SCHLAGE LOCK
DEVELOPMENT AGREEMENT OVERVIEW

PARK, RECREATION AND OPEN SPACE ADVISORY COMMITTEE
TUESDAY, JUNE 3, 2014
PROJECT HISTORY

- **1999**: Schlage Lock factory closes
- **2001**: City initiates community planning process
- **2005**: Creation of Visitacion Valley/Schlage Lock Redevelopment area
- **2009**: Redevelopment Plan adopted and EIR certified
- **2009-2011**: Negotiations between Redevelopment Agency and developer; the Agency is dissolved before agreement can be reached
- **2012-2014**: OEWD and Planning Dept. take over negotiations and planning
Feasibility Challenge

- Loss of Redevelopment meant loss of $50 million in project subsidy

- Strategies for project feasibility:
  1. Increase in housing development capacity
  2. Prioritization of public benefits
  3. New funding sources for public benefits
SOLUTION #2: PUBLIC BENEFITS PRIORITIZATION

- Community’s top priorities are parks and grocery
- Site plan adjusted to make grocery feasible while maintaining parks’ character
**Solution #3: Funding Sources**

- Contributions from SFMTA and SFCTA
- Park acquisition
- Impact fee credits
- Possible tax credits
- City will cooperate with Developer’s efforts to obtain outside funding sources
**Development Agreement**

- Legally binding contract between City and Developer
- Commits the City and the Developer to a set of obligations:
  - Developer gets “vested” development rights for up to 1,769 residential units and up to 46,700 square feet of retail
  - Developer commits to follow predetermined design and development controls
  - Developer commits to provide community benefits, at least some of which could not be required under regular zoning
- City’s goal is to maximize community benefits and ensure project viability
PARK ACQUISITION TERMS AND PROCESS

- Phasing plan includes when parks must be built
- Incorporates design guidelines, conceptual park plans