



Repositioning Project Frequently Asked Questions

The following Frequently Asked Questions document (FAQ) should answer many of your immediate questions and concerns about the proposed repositioning project currently under consideration for Heritage on the Marina. We intend to update this FAQ document approximately once each quarter to keep you informed about changes and progress.

Q1. What is the plan for the campus?

The current concept for repositioning the campus includes an increase in the number of care suites, underground parking access, and improved community amenity spaces. As part of this process, the existing connector building on Bay Street and the existing Health Center on Francisco Street would be replaced with new structures consisting of additional care units and resident amenity spaces. Heritage on the Marina intends to design and implement the repositioning project in a manner that honors and reflects the historic legacy of the Julia Morgan building on Laguna.

Q2. Why is Heritage on the Marina proposing these changes?

In order to secure a sustainable and successful future as a non-profit provider of services for older adults, Heritage on the Marina needs to make changes to its campus and operations. Our primary motivation is always to provide excellent care for our residents in their preferred living environment. These changes help us reach these goals through improving the existing campus and aligning our operations to meet the evolving needs of current and future residents. While we expect to refine our plans during the approval process, the future of Heritage on the Marina depends upon providing quality care in a suitably updated environment. The decision is not between change or no change, but what kind of change will there be.

Q3: Has Heritage on the Marina considered other alternatives to this plan?

Yes. We have explored a number of alternatives, including a potential partnership with another organization that wanted to develop a significantly larger, more involved project that would have had a greater impact on our residents and our neighborhood. The current vision of the repositioning project conforms with the current applicable land use policy intent and also allows all Heritage on the Marina residents to remain on campus during any construction.

Q4. Who has been involved in making decisions?

Many stakeholders, including our residents, have been involved in the decision-making process. Plans for the future of Heritage on the Marina have been under long and careful consideration by many people who care about the community and the neighborhood. The current iteration of repositioning plans for the campus were discussed by residents, employees, and the Board of Directors for well over a year, including the transition from on-site skilled nursing to an at-home care model. Heritage on the Marina’s Board of Directors, including resident representatives, unanimously approved moving forward with the repositioning project.

Q5: Has Heritage on the Marina completed the transition from on-site skilled nursing to an at-home care model as mentioned in Q4?

The transition is almost complete. All of Heritage on the Marina’s residents who had been in skilled nursing are still at the community, receiving high level long-term care. The skilled nursing unit was vacated as of March 27, 2023, and the California Department of Public Health (CDPH) has given us notice of closure effective April 1, 2023. We are currently waiting for the Department of Health Care Access and Information (HCAI) to decertify our skilled nursing.

Q6: Is the business model changing?

No. Our business model of providing housing and services for older adults remains the same. This plan allows Heritage on the Marina to continue with the care and services we offer our residents and to carry out our mission “to be an innovative, charitable model for serving the needs of seniors, and to utilize its resources and expertise to serve the San Francisco community.” The repositioning project will enable Heritage on the Marina to better accommodate the needs of our residents and other seniors and to carry out our work in a sustainable manner.

Q7. What is the current status of the repositioning project?

A project development application and conditional use application was submitted to the City in February 2023. We anticipate feedback and direction from the City over the next several months.

Q8. How can we see the documents filed with the City Planning Commission and their responses?

To see documents related to this repositioning project, visit <https://sfplanninggis.org/pim/> and search for 3400 Laguna Street, San Francisco, CA 94123 or Block/Lot: 0471/003. Additional information will be posted as new materials are submitted or received.

Q9. How long will the repositioning project take?

If approved, the full repositioning project would likely run through the end of the current decade. No material construction work is expected until the planning approval process is complete. The estimated construction schedule is long in large part due to the fact that our residents want to be able to remain in the community throughout the repositioning project, rather than being relocated, and we wish to mitigate the impact construction will have on them.

At present, the expected timeline is as follows:

- Land use approval: ~2 years (through late 2024)
- Marketing and building permitting: ~1.5 years (through mid-2026)
- Financing (if applicable) and construction: ~2.5 years (through late 2028)
- Building opening and move-ins (through late 2029)

Please note it is common for the actual timelines of development projects to vary greatly from their initial timeline estimates. In particular, the land use approval period could vary from our current estimate. As applicable, we intend to provide updates to this expected timeline in future updates.

Q10. Who will be involved in the repositioning project?

Heritage on the Marina has retained Rockwood Pacific Inc. to spearhead the repositioning project and to serve as the development manager. Other members of the project team include HKS (architect), Page & Turnbull (historic architect), GBA (planning consultant), Kimley-Horn (civil engineer), David Gates (landscape architect), Pankow Builders (construction), and Perkins Coie (legal).

Q11. What will the repositioning project cost, and how will it be paid for?

Given uncertainties related to, among other factors, future construction cost and interest rates, it is not practical to provide a precise cost estimate. We are currently anticipating employing debt to finance a portion of the total project cost. However, depending in part on future construction cost and interest rates, it may be possible to avoid carrying long-term debt.

Q12. If the project is approved, what would be the height of the new building?

Except for the equipment and elevator rooms, new buildings would not exceed the 40-foot height limitation specified by the applicable City zoning regulations.

Q13. How much indoor space would be added?

The proposed repositioning project expands the enclosed square footage of the buildings on campus from ~83,000 square feet to approximately ~142,000 square feet. The proposed addition to indoor area is consistent with area limitations of the applicable City zoning limitations.

Q14. Will the repositioning project create room for more residents?

Yes. The repositioning project is expected to increase the number of care suites from 86 to 109. We anticipate that some of these suites will be occupied by couples. Upon stabilization, we expect approximately 120 residents will live at Heritage on the Marina.

Q15. How will the team mitigate construction nuisances related to noise, dust and traffic?

The City of San Francisco has adopted numerous restrictions and policies related to mitigating construction nuisances, and the project team intends to fully comply with those restrictions. Pankow Construction, which we expect to serve as the general contractor, was selected in part due to their deep experience working on projects in San Francisco and understanding the City's requirements.

Q16. How will Heritage on the Marina's project team mitigate the potential impacts of underground parking?

The project team architectural firm, HKS, intends to engage KPFF, a locally based structural engineering firm with extensive local experience, to provide structural engineering services. Rockridge Geotechnical has been retained to evaluate soil

conditions. Pankow Construction has been retained to provide pre-construction services with the expectation of serving as the general contractor. These experts, as well as others with applicable skills and credentials, will ensure that any changes to the campus do not compromise the structural integrity of the existing buildings on or adjacent to the campus.

Q17. What are the expected impacts on parking along Bay Street?

We anticipate that there will be a positive net impact on available parking for the neighborhood. The proposed repositioning project increases the overall number of on-campus parking spaces from 17 to 36 spaces, reducing the need for street parking by Heritage on the Marina residents, staff, or visitors. Furthermore, the repositioning project will more efficiently accommodate pick-up and drop-off of residents and materials. The traffic and parking consultant referenced in Q19 is expected to specifically evaluate this question.

Q18. What are the expected impacts on traffic near Heritage on the Marina?

We anticipate that the repositioning project may have an impact on traffic, both during construction and after completion. Traffic flow might ultimately be improved as we adjust the need for street parking. As the land use process goes forward, we will work with the City to provide studies as they are required.

Q19. What are the expected impacts on the intersection near Laguna and Bay Street?

Heritage on the Marina is sensitive to the issue of pedestrian safety, both for our residents and for our neighbors. Pedestrian traffic and safety would be under consideration as part of our evaluation process.

Q20. Will this project damage or destroy any historic buildings?

No. Neither the connector building on Bay Street nor the infirmary on Francisco are historic resources. Their removal will not impact the historic integrity of the property.

Q21. How will Heritage on the Marina preserve the historical legacy of the Julia Morgan building?

We value the legacy of the historic Julia Morgan building and the importance it has within our community. Page & Turnbull, a well-regarded authority on historical preservation, has been engaged to assist the project team on all

applicable historical matters. The proposed design recognizes and builds upon the critical attributes of the Julie Morgan building.

Q22. How will the plans for this project fit with the character of the neighborhood?

Our plans take into consideration the overall character of the Marina neighborhood and Heritage on the Marina's location within it. The project design team will be developing additional exhibits and materials to demonstrate how the proposed project is consistent with the tenor of the neighborhood and with applicable policy objectives of the City and County of San Francisco.

Q23. How will you address other issues related to Heritage on the Marina that people may raise at your neighborhood meetings?

We welcome your questions and input on issues related to our community that may not be addressed in this FAQ. We invite you to attend our future neighborhood meetings to ask your questions and provide your feedback in person and will do our best to provide clear answers and to respond to your concerns. We look forward to meeting you.

Thank you for your interest in this project! We will provide further updates to this FAQ on an approximately quarterly basis. You can contact us with your questions or request to be added to our mailing list for future updates and invitations to future community meetings by emailing susan@rockwoodpacific.com. And you can find updates online at <http://heritageonthemarina.org/heritage-repositioning/>, also listed in the footer of the website as Future Plans.