



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary

Fee Waiver for the Market and Octavia Community Improvement Impact Fee and the Van Ness and Market Neighborhood Infrastructure Fee

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HEARING DATE: NOVEMBER 16, 2017

Date: November 9, 2017
Case No.: 2019.0159IKA
Project Address: 1540 Market Street (a.k.a. One Oak)
Plan Area: Market and Octavia Area Plan
Project Sponsor: Steve Kuklin
Build, Inc.
315 Linden Street
San Francisco, CA 94102
Staff Contact: Lily Langlois (415-575-9083)
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SUMMARY

The Project Sponsor of the development at One Oak is seeking to enter an In-Kind Agreement with the City of San Francisco to provide a new public plaza and streetscape improvements on Oak Street in return for a waiver of \$2,180,893 of their Market and Octavia Community Improvement Impact Fee and Van Ness and Market Neighborhood Infrastructure Fee obligations.

PROJECT LOCATION

The proposed project, called Oak Plaza, is located on Oak Street between Van Ness Avenue and Franklin Street. The project is located at the intersection of Market Street and Van Ness Avenue, a major transportation hub, given the proximity to the Van Ness Metro Station and the future Van Ness Bus Rapid Transit stop. The project falls within the "Hub", referred to as *SoMa West* in the Market Octavia Area Plan, envisioned as an area for high density residential development. Numerous policies in the Plan support this vision including the creation of the Van Ness and Market Downtown Residential Special Use District (SUD). The SUD encourages the development of a transit-oriented, high-density, mixed-use residential neighborhood around the intersections of Market Street and Van Ness Avenue.

The project, a public plaza, would occupy a portion of the Oak Street right-of-way and a portion of the private property adjacent to the northern façade of the One Oak building. The One Oak building would include a ground-floor retail space and residential lobby entrance that would open onto the plaza. On the north side of the plaza, facing Oak Street, is a city-owned building, 25 Van Ness Avenue. Further west on the north side of Oak Street is the Conservatory of Music and a surface parking lot at 110 Franklin Street. West of the project site on the south side of Oak Street is a new mixed use development currently under

construction (1554 Market Street). Further west on the south side of the street is a surface parking lot (98 Franklin) which is owned by the French American School.

BACKGROUND

On June 15, 2017, the project at One Oak was approved by the Planning Commission for approval. The proposed One Oak Project would demolish all existing structures on the project site at 1500-1540 Market Street including 47 existing valet-operated parking spaces, and construct a new 304-unit, 400-foot-tall, 40-story residential tower (plus a 20-foot-tall parapet and 26-foot-tall elevator penthouse, measured from roof level) with approximately 4,110 square feet of ground-floor commercial space, one off-street loading space, and a subsurface parking garage containing 136 spaces for residents and 2 service vehicle spaces. Bicycle parking accommodating 304 Class 1 and 62 Class 2 spaces would be provided for residents on the second-floor mezzanine and for visitors in bicycle racks on adjacent sidewalks. The proposed project would also include the following: construction of a public plaza, construction of several kinetic art sculptures that would also provide wind mitigation within the proposed plaza, one wind canopy within the sidewalk at the northeast corner of Market Street and Polk Street to reduce pedestrian-level winds, and a new elevator enclosure for the Van Ness Station Muni elevator.

Per Sections 421 and 424 of the Planning Code, the project is subject to pay \$4,984,205 in Market and Octavia Community Improvement impact fees, and \$5,251,726 in Van Ness and Market Neighborhood Infrastructure fees, since the property falls within the boundaries of the Market and Octavia Area Plan and Van Ness and Market Residential Special Use District boundaries. As per Sections 421.3(d) and 424.3(c) of the Planning Code, sponsors may pay the impact fee directly to the City or may request to directly provide infrastructure that is consistent with the Community Improvements Program for the Market Octavia Area Plan. Such direct provision of infrastructure requires approval of the City, in the form of a legally binding "In-Kind Agreement." Build Inc., the Project Sponsor for the One Oak development, is seeking such an In-Kind Agreement to provide infrastructure improvements on Oak Street.

The proposed Oak Plaza is 16,050 ft² and consists of 11,207 ft² of pedestrian only plaza, and a 4,843 ft² shared public way on Oak Street. The Project Sponsor would not receive In-Kind credit for any of the plaza improvements on the Sponsor's property; on existing sidewalks bordering the Sponsor's property; and on two widened sidewalk areas (1,820 ft² on the south side of Oak Street, and 1,162 ft² on the north side of Oak Street). (See attachment 3). The In-Kind fee waiver would only cover improvements on the existing north Oak Street sidewalk fronting 25 Van Ness Avenue and the Oak Street roadway. In addition, In-Kind credit would be allocated to provide four new publicly-owned "micro-retail" kiosks on the northern edge of Oak Plaza adjacent to the 25 Van Ness property; six new landscaped planters or trees along the 25 Van Ness façade; four new street lights on the north side of Oak Street; and electric power to support programming in the Plaza.

The improvements proposed for this agreement would support the policies established in the Market Octavia Area Plan passed in 2008. The Plan envisioned high density residential development at the Market and Van Ness intersection, an enhanced public realm, and improvements to support transit use, walking, and biking. Further, both the Market Octavia Plan as well as the Hub Public Realm Plan recognize underutilized streets and rights-of-way as an opportunity to create new public parks and plazas.

PROPOSED PUBLIC IMPROVEMENTS

The project sponsors of One Oak propose to provide infrastructure improvements on Oak Street to create additional neighborhood-serving open space and to enhance pedestrian safety. The proposed public plaza included in this In-Kind Agreement would feature:

- 1) Shared public way (4,843 ft²), which is designed to be shared by automobiles, pedestrians and bicycles.
- 2) Improvements to the north side of Oak Street (2,869 ft²)
- 3) Six new landscaped planters or trees along the 25 Van Ness façade
- 4) Four new street lights on the north side of Oak Street
- 5) Four new publicly-owned “micro-retail” kiosks on the northern edge of Oak Plaza adjacent to the 25 Van Ness property
- 6) Electric power to support programming in the Plaza.

The plaza would be publicly accessible and located on public rights-of-way and private property, subject to an operations plan that would be developed subsequent to this approval, and approved by the City.

OUTREACH AND PUBLIC COMMENT

The Market Octavia Citizen Advisory Committee (the CAC) reviewed iterations of the proposed Plaza at the February 2016 and November 2016 meetings. The CAC approved a resolution on May 15, 2017 supporting the improvements and recommending an in-kind waiver of \$1,952,773 plus eligible project management costs as determined by the City.

According to the Project Sponsor, extensive and lengthy community engagement has been conducted for the One Oak development and the associated Oak Plaza. The Project Sponsor team has held over 68 meetings and outreach discussions, including roughly 253 participants, over 2 years since January 2015

The Department has received 19 letters in support of the project (see Attachment 6).

DESIGN REVIEW

The project sponsor began conversations with the City on seeking an In-Kind Agreement early in the process of their project entitlements. The proposed design has been reviewed and commented on by the Planning Department (including the Streets Design Advisory Group), the Department of Public Works, the SFMTA, the Department of Real Estate and the SF Arts Commission Civic Design Review Committee. The Agencies have reviewed the concept design to identify any design and technical issues; the resulting design incorporates their recommendations and reflects the feedback received from city agencies. The Project Sponsor has incorporated changes in the final concept design including the placement of trees on the north side of Oak Street, improving loading and passenger drop-off and the use of standard materials recommended by Public Works.

COST ESTIMATES & PROJECT BUDGET

The Department received two cost estimates from the project sponsor – from Suffolk and Build Group – in the amount of \$2,245,423 and \$3,230,044, respectively. The cost estimates have been reviewed by the Planning Department and Department of Public Works (see Attachment 4). These cost estimates support

the fee waiver amount of \$2,180,893. The total capital budget, including soft costs and escalation, is \$2,180,893 as follows:

Oak Plaza Capital Costs

Construction costs (plaza)	\$1,449,740
Soft costs (13%) (<i>Landscape architecture, civil engineering, etc.</i>)	\$218,173
Escalation (5% for 3 years)	\$228,515
Administrative & Project Management Costs	\$284,464
<u>Total Development Cost</u>	\$2,180,893

Based on the cost estimates and proposed in-kind value, the project budget is as follows:

Oak Plaza Budget

In-Kind Agreement fee waiver	\$2,180,893
Build Inc. Planning Code Requirements	\$3,949,048
<u>Total Funding</u>	\$6,129,940

MAINTENANCE OF IMPROVEMENTS

As part of the Major Encroachment Permit, the Project Sponsor is required to maintain the Plaza for the life of the improvements. Relatedly, a Maintenance Covenant would be outlined as part of the Major Encroachment Permit, in which a specific maintenance work program will be established; the responsibility for that work program will be tied to the One Oak development site in perpetuity through a Notice of Special Restriction on the property.

The City is exploring a Mello-Roos Community Facilities District (CFD) to provide funding for ongoing maintenance and operations of public realm improvements in the Hub. The exact terms of the CFD are still being developed. If a CFD is established, funding for maintenance and programming could be generated by an annual tax that is agreed upon by all participating properties. The Project Sponsor has committed to participating in a CFD and providing funding for ongoing maintenance and operations for all public realm improvements within Oka Plaza.

THE CITY'S PLAZA PROGRAM

Similarly, the In-Kind Agreement will include a provision indicating that the City may decide to include Oak Plaza in the City's Plaza Program. Through the Plaza Program, City staff will assign the ongoing operations and programming of the plaza to a third party through a public RFP process to select a non-profit plaza steward. The advantages of participating in the Plaza Program include, but are not limited to enabling ongoing programming through a single permit, assuring that the plaza is sufficiently activated and does not inadvertently feel privatized.

ENVIRONMENTAL REVIEW AND TRANSPORTATION ANALYSIS

The proposed improvements were environmentally cleared as a part of the EIR for One Oak (Case no. 2009.0159E), dated June 15, 2017, on file with the Department.

GENERAL PLAN CONSISTENCY

The proposed Project is found to be in conformity with the General Plan. See the attached Draft Motion. These General Plan findings can be relied upon for other related City actions, such as approval of a Major Encroachment Permit and the remapping of curb lines, where General Plan findings (e.g. General Plan Referrals) will also be required.

REQUIRED COMMISSION ACTION

The action before the Commission is to approve an impact fee waiver for the One Oak project in the amount of \$2,180,893 in return for provision of the in-kind improvements discussed above.

BASIS FOR RECOMMENDATION

In September of 2010, the Planning Commission endorsed a policy entitled "[Procedures for In-Kind Agreements](#)". The proposed improvements would present a suitable priority for an In-Kind Agreement to satisfy portions of the applicable infrastructure impact fee obligation.

- The Proposed Improvements are Eligible for an In-Kind Agreement
- The Proposed Improvements are a Priority
- The Project is Recommended

ELIGIBILITY CRITERIA

1. Improvement Fulfills the Purpose of Community Improvements

Per Planning Code section 421.1(a) (which describes in-kind improvements under the Market Octavia Community Improvements Fund) public improvements, including community open spaces, pedestrian and streetscape improvements, are eligible for funding.

2. The Infrastructure Type is Identified in the Fee Ordinance

The plaza falls under the "Complete Streets" category of improvements in the Market and Octavia Community Improvements Fund and Van Ness and Market Residential SUD Infrastructure Fund, and therefore is eligible.

3. The Expenditure Category for Infrastructure Type is Not Exhausted

The "Complete Streets" category of these Infrastructure Funds have not been exhausted.

PRIORITIZATION CRITERIA

- 1) Improvement is identified in the Five Year Capital Plan

The project is not included in the current IPIC and CAC endorsed Five Year Capital Plan for Fiscal Year 2017-18, which was adopted in November, 2016. However, the In-Kind fee waiver amount in support of the project was approved by the IPIC and CAC in May, 2017 and will accordingly be incorporated into the forthcoming

Five Year Capital Plan for Fiscal Year 2018-19 which is expected to be adopted in November of this year. In addition, the Project is specifically included in the Hub Public Realm Plan as a priority public realm improvement in the area. Thus, this project fulfills vision articulated in the Community Improvements identified in the Market Octavia Area Plan and in the Hub Public Realm Plan.

2) Improvement does not Compete with a CAC and IPIC Endorsed Improvement

The In-Kind fee waiver amount in support of the Project was approved by the IPIC and CAC in August and in May 2017. As part of the approval by each of these entities, the Project was determined not to be in competition with any currently identified capital project included in the CAC and IPIC endorsed Five Year Capital Plan. This Project falls within the Complete Streets funding category, which as of the most recently adopted Five Year Capital Plan for Fiscal year 2017-18 contains a projected un-programmed cumulative balance of \$9,300,000 through the Market and Octavia Community Improvements Fund and \$8,150,000 through the Van Ness and Market Residential SUD Infrastructure Fund, for a total of \$17,450,000 in unprogrammed Complete Streets Infrastructure funds.

3) CAC Supports the Proposed Improvement

The CAC approved a resolution in May 2017 supporting the improvements in an amount up to \$1,952,773 and any eligible administrative and project management costs as to be determined by the Planning Department (Attachment 5).

4) Efficiencies are Gained Through Coordination with Development Project

Project Sponsors can utilize the construction tools and labor already working onsite for the One Oak development to deliver the improvements in a more timely and efficient manner. The Project would be timed with the development of the adjacent development and delivered no later than when the development is ready for occupancy. The Project could be built in conjunction with the development project, resulting in less disruption from construction than if the Project were independently built at another time.

RECOMMENDATION

The proposed plaza and streetscape improvements support the policies and projects established in the Market Octavia Area Plan. The Project would enhance pedestrian safety, provide additional public open space and community programming opportunities, and contribute to an improved public realm in this rapidly developing neighborhood.

The 2016 Interagency Plan Implementation Report projects approximately \$27,700,000 in impact fee revenue for Complete Streets projects in the Market and Octavia Plan Area, including revenue from the Van Ness and Market SUD Infrastructure Fee, over the five year period from FY 2018-19 through FY 2021-22. Of this, a total of \$17,450,000 in Complete Streets revenue has yet to be programmed and remains available to be allocated to specific eligible projects. At the August 9th IPIC meeting, the IPIC was supportive of allocating up to \$2,245,423 for Oak Plaza. Following the IPIC meeting, the Department and Public Works worked with the sponsor to amend the scope of work that would receive in-kind credit. These changes included removing tables and chairs, these will be provided by the Sponsor; and removing non-city standard items including theatrical lighting and speakers.

Pursuing this In-Kind Agreement would create an opportunity to capitalize on existing construction of an adjacent development to enhance and expand the public realm within the Hub, resulting in efficiencies gained for the construction of the improvements. The CAC has passed a resolution in support of this In-

Kind Agreement for the scope of work described in this case report, for up to \$1,952,773 and any eligible administrative and project management costs as to be determined by the Planning Department.

Based on the public benefits generated, CAC support, public comments and outreach, and review of the design, cost estimate, and terms of the agreement, **the Planning Department recommends approval of this In-Kind Agreement.**

Attachments:

1. Draft Planning Commission Motion
2. In-Kind Agreement for Oak Plaza
3. Cost Estimates (Suffolk Construction and Build Group)
4. Market Octavia CAC Resolution
5. Letters of support
6. Oak Plaza Concept Design



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission DRAFT Motion No. _____

HEARING DATE: NOVEMBER 16, 2017

Date: November 9, 2017
Case No.: 2019.0159IKA
Project Address: 1540 Market Street (a.k.a. One Oak)
Plan Area: Market Octavia
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APPROVING AN IMPACT FEE WAIVER FOR ONE OAK IN THE AMOUNT OF \$2,180,893 TO PROVIDE STREETScape, PEDESTRIAN SAFETY, AND PUBLIC SPACE IMPROVEMENTS ON OAK STREET BASED ON THE COMPLETION OF AN IN-KIND AGREEMENT BETWEEN THE PROJECT SPONSOR AND THE CITY.

PREAMBLE

On May 30, 2008, the Market Octavia Plan became effective, including now Section 421.3 of the San Francisco Planning Code, the Market and Octavia Community Improvements Fund applicable to all projects in the plan area, including the subject property. The Planning Code also enabled project sponsors to seek a waiver from the impact fees when providing public improvements through an In-Kind Agreement with the Planning Department.

On August 30, 2016, the Project Sponsor, Build, Inc., filed an application with the City for approval of an In-Kind Agreement for provision of streetscape and public space improvements on Oak Street.

On June 15, 2017, the Planning Commission approved the One Oak project. The project consists of a new 304-unit, 40-story residential tower (plus a 20-foot-tall parapet and 26-foot-tall elevator penthouse, measured from roof level) with ground-floor commercial space.

The proposed improvements would provide a new public open space, improve the public realm, enhance pedestrian safety, and calm traffic, consistent with the Market Octavia Area Plan. The improvements proposed for this agreement would support the policies established in the Market Octavia Area Plan passed in 2008. The Plan envisioned high density residential development at the Market and Van Ness intersection, an enhanced public realm, and improvements to support transit use, walking, and biking. Further, both the Market Octavia Plan as well as the Hub Public Realm Plan recognizes underutilized streets and rights-of-way as an opportunity to create new public parks and plazas.

On May 15, 2017, in Motion 2017-05-15, the Market Octavia Citizens Advisory Committee passed a resolution supporting the proposed improvements for the One Oak In-Kind Agreement.

MOVED, that the Commission hereby authorizes the Market Octavia Community Improvements Fund Fee Waiver for One Oak in the amount of \$2,180,893 based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. The proposed In-Kind Agreement is consistent with the Planning Code Section 421.3.
3. **In-Kind Agreement Approval Criteria.** The proposed improvements would present a suitable priority for an In-Kind Agreement to satisfy portions of the Area Plan infrastructure impact fees as they meet the following criteria established in the Planning Commission approved "Procedures of In-Kind Agreements".
 - Improvement Fulfills the Purpose of Community Improvements: Per Planning Code section 421.1(a) (which describes in-kind improvements under the Market Octavia Community Improvements Fund) public improvements, including community open spaces, pedestrian and streetscape improvements, are eligible for funding.
 - The Infrastructure Type is Identified in the Fee Ordinance: The plaza project falls under the "Complete Streets" category of improvements in the Market and Octavia Community Improvements Fund and Van Ness and Market Residential SUD Infrastructure Fund, and therefore is eligible.
 - The Expenditure Category for Infrastructure Type is Not Exhausted: The "Complete Streets" category of these Infrastructure Funds funds have not been exhausted.
4. **Priority Improvements.** The proposed improvements are a priority for the Plan Area as they meet the following criteria:
 - Improvement is identified in the Five Year Capital Plan

The project is not included in the current IPIC and CAC endorsed Five Year Capital Plan for Fiscal Year 2017-18, which was adopted in November, 2016. However, the In-Kind fee waiver amount in support of the project was approved by the IPIC and CAC in August and in May, 2017 and will accordingly be incorporated into the forthcoming Five Year Capital Plan for Fiscal Year 2018-19 which is expected to be adopted in November of this year. In addition, the Project is specifically included in the Hub Public Realm Plan as a priority public realm improvement in the area. Thus, this project fulfills vision articulated in the Community Improvements identified in the Market Octavia Area Plan and in the Hub Public Realm Plan.
 - Improvement does not Compete with a CAC and IPIC Endorsed Improvement:
 - *The In-Kind fee waiver amount in support of the Project was approved by the IPIC and CAC in August and in May 2017. As part of the approval by each of these entities, the Project was determined not to be in competition with any currently identified capital project included in the CAC and IPIC endorsed Five Year*

Capital Plan. This Project falls within the Complete Streets funding category, which as of the most recently adopted Five Year Capital Plan for Fiscal year 2017-18 contains a projected un-programmed cumulative balance of \$9,300,000 through the Market and Octavia Community Improvements Fund and \$8,150,000 through the Van Ness and Market Residential SUD Infrastructure Fund, for a total of \$17,450,000 in unprogrammed Complete Streets Infrastructure funds.

- **CAC Supports the Proposed Improvement:**

The CAC approved a resolution in May 2017 supporting the improvements in an amount up to \$1,952,773 and any eligible administrative and project management costs as to be determined by the Planning Department (Attachment 5).

- **Efficiencies are Gained Through Coordination with Development Project:**

Project Sponsors can utilize the construction tools and labor already working onsite for the One Oak development to deliver the improvements in a more timely and efficient manner. The Project would be timed with the development of the adjacent development and delivered no later than when the development is ready for occupancy. The Project could be built in conjunction with the development project, resulting in less disruption from construction than if the Project were independently built at another time

5. **Other City Agency Review.** The Project is recommended by the Planning Department and has been reviewed by other public agencies, including the Department of Public Works, Department of Real Estate and the SFMTA. The Street Design Advisory Team, a multi-agency multi-disciplinary review team chaired by Planning, reviewed the project twice and is supportive of the concept design.
6. **Other Required City Actions.** The creation of the plaza will require additional actions from other City Agencies, including but not necessarily limited to approval of a Major Encroachment Permit. These approvals are required in addition to this approval and the finalization of an In-Kind Agreement between the City and Project Sponsor.
7. **General Plan Compliance.** The Proposed Project is, on balance, consistent with the following Objectives and Policies of the General Plan. All required City approval actions where General Plan findings are required, including but not limited to a major encroachment permit and curb relocation legislation, may rely on findings below:

The proposed In-Kind improvements support the General Plan by implementing the below policies and objectives.

MARKET OCTAVIA AREA PLAN

OBJECTIVE 4.1 PROVIDE SAFE AND COMFORTABLE PUBLIC RIGHTS-OF-WAY FOR PEDESTRIAN USE AND IMPROVE THE PUBLIC LIFE OF THE NEIGHBORHOOD.

Widening the Oak Street sidewalks and creating a new public plaza will improve the pedestrian experience.

OBJECTIVE 4.3 REINFORCE THE SIGNIFICANCE OF THE MARKET STREET STREETSCAPE AND CELEBRATE ITS PROMINENCE AS SAN FRANCISCO'S SYMBOLIC "MAIN STREET"

The proposed Oak Plaza would create a new civic plaza at the important intersection of Market Street and Van Ness Avenue.

OBJECTIVE 7.2 ESTABLISH A FUNCTIONAL, ATTRACTIVE AND WELL-INTEGRATED SYSTEM OF PUBLIC STREETS AND OPEN SPACES IN THE SOMA WEST AREA TO IMPROVE THE PUBLIC REALM

POLICY 7.2.7 Embark on a study to reconfigure major intersections to make them safer for vehicles and pedestrians alike, to facilitate traffic movement, and to take advantage of opportunities to create public spaces.

URBAN DESIGN ELEMENT

OBJECTIVE 4 IMPROVE OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT PRIVDE AND OPPORTUNITY.

Policy 4.11 Make use of street space and other unused public areas for recreation, particularly in dense neighborhoods, such as those close to downtown, where land for traditional open spaces is more difficult to assemble.

RECREATION AND OPEN SPACE ELEMENT

OBJECTIVE 3 IMPROVE ACCESS AND CONNECTIVITY TO OPEN SPACE

Policy 3.1 Creatively develop existing publicly-owned right-of-ways and streets into open space.

The proposed Oak Plaza would create a new plaza in coordination with the development project at One Oak

OBJECTIVE 6 SECURE LONG-TERM RESOURCES AND MANAGEMENT FOR OPEN SPACE ACQUISITION, AND RENOVATION, OPERATIONS, AND MAINTENANCE OF RECREATIONAL FACILITIES AND OPEN SPACE.

Policy 6.1 Pursue and develop innovative long-term funding mechanisms for maintenance, operation, renovation and acquisition of open space and recreation.

The Project Sponsor has indicated its plan to establish a Mello Roos District to fund and operate the plaza. Approvals for the plaza will be required by Public Works and/or other agencies having jurisdiction over the plaza. Through these approvals, ongoing maintenance plans and funding plans for said maintenance will be required. Furthermore, the Project Sponsor acknowledges that the City could require that it participate in the

City's Plaza Program whereby the programming of the plaza is turned over to a third party to assure that it is sufficiently maintained and is managed as a public resource

8. **Planning Code Sections 101.1 Findings.** The proposed replacement project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:

- a) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced

The proposed project will have no adverse effects on neighborhood-serving retail uses.

- b) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

The proposed project will protect and enhance the existing neighborhood character by creating a public plaza and improving the public life in the neighborhood.

- c) The City's supply of affordable housing will be preserved and enhanced:

The proposed project will have no adverse effects on the City's supply of affordable housing.

- d) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

The proposed project would not impede MUNI transit service.

- e) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:

The proposed project would not adversely affect the industrial or service sectors or future opportunities for resident employment or ownership in these sectors.

- f) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The proposed project would not affect the preparedness against injury and loss of life in an earthquake is unaffected.

- g) That landmark and historic buildings will be preserved

The proposed project would not adversely affect landmark and historic buildings.

- h) Parks and open space and their access to sunlight and vistas will be protected from development

The proposed project will not affect access to sunlight and vistas in parks and open spaces.

I hereby certify that the foregoing Motion was adopted by the Planning Commission on November 16th, 2017.

Jonas P. Ionin
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

**ONE OAK STREET IN-KIND AGREEMENT
(PER ARTICLE 4 OF THE PLANNING CODE)**

THIS IN-KIND AGREEMENT (“**Agreement**”) is entered into as of _____, by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through the Planning Commission (the “**City**”) and One Oak Owner LLC, a Delaware limited liability company (“**Project Sponsor**”), with respect to a development project to be located at 1500-1540 Market Street, San Francisco, California, and commonly known as One Oak (the “**Project**”).

RECITALS

A. Article 4 of the San Francisco Planning Code authorizes the City, acting through the Planning Commission, and the sponsor of a development project in specified areas of the City to enter into an In-Kind Agreement that would allow the project sponsor to directly provide community improvements to the City as an alternative to payment of all or a portion of a fee that would be imposed on the development project in order to mitigate the impacts caused by the development project. Any undefined term used herein shall have the meaning given to such term in Article 4 of the Planning Code.

B. This Agreement shall not be effective until it has been signed by both the Project Sponsor and the City, is approved as to form by the City Attorney, is approved by the Planning Commission, and a duly executed Memorandum of Agreement in the form attached hereto as **Exhibit A** (the “**Memorandum of Agreement**”) is recorded in the Official Records of San Francisco County. The date upon which the foregoing requirements have been satisfied shall be the “**Effective Date**.”

C. The property described in **Exhibit B** attached hereto and generally known as One Oak Street in San Francisco, California (Assessor’s Block Number 0836, Lots 001-005) (the “**Land**”) is owned by Project Sponsor. On August 27, 2012, the Project Sponsor submitted an application for the development of a project on the Land that is subject to a development impact fee under Section 421-421.6 of the Planning Code and is currently estimated to be \$10,910,907 (the “**Fee**”).

D. Pursuant to the provisions of Article 4 of the Planning Code, the Project Sponsor has requested that the City enter into an In-Kind Agreement associated with the Project in order to reduce its Fee obligation under Section 421-421.6 of the Planning Code. The in-kind improvements consist of certain open space improvements and 4 kiosks generally described in **Exhibit C** (“**In-Kind Improvements**”), which Project Sponsor shall install on an approximately 8,250 square feet portion of the Oak Street public right-of-way between Van Ness Avenue and Franklin Street (the “**ROW Area**”) and an approximately _____ square feet portion (the “**Kiosk Area**”) of City’s real property commonly known as 25 Van Ness Avenue, San Francisco, California (Assessor’s Block Number 0834 Lot 004) as further described in Schedule 1 attached hereto (the “**City Property**”), if Project Sponsor receives all of the required approvals described in Section 4.2 below.

E. The In-Kind Improvements meet the community needs as identified by the 2008 Market & Octavia Area Plan and the In-Kind Improvements for which the Project Sponsor is requesting an in-kind Fee Waiver are not a physical improvement or provision of space otherwise required by the Project entitlements or other City Code, including Planning Code Section 135.

F. On August 9, 2017, the Interagency Planning and Implementation Committee (IPIC) agreed to an In-Kind amount up to \$2,245,423

G. On May 15, 2017, in Motion 2017-05-15-02, the Market & Octavia Citizens Advisory Committee passed a resolution supporting the proposed In-Kind Improvements in the amount of \$1,952,773, and any eligible administrative and project management costs as to be determined with due diligence by Planning Department

H. City retains all rights to operate and manage the City Property and the In-Kind Improvements in its sole discretion, including any maintenance obligations that City may require of Project Sponsor under the Encroachment Permits (as defined in Section 4.2 below), if any, for the In-Kind Improvements in the ROW Area.

I. On June 15, 2017 (Motion No 19943), the Planning Commission approved the Project, and on _____ (Motion No. _____), the Planning Commission authorized the Director of Planning to enter into this Agreement on the terms and conditions set forth below.

J. If the cost of the In-Kind Improvements exceeds the amount of the Fee waiver that would be made by the City pursuant to this Agreement, Project Sponsor has offered to make a gift of such excess cost.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS

Defined Terms. As used in this Agreement, the following words and phrases have the following meanings.

“**Agreement**” shall mean this Agreement.

“**City**” shall have the meaning set forth in the preamble to this Agreement.

“**Date of Satisfaction**” shall have the meaning set forth in Section 5.3 below.

“**Development impact fee**” or “**Fee**” shall mean the fee charged to development projects under Article 4, Section 421 of the Planning Code.

“**DBI**” shall mean the Department of Building Inspection.

“**Effective Date**” shall have the meaning set forth in Recital B.

“**First Construction Document**” shall have the meaning set forth in Section 401 of the Planning Code.

“**In-Kind Improvements**” shall have the meaning set forth in Recital D.

“**In-Kind Value**” shall have the meaning set forth in Section 3.2 below.

“**Land**” shall have the meaning set forth in Recital C.

“**Material Change**” shall have the meaning set forth in Section 3.2 below.

“Memorandum of Agreement” shall have the meaning set forth in Article 8 below.

“Non-Material Change” shall have the meaning set forth in Section 3.2 below.

“Notice of Satisfaction” shall have the meaning set forth in Section 5.3 below.

“Payment Analysis” shall have the meaning set forth in Section 5.2 below.

“Payment Documentation” shall have the meaning set forth in Section 5.1 below.

“Plans” shall have the meaning set forth in Section 4.2 below.

“Project” shall have the meaning set forth in the preamble to this Agreement.

“Project Sponsor” shall have the meaning set forth in the preamble to this Agreement.

“Project Fee” shall mean the Project Sponsor’s share of the Development impact fee, as calculated pursuant to Section 3.1 below.

“RED” shall mean the Real Estate Division of City’s Office of the City Administrator.

“Remainder Amount” shall have the meaning set forth in Section 3.3 below.

“Security” shall have the meaning set forth in Section 5.4 below.

“SFPW” shall mean the City’s Department of Public Works.

ARTICLE 2 PROJECT SPONSOR REPRESENTATIONS AND COVENANTS

The Project Sponsor hereby represents, warrants, agrees and covenants to the City as follows:

2.1 The above recitals relating to the Project are true and correct.

2.2 Project Sponsor: (1) is a limited liability company duly organized and existing under the laws of the State of Delaware and authorized to own property and transact business in the State of California, (2) has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated to be conducted, (3) has the power to execute and perform all the undertakings of this Agreement, and (4) is the fee owner of the Land on which the Project is located.

2.3 The execution and delivery of this Agreement and other instruments required to be executed and delivered by the Project Sponsor pursuant to this Agreement: (1) have not violated and will not violate any provision of law, rule or regulation, any order of court or other agency or government, and (2) have not violated and will not violate any provision of any agreement or instrument to which the Project Sponsor is bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature.

2.4 No document furnished or to be furnished by the Project Sponsor to the City in connection with this Agreement contains or will contain any untrue statement of material fact, or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

2.5 Neither the Project Sponsor, nor any of its principals or members, have been suspended, disciplined or debarred by, or prohibited from contracting with, the U.S. General

Services Administration or any federal, state or local governmental agency during the past five (5) years.

2.6 Pursuant to Section 421.3(d)(5) of the Planning Code, the Project Sponsor shall reimburse all City agencies for their administrative and staff costs in negotiating, drafting, and monitoring compliance with this Agreement.

ARTICLE 3 CALCULATION OF FEE AND IN-KIND CREDIT

3.1 **Calculation of Fee.** The Project Fee shall be calculated in accordance with Section 421.3 of the Planning Code. Based on the Project approved by the Planning Commission, the Project Fee is estimated at \$10,910,907 (For the fee calculations, see **Exhibit D.**) The final Fee shall be calculated on the estimated cost of the Project at the time of its First Construction Document.

3.2 **Calculation of In-Kind Value.** Based on two estimates provided by independent sources, as set forth in Schedules 2 and 3 to this Agreement, the Director of Planning determines the In-Kind Improvements have a value of approximately \$2,180,893 (the “**In-Kind Value**”). Documentation establishing the estimated third-party eligible costs of providing the In-Kind Improvements in compliance with applicable City standards is attached hereto as Exhibit E (the “**Cost Documentation**”). The Project Sponsor may request an increase in the In-Kind Value by delivering written notice of such request to the Director, together with reasonable documentation of the third-party eligible costs exceeding the In-Kind Value. The Director shall have the sole discretion to approve or disapprove a requested increase of up to 15% of the In-Kind Value (a “**Non-Material Change**”), and the Planning Commission shall have the sole discretion to approve or disapprove any higher requested increase (a “**Material Change**”). If upon final completion the actual construction and development costs to the Project Sponsor of providing the In-Kind Improvements are lower than this amount, the provisions of Section 5.2 below shall apply.

3.3 **Payment.** Pursuant to Section 421.3 of the Planning Code and Section 107A.13.3 of the San Francisco Building Code, the Project Sponsor shall pay to the Development Fee Collection Unit at DBI \$8,730,014 (the “**Remainder Amount**”), which is an amount equal to the Project Fee (see **Exhibit D**) minus the In-Kind Value (see **Exhibit E**), prior to issuance of the Project’s First Construction Document. On the Date of Satisfaction, the Project Sponsor shall receive a credit against the Project Fee in the amount of the In-Kind Value, subject to Section 5.1 below.

ARTICLE 4 CONSTRUCTION OF IN-KIND IMPROVEMENTS

4.1 **Conditions of Performance.** The Project Sponsor agrees to take all steps necessary to construct and provide, at the Project Sponsor’s sole cost, the In-Kind Improvements for the benefit of the City and the public, and the City shall accept the In-Kind Improvements in lieu of a portion of the Project Fee under this Agreement if this Agreement is still in effect and each of the following conditions are met:

4.2 **Plans and Permits.** The Project Sponsor shall cause an appropriate design professional to prepare detailed plans and specifications for the In-Kind Improvements, which plans and specifications shall be submitted for review and approval by DBI and other applicable City departments or agencies in the ordinary course of the process of obtaining a site or building permit for the Project (upon such approval, the “**Plans**”). The Project Sponsor shall be responsible for obtaining at its sole cost, the appropriate approvals, encroachment permits and agreements needed from SFPW (each, a “**SFPW Encroachment Permit**” and collectively, the “**SFPW Encroachment Permits**”) for the construction and maintenance of the In-Kind

Improvements in the ROW Area (the “**ROW Improvements**”), the license agreement needed from RED (the “**RED License Agreement**”) for the construction of the In-Kind Improvements in the Kiosk Area (the “**Kiosk Improvements**”), and all other permits and approvals from other affected departments that are necessary to implement this proposal. The Project Sponsor shall be responsible, at no cost to the City, for completing the In-Kind Improvements strictly in accordance with the approved Plans, the SFPW Encroachment Permits, and the RED License Agreement, and shall not make any material change to the approved Plans during the course of construction without first obtaining the Director of Planning’s written approval. Upon completion of the In-Kind Improvements, the Project Sponsor shall furnish the City with a copy of the final approved Plans for the In-Kind Improvements and documentation of any approved material changes or deviations therefrom that may occur during construction of the In-Kind Improvements.

4.3 **Construction.** All construction with respect to the In-Kind Improvements shall be accomplished prior to the first certificate of occupancy for the Project, including any temporary certificate of occupancy. The improvements shall be accomplished and in accordance with good construction and engineering practices and applicable laws. The Project Sponsor, while performing any construction relating to the In-Kind Improvements, shall undertake commercially reasonable measures in accordance with good construction practices to minimize the risk of injury or damage to the surrounding property, and the risk of injury to members of the public, caused by or resulting from the performance of such construction. All construction relating to the In-Kind Improvements shall be performed by licensed, insured and bonded contractors, and pursuant to a contract that includes a release and indemnification for the benefit of the City.

4.4 **Inspections.** The Project Sponsor shall request the customary inspections of work by DBI and all other applicable City departments or agencies during construction using applicable City procedures in accordance with the City’s Building Code and other applicable law. Upon final completion of the installation of the In-Kind Improvements and the Project Sponsor’s receipt of all final permit sign-offs, the Project Sponsor shall notify all applicable City departments or agencies that the In-Kind Improvements have been completed. Such City departments or agencies shall inspect the site to confirm compliance with applicable City standards for such installation. This condition will not be satisfied until all applicable City departments and agencies have certified that the In-Kind Improvements are complete and ready for their intended use, including the City Engineer’s issuance of a Determination of Completion.

4.5 **Completion of In-Kind Improvements.** Upon final completion of the In-Kind Improvements and the Project Sponsor’s receipt of all final permit sign-offs, the Project Sponsor shall notify the Director of Planning that the In-Kind Improvements have been completed. The Director of Planning, or his or her agent, shall inspect the In-Kind Improvements to confirm compliance with this Agreement, and shall promptly notify the Project Sponsor if there are any problems or deficiencies. The Project Sponsor shall correct any such problems or deficiencies and then request another inspection, repeating this process until the Director of Planning approves the In-Kind Improvements as satisfactory. Such approval shall be based on the requirements of this Agreement and shall not be unreasonably withheld.

4.6 **Irrevocable Offer of ROW Improvements.** The Project Sponsor shall irrevocably offer the ROW Improvements to City at or before, at City’s sole election, the issuance of the Determination of Completion, as described in Section 4.4 above, or the Notice of Satisfaction (as defined in Section 5.3 below). Such offer shall be made by delivering an Irrevocable Offer of Improvements to SFPW in substantially the form attached to this Agreement as **Exhibit F**, which shall be properly completed to describe the ROW Improvements, duly executed by the Project Sponsor, and acknowledged.

ARTICLE 5

SATISFACTION OF OBLIGATIONS; PARTIAL REIMBURSEMENTS

5.1 **Evidence of Payment.** The Project Sponsor shall provide the Planning Department with documentation substantiating payment by the Project Sponsor of the cost of providing the In-Kind Improvements in the form of third-party checks and invoices and its or its general contractor's standard general conditions allocation (the "**Payment Documentation**"). The Payment Documentation shall include information necessary and customary in the construction industry to verify the Project Sponsor's costs and payments. The cost of providing the In-Kind Improvements shall not be significantly higher than the average capital costs for the City to provide comparable improvements, based on current value of recently completed projects, as selected by the City in its sole discretion.

5.2 **Payment Analysis.** The City shall provide the Project Sponsor with a written report of its review of the Payment Documentation ("**Payment Analysis**") within ten (10) business days of its receipt thereof, which review shall be conducted for the exclusive purpose of determining whether the Payment Documentation substantially and reasonably documents that the cost of providing the In-Kind Improvements shall not be significantly higher than the average capital costs for the City to provide comparable improvements, based on current value of recently completed projects, as selected by the City in its sole discretion.

5.2.1 If the Payment Analysis reasonably substantiates that the Project Sponsor made payments in respect of the In-Kind Improvements in an amount less than the In-Kind Value, the Project Sponsor shall, within sixty (60) days of the date of the Payment Analysis, pay the City an amount equal to the difference between the In-Kind Value and the actual amount paid in respect of the In-Kind Improvements by the Project Sponsor. If the Payment Analysis reasonably substantiates that the Project Sponsor made payments in respect of the In-Kind Improvements in an amount equal to or greater than the In-Kind Value, the Project Sponsor shall not be entitled to a refund of such overpayments and the City shall not be entitled to any additional funds related to the In-Kind Value.

5.2.2 The City and Project Sponsor shall endeavor to agree upon the Payment Analysis. If they are unable to so agree within thirty (30) days after receipt by Project Sponsor of the City's Payment Analysis, Project Sponsor and the City shall mutually select a third-party engineer/cost consultant. The City shall submit its Payment Analysis and Project Sponsor shall submit the Payment Documentation to such engineer/cost consultant, at such time or times and in such manner as the City and Project Sponsor shall agree (or as directed by the engineer/cost consultant if the City and Project Sponsor do not promptly agree). The engineer/cost consultant shall select either the City's Payment Analysis or Project Sponsor's determination pursuant to the Payment Documentation, and such determination shall be binding on the City and Project Sponsor.

5.3 **Satisfaction of Obligations.** Upon agreement of the Payment Analysis and completion of the In-Kind Improvements, and following Project Sponsor's delivery of the Offer of Improvements to City pursuant to Section 4.4 above, the Director of Planning shall provide the Project Sponsor with a Notice of Satisfaction of Obligations (the "**Notice of Satisfaction**") that certifies that the In-Kind Improvements have been inspected and been determined to be ready for use by the public based on current City standards, and constitute the full satisfaction of the obligation to provide In-Kind Improvements in the form required hereunder, and that the City has received full payment in an amount equal to the difference between the In-Kind Value and the actual amount paid in respect of the In-Kind Improvements by the Project Sponsor, subject to City's rights under Section 5.6 below. The Project Sponsor shall not receive final credit for the In-Kind Improvements until the Notice of Satisfaction is delivered, the City receives any additional payments as may be required under this Article 5, and all other obligations of the Project Sponsor under this Agreement have been satisfied (the "**Date of Satisfaction**").

5.3.1 Notwithstanding the provisions of Article 7 of this Agreement, the notices given by the parties under this Section 5.3 may be in the written form and delivered in the manner mutually agreed upon by the parties.

5.3.2 The Project Sponsor assumes all risk of loss during construction, and shall not receive final credit for the In-Kind Improvements until the Date of Satisfaction.

5.4 **Security.** If the Planning Director has not issued the Notice of Satisfaction under Section 5.3 above prior to issuance of the first certificate of occupancy for the Project, including any temporary certificate of occupancy, the Project Sponsor shall provide a letter of credit, surety bond, escrow account, or other security reasonably satisfactory to the Planning Director in the amount of one hundred percent (100%) of the Cost Documentation applicable to the uncompleted In-Kind Improvements (the “**Security**”) to be held by the City until issuance of the Notice of Satisfaction, at which date it shall be returned to the Project Sponsor. If the Project Sponsor is required to post a bond for the Project with the Department of Public Works under the Subdivision Map Act and that security covers the In-Kind Improvements to be provided under this Agreement, the Subdivision Map Act bond may be substituted for the Security required by this Section and the Project Sponsor is not required to provide additional Security for the In-Kind Improvements.

In the event that any delay to the construction of the In-Kind Improvements occur due to unforeseen circumstances not the fault of the Project Sponsor, such as the discovery of an artifact that requires excavation or an act of God, the issuance of the Certificate of Occupancy for the Project will not be withheld from the Project Sponsor solely by reason of such delay in constructing the In-Kind Improvements. In such an event that the completion of the In-Kind Improvement is delayed, the posting of the Security referenced in this Section will be delayed for a period equal to the length of the unforeseen delay. However, in no circumstance shall the Security be delivered later than the issuance of the TCO.

5.5 **Additional Obligations.** Notwithstanding anything in this Agreement to the contrary:

5.5.1 On and after the Effective Date defined in Article 1, for so long as this Agreement remains in effect and the Project Sponsor is not in breach of this Agreement, the City shall not withhold the issuance of any additional building or other permits necessary for the Project due to the Project Sponsor’s payment of less than the full Project Fee amount in anticipation of the In-Kind Improvements ultimately being accepted and credited against the Project Fee under the terms and conditions set forth in this Agreement.

5.5.2 The City shall not issue or renew any further certificates of occupancy for the Project until the City receives payment of the full Project Fee (in some combination of the payment of the Initial Amount, the acceptance of In-Kind Improvements having the value described under this Agreement, receipt of the Security, and/or the acceptance of other cash payments received by the City directly from Project Sponsor for payment of the Project Fee or completion of the In-Kind Improvements) before issuance of the first certificate of occupancy for the Project, including any temporary certificate of occupancy.

5.5.3 The City’s issuance of a certificate of final completion or any other permit or approval for the Project shall not release the Project Sponsor of its obligation to pay the full Project Fee (with interest, if applicable), if such payment has not been made at the time the City issues such certificate of final completion.

5.5.4 If the In-Kind Improvements for any reason prove to be insufficient to provide payment for sums due from the Project Sponsor as and when required, and the Project Sponsor fails to pay such amount within thirty (30) days following notice by the City, DBI shall institute lien proceedings to recover the amount of the Fee due plus interest pursuant to Section 408 of the Planning Code and Section 107.13.15 of the Building Code.

5.5.5 The Project Sponsor understands and agrees that any payments to be

credited against the Project Fee shall be subject to the provisions set forth in San Francisco Administrative Code Sections 6.80-6.83 relating to false claims. Pursuant to San Francisco Administrative Code Sections 6.80-6.83, a party who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A party who submits a false claim shall also be liable to the City for the cost of a civil action brought to recover any of those penalties or damages and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A party will be deemed to have submitted a false claim to the City if the party: (a) knowingly presents or causes to be presented to any officer or employee of the City a false claim; (b) knowingly makes, uses or causes to be made or used a false record or statement to get a false claim approved by the City; (c) conspires to defraud the City by getting a false claim allowed by the City; (d) knowingly makes, uses or causes to be made or used a false record or statement to conceal, avoid or decrease an obligation to pay or transmit money or property to the City; or (e) is beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim. The Project Sponsor shall include this provision in all contracts and subcontracts relating to the In-Kind Improvements, and shall take all necessary and appropriate steps to verify the accuracy of all payments made to any such contractors and subcontractors.

5.6 Reimbursement of Waived Fee. Project Sponsor acknowledges the ROW Improvements can only remain in the ROW Area pursuant to the applicable SFPW Encroachment Permit. If such SFPW Encroachment Permit is terminated by Project Sponsor or revoked for cause by City before the twentieth (20th) anniversary of the Notice of Satisfaction (the end of the useful life of the ROW Improvements) and SFPW requires Project Sponsor to restore the ROW Area to City standards at such time, Project Sponsor or any successor interest in the Project at such time shall pay DBI's Development Fee Collection Unit an amount equal to (i) the In-Kind Value allocated to the ROW Improvements pursuant to Article 3 less (ii) the proportionate value of the ROW Improvements allocated to the period they were in the ROW Area after the Notice of Satisfaction. For purpose of this section, a revocation for cause shall be a revocation of the SFPW Encroachment Permit, based on an uncured default by Permittee, as defined in the SFPW Major Encroachment Permit. By way of example only, if the allocated In-Kind Value of the ROW Improvements was \$500,000 and Project Sponsor had to restore the ROW Area to City standards on the tenth anniversary of the Notice of Satisfaction due to a termination of the SFPW Encroachment Permit for the ROW Improvements, DBI's Development Fee Collection Unit would be owed \$250,000. If the Project Sponsor fails to pay such amount within thirty (30) days following notice by the City, DBI shall institute lien proceedings to recover the amount of the Fee due plus interest pursuant to Section 408 of the Planning Code and Section 107.13.15 of the Building Code.

ARTICLE 6 MAINTENANCE AND LIABILITY

6.1 The Project Sponsor acknowledges the SFPW Encroachment Permits, if any, will require that Project Sponsor maintain the ROW Improvements during the term of the SFPW Encroachment Permits and remove the ROW Improvements and return the ROW Area to City standards if the SFPW Encroachment Permits are terminated or revoked. Further, Project Sponsor, on behalf of itself and all future fee owners of the Land, agrees to assume full responsibility for the construction of In-Kind Improvements contemplated in this Agreement and all liability relating to such construction. Project Sponsor acknowledges this Agreement does not create any City responsibility or liability with respect to the construction or maintenance of the ROW Improvements or the Kiosk Improvements. Project Sponsor shall obtain all permits and approvals from other affected departments that are necessary to implement this proposal, and shall abide by any conditions associated with such permits including the posting and maintenance of insurance and security. The City would not be willing to enter into this Agreement without this provision and the Project Sponsor's acceptance of all liability relating to construction of the In-Kind Improvements in accordance with this Article is a condition of the

Planning Commission's approval of the terms of this Agreement. Project Sponsor acknowledges that City retains ownership of the City Property and retains the rights to manage and operate, or designate responsibility for such management and operation to any party, and Project shall have no right to manage and operate the City Property.

6.2 Contracts for Maintenance. The City and the Planning Commission acknowledge that the Project Sponsor may hire third parties to perform Project Sponsor's maintenance obligations with respect to the In-Kind Improvements, if permitted under the SFPW Encroachment Permit, as long as Project Sponsor retains full responsibility at all times to perform such maintenance obligations to the standards required in such Encroachment Agreements, if any. Any such hiring is subject to the review and consent of the City departments with primary jurisdiction over the In-Kind Improvements in consultation with the Planning Director, and shall comply with all applicable laws. The City may condition such hiring in a manner that it deems reasonable.

ARTICLE 7 NOTICES

Except as may otherwise be mutually agreed upon by the parties in writing, all notices given under this Agreement shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier, return receipt requested, addressed as follows:

CITY:

Director of Planning
City and County of San Francisco
1660 Mission St.
San Francisco, CA 94103

with a copy to:

Office of the City Attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Attn: Deputy City Attorney

PROJECT SPONSOR:

Attn: Lou Vasquez
1532 Harrison Street LLC
315 Linden Street
San Francisco, CA 94102 with a copy to:

Farella Braun + Martel LLP
235 Montgomery Street
San Francisco, CA 94104
Attn: Steven L. Vettel, Esq.

or to such other address as either party may from time to time specify in writing to the other party. Any notice shall be deemed given when actually delivered if such delivery is in person, two (2) days after deposit with the U.S. Postal Service if such delivery is by certified or registered mail, and the next business day after deposit with the U.S. Postal Service or with the commercial overnight courier service if such delivery is by overnight mail.

ARTICLE 8 RUN WITH THE LAND

The parties understand and agree that this Agreement shall run with the Project Sponsor's Land, and shall burden and benefit every successor owner of the Land. The City would not be willing to enter into this Agreement without this provision, and the parties shall record the Memorandum of Agreement on or before the Effective Date). On the Date of Satisfaction or the date this Agreement is terminated pursuant to Section 9.4 below, this Agreement shall terminate and the City shall execute and deliver to the Project Sponsor a release of the Memorandum of Agreement, which the Project Sponsor may record.

ARTICLE 9 ADDITIONAL TERMS

9.1 This Agreement contemplates the installation and transfer of In-Kind Improvements as authorized under Article 4 of the Planning Code and is not intended to be a public works contract; provided, however, the Project Sponsor agrees to pay no less than the prevailing wages as set forth in Section 10.1 and otherwise comply with the requirements of applicable State law as to the In-Kind Improvements work only. By entering this Agreement, the Project Sponsor is not obligated to pay prevailing wages for the construction of the Project.

9.2 The City shall have the right, during normal business hours and upon reasonable notice, to review all books and records of the Project Sponsor pertaining to the costs and expenses of providing the In-Kind Improvements.

9.3 This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

9.4 This Agreement may be effectively amended, changed, modified, altered or terminated only by written instrument executed by the parties hereto except that the Project Sponsor may terminate this Agreement by written notice to the City at any time prior to issuance of the Project's First Construction Document, in which event the Project Sponsor shall have no obligations or liabilities under this Agreement and the City would have no obligation to issue the First Construction Document unless and until this Agreement is reinstated, another agreement is executed by the parties, or the Project Sponsor's obligations under Article 4 of the Planning Code are satisfied in another manner. Any material amendment shall require the approval of the City's Planning Commission, in its sole discretion. The Planning Director may approve Non-Material Change to the In-Kind Value as set forth in Section 3.2 of this Agreement.

9.5 No failure by the City to insist upon the strict performance of any obligation of Project Sponsor under this Agreement or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, and no acceptance of payments during the continuance of any such breach, shall constitute a waiver of such breach or of the City's right to demand strict compliance with such term, covenant or condition. Any waiver must be in writing, and shall be limited to the terms or matters contained in such writing. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. In the event of any breach of this Agreement by the Project Sponsor, the City shall have all rights and remedies available at law or in equity.

9.6 This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of California.

9.7 The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement. Time is of the essence in all matters relating to this Agreement.

9.8 This Agreement does not create a partnership or joint venture between the City and the Project Sponsor as to any activity conducted by the Project Sponsor relating to this Agreement or otherwise. The Project Sponsor is not a state or governmental actor with respect to any activity conducted by the Project Sponsor hereunder. This Agreement does not constitute authorization or approval by the City of any activity conducted by the Project Sponsor. This

Agreement does not create any rights in or for any member of the public, and there are no third party beneficiaries.

9.9 Notwithstanding anything to the contrary contained in this Agreement, the Project Sponsor acknowledges and agrees that no officer or employee of the City has authority to commit the City to this Agreement unless and until the Planning Commission adopts a resolution approving this Agreement, and it has been duly executed by the Director of Planning and approved as to form by City Attorney.

9.10 The Project Sponsor, on behalf of itself and its successors, shall indemnify, defend, reimburse and hold the City harmless from and against any and all claims, demands, losses, liabilities, damages, injuries, penalties, lawsuits and other proceedings, judgments and awards and costs by or in favor of a third party, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any accident, injury to or death of a person, or loss of or damage to property occurring in, on or about the site of the In-Kind Improvements during their construction, provided that such accident, injury, death, loss or damage does not result from the gross negligence of the City; (b) any default by the Project Sponsor under this Agreement, the SFPW Encroachment Permits, or the RED Agreement, (c) the condition of the In-Kind Improvements constructed by or on behalf of the Project Sponsor; and (d) any acts, omissions or negligence of the Project Sponsor or its agents under this Agreement, on the City Property, or under the SFPW Encroachment Permits, or the RED Agreement. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigation. The Project Sponsor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the Project Sponsor by City and continues at all times thereafter. The Project Sponsor's obligations under this Section shall survive the expiration or sooner termination of this Agreement.

ARTICLE 10 CITY CONTRACTING PROVISIONS

10.1 The Project Sponsor agrees that any person performing labor in the construction of the In-Kind Improvements shall be paid not less than the Prevailing Rate of Wage (as defined in San Francisco Administrative Code Section 6.1) consistent with the requirements of Section 6.22(e) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco County. The Project Sponsor shall include, in any contract for construction of such In-Kind Improvements, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. The Project Sponsor shall require any contractor to maintain, and shall deliver to the City upon request, weekly certified payroll reports with respect to all persons performing labor in the construction of the In-Kind Improvements. The requirements of this Section only apply to the In-Kind Improvements, and nothing in this Agreement obligates the Project Sponsor to pay the Prevailing Rate of Wage to any person performing labor in the construction of the Project.

10.2 The Project Sponsor understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov't Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder are public records subject to public disclosure. The Project Sponsor hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

10.3 In the performance of this Agreement, the Project Sponsor covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion,

national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee or any City employee working with or applicant for employment with the Project Sponsor, in any of the Project Sponsor's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by the Project Sponsor.

10.4 Through execution of this Agreement, the Project Sponsor acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term, the Project Sponsor shall immediately notify the City.

10.5 Through execution of this Agreement, the Project Sponsor acknowledges that it is familiar with Section 1.126 of City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City, whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for the contract until three (3) months after the date the contract is approved by the City elective officer or the board on which that City elective officer serves. San Francisco Ethics Commission Regulation 1.126-1 provides that negotiations are commenced when a prospective contractor first communicates with a City officer or employee about the possibility of obtaining a specific contract. This communication may occur in person, by telephone or in writing, and may be initiated by the prospective contractor or a City officer or employee. Negotiations are completed when a contract is finalized and signed by the City and the contractor. Negotiations are terminated when the City and/or the prospective contractor end the negotiation process before a final decision is made to award the contract.

10.6 The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. The City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. The Project Sponsor acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

10.7 The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product.

10.8 If City's Office of Economic and Workforce Development ("OEWD") determines that the In-Kind Improvements are subject to the requirements of San Francisco Local Hiring Policy for Construction set forth in Chapter 82 of the San Francisco Administrative Code, the Project Sponsor shall comply with such requirements and execute a Local Hire Agreement with OEWD, which shall be made an Exhibit to this In-Kind Agreement. The Project Sponsor's failure to comply with its obligations under Chapter 82, and the Local Hire Agreement shall constitute a material breach of this In-Kind Agreement and may subject the Project Sponsor and its contractors and subcontractors to the consequences of noncompliance specified in Chapter 82, and the Local Hire Agreement, including but not limited to penalties.

10.9 If OEWD determines that the In-Kind Improvements are subject to the First Source Hiring Program established in Chapter 83 of the San Francisco Administrative Code, the Project Sponsor shall comply with the requirements of Chapter 83 and execute a First Source Hiring Agreement with OEWD, which shall be made an Exhibit to this In-Kind Agreement. The Project Sponsor's failure to comply with its obligations under Chapter 83 and the requirements

of the First Source Hiring Agreement shall constitute a material breach of this In-Kind Agreement and may subject the Project Sponsor and its contractors and subcontractors to the consequences of noncompliance specified in Chapter 83 and the First Source Hiring Agreement, including but not limited to liquidated damages.

NOW THEREFORE, the parties hereto have executed this In-Kind Agreement as of the date set forth above.

CITY:

PROJECT SPONSOR:

CITY AND COUNTY OF SAN
FRANCISCO, acting by and through its
Planning Commission

One Oak Owner, LLC
a Delaware limited liability company

By: _____
Director of Planning

By: _____
Lou Vasquez
President

APPROVED:

DENNIS J. HERRERA
City Attorney

By: _____
Deputy City Attorney

ACKNOWLEDGED:

Office of the City Administrator,
Real Estate Division

By: _____
Authorized Representative

ACKNOWLEDGED:

Department of Public Works

By: _____
Authorized Representative

Exhibit A

Memorandum of Agreement

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

**City and County of San Francisco
Department of Planning
1660 Mission St.
San Francisco, CA 94103
Attn: Director**

(Free Recording Requested Pursuant to
Government Code Section 27383)

APN: 0836-001, 0836-002, 0836-003,
0836-004, 0836-005
Address: 1500-1540 Market Street, San Francisco

Memorandum of In-Kind Agreement

This Memorandum of In-Kind Agreement (this “Memorandum”), is dated as of _____, and is by and between the City and County of San Francisco, a municipal corporation, acting and through the Planning Commission (the “City”), and One Oak Owner LLC, a Delaware limited liability company (the “Project Sponsor”).

1. The property described in Exhibit A attached hereto (the “Land”) and generally known as 1500-1540 Market Street, San Francisco, California, is owned by Project Sponsor.

2. Under San Francisco Planning Code Section _____ (“Section”), the Project Sponsor must pay to the City a development impact fee (the “Fee”) on or before the issuance of the First Construction Document for the Land; provided, however, the City can reduce such payment under Section _____ if the Project Sponsor enters into an agreement with the City to provide in-kind improvements.

3. In accordance with Section _____, the City and the Project Sponsor have entered into an in-kind agreement dated as of _____ (the “In-Kind Agreement”), which permits the Project Sponsor to receive construction documents with the satisfaction of certain conditions in return for the Project Sponsor’s agreement to provide certain in-kind improvements under the terms and conditions set forth therein.

4. Upon the Project Sponsor’s satisfaction of the terms of the In-Kind Agreement, the In-Kind Agreement shall terminate and the City will execute and deliver to the Project Sponsor a termination of this Memorandum in recordable form.

5. The Project Sponsor and the City have executed and recorded this Memorandum to give notice of the In-Kind Agreement, and all of the terms and conditions of the In-Kind Agreement are incorporated herein by reference as if they were fully set forth herein. Reference

is made to the In-Kind Agreement itself for a complete and definitive statement of the rights and obligations of the Project Sponsor and the City thereunder.

6. This Memorandum shall not be deemed to modify, alter or amend in any way the provisions of the In-Kind Agreement. In the event any conflict exists between the terms of the In-Kind Agreement and this Memorandum, the terms of the In-Kind Agreement shall govern.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the date first written above.

CITY AND COUNTY OF SAN FRANCISCO,
acting by and through its Planning Commission

By: _____
Director of Planning

1. By: _____
2. Name: _____
3. Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit B

Legal Description of Land

The Land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

PARCEL ONE:

Beginning at the point of Intersection of the Westerly line of Van Ness Avenue and the Southerly line of Oak Street; running thence Westerly along said line of Oak Street 23 feet; thence at a right angle Southerly 55 feet and 9 inches to the Northwesternly line of Market Street; thence Northeastly along said line of Market Street 28 feet and 4 inches to the Westerly line of Van Ness Avenue; thence Northerly along said line of Van Ness Avenue 39 feet and 2-1/4 inches to the point of beginning.

Being a portion of Western Addition Block No. 71

Excepting therefrom that portion thereof, described as follows and lying beneath a place at elevation plus 64.73 feet based upon the National Geodetic Vertical Datum and elevation 56.11 feet based on San Francisco City and County Datum being approximately 11.73 feet above existing sidewalk surface.

Beginning at said point of beginning; thence along said Westerly line of Van Ness Avenue South 7° 56'00" East 19.38' to the point of beginning; thence South 82° 04'00" West 11.25'; thence South 7° 56'00" East 16.21'; thence North 82° 04'00" East 7.68'; thence South 43° 41'51" East 5.01' to said Northwesternly line of Market Street; thence along last said Northwesternly line North 46° 18'09" East 0.79' to said Westerly line of Van Ness Avenue; thence along said line North 7° 56'00" West 19.81' to the point of beginning.

Assessor's Lot 001; Block 0836

PARCEL TWO:

Beginning at a point on the Southerly line of Oak Street, distant thereon Westerly 23 feet from the Westerly line of Van Ness Avenue; running thence Westerly along said line of Oak Street 22 feet; thence Southerly in a direct line 71 feet and 7-1/4 inches to a point on the Northwesternly line of Market Street, distant thereon Southwesterly 55 feet and 5-3/8 inches from the Westerly line of Van Ness Avenue; thence said line of Market Street Northeastly 27 feet and 1-3/8 inches to a line drawn at right angles to the said line of Oak Street Southerly through the said point of beginning; thence along the line so drawn Northerly 55 feet and 9 inches to the point of beginning.

Being a portion of Western Addition Block No. 71

Assessor's Lot 002; Block 0836

PARCEL THREE:

Beginning at a point on the Southerly line of Oak Street, distant thereon 45 feet Westerly from the Westerly line of Van Ness Avenue; running thence Westerly along said line of Oak Street 22 feet; thence at a right angle Southerly 87 feet and 5 inches to the Northwesternly line of Market Street; thence Northeastly along the said line of Market Street 27 feet and 1-3/8 inches to a

point which is distant thereon 55 feet and 5-3/8 inches Southwesterly from its intersection with the Westerly line of Van Ness Avenue; thence Northerly 71 feet and 7 inches to the point of beginning.

Being a portion of Western Addition Block No. 71

Assessor's Lot 003; Block 0836

PARCEL FOUR:

Beginning at a point on the Southerly line of Oak Street, distant thereon 67 feet Westerly from the point of intersection of the Westerly line of Van Ness Avenue with the Southerly line of Oak Street; running thence Westerly along the Southerly line of Oak Street 44 feet; thence at a right angle Southerly 119 feet and 2 inches to the Northwesternly line of Market Street; thence in a Northeasterly direction, and along said Northwesternly line of Market Street 54 feet and 2-3/4 inches; thence in a Northerly direction and parallel with the Westerly line of Van Ness Avenue 87 feet and 5 inches to the point of beginning.

Being a portion of Western Addition Block No. 71

Assessor's Lot 004; Block 0836

PARCEL FIVE:

Beginning at a point on the Northwesternly line of Market Street, distant thereon 136 feet and 9-1/2 inches Southwesterly from the point formed by the intersection of the Northwesternly line of Market Street with the Westerly line of Van Ness Avenue; running thence Southwesterly along said line of Market Street 81 feet and 4-1/8 inches; thence Northerly and parallel with the Westerly line of Van Ness Avenue 166 feet and 8-1/8 inches to the Southerly line of Oak Street; thence Easterly along said line of Oak Street 66 feet; thence at a right angle Southerly 119 feet and 1-5/8 inches to the point of beginning.

Being a portion of Western Addition Block No. 71

Assessor's Lot 005; Block 0836

Exhibit C

In-Kind Improvements Description

The In-Kind Improvements consist of the following:

1. **Shared Public Way (4,843 sq.ft.)**

A “shared public way” that replaces and reconfigures the existing roadway on Oak Street to create a slow traffic zone that will be shared by vehicles, pedestrians, and bicycles. Following the path of traffic flow, the shared public way begins at the easternmost end of Oak Street at a width of 20 feet and extends west at that dimension for approximately 120 feet, then expands to a width of 36 feet to accommodate a vehicle drop-off zone near the entrance of the One Oak residential lobby. The shared public way is functionally integrated into the design aesthetic of the surrounding improved sidewalks but is recessed 4 inches from the sidewalk elevation and raised 2 inches above existing street level. The transition area from the Van Ness Avenue roadway to the shared Oak Street public way includes a raised crosswalk that ramps up 6 inches from the Van Ness roadway to create a flush condition with the Van Ness sidewalk, and ramps down 4 inches into the shared public way. The west end of the shared public way transitions with a 2-inch ramp down to the existing Oak Street grade, and the street surface transitions to standard asphalt pavement.
2. **North Sidewalk Repairs and Improvements (2,869 sq.ft.)**
 - Removing and replacing the deteriorating Oak Street sidewalk fronting the south face of 25 Van Ness Avenue with high-quality pavers.
 - Installing four custom public-market micro-retail kiosks in the inactive column bays of the existing building at 25 Van Ness Avenue. The kiosks will have electrical connections, and some of them will have water and sewer utility connectivity, if needed.
 - As determined by City, installing either six (6) free-standing, above-ground planters with plantings or in-ground trees, either with irrigation systems in front of the building columns of the existing building at 25 Van Ness Avenue (between the kiosks).
 - Installing four new street pole lights along the north side of Oak Street to match the existing fixtures fronting 50 Oak Street.
3. **South Sidewalk Improvements**
 - Installing built-in connectivity to allow for electric power to support programming in the Plaza.

Exhibit D

Calculation of Impact Fees

Development Impact Fees	Quantity	Rate	Fee	*With 5.00% Escalation
Market & Octavia Community Infrastructure Fee (Sec. 421)				
Residential (Net of Change of Use Below)	385,881 sf	\$12.04/sf	\$4,646,007	\$4,878,307
Non-residential (Net of Existing Non-res Credits)	0 sf	\$4.55/sf	\$0	\$0
Change of Use (Non-res to Res)	46,865 sf	\$7.49/sf	\$351,019	\$368,570
Subtotal			\$4,997,026	\$5,246,877
Van Ness & Market Infrastructure Fee (Sec. 424)				
FAR > 9:1	268,775 sf	\$20.07/sf	\$5,394,314	\$5,664,030
Subtotal			\$5,394,314	\$5,664,030
Total Infrastructure Impact Fees			\$10,391,340	\$10,910,907

*5% escalation based on assumption that fees will be paid in 2018.

Exhibit E

Cost Documentation

Determining the Value of Required Improvements

Fee waivers cannot be made for improvements that the Project Sponsor is already legally required to undertake. In this instance, the Project Sponsor acknowledges the requirement to self-fund mandatory improvements on the Project site or used to meet Project Open Space requirements within the Oak Street right of way. Such improvements are required to comply with design standards for “Better Streets” and publicly accessible Open Space.

Determining the Value of Proposed Improvements

To help determine the value of the proposed In-Kind Improvements, the Project Sponsor provided two estimates of the anticipated hard costs \$1,449,740 and \$3,230,044 (attached as Schedules 2 and 3).

The Project Sponsor calculated additional development costs, such as design and engineering fees, and site preparation, to determine the full value of the proposed In-Kind Improvements. This estimate for total soft costs came to \$502,637. Based on these calculations, the overall value of the In-Kind Improvement is estimated at \$2,180,893. These estimates are subject to change over time, but the Project Sponsor acknowledges that it is responsible for any cost overruns.

Determining the Specific Improvements that would be provided via this In-Kind Agreement

The approval of this In-Kind Agreement would commit the Project Sponsor to improving the City Property with the proposed In-Kind Improvements. Therefore, the \$3,949,048 that the Project Sponsor would be required to contribute will instead be directed towards the construction of the In-Kind Improvements in return for a reduction in the Project’s Market & Octavia/Van Ness Market Street Infrastructure Impact Fee of the same amount.

Table 1 – Value of Proposed In-Kind Improvements

Area of Improvements			Estimate
Oak Street Roadway - (4,843 sq. ft.)			\$355,104
Oak Street North Sidewalk - (2,869 sq. ft.)			\$461,058
Performance Lighting & Audio/Visual Components			\$37,700
Retail Kiosks			\$434,400
Direct Cost Subtotal			\$1,288,262
Insurance & Bonds			
Sub Guard		1.50%	\$19,324
General Liability Insurance		1.00%	\$14,497
Payment & Performance Bond	2.0 yrs	2.00%	\$57,990
Insurance & Bonds Subtotal			\$91,811
General Markups			
SF Business Tax		1.62%	\$1,677
SCCI Construction Contingency		2.00%	\$25,765
Fee		3.00%	\$42,225
General Markups Subtotal			\$69,667
Total Hard Cost Estimates			\$1,449,740
Average Hard Cost Per Sq. Ft.			\$188
Escalation Adjustment to Cstr.	3.0 yrs	5.00% per year	\$228,515
Total Hard Cost Estimates With Escalation			\$1,678,255
Average Hard Cost Per Sq. Ft. (with Escalation)			\$218
Soft Costs			
Soft Cost Allowance		13.00%	\$218,173
Admin & Project Management Costs			\$284,464
Soft Cost Subtotal			\$502,637
Total Project Cost Estimates			\$2,180,893

Exhibit F

Form of Irrevocable Offer of Dedication

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City and County of San Francisco
Director of Public Works
City Hall, Room 348
! Dr. Carlton B. Goodlett Place
San Francisco CA 94102

**IRREVOCABLE OFFER OF IMPROVEMENTS
(Portion of XX Street)**

_____ [*insert Project Sponsor name and type of entity*] does hereby irrevocably offer to the City and County of San Francisco, a municipal corporation ("City"), and its successors and assigns, those certain public improvements [*provide general description*] on _____ Street and adjacent to Assessor's Block ____, Lot ____ more particularly described and depicted in Public Works Permit No. _____ and as shown on site diagrams, attached as **Exhibits A-1 and B-1**, respectively, to this instrument.

With respect to this offer of improvements, it is understood and agreed that: (i) upon acceptance of this offer of public improvements, the City shall own and be responsible for public facilities and improvements, subject to the maintenance obligation of fronting property owners or other permittees pursuant to the Public Works Code, including, but not limited to, Public Works Code Sections 706 and 786, and (ii) the City and its successors and assigns shall incur no liability or obligation whatsoever hereunder with respect to such offer of public improvements, and, except as may be provided by separate instrument, shall not assume any responsibility for the offered improvements, unless and until such offer has been formally accepted by the Director of Public Works or the Board of Supervisors.

The provisions hereof shall inure to the benefit of and be binding upon the heirs, successors, assigns and personal representatives of the respective parties hereto.

IN WITNESS WHEREOF, the undersigned has executed this instrument this ____ day of _____, 20XX.

[*Insert Project Sponsor Name*],
a _____ [*insert entity type*]

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A-1

Permit Information

EXHIBIT B-1

Diagram of Permit Location

Schedule 1

Legal Description of the Property

The land referred to is situated in the City and County of San Francisco, State of California, and is described as follows:

The City Property shall mean the 13,932 sf of the existing Oak Street public Right-of-Way (ROW) between Franklin Street and Van Ness Avenue, for the full width of Oak Street ROW bound by Assessor's Lot 004 in Block 0834 and Assessor's Lots 001-005 of Block 0836, as further shown below.

The proposed improvement, Oak Street is bounded by Franklin Street and Van Ness Avenue.

Schedule 2

Suffolk Cost Estimate

Schedule 3

Build Group Cost Estimate

Revised Plaza Conceptual Budget - In-Kind Funding Budget

Updated: 18 August 2017



OAK PLAZA BUDGET	OAK PLAZA BUDGET COSTS					GRAND TOTALS
	tab 1	tab 2	tab 3	tab 3	tab 3	
	ONE OAK Funding	IKA Funding Plaza	IKA Funding Theater A/V & Lighting	IKA Funding Chairs & Tables	IKA Funding Kiosks	
Scope Area:	8,338 sf	7,712 sf	N/A	N/A	N/A	16,050 sf
Plaza & Streetscape Improvements	\$ 1,612,903	\$ 816,162	\$ -	\$ -	\$ -	\$ 2,429,065
Performance Lighting & Audio/Visual Components	\$ -	\$ -	\$ 37,700	\$ -	\$ -	\$ 37,700
Movable Chairs & Tables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Movable Chairs & Tables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retail Kiosks	\$ -	\$ -	\$ -	\$ -	\$ 434,400	\$ 434,400
DIRECT COST SUB-TOTALS	\$ 1,612,903	\$ 816,162	\$ 37,700	\$ -	\$ 434,400	\$ 2,901,165
GENERAL CONDITIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INSURANCE & BONDS						
Sub Guard 1.50%	\$ 24,194	\$ 12,242	\$ 566	\$ -	\$ 6,516	\$ 43,517
General Liability Insurance 1.00%	\$ 18,151	\$ 9,185	\$ 424	\$ 0	\$ 4,889	\$ 32,648
Payment & Performance Bond 2.0 yrs 2.00%	\$ 72,603	\$ 36,739	\$ 1,697	\$ 0	\$ 19,554	\$ 130,593
INSURANCE & BONDS SUB-TOTAL	\$ 114,947	\$ 58,166	\$ 2,687	\$ 0	\$ 30,959	\$ 206,758
GENERAL MARKUPS						
SF Business Tax 1.62%	\$ 2,099	\$ 1,062	\$ 49	\$ 0	\$ 565	\$ 3,776
SCCI Construction Contingency 2.00%	\$ 32,258	\$ 16,323	\$ 754	\$ -	\$ 8,688	\$ 58,023
Fee 3.00%	\$ 52,866	\$ 26,751	\$ 1,236	\$ 0	\$ 14,238	\$ 95,092
GENERAL MARKUPS SUB-TOTAL	\$ 87,223	\$ 44,137	\$ 2,039	\$ 0	\$ 23,492	\$ 156,890
TOTAL HARD COST ESTIMATES	\$ 1,815,074	\$ 918,464	\$ 42,426	\$ 0	\$ 488,850	\$ 3,264,814

Average Hard Cost Per Sq. Ft.	\$218 psf	\$119 psf	\$6 psf	\$0 psf	\$63 psf	\$203 psf
Escalation Adjustment to Cstr. 3.0 yrs 5.00% per year	\$ 286,101	\$ 144,773	\$ 6,687	\$ 0	\$ 77,055	\$ 514,616
TOTAL HARD COST ESTIMATES WITH ESCALATION	\$ 2,101,175	\$ 1,063,237	\$ 49,113	\$ 0	\$ 565,905	\$ 3,779,430
Average Hard Cost Per Sq. Ft. (with Escalation)	\$252 psf	\$138 psf	\$6 psf	\$0 psf	\$73 psf	\$235 psf
TOTAL SOFT COST ALLOWANCE 13.00%	\$ 1,847,873	\$ 138,221	\$ 6,385	\$ 0	\$ 73,568	\$ 2,066,046
TOTAL COST ESTIMATES	\$ 3,949,048	\$ 1,201,458	\$ 55,498	\$ 0	\$ 639,473	\$ 5,845,476
Average Total Hard & Soft Cost Per Sq. Ft.	\$474 psf	\$156 psf	\$7 psf	\$0 psf	\$83 psf	\$364 psf

ADMIN. & PROJECT MANAGEMENT COSTS:

TOTAL WITH ADMIN & PM COSTS:

SOURCE OF FUNDS		GRAND TOTALS
ONE OAK Total	IKA FUNDING Total	
8,338 sf	7,712 sf	
\$ 1,612,903	\$ 816,162	\$ 2,429,065
\$ -	\$ 37,700	\$ 37,700
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
\$ -	\$ 434,400	\$ 434,400
\$ 1,612,903	\$ 1,288,262	\$ 2,901,165
\$ -	\$ -	\$ -
\$ 24,194	\$ 19,324	\$ 43,517
\$ 18,151	\$ 14,497	\$ 32,648
\$ 72,603	\$ 57,990	\$ 130,593
\$ 114,947	\$ 91,811	\$ 206,758
\$ -	\$ -	\$ -
\$ 2,099	\$ 1,677	\$ 3,776
\$ 32,258	\$ 25,765	\$ 58,023
\$ 52,866	\$ 42,225	\$ 95,092
\$ 87,223	\$ 69,667	\$ 156,890
\$ 1,815,074	\$ 1,449,740	\$ 3,264,814

PREVIOUS ESTIMATE	INCREASE / (DECREASE)
\$ 3,155,867	\$ (254,702)
\$ -	\$ -
\$ 47,338	\$ (3,821)
\$ 34,035	\$ (1,387)
\$ 136,140	\$ (5,547)
\$ 217,513	\$ (10,755)
\$ -	\$ -
\$ 4,012	\$ (236)
\$ 63,117	\$ (5,094)
\$ 99,131	\$ (4,039)
\$ 166,260	\$ (9,370)
\$ 3,539,640	\$ (274,826)

\$ 286,101	\$ 228,515	\$ 514,616
\$ 2,101,175	\$ 1,678,255	\$ 3,779,430
\$ 252 psf	\$218 psf	\$235 psf
\$ 1,847,873	\$ 218,173	\$ 2,066,046
\$ 3,949,048	\$ 1,896,429	\$ 5,845,476
\$474 psf	\$246 psf	\$364 psf
\$ -	\$ 284,464	\$ 284,464
\$ 3,949,048	\$ 2,180,893	\$ 6,129,940

\$ 548,644	\$ (34,028)
\$ 4,088,284	\$ (308,854)
\$ 2,066,046	\$ -
\$ 6,154,330	\$ (308,854)

Oak Plaza - Cost Allocation

ONE OAK FUNDING SCOPE

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
- Market Street Sidewalk Repairs (120 sq. ft.)					
Brick sidewalk repairs at Market Street	120 sqft	\$48.00	\$5,760		
Allowance for 8" CMB under brick sidewalks	120 sqft	\$6.50	\$780	\$6,540	\$55
- Van Ness Ave Sidewalk - (1,194 sq. ft.)					
Demo existing Van Ness paving	100 Inft	\$50.00	\$5,000		
Demo existing Van Ness sidewalk	1,194 sqft	\$3.50	\$4,179		
Demo existing Van Ness curbing	85 Inft	\$24.00	\$2,040		
Curbs - New standard city curbing at Van Ness	73 Inft	\$42.00	\$3,066		
Curbs - 8" CMB under curbing	73 Inft	\$6.50	\$475		
Sidewalk - 6" thick vehicle reinf. city standard scored concrete	1,194 sqft	\$24.50	\$29,253		
Sidewalk - 4" CMB under concrete sub-slabs	1,194 sqft	\$4.50	\$5,373		
Allowance for street patching at Van Ness	100 Inft	\$55.00	\$5,500	\$54,886	\$46
- Oak Street South Sidewalk & Bulb-Out - (5,058 sq. ft.)					
Allowance for traffic control	1.00 ls	\$10,000.00	\$10,000		
Demo existing Oak St south sidewalk	3,238 sqft	\$3.50	\$11,333		
Demo existing Oak St south curbing	177 Inft	\$24.00	\$4,248		
Allowance for additional grading at areas of new site improvements	3,238 sqft	\$4.00	\$12,952		
Precast Curbs - Allowance for precast curbing at Oak Street	200 Inft	\$270.00	\$54,000		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	200 Inft	\$60.00	\$12,000		
Driveway - City standard driveway approach at valet entry	1 ls	\$12,000.00	\$12,000		
Ramps - Sidewalk HC ramp curb cut at Oak Street	1 ea	\$1,200.00	\$1,200		
Ramps - ADA yellow truncated dome tiles	12 sqft	\$65.00	\$780		
Ramps - Reinforced concrete sub-slabs at curb cut	22 sqft	\$22.00	\$484		
Ramps - 4" CMB under concrete sub-slabs at curb cut	22 sqft	\$4.50	\$99		
Pavers - Allowance for vehicle precast pavers	4,078 sqft	\$34.00	\$138,652		
Pavers - 6" thk reinforced concrete sub-slab for vehicles	4,078 sqft	\$14.00	\$57,092		
Pavers - 6" CMB under vehicle unit paver sub-slab	4,078 sqft	\$5.50	\$22,429		
Oak Street striping & pavement markings at south passenger loading zone	44 Inft	\$150.00	\$6,600	\$343,869	\$68
- Oak Street North Bulb-Out - (1,162 sq. ft.)					
Precast Curbs - Allowance for precast curbing at Oak Street	160 Inft	\$270.00	\$43,200		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	160 Inft	\$60.00	\$9,600		
Sidewalk Type 2 - 4" thick reinforced city standard concrete	214 sqft	\$20.50	\$4,387		
Sidewalk Type 2 - 6" CMB under concrete sidewalk	214 sqft	\$5.50	\$1,177		
Pavers - Allowance for vehicle precast pavers	252 sqft	\$34.00	\$8,568		
Pavers - 6" CMB under vehicle unit pavers	252 sqft	\$5.50	\$1,386		
Porous Pavers - at continuous tree well	696 sqft	\$34.00	\$23,664		
Porous Pavers - 6" CMB under porous pavers	696 sqft	\$5.50	\$3,828		
Street tree grates	8 ea	\$2,600.00	\$20,800		
Backfill in-ground planters at north Oak sidewalk	77 cuyd	\$195.00	\$15,080		
Street trees (tree + irrigation) at north Oak bulb-out	8 ea	\$4,500.00	\$36,000	\$167,690	\$144
- Sponsor Property - (2,118 sq. ft.)					
Construction surveying	48 hrs	\$255.00	\$12,240		
Final cleaning	1.00 ls	\$7,000.00	\$7,000		
Pavers - pedestrian precast unit pavers	1,792 sqft	\$34.00	\$60,928		
Pavers - 6" CMB under pedestrian unit pavers	1,792 sqft	\$5.50	\$9,856		
Drainage - Allowance for slot drainage	1 ls	\$10,000.00	\$10,000		
Benches - Allowance for small-size circular precast concrete benches & fndtn.	2 ea	\$59,000.00	\$118,000		
Planters - Allowance for custom precast concrete planter & foundation at Muni Elevator	1 ea	\$69,000.00	\$69,000		
Planters - Allowance for custom medium-size circular precast concrete bench-planter & foundation	2 ea	\$99,000.00	\$198,000		
Planters - Allowance for custom large-size circular precast concrete bench-planter & foundation	1 ea	\$114,000.00	\$114,000		
Planters - Waterproofing at precast bench planters	400 sqft	\$22.00	\$8,800		
Planters - Stainless steel waterproof flashings	78 Inft	\$55.00	\$4,290		
Planters - Backfill raised precast planter	28 cuyd	\$195.00	\$5,407		
Planters - Allowance for precast planter irrigation	217 sqft	\$25.00	\$5,425		
Planters - Allowance for precast planter plantings	217 sqft	\$35.00	\$7,595		
Planters - Allowance for precast planter trees	3 ea	\$2,800.00	\$8,400		
Air Intake - Waterproofing at air intake, louver & flashing	1 ls	\$25,000.00	\$25,000		
Waterproofing - Caulking allowance for exterior flatwork caulking	1 ls	\$15,000.00	\$15,000		
Waterproofing - at precast planters	424 sqft	\$22.00	\$9,333		
Waterproofing - Stainless steel waterproof flashings	13 Inft	\$35.00	\$455		
Waterproofing - Allowance for exterior caulking	1 ls	\$2,500.00	\$2,500		
Drainage - Allowance for slot drainage	1	\$10,000.00	\$10,000		
Water - Allowance for coupler stub out for pressure washing	1 ls	\$2,000.00	\$2,000		
Trash Receptacles - Allowance to purchase	1 ea	\$550.00	\$550		
Trash Receptacles - Install trash receptacle (based on 4 mhrs per ea)	1 ea	\$380.00	\$380		
Bikes - Class 2 bike stands - allowance to purchase (for 62 spaces)	31 ea	\$1,200.00	\$37,200		
Bikes - Market Street Bike rack install - provide foundations, install racks & replace bricks (16 mhrs/loc)	18 loc	\$1,920.00	\$34,560		
Bikes - Oak Street Bike rack install - provide foundations, install racks (8 mhrs/loc.)	13 loc	\$1,160.00	\$15,080		
Lighting - Allowance for Lighting Fixtures in Canopies	7 ea	\$14,000.00	\$98,000		
Lighting - Allowance for wiring to LED lighting at planters & benches	6 loc	\$3,500.00	\$21,000		
Lighting - Allowance for linear LED lighting fixtures at perimeter of planters, benches & BART elevator	215 Inft	\$300.00	\$64,500		
Power - Allowance to provide conduit for electrical power at planters & canopies	10 loc	\$2,500.00	\$25,000		
Power - Allowance to provide electrical service (1 ea 150kVA trans. + 1 ea 200A switchgear brkr + 2 ea	1 ls	\$30,000.00	\$30,000		
Lighting - Allowance for wiring to garage air supply vent precast cladding for LED lighting	1 ls	\$3,500.00	\$3,500		
Final cleaning of exterior site	80 mhrs	\$86.50	\$6,920	\$1,039,919	\$491
Sub-total:			\$1,612,903	\$1,612,903	\$193

Oak Plaza - Cost Allocation

IN-KIND FUNDING SCOPE - PLAZA

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
<u>- Oak Street Roadway - (4,843 sq. ft.)</u>					
Construction surveying	8 hrs	\$255.00	\$2,040		
Demo existing Oak St paving	4,843 sqft	\$4.50	\$21,794		
Paver - Allowance for vehicle precast pavers	4,319 sqft	\$34.00	\$146,846		
Paver - 6" thk reinforced concrete sub-slab for vehicles	4,319 sqft	\$14.00	\$60,466		
Paver - 6" CMB under vehicle unit paver sub-slab	4,319 sqft	\$5.50	\$23,755		
Tabled Crosswalk - ADA yellow truncated dome tiles	48 sqft	\$65.00	\$3,120		
Tabled Crosswalk - 6" thick vehicle reinforced concrete including ramps	432 sqft	\$24.50	\$10,584		
Tabled Crosswalk - 8" CMB under concrete crosswalk	432 sqft	\$6.50	\$2,808		
Tabled Crosswalk - Striping at Oak Street at Van Ness	64 lnft	\$150.00	\$9,600		
Cross Gutter - Reinf. concrete cross gutter Oak to Van Ness	195 sqft	\$35.00	\$6,825		
Cross Gutter - 8" CMB under cross gutter	195 sqft	\$6.50	\$1,268		
Allowance to relocate/provide new storm drain CB/inlet structure at Oak/VN	2 ea	\$30,000.00	\$60,000		
Premium allowance for contrasting striping on Oak Street / North Loading	1 ls	\$5,000.00	\$5,000		
Final cleaning	1 ls	\$1,000.00	\$1,000	\$355,105	\$73
<u>- Oak Street North Sidewalk - (2,869 sq. ft.)</u>					
Allowance for building protection at 25 Van Ness	243 lnft	\$40.15	\$9,756		
Remove existing street light poles on Oak Street	2 ea	\$3,200.00	\$6,400		
Demo existing Oak St north sidewalk	2,869 sqft	\$3.50	\$10,042		
Demo existing Oak St north curbing at C.O.M. loading zone	20 lnft	\$24.00	\$480		
Allowance for additional grading at areas of new site improvements	2,869 sqft	\$4.00	\$11,476		
Allowance for structural concrete repairs at 25 Van Ness basement vault	3,360 sqft	\$30.00	\$100,800		
Allowance for waterproof prep at existing structural slab under existing sidewalks	3,360 sqft	\$8.00	\$26,880		
New waterproof membrane over existing structural slab & basement wall	3,360 sqft	\$18.00	\$60,480		
Precast Curbs - Allowance for precast curbing at Oak Street	20 lnft	\$270.00	\$5,400		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	20 lnft	\$60.00	\$1,200		
Ramps - Sidewalk HC ramp curb cut at Oak Street	1 ea	\$1,200.00	\$1,200		
Ramps - ADA yellow truncated dome tiles	12 sqft	\$65.00	\$780		
Ramps - Reinforced concrete sub-slabs at curb cut	22 sqft	\$22.00	\$484		
Ramps - 4" CMB under concrete sub-slabs at curb cut	22 sqft	\$4.50	\$99		
Sidewalk - 6" thick vehicle reinf. city standard scored concrete	106 sqft	\$24.50	\$2,597		
Sidewalk Type 2 - 4" thick reinforced city standard concrete	260 sqft	\$20.50	\$5,330		
Sidewalk Type 2 - 6" CMB under concrete sidewalk	366 sqft	\$5.50	\$2,013		
Pavers - Allowance for vehicle precast pavers	2,503 sqft	\$34.00	\$85,102		
Pavers - 6" CMB under vehicle unit pavers	2,503 sqft	\$5.50	\$13,767		
Planters - Allowance for custom rectangular planters fronting 25 Van Ness	6 ea	\$3,600.00	\$21,600		
Planters - Backfill raised planters at north sidewalk	8 cuyd	\$195.00	\$1,463		
Planters - Allowance for precast planter irrigation at north Oak sidewalk	1 ls	\$2,000.00	\$2,000		
Planters - Allowance for precast planter plantings at north Oak sidewalk	6 loc	\$380.00	\$2,280		
Trash Receptacles - Allowance to purchase	1 ea	\$550.00	\$550		
Trash Receptacles - Install trash receptacle (based on 4 mhrs per ea)	1 ea	\$380.00	\$380		
Lighting - Allowance for new street lights & power on Oak Street (See Alt. below)	4 ea	\$22,000.00	\$88,000		
Final cleaning	1 ls	\$500.00	\$500	\$461,058	\$161
Sub-total:			\$816,162	\$816,162	\$106

Oak Plaza - Cost Allocation

IN-KIND FUNDING SCOPE - PLAZA

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

- Performance Lighting and Audio/Visual Components

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
Power - Allowance to provide 30 AMP power & A/V hook up for perf. & food trucks	1 loc	\$1,950.00	\$1,950		
Power - Allowance to provide 400 AMP power & A/V hook up for stage	1 loc	\$10,750.00	\$10,750		
Power - Allowance to provide conduits only for data and A/V	10 loc	\$2,500.00	\$25,000		
Lighting - Allowance for theatrical lighting & speakers	0 ls	\$20,000.00	\$0		
Wireless - Provide 2 wireless access points to be mounted to canopies	0 ea	\$2,000.00	\$0		
Sub-total:			\$37,700	\$37,700	N/A

- Plaza Movable Seating

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
Movable Chairs	0 loc	\$250.00	\$0		
Movable Tables	0 loc	\$500.00	\$0		
Chair Dolly	0 loc	\$275.00	\$0		
Sub-total:			\$0	\$0	\$0

- Retail Kiosks & Planters at 25 Van Ness

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
Kiosks - Custom Kiosk Structures Allowance	4 loc	\$70,000.00	\$280,000		
Kiosks - Shipping and Installation of Custom Kiosk Structures	4 loc	\$12,000.00	\$48,000		
Kiosks - Allowance for Interior Tenant Improvements at Kiosk Structures	4 loc	\$8,000.00	\$32,000		
Electrical - Allowance to provide 50 AMP service to Kiosk bay locations	4 loc	\$4,350.00	\$17,400		
Electrical - Allowance to provide conduits for power & data to custom Kiosk structures	4 loc	\$2,500.00	\$10,000		
Water - Allowance to provide piping for stubbing water to custom Kiosk structures	2 loc	\$10,000.00	\$20,000		
Drainage - Allowance to provide drainage piping to custom Kiosk structures	2 loc	\$10,000.00	\$20,000		
Drainage - Allowance to provide grease trap at Kiosk structure	1 loc	\$7,000.00	\$7,000		
Sub-total:			\$434,400	\$434,400	\$1,448

Project: One Oak
Location: One Oak, San Francisco
Owner: One Oak Owner, LLC
Architect: SCB & Snohetta
Type: Sitework Budget -In Kind Agreement (IKA)
Est. Date: 6/6/2017
Drawings:

Project Type: Plaza Construction
Structure: Concrete

Build Group Inc.
457 Minna St, San Francisco, Ca

Total Gross SF **8,012** **gsf**
Tab 2 7,712 gsf
Tab 3 300 gsf

Project
Duration: 3 months

Description: Sitework

ITEM	DESCPTION	QUANTITY	UNIT	UNIT PRICE	Total Project	\$/sf	Notes
General Conditions							
		8,012	gsf	\$28.27	\$	226,470	
01500	General Conditions	3	mo	\$62,500.00	\$	187,500	Supervision/Temp Facilities
01500	Traffic Control	3	mo	\$12,990.00	\$	38,970	Full Time Traffic Control
Oak Plaza - IKA Tab 2							
		7,712	gsf	\$175.52	\$	1,353,603	
Tab 2		1	subtotal	\$1,353,603.00	\$	1,353,603	\$168.95
Oak Plaza - IKA Tab 3							
		300	gsf	\$3,213.33	\$	964,000	
Tab 3		1	subtotal	\$166,500.00	\$	166,500	Performance Lighting and A/V Connections
		1	subtotal	\$760,000.00	\$	760,000	Assumed by Tenant
		1	subtotal	\$37,500.00	\$	37,500	Movable Seating
General Requirements							
		8,012	gsf	\$26.39	\$	211,408	
15500	Rough / Daily cleaning	8,012	gsf	\$5.00	\$	40,060	\$5.00
16000	Final Cleaning	8,012	ls	\$3.00	\$	24,036	\$3.00
17000	Debris Boxes	56	ea	\$650.00	\$	36,614	\$4.57
17000	Safety	3	months	\$7,500.00	\$	22,500	\$2.81
17000	Preconstruction Services	0	mo	\$25,000.00	\$	-	\$0.00
20000	Temp Power	3	mo	\$4,000.00	\$	12,000	\$1.50
20000	Temp. toilets & wash facilities	3	ea	\$2,000.00	\$	6,000	\$0.75
20000	Tower Crane, Foundation	0	ls	\$50,000.00	\$	-	\$0.00
20000	Misc. Hoisting	0	mo	\$81,755.00	\$	-	\$0.00
20000	Manlift, Operated	0	mo	\$42,150.00	\$	-	\$0.00
20000	Bonding	0.65%	mo	\$2,755,481	\$	17,911	\$2.24
20000	Sub Guard Bonding	1	ls	\$31,287.64	\$	31,288	\$3.91
20000	Safety	3	mo	\$2,500.00	\$	7,500	\$0.94
20000	Misc Equipment	3	mo	\$4,500.00	\$	13,500	\$1.68
SUBTOTAL DIRECT CONSTRUCTION (W/GC'S)							
					\$	2,755,481	\$343.92
PERMITS AND ASSESSMENTS, UTILITY FEES							
		0.00%	allowance			by owner	
BUSINESS TAX							
		0.41%			\$	11,297	
LIABILITY INSURANCE							
		1.25%			\$	34,444	\$4.30
CONTINGENCY							
		10.00%			\$	275,548	\$34.39
CONTRACTOR'S FEE							
		5.00%			\$	153,274	\$19.13
TOTAL							
					3,230,044	\$403.15	

BID REQUESTED ALTERNATES:	QUANTITY	UNIT	UNIT PRICE	EXTENSION	\$/SF gross
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Alternates:

Alternate #1: Add for Separating Projects

Add for Separating Bearing wall	1	ls	tbd	\$0	\$0.00	Needs to be evaluated with Structural Engineer
Infill Opening Between Buildings				\$0	\$0.00	
1 Bonding is not included.						
2 No Phase 1 or Phase 2 report provided						
3 Assumes major utility upgrades are not required						
4 Owner to provide all meters and utilities required for this space to complete work.						
5 The cost for identifying or removal of any hazardous material is not included.						
6 Price does not include unforeseen discovery or hidden defects/flaws.						
7 Special Inspection Excluded. We will schedule and coordinate, but contract should be through owner						

Oak Plaza - Cost Allocation

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

ONE OAK FUNDING SCOPE

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
- Market Street Sidewalk Repairs (120 sq. ft.)					
Brick sidewalk repairs at Market Street	120 sqft	\$25.00	\$3,000		
Allowance for 8" CMB under brick sidewalks	120 sqft	\$45.00	\$5,400	\$8,400	\$70
- Van Ness Ave Sidewalk - (1,194 sq. ft.)					
Demo existing Van Ness paving	100 lnft	\$7.00	\$700		
Demo existing Van Ness sidewalk	1,194 sqft	\$15.00	\$17,910		
Demo existing Van Ness curbing	85 lnft	\$7.00	\$595		
Curbs - New standard city curbing at Van Ness	73 lnft	\$40.00	\$2,920		
Curbs - 8" CMB under curbing	73 lnft	\$6.00	\$438		
Sidewalk - 6" thick vehicle reinf. city standard scored concrete	1,194 sqft	\$20.00	\$23,880		
Sidewalk - 4" CMB under concrete sub-slabs	1,194 sqft	\$6.00	\$7,164		
Allowance for street patching at Van Ness	100 lnft	\$7.50	\$750	\$54,357	\$46
- Oak Street South Sidewalk & Bulb-Out - (5,058 sq. ft.)					
Allowance for traffic control	1.00 ls	\$60,000.00	\$60,000		
Demo existing Oak St south sidewalk	3,238 sqft	\$15.00	\$48,570		
Demo existing Oak St south curbing	177 lnft	\$7.00	\$1,239		
Allowance for additional grading at areas of new site improvements	3,238 sqft	\$5.00	\$16,190		
Precast Curbs - Allowance for precast curbing at Oak Street	200 lnft	\$75.00	\$15,000		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	200 lnft	\$75.00	\$15,000		
Driveway - City standard driveway approach at valet entry	1 ls	\$7,500.00	\$7,500		
Ramps - Sidewalk HC ramp curb cut at Oak Street	1 ea	\$4,500.00	\$4,500		
Ramps - ADA yellow truncated dome tiles	12 sqft	\$20.00	\$240		
Ramps - Reinforced concrete sub-slabs at curb cut	22 sqft	\$25.00	\$550		
Ramps - 4" CMB under concrete sub-slabs at curb cut	22 sqft	\$6.00	\$132		
Pavers - Allowance for vehicle precast pavers	4,078 sqft	\$40.00	\$163,120		
Pavers - 6" thk reinforced concrete sub-slab for vehicles	4,078 sqft	\$25.00	\$101,950		
Pavers - 6" CMB under vehicle unit paver sub-slab	4,078 sqft	\$6.00	\$24,468		
Oak Street striping & pavement markings at south passenger loading zone	44 lnft	\$5.00	\$220	\$458,679	\$91
- Oak Street North Bulb-Out - (1,162 sq. ft.)					
Precast Curbs - Allowance for precast curbing at Oak Street	160 lnft	\$75.00	\$12,000		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	160 lnft	\$75.00	\$12,000		
Sidewalk Type 2 - 4" thick reinforced city standard concrete	214 sqft	\$30.00	\$6,420		
Sidewalk Type 2 - 6" CMB under concrete sidewalk	214 sqft	\$6.00	\$1,284		
Pavers - Allowance for vehicle precast pavers	252 sqft	\$40.00	\$10,080		
Pavers - 6" CMB under vehicle unit pavers	252 sqft	\$6.00	\$1,512		
Porous Pavers - at continuous tree well	696 sqft	\$40.00	\$27,840		
Porous Pavers - 6" CMB under porous pavers	696 sqft	\$6.00	\$4,176		
Street tree grates	8 ea	\$1,500.00	\$12,000		
Backfill in-ground planters at north Oak sidewalk	77 cu yd	\$60.00	\$4,640		
Street trees (tree + irrigation) at north Oak bulb-out	8 ea	\$4,000.00	\$32,000	\$123,952	\$107
- Sponsor Property - (2,118 sq. ft.)					
Construction surveying	48 hrs	\$320.00	\$15,360		
Final cleaning	1.00 ls	\$25,000.00	\$25,000		
Pavers - pedestrian precast unit pavers	1,792 sqft	\$40.00	\$71,680		
Pavers - 6" CMB under pedestrian unit pavers	1,792 sqft	\$6.00	\$10,752		
Drainage - Allowance for slot drainage	1 ls	\$15,000.00	\$15,000		
Benches - Allowance for small-size circular precast concrete benches & frdn.	2 ea	\$15,000.00	\$30,000		
Planters - Allowance for custom precast concrete planter & foundation at Muni Elevator	1 ea	\$150,000.00	\$150,000		
Planters - Allowance for custom medium-size circular precast concrete bench-planter & foundation	2 ea	\$55,000.00	\$110,000		
Planters - Allowance for custom large-size circular precast concrete bench-planter & foundation	1 ea	\$107,500.00	\$107,500		
Planters - Waterproofing at precast bench planters	400 sqft	\$20.00	\$8,000		
Planters - Stainless steel waterproof flashings	78 lnft	\$200.00	\$15,600		
Planters - Backfill raised precast planter	28 cu yd	\$60.00	\$1,664		
Planters - Allowance for precast planter irrigation	217 sqft	\$55.00	\$11,935		
Planters - Allowance for precast planter plantings	217 sqft	\$55.00	\$11,935		
Planters - Allowance for precast planter trees	3 ea	\$2,500.00	\$7,500		
Air Intake - Waterproofing at air intake, louver & flashing	1 ls	\$7,500.00	\$7,500		
Waterproofing - Caulking allowance for exterior flatwork caulking	1 ls	\$15,000.00	\$15,000		
Waterproofing - at precast planters	424 sqft	\$20.00	\$8,484		
Waterproofing - Stainless steel waterproof flashings	13 lnft	\$200.00	\$2,600		
Waterproofing - Allowance for exterior caulking	1 ls	\$10,000.00	\$10,000		
Drainage - Allowance for slot drainage	1	\$15,000.00	\$15,000		
Water - Allowance for coupler stub out for pressure washing	1 ls	\$5,000.00	\$5,000		
Trash Receptacles - Allowance to purchase	1 ea	\$5,000.00	\$5,000		
Trash Receptacles - Install trash receptacle (based on 4 mhrs per ea)	1 ea	\$750.00	\$750		
Bikes - Class 2 bike stands - allowance to purchase (for 62 spaces)	31 ea	\$4,500.00	\$139,500		
Bikes - Market Street Bike rack install - provide foundations, install racks & replace bricks (16 mhrs/loc.)	18 loc	\$2,250.00	\$40,500		
Bikes - Oak Street Bike rack install - provide foundations, install racks (8 mhrs/loc.)	13 loc	\$1,000.00	\$13,000		
Lighting - Allowance for Lighting Fixtures in Canopies	7 ea	\$2,500.00	\$17,500		
Lighting - Allowance for wiring to LED lighting at planters & benches	6 loc	\$5,000.00	\$30,000		
Lighting - Allowance for linear LED lighting fixtures at perimeter of planters, benches & BART elevator	215 lnft	\$200.00	\$43,000		
Power - Allowance to provide conduit for electrical power at planters & canopies	10 loc	\$5,000.00	\$50,000		
Power - Allowance to provide electrical service (1 ea 150kVA trans. + 1 ea 200A switchgear brkr + 2 ea	1 ls	\$25,000.00	\$25,000		
Lighting - Allowance for wiring to garage air supply vent precast cladding for LED lighting	1 ls	\$7,500.00	\$7,500		
Final cleaning of exterior site	80 mhrs	\$125.00	\$10,000	\$1,037,260	\$490
Sub-total:			\$1,682,648	\$1,682,648	\$202

Oak Plaza - Cost Allocation

IN-KIND FUNDING SCOPE - PLAZA

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

	Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
<u>- Oak Street Roadway - (4,843 sq. ft.)</u>					
Construction surveying	8 hrs	\$320.00	\$2,560		
Demo existing Oak St paving	4,843 sqft	\$7.00	\$33,901		
Paver - Allowance for vehicle precast pavers	4,319 sqft	\$40.00	\$172,760		
Paver - 6" thk reinforced concrete sub-slab for vehicles	4,319 sqft	\$40.00	\$172,760		
Paver - 6" CMB under vehicle unit paver sub-slab	4,319 sqft	\$6.00	\$25,914		
Tabled Crosswalk - ADA yellow truncated dome tiles	48 sqft	\$20.00	\$960		
Tabled Crosswalk - 6" thick vehicle reinforced concrete including ramps	432 sqft	\$75.00	\$32,400		
Tabled Crosswalk - 8" CMB under concrete crosswalk	432 sqft	\$6.00	\$2,592		
Tabled Crosswalk - Striping at Oak Street at Van Ness	64 lft	\$7.00	\$448		
Cross Gutter - Reinf. concrete cross gutter Oak to Van Ness	195 sqft	\$50.00	\$9,750		
Cross Gutter - 8" CMB under cross gutter	195 sqft	\$6.00	\$1,170		
Allowance to relocate/provide new storm drain CB/inlet structure at Oak/VN	2 ea	\$5,000.00	\$10,000		
Premium allowance for contrasting striping on Oak Street / North Loading	1 ls	\$7,500.00	\$7,500		
Final cleaning	1 ls	\$25,000.00	\$25,000	\$497,715	\$103
<u>- Oak Street North Sidewalk - (2,869 sq. ft.)</u>					
Allowance for building protection at 25 Van Ness	243 lft	\$125.00	\$30,375		
Remove existing street light poles on Oak Street	2 ea	\$7,500.00	\$15,000		
Demo existing Oak St north sidewalk	2,869 sqft	\$7.00	\$20,083		
Demo existing Oak St north curbing at C.O.M. loading zone	20 lft	\$50.00	\$1,000		
Allowance for additional grading at areas of new site improvements	2,869 sqft	\$6.00	\$17,214		
Allowance for structural concrete repairs at 25 Van Ness basement vault	3,360 sqft	\$100.00	\$336,000		
Allowance for waterproof prep at existing structural slab under existing sidewalks	3,360 sqft	\$12.00	\$40,320		
New waterproof membrane over existing structural slab & basement wall	3,360 sqft	\$20.00	\$67,200		
Precast Curbs - Allowance for precast curbing at Oak Street	20 lft	\$100.00	\$2,000		
Precast Curbs - Allowance for reinforced concrete sub-base under curbing	20 lft	\$50.00	\$1,000		
Ramps - Sidewalk HC ramp curb cut at Oak Street	1 ea	\$4,500.00	\$4,500		
Ramps - ADA yellow truncated dome tiles	12 sqft	\$20.00	\$240		
Ramps - Reinforced concrete sub-slabs at curb cut	22 sqft	\$25.00	\$550		
Ramps - 4" CMB under concrete sub-slabs at curb cut	22 sqft	\$6.00	\$132		
Sidewalk - 6" thick vehicle reinf. city standard scored concrete	106 sqft	\$40.00	\$4,240		
Sidewalk Type 2 - 4" thick reinforced city standard concrete	260 sqft	\$40.00	\$10,400		
Sidewalk Type 2 - 6" CMB under concrete sidewalk	366 sqft	\$6.00	\$2,196		
Pavers - Allowance for vehicle precast pavers	2,503 sqft	\$40.00	\$100,120		
Pavers - 6" CMB under vehicle unit pavers	2,503 sqft	\$6.00	\$15,018		
Planters - Allowance for custom rectangular planters fronting 25 Van Ness	6 ea	\$5,000.00	\$30,000		
Planters - Backfill raised planters at north sidewalk	8 cuyd	\$40.00	\$300		
Planters - Allowance for precast planter irrigation at north Oak sidewalk	1 ls	\$12,500.00	\$12,500		
Planters - Allowance for precast planter plantings at north Oak sidewalk	6 loc	\$2,500.00	\$15,000		
Trash Receptacles - Allowance to purchase	1 ea	\$5,000.00	\$5,000		
Trash Receptacles - Install trash receptacle (based on 4 mhrs per ea)	1 ea	\$500.00	\$500		
Lighting - Allowance for new street lights & power on Oak Street (See Alt. below)	4 ea	\$25,000.00	\$100,000		
Final cleaning	1 ls	\$25,000.00	\$25,000	\$855,888	\$298
Sub-total:			\$1,353,603	\$1,353,603	\$176

Oak Plaza - Cost Allocation

IN-KIND FUNDING SCOPE - PLAZA

Direct Trade Hard Costs Only (Excludes all GRs, GCs, mark-ups, escalation, contingency, and soft costs)

- Performance Lighting and Audio/Visual Components

Power - Allowance to provide 30 AMP power & A/V hook-up for perf. & food trucks
Power - Allowance to provide 400 AMP power & AV hook-up for stage
Power - Allowance to provide conduits only for data and A/V
Lighting - Allowance for theatrical lighting & speakers
Wireless - Provide 2 wireless access points to be mounted to canopies

Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
1 loc	\$7,500.00	\$7,500		
1 loc	\$10,000.00	\$10,000		
10 loc	\$5,000.00	\$50,000		
1 ls	\$75,000.00	\$75,000		
2 ea	\$12,000.00	\$24,000		
Sub-total:		\$166,500	\$166,500	N/A

- Plaza Movable Seating

Movable Chairs
Movable Tables
Chair Dolly

Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
30 loc	\$750.00	\$22,500		
5 loc	\$1,500.00	\$7,500		
1 loc	\$7,500.00	\$7,500		
Sub-total:		\$37,500	\$37,500	\$125

- Retail Kiosks & Planters at 25 Van Ness

Kiosks - Custom Kiosk Structures Allowance
Kiosks - Shipping and Installation of Custom Kiosk Structures
Kiosks - Allowance for Interior Tenant Improvements at Kiosk Structures
Electrical - Allowance to provide 50 AMP service to Kiosk bay locations
Electrical - Allowance to provide conduits for power & data to custom Kiosk structures
Water - Allowance to provide piping for stubbing water to custom Kiosk structures
Drainage - Allowance to provide drainage piping to custom Kiosk structures
Drainage - Allowance to provide grease trap at Kiosk structure

Qty	Unit Price	Extension	Subtotals	Per Sq. Ft.
4 loc	\$75,000.00	\$300,000		
4 loc	\$25,000.00	\$100,000		
4 loc	\$50,000.00	\$200,000		
4 loc	\$10,000.00	\$40,000		
4 loc	\$7,500.00	\$30,000		
2 loc	\$12,500.00	\$25,000		
2 loc	\$7,500.00	\$15,000		
1 loc	\$50,000.00	\$50,000		
Sub-total:		\$760,000	\$760,000	\$2,533

Market Octavia Citizen Advisory Committee Motion

Oak Plaza In-Kind Application. Presentation on a proposal to construct a new plaza on Oak Street at Van Ness Avenue in association with a development project at One Oak through an In-Kind Agreement, followed by comment and action.

MOTION NO.: 2017-05-15-02

ACTION: To approve the in-kind agreement for an amount of \$1,952,773 to build a new plaza at Oak Street and Van Ness Avenue. The new plaza would incorporate streetscape amenities, landscaping, lighting, seating, and new retail kiosks on the north side of Oak Street, and any eligible administrative and project management costs as to be determined with due diligence by Planning Department.

MOTION: Olsson
SECOND: Marker
AYES: Singa, Olsson, Marker, Levitt
NOES: Henderson
RECUSAL: Vasquez
ABSENT: Soriano Bilal, Olsen



**History. Culture.
Government.**
It all happens
in Civic Center.

January 4, 2017

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Ms. Langlois:

The Civic Center Community Benefit District (CBD) Board of Directors supports BUILD's proposed in-kind waiver agreement to help pay for the extraordinary public realm improvements that they have voluntarily proposed as part of their One Oak project as consistent with the public interest and our broader vision for the area. Here is our detailed position.

The Civic Center CBD, chartered by the City in January 2011, covers some thirty blocks around Civic Center. These blocks contain more than 12,000 employees, performance and cultural venues with a capacity of nearly 20,000 seats and several thousand and growing units of housing. Two principal transit corridors serve the area - Grove Street starting at the Civic Center BART/MUNI Station and Van Ness Avenue centered on the Van Ness MUNI Metro Station.

The Market/Van Ness intersection should be one of the most prominent in the City. Instead it consists of older buildings with few street level amenities making the intersection unpleasant. However, at this time several key properties around the intersection are being prepared for ambitious development plans that could transform the area. We need to simultaneously transform the public streetscape and the Metro station so that the intersection will become welcoming and safe. This will require coordinated planning among the projects.

We realize that what we are asking for may require the property owner/developers to provide improvements beyond their properties or financial abilities. These extraordinary improvements will of course benefit not only the public but also the developers. We are aware that under various City policies and regulations, developers are required to pay fees or extractions to the City for transportation, open space and other amenities. The City then spends these fees, via its capital planning process, on various physical improvements. We are also aware that on occasion, developers can offer to design and build public realm improvements in lieu of paying some or all of these fees to the City. Such an arrangement is called an "in-kind fee waiver agreement". We think such an arrangement would be suitable for the development of the properties at the intersection.

Our CBD has followed the potential development of the parcels at the foot of Oak Street and Van Ness Avenue for years since this corner is particularly unattractive and unsafe. We were pleased when BUILD took over the project and incorporated the "donut shop" parcel into it to round out that corner. To fully develop the public realm around their project, they have prepared elaborate plans to convert the eastern end of Oak Street into a shared public way for pedestrians with a performance plaza, seating and retail kiosks installed next to the historic 25 Van Ness building. We understand that they are negotiating with the SFMTA to improve the entrance to the transit station and the general ambiance within the station, which should make it more welcoming to transit users. These improvements are well beyond what is normally expected of developers for the public areas of their project but are essential to the upgrade of the Van Ness Market intersection.

We would appreciate your passing this support letter to the Market Octavia Citizens Advisory Committee and to the Planning Commission.

Very truly yours.

A handwritten signature in black ink, appearing to read 'Donald W. Savoie'. The signature is fluid and cursive, with the first name 'Donald' being the most prominent.

Donald W. Savoie, Executive Director
Civic Center Community Benefit District



November 21, 2016

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Ms. Langlois,

On behalf of Walk San Francisco, I want to share our strong support for the **Oak Plaza** public realm improvements, which are being proposed via an In-Kind Agreement with BUILD, as part of the adjacent One Oak residential project. Walk SF has been involved in advocating for public space projects for the past 18 years. We've collaborated with many different organizations and community groups, such as Yerba Buena Community Benefit District, Hayes Valley Neighborhood Association, Central City SRO Collaborative and more, to develop innovative projects that reimagine our streets as shared public space.

The proposed performing arts plaza and Oak Street traffic calming will enhance the experience for people walking at an important intersection, which is currently lacking public space amenities that would invite people to safely enjoy this space. BUILD's proposed, public realm improvements support Walk SF's mission, which is to make walking in San Francisco safe for everyone, so our community is healthier and more livable.

BUILD's special focus on enhancing the public realm aligns with the unique character and proposed plan for the 'Market-Hub' neighborhood in particular. As a major transit hub, and with the incoming Van Ness Bus Rapid Transit (BRT), the Market-Van Ness intersection will only increase its importance to the city's overall transportation system. By converting Oak Street into a shared public, the project will provide a safe, convenient and pleasant passage for people going to and from work, residences, or performances in the area. The added pedestrian open space and traffic calming will enhance safety and access to both the BRT platform and to the Muni Station and stops. In addition, given the proximity of the French American International School, Chinese American International School, and the Conservatory of Music, which are all located on Oak Street, these improvements will support the City's Safe Routes to School goals.

Finally, BUILD's willingness to create a Community Facilities District (CFD) would fund maintenance of the plaza and provide a unique place making opportunity for the neighborhood and City. Voters, with the recent passage of Proposition E, have shown that sidewalk care and quality are a high priority; BUILD's funding will insure this busy intersection is properly maintained for a term of at least 100 years.

Walk SF strongly encourages the Market Octavia Community Advisory Committee (MOCAC) to support BUILD's place-making proposals for this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Natalie Burdick", with a long horizontal flourish extending to the right.

Natalie Burdick
Outreach Director

cc: Jared Press, Program Manager, Build Public

11/17/2016
Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103
RE: Oak Plaza

Dear Ms. Langlois,
On behalf of the San Francisco Parks Alliance (SFPA), I want to express our strong support for the Oak Plaza public realm improvements that are being proposed via an In-Kind Agreement with BUILD, the developers of the adjacent One Oak residential project.

The Market-Van Ness intersection has no parks or public open space and needs significantly more, especially with the influx of residential development occurring on three of the four corners in the near future. The 2008 Market Octavia Area Plan states that “there is no central public square, park, or plaza that marks and helps give identity to this neighborhood... The streets afford the greatest opportunity to create new public parks and plazas” (p. 40). Oak Plaza will meet these needs, creating a much needed new, central public open space that defines the neighborhood as a cultural arts district.

SFPA supports the conversion of underutilized streets into public open spaces, particularly in neighborhoods that are under-served by open space and where land values are cost prohibitive to acquisition of private parcels for new parks. The Market-Van Ness intersection is one of San Francisco’s most important. It is already a major transit hub, and the incoming Van Ness BRT will only increase its significance. The proposed performing arts plaza, Oak Street traffic calming, and retail kiosks will dramatically enhance public life and safety with a well-activated public open space at one of the most important but least inviting public intersections in the City.

Lastly, BUILD’s willingness to create a Community Facilities District (CFD) that would fund maintenance of the plaza at a minimum (and potentially the larger Market-Van Ness intersection public realm depending on participation from additional developers) for 100 years represents an incredible opportunity for the neighborhood and City, and should not be passed up. The quality and cleanliness of our public open spaces has a major impact on our willingness to use them, and these funds will go a long way in improving the overall maintenance of such a busy intersection.

BUILD’s vision for the project represents a long overdue reinvestment at one of San Francisco’s most prominent intersections. SFPA strongly encourages the Market Octavia Community Advisory Committee to support BUILD’s proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it.

Sincerely,
Sahiti Karempudi
Pavement to Parks Partnerships Manager, San Francisco Parks Alliance

cc: Jared Press, Program Manager, Build Public

November 18, 2016

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: **Oak Plaza and One Oak Project – 1500-1540 Market Street**

Dear Ms. Langlois,

On behalf of ArtSpan, I want to express our strong support for the proposed Oak Plaza public realm improvements and related One Oak residential project. Since July 2015, ArtSpan, along with numerous other nonprofits, has occupied 1540 Market St, the future site of the One Oak project, through a creative, temporary, and affordable lease with BUILD, the owners and developers of the site.

ArtSpan is also working with Build Public on another BUILD project, 660-680 Indiana St and the adjacent Dogpatch Arts Plaza, to curate the new public open space with rotating outdoor art installations as well as a mural on an adjacent building façade. This work is being funded through a \$100,000 arts endowment from BUILD, and will go a long way in supporting local artists by showcasing their work. BUILD's enthusiasm and willingness to leverage their projects to support local artists is commendable and should not be taken for granted. As our ongoing working relationship with BUILD demonstrates, I can attest to the fact that these are civic-minded partners who genuinely care about having a positive impact on the communities in which they work.

BUILD's proposal to use Oak Plaza as a public venue to promote the numerous nearby performing arts institutions, through live performances, a "box office" retail kiosk, and a rebranding of the Van Ness Muni Station with artwork and wayfinding signage will help establish the identity of the neighborhood as a cultural arts district, not to mention dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City

BUILD's vision for the project represents a long overdue reinvestment at one of San Francisco's most prominent intersections. ArtSpan strongly encourages the Market Octavia Community Advisory Committee to support BUILD's proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it. If you would like to speak with me further about our support for this project, please do not hesitate to contact me at your convenience.

Sincerely,



Joen Madonna
Executive Director, ArtSpan

cc: Jared Press, Program Manager, Build Public

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

November 16, 2016

RE: **Oak Plaza and One Oak Project – 1500-1540 Market Street**

Dear Ms. Langlois,

On behalf of the New Conservatory Theatre Center (NCTC), I want to express our strong support for the proposed Oak Plaza public realm improvements and related One Oak residential project. We are located in the Lower Lobby of 25 Van Ness Ave, directly below the plaza, and will benefit if BUILD's proposed transformation of this long-neglected corner moves forward.

BUILD's special focus on enhancing the public realm is a rare gift to the City. As you may know, the Market-Van Ness intersection has no parks or public open space and needs significantly more, especially with the influx of residential development occurring on three of the four corners in the near future. The 2008 Market Octavia Area Plan states that "there is no central public square, park, or plaza that marks and helps give identity to this neighborhood... The streets afford the greatest opportunity to create new public parks and plazas" (p. 40). Oak Plaza will meet these needs, creating a much needed new, central public open space that defines the neighborhood as a cultural arts district.

As a performing arts institution in the neighborhood for the past 30 years, NCTC is excited to use the plaza to promote its upcoming shows and programming through small-scale public performances. We are enthusiastic about the prospect of utilizing one of the plaza micro kiosks as a box office to provide a street presence and see this as a great means of activating the plaza as the "front porch" to the cultural arts of the neighborhood.

The proposed performing arts plaza, Oak Street traffic calming, retail kiosks, and ground floor restaurant will dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City. Furthermore, BUILD's willingness to create a Services Community Facilities District (CFD) that would fund maintenance of the plaza for 100 years represents an incredible opportunity for the neighborhood and City, and should not be passed up.

Lastly, we strongly urge the Planning Department to allow the project to provide the maximum amount of underground parking permitted under the Planning Code, which is one space for every two dwelling units, or approximately 150 parking spaces. As local surface parking lots slowly convert to new development, parking supply has grown increasingly scarce and now threatens many small businesses and cultural institutions such as NCTC in the neighborhood. While we welcome new residents, we do not think it is good planning to force them to compete for an ever-decreasing supply of neighborhood parking.

BUILD's vision for the project represents a long overdue reinvestment at one of San Francisco's most prominent intersections. We strongly encourage the Market Octavia Community Advisory Committee (MOCAC) to support BUILD's proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it.

Sincerely,

A handwritten signature in blue ink that reads "ED DECKER". The signature is stylized, with the first letters of the first and last names being larger and more prominent.

Ed Decker

Founder and Artistic Director

New Conservatory Theatre Center



November 18, 2016

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: **Oak Plaza and One Oak Project – 1500-1540 Market Street**

Dear Ms. Langlois,

On behalf of the San Francisco Opera, I want to express our strong support for the proposed Oak Plaza public realm improvements and related One Oak residential project. We are located just a few blocks north on Van Ness Ave and will benefit if BUILD's proposed transformation of this long-neglected corner moves forward.

BUILD's special focus on enhancing the public realm is a rare gift to the City and, in particular, to this neighborhood at this time. As you may know, the Market-Van Ness intersection has no parks or public open space and needs significantly more, especially with the influx of residential development occurring on three of the four corners in the near future. The 2008 Market Octavia Area Plan states that "there is no central public square, park, or plaza that marks and helps give identity to this neighborhood... The streets afford the greatest opportunity to create new public parks and plazas" (p. 40). Oak Plaza will meet these needs, creating a much needed new, central public open space that defines the neighborhood as a cultural arts district.

SF Opera attended the Oak Plaza Cultural Workshop hosted by Build Public in January to discuss how this space might be programmed. We are excited for the creation of a new public open space that will be promoting the numerous performing arts institutions in the neighborhood. Our employees will also benefit from having a centrally located open space where they can gather and have lunch during the day. Additionally, SF Opera has been actively involved in creating a Living Innovation Zone (LIZ) in the area that would creatively engage pedestrians with other music partners from the neighborhood. In our meetings with Build Public, we have discussed the potential for the Oak Plaza project to be used as a long-term home for the LIZ. We are enthusiastic about this prospect as we continue to explore the LIZ project as it dovetails with that of the plaza as a "front porch" for the performing arts.

The proposed performing arts plaza, Oak Street traffic calming, retail kiosks, and ground floor restaurant will dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City. Furthermore, BUILD's willingness to create a Services Community Facilities District (CFD) that would fund maintenance of the plaza for 100 years represents an incredible opportunity for the neighborhood and City, and should not be passed up.

BUILD's vision for the project represents a long overdue reinvestment at one of San Francisco's most prominent intersections. San Francisco Opera strongly encourage the Market Octavia Community Advisory Committee to support BUILD's proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it.

Sincerely,

Matthew Shilvock
General Director, San Francisco Opera

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Michael Tilson Thomas
Music Director

Herbert Blomstedt
Conductor Laureate

Sakurako Fisher
President

Brent Assink
Executive Director

January 20, 2016

Lilly Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Re: **Oak Plaza and One Oak Project – 1500-1540 Market Street**

Dear Ms. Langlois,

On behalf of the San Francisco Symphony, I want to express our strong support for the proposed Oak Plaza public realm improvements that are being proposed via an In-Kind Agreement with BUILD, the developers of the adjacent One Oak residential project. Located just a block and a half away at 201 Van Ness Ave, the Symphony will benefit from the creation of a new public open space that will celebrate and promote the neighborhood as a cultural arts district.

For over a decade, attendees at the Symphony have reported feeling uncomfortable spending time near the Civic Center-Market-Van Ness corridor, particularly after dark. The proposed developments with One Oak Plaza will dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City. We are confident that the development will make a significant difference in how our Symphony community interacts with the neighborhood.

Lastly, we urge the Planning Department to allow the adjacent One Oak project to provide the maximum amount of underground parking permitted under the Planning Code, which is one space for every two dwelling units, or approximately 150 parking spaces. As local surface parking lots slowly convert to new development, parking supply has grown increasingly scarce and now threatens many small businesses and cultural institutions in the area, including the Symphony. While we welcome new residents, we do not think it is good planning to force them to compete for an ever-decreasing supply of neighborhood parking.

BUILD's vision for the project represents a long overdue reinvestment at one of San Francisco's most prominent intersections. The San Francisco Symphony strongly encourages the Market Octavia Community Advisory Committee to support BUILD's proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it.

Sincerely,



Marni Cook

Director, Community Engagement and Volunteer Services

SMUIN

CONTEMPORARY AMERICAN BALLET

February 28, 2017

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Support for Oak Plaza

Dear Ms. Langlois,

On behalf of Smuin, I want to express our support for BUILD's proposed In-Kind Fee Waiver Agreement to develop the "Oak Plaza" public realm improvements as part of their adjacent residential tower project. We are located just a few blocks away at 44 Gough St and our staff and dancers will benefit from the creation of a new, centrally located public open space where they can gather and have lunch during the day that also celebrates and promotes the neighborhood as a cultural arts district.

BUILD's proposal to use Oak Plaza as a public venue to promote the numerous nearby performing arts institutions through live performances, an interactive arts-focused kiosk, and a rebranding of the Van Ness Muni Station with artwork and wayfinding signage will help establish the identity of the neighborhood as a cultural arts district, not to mention dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City. The plaza, designed to accommodate public outdoor performance spaces, will serve as a unique space for pedestrians to enjoy a wide variety of entertainment while providing organizations such as Smuin a platform to interact with the public and promote our programs.

Again, we support BUILD's vision to transform one of San Francisco's most prominent intersections. We encourage the Market Octavia CAC and the San Francisco Planning Commission to approve BUILD's In-Kind Fee Waiver Agreement.

Sincerely,



Rhonda Grossman
Managing Director

cc: Jared Press, Program Manager, Build Public

44 GOUGH STREET, SUITE 103, SAN FRANCISCO, CA 94103 PHONE: 415-556-5000 SMUINBALLET.ORG

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JOHN MURPHY
SUSAN STITT



May 8, 2017

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Oak Plaza

Dear Ms. Langlois,

On behalf of the ArtsCenter, I want to express our strong support for the proposed Oak Plaza public realm improvements and related One Oak residential project. We are located at 135 Van Ness Ave, just one block north of the plaza, and our future students, faculty, and staff will directly benefit from this transformation. Specifically, the conversion of this blighted area into a vibrant pedestrian space will provide a pleasant and safe passage for our many students, faculty, and staff who rely on MUNI, especially those who use the Van Ness MUNI Metro station as well as the future Van Ness BRT.

As the future home of the Asawa School of the Arts and Art Institute, ArtsCenter will have great synergy with Oak Plaza, an adjacent public open space that is envisioned as the “front porch” for the cultural arts of the neighborhood. Oak Plaza could serve as a potential space for our students to showcase their work, both in the performing and visual arts.

The proposal to use Oak Plaza as a public venue to promote the numerous nearby performing arts institutions, through live performances, a “box office” retail kiosk, and a rebranding of the Van Ness Muni Station with artwork and wayfinding signage will help establish the identity of the neighborhood as a cultural arts district, not to mention dramatically enhance public life and safety at one of the most important but least inviting public intersections in the City. Furthermore, the Project Sponsor’s willingness to create a Services Community Facilities District (CFD) that would fund maintenance of the plaza for 100 years represents an incredible opportunity for the neighborhood and City, and should not be passed up.

This project represents a long overdue reinvestment at one of San Francisco’s most prominent intersections. We strongly encourage the Market Octavia Community Advisory Committee (MOCAC) to support this proposal for an In-Kind Agreement to fund the project and that the City will move expeditiously to approve it.

Sincerely,

Donn Harris
Executive Director, ArtsCenter

cc: Jared Press, Program Manager, Build Public

May 10, 2017

Lily Langlois & Tina Chang
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Oak Plaza

Dear Ms. Langlois and Ms. Chang,

On behalf of Bo's Flowers, a local florist shop that has been operating out of a kiosk at 1520 Market Street since 1984, I want to express my support for BUILD's proposed One Oak residential tower and the associated In-Kind Fee Waiver Agreement to develop Oak Plaza. The project team reached out to me in 2016 to discuss the prospect of relocating my business into one of the Oak Plaza kiosks, and I am very excited by the prospect. While the conversation is preliminary, given an expected completion date of 2020, we have already discussed some of the core requirements and needs of the business, including the possibility of temporary relocation to one of the 25 Van Ness bays during construction. Having operated a successful business in a small-scale retail kiosk in this neighborhood for over three decades, I am confident that my business will continue to thrive in this location, where my current customers will be able to find me.

I applaud the project team for reaching out to me and thinking creatively and proactively about how to help keep my business in the neighborhood. I have many longstanding, regular customers and the prospect of being able to continue to operate my flower shop near my current location is very important to me.

Furthermore, I am encouraged by the Oak Plaza project team and the City's shared goal of using the kiosks to promote small local businesses that will help activate the plaza. I opened Bo's Flowers in 1984, and in November 2016, my business was approved as a Legacy Business by the San Francisco Small Business Commission. The Legacy Business Program was launched to preserve long-standing San Francisco businesses that have been in existence for at least 30 years and have made a significant impact on the history or culture of their neighborhood. The program seeks to provide more security in a rapidly changing city. I am thrilled that I will be able to continue to operate my business with minimal interruption.

I have been in this neighborhood for over 30 years, and know firsthand how much the Market-Van Ness public realm needs to be improved. This project represents a long overdue investment in one of San Francisco's most prominent intersections and I am excited by the prospect of being a part of it. I strongly encourage the Market Octavia Community Advisory Committee (MOCAC) to support this proposal for an In-Kind Agreement to fund the kiosks and other plaza improvements.

Sincerely,



Bozena Idzkowski
Bo's Flowers

Red Bay Coffee Roasters

May 11, 2017

Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: **Oak Plaza**

Dear Ms. Langlois,

On behalf of Red Bay Coffee, headquartered in Fruitvale, I want to express our support for the proposed Oak Plaza public realm improvements. Build Public reached out to me earlier this year to discuss the prospect of occupying one of the Oak Plaza kiosks, and I am excited by the prospect. While the conversation is preliminary, given an expected completion date of 2020, we have discussed some of the core requirements and needs of our business, and I am confident that a Red Bay Coffee kiosk could be incredibly successful in this location.

In 2016, we opened Red Bay Coffee Box, a worker profit-sharing coffee bar, in Uptown Oakland. Housed in a shipping container, we understand what it takes to successfully operate a small-scale retail space. Location is an incredibly important factor, and as a native San Franciscan who used to work in the basement of 50 Oak Street, I am more than familiar with this intersection. It is already a bustling transit hub, and Build Public's vision for the plaza to serve as a gateway to the neighborhood and cultural arts district will help transform it into a vibrant pedestrian open space for the countless residents, students, employees and visitors who pass through on a daily basis.

Furthermore, Build Public and the City's shared goal of using the kiosks to promote small local businesses that will help activate the plaza aligns well with Red Bay Coffee's philosophy. We focus on creating opportunities within the community at large while fostering single origin, fair trade, direct trade, organic and sustainable coffees, and are excited to continue our mission in San Francisco.

This project represents an investment in one of San Francisco's most prominent intersections and I am excited by the prospect of being a part of it. I encourage the Market Octavia Community Advisory Committee (MOCAC) to support this proposal for an In-Kind Agreement to fund the project.

Sincerely,



Keba Konte
Founder CEO
Red Bay Coffee Roasters

cc: Jared Press, Program Manager, Build Public

Emily Jane Rosenberg
777 Fitch St.
Healdsburg, CA 95448
(707) 431-0511

December 16, 2016

Via Regular Mail

Tina Chang & Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Support for the One Oak Tower & Oak Plaza

Dear Ms. Chang & Ms. Langlois:

I am the Trustee for my family trust which owns the property located at 110 Franklin Street, between Oak and Hickory. I want to express my support for BUILD's proposed One Oak residential tower and the associated In-Kind Fee Waiver Agreement to develop Oak Plaza. Given our proximity to the proposed project, my property will directly benefit from BUILD's vision for positive transformation. The conversion of this blighted area into a new residential tower, ground-floor restaurant and vibrant public space will create a safe place for visitors to and residents of the greater Hayes Valley to gather or walk through to access the Van Ness MUNI Metro station as well as the future Van Ness BRT.

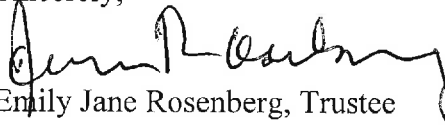
Equally important, I urge the Planning Department to support the maximum amount of underground parking permitted at One Oak, which I understand is one space for every two dwelling units, or 150 parking spaces. Despite the fact that my property is currently operated as a parking lot and greater parking demand might seem to be beneficial to that use, I recognize that a scarce parking supply negatively impacts small neighborhood businesses and cultural arts institutions. I am concerned that under-supplying parking in new housing will force residents to compete for limited existing parking and have a detrimental impact on the neighborhood as a whole. I care deeply about the success and vibrancy of the neighborhood and believe that BUILD shares my desire to enhance it.

Again, I support BUILD's vision to transform one of San Francisco's most prominent but neglected intersections with a beautifully designed project and public space. We encourage the

Tina Chang & Lily Langlois
December 16, 2016
Page 2

Market Octavia CAC and the San Francisco Planning Commission to approve BUILD's project and the associated In-Kind Fee Waiver Agreement.

Sincerely,

 wow
Emily Jane Rosenberg, Trustee

cc: Jared Press, Program Manager, Build Public
Steve Kuklin, Senior Project Manager, BUILD

Aug.3rd, 2016

Tina Chang
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: **One Oak Project – 1500-1540 Market Street
Case #2009.0159**

Dear Ms. Chang,


Please accept this letter of support in favor of the proposed One Oak Project and related public improvements. I represent the property owners of 22-24 Franklin Street, located within 150-feet of the One Oak site. The project sponsor team at BUILD has reached out to us and shared their plans. We believe their proposed project and public realm improvements will be spectacular additions to the neighborhood.

While the proposed building is stunningly beautiful in its own right, the sponsor's attention to providing significant public amenities and neighborhood infrastructure improvements is a rare gift to the City. The performing arts plaza, the traffic calming on Oak Street, the retail kiosks, and the ground floor restaurant will all dramatically enhance public safety in the area and enliven the entire block.

We are especially excited about the proposed Oak Plaza improvements, including the high-quality paving, opportunities for performing arts, outdoor seating, and the wind-inspired art canopies, as well as the proposed parking and drop-off revisions along Oak Street.

BUILD's vision for the project represents a long overdue reinvestment in this crucial block of San Francisco and we hope that the City moves expeditiously to approve the project.

Sincerely,



Reza Khoshnevisan
(SIA Consulting Corp.)

cc: Steve Kuklin, Senior Development Manager, BUILD

Project Address: One Oak Street

Project Sponsor: BUILD

Date of SFHAC Review: March 22, 2017

Grading Scale

1= Fails to meet project review guideline criteria

2= Meets some project review guideline criteria

3= Meets basic project review guideline criteria

4 = Exceeds basic project review guideline criteria

5 = Goes far beyond what is required

Criteria for SFHAC Endorsement

1. The development must have been presented to the SFHAC Project Review Committee

2. The Project must score a minimum of 3/5 on any given guideline

<i>Guideline</i>	<i>Comments</i>	<i>Grade</i>
Land Use	The site is currently occupied by a three-story commercial space with a donut shop on the ground floor and a surface parking lot in the rear. The land is highly underutilized, especially considering that this is a highly prominent and transit-rich intersection. The proposed residential tower, which will include 304 homes as well as significant improvements to the streetscape, is a much better use.	5
Affordability	The project sponsor has formed a unique partnership with the Mayor's Office of Housing and Community Development (MOHCD) by agreeing to pay a "directed in-lieu fee" that will be used to fund permanently affordable housing in Hayes Valley along Patricia's Green. In total, these funds will contribute to the creation of 72 homes, 56 for homes serving 30-60 percent of the Area Median Income (AMI) and 16 for transition-age youth in the 0-30 percent AMI income levels. Since the project is located in the Market/Octavia Special Use District, the project will also pay over \$6 million to the Housing Trust Fund. Finally, BUILD will donate all pre-development and design work for the Hayes Valley parcels to MOHCD. In total, the project will contribute over \$25 million to subsidize affordable housing in San Francisco. This project's unique investment in affordability deserves to be lauded.	5
Density	The plans include a range of unit types, ranging from one- to four-bedroom homes. While the project does not maximize density, our members appreciate the diversity and feel it strikes an appropriate balance.	5

Community Input	The community outreach efforts on behalf of the project sponsor have been substantial and thorough. They've met with members of the Hayes Valley Neighborhood Association numerous times, several arts and civic groups in the neighborhood, Supervisor Breed's office and other neighbors.	5
Urban Design	The plans will transform an unattractive and even dangerous part of this large intersection into a pedestrian-friendly, vibrant destination. Our members support setting the front of the building back further, which allows for a much wider and inviting sidewalk. The plans to make Oak Street a public plaza and implement traffic calming measures are encouraging and align with good urban design principles. Finally, the extra effort on behalf of the project sponsor to make their wind mitigation feature a piece of public art should be commended.	5
Parking & Alternative Transportation	This is where the most robust discussion took place. The project sponsor has proposed a parking ratio of 0.45 spaces per home, which requires a Conditional Use Authorization (CU) because it exceeds the as-of-right ratio of 0.25 spaces per unit. Generally, our members do not encourage CUs for parking. However, there are a few of key factors to consider with this project. First, the plan is to make these homes for-sale, which means the conditions for getting such a building financed are different than if it were a rental property. Insisting on the the as-of-right ratio could put building this project in jeopardy. Second, it should be recognized that, at least to our knowledge, this is the lowest parking ratio of any for-sale high-rise in San Francisco, even when considering projects we've recently reviewed. For example, the 399-unit project at 160 Folsom Street that was recently approved unanimously by the Board of Supervisors has a parking ratio of 0.71 spaces per home. As a pro-transit organization, we would support a lower parking ratio. But we must be pragmatic and also recognize the plan for One Oak is a big step in the right direction that sets a good precedent for future projects. Third, the trip generation for private vehicles at this site is likely to be significantly lower as a result of this project getting built. Surface parking lots are much more attractive to drivers than subterranean spaces in a residential building. Finally, the features of the plan that makes it attractive to pedestrians and bicyclists should be commended. These include the public plaza and bike valet for building residents. For all these reasons, we believe the parking ratio is more than acceptable.	4
Environmental Features	The project is required to include a grey water system. But the project sponsor stated they are exploring implementing a black water system. However, no commitments have been made. Because of the scale of the building, we recommend the project sponsor explore implementing photovoltaic systems.	3
Preservation	There are no features of historic or cultural merit on or near the site that would be impacted by the proposed project.	N/A
Additional Comments	There are no comments to add.	N/A

Final Comments	The San Francisco Housing Action Coalition endorses the proposed project at One Oak Street without reservation.	4.6/5
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10 SVN, LLC
2200 Biscayne Blvd.
Miami, FL 33137

May 1, 2017

Tina Chang & Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Support for the One Oak Tower & Oak Plaza

Dear Ms. Chang & Ms. Langlois,

On behalf of 10 SVN, LLC, I want to express our support for BUILD's proposed One Oak residential tower and the associated In-Kind Fee Waiver Agreement to develop Oak Plaza. As developers of the nearby 10 S. Van Ness Ave., we believe that the addition of a new residential tower, along with a ground-floor restaurant and public space will add vibrancy to the area and improve access to the Van Ness MUNI Metro station as well as the future Van Ness BRT.

We support BUILD's vision to transform one of San Francisco's most prominent intersections with a beautifully designed project. We encourage the Market Octavia CAC and the San Francisco Planning Commission to approve BUILD's project and the associated In-Kind Fee Waiver Agreement.

Sincerely,



Adam Tartakovsky
Vice President, Development

cc: Jared Press, Program Manager, Build Public
Steve Kuklin, Senior Project Manager, BUILD

REGENT WEST LIMITED, LP

151 El Camino Real, Suite 319

Millbrae, CA 94030

Office: (650) 552-9331

office@renoirpmi.com

Fax: (650) 552-9337

February 18, 2016

Steve Kuklin
Senior Development Manager
Build Inc.
315 Linden Street
San Francisco, CA 94102

Dear Mr. Kuklin,

Regent West Ltd. LP is the owner of the three-story office and retail building located at 45 Franklin Street between Oak and Page Streets, including multiple commercial and residential properties in Marin, San Francisco and San Mateo counties. We pledge our full support for the conversion of the eastern-most lane on Franklin Street from a parallel parking lane to a southbound counter-flowing emergency vehicle only access lane.

We understand that this recommended conversion will eliminate parking spaces on both sides of Franklin Street between Oak and Page Streets. This transformation is crucial to the re-routing of emergency vehicles coming from the San Francisco Fire Department Station 36 located at 109 Oak Street. Fire vehicles currently exit the station and turn right (eastbound) on Oak Street against one-way traffic to reach Van Ness Avenue.

Our support for these changes to Franklin Street is to allow the conversion of the unit block of Oak Street near Van Ness Avenue from a neglected street into a beautiful and safe public plaza. If permitted, Oak Plaza would provide a much-needed neighborhood gathering place for residential commercial tenants in the area. This plaza will become a hub for performances and events by local art and cultural institutions such as SFJazz. It would make the walk to the Van Ness MUNI Metro station a much safer and enjoyable experience.

Although the proposed fire lane would result in a loss of public metered parallel parking spaces fronting our building, the benefits related to the proposed Oak Plaza outweigh losing on-street parking on one block. For these reasons, we stand behind this effort for the proposed Franklin Street emergency fire lane.

Sincerely,

REGENT WEST LIMITED, LP



Byron D. Yee, Partner

April 22, 2016

City of San Francisco Planning Commission
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: **One Oak Project – 1500-1540 Market Street**
Case #2009.0159

Dear Planning Commissioners,

We are writing to you to express our full support for the proposed development at One Oak. We are the owners of the property at 1554-1568 Market Street, located immediately adjacent to the One Oak project site. Our respective development and management teams (and our predecessors at Trumark) have met with the One Oak developer, BUILD, to coordinate construction and design elements of our respective projects and to understand the proposed public amenities, parking, street and sidewalk revisions that BUILD is proposing.

The proposed One Oak project will greatly enhance the pedestrian experience on the block, with quality materials, large-scale artwork, new landscaping, outdoor seating, public performance areas, and abundant bike parking.

We are very excited about the proposed Oak Plaza improvements, including the shared pedestrian way, traffic calming measures, wind control efforts, and kiosk vendor opportunities, as well as the proposed parking and drop-off revisions along Oak Street. In addition, we fully support the proposed Franklin Street Fire Lane implementation and the relocation and improvement of the Van Ness Muni Station elevator to a proposed location at 1 South Van Ness.

In all, the proposed One Oak project will substantially improve the neighborhood and will become a welcoming gateway to the Civic Center Arts & Cultural district and the Hayes Valley neighborhood. BUILD's vision for the project is critical to activate the site, improve safety and security, and provide much needed housing in the area. I encourage you to support this exciting and desirable new development without delay.

Sincerely,



Mike Liu, General Manager

cc: Tina Chang, SF Planning Department

5/12/17

Tina Chang & Lily Langlois
San Francisco Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

RE: Support for Oak Plaza

Dear Ms. Chang & Ms. Langlois,

On behalf of the San Francisco Music Alliance (SFMA), I want to express our support for Build Public's proposed development to the "Oak Plaza" public area. Our goal is to coordinate the local music industry to identify and pursue collaborative projects that help ensure the vibrancy, success, and sustainability of the San Francisco music community. In positive conversations with the Build Public team we've identified that Oak Plaza presents a unique opportunity for the numerous institutions in the neighborhood and city at large to collaboratively create a special space that celebrates the local music scene. SFMA engages in a variety of initiatives and educational activities that could utilize a public open space such as Oak Plaza, and is excited to work with Build Public and the future plaza steward to program the space.

Build Public's proposal to use Oak Plaza as a venue to promote the numerous nearby performing arts institutions, through live performances, an interactive arts-focused kiosk, and a rebranding of the Van Ness Muni Station with artwork and wayfinding signage could help the local music industry in a unique and effective way.

Sincerely,

A handwritten signature in black ink, appearing to be 'JB' with a stylized flourish.

Joe Barham
San Francisco Music Alliance

cc: Jared Press, Program Manager, Build Public



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator



John Updike
Director of Real Estate

May 15, 2017

Tina Chang & Lily Langlois
San Francisco Planning Department
1650 Mission St Suite #400
San Francisco, CA 94103

Subject: Support for Oak Plaza and the associated In-Kind Fee Waiver Agreement

Dear Ms. Chang and Ms. Langlois,

On behalf of the San Francisco Real Estate Division (RED), owner and occupant of the 25 Van Ness building, I am writing to express our support for Oak Plaza, an improved street scape in the heart of the Hub. I urge the Market-Octavia Citizens Advisory Committee (MOCAC) to support an In-Kind Fee Waiver Agreement (IKA) to help finance this unique public open space.

Over the past two years, the project team has engaged a diverse group of community stakeholders, City agencies, and arts-related nonprofit organizations to ensure that the design incorporates much of their input. The Real Estate Division has given input to help shape the design and vision for the plaza.

Oak Plaza would fulfill an important RED capital improvement project, the demolition and replacement of the existing Oak Street sidewalk, which covers a sub-sidewalk basement space that extends underneath the existing north sidewalk of Oak Street. The basement of 25 Van Ness is currently the home of the beloved non-profit New Conservatory Theatre Center.

If the IKA is approved, BUILD would demolish and replace the existing waterproofed sidewalk with a new waterproof surface and implement other mitigating measures that would protect our basement from potential water penetration due to the proposed tree landscaping along the north sidewalk of Oak Street. Furthermore, the project proposes adding four public market "micro retail" kiosks that would activate the Oak Street ground floor façade of 25 Van Ness, providing important "eyes-on-the-plaza" that will help support programming and activation of the space.

RED supports the proposed management structure, whereby RED would own the kiosks, and is encouraged by the opportunity of having the open space become part of the City's recently created Plaza Program.

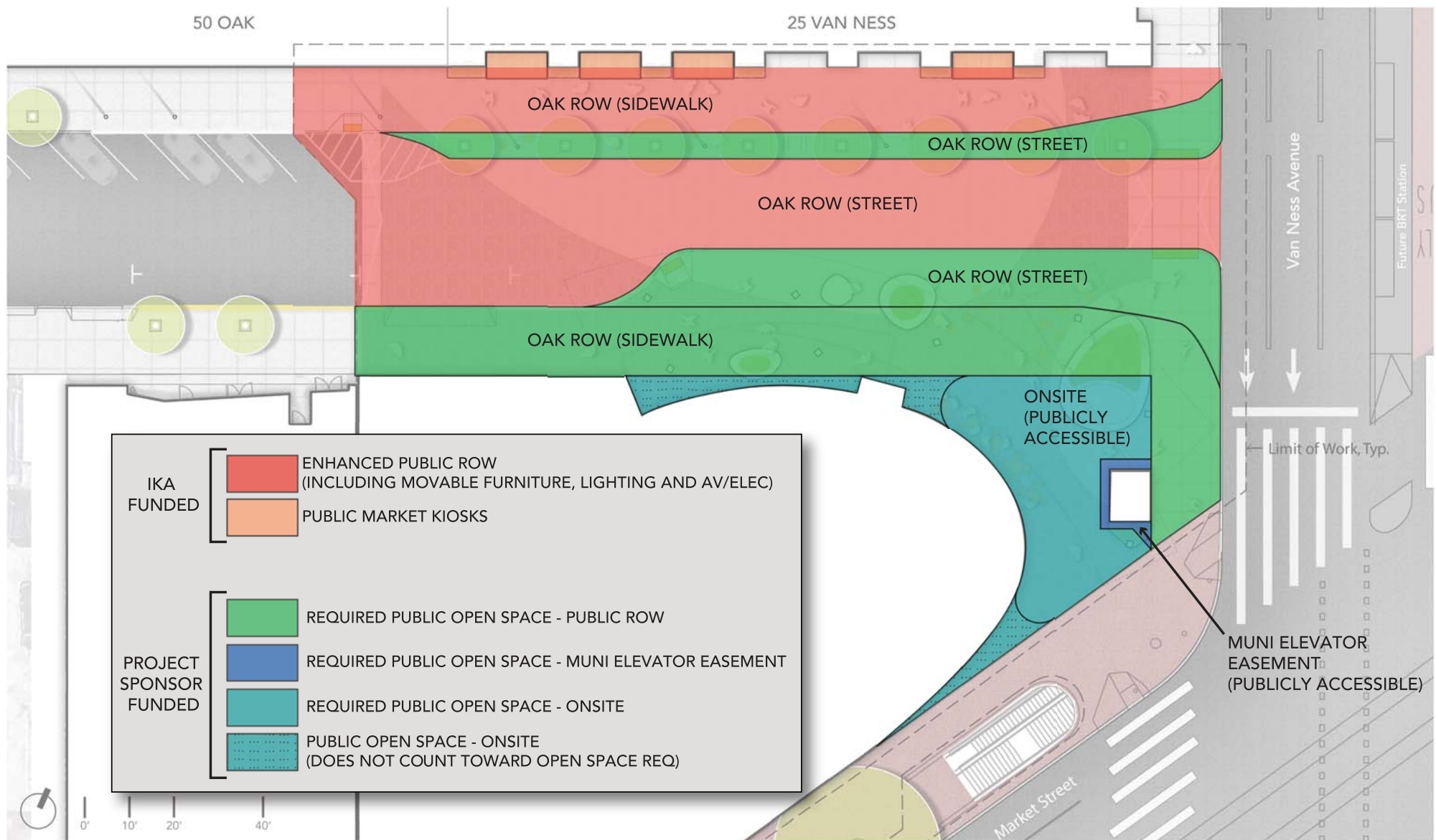
By utilizing an IKA, we can leverage BUILD's construction resources to achieve time savings with no risk of cost overruns to the City. This is a win-win opportunity, whereby the City gets two valuable capital improvement projects in one project. Please let me know if I can provide you with further details.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J Updike', with a long, sweeping horizontal line extending to the right.

John Updike
Director
San Francisco Real Estate Division
25 Van Ness Ave # 400
San Francisco, CA 94102
(415) 554-9850

cc: Andrea Nelson, Market & Octavia Community Advisory Committee (MOCAC)
Simon Bertrang, San Francisco Public Works
Jill Manton, San Francisco Arts Commission
John Rahaim, San Francisco Planning Department



OAK
PLAZA

CODE COMPLYING + IN-KIND ENHANCEMENTS PLAZA PLAN
SCALE: 1:20

Snøhetta

05/09/2017
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