

Further to my prior email of today sent at 2:53pm I would like to draw specific attention to the attachment 3 on Greenhouse Gas Emissions. The criteria to qualify for streamlining under AB900 requires that the project cannot "add any net additional emissions...."

Greenhouse gas emissions are not confined to the trucks, bulldozers and diesel equipment used during construction as this represents a paltry 12% of the project's greenhouse gases generated. An internal combustion engine is not the sole, nor primary, source of emissions as the Initial Study would lead one to believe.

Any credible technical evaluation of greenhouse gas generation must account for ALL such emissions and it is inconceivable that this project will be found to be net neutral. It does not remotely qualify under AB900.

In addition, no calculation was included to address the emissions generated as a result of recycling all the concrete, steel and glass debris created as a result of the demolition of over 50% of the main historic building. This is substantial and needs to be accounted for.

Disposing of this debris in a landfill does not eliminate its ultimate impact on the gross greenhouse gas emissions generated by the project. It simply defers them to some later date when a new landfill, further from San Francisco, must be commissioned and the debris recycled.

Landfill is considered by every responsible climate change expert to be the most wasteful of all disposal methodologies as everything is wasted, nothing is saved for re-use, everything must be created anew. It is the poster child for ignoring greenhouse gas emissions.

The entire discussion presented by San Francisco Planning and the developer simply parrots Donald Trump's view of climate change and greenhouse gases and does a disservice to the citizens of California who look to government to protect the environment not contribute to its destruction.

Please insure that 100% of greenhouse gases generated are properly accounted for prior to applying AB900.

Also be advised that the developer is requesting a 15 year entitlement period, see attachment, which is fundamentally in direct opposition to AB 900's stated objective to streamline projects in order to bring housing online in an expedited manner.

It would appear that the 15 year entitlement period disqualifies 3333 California St. from any consideration under AB 900 as the project is not intended to be developed in an expedited time-frame.

Generate needed critically needed housing, high-paying jobs? When? What will the need look like 15 years from now?

Furthermore, there is no credibly supported analytical evidence that developing 3333 California St. will create additional permanent high-wage, high paying jobs etc. thereby qualifying this as a leadership project.

Any projection that spans a 15 year period is irrelevant which is made abundantly clear by Prado's comment in the attachment.

One need only go back 10 years when California was mired in a recession, unable to pay its bills, slashed its education budgets, etc. to recognize this.

Much of the submission is a perfect example of the saying "a piece of paper will take anything you want to write on it." Tables, references, and reams of verbiage primarily intended to mislead, misdirect and misinform.

Respectfully,

Richard Frisbie

Dan Safier <dsafier@pradogroup.com>

Thu, Oct 12, 2017 at 3:45 PM

To: John Rothmann <johnrothmann2@yahoo.com>, Dan Kingsley <dkingsley@sksre.com>

Cc: Kathy Devincenzi <krdevincenzi@gmail.com>, Catherine Carr <catherine.a.carr@gmail.com>, "M.J. Thomas" <mjinsf@comcast.net>, Richard Frisbie <frfbeagle@gmail.com>

Dear John, Kathy, Catherine, M.J., and Dick:

First of all John, thank you for the meeting last week at your home. As we agreed in the meeting, we are responding to your recent questions regarding the project. We have re-arranged your questions slightly to group them according to subject. If we haven't answered any of your questions, please let us know. We very much appreciate your willingness to promptly write back to us with your five outstanding issues on the project that are currently preventing us from obtaining LHIA support for the project. We appreciate your doing this so we can set a follow up meeting to find a mutually workable solution.

LHIA Questions:

Q: You also stated that Prado wants to have a development agreement to lock in entitlements for longer periods of time than would normally be allowed?

A: Yes, we are looking to enter into a development agreement (DA) with the City for a term of approximately 15 years. For large projects with multiple buildings like 3333 California Street, the City generally requires a DA. The DA vests the entitlements, protecting the entitlements from changes in the law in exchange for certain community benefits. This would include the community benefit of certainty of the entitlements during that period. If we did not build the project during the term of the DA, then the DA would expire and we would lose the protections of the DA.

Q: What portion of the project would be built first?

A: At this time, we have assumed that the Masonic and Euclid buildings would be built first. In general, we anticipate construction beginning with a staging and site preparation phase, which will include some demolition, then excavation for underground parking, followed by construction of the buildings. With the exception of work on the sidewalks, addition of landscaping, paving, and connecting to the City's various systems and utilities, our general contractor, Webcor Builders, is anticipating that construction will occur within the site. We will be preparing a detailed construction management plan, and the EIR will include mitigation measures around construction emissions, air quality, etc. with which we will have to comply.

Q: What would you expect to be built in each successive phase of the project?

A: At this time, we anticipate the following in each phase – Phase 1: Masonic and Euclid buildings; Phase 2: Center Buildings A and B; Phase 3: Plaza A, Plaza B and Walnut buildings; and Phase 4: Mayfair Building and Laurel Duplexes.

Q: What do you anticipate the total period of time will be during each phase of construction?

A: Our current planning assumes that each phase would overlap, e.g., Phase 2 begins approximately 20 months after Phase 1. Specifically, we think Phase 1 could take 30 months, Phase 2 could take 24 months, Phase 3 could take 36 months, and Phase 4 could take 20 months. Assuming an overlap of phases, from start to finish it could take approximately six to seven years to complete all phases of the construction. This construction phasing and related

durations are consistent with and defined in the phasing schedule under review in our environmental application. While the phasing could be accelerated, we have assumed a relatively conservative approach to the construction phasing.

Q: What is the period of time that you anticipate that construction will occur?

A: We anticipate that construction will occur in the spring of 2020.

Q: What is the reason for constructing the project in phases?

A: By allowing for potential phased construction, we would have the ability to complete and occupy portions of the project as each phase is completed. If conditions do not exist to build out the entire project, we can phase construction in order to align with market conditions and financing availability.

Q: How many extensions do you anticipate requesting for the entitlements?

A: None. Any extension of the DA's term would be a material amendment that would require Board of Supervisor's approval.

Q: During those extended periods, would it be possible for Prado to request changes in the project as related specifically to increased height, increased bulk, increased numbers of residential units, increased amounts of retail or office space? What about the possibility of design changes or other changes? Could Prado apply to change any part of the construction to provide the opportunity to have high rise construction?

A: Once the EIR is certified and the project is approved, any material changes to the project would be subject to new environmental review, would require Planning Commission and Board of Supervisor approvals and also an amendment to the DA. Any increase in height over what is entitled in our project would require a revision to the Planning Code and Zoning Maps that would entail Planning Commission and Board of Supervisors approval.

Q: There are genuine concerns about reducing open spaces and reduced on-site parking places.

A: Open space will be part of the entitlements and will likely be considered by the City as one of the public benefits supporting the DA -- for that reason alone, reducing the amount of it would be very difficult if not impossible. The open space requirements will be carefully described in the project's approvals and will also be recorded against the property. So, as with any material changes to the approved project, any material change to the open space would be very difficult and would involve a public process and City approval. As to parking spaces, as you know, the City would like to see the number of spaces reduced. We plan to continue advocating for the proposed number of project parking spaces in our application.

Q: During the phased construction could Prado transfer shares in the project to provide for new or additional investors?

A: We have no plan to transfer any shares in the project and construction lenders generally prohibit any changes of ownership by the project developer during construction and stabilization of a project. PSKS, along with our equity partners and lenders, intend to provide all of the capital necessary to construct, own and operate the project. We plan to

retain day-to-day control of the project during development, construction, stabilization and ongoing operations. We design and build our projects to hold for the long-term owner.

We look forward to reconnecting and thank you again for making the time to meet with us.

Sincerely, Dan



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