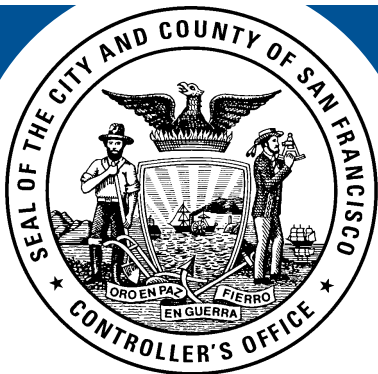


# Development Agreements Monitoring Project



**CITY & COUNTY OF SAN FRANCISCO**

**Office of the Controller**  
City Performance Unit

8.15.2014

# Challenges Presented by Development Agreements

## *Development Agreements (DAs)*

- **Contracts entered into by the City and a developer to expressly define a development project's rules, regulations, commitments, and policies for a specific period of time.**
- **Purpose is to strengthen the public planning process by encouraging private participation in the achievement of comprehensive planning goals and reducing the economic costs of development.**
  - Each DA contains dozens, and in some cases hundreds, of requirements for the City and developers – many of which relate to MTA
  - Because each DA is negotiated on a case-by-case basis, the nature, timing, and geographic extent of the requirements vary greatly
  - DAs are typically effective for extended periods of time (10-30 years)

# Example DA Requirements

3

## EXHIBIT K

### Transportation Program

#### 1. BRT Contribution

- a. CPMC will pay Five Million Dollars (\$5,000,000) to SFMTA to contribute to the cost of construction of the proposed Van Ness Avenue Bus Rapid Transit and the Geary Corridor Bus Rapid Transit improvements to be located adjacent to the New Cathedral Hill Campus (collectively, the "BRT"). The Five Million Dollar (\$5,000,000) BRT contribution will be paid in accordance with Exhibit N (Payment Schedule).

#### 3. Transit Fee

For the Near Term Projects, CPMC will pay a transit impact fee to SFMTA in the total amount of Six Million Five Hundred Thousand Dollars (\$6,500,000) ("**Transit Fee**"). The Transit Fee shall be paid in accordance with Exhibit N (Payment Schedule).

The Transit Fee is intended to compensate the SFMTA for the cost of providing services needed to mitigate transit delay impacts on MUNI buses associated with the demand generated by the Project as identified in the FEIR. The Transit Fee, and any transit-related Impact Fee and Exaction, are not tied to any particular service or improvement, and CPMC shall have no right to assert or insist upon their use by SFMTA in any particular manner.

# Project Goals and Objectives

4

**To improve interdepartmental coordination and collaboration in tracking and monitoring development agreements so that both the City and developers satisfactorily meet their respective requirements**

1. Develop and implement a database to help City departments track, monitor, and enforce DAs
2. Create a website with a map and links to approved development agreements for use by City departments and the public
3. Issue a memo with recommendations to improve DA monitoring and enforcement

# Project Accomplishments

5

- **Developed a website with an interactive map and links to approved development agreements for use by City departments and the public**
- **Compiled detailed comprehensive spreadsheets of the requirements in the CPMC and Parkmerced DAs**
- **Analyzed options for a database that will help City departments monitor and enforce DAs**
  - Identified Planning and DBI's Permit & Project Tracking System (PPTS) as the most appropriate database solution
- **Worked in close coordination with Planning staff to build out customized fields in PPTS to accommodate DA requirements**

# Project Accomplishments (continued)

6

- **Crafted recommendations to improve future DA monitoring and enforcement**
  - Draft memo with recommendations currently under review by MTA and other departments
- **Identified priority deliverables for Phase II**
- **Budget requests for additional resources to monitor and enforce DA requirements (catalyzed by project)**
  - SFMTA has already hired staff dedicated to this effort
  - OEWD and Planning intend to hire staff this FY

## PIER 23 development projects

- Hunters Point Shipyard & Candlestick Point
- Octavia Boulevard Project
- Old Mint
- Waterfront Development Projects
- 5M - Coming Soon
- California Pacific Medical Center - Coming Soon
- Moscone Center Expansion Project
- Schilge Lock Master Plan
- Wholesale Produce Market Expansion - Coming Soon
- Development Agreements

DA Frequently Asked Questions

## Development Agreements

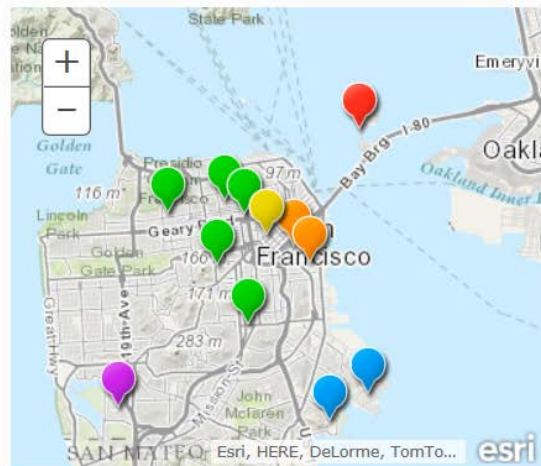
### OVERVIEW

Development Agreements are contracts entered into by the City and a developer to expressly define a development project's rules, regulations, commitments, and policies for a specific period of time. The purpose is to strengthen the public planning process by encouraging private participation in the achievement of comprehensive planning goals and reducing the economic costs of development. A Development Agreement can include transportation and infrastructure improvements, open space amenities, new utilities, workforce components, and other mitigation measures and community benefits. It also reduces the risks associated with development, thereby enhancing the City's ability to obtain public benefits beyond those achievable through existing ordinances and regulations. [Click here for a list of active Development Agreements.](#)

Development Agreements are only one type of development commitment. Other types of requirements placed on development include environmental mitigation and improvement measures, as well as conditions of approval. In some cases, area land use and transportation plan policies can also be considered a development commitment.

For more information on Development Agreements, [click here to visit our Frequently Asked Questions](#) section.

### LOCATION OF PROJECTS WITH DEVELOPMENT AGREEMENTS



## California Pacific Medical Center



Agreement Signed: 10/02/13

Project Status:

- CPMC Cathedral Hill – Under Construction
- CPMC St. Luke's – Not Yet Started
- CPMC Davies Campus – Not Yet Started

California Pacific Medical Center (CPMC) is made up of four medical centers in San Francisco, consisting of the California Campus, Pacific Campus, Davies Campus, and St. Luke's Campus.

State law (SB 1953) requires that all acute-care hospitals are seismically upgraded so that they are operational after a major earthquake. Three of CPMC's four acute-care hospitals must be rebuilt in order to comply with this law: the California, Pacific, and St. Luke's Campuses. The Davies Campus was retrofitted in 2008, enabling this campus to accommodate acute-care hospital services until 2030.

CPMC's project brings acute-care services from the Pacific and California Campuses into a new Cathedral Hill Campus at Geary and Van Ness. The project will also provide a new, seismically safe hospital at the St. Luke's Campus in the Mission and a medical office building on the Davies Campus.

Community benefits of this project include:

- Increased access to healthcare through a new \$8.6 million Health Care Innovation Fund; expanded services to the poor and underserved at Cathedral Hill Hospital; and preservation of St. Luke's Hospital
- New affordable housing in San Francisco through \$36.5 million in funding for the acquisition, construction, or rehabilitation of affordable housing units
- Enhanced transit service and pedestrian safety through \$5 million in funding for the development of Bus Rapid Transit (BRT) on Van Ness Avenue and Geary Boulevard, and \$3 million for traffic safety measures around the California and Pacific campuses

[Click here](#) for a complete list of CPMC development documents.

## Parkmerced





# Status of PPTS Tracking Database

- **Data fields needed for tracking DA requirements have been added to PPTS**
  - Currently working with MTA and other stakeholders to ensure that these fields will meet their needs
- **PPTS is scheduled to go live in mid-October**
  - Once PPTS is online we will enter all of the requirements for the CPMC and Parkmerced DAs
- **Next steps will be to build out more advanced functionality (e.g., automatic email alerts, reports, etc.) and work with project stakeholders to implement the database**

# Draft Recommendations for Improving DA Oversight

10

- ***Increase standardization both within and among development agreements***

High degree of variability among DAs adds to the challenges of implementation and enforcement; standardizing certain elements of future agreements would make implementation easier and potentially less costly
- ***Craft development agreements with an emphasis on ease of implementation and oversight***

Conditions often contain very complex or vague provisions that are hard to enforce as a practical matter; requirements are often spread out through hundreds of pages
- ***Develop a website to house approved agreements and a centralized database system for tracking and enforcing development agreements***
- ***Dedicate staff, an inter-departmental Working Group, and a lead City entity to monitor and enforce development agreements***

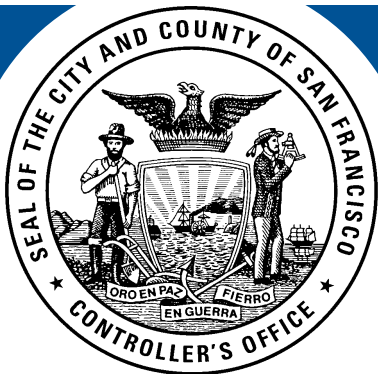
Outline roles, responsibilities, and staffing needs among stakeholder departments

# Phase II: Next Steps

11

- **Maintain and expand development agreement steering committee to further guide DA implementation and oversight**
- **Operationalize PPTS database for DA monitoring & enforcing**
  - Pilot and further customize PPTS database with input from a user group (e.g. MTA, DPW, OEWD, Planning, PUC, DPH, OCII, MOHCD)
  - Coordinate training and TA on using database
  - Evaluate PPTS to ensure it meets the needs of all departments
- **Memo review, close out Phase I, start Phase II**

# Development Agreements Monitoring Project



**CITY & COUNTY OF SAN FRANCISCO**

**Office of the Controller**  
City Performance Unit

8.15.2014