

LONG-RANGE PROPERTY MANAGEMENT PLAN HUNTERS POINT MINI-PARKS

EXECUTIVE SUMMARY

The Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) submits its Long-Range Property Management Plan (“PMP”) which includes the disposition of seven mini-parks located in the former Hunters Point Redevelopment Project Area (the “Mini-Parks”). The seven Mini-Parks are identified by their former redevelopment disposition parcel names (i.e., D-2, DD-4, E-2, E-4, F-2, FF-7, and HH-2).

The Mini-Parks were developed to serve adjacent affordable housing projects in the early 1970s. The former San Francisco Redevelopment Agency (the “SFRA”) acquired the Mini-Parks as part of a larger land acquisition from the San Francisco Housing Authority (“SFHA”) and the City and County of San Francisco (the “City”) to fulfill the redevelopment program contained in the Hunters Point Redevelopment Plan (the “HP Plan”). The land was acquired at little or no cost and then sold to residential developers to create the new Hunters Point community. New open spaces and parks were also built, and the SFRA was able to transfer other park lands it owned to adjacent property owners. It was unable to transfer the seven Mini-Parks for a variety of reasons and continues to own them. Due to their irregular shapes and topographical challenges, the Mini-Parks are not useable for anything other than open space. They were all improved with open space areas, pedestrian walkways and stairs, and are currently maintained by either the City and County of San Francisco (the “City”) or the adjacent property owners. Only one Mini-Park (DD-4), otherwise known as Shoreview Park, is still maintained by the Successor Agency.

Disposition Plan. Two Mini-Parks (DD-4 and FF-7) function as traditional city parks, and one is adjacent to a park owned and maintained by the City. These two Mini-Parks will be transferred to the City for a governmental purpose. The remaining five Mini-Parks (D-2, E-2, E-4, F-2, and HH-2) primarily serve as open space and walkways for the adjacent affordable housing projects. These Mini-Parks will be sold at fair market value to the adjacent property owners. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs.

BACKGROUND

In the 1960s and 1970s, the SFRA acquired large blocks of land in the Hunters Point Redevelopment Project Area (“Hunters Point”) from the SFHA and the City, acting through the San Francisco Unified School District, to implement the redevelopment program envisioned in the HP Plan, which primarily consisted of new affordable residential development and open spaces. All of the land the SFRA acquired (except the Mini-Parks) was sold or transferred to developers to construct the residential units and associated open spaces.

The U.S. Department of Housing and Urban Development, or HUD, provided low-cost construction financing to some of the affordable housing developers. Due to HUD's statutory mortgage limits, operating costs at these projects had to be substantially reduced. Operating costs included property management costs for the open spaces surrounding the affordable housing projects. As a result, the SFRA had to retain ownership of the Mini-Parks, and pay for their upkeep, to keep the operating costs down for the affordable housing projects.

The Mini-Parks are comprised primarily of irregularly shaped lots with moderate to very steep sloping terrain. Some include usable open space/parkland. The majority of the Mini-Parks have limited street frontage and are undevelopable for anything other than open spaces and pedestrian walkways. The following provides a detailed description of each Mini-Park:

- **Mini-Park D-2** – Stairwells and walkways between existing residential units, with a small seating plaza off of McKinnon Avenue (0.36 acres); maintained by adjacent property owner.
- **Mini-Park DD-4** – Shoreview Park, a small neighborhood park with children's play equipment and grassy area (approximately 5.0 acres); maintained by Successor Agency.
- **Mini-Park E-2** – A staircase running between residential buildings, connecting Commer Court to an overlook and grassy area (0.27 acres); maintained by adjacent property owner.
- **Mini-Park E-4** – A small triangular grassy area with a trash enclosure serving the adjacent, surrounding residential buildings (0.06 acres); maintained by adjacent property owner.
- **Mini-Park F-2** – Stairs and pathways located between existing residential buildings (0.36 acres); maintained by adjacent property owner.
- **Mini-Park FF-7** – A landscaped parcel that has been incorporated into the publically-owned Adam Rogers Park, which directly abuts Mini-Park FF-7 (0.16 acres); maintained by City.
- **Mini-Park HH-2** – Small grassy area between existing residential buildings and Ingalls Street (0.18 acres); maintained by adjacent property owner.

The SFRA was unable to transfer the Mini-Parks despite repeated attempts to do so over the years. The City and adjacent property owners expressed concerns in the past over liability, capital improvement costs, and property management costs.

LONG-RANGE PROPERTY MANAGEMENT PLAN (“PMP”)

The following presents the information requested pursuant to Section 34191.5 of the California Health and Safety Code for the Mini-Parks. These properties are also shown on Attachment A (Map of Hunters Point Mini-Parks) and Attachment B (DOF Tracking Sheet for Other Properties), as Nos. 32 through 38.

Date of Acquisition

The Mini-Parks were acquired in 1969 and 1972 as part of large land acquisitions from the SFHA and the City. See Attachment B for acquisition dates for the Mini-Parks.

Value of Property at Time of Acquisition

The SFRA acquired the land from the SFHA for \$0. The SFRA acquired the land from the City (which included the land for Shoreview Park) for \$125,169, which was an amount negotiated between the SFRA, the City, and HUD, and does not reflect the land's market value at the time.

Purpose for which the Mini-Parks were Acquired

As mentioned, the land on which the Mini-Parks now sit was acquired as part of two large land acquisitions by the SFRA to implement the redevelopment program contained in the HP Plan. The HP Plan called for a new Hunters Point community with new affordable residential development, new streets, and new parks and open spaces. The land was acquired at little or no cost and then sold to residential developers to create the new Hunters Point community. New open spaces and parks were also built, and the SFRA was able to transfer other park lands it owned to adjacent property owners. The SFRA retained ownership of the Mini-Parks at the time to reduce operating costs for the adjacent affordable housing projects so that HUD's statutory mortgage requirements could be met. Over the years, the SFRA attempted to transfer the Mini-Parks to adjacent property owners and/or the City but was unsuccessful.

Address/Location

See Attachment B for the specific locations of the Mini-Parks. A map of the Mini-Parks is attached as Attachment A.

Lot Size

See Attachment B for the lot sizes of the Mini-Parks. A map of the Mini-Parks is attached as Attachment A.

Current Zoning

All of the Mini-Parks are zoned for residential uses, consistent with the abutting residential land uses. Specifically, the following is a description of the maximum residential development allowed under each of the three residential zoning districts that apply to the Mini-Parks:

- RH-1 (House, One Unit) – Applies to Mini-Park FF-7 and allows one residential dwelling unit per lot, up to one unit per 3,000 square feet of lot area (maximum of three units) with conditional use approval.
- RH-2 (House, Two Units) – Applies to Mini-Parks D-2, DD-4, E-2, E-4, and F-2 and allows two residential dwelling units per lot, up to one unit per 1,500 square feet of lot area (maximum of three units) with conditional use approval.

- RM-1 (Mixed Apartments/Houses - Low Density) – Applies to Mini-Park HH-2 and allows three dwelling units per lot or one dwelling unit per 800 square feet of lot area.

Estimate of the Current Value (Including Appraisal Information)

Due to their irregular shapes and topographical challenges, the Mini-Parks are not useable for anything other than open space. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs. No appraisal information is available.

Estimate of Revenues Generated (Including Contractual Requirements for Use of Funds)

None of the Mini-Parks has ever generated any revenues.

History of Environmental Contamination, Studies, Remediation Efforts

According to a Phase I and II Environmental Site Assessment Study (the “ESA”) prepared for Mini-Park DD-4 (“Shoreview Park”) in June 2006, the Mini-Parks are located on land that generally was unoccupied until about World War II (1941-1945) when Hunters Point was developed with military housing. The ESA did find elevated levels of nickel, chromium and cobalt in the soils of Mini-Park DD-4, which they attribute to the fact that the soils are derived from the native serpentine bedrock at the site, which usually contains slightly elevated levels of these metals. The levels were within the range of naturally occurring metals in serpentine rock. The other Mini-Parks may also have been built on similar serpentine rock due to their proximity to Mini-Park DD-4, so they also could be expected to have elevated levels of these metals. No other significant contaminants were identified by the ESA. The ESA recommended additional studies of Mini-Park DD-4 and additional safety precautions when working with exposed serpentine bedrock.

Potential for Transit-Oriented Development; Advancement of Planning Objectives

Hunters Point is well-served by several municipal bus lines, and is near the City’s light-rail system that runs along Third Street.

History of Previous Development and Leasing Proposals

No previous development or leasing proposals for the Mini-Parks exist.

Disposition of the Mini-Parks

Two Mini-Parks currently function as traditional city parks. Mini-Park DD-4, Shoreview Park, is surrounded by residential development and Mini-Park FF-7 is a portion of Adam Rogers Park, which is a park the City already owns and manages. These two Mini-Parks will be transferred to the City for a governmental purpose. The transfer date is expected in 2014/2015.

The remaining five Mini-Parks (D-2, E-2, E-4, F-2, and HH-2) primarily serve as open space and walkways for the adjacent affordable housing projects. These Mini-Parks will be sold at fair market value to the adjacent property owners. The fair market value is estimated to be zero because they have no development potential and have already been improved with open space areas, pedestrian walkways and stairs. The transfer date is expected in 2014/2015.

Properties Dedicated to Governmental Use Purposes and Properties Retained for Purposes of Fulfilling an Enforceable Obligation

See above section.

Attachment A: Map of Hunters Point Mini-Parks
Attachment B: DOF Tracking Sheet – Other Properties

Attachment B
DOF Tracking Sheet – Other Properties

(See Tab L)