, operations, security of Yerba Buena Gardens, and activation of the open space, and second, to fund cultural operations in Yerba Buena Gardens).

¹ Documents defining the Successor Agency's enforceable obligations include the (1) Central Block 2 Entertainment and Retail Lease dated May 9, 1997 between the Successor Agency and Yerba Buena Entertainment Center LLC, (2) Yerba Buena Gardens Amended and Restated Construction, Operation and Reciprocal Easement Agreement and Agreement Creating Liens dated March 31, 1998 between the Successor Agency and YBG Associates LLC, and (3) Central Block 1 Retail Lease dated March 31, 1998 between the Successor Agency and CB-1 Entertainment Partners LP.

History of Environmental Contamination, Studies, Remediation Efforts

A general survey of environmental conditions was conducted as part of the 1995 Environmental Impact Report for the Yerba Buena Center (“EIR”), including Moscone North. The EIR identified that the area has an industrial past and there has been the use of unknown sources of fill dirt over the years to level the area. As a result of these past uses and practices, there could be soil contamination and other hazards, such as underground storage tanks, which are common in an urban setting. However, the EIR did not find that there were any known superfund sites in the area or other significant hazards requiring major remediation. As a result, the primary hazards for Moscone North are associated with the excavation and disposal of contaminated groundwater and soil. The EIR included mitigation measures to implement when Moscone North redeveloped to ensure that if contamination was found at unsafe levels the appropriate remediation would be completed.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

Moscone North was developed as a transit-oriented development and is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Muni bus lines, which can be used to access regional transit. Service to and from the East Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART.

Under the City Planning Code, C-3-S Districts are compact in area and easily traversed on foot. They are well-served by City and regional transit. In order to encourage pedestrian activity and minimize conflicts between pedestrians and vehicles, parking facilities tend to be located at the periphery of C-3-S Districts.

History of Previous Development and Leasing Proposals

In the late 1960s, the SFRA developed conceptual plans for the development of the Project Area’s central blocks, sought proposals, and selected Schlesinger-Arcon/Pacific as the master developer. However, the development never materialized, due to delays caused by ongoing legal challenges related to the development.

Beginning in the mid-1970s, the SFRA, together with the City and the community, resumed what turned out to be a lengthy planning process for development of Yerba Buena Gardens. In the early 1980s, the SFRA selected Olympia and York Equity Corporation as the master developer for Yerba Buena Gardens – including the site of Moscone North (Moscone South was completed in 1981). The plan for the central three blocks included a mixed-use neighborhood of office buildings, hotels, amusement/recreational uses, cultural uses, open spaces, parking, commercial retail spaces, and a convention center. However, by 1993, due to economic reasons and defaults by Olympia and York, only the Marriott Hotel at Fourth and Mission Streets had been completed. As a result, the SFRA severed its ties with Olympia and York and took on a more direct role in the development of Yerba Buena Gardens as it exists today, including development of Moscone North with the City.

Disposition of the Agency Property

The Successor Agency proposes to transfer Moscone North to the City pursuant to an enforceable obligation (i.e., the Lease) for zero. According to the Lease with City, Moscone North must transfer to City once the City pays off the construction bonds and deferred rental payments. That is expected to happen in 2014. At that time, and assuming agreement can be reached on outstanding deferred rental payments, the property would transfer to the City pursuant to this enforceable obligation.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Photographs of Moscone Convention North
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A
Photographs of Moscone Convention Center North



Moscone North Lobby on Howard Street



Moscone North Building on Corner of Howard and Third Streets

Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN BLOCK 201 EASEMENT FOR UNDERGROUND TELEPHONE LINES

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of an Easement for Underground Telephone Lines, reserved by the former San Francisco Redevelopment Agency (the “SFRA) on behalf of Pacific Telephone and Telegraph, recorded October 16, 1964 as Instrument No. N32945, Book A830, Page 550 of Official Records of San Francisco (the “Easement” or the “Agency Property”). The Easement was covered by the Embarcadero-Lower Market Approved Redevelopment Plan (Golden Gateway), which expired by its own terms on January 1, 2011.

AT&T, the successor-in-interest to Pacific Telephone & Telegraph Company, does not maintain facilities within the easement and has no future requirements for its use. Nonetheless, the use of the Easement property is restricted under the terms of a Purchase and Sale Agreement between the Port and San Francisco Waterfront Partners approved by the Port Commission (Resolution No. 12-47) and the Board of Supervisors (No. 226-12). Under these approved agreements, the area subject to the Easement must be dedicated as a public street for park and open space purposes only. The Successor Agency therefore proposes to transfer the Easement to the City for a governmental use purpose.

BACKGROUND

The SFRA, and now the Successor Agency, holds the above-referenced easement on behalf of Pacific Telephone & Telegraph Company and its successor-in-interest, AT&T (collectively, “AT&T”). The Agency Property consists of a 32’ foot wide by 129.25’ long strip of land located on Assessors Block 201, between the Embarcadero to the east, Washington Street to the south, and Drumm Street to the west. The Easement runs along a portion of former Jackson Street that was vacated in the early 1960s.

The only purpose of the Easement was to preserve rights on behalf of AT&T, should AT&T have a need to install telephone lines and related facilities within the former street area. To preserve that right on behalf of AT&T, the SFRA created the Easement through a reservation in the grant deed of Block 201 from the SFRA to the current owner, Golden Gate Center, a California limited partnership, dated October 26, 1964. The Successor Agency itself has no other property interest in Block 201 or the surrounding blocks.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Block 201 Easement. This property is also shown on Attachment A (Map of Block 201 Easement) and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

The Agency acquired the property affected by the Easement in connection with site acquisition to implement the Embarcadero-Lower Market Approved Redevelopment Plan (Golden Gateway) on October 17, 1963. The area of former Jackson Street was conveyed to the Agency by the City after the street was vacated by an act of the San Francisco Board of Supervisors.

Value of Property at Time of Acquisition

The value of the Easement is zero (\$0). At the time of acquisition, the Easement was located wholly within the former Jackson Street right-of-way. The purpose for its creation was to continue the rights that the beneficiary, AT&T, would have had in the public right-of-way. Because of the Easement’s location within the former right-of-way and its limited use, the Agency Property would have had a market value of \$0 at the time of acquisition.

Estimate of the Current Value

The Agency Property consists only of the Easement, held on behalf of AT&T. On January 4, 2013, AT&T issued a letter stating that it does not maintain facilities within the easement, has no future requirements for its use, and does not object to the easement being vacated. AT&T is the only party to which the easement potentially has any value and it has clearly indicated that the easement is valueless. The underlying property is owned by Golden Gate Center, and the Agency holds no other property interest in Block 201.

The underlying land was recently entitled for a mixed-use development project, including 134 residential units, commercial space, a health club, parks and open space, and an underground parking garage (the “**Project**”). Although one of the Project entitlements (a rezoning increasing the height on a portion of the Project site) was recently reversed by a voter referendum, the agreements approved by the Board of Supervisors (Resolution No. 226-12) and Port Commission (Resolution No. 12-47) that would restrict the Easement area to a public right-of-way remain intact.

Purpose for which the Agency Property was Acquired

The Easement was created through the Grant Deed reservation, described above, the purpose of which was to provide AT&T with the right to construct, operate, maintain and repair underground telephone lines. The Easement burdens a portion of Block 201 that was originally acquired by the SFRA and then transferred to Golden Gate Center in partial implementation of the Embarcadero-Lower Market Approved Redevelopment Plan (Golden Gateway) (the “Redevelopment Plan”). The purpose of the Redevelopment Plan was for the clearance and

reconstruction of slum and blighted areas in the Redevelopment Plan project area. Other than the Easement held on behalf of AT&T, the SFRA holds no other property on Block 201 and the Golden Gateway Redevelopment Plan has expired.

Address/Location

Assessor Block 201 (also known as 8 Washington), and “within the limits of an easement owned by the City and County of San Francisco for its sewer and utilities within a strip of land 32 feet wide, the center line thereof being the center line of the vacated portion of the former Jackson Street, between Drumm Street and The Embarcadero.” A map of the Easement is attached as Attachment A.

Lot Size

The size of the Easement is 4,136 square feet (32 foot wide x 129.25 long strip of land).

Current Zoning

The Agency Property is subject to the zoning controls established by the San Francisco Planning Code within Residential-Commercial-Combined, High Density (RC-4) Districts. RC-4 districts encourage a combination of high-density dwellings, with compatible commercial uses on the ground floor to protect and enhance neighborhoods with mixed use character. The proposed Project has a height limit of 84 feet. In connection with the Project entitlements, the Board of Supervisors approved a height rezoning of a portion of the Project site in 2012 (Ordinance No. 104-12, approved June 19, 2012). The height rezoning did not affect the portion of the Project covered by the Easement area. In the general election of November 5, 2013, the voters rejected the height rezoning; as a result, the existing 84’ height limitation remains in place.

The use of the Easement property is further restricted under the terms of a Purchase and Sale Agreement between the Port and San Francisco Waterfront Partners approved by the Port Commission (Resolution No. 12-47) and the Board of Supervisors (No. 226-12). Under these approved agreements, the area subject to the Easement must be dedicated as a public street for park and open space purposes only.

Estimate of the Current Value (Including Appraisal Information)

The estimate of the current value of the Easement is \$0. As indicated above, AT&T is the only party to which the easement potentially has any value and it has indicated that the easement is valueless.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

No revenue is generated by the Agency Property currently or in the past. Under its entitlement for park and open space purposes, no future revenue is anticipated to be derived from the underlying property.

History of Environmental Contamination, Studies, Remediation Efforts

In connection with the proposed Project, a Phase I and Limited Phase II Environmental Site Assessment (“ESA”) was conducted for the project site. Some of the key findings from the ESAs, are briefly summarized below:

- *Permitted hazardous material uses.* Although the environmental database review identified seven permitted hazardous materials uses and environmental cases within approximately 1,100 feet of the project site, these are all either small-quantity generators of hazardous waste, permitted underground storage tank (UST) sites with no documented releases, leaking underground storage tank (LUST) sites that have received regulatory closure, or LUST sites with a low potential to affect soil or groundwater quality at the project site.
- *Site groundwater quality.* A gasoline station was on the site of the Project until 1993, but the concentration of petroleum hydrocarbons in the groundwater have declined over time. Nonetheless, there is the potential for petroleum products and metals to be present in the groundwater.
- *Potential exposure to hazardous materials in soil and groundwater during construction.* Soil borings revealed that cyanide is present in the soil at levels that mean workers and the public could be exposed to hazardous materials in the soil and groundwater during construction, potentially resulting in adverse health effects. Additionally, flammable vapors could be present that could pose a fire or explosion risk during construction if ignited.
- *Soil disposal requirements and groundwater discharge.* Some of the fill materials could require disposal as a California hazardous waste because of high soluble lead concentration.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The Agency Property is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Muni bus lines, which can be used to access regional transit. Service to and from the East Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART.

The Project is poised to take full advantage of the property’s proximity to transit, by developing a high-density, mixed-use project on the site. The proposed quitclaim of the Agency Property will facilitate the overall development of the property as a transit-oriented project.

History of Previous Development and Leasing Proposals

Currently, the Golden Gateway Tennis and Swim Club are located on the site. The site has hosted a variety of uses in the past. Until the 1906 earthquake and fire destroyed all the buildings

on the property, the site was used for coal yards and a coppersmith. The site was quickly redeveloped and housed a sheet metal workshop, machine shops, metal products assembly areas, and an automobile repair shop through 1965. As mentioned, a gasoline service station was located on the site until approximately 1993. Several development projects have been proposed for the site. In 2004, Embarcadero Capital Partners proposed an eight-story residential building on the property; however, this proposal was never approved by the Board of Supervisors. Most recently, the Planning Commission, Board of Supervisors and Port Commission approved the Project that would include the property affected by the Easement, as described above. Because the Project approvals related to height were rejected by referendum, implementation of the Project will require amended approvals by these City agencies to reflect the decrease in height. However, the existing approvals, or any amendments thereto, will not affect the proposed use or zoning of the area affected by the Easement, which would remain designated as a public right-of-way for park and open space use.

Disposition of the Agency Property

The Successor Agency is proposing to transfer the Agency Property to the City as a governmental use purpose because under City agreements the area subject to the Easement must be dedicated as a public street for park and open space purposes only.

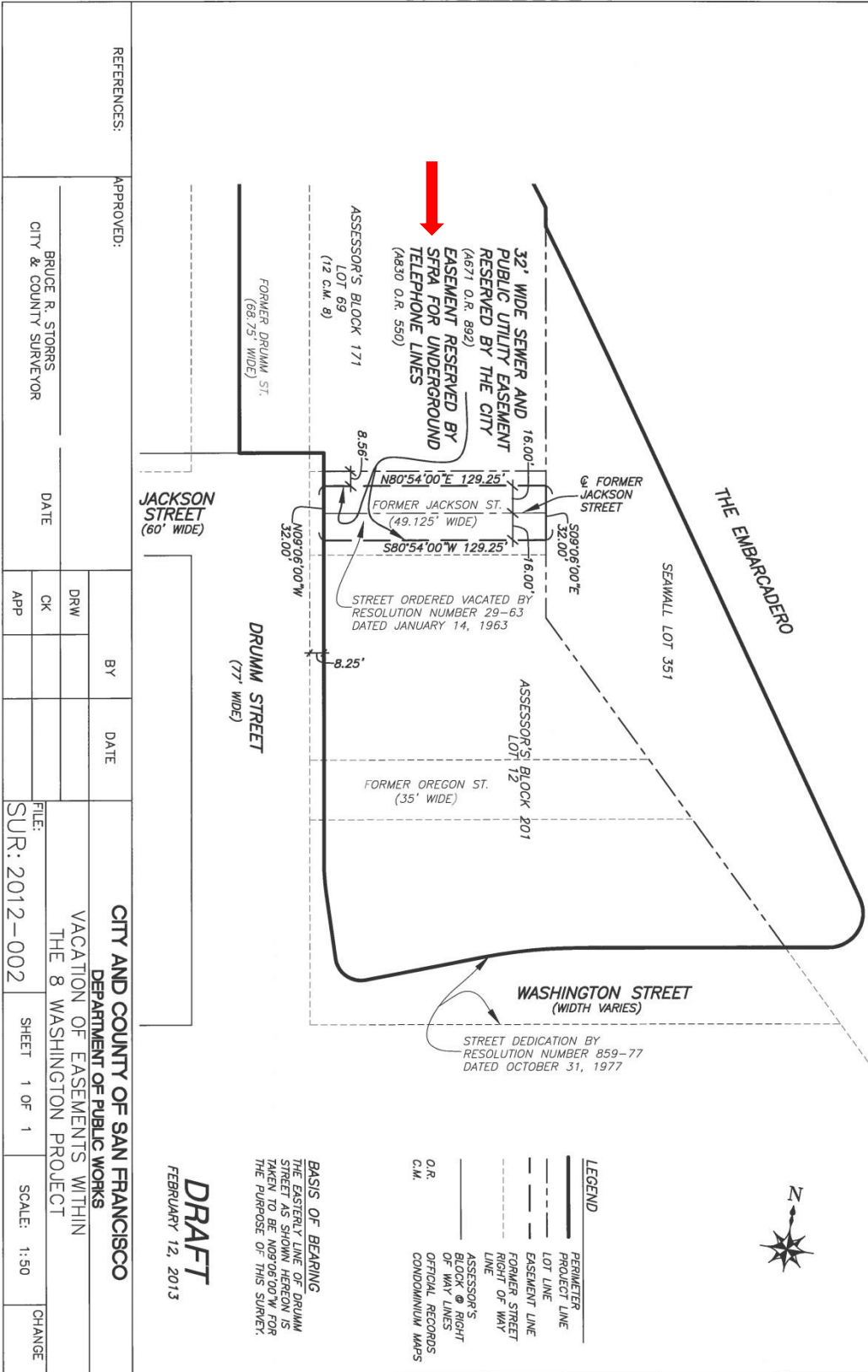
The sales price for the Agency Property is Zero Dollars (\$0), which reflects the fair market value of the easement.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Map of Block 201 Easement
Attachment B: DOF Tracking Sheet – Other Properties

Attachment A Map of Block 201 Easement



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

LONG RANGE PROPERTY MANAGEMENT PLAN 5800 3RD/CARROLL AVENUE SENIOR HOUSING SITE

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of an approximately 64,360 square foot unimproved parcel on Carroll Avenue at 3rd Street that will be developed into 121 units of very low-income senior rental housing (the “5800 3rd/Carroll Avenue Senior Housing Site”). The former San Francisco Redevelopment Agency (“SFRA”) acquired the site using funding from the Low and Moderate Income Housing Fund (“LMIHF”) for the purpose of developing it into affordable housing serving low- and very-low income households.

The development the 5800 3rd/Carroll Avenue Senior Housing Site fulfills the Successor Agency’s obligations under the Hunters Point Shipyard Phase II/Candlestick Point Development and Disposition Agreement (“HPSY Phase 2 DDA”), which includes the procurement of outside funds, along with a pledge of tax increment, to fulfill the obligation to replace the severely distressed Alice Griffith Public Housing development (“Alice Griffith Replacement Projects”). SFRA, along with the San Francisco Housing Authority and McCormack Baron Salazar (“MBS”), the developer of the Alice Griffith Replacement Projects sought and received outside funding from the U.S. Department of Housing and Urban Development’s (“HUD”) Choice Neighborhood Initiatives Grant (“CNI Grant”). HUD designated the 5800 3rd/Carroll Avenue Senior Housing project as the first phase of the revitalization plan under the CNI Grant, and the project must be completed to meet CNI Grant requirements and fulfill the HPSY Phase 2 DDA.

The Successor Agency intends to provide the selected affordable housing developer with a ground lease to provide it with access to the site to build the affordable housing and to impose long term affordability restrictions, and then, upon completion of the project, transfer the property, the ground lease, and any related loan agreements to the City and County of San Francisco (the “City”), as the Housing Successor under California Health and Safety Code Section 34181(c) (All future statutory references are to the California Health and Safety Code unless otherwise noted.) The Housing Successor Agency will then perform long term asset management duties in compliance with Section 34176(b)(3)(c).

Disposition Plan. Retain the property to fulfill the enforceable obligation to fund and complete the project, and provide the affordable housing developer, Bayview Supportive Housing LLC, with a ground lease to provide site access to construct 121 units of senior rental housing available to very low-income households over the age of 62 years, as well as provide long term affordability restrictions to the project. Upon completion of the project, currently estimated in 2015, the Successor Agency will transfer the fee interest in the land, the ground lease, and the related loan agreement to the City as Housing Successor under Section 34181(c).

BACKGROUND

The 5800 3rd St/Carroll Ave Senior Housing Site is Lot 3 of a parcel located at 5800 3rd Street, located at the intersection of Carroll Avenue. Once the project is completed the final address of Lot 3 will be 1751 Carroll Avenue (see the tentative final map, Attachment A). However, since this project has appeared on all of the Successor Agency's prior ROPS as "5800 3rd Street, Carroll Avenue Senior Construction Funding" (*see e.g.* Item Numbers 165 and 166 in ROPS 13-14A), the PMP uses the "5800 3rd/Carroll Avenue Senior Housing Site" designation to be consistent with the ROPS name.

The Department of Finance ("DOF") selected this project for review during ROPS III (then known as Item Number 123.04 in the previous ROPS numbering system), initially determining that the Successor Agency lacked the authority to amend this existing loan agreement to add more funding. Through the Meet and Confer process, the Successor Agency submitted information describing the nature of the Successor Agency's enforceable obligation, which is summarized below. The documents referenced below were included in the Meet and Confer Request, but can be provided again to DOF if needed.

Specifically, the HPSY Phase 2 DDA obligates the Successor Agency to rebuild the severely distressed Alice Griffith Public Housing project ("Alice Griffith Replacement Projects"). The HPSY Phase 2 DDA and its Tax Increment Allocation Pledge Agreement ("Pledge Agreement") commit the Successor Agency to use property tax revenue for the Successor Agency's housing obligation, pursuant to Sections 3.1 (c) and 3.2 (c) of Pledge Agreement. The Phase 2 DDA also contemplates that the Successor Agency will seek other sources of funding to fulfill its housing obligation, including "federal, state or other local funds," (Exhibit F to HPSY Phase 2 DDA, Section 5.4 (d) at p. F-35), and further requires that the Successor Agency and Developer "will work together to seek appropriate Project Grants for the Project." (Exhibit H to HPSY Phase 2 DDA, Section 4.3 at p. H-35). To the extent that the Successor Agency obtains sources of funds other than property tax revenue, it will reduce reliance on the Redevelopment Property Tax Trust Fund and expedite completion of the Project.

Soon after the approval of the HPSY Phase 2 DDA, the San Francisco Housing Authority ("SFHA") and McCormack Baron Salazar ("MBS"), the affordable housing developer of the Alice Griffith project, submitted in October 2010 an application to the U.S. Department of Housing and Urban Development ("HUD") for Choice Neighborhoods Initiative ("CNI") Grant funding for the Alice Griffith Replacement Projects. As part of the application, SFRA entered into a Partnership Memorandum of Understanding with the HPSY Phase 2 DDA developer and others ("Partnership MOU") whereby the SFRA agreed to be a Principal Team Member for the purpose of "taking full responsibility for implementing the Neighborhood component of the Transformation Plan." (Partnership MOU at p. 3, Oct. 26, 2010).

In March 2011, HUD selected SFRA's revitalization plan for the Alice Griffith Replacement Projects as a finalist for funding. Subsequently SFRA, in collaboration with other parties to the Partnership MOU, submitted an application for the second round. In the second round, the Agency certified its funding of the 5800 3rd/Carroll Avenue Senior Housing Project as a commitment to, and implementation of, the Transformation Plan required under the CNI Grant

application. On May 26, 2011, SFRA entered into the Choice Neighborhood Implementation Agreement with MBS, SFHA and other parties identified in the Partnership MOU (“Implementation Agreement”). SFRA agreed to “be responsible for the implementation of the Neighborhood Component of the Transformation Plan in order to improve the Alice Griffith/East Bayview neighborhood.” Implementation Agreement, Section IV. A at p. 6. It also agreed to “work with the Lead Applicant and Principal Team Members to seek development projects and social services that meet the need of Alice Griffith/ East Bayview. Specifically, Redevelopment Agency will . . . [i]mplement projects that will be leveraged by the redevelopment of the target neighborhood, including . . . [a]dditional Affordable Housing.” Implementation Agreement, Section IV (B) at p. 7-8.

On August 31, 2011, HUD awarded a \$30,500,000 grant to fund the Alice Griffith Replacement Projects. In March 2012, HUD executed the FY2010 Choice Neighborhoods Implementation Grant Agreement with MBS and the San Francisco Housing Authority as the Grantees for the implementation of the Transformation Plan identified in the Grant Agreement. On April 12, 2012, HUD confirmed that the 5800 Third Street senior housing project constitutes the first phase of the Alice Griffith revitalization, and as such, serves as a required deliverable of the Choice Neighborhoods Implementation Grant. Under section III.D.5 of the Choice Neighborhoods Grant Agreement, rehabilitation or construction of the first phase of replacement housing must begin within 18 months of the Grant Agreement execution date. HUD requires this adherence to this schedule as a condition of the Choice Neighborhoods grant in order to ensure timely completion of the Transformation Plan activities. (Letter, Dominique Blom, Deputy Assistant Secretary, HUD, to Yusef Freeman, V. President, MBS (April 12, 2012).)

In April 2013 HUD extended the deadline to start construction on the project until December 31, 2013 and MBS is currently in the process of requesting an additional extension to ensure the financial closing is consistent with the timeframes of the California Debt Limit Allocation Committee (“CDLAC”), to which the project has applied for an allocation of tax-exempt mortgage revenue bonds (described below).

In the final ROPS III Meet and Confer Determination letter dated December 14, 2012, DOF removed its objection and approved that the funding for the 5800 3rd/Carroll Avenue Senior Housing project. DOF then approved additional funding, requested through ROPS 13-14A, to provide up to \$20 million for the construction of the project (Item #166). Subsequently DOF provided assurances to CDLAC, which is considering the project’s application at its November allocation meeting, that there were no pending issues with the funding of the project (See Attachment C, Email, Justyn Howard, Assistant Program Budget Manager, DOF to Sean Spear, Executive Director, CDLAC, dated October 14, 2013).

Once the project receives an allocation from CDLAC, the project has 90 days to secure site control and close all financing. To ensure the project can meet the CDLAC and CNI Grant timeframes, the Successor Agency is seeking Oversight Board approval of the ground lease between the Successor Agency and Bayview Supportive Housing, LLC simultaneously with the PMP. This provides an opportunity for the ground lease to be approved within the CDLAC 90 day timeframe should the PMP review still be pending at that time.

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the 5800 3rd/Carroll Avenue Senior Housing Site. This property is also shown on Attachment A (Map of 5800 3rd/Carroll Avenue Senior Housing Site) and Attachment B (DOF Tracking Sheet for Other Affordable Housing Properties).

Date of Acquisition

September 21, 2010

Value of Property at Time of Acquisition

\$8,380,733

Estimate of the Current Value

\$5,810,000

The Estimated Current Value is based on a May 15, 2013 appraisal of the property performed by John R. Kaeuper, MAI that was completed for ground lease purposes, however there is no actual value under Dissolution Law due to long term affordability restrictions and the future transfer of the property to the City as Housing Successor.

Purpose for which the Agency Property was Acquired

The parcel was acquired for the purpose of developing senior rental housing serving households over the age of 62 that is affordable to households earning up to 50% of Area Median Income, including an on-site senior community center. The project was designated as the first phase of the Alice Griffith public housing revitalization under the Federal CNI Grant.

Address/Location

A map of the 5800 3rd/Carroll Avenue Senior Housing Site is attached as Attachment A. The final address upon completion of the project will be 1751 Carroll Avenue. See Attachment B for further information.

Lot Size

A map of the 5800 3rd/Carroll Avenue Senior Housing Site is attached as Attachment A. See Attachment B for the lot size for 5800 3rd/Carroll Avenue Senior Housing Site.

Current Zoning

The 5800 3rd/Carroll Avenue Senior Housing Site is zoned M-1 (Light Industrial), which allows industrial, retail, office and residential. The height limit is 65 feet.

Estimate of the Current Value (Including Appraisal Information)

See above section.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

The 5800 3rd/Carroll Avenue Senior Housing Site is currently vacant and is generating no revenue.

History of Environmental Contamination, Studies, Remediation Efforts

A 2005 Treadwell and Rollo Geotechnical Report of the entire site stated that soils at the site consisted of 4-5.5 feet of fill over clayey marsh deposits underlain by medium dense to very dense sand and some clay. Deeper soils consist of weathered shale bedrock.

A Phase I Site Assessment was completed in January 2010. The Assessment revealed no evidence of recognized environmental conditions in connection with the site. However, naturally-occurring asbestos in the soil was noted, but is not a recognized environmental condition as defined by the American Society of Testing and Materials (“ASTM”) methodology.

Naturally-occurring asbestos and cadmium are present in the soil within the site. However a letter dated September 17, 2009, from the Department of Public Health, Occupational and Environmental Health Division states: “cadmium and arsenic levels were acceptable as background concentrations and that the deed restriction (requiring building foundations, clean fill and paved areas to act as a cap to health exposure) was rescinded.” Additionally, the letter states that no further action is required at the site prior to development as a residential use. (Pg. 29, SCA Environmental Site Assessment-January 2010). Dust control mitigation measures must be followed during the construction phase of development.

A Phase II Site Assessment was completed on May 17, 2012. A Soil, Groundwater, and Soil Gas Report was completed on May 29, 2012. No odors or discolorations were noted in any of the borings for: soil, soil adjacent to the railroad, elevator pit sampling; or underground storage tank areas. Soil analysis indicates that all detected metals came in at levels below acceptable levels, with the exception of arsenic and vanadium. The higher arsenic and vanadium levels are most likely representative of background concentrations of metals at the target area and the San Francisco Bay Area. “The distribution of arsenic and vanadium appears to be random and concentrations observed in the soil samples are within similar magnitudes of concentrations suggesting that the reported concentrations are likely due to natural occurring metals.” Soils slated for excavation and removal during construction should be disposed of as non-hazardous waste, at a Class II landfill. No current or anticipated beneficial use of groundwater.

Recommendations include ensuring any future soils sampling and/or geologic evaluations include sampling of soils at various depths for naturally occurring asbestos. A dust control plan and site specific safety and health plan are required in accordance with Article 22B of the City and County of San Francisco Municipal Code prior to construction. Draft Dust Control and Site

Mitigation Plans have been submitted to the Department of Public Health for their review and approval.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

The 5800 3rd/Carroll Avenue Senior Housing Site is well-served by public transit, with both local and regional service provided nearby. Local service is provided by the Third Street – T-Line (Muni Metro line), which runs in the median of Third Street, and can be used to access more regional transit. Service to and from the East Bay is provided by BART, AC Transit, and ferries; service to and from the North Bay is provided by Golden Gate Transit buses and ferries; service to and from the Peninsula and South Bay is provided by Caltrain, SamTrans, and BART.

Third Street is the neighborhood's primary route. The Third Street corridor is developed with various industrial/commercial buildings, retail, service-retail, wholesale, multi-family, and some single family homes. The front portion of 5800 Third Street, has been developed into market rate condominiums and a ground floor retail space.

The development of the site into 121 units of affordable rental housing for low and very low income seniors fulfills the planning objectives contained in the Bayview Hunters Point Redevelopment Plan, the City's General Plan and Housing Element, the Transformation Plan of HUD's Choice Neighborhood Initiatives Grant, and the CDBG Neighborhood Strategy Revitalization Area, all of which identify a need for permanently affordable housing.

History of Previous Development and Leasing Proposals

The 5800 3rd/Carroll Avenue Senior Housing Site is located on Lot 3 of the larger 5800 3rd parcel. SF Third Street Equity Partners, LLC, who was the owner of the original larger 5800 3rd parcel and developer of Lot 1, a market rate housing parcel fronting 3rd Street, entered into a Purchase and Sale Agreement in December 2008 with Bayview Hunters Point Multipurpose Senior Services ("BHPMSS"), a local nonprofit. BHPMSS selected MBS, the Alice Griffith Replacement Housing Projects developer, as a their co-developer and together created Bayview Supportive Housing LLC to act as the 5800 3rd/Carroll Avenue Senior Housing Site development entity. BHPMSS assigned the Purchase and Sale Agreement to SFRA, and SFRA purchased Lot 3 in September 2010 for the purpose of developing 121 units of affordable senior rental housing. SFRA provided a loan for predevelopment activities to Bayview Supportive Housing, LLC in 2011. In April 2012, HUD designated the 5800 3rd/Carroll Avenue Senior Housing project as the first phase under the Transformation Plan of the CNI Grant. Most recently the Successor Agency provided a loan agreement for construction funds in September 2013 using funds approved on Item #166 on ROPS 13-14A.

Disposition of the Agency Property

The Successor Agency is proposing to retain the property to fulfill the enforceable obligation to develop the 5800 3rd/Carroll Avenue Senior Housing Site as the first phase of the CNI Grant, thereby fulfilling the Successor Agency's obligation to the Alice Griffith Replacement Projects under the HPSY Phase 2 DDA. The Successor Agency intends to provide the affordable housing

developer, Bayview Supportive Housing LLC, with a ground lease to provide site access to construct 121 units of senior rental housing available to very low-income households over the age of 62 years, as well as apply long term affordability restrictions to the project. Due to the deadlines for commencing the project related to the CDLAC tax-exempt mortgage revenue bond allocation and the CNI Grant, the Successor Agency is seeking Oversight Board approval of the ground lease through a separate resolution to be submitted simultaneously with the PMP. Upon completion of the project, currently estimated in 2015, the Successor Agency's obligation related to the development of this site will be complete, and thus the fee interest in the land, the ground lease, and the related loan agreement will be transferred to the Housing Successor under Section 34181(c).

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

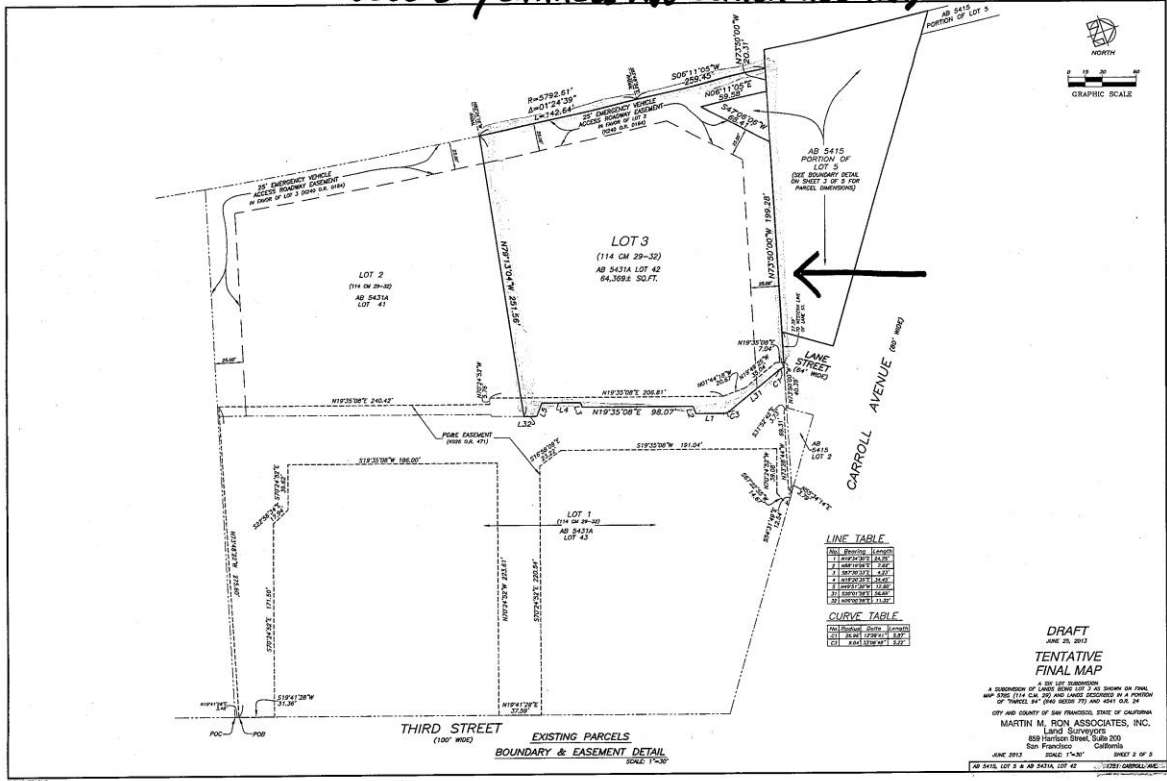
See above section.

- Attachment A: Map of 5800 3rd/Carroll Avenue Senior Housing Site
- Attachment B: DOF Tracking Sheet – Other Affordable Housing Properties
- Attachment C: Email, Justyn Howard, DOF to Sean Spear, CDLAC, dated 10/14/13

Attachment A

Map of 5800 3rd/Carroll Avenue Senior Housing

5800 3RD/CARROLL AVE SENIOR HOUSING



Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

Attachment C
Email, Justyn Howard, DOF to Sean Spear, CDLAC, dated 10/14/13

Bohee, Tiffany

From: Howard, Justyn <Justyn.Howard@dof.ca.gov>
Sent: Monday, October 14, 2013 10:07 AM
To: Spear, Sean (Sean.Spear@treasurer.ca.gov)
Cc: Bohee, Tiffany
Subject: San Francisco

Hi Sean,

We wanted to give you a heads up that San Francisco's project related to item #166 on their ROPS 13-14A is fine with the Department of Finance. However, there will be no final and conclusive for this project, as the project is utilizing restricted bond proceeds. Nevertheless, since San Francisco has their Finding of Completion they can spend these proceeds on the purposes for which they were issued/derived. As such, we have no issues on our end. Please let me know if you have any questions.

Regards,
Justyn Howard
Assistant Program Budget Manager
Department of Finance
Local Government Unit

LONG RANGE PROPERTY MANAGEMENT PLAN REPLACEMENT HOUSING PROPERTIES

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long Range Property Management Plan (“PMP”) for the disposition of two affordable housing properties that are related to the Successor Agency’s enforceable obligation to replace affordable housing units that it previously destroyed and did not replace. These “Replacement Housing Properties” are: (1) an approximately 9,997-square-foot parcel with a vacant building slated for demolition at the northwest corner of 6th Street and Howard Street that will be developed into 66 units of very low-income family rental housing (the “200 6th Street Family Housing Site”), and (2) a, 11,875 square-foot parcel located on Natoma Street between 5th and 6th Streets that is currently nearing completion of the construction of 60 units of low- and very low-income family rental housing (the “474 Natoma Family Housing Street Site”). The former San Francisco Redevelopment Agency (“SFRA”) acquired the Replacement Housing Properties using funding from the Low and Moderate Income Housing Fund (“LMIHF”) for the purpose of developing these parcels into affordable housing serving low- and very-low income households.

The Replacement Housing Properties are being developed in fulfillment of the Successor Agency’s obligation to replace 6,709 units destroyed and never replaced by the RDA prior to 1976 (“Replacement Housing Obligation”). The State Legislature enacted special legislation in 2000 acknowledging that SFRA had an unfulfilled replacement housing obligation resulting from its destruction of housing that had been occupied by lower income persons. This legislation is Senate Bill No. 2113, Statutes 2000, Chapter 661 § 1 and is codified at California Health & Safety Code § 33333.7 (“SB 2113”). (All future statutory references are to the California Health and Safety Code.) Pursuant to SB 2113, SFRA has collected tax increment from designated redevelopment project areas (“SB 2113 Funding”) for the purpose of creating affordable housing units to offset the Replacement Housing Obligation. A Final and Conclusive Determination Request regarding the Successor Agency’s Replacement Housing Obligation was submitted to the Department of Finance (“DOF”) on October 21, 2013.¹ The 200 6th Street Family Housing and 474 Natoma Family Housing projects utilize SB 2113 funding and the completion of those projects results in replacement units that go toward fulfilling the Successor Agency’s Replacement Housing Obligation.

The Successor Agency intends to provide the selected affordable housing developer with a ground lease to provide them access to the site to build the affordable housing and to impose

¹ The Replacement Housing Obligation is also the subject of Oversight Board Resolution No. 5-2012 (April 10, 2012) (finding that the Successor Agency had assumed the “former SFRA’s enforceable obligations . . . [to] develop approximately 6700 affordable housing units . . . to replace affordable housing units that the SFRA previously destroyed and did not replace as part of an obligation imposed by state law under Sections 33413 (a), 33333.8 and 33333.7 of the California Health and Safety Codes.”), and particular expenditures on previous ROPS that DOF has approved, *see e.g.* Line 146 of ROPS III.

long term affordability restrictions, and then upon completion of the project, transfer the property, the ground lease, and any related loan agreements to the City and County of San Francisco (the “City”), as Housing Successor under California Health and Safety Code Section 34181(c). The Housing Successor will then perform long term asset management duties in compliance with Section 34176(b)(3)(c).

The disposition plan for these properties is as follows:

200 6th Street Family Housing Site: Retain the property to fulfill the enforceable obligation to fund and complete the project, and provide the affordable housing developer, Mercy Housing California, with a ground lease to provide site access to construct 66 units of family rental housing available to very low-income households, as well as provide long term affordability restrictions to the project. Upon completion of the project, currently estimated in 2016, the Successor Agency will transfer the fee interest in the land, the ground lease, and the related loan agreement to the City as Housing Successor under Section 34181(c).

474 Natoma Family Housing Site: Retain the property to fulfill the enforceable obligation to fund and complete the project. Upon completion of the project, which is comprised of 60 units of family rental housing available to low- and very low-income households, and is scheduled for early 2014, the Successor Agency will transfer the fee interest in the land, the existing ground lease (dated April 19, 2011 between SFRA and the affordable housing developer, 474 Natoma LLC, a BRIDGE Housing company), and the related loan agreement to the Housing Successor Agency under Section 34181(c).

BACKGROUND

200 6th Street Family Housing Site: The 200 6th Street Family Housing Site is the site of the former Hugo Hotel, a single room occupancy hotel that had been left vacant for over 20 years. At the urging of the community, which expressed a desire to see this severely distressed site developed into affordable housing, SFRA acquired the site through an eminent domain action that concluded in 2009, using LMIHF tax-exempt bond proceeds.

In consultation with the South of Market Redevelopment Project Area Committee, SFRA issued a Request for Proposals (“RFP”) in 2010 and selected Mercy Housing California to develop the site into 66 units of family rental housing affordable to households earning up to 50% of area median income. In January 2011 SFRA provided a loan for predevelopment activities using SB 2113 Funds, and has requested additional SB 2113 Funds through ROPS 13-14B to provide construction funding. Upon completion of the project, approximately 48% of SFRA/Successor Agency funding will be SB 2113 Funds, therefore 48% of the units, or 32 units, will be designated as replacement housing units that fulfill a portion of the Successor Agency’s Replacement Housing Obligation. The project is scheduled to apply to CDLAC in Spring of 2014 and would start construction in mid- to late-2014.

474 Natoma Family Housing Site: The 474 Natoma Street Family Housing Site is the site of warehouse of Goodwill Industries that was damaged in the 1989 Loma Prieta earthquake. In

2000 SFRA acquired the then vacant site using LMIHF funds for the purpose of developing the parcel into affordable housing for first-time homeowners. SFRA selected a developer through an RFP and entered into Disposition Development Agreement (“DDA”) in 2001, but the selected developer failed to comply with terms of the DDA; SFRA terminated the DDA in December 2002. The site was then used for construction staging for another, adjacent SFRA funded affordable housing site (the Plaza Apartments). In 2006 SFRA issued a second RFP, this time to develop the site as affordable rental housing and selected BRIDGE Housing. SFRA provided predevelopment and construction loans using primarily SB 2113 funds, such that 96% of the units will be designated as replacement housing units upon completion, and in April of 2011 entered into a ground lease to 474 Natoma LLC, a BRIDGE Housing development entity, to provide the developer with site control in preparation for an application to CDLAC. The developer closed all financing and commenced construction in March of 2012, and is very near full project completion. Construction completion and lease up of the units to eligible households is estimated to be complete by early 2014. Upon final completion, the Successor Agency intends to transfer to the land, ground lease, and related loan agreement to the City as Housing Successor

LONG RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for these two properties. These properties are also shown on Attachment A-1 and A-2 and Attachment B (DOF Tracking Sheet for Other Properties).

Date of Acquisition

November 12, 2009 (200 6th Street) and August 1, 2000 (474 Natoma Street).

Value of Property at Time of Acquisition

\$4,600,000 (200 6th Street) and \$1,365,625 (474 Natoma Street).

Estimate of the Current Value

\$4,600,000 (200 6th Street) and \$3,300,000 (474 Natoma Street).

The Estimated Current Value for 200 6th Street is based on the acquisition price, however there is no actual value under Dissolution Law due to long term affordability restrictions and the future transfer of the property to the City as Housing Successor.

The Estimated Current Value for 474 Natoma Street is based on the May 31, 2011 appraisal performed by Mansbach Associates that was completed for ground lease purposes, however there is no actual value under Dissolution Law due to long term affordability restrictions and the future transfer of the property to the City as Housing Successor.

Purpose for which the Agency Property was Acquired

The 200 6th Street Family Housing Site includes a vacant building that has been vacant and abandoned for over twenty years and was acquired by SFRA through an eminent domain action that concluded in 2009. The site was acquired with funds from the LMIHF for the purpose of developing family rental housing affordable to very low-income households. Furthermore, the acquisition of the Site allowed SFRA, and will allow the Successor Agency, to make progress in fulfilling its Replacement Housing Obligation.

The 474 Natoma Street Family Housing Site was acquired with funding from the LMIHF for the purpose of developing affordable housing. The Site was originally offered through a Request for Proposals (“RFP”) issued in 2000 to develop the site as affordable first-time homeownership housing, but the selected developer did not comply with the development agreement. SFRA issued a second RFP in 2006 to develop the site in to affordable family rental housing, and selected BRIDGE Housing to develop the site. Construction is completing now, with lease up to eligible families and final project completion anticipated in early 2014.

Address/Location

The first site is located at 200 6th Street. A map of 200 6th Street Family Housing Site is attached as Attachment A-1. See Attachment B for further information.

The second site is located at 474 Natoma Street. A map of the 474 Natoma Family Housing Site is attached as Attachment A-2. See Attachment B for further information.

Lot Size

A map of the 200 6th Street Family Housing Site is attached as Attachment A-1. See Attachment B for the lot size for the site. See Attachment B for the lot size for the 474 Natoma Family Housing Site. A map is attached as Attachment A-2.

Current Zoning

200 6th Street. The site is zoned Neighborhood Commercial Transit (“NCT”) under the San Francisco Planning Code, but is also included in the SOMA Youth and Family Special Use District. The South of Market (SoMa) Youth and Family Special Use District is intended to expand the provision of affordable housing in the area defined below. In addition, this zoning is intended to protect and enhance the health and environment of youth and families by adopting policies that focus on certain lower density areas of this District for the expansion of affordable housing opportunities.

474 Natoma Street. The current zoning is C-3-S Downtown Support (height and bulk = 120-F) under the San Francisco Planning Code. The site is an 11,875 sqft, irregular T-shaped lot. It is an urban infill site, with existing buildings surrounding the property. Site frontage exists on Minna and Natoma. The Minna portion of the lot is 25’ x 75’; the Natoma portion is 125’ x 80’.

Estimate of the Current Value (Including Appraisal Information)

See above section.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

The 200 6th Street site is improved with a vacant and deteriorated building and does not currently generate any revenue. The 474 Natoma Street project is currently completing construction of 60 units of affordable family rental housing and does not currently generate revenue.

History of Environmental Contamination, Studies, Remediation Efforts

200 6th Street: A survey, performed by RGA Environmental on May 2, 2011, indicates the presence of lead based paint and asbestos containing materials. A remediation plan for these materials is currently being drafted. A Phase 1 Site Assessment, performed by Treadwell and Rollo, indicates that the soil conditions at the site are suitable for development. The Phase 1 did not indicate a need for a Phase 2 assessment. The phase 1 Assessment indicates the possible presence of an underground storage tank (“UST”) but one was not located. The report recommends that if a UST is discovered during construction activities, removal will need to be undertaken.

474 Natoma Street: A Phase 2 Site Assessment was completed in 2009 and had no serious environmental findings. The soil type is primarily fill, consisting of gravel and sand. Evidence of lead was found and was abated. There was an underground storage tank that was removed by the developer.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

200 6th Street: The Site is situated close to several transit lines, including MUNI, BART, and SamTrans. Parking is not included in this project as part of transit oriented strategy. Instead, 29 bike parking spaces are located at the ground floor. The developer has an application pending for a \$4 million Transit Oriented Development award from the California Department of Housing and Community Development and has scored competitively given the site’s proximity to transit amenities. The development of the site into 66 units of affordable family rental housing for very low income households fulfills the planning objectives contained in the South of Market Redevelopment Plan, South of Market (SoMa) Youth and Family Special Use District, the City’s General Plan, and the Housing Element, all of which identify a need for permanently affordable housing. In addition, approximately 48% of the SFRA/Successor Agency funding that will subsidize the development of the affordable housing units is SB 2113 Funds and upon completion of the project 48% of the units, or 32 units, will be considered replacement units to offset the Successor Agency’s Replacement Housing Obligation.

474 Natoma Street: The site is situated close to several transit lines, including MUNI, BART, and SamTrans. There is neighborhood-serving retail on 6th Street and Market Street, and the Bessie Carmichael Elementary School is located on 7th Street, near Harrison. Several museums are within 1 ½ blocks. There are two multiplex theatres within 1 to 1 ½ blocks. The development of the site into 60 units of affordable family rental housing for low- and very low-income households fulfills the planning objectives contained in the South of Market Redevelopment Plan, the City’s General Plan, and the Housing Element, all of which identify a

need for permanently affordable housing. The community and the Project Area Committee prioritized providing housing opportunities for more mixed incomes in the neighborhood, particularly in the near vicinity of the 6th Street corridor, where most of the housing serves people with AMI's below 25%. Setting the income range for the Project between 40%-60% AMI addressed the goal of diversifying income levels in the area and achieves the goals of the community. In addition, approximately 93% of the funding used to subsidize the development of the affordable housing units was SB 2113 Funding and upon completion of the project 93% of the units, or 56 units, will be considered replacement units to offset the Successor Agency's Replacement Housing Obligation.

History of Previous Development and Leasing Proposals

200 6th Street: The site, which includes a vacant single room occupancy hotel known as the Hugo Hotel, had been abandoned for twenty years at the time of SFRA's acquisition through an eminent domain action that concluded in 2009. In 2010 SFRA issued an RFP and selected Mercy Housing California to develop the site into 66 units of family rental housing affordable to very low-income households. In 2011 SFRA provided a loan for predevelopment activities. Mercy Housing California has requested funding for construction and the Successor Agency included a request for SB 2113 Funds through ROPS 13-14B (Item # 235)

474 Natoma Street: The site was acquired with funding from the LMIHF for the purpose of developing affordable housing. The site was originally offered through an RFP issued in 2000. SFRA selected a developer and entered into a Disposition and Development Agreement ("DDA") in 2001 to develop affordable housing for first-time homeowners, but the selected developer failed to perform. SFRA terminated the DDA in December, 2002. From 2004-2007, the site served as the staging area for the construction of an adjacent SFRA funded affordable housing development, the Plaza Apartments, located at 988 Howard Street. After consultation with the community, SFRA issued a second RFP in 2006 to develop the site as affordable family rental housing, and selected BRIDGE Housing to develop the site. SFRA provided a loan from the LMIHF using SB 2113 Funds and entered into a ground lease in April of 2011. Construction is completing now, with lease up to eligible families and final project completion anticipated in early 2014.

Disposition of the Agency Property

200 6th Street: The Successor Agency proposes to retain the property to fulfill an enforceable obligation to fund and complete replacement housing units. The Successor Agency intends to provide the affordable housing developer, Mercy Housing California, with a ground lease to provide site access to construct 66 units of family rental housing available to very low-income households, as well as provide long term affordability restrictions to the project. The ground lease is anticipated to be needed in 2014 so that the developer has site control to qualify for CDLAC financing. Upon completion of the project, currently estimated in 2016, the Successor Agency will transfer the fee interest in the land, the ground lease, and the related loan agreement to the Housing Successor under Section 34181(c).

474 Natoma Street: The Successor Agency proposes to retain the property to fulfill an enforceable obligation to fund and complete the replacement housing units. Upon completion of the project in early 2014, the Successor Agency will transfer the fee interest in the land, the existing ground lease dated April 19, 2011 between the Successor Agency and the affordable housing developer, 474 Natoma LLC, a BRIDGE Housing development entity, and the related loan agreements to the Housing Successor under Section 34181(c).

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A-1:	Map of 200 6 th Street Family Housing Site
Attachment A-2:	Map of 474 Natoma Family Housing Site
Attachment B:	DOF Tracking Sheet – Other Properties

Attachment A-1 Map of 200 6th Street Family Housing

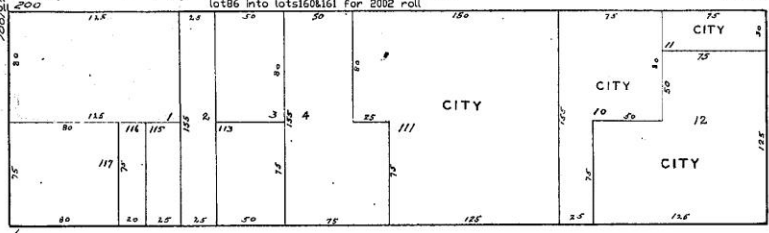
200 6TH STREET

lot 42 into lots 128/149 For 1998 roll
 lot 43 into lots 168/170 For 2000 roll
 lots 184/185 into lots 162/167 For 2000 roll
 lot 89 into lots 184/185 For 2004 roll
 lot 184 into lots 181/180 For 2004 roll
 lot 185 into lots 202/207 For 2004 roll
 lot 67 into lots 218/220 For 2007 roll
 lot 125/124 into lots 239 For 2009 roll
 lot 235 into lots 240/242 For 2009 roll
 lot 39 into lots 252/254 For 2010 roll
 lot 66 into lots 256/259 For 2009 roll

Lot 5-112 merged into Lot 4
 Lot 114 merged into Lot 112
 Lot 33 merged into Lot 32
 Lot 34 merged into Lot 33
 Lot 35 merged into Lot 34
 Lot 36 merged into Lot 35
 Lot 37 merged into Lot 36
 Lot 38 merged into Lot 37
 Lot 39 merged into Lot 38
 Lot 40 merged into Lot 39
 Lot 41 merged into Lot 40
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 Lot 142 merged into Lot 141
 Lot 143 merged into Lot 142
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 Lot 145 merged into Lot 144
 Lot 146 merged into Lot 145
 Lot 147 merged into Lot 146
 Lot 148 merged into Lot 147
 Lot 149 merged into Lot 148

CITY & COUNTY ASSESSOR 1995
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lot 15 into lots 171/183 For 2002 roll
 lot 86 into lots 160/161 For 2002 roll

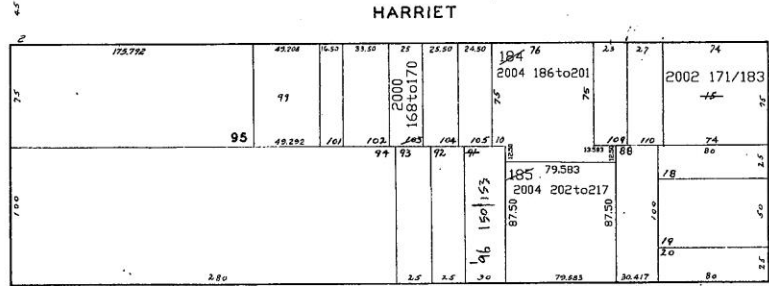


**LIGHTHOUSE LOFTS
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
128	1 4.5454...
129	2 4.5454...
130	3 4.5454...
131	4 4.5454...
132	5 4.5454...
133	6 4.5454...
134	7 4.5454...
135	8 4.5454...
136	9 4.5454...
137	10 4.5454...
138	11 4.5454...
139	12 4.5454...
140	13 4.5454...
141	14 4.5454...
142	15 4.5454...
143	16 4.5454...
144	17 4.5454...
145	18 4.5454...
146	19 4.5454...
147	20 4.5454...
148	21 4.5454...
149	22 4.5454...

3731
100 VARA BLK. 395

REVISION	DATE
REVISED	'57
REVISED	'58
"	'61
REVISED	'64
"	'68
"	'68
"	'96
Revised	'97
Revised	'98
Revised	2000
Revised	2002
Revised	2004
Revised	2007
Revised	2009
Revised	2010



**58 HARRIET ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
186	1 4.39
187	2 4.39
188	3 5.08
189	4 5.12
190	5 5.08
191	6 5.12
192	7 5.40
193	8 4.22
194	9 6.69
195	10 6.53
196	11 8.57
197	12 7.54
198	13 8.57
199	14 8.85
200	15 7.95
201	16 6.65

**1026 FOLSOM ST.
A CONDOMINIUM**

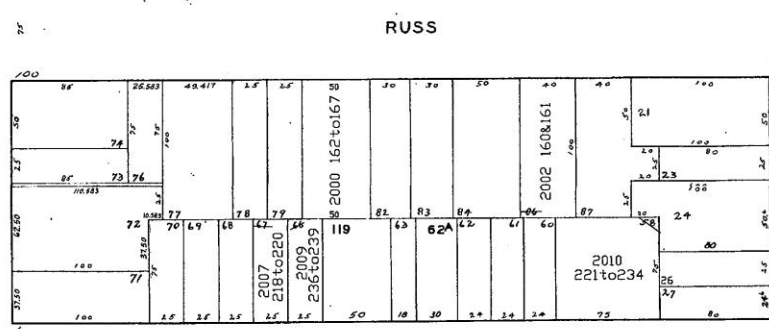
LOT	UNIT % COMM. AREA
171	1026 2.42
172	1 5.29
173	2 6.63
174	3 6.63
175	4 9.62
176	5 10.14
177	6 8.80
178	7 5.99
179	8 6.63
180	9 6.63
181	10 6.37
182	11 12.43
183	12 13.22

**175 RUSS ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
202	1 3.98
203	2 4.450
204	3 5.00
205	4 4.89
206	5 4.89
207	6 4.89
208	7 4.92
209	8 3.97
210	9 7.26
211	10 7.95
212	11 8.30
213	12 8.41
214	13 8.30
215	14 8.41
216	15 8.43
217	16 5.95

**170-172 RUSS ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
160	172 52.00
161	170 48.00



**142 RUSS ST.
A CONDOMINIUM**

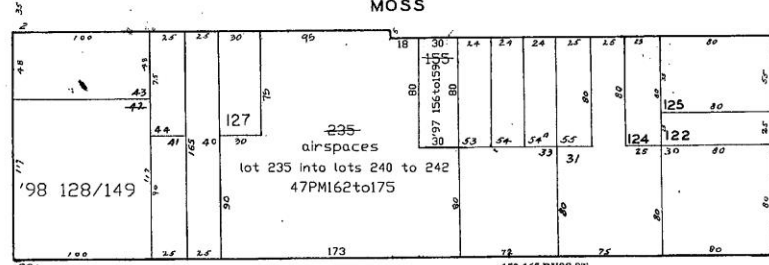
LOT	UNIT % COMM. AREA
162	1 11.76
163	2 11.42
164	3 18.98
165	4 20.24
166	5 19.10
167	6 19.10

**33-35 MOSS ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
218	1 32.83
219	2 33.54
220	3 33.63

**54-56 HARRIET ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
168	1 39.18
169	2 35.06
170	3 23.76

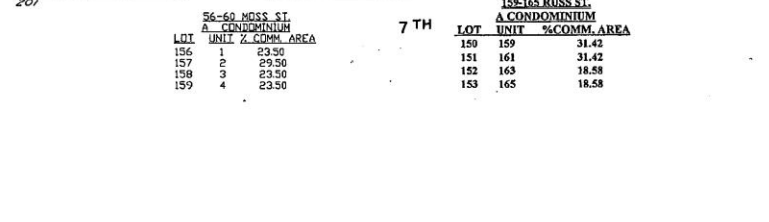


**56-60 MOSS ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
156	1 23.50
157	2 29.50
158	3 23.50
159	4 23.50

**159-165 RUSS ST.
A CONDOMINIUM**

LOT	UNIT % COMM. AREA
150	159 31.42
151	161 31.42
152	163 18.58
153	165 18.58



Attachment A-2
 Map of 474 Natoma Street Family Housing

474 NATOMA STREET



APR 22 1992
 474
 into lots 101 to 123 for 2002 roll
 © COPYRIGHT SAN FRANCISCO
 CITY & COUNTY ASSessor 1992

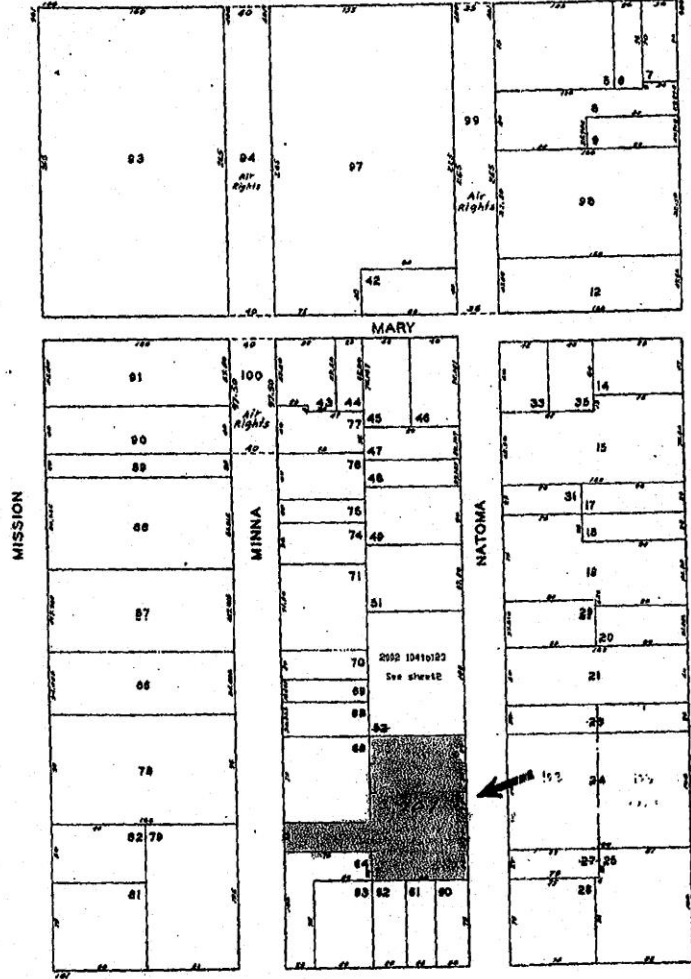
5TH



SHEET 1
 3725

100 VARA BLK 361

REVISED
 Revised 2002



6TH

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 Order: jp1 Comment:

Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)

Attachment B DOF Tracking Sheet - Other Properties

Successor Agency: Successor Agency to the Redevelopment Agency of the City and County of San Francisco
 County: San Francisco

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - OTHER PROPERTIES

No.	Property Name	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)				SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)			
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency	History of previous development proposals and activity
NON HOUSING PROPERTIES																							
1	Garage Parcel -- Fillmore Heritage Center	Parking Lot/Structure	Sale of Property	See narrative	Between 4/12/1967 and 4/22/1969	\$939,450	\$4,025,000	Appraised	8/1/2012	Fair Market Value	2015	See narrative	1310 Fillmore Street	0732-32	50,000	Moderate Scale Neighborhood Commercial (NC-3)	\$4,025,000	See narrative	See narrative	See narrative	See narrative	See narrative	
2	Commercial Air Rights Parcel -- Fillmore Heritage Center	Commercial	Fulfill Enforceable Obligation	See narrative	Between 4/12/1967 and 4/22/1969	(Included in acquisition price for Garage Parcel)	\$7,800,000	Appraised	Nov. 2013	\$0	2014/2015	See narrative	1310 Fillmore Street	0732-33	50,000	Moderate Scale Neighborhood Commercial (NC-3)	\$7,800,000	See narrative	See narrative	See narrative	See narrative	See narrative	
3	Land Leased to Kroger's (Foodsc)	Commercial	Fulfill Enforceable Obligation	See narrative	9/27/1990	\$4,000,000	\$3,800,000	Appraised	1/4/2011	\$0	2014/2015	See narrative	345 Williams Avenue	5423A-009	92,209	Neighborhood Commercial (NCS)	\$3,800,000	See narrative	See narrative	See narrative	See narrative	See narrative	
4	Burke Avenue Cul de sac	Roadway/Walkway	Governmental Use	See narrative	8/14/1974	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	0 Burke Avenue	5203-037	11,400	Core Production Distribution and Repair (PDR-2)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
5	Burke Avenue (portion)	Roadway/Walkway	Governmental Use	See narrative	8/14/1974	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	5203-044	500	Core Production Distribution and Repair (PDR-2)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
6	Sidewalk fronting Cargo Way (portion)	Roadway/Walkway	Governmental Use	See narrative	12/10/1970 - 10/4/1972	\$523	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	4570-020	108	Core Production Distribution and Repair (PDR-2)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
7	Sidewalk fronting Cargo Way (portion)	Roadway/Walkway	Governmental Use	See narrative	12/10/1970 - 10/4/1972	\$20,531	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	4570-021	4,242	Core Production Distribution and Repair (PDR-2)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
8	Sidewalk fronting Cargo Way (portion)	Roadway/Walkway	Governmental Use	See narrative	12/10/1970 - 10/4/1972	\$4,196	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	100 Jennings Street	4570-028	867	Core Production Distribution and Repair (PDR-2)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
9	Sidewalks fronting Bonifacio Street	Roadway/Walkway	Governmental Use	See narrative	2/1/1968 - 3/2/1970	\$15,771	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	3751-167	1,600	Mixed Use-Residential (MUR)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
10	Sidewalks fronting Rizal Street	Roadway/Walkway	Governmental Use	See narrative	8/9/1966 - 10/6/1970	\$22,854	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	3751-168	2,240	Mixed Use-Residential (MUR)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
11	Remainder senior housing parcel (Eugene Coleman)	Roadway/Walkway	Sale of Property	See narrative	8/7/1967	\$2,694	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	N/A	3733-096	116	Residential - Commercial, High Density (RC-4)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
12	Remainder senior housing parcel (Clementina Towers)	Roadway/Walkway	Sale of Property	See narrative	11/2/1967	\$417	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	316 Clementine Street	3733-098	25	Residential - Commercial, High Density (RC-4)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
13	Ellis Street Driveway	Roadway/Walkway	Sale of Property	See narrative	4/6/1982	\$0	\$10,000	Appraised	9/14/2011	Fair Market Value	2014/2015	See narrative	N/A	725-026	6,875	Moderate Scale Neighborhood Commercial (NC-3)	\$10,000	See narrative	See narrative	See narrative	See narrative	See narrative	
14	Port Lease - Rincon Park	Park	Governmental Use	See narrative	6/13/1995	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Waterfront at Folsom Street and the Embarcadero	3743-1 3742-3,4,5,7,8,8A,9,10,12,13	125,870	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
15	Port Lease - Parcel N-2	Mixed-Use	Governmental Use	See narrative	12/7/1984	\$94,908	\$197,919	Book	Nov. 2013	\$0	2014	See narrative	South Beach Harbor & the Pier 40 apron area	N/A	2,052,678	Small Boat Harbor	\$197,919	See narrative	See narrative	See narrative	See narrative	See narrative	
16	Port Lease - Parcel N1-A	Mixed-Use	Governmental Use	See narrative	11/14/1986	\$24,300	\$50,675	Book	Nov. 2013	\$0	2014	See narrative	Open space in front of Pier 40	N/A	20,268	Small Boat Harbor	\$50,675	See narrative	See narrative	See narrative	See narrative	See narrative	
17	Port Lease - Parcel N1-B	Mixed-Use	Governmental Use	See narrative	6/30/1990	\$130,700	\$272,558	Book	Nov. 2013	\$0	2014	See narrative	Pier 40 warehouse building	N/A	50,640	Small Boat Harbor	\$272,558	See narrative	See narrative	See narrative	See narrative	See narrative	
18	Port Lease - Parcel N1-C	Mixed-Use	Governmental Use	See narrative	3/30/1992	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Pier 38/40 bulkhead/restaurant space	N/A	2,300	Small Boat Harbor	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
19	Port Lease - Parcel S	Roadway/Walkway	Governmental Use	See narrative	9/22/1988	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of the South Beach Park Promenade	N/A	182,516	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
20	Port Lease - Rempp Parcel	Roadway/Walkway	Governmental Use	See narrative	6/11/2002	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of the South Beach Park promenade	N/A	9,753	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
21	Port Lease - Parcel S-1	Roadway/Walkway	Governmental Use	See narrative	12/7/1984	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of the South Beach Park promenade and open space	N/A	(Included in lot size for Port Lease - Parcel S)	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
22	Port Lease - Parcel S-2	Roadway/Walkway	Governmental Use	See narrative	12/10/1985	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of the South Beach Park promenade and open space	N/A	44,427	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
23	Port Lease - Parcel S-3	Roadway/Walkway	Governmental Use	See narrative	4/30/1987	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of the open space in front of Pier 40	N/A	9,857	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
24	Port Lease - Parcel S-6	Roadway/Walkway	Governmental Use	See narrative	9/11/1997	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	South Beach Harbor parking lot	N/A	24,829	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
25	Port Lease - Parcels M-3, M-4A, S-1D	Roadway/Walkway	Governmental Use	See narrative	2/15/1995	\$100,696	\$206,504	Book	Nov. 2013	\$0	2014	See narrative	Portion of South Beach Harbor parking lot, truck turnaround by ballpark	3801-1 (por.) 3802	99,121	Major Park	\$206,504	See narrative	See narrative	See narrative	See narrative	See narrative	
26	Port Lease - Parcel M-5	Roadway/Walkway	Governmental Use	See narrative	9/11/1997	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Portion of South Beach Harbor parking lot	N/A	19,086	Major Park	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
27	Port Lease - Parcel J	Residential	Governmental Use	See narrative	9/24/1987	\$54,000	\$104,754	Book	Nov. 2013	\$0	2014	See narrative	600 & 602 The Embarcadero	3790-1 3791-1	128,850	Residential with Neighborhood Commercial	\$104,754	See narrative	See narrative	See narrative	See narrative	See narrative	
28	Port Lease - Parcel K	Residential	Governmental Use	See narrative	5/9/1991	\$61,000	\$99,083	Book	Nov. 2013	\$0	2014	See narrative	800 The Embarcadero	3792-2,3	63,943	Residential	\$99,083	See narrative	See narrative	See narrative	See narrative	See narrative	
29	Port Lease - Parcel K-1	Roadway/Walkway	Governmental Use	See narrative	12/1/1988	\$0	\$0	Book	Nov. 2013	\$0	2014	See narrative	Townsend Street (por.)	3792	1,307	Street	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
30	Westbrook Plaza - Land + Underground Garage	Parking Lot/Structure	Other	See narrative	12/19/2008	\$ 3,978,801	\$0	Market	Nov. 2013	Fair Market Value	2014	See narrative	227-255 7th Avenue	3731-240	22,618	South of Market Residential Enclave (RED)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	
31	Westbrook Plaza - South of Market Health Center	Other	Other	See narrative	12/19/2008	\$ 1,600,000	\$0	Market	Nov. 2013	Fair Market Value	2014	See narrative	229 7th Avenue	3731-241	18,580	South of Market Residential Enclave (RED)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative	

Attachment B DOF Tracking Sheet - Other Properties

Successor Agency: Successor Agency to the Redevelopment Agency of the City and County of San Francisco
 County: San Francisco

LONG RANGE PROPERTY MANAGEMENT PLAN (PART 2): PROPERTY INVENTORY DATA - OTHER PROPERTIES

No.	Property Name	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)			Date of Estimated Current Value	SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)		
			Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value		Value Basis	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency
NON HOUSING PROPERTIES																						
32	Mini Park D-2	Roadway/Walkway	Sale of Property	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Bet. McKinnon and La Salle Ave., east of Lane St.	4711-010	15,700	RH-2	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
33	Mini Park DD-4	Park	Governmental Use	See narrative	2/15/1972	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Bet. Rosie Lee and Beatrice Lns, west of Lillian St.	4713-008	217,800	RH-2	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
34	Mini Park E-2	Roadway/Walkway	Sale of Property	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	South off of Commer Ct.	4715-060	11,900	RH-2	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
35	Mini Park E-4	Roadway/Walkway	Sale of Property	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Bet. Garlington Ct and Osceola Ln.	4715-010	2,400	RH-2	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
36	Mini Park F-2	Roadway/Walkway	Sale of Property	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Bet. Ingalls St and Baldwin Ct	4714-003	43,000	RH-2	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
37	Mini Park FF-7	Park	Governmental Use	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Off Palou St and Oakdale Ave, west of Ingalls St	4700-055	7,000	RH-1	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
38	Mini Park HH-2	Roadway/Walkway	Sale of Property	See narrative	9/30/1969	\$0	\$0	Market	Nov. 2013	\$0	2014/2015	See narrative	Bet Northridge and Kiska Rds, east of Ingalls St	4700-079	8,000	RM-1	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
39	Contemporary Jewish Museum Airspace Parcels	Commercial	Sale of Property	See narrative	4/27/1967-12/2/1971	\$445,549	0	Market	Nov. 2013	\$0	2014/2015	See narrative	736 Mission Street	3706-277 (por)	N/A	3-C-R	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
40	Moscone Convention Center North - Land	Other	Fulfill Enforceable Obligation	See narrative	3/13/1967-9/1/1970	\$7,225,839	\$114,840,335	Market	2/1/2012	\$0	2014-2015	See narrative	747 Howard Street	3734-091 (por) 3723-115 (por)	574,202	3-C-S	\$114,840,335	See narrative	See narrative	See narrative	See narrative	See narrative
41	Moscone Convention Center North - Improvements	Other	Fulfill Enforceable Obligation	See narrative	1992	\$140,000,000	\$193,019,945	Market	2/1/2012	\$0	2014-2015	See narrative	747 Howard Street	3734-091 (por) 3723-115 (por)	593,908	3-C-S	\$193,019,945	See narrative	See narrative	See narrative	See narrative	See narrative
42	Block 201 Easement	Other	Sale of Property	See narrative	10/17/1963	\$0	\$0	Market	11/14/2013	\$0	2014	See narrative	Former Jackson Street right of way	201 (por)	4,136	Residential - Commercial, High Density (RC-4)	\$0	See narrative	See narrative	See narrative	See narrative	See narrative
HOUSING PROPERTIES																						
43	5800 3rd/Carroll Avenue Senior Housing	Residential	Fulfill Enforceable Obligation	See narrative	9/21/2010	\$8,380,733	\$5,810,000 ¹	Appraised	5/15/2013	N/A	N/A	See narrative	1751 Carroll Ave	5431/042	64,369	M-1	\$5,810,000 ¹	See narrative	See narrative	See narrative	See narrative	See narrative
44	200 Sixth Street Family Housing	Residential	Fulfill Enforceable Obligation	See narrative	11/12/2009	\$4,600,000	\$4,600,000 ¹	Book	11/12/2009	N/A	N/A	See narrative	200 6th Street	3731/001	9,997	NCT - SOMA Neighborhood Commercial Transit	\$4,600,000 ¹	See narrative	See narrative	See narrative	See narrative	See narrative
45	474 Natoma Family Housing	Residential	Fulfill Enforceable Obligation	See narrative	8/1/2000	\$1,362,500	\$3,300,000 ¹	Appraised	5/31/2011	N/A	N/A	See narrative	474 Natoma Street	3725/101	11,902	C-3-2 (Downtown Support)	\$3,300,000 ¹	See narrative	See narrative	See narrative	See narrative	See narrative

¹ The Estimated Current Value of the affordable housing properties is based on either a recent appraisal for ground lease purposes, or the acquisition value, however there is no actual value under Dissolution Law due to long term affordability restrictions and the future transfer of the property to the City as Housing Successor.