

1 [Sale of City Property - Northeast Corner of Fulton and Gough Streets - Boys and Girls Clubs
- \$2,500,000]

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3 **Resolution authorizing 1) the sale of City property at the northeast corner of Fulton**
4 **Street and Gough Street to the Boys and Girls Clubs of San Francisco for \$2,500,000**
5 **subject to a declaration of economic covenants and a project use restriction; 2)**
6 **adopting environmental findings and other findings that the actions set forth in this**
7 **Resolution are consistent with the City's General Plan and Eight Priority Policies of**
8 **City Planning Code Section 101.1; and 3) authorizing other actions in furtherance of**
9 **this Resolution.**

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11 WHEREAS, The State of California transferred a former Central Freeway property
12 located at the northeast corner of Fulton Street and Gough Street and commonly known as
13 Assessor's Block 0785, Lot 029 (Parcel F) to the City and County of San Francisco (City)
14 under Section 72.1 of the California Streets and Highways Code; and,

15 WHEREAS, Under Ordinance No. 104-09, adopted by the Board of Supervisors on
16 June 16, 2009, City's Director of Property is authorized to sell Parcel F and other former
17 Central Freeway property (Excess Central Freeway Properties) at fair market value, subject to
18 a declaration of economic justice and community development covenants (Declaration of
19 Economic Covenants), and a copy of Ordinance No. 104-09 is on file with the Clerk of the
20 Board of Supervisors in File No. 081525 and is incorporated herein by reference; and,

21 WHEREAS, The Boys and Girls Clubs of San Francisco (BGCSF), a registered
22 501(c)(3) non-profit organization whose mission is to offer our youth a safe place to learn and
23 grow, wishes to purchase Parcel F for \$2,500,000, subject to the Declaration of Economic
24 Covenants and the terms and conditions of an agreement for the sale of real estate between

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1 BGCSF and City (Agreement), a copy of which is on file with the Clerk of the Board of
2 Supervisors in File No. 111250 and is incorporated herein by reference; and,

3 WHEREAS, The \$2,500,000 purchase price is less than fair market value, but the
4 Agreement requires BGCSF to develop Parcel F with a project (Project) comprised of a
5 clubhouse that will serve low-income youth, together with a pool facility and administrative
6 offices for the organization, and a residential component of thirty units, if such residential
7 component is financially feasible and BGCSF obtains the entitlements needed for such
8 residential component following environmental review; and,

9 WHEREAS, The Agreement requires BGCSF to sign a Declaration of Covenants and
10 Use Restrictions (Project Use Declaration) restricting the use of Parcel F to the development
11 and operation of the Project for forty years, a copy of which is on file with the Clerk of the
12 Board of Supervisors in File No. 111250 and is incorporated herein by reference; and,

13 WHEREAS, The use of Parcel F for the development and operation of the Project will
14 provide a community-serving purpose in an area of the City and County of San Francisco that
15 could benefit greatly from additional recreational facilities; and,

16 WHEREAS, The City's Planning Department reported its findings that that the sale of
17 the Excess Central Freeway Properties was consistent with the City's General Plan and with
18 Planning Code Section 101.1(b) in a letter dated October 1, 2008, a copy of which is on file
19 with the Clerk of the Board of Supervisors in File No. 081525 and is incorporated herein by
20 reference, which were adopted by the Board of Supervisors in Ordinance No. 104-09, and the
21 Board of Supervisors confirms its reliance on such findings for the sale of Parcel F; and,

22 WHEREAS, The City's Planning Department determined the sale of Parcel F is
23 categorically exempt from review under the California Environmental Quality Act (CEQA),
24 State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code in a letter
25 dated October 1, 2008, and a copy of such letter is on file with the Clerk of the Board of

1 Supervisors in File No.081525 and is incorporated herein by reference, and the Board of
2 Supervisors adopts and relies on such determination by the City's Planning Department; and,

3 WHEREAS, BGCSF will submit an application to the Environmental Planning Division
4 of City's Planning Department for environmental assessment of the Project and, if the Project
5 is found to cause significant adverse impacts that cannot be mitigated, the Agreement
6 reserves the right for City, in its absolute discretion, to modify the Project to mitigate
7 significant adverse environmental impacts, to select feasible alternatives that avoid significant
8 adverse impacts of the proposed Project, to require the implementation of specific measures
9 to mitigate the significant adverse environmental impacts of the Project identified by
10 environmental evaluation in compliance with CEQA and the City's Environmental Quality
11 Regulations, to reject the Project as proposed if the economic and social benefits of the
12 Project do not outweigh otherwise unavoidable significant adverse impacts of the Project, or
13 to approve the proposed Project upon a finding that the economic, social or other benefits of
14 the Project outweigh unavoidable significant adverse impacts of the Project; and,

15 WHEREAS, The closing of the purchase and sale of the Property is subject to and
16 conditioned on the completion of environmental review for and entitlement of the Project, and
17 if the Project entitlements are not obtained, then City and BGCSF shall each have the right to
18 terminate the Agreement; and,

19 WHEREAS, The Board of Supervisors hereby declares that the public interest or
20 necessity will not be inconvenienced by the sale of Parcel F to BGCSF under the Agreement;
21 now, therefore, be it

22 RESOLVED, That the Director of Property is hereby authorized to enter into the
23 Agreement, in a form substantially as on file with the Clerk of the Board of Supervisors in File
24 No. 111250, and incorporated herein by reference, and further authorized and directed to do
25 any and all things to execute and deliver the Agreement and related documents specified in

1 the Agreement that the Director of Property determines, in consultation with the City Attorney,
2 are in the best interest of the City, including any modifications or amendments that do not
3 materially increase the obligations of the City or materially decrease the benefits to the City,
4 are necessary or advisable to consummate the performance of the purposes of this
5 Resolution, and are in compliance with all applicable laws, including the City's Charter.

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7 RECOMMENDED:

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10 John Updike, Acting Director of Property

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