

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM  
Meeting Date: November 19, 2008  
Request Infill Grant Approval**

Prepared by: *Center for Creative Land Recycling (CCLR) and Kamika McGill, CPCFA*

<b>Applicant:</b> Visitacion Development, LLC.	<b>Type of Funding Requested:</b> Grant
<b>Developer:</b> Visitacion, Development, LLC.	<b>Amount Requested:</b> \$3,528,957
<b>Project Name:</b> Visitacion Valley Transit Oriented Development	<b>Amount Recommended:</b> \$3,459,794
<b>Project Location:</b> San Francisco (San Francisco County)	<b>Strategic Partner:</b> CCLR

**Summary.** Visitacion Development, LLC (the “Applicant”) requests approval of a grant in an amount not to exceed \$3,459,794 to finance the remediation of a brownfield to develop Visitacion Valley Transit Oriented Development. The Applicant anticipates the Development Project will create 1,250 for-sale units, of which 313 or 25% will be restricted to those earning 50-120% of the area median income (AMI).

**Applicant.** Visitacion Development, LLC is an affiliate of Universal Paragon Corporation (UPC) located in San Francisco established August 28, 2008. The entity structure is California, LLC, the manager is Steve Hanson, and the member is Bestwin Management Limited. Visitacion Development, LLC owns the property.

**Legal Questionnaire.** The Strategic Partner has reviewed the Applicant’s responses to the questions contained in the Legal Status portion of the Application. No information was disclosed that raises questions concerning the financial viability or legal integrity of this applicant.

**Brownfield Project Description.** The two primary former uses of the site are the following:

1. **Manufacturing:** From 1926 until 1999, the Schlage Lock property housed buildings that were used primarily for hardware manufacturing, including plating and machining operations. Chemicals used during these processes included various metals and solvents that contain Volatile Organic Compounds. One of the buildings (2555 Bayshore Boulevard) was used from 1980 to 1993 for printing and related operations. The chemicals of concern are Chlorinated Volatile Organic Compounds or (CVOC’s), including trichloroethylene (TCE), dichloroethylene (DCE), perloroethylene (PCE) and vinyl chloride.
2. **Railyard Operations:** Primarily the rail yard was used for rail car maintenance operations, locomotive maintenance and as a rail car storage yard. The rail maintenance operations closed down in 1960 and the rail car storage operations closed down sometime later. The railroad, in its operations, would routinely treat the soil in the rail yard with lead based arsenic (lead arsenic) for the purpose of weed/plant and vector control. The lead arsenate remained in the soil and constitutes most of the heavy metal contamination in the surface soils. The railroad did not use CVOC’s but probably transported those chemicals in tank cars.

**Agenda Item - 4.C.15.**

<b>Description of Activity</b>	<b>Cost</b>	<b>Amount Financed by Infill Grant</b>
On-Site Remediation	\$ 9,667,556	\$ 0
Building Demolition and Abatement	4,092,375	1,134,794
Remediation Transactions and Agreements	11,135,601	0
Soil Cleanup on Former Southern Pacific Property in San Francisco	<u>2,394,163</u>	<u>2,325,000</u>
<b>TOTAL ESTIMATED COST</b>	<b><u>\$27,289,695*</u></b>	<b><u>\$3,459,794</u></b>

*\*The difference between the overall cost and CALReUSE contributions is being paid by a variety of other grants and financing mechanisms, including an environmental insurance policy. The amount requested by the applicant (\$3,528,957) and the amount recommended for funding by staff and the Strategic Partner ( \$3,459,794) are different due to the ineligibility of some costs.*

**Oversight Agencies.** CA Department of Toxic Substance Control (DTSC) and the Bay Area Air Quality Management District.

**Infill Development Project Description.** The proposed project consists of a new transit-oriented mixed-use community at the heart of the Visitacion Valley neighborhood in the City of San Francisco. The proposed development will include thirteen buildings, totaling 1,250 units of condominium housing. Of these, 25 percent will be inclusionary affordable housing units. To meet the needs of the local community, 105,000 square feet of grocery store and neighborhood-serving retail would also be developed on the first floors of the residential buildings. A historic office building will be restored for future office and community uses. Three public park areas will also be included to foster pedestrian activity throughout the site, to and from the two MUNI stations (located directly adjacent to the site along Bayshore Blvd) and the Bayshore CalTrain station.

**Permits.** Visitacion Development has an approved preliminary development plan for VVTOD. The following permits are still pending: EIR, Redevelopment plan, general plan and planning code amendment, design for development, new zoning, owner’s participation agreement, demolition permit, human health risk assessment, soil/groundwater remediation action plan, grading permit, tentative subdivision map, final subdivision map, site permit, building permit, and occupancy permit.

**Anticipated Timeline.**

- Cleanup Began: September 2008 (lead and asbestos activities began).
- Cleanup to be Completed: January 2010.
- Development to Begin: June 2009.
- Development to be Completed: March 2012.

**Local Government Support.** Several letters of support have been received for the project, including:

**Local Community Support.**

- Fran Martin, Chairperson, Visitation Valley Planning Alliance (A-1)
- Russel Morine, Member, Visitation Valley Citizens Advisory Committee (A-2)
- Brad Drda, Environmental Manager, Visitation Valley Citizens Advisory Committee (A-3)
- James Lim, President, Asian Pacific American Community Center (A-4)

**Local Government Support.**

- Gavin Newsom, Mayor, City and County of San Francisco (A-5)
- Fred Blackwell, Executive Director, San Francisco Redevelopment Agency (A-6)
- Sophie Maxwell, Supervisor, City and County of San Francisco (A-8)
- Fiona Ma, Assemblymember, Assembly California Legislature (A-9)
- Kenneth Kirkey, Planning Director, Association of Bay Area Governments (ABAG) (A-11)
- Doug Kimsey, Planning Director, Metropolitan Transportation Commission (A-11)

**Application Score.** The project earned a score of **70** out of **120** points in the following categories:

**(a) Readiness to Proceed. TOTAL - 20/40.**

- (1) Applicant has demonstrated that environmental review can be completed and all necessary entitlements can be received from the local jurisdiction within two years if receiving the award—10/10.** The Project is expected to receive its CEQA EIR approval in the winter of 2008.
- (2) Funding commitments are in place, or financing applications are under review, for the Infill Development Project—0/10.**
- (3) The Infill Development Project has local community and government support—10/10.** Local and community support includes the Mayor Gavin Newsom, San Francisco Redevelopment Agency, Supervisor Sophie Maxwell, Assemblywoman Fiona Ma, Visitation Valley Planning Alliance, a member of the Visitation Valley Community Advisory Committee, SF Recycling and Disposal, Inc., Asian Pacific Community Center, and ABAG.
- (4) Cleanup Plan has been approved by Oversight Agency—0/5.**
- (5) Applicant has building permits, and all other governmental permits (i.e. encroachment, ROW, etc.) in place or under review—0/5.**

**(b) Location within an Economically Distressed Community. TOTAL - 30/30.** The Project is located within four census tracts where the unemployment rate in 2007 was 134% higher than

the State average, far exceeding the 110% threshold to qualify as an EDC. The Project is also within a redevelopment survey area, which is expected to be adopted in the winter of 2008.

- (c) **Location within a Priority Development of a Local Governmental Entity. TOTAL - 10/10.** The project is located in a planned priority development area under ABAG's FOCUS plan.
- (d) **Depth of Affordability. TOTAL - 0/10.** The project does not earn any points under the existing scoring criteria, which has an emphasis on affordable rental units—not ownership.
- (e) **Percentage of Affordability. TOTAL - 5/15.** 25% of the project's 1,250 units are Affordable, above the Program's 15% threshold for 5 points.
- (f) **Utilization of Green Building Methods. TOTAL - 5/5.** The City of San Francisco Green Building Ordinance requires that projects must obtain a LEED rating of Silver, or Green Point rating of 75 points, above the 60 point threshold for 5 points.
- (g) **Cleanup Plan for the Brownfield Infill Project does not require Ongoing Operation and Maintenance. TOTAL - 0/10.**

Tie-Breaker.

- (a) Total Brownfield Infill Project Cleanup Plan Cost: \$27,289,695
- (b) Total no. residential housing units produced and/or promoted by Infill Development Project: 1,250.
- (c) Tie-breaker ratio [(a) / (b)]: \$21,831 / unit.

**Financing Details.**

- Amount of Overall Financing to be Leveraged:
  - Total Project Cost = \$811,800,000.
  - Total CALReUSE Grant = \$3,459,794.
  - CALReUSE remediation funding is leveraged **235 to 1**.
- Financing for Brownfield Infill Project: A variety of grants and other financing mechanisms from public sources are being pursued. In addition, assuming a reasonable return of investment is possible for this project, UPC stands committed to invest its private equity in Visitacion Development LLC for the redevelopment of this site. Visitacion Development LLC would also pursue financing from private sources.
- Sources of Financing for Infill Development Project: Universal Paragon Corporation/United Commercial Bank remediation loan.

**Staff Recommendation.** Staff recommends approval of the attached Resolution for Visitacion Development, LLC for an amount not to exceed \$3,459,794. The amount requested by the application and the amount recommended for funding by staff is different due to the ineligibility of costs.

**A RESOLUTION OF THE CALIFORNIA POLLUTION CONTROL FINANCING  
AUTHORITY APPROVING EXECUTION AND DELIVERY OF GRANT FUNDING FOR  
VISITACION DEVELOPMENT, LLC.  
CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM**

November 19, 2008

WHEREAS, the California Pollution Control Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Regulations adopted to implement and make specific the statutory provisions of the California Recycle Underutilized Sites (CALReUSE) Remediation Program;

WHEREAS, the statutory provisions of the CALReUSE Remediation Program authorize grant and loan funding for the purpose of brownfield cleanup that promotes infill residential and mixed-use development, consistent with regional and local land use plans;

WHEREAS, the Authority solicited applications for the CALReUSE Remediation Program and such applications were evaluated and scored pursuant to the Authority’s Regulations;

WHEREAS, Visitacion Development, LLC has submitted an application for the CALReUSE Remediation Program for a grant in the amount of \$3,459,794 for the Visitacion Valley Transit-Oriented Development Project;

WHEREAS, the Strategic Partner Center for Creative Land Recycling (CCLR) has reviewed the application and determined to recommend Visitacion Valley Transit-Oriented Development Project to the Authority for funding consideration;

WHEREAS, the Authority staff has reviewed the Strategic Partner’s recommendation and has determined to recommend the Visitacion Valley Transit-Oriented Development Project for funding; and

WHEREAS, approval of a grant for Visitacion Development, LLC (“Applicant” and “Grantee”) by the Authority is now sought;

NOW THEREFORE BE IT RESOLVED by the California Pollution Control Financing Authority, as follows:

Section 1. Pursuant to the Regulations, the Authority hereby finds that the Visitacion Valley Transit-Oriented Development Project (the “Project”) is eligible for financing and hereby approves the grant described in the staff summary for the Project described in the Applicant’s CALReUSE Infill Application to the Authority.

Section 2. The Executive Director is hereby authorized for and on behalf of the Authority to take all steps necessary with respect to the Applicant including notifying the Applicant that its Application has been approved for funding, preparing a commitment letter that contains the terms and conditions of funding for the Grantee, preparing and executing the final

form of grant agreement and disbursing funds pursuant to the grant agreement and the Authority's Regulations.

Section 3. The Executive Director is hereby authorized for and on behalf of the Authority to approve any changes in the Project described in Exhibit A of the grant agreement as the Executive Director shall deem appropriate and authorized under the Regulations (provided that the amount of the grant may not be increased above the amount approved by the Authority).

Section 4. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to draw money from the Proposition 1C (2006) funds allocated to this Program not to exceed those amounts approved by the Authority for the Project approved in Section 1. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver for the Project identified in Section 1 any and all documents necessary to complete the transfer of funds. The authority of the Executive Director is limited to payment of claims made by the Grantee in accordance with the Regulations and the grant Agreement.

Section 5. Any notice to the Applicant approved hereunder shall indicate that the Authority shall not be liable to the Applicant in any manner whatsoever should such funding not be completed for any reason whatsoever. Notice to the Applicant shall include a provision making it clear that continued funding under the program is not guaranteed but is entirely dependent upon funds being available to the CALReUSE Program and the Grantee's continued compliance with the grant agreement and the regulations governing the CALReUSE Program.

Section 6. The Executive Director of the Authority is hereby authorized and directed, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby, and which have heretofore been approved as to form by the Authority.

**EXHIBIT A**

TERM SHEET

**Name of Project:** Visitacion Valley Transit-Oriented Development

**Maximum Amount of Grant:** \$3,459,794

**Strategic Partner:** Center for Creative Land Recycling

**Grantee:** Visitacion Development, LLC

**Financing Structure:** Grant

**Maximum Grant Term:** Not to exceed 6 years from first draw on funds

**Oversight Agencies:** CA Department of Toxic Substance Control  
Bay Area Air Quality Management District

**Project Location:** 222 Tunnel Avenue, 94134  
289 Sunnydale Avenue, 94134  
292 Sunnydale Avenue, 94134

**Infill Development Description:** 1,250 for-sale units, of which 313 or 25% will be restricted to those earning 50-120% AMI.

<b>Project: Description of Activity</b>	<b>Estimated Cost</b>
Building Demolition and Abatement	\$ 1,134,794
Soil Cleanup on Former Southern Pacific Property in San Francisco	<u>2,325,000</u>
<b>TOTAL ELIGIBLE BROWNFIELD INFILL COSTS</b>	<b><u>\$3,459,794</u></b>

Attachment A



VISITACION VALLEY PLANNING ALLIANCE

September 26, 2008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

Re: Community Support for Redevelopment of Schlage Lock Site, Visitation Valley

Dear CCLR,

As chairperson of the Visitation Valley Planning Alliance, Visitation Valley Redevelopment CAC member and local resident I would like to voice my support for Universal Paragon Corporation's application to the Center for Creative Land Recycling's brownfield cleanup grant (CALReUse Program) for the Schlage Lock site.

The Visitation Valley Planning Alliance has worked diligently for the past 10 years to bring housing, open space, neighborhood serving retail and community amenities to the Schlage Lock site by educating our community and implementing community planning for that site as well as the greater region. Our goal has been to cleanup the site to make it safe for current and new incoming residents and rid our community of this blight in the heart of Visitation Valley that has prevented revitalizing our historically underserved neighborhood.

We indicated bringing the Redevelopment Agency to the neighborhood to spur development at the site and take advantage of the opportunities that Redevelopment would bring, such as tax increment financing. Early on, we realized the enormous potential of the site as a TOD with the future Bayshore Intermodal Station linking MUNI, Caltrain and, eventually, BART. Thus, Schlage Lock will become the most important transportation hub in the southeast sector of San Francisco. With all the new proposed development in the nearby Stribens Baylands and Executive Park areas, Schlage Lock will become even more critical as a transportation and housing center (including 25% affordable units).

I urge you to support our community's need and desire to transform Schlage Lock into a new paradigm for sustainable, green development that will be a beautiful new home for future Visitation Valley residents and create a vital new neighborhood center.

Thank you.

Sincerely,

*Fran Martin*

Fran Martin

Attachment A

September 25, 2008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

Re: Redevelopment of Schlage Lock Site, Visitacion Valley

Dear CCLR,

As a resident and merchant of Visitacion Valley and a member of the Visitacion Valley Citizens Advisory Committee (CAC) I am in full support of any and all efforts that supports the safe and timely redevelopment of the vacant Schlage Lock brownfield site.

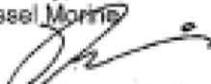
From the perspective of a resident I am concerned that the site be cleared of its contaminants to a level that allows for the greatest flexibility of use in the shortest amount of time. With out question this must be done with the least amount of disruption and exposure to the community. I believe that the current proposal, which has been developed with significant community input, addresses these issues.

As a small business owner I see daily the toll that inactivity at the site has on the neighborhood's commercial corridor. In its current state, the abandoned site contributes nothing to the economic livelihood of the community. Redevelopment promises to change this. A dense transit friendly mixed use site will bring an influx of new residents and shoppers that can support existing and new retail.

As a member of the Visitacion Valley CAC, I've seen first hand the community/private/ public process of reconciliation between cleanup and development. The conversion of this brownfield site into a vibrant neighborhood is worthy of your consideration.

I am in full support of Universal Paragon's efforts and encourage the CCLR to positively consider the Schlage Lock brownfield site for funding within the CALReUse Program.

Sincerely,  
Russel Morris

  
Little Hollywood/Visitacion Valley Resident and Small Business Owner.

Attachment A



People • Service • Environment  
SF RECYCLING & DISPOSAL, INC.

October 1, 2008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

**Re: Support for Schlage Lock Redevelopment, Visitacion Valley**

Dear CCLR,

I am writing to support the use of CALReUse funds at the old Schlage Lock factory site which is part of the Visitacion Valley redevelopment survey area. As long time Valley worker, and a member of the San Francisco Redevelopment Agency's Visitacion Valley Citizens Advisory Committee, I have been working for almost ten years with a broad array of neighbors and organizations committed to returning this blighted property back to productive use. Concerns over the future of the old Schlage Lock site have inspired an unprecedented level of neighborhood activism and organization in Visitacion Valley. This in turn has attracted a heretofore unseen commitment of planning resources and moderated public process from the San Francisco Planning Department and the San Francisco Redevelopment Agency. The goal of all this activity has been to identify the needs and desires of the community for determining the future use of the heavily contaminated Schlage Lock site. After years of process a community vision has coalesced around the idea of sustainable, aesthetic, neighborhood-serving, mixed-use, transit oriented development. This admirable neighborhood ambition must wait, however, until the poisonous underground legacy of past thoughtlessness is removed.

As I understand the mission of CALReUSE it is hard to imagine a better candidate for brownfield clean up assistance than the old Schlage Lock portion of the Visitacion Valley Redevelopment Survey Area. Organized engaged neighbors, in collaboration with dedicated San Francisco City Planning professionals and a committed developer, Universal Paragon Corporation, are ready to begin working toward a vibrant new neighborhood for San Francisco. The largest barrier to that vision is the extensive toxic contamination that underlies the site. I encourage you please to strongly consider the Schlage Lock site as you look for ways to implement your brownfield mission and mandate.

Sincerely,

Brad Drda  
Environmental Manager  
Visitacion Valley Citizens Advisory Committee Member

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Attachment A



October 1, 2008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

Re: Community Support for Redevelopment of Schlage Lock Site,  
Visitation Valley

Dear CCLR,

It is my pleasure writing this letter for our community group in support of the redevelopment of the former Schlage Lock Factory site.

The former Schlage Lock Factory site in the Visitation Village has been abandoned for years, if the site can be redeveloped for housing, it will have a great impact on relieving the current intense housing problem of the city, and likewise it will bring many commercial chances to the visitation valley, which will help the community to boom.

Thank you for hearing the voice from our community, we hope to see the development of the former Schlage Factory site very soon.

Yours truly,

James Lim  
President of APACC

Attachment A

Office of the Mayor  
City & County of San Francisco



Garin Newsom

October 3, 2008

California Pollution Financing Authority  
915 Capital Mall, Room 457  
Sacramento, CA 95814

Re: Support for CalReUse Program Grant Application, Schlage Lock

To Whom It May Concern:

This letter is an expression of my resounding support for the Schlage Lock Redevelopment Plan and Development Guidelines, currently under Environmental Review by the San Francisco Planning Department. This is a model infill project that merits CALreUSE Brownfield grant support, as it will clean up underutilized former industrial land, provide much needed market rate and affordable housing, provide local jobs during construction and vitalize our investment in the north-south transportation corridor linking the southeast neighborhoods to downtown San Francisco and the Peninsula.

In 2006 the new landowner settled a multiyear litigation with the former property owner and is currently working closely with the Department of Toxic Substance Control on Treatability Studies to inform the Remedial Action Plan, which will be published in early 2009. Under the leadership of the SF Department of the Environment, the project has been established as a national pilot project for the LEED for Neighborhood Development program, with a Gold level target. The project will also demonstrate San Francisco's commitment to reduction of greenhouse gas emissions by locating much needed housing directly adjacent to multiple modes of transit.

The project plan provides for 1,250 residential units, with 26% set aside as affordable, as well as three parks and several stores, including a much needed supermarket. The historic Schlage Lock office building will be restored to serve as community meeting space and offices. In 2007, service on the new \$750 million T-Third MUNI light rail line commenced, with a termination at two stops directly adjacent to the currently blighted site on Bayshore Blvd. An existing commuter rail (Caltrain) station is within walking distance and a new Bus Rapid Transit line is planned to connect the area to the Balboa Park BART station via Geneva Avenue.

Thank you for your favorable consideration of the CALreUSE grant request for this model infill project. It is ripe for the State's investment.

Sincerely,

Garin Newsom  
Mayor

1 Dr. Carlton B. Goodlett Place, Room 205, San Francisco, California 94102-4641  
garin.newsom@sf.gov • (415) 354-6340

Attachment A

San Francisco  
Redevelopment Agency  
  
One South Van Ness Avenue  
San Francisco, CA 94103  
  
415.749.2400



September 26, 2008

GWIN NEWSON, Mayor  
Francis Covington, President  
Londor Sneed, Vice President  
Linda A. Chao  
Lenny Klag  
Ramesh C. Horwath  
Darius Singh  
Rob Swig  
  
Fred Blackwell, Executive Director

110-31.08-008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

**Re: SF Redevelopment Agency Support for Schlage Lock Project**

Dear Mr. Michael Papparian:

This letter is a statement of the San Francisco Redevelopment Agency's support and commitment for the clean up and redevelopment of the Schlage Lock Site. The Redevelopment Agency's role in this project is to provide support and financial tools that enable the transformation of blighted areas into productive uses, while providing community benefits including affordable housing, economic opportunities, new parks and community facilities.

The Schlage Lock site has sat idle for many years. Since 2000, members of the Visitacion Valley community, in conjunction with the Redevelopment Agency and Planning Department have been engaged in a community planning process to create a new vision for this vacant property. In 2005, the San Francisco Board of Supervisors established the Visitacion Valley Survey Area, with a primary goal of facilitating the remediation and revitalization of the Schlage Lock property. Agency staff anticipates certification of the Final Environmental Impact Report by November 2008. Staff then expects to ask for Planning Commission and Redevelopment Commission approval of the Visitacion Valley Redevelopment Plan, and accompanying rezoning by the end of this calendar year. The final approval of the Redevelopment Plan is made by the Board of Supervisors.

The Agency believes this site is an excellent "transit-oriented" development opportunity. The \$750 million T-Third MUNI light rail commenced service in 2007 and is located adjacent to the now blighted site on Bayshore Blvd. An existing commuter rail (Caltrain) station is within walking distance of the site and a new Bus Rapid Transit line is planned to connect the area to the Balboa Park BART station via Geneva Avenue.

The project concept plan includes 1,250 residential units, with 25% of the new units committed to permanent affordable housing. The plan also includes three parks and several stores. A major component of the plan would include a local super market which has been absent in the area for several years. The historic Schlage Lock office building will be restored for office space and community meeting space.

Attachment A

I understand that the landowner has been working closely with the Department of Toxic Substance Control on treatability studies to inform the Remedial Action Plan, to be published in early 2009. Additionally, our staff has partnered with the San Francisco Department of the Environment, to establish the proposed project area as a national pilot project for the Leadership in Energy and Environmental Design (LEED) for Neighborhood Development program, with a target of a Gold level rating.

Please feel free to contact me if I can be of any further assistance to this very momentous project.

Sincerely,



Fred Blackwell  
Executive Director  
San Francisco Redevelopment Agency

Attachment A

Member, Board of Supervisors  
District 10



City and County of San Francisco

SOPHIE MAXWELL

蘇菲妮亞(蘇菲)·馬克斯韋爾

October 1, 2008

Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

Re: Schlage Lock Redevelopment Plan

The redevelopment of the Schlage Lock site and the revitalization of the economically underserved southeast neighborhoods of San Francisco have been top priorities of mine for many years. In 2005, I advanced legislation at the Board of Supervisors that placed the Schlage Lock Factory and adjacent parcels into a Redevelopment Survey Area in order to give the City additional financial and legal capacity to facilitate positive development on the site, including affordable housing, parks, and a much needed grocery store.

I am delighted that the community-driven vision for the former Schlage property has resulted in a plan that has widespread support and is close to final adoption. I am proud of the Redevelopment Plan, which is the product of collaborative efforts of the Visitation Valley Citizen's Advisory Committee and other community members, the San Francisco Redevelopment Agency, Planning Department, and other City departments and agencies. I am in full support of the community vision embodied in this plan.

I will continue to work with the community, City staff, and property owners to implement this program for the former Schlage site. I look forward to the community benefits and economic development opportunities that this project will bring to Visitation Valley.

If you have any questions, do not hesitate to call me.

Sincerely,

A handwritten signature in cursive script that reads "Sophie Maxwell".

Supervisor Sophie Maxwell

Attachment A

STATE CAPITOL  
P.O. BOX 948848  
SACRAMENTO, CA 95834-0812  
(916) 229-2012  
FAX (916) 229-2112

DISTRICT OFFICE  
405 GOLDEN GATE AVENUE, #1400  
SAN FRANCISCO, CA 94132  
(415) 687-2012  
FAX (415) 687-1178

Assembly  
California Legislature

FIONA MA  
馬世雲  
MAJORITY WHIP  
ASSEMBLYWOMAN, TWELFTH DISTRICT



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APPROPRIATIONS  
ARTS, ENTERTAINMENT, SPORTS,  
TOURISM AND INTERNET MEDIA  
HEALTH  
PUBLIC SAFETY  
REVENUE & TAXATION  
JOINT LEGISLATIVE AUDIT  
SELECT COMMITTEES  
CHAIR, DOMESTIC VIOLENCE  
DEVELOPMENT OF A 10TH UNIVERSITY  
OF CALIFORNIA, MERCED CAMPUS  
FOSTER CARE  
INTERNATIONAL TRADE  
RAIL TRANSPORTATION

September 30, 2008

Ms. Stephanie Shakofsky  
Executive Director  
Center for Creative Land Recycling (CCLR)  
200 Pine Street, Suite 400  
San Francisco, CA 94104

Subject: Letter of Support for the California Recycle Underutilized Sites  
(CALReUSE) Remediation Program Grant Application for the  
former Schlage Lock Manufacturing Plant Site in San  
Francisco

Dear Ms. Shakofsky:

This letter is a statement of my support and commitment for the environmental cleanup which will enable productive redevelopment of the former Schlage Lock Site. I fully support the redevelopment of this site, and recognize that the site has been the subject of a long-term community effort to assure that the site is returned to a safe and productive use. In working with the community it is clear that they support the development as it will provide a complementary addition to the Visitation Valley neighborhood and renewed economic vitality to the area.

As CCLR is aware, the Schlage Lock site has sat idle for many years. During this time period the local community along with San Francisco City Staff, my office and City consultants have worked on a feasible plan for the redevelopment of this site.

The project plan includes 1,250 residential units, with 25% set aside as affordable. The plan also includes three parks and several stores. A major component of the plan would include a local super market which has been absent in this area for several years. The historic Schlage Lock office building will be restored for office space and community meeting space. The \$750 million T-Third MUNI light rail commenced service in 2007 and is located adjacent to the now blighted site on Bayshore Blvd. An existing commuter rail (Caltrain) station is



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Attachment A

within walking distance and a new Bus Rapid Transit line is planned to connect the area to the Balboa Park BART station via Geneva Avenue. The proper redevelopment of this site would fully illustrate a Transit Oriented Community with the proper density and perspective to meet the multiple needs of housing, community development, public transit enhancement and environmental cleanup. It is a significant investment in this long neglected area of San Francisco.

The new landowner is currently working closely with the Department of Toxic Substance Control on Treatability Studies to inform the Remedial Action Plan, to be published in early 2009. Under the leadership of the San Francisco Department of the Environment, the project has been established as a national pilot project for the LEED for Neighborhood Development program, with a Gold level target.

I strongly support this application for OCLR's consideration. Any funding that would be available would greatly assist in the viability of this excellent project and would insure that the site will meet the community's needs and desires.

Please feel free to contact me or Bill Barnes, my Chief of Staff, if I can be of any further assistance in your consideration of this vital project.

Sincerely,



FIONA MA  
Assembly Majority Whip

Attachment A

# FOCUS

development and conservation strategy for the San Francisco Bay Area



September 24, 2008

Mr. Michael Papanian  
Executive Director of California Pollution Control Financing Authority  
Center for Creative Land Recycling  
200 Pine Street, Suite 400  
San Francisco, CA 94104

**RE: Brownfield Grant Program Application for the Schlage Lock Site**

Dear Mr. Papanian,

We are writing in support of the application for funding for the San Francisco Schlage Lock site. We confirm that this site is located in an area designated for infill development through a regional plan policy adopted by the local council of governments. The Schlage Lock site is part of the Visitacion Valley Redevelopment Survey Area and the Bi-county Priority Development Area. We hope this helps your staff in the evaluation of this application regarding this criterion.

Redevelopment in this area is consistent with the regional blueprint plan for the Bay Area, FOCUS. FOCUS is the San Francisco Bay Area's regional planning strategy for development and conservation. It is led by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) in coordination with other regional agencies, local governments, and stakeholder groups. As part of the FOCUS Program, Priority Development Areas (PDAs) have been designated and were adopted by ABAG's Executive Board in November 2007. Priority Development Areas are areas 1) within an existing community, 2) near existing or planned transit, and 3) planned or in the planning process for more housing.

Within the FOCUS program, Priority Development Areas are also categorized as Planned or Potential areas. The primary difference between these two designations is that a Planned PDA has both an adopted land use plan and a resolution of support from the city council or county board. Planned PDAs are eligible for all types of incentives through FOCUS, including capital grants, and Potential PDAs are eligible for planning grants and technical assistance towards the eventual achievement of Planned PDA status. The Visitacion Valley Redevelopment Survey Area is in a designated Priority Development Area categorized as Potential. This area will be classified as a Planned PDA pending the adoption of the local land use plan this Fall.

Your funding of this area helps to further our regional goals. If you have any questions regarding the FOCUS Program and designated Priority Development Areas, please contact us at 510.464.7955.

Regards,

Kenneth Kirkey

ABAG Planning Director

Doug Kimsey

MTC Planning Director