

Commission on Community Investment and Infrastructure

Second Amendment to Option Agreement with F4 Transbay Partners LLC

Transbay Block 4

December 15, 2020



Current Request

Approval of Second Amendment that:

- Extends the Outside Option Exercise Date from January 1, 2021 to March 31, 2021, and gives Executive Director discretion to extend by another three months to June 30, 2021

Option Agreement History

- **2016:** OCII and Developer entered into an Option Agreement for negotiation of a disposition and development agreement for Block 4
- **2018:** Commission approved a First Amendment to Option that:
 - Adopted a non-binding Term Sheet for the Project (including an increase in height)
 - Extended the time period for negotiations by one year

Option Agreement History Cont'd

- **2019:** Executive Director granted 12-mo. extension of Outside Option Exercise Date (to June 30, 2020 for continued DDA negotiations)
- **June 2020:** Executive Director postponed the Outside Option Exercise Date by six months to January 1, 2021 due to COVID-19 Force Majeure event

Status of DDA Negotiations

1. Scope of Development includes 669 res. units including 327 BMR units (49%); ~8,000 sf retail; ~16,500 sf open spaces; space for 224 vehicles/556 bicycles; Tehama Street construction
2. Determination of Purchase Price to be aided by appraisal, which is underway
3. Schematic Design review also underway

Proposed Option Timeline

1. With Commission approval, Option extended through March 31, 2021
2. If needed, Executive Director authorized to extend Option by additional three months to June 30, 2021 in her sole discretion

Next Steps

- Staff to come before Commission concerning Redevelopment Plan variation and affordable housing fee from Transbay Parcel F
- Staff to finalize DDA negotiations with Developer, including purchase price
- Present DDA to Commission for approval, together with Plan Amendment for height increase
- If approved by Commission, Board of Supervisors to approve Plan Amendment

Office of Community Investment and Infrastructure

Questions & Comments

PUBLIC COMMENT CALL-IN:

Dial: 1(415) 655-0001 Access Code: 146 996 6099

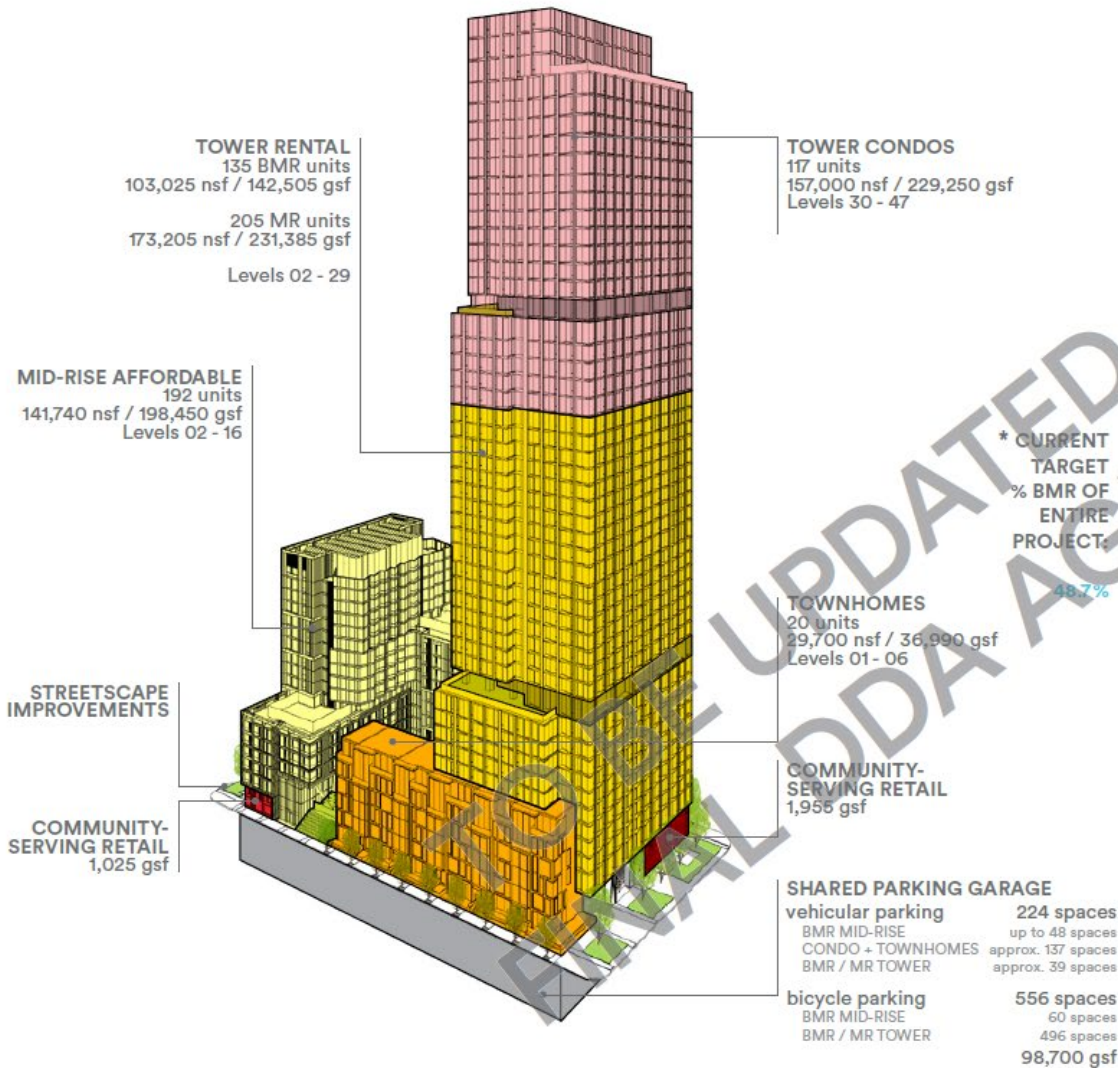
Press # twice

- You will automatically be muted when you get on the line.
- When prompted, dial ***** then “3” to be added to the speaker queue.
- Please listen for the prompt indicating that “***Your line has been unmuted***”.
- This will be your opportunity to speak. You will have 3 minutes. Please speak clearly and slowly.

Transbay Block 4



Transbay Block 4



TYPE	PROPOSED			TB-4 TERM SHEET		
	UNIT COUNT	%	AVG SF	UNIT COUNT	%	AVG SF
BMR APARTMENTS (PODIUM)	192*	28.7%	750	191	26.8%	702
BMR APARTMENTS (TOWER)	135	20.2%	768	156	21.9%	768
MR APARTMENTS (TOWER)	205	30.6%	845	220	30.9%	885
MR TOWNHOMES	20	3.0%	2,517	-	-	-
MR CONDOS	117	17.5%	1,121	146	20.4%	1,202
TOTAL	669	100%	889	713	100%	876
BMR APARTMENTS (PODIUM)						
1 BEDROOM	101	52.6%	525	96	50.3%	525
2 BEDROOM	50	26.0%	800	57	29.8%	800
3 BEDROOM	41	21.4%	1,000	38	19.9%	1,000
TOTAL	192	100%	750	191	100%	702
BMR APARTMENTS (TOWER)						
1 BEDROOM	69	51.1%	585	78	50.0%	592
2 BEDROOM	40	29.6%	880	47	30.1%	958
3 BEDROOM	26	19.3%	1,060	31	19.9%	1,000
TOTAL	135	100%	765	156	100%	768
MR APARTMENTS (TOWER)						
1 BEDROOM	107	52.2%	655	103	46.8%	644
2 BEDROOM	98	47.8%	1,020	117	53.2%	1,046
TOTAL	205	100%	845	220	100%	885
MR CONDOS (TOWER)						
1 BEDROOM	29	24.8%	700	41	28.1%	750
2 BEDROOM	58	49.6%	1,285	75	51.4%	1,100
3 BEDROOM	27	23.1%	1,795	12	8.2%	1,700
PENTHOUSE	3	2.6%	3,030	18	12.3%	2,202
TOTAL	117	100%	1,340	146	100%	1,202

* Subject to confirmation of district balance during DDA negotiation
* One unit in BMR podium is an unrestricted manager's unit