

From: Lutenski, Leigh (ECN) <leigh.lutenski@sfgov.org>
Sent: Wednesday, June 3, 2020 10:47 AM
To: Jennifer Heggie <jdheggie@gmail.com>; Low, Jen (BOS) <jen.low@sfgov.org>; Hong, Seung Yen (CPC) <seungyen.hong@sfgov.org>; Exline, Susan (CPC) <susan.exline@sfgov.org>
Cc: sunnyside.balboa.reservoir <sunnyside.balboa.reservoir@gmail.com>; ECN, BalboaReservoirCompliance (ECN) <balboareservoircompliance.ecn@sfgov.org>
Subject: Re: SNA request about term for community space access

Hi Jennifer,

Thanks for your emails. I flagged your prior email for follow up as well, and I've pasted it here so that I can respond to both at once. Thanks for your patience.

Regarding the Development Agreement term of 25 years - the term of the agreement is the time within which the developer is granted the right or "entitlement" to construct the project, including the requirements to construct the community benefits. Once the various community benefits are constructed or provided, they do not expire with the 25 year DA term. Each benefit contains its own provisions about duration - like the affordable housing term that you cited (which is based on the terms of tax credit and loan document requirements). The community room will be available for public use for the life of the building that it's located in, not only for the 25 year DA term.

Once the 25 year DA term expires the developer no longer has entitlement to construct the project (if there are any elements outstanding). They would have to then seek a subsequent City approval (similar to the process we're undergoing now) for a new entitlement.

I hope this answers your questions and appreciate your attention to the project.

Best, Leigh

Leigh Lutenski
Office of Economic and Workforce Development
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leigh.lutenski@sfgov.org

Hello Seung-Yen and Leigh,

I left Seung-Yen a voicemail, but didn't include the following question about the Developer Agreement in order to include Leigh.

What does it mean if terms agreed to in the agreement haven't been met after the 25 year period has passed? If portions of the development have not been constructed within the twenty five year Agreement Term, do the height limits, unit sizes and density agreed to still apply? Will community benefits still apply, e.g., will the neighborhoods and City College still have access to the community room and parking facilities? My understanding is that the deeds will ensure affordable housing will continue for 55-57 years, and that any transfer of ownership must be reviewed by the City of SF. Please correct me if this is not true.

"2.2 Term. The term of this Agreement shall commence upon the Effective Date and shall continue in full force and effect for twenty-five (25) years thereafter unless extended or earlier terminated as provided herein ("Term"); provided, however, that (i) the Term shall be extended for each day of a Litigation Extension and (ii) Developer shall have the right to terminate this Agreement with respect to a legal parcel upon completion of the Building within that parcel and the Associated Community Benefits for that Building, as set forth in Section 7.1. The term of any conditional use permit, planned unit development, any tentative subdivision map shall be

for the longer of (a) the Term (as it relates to the applicable parcel) or (b) the term otherwise allowed under the Subdivision Map Act or conditional use/planned unit development approval, as applicable."

Regards,
Jennifer Heggie

From: Jennifer Heggie <jdheggie@gmail.com>

Sent: Saturday, May 30, 2020 2:29 PM

To: Lutenski, Leigh (ECN) <leigh.lutenski@sfgov.org>; Low, Jen (BOS) <jen.low@sfgov.org>

Cc: sunnyside.balboa.reservoir <sunnyside.balboa.reservoir@gmail.com>

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term for the Balboa Reservoir Development Agreement is 25 years.

The Sunnyside Neighborhood Association would like access to the community room benefit we were told would be available to the public, including Sunnyside, beyond the term of the Development Agreement. How would that be possible?

Thank you,
Jennifer Heggie