



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



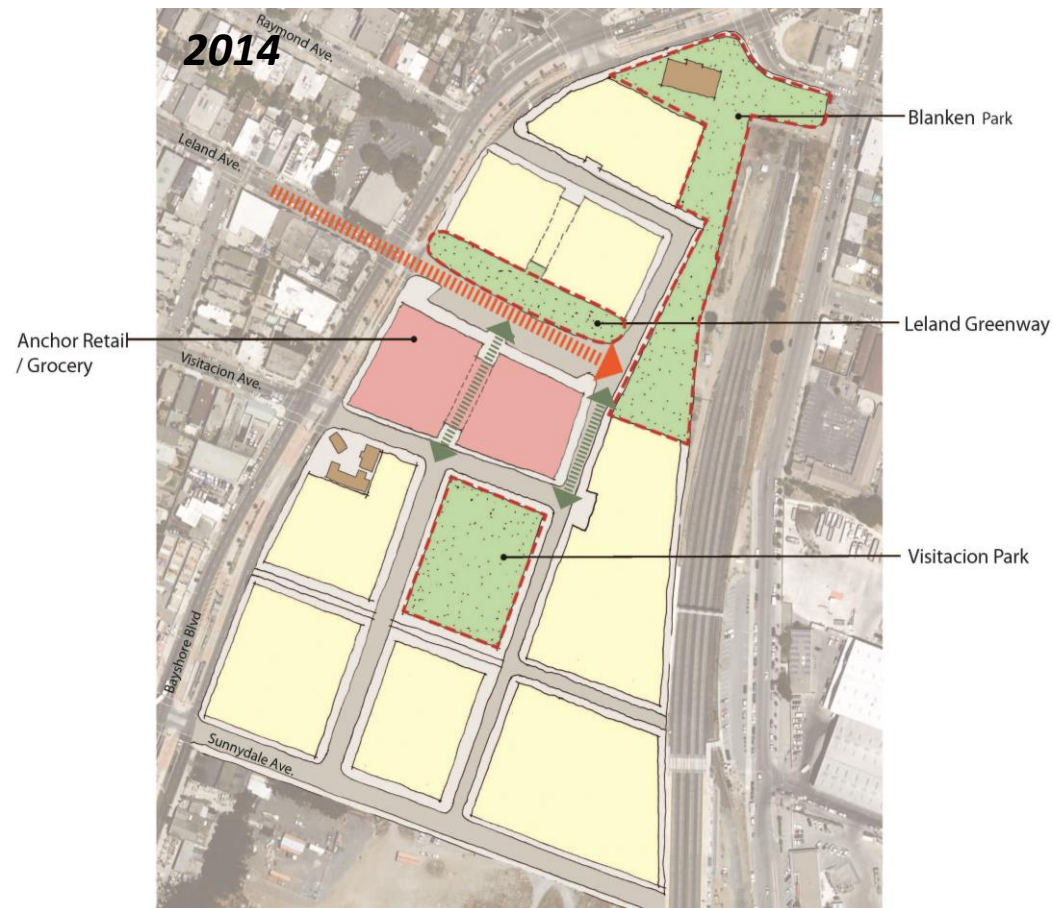
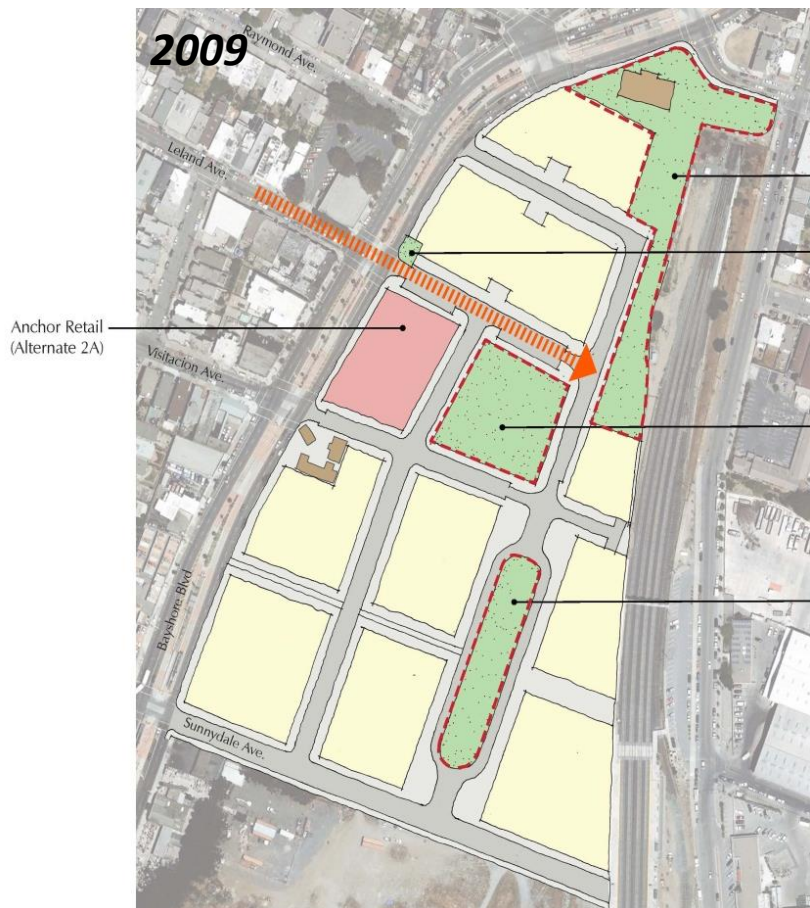
FEASIBILITY CHALLENGE

- 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



DEVELOPMENT AGREEMENT, CONTINUED

- Park acquisition terms and process
- Phasing plan includes when parks must be built
- Incorporates design guidelines, conceptual park plans

