



Octavia Boulevard / Central Freeway Project Update

Kelly Pretzer

**Office of Economic and Workforce
Development**



Agenda

- **Former Central Freeway**
- **Foundational Documents**
- **City Obligations**
- **Parcel Disposition**
- **Temporary Uses of City-Owned Parcels**
- **Octavia Boulevard Project Sources and Uses**
- **Path Forward and Future Approvals**



Former Central Freeway



Foundational Documents



Proposition E - 1998

- **Central Freeway Replacement Project Act.**
- **Called for replacement of Central Freeway with an elevated structure from Mission Street to Market Street, and a ground-level boulevard on Octavia Street.**

Central Freeway **E**

PROPOSITION E

Shall the City repeal 1997's Proposition H and authorize Caltrans to replace the Central Freeway with an elevated structure to Market Street and a ground-level boulevard from Market along Octavia Street? **YES** ➡
NO ➡

Digest
by Ballot Simplification Committee

THE WAY IT IS NOW: The City's Central Freeway was damaged in the 1989 earthquake. The California Department of Transportation (Caltrans) has demolished certain unsafe portions of the Freeway.

Under State law, Caltrans cannot rebuild the Central Freeway without City approval. Although the City can authorize Caltrans to rebuild the Central Freeway, it cannot require Caltrans to do so.

In 1992, the Board of Supervisors made it City policy not to build any new above-ground ramps to the Central Freeway north of Fell Street.

In November, 1997, the voters adopted Proposition H, which authorized Caltrans to rebuild the Central Freeway with a four-lane, single-deck, elevated structure over Market Street from Mission Street to Fell Street. Proposition H also repealed the ban on above-ground ramps north of Fell Street.

The Board of Supervisors has since adopted a resolution formally endorsing the Proposition H Central Freeway plan and urging Caltrans to proceed.

THE PROPOSAL: Proposition E is an ordinance that would repeal Proposition H and the Supervisors' endorsement resolution. The ordinance would authorize Caltrans to replace the Central Freeway with a new four-lane, two-way, single deck elevated structure from Mission Street to Market Street and a street-level, high traffic volume boulevard along Octavia Street from Market Street to Fell Street.

Proposition E also would reinstate the City policy not to build any new above-ground ramps to the Central Freeway north of Fell Street.

A YES VOTE MEANS: If you vote yes, you want to repeal Proposition H and authorize Caltrans to replace the Central Freeway with a single-deck elevated structure from Mission Street to Market Street and a street-level boulevard along Octavia Street from Market Street to Fell Street.

A NO VOTE MEANS: If you vote no, you want to retain Proposition H and continue to authorize Caltrans to rebuild the Central Freeway as a single-deck elevated structure over Market Street from Mission Street to Fell Street.

Controller's Statement on "E"

City Controller Edward Harrington has issued the following statement on the fiscal impact of Proposition E:

Should the proposed ordinance be adopted and implemented, in my opinion, construction should not affect operating costs of the City and County of San Francisco as the cost of freeway improvements is a capital cost typically borne by the State and Federal governments. However, as the proposed freeway realignment affects traffic on city streets, some operating costs for street maintenance and repair will result. The amount of such maintenance costs cannot be estimated at this time.

How "E" Got on the Ballot

On July 20, 1998 the Director of Elections certified that the initiative petition, calling for Proposition E to be placed on the ballot, had qualified for the ballot.

10,510 valid signatures were required to place an initiative ordinance on the ballot. This number is equal to 5% of the total number of people who voted for Mayor in 1995.

A random check of the signatures submitted on July 6, 1998 by the proponents of the initiative petition showed that more than the required number of signatures were valid



Proposition I - 1999

- Authorized use of proceeds from sale of Excess Central Freeway Parcels for the design, engineering, construction and maintenance of the Octavia Boulevard Plan.
- Authorized use of any remaining proceeds for related transportation improvements in the adjacent area.

Octavia Boulevard Plan



PROPOSITION I

Shall the City use the proceeds from any sale of excess Central Freeway right-of-way property to fund the Octavia Boulevard Plan and related transportation improvements, support construction of housing and mixed uses on the right-of-way property, and prohibit widening of the existing elevated freeway structure?

YES ➡
NO ➡

Digest

by Ballot Simplification Committee

THE WAY IT IS NOW: The City's Central Freeway was damaged in the 1989 earthquake. In November 1998, the voters adopted Proposition E, which authorized the California Department of Transportation to replace the Central Freeway with a new four-lane, two-way, single-deck elevated structure from Mission Street to Market Street and a street-level, four-lane boulevard along Octavia Street from Market Street to Fell Street, with two additional lanes for local traffic (the Octavia Boulevard Plan).

Part of the land that was occupied by the Central Freeway and the freeway ramps (the right-of-way property) will not be needed to construct the Octavia Boulevard Plan. The State Legislature is considering a bill that would give the right-of-way property to the City. The City would have to use any monies raised by sale or lease of the unneeded property first to pay for the Octavia Boulevard Plan and then for transportation improvements along routes leading to or from Octavia Boulevard.

THE PROPOSAL: Proposition I is an ordinance that would call for using any proceeds from the sale or lease of the right-of-way property—if the State gives the property to the City—to fund the design and construction of the Octavia Boulevard Plan and to use any remaining monies for transportation improvements along routes leading to or from Octavia Boulevard. The City's Transportation Authority

would decide which transportation improvements to fund after consulting with the Central Freeway Citizens' Advisory Committee and following guidelines listed in the ordinance. Proposition I also would call for development of residential and mixed residential/commercial uses, including affordable housing, on the right-of-way property. The ordinance would prohibit widening the existing elevated freeway structure between Market and Fell Streets. City and neighborhood representatives would participate in determining appropriate development of the right-of-way property.

A YES VOTE MEANS: If you vote yes, you want to use the proceeds from any sale of unneeded Central Freeway right-of-way property to fund the Octavia Boulevard Plan and related transportation improvements and you want to support construction of housing and mixed uses on that property.

A NO VOTE MEANS: If you vote no, you do not want to use the proceeds from any sale of unneeded Central Freeway right-of-way property to fund the Octavia Boulevard Plan and related transportation improvements and you do not want to support construction of housing and mixed uses on that property.

Controller's Statement on "I"

City Controller Edward Harrington has issued the following statement on the fiscal impact of Proposition I:

Should the proposed ordinance be adopted and implemented, in my opinion, it may affect the revenues or costs of City government.

The ordinance is contingent upon State approval of legislation that would give excess right-of-way property from the Central Freeway to the City. Should that legislation pass, this ordinance would allow the City to sell the property. It then sets forth processes and priorities for how

funds would be spent and how the property would be used. Should that property be used for purposes other than what they would have been used for without this ordinance, City revenues or costs may increase or decrease accordingly.

How "I" Got on the Ballot

On August 4, 1999 the Department of Elections received a proposed ordinance signed by 4 members of the Board of Supervisors. They included: Ammiano, Bierman, Katz, Leno

THIS MEASURE REQUIRES 50%+1 AFFIRMATIVE VOTES TO PASS.

ARGUMENTS FOR AND AGAINST THIS MEASURE IMMEDIATELY FOLLOW THIS PAGE. THE FULL TEXT BEGINS ON PAGE 172
SOME OF THE WORDS USED IN THE BALLOT DIGEST ARE EXPLAINED ON PAGE 31

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Cooperative Agreement - 2000

- Authorized by SB 798 (Burton), Prop E. (1998) and Prop. I (1999).
- Entered into between Caltrans and the City of San Francisco on Nov. 29, 2000.
- Effectuated the transfer of 22 State-owned, developable parcels to the City.



Cooperative Agreement - 2000

- **City was responsible, at City's sole cost, for:**
 - **Preparation and operation of interim traffic management plan.**
 - **Octavia Boulevard.**
 - **Restoration of portions of Mission Street, South Van Ness Avenue and Van Ness Avenue that were to be adopted as part of State Route 101**



City Obligations



Central Freeway Ancillary Projects

- **Endorsed by Central Freeway Citizens' Advisory Committee and SFCTA in 2006**
 - **Streetscape Improvements - \$2.396 million**
 - Construction began Q1 2012
 - **Skatepark - \$3.1 million**
 - Finalizing Design; Negotiating Lease with Caltrans
 - **Dog Run - \$1.364 million**
 - Beginning Community Design Process
 - **McCoppin Hub - \$1.782 million**
 - Finalizing Design

 - **TOTAL - \$8.7 million**



Central Freeway Ancillary Projects



City Obligations to Date

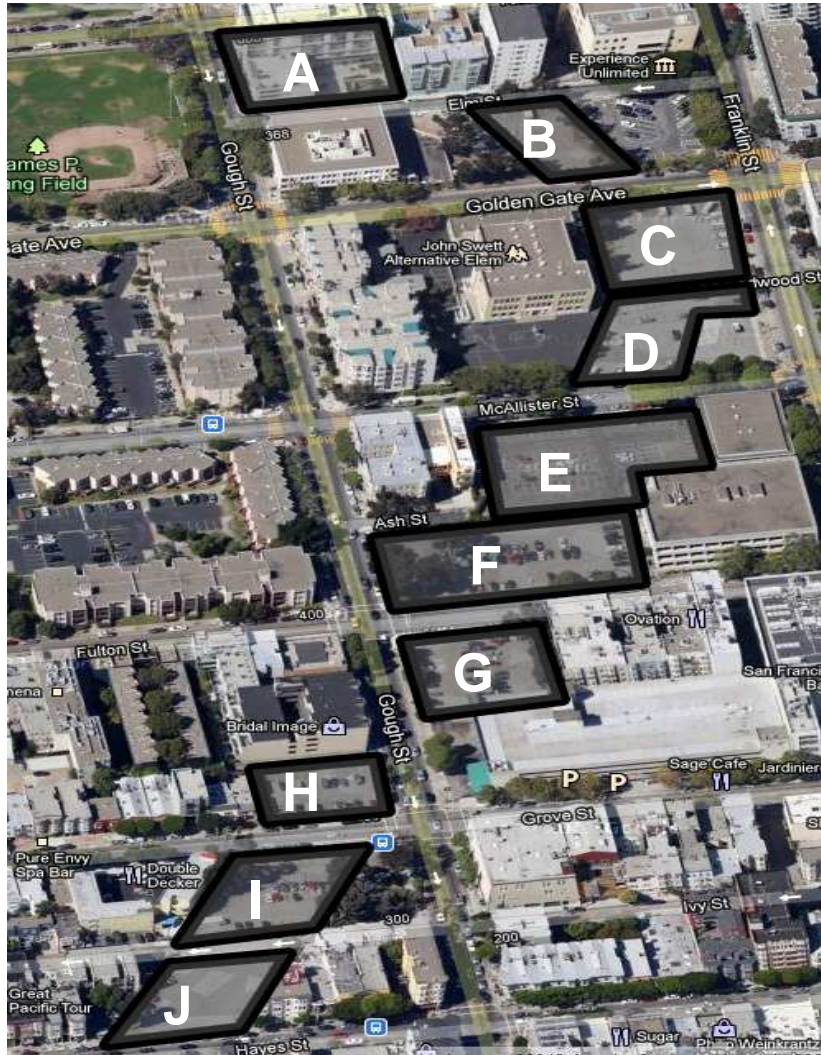
- **Preparation and operation of interim traffic management plan. \$4.4 million (complete)**
- **Octavia Boulevard. \$19.1 million (complete)**
- **Restoration of portions of Mission Street, South Van Ness Avenue and Van Ness Avenue that were to be adopted as part of State Route 101. \$5.5 million**
- **Central Freeway Ancillary Projects. \$8.7 million**
- **TOTAL - \$37.7 million (\$14.2 million remaining)**



Parcel Disposition



Twenty Two Central Freeway Parcels



Transfer Agreement - 2002

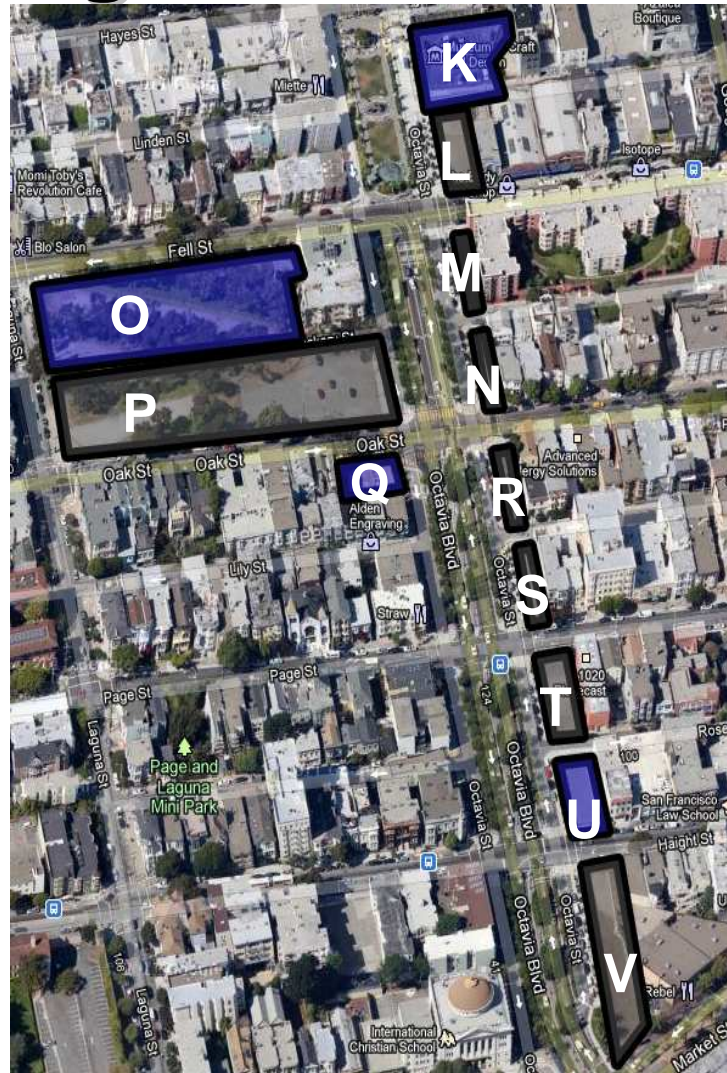


- Agreement between City and San Francisco Redevelopment Agency for affordable housing. SFRA purchased parcels as market rate, as if entitled. This purchase enabled construction of Octavia Boulevard.
- Included a “true up” provision after disposition of all Central Freeway Parcels.
- Included option to purchase additional Parcels G, K, O, Q and U.

	Purchase Price
A	\$2.888M
C	\$2.888M
TOTAL	\$5.75M



Option Agreement - 2002



	Purchase Price
G	\$2.836M
K	\$1.83M
O	\$4.652M + \$958K Note
Q	\$810K
U	\$960K

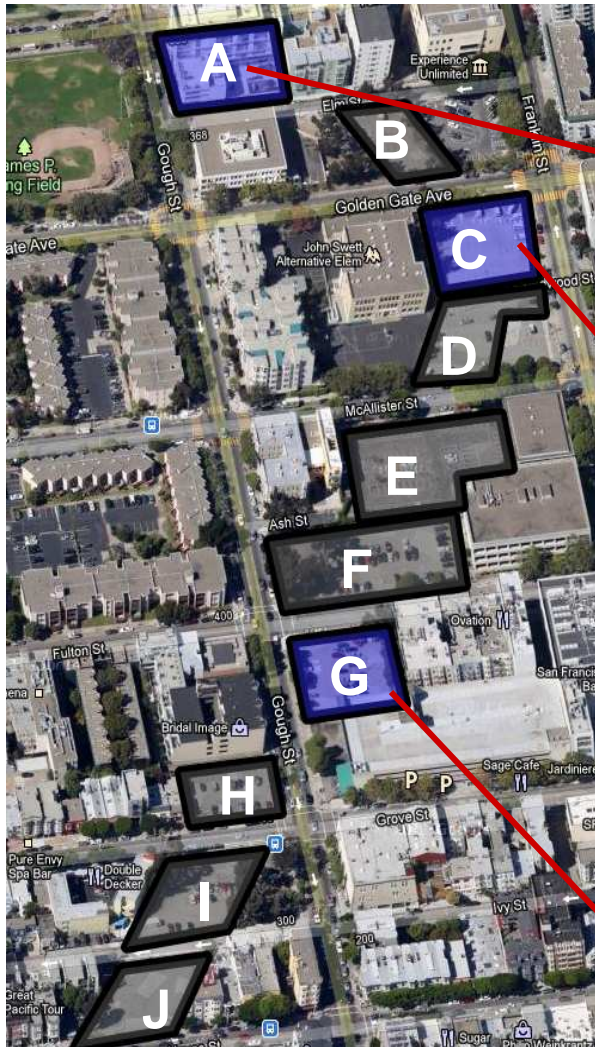


SFRA Purchases - 2002

Total Purchase Price - \$17.821M



SFRA Projects



Parkview Terraces

- CCDC
- Low Income & Senior Housing
- 100 units



Mary Helen Rodgers Senior Community

- CCDC
- Low-Income and Homeless Seniors
- 100 units

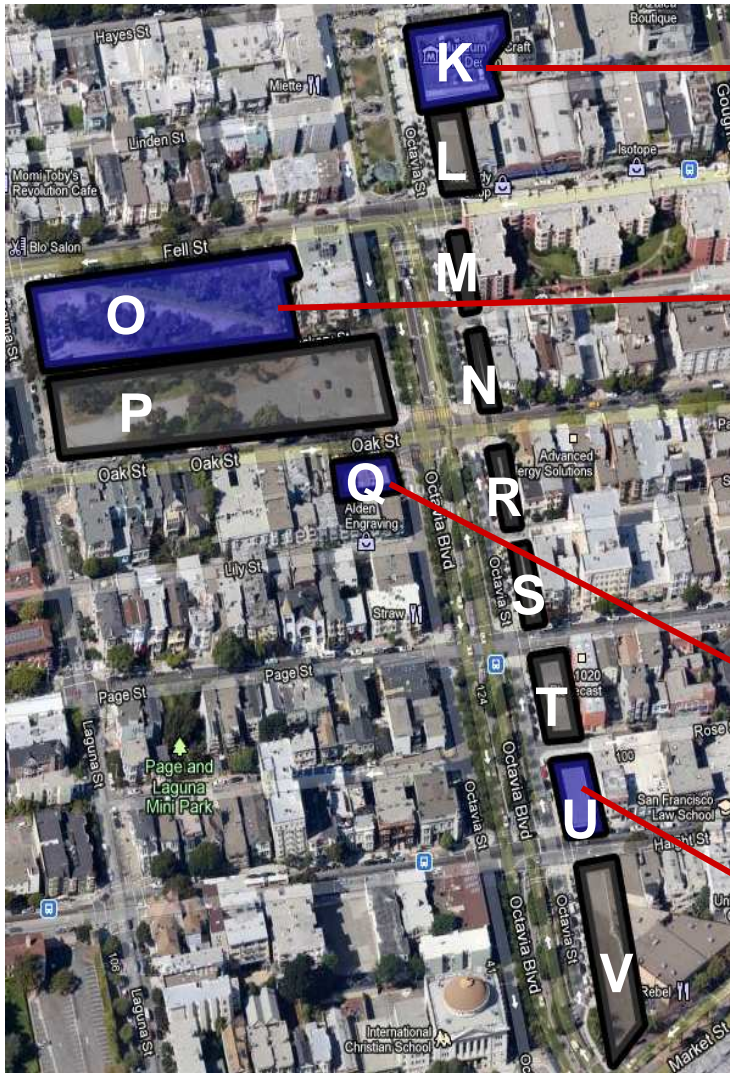


Richardson Apartments

- CHP/Mercy Housing
- Formerly Homeless Individuals
- 120 units



SFRA Projects



PROPOSED
– First-Time Home Ownership (80-120% AMI)
– 20-25 units; ground floor retail

PROPOSED
– Family Rental Housing (up to 50% AMI)
– 100 units



Octavia Court
– West Bay Housing / Satellite Housing
– Persons with Developmental Disabilities
– 15 units

PROPOSED
– Transition-Aged Youth
– 32 units



Pre-Market Octavia Plan Adoption Land Sales



A-1	\$272,000
B-1	\$175,000
B	Trade with State
D	\$1,095,000
H	\$203,000
I	\$3,500,000
K-1	\$7,000
K-2	\$184,000
TOTAL	\$5,436,000
TOTAL WITH SFRA	\$23,257,000

Post-Market Octavia Plan Adoption Land Sales



F	\$2,500,000
H	\$3,012,500
J	\$5,025,000
P	\$8,500,000
V	\$2,700,000
Total	\$21,737,500

Temporary Uses



Temporary Uses

- Parcel K and Parcel L – Proxy
- Parcel O and Parcel P – Hayes Valley Farm
- Parcel R and Parcel S – Growing Home Community Garden (Project Homeless Connect)



Octavia Boulevard Leasing Revenue



	Term	Annual Lease Revenue
E	Through 12/31/2074	\$66,252
F	Month to Month	\$129,420
K	Through 9/15/2015	\$60,000
L	Through 11/1/2015	\$24,000
O	Month to Month	\$1
P	Month to Month	\$1
R	Month to Month	\$0
S	Month to Month	\$0

Octavia Boulevard Project Sources and Uses



Octavia Boulevard – Pre-MOP Sources and Uses

Sources	
A	\$2,888,000 SFRA
A-1	\$272,000
B-1	\$175,000
C	\$2,888,000 SFRA
D	\$1,095,000
G	\$2,836,000 SFRA
H	\$203,000
I	\$3,500,000
K	\$1,830,000 SFRA
K-1	\$7,000
K-2	\$184,000
O	\$4,652,000 + \$958,000 Note SFRA
Q	\$810,000 SFRA
U	\$960,000 SFRA
Leases	\$300,000
TOTAL	\$23,558,000

Uses	
Interim Traffic Management Plan	\$4,400,000
Construction of Octavia Boulevard	\$19,100,000
TOTAL	\$23,500,000



Octavia Boulevard – Post-MOP Sources and Uses

Sources	
Octavia Fund Balance	\$ 800,000
Parcel F	\$ 2,500,000
Parcel H	\$ 3,012,500
Parcel J	\$ 5,025,000
Parcel M	\$ 374,000
Parcel N	\$ 374,000
Parcel P	\$ 8,500,000
Parcel V	\$ 2,700,000
Total Revenues	\$ 23,285,000

Uses	
Ancillary Projects - phases 1 and 2	\$ 8,700,000
Ancillary Projects Leases	\$ 3,100,000
<i>Skatepark Lease</i>	\$ 1,200,000
<i>Dog Run Lease</i>	\$ 1,900,000
Van Ness Repaving	\$ 5,500,000
Funds back to Affordable Housing Fund/"True Up"	\$ 6,000,000
Total Expenses	\$ 23,300,000

<i>Long Term Sources</i>	
Parcel L	\$ 1,164,000
Parcel R	\$ 770,001
Parcel S	\$ 697,000
Parcel T	\$ 1,402,500
Total Long Term Revenue	\$ 4,033,501

<i>Ongoing Lease Revenue</i>	
Parcel E	\$ 5,521
Parcel K	\$ 5,000
Parcel L	\$ 2,000
Total Monthly Revenue	\$ 12,521



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Path Forward and Future Approvals



Path Forward

- **Completion of Central Freeway Ancillary Projects.**
- **Improvement of Van Ness Ave.**
- **Disposition of Parcels L, R, S and T.**
- **“True Up” with Affordable Housing Fund.**



Future Items for Board of Supervisors' Consideration

- **Lease with Caltrans for Skatepark Parcel.**
- **Lease with Caltrans for Dog Run Parcel.**
- **Vacation of McCoppin Hub.**

Previously Authorized Items

- **Disposition of Parcels L, R, S and T at Market Rate.**
- **Execution of MOU with Mayor's Office of Housing Regarding Intermediate and Future "True Up" Provisions.**





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