

1 [Exchange of Quitclaim Deeds - San Francisco Unified School District]

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3 **Resolution (1) authorizing and directing execution of a quitclaim deed from the City**
4 **and County of San Francisco to the San Francisco Unified School District, a political**
5 **subdivision of the State of California, for 110 public school properties; (2) authorizing**
6 **and directing the acceptance of a quitclaim deed by the City and County of San**
7 **Francisco from the San Francisco Unified School District for five properties owned in**
8 **fee by the City and County of San Francisco; and (3) adopting findings pursuant to City**
9 **Planning Code Section 101.1.**

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11 WHEREAS, The City and County of San Francisco (the "City") holds legal title to 110
12 real properties, including both the land and the school facilities thereon (collectively, the
13 "School Properties"), that were acquired, used or dedicated for public school purposes, such
14 properties listed by their block and lot numbers, common names, and street addresses on file
15 with the Clerk of the Board of Supervisors in File No. 110002, which is hereby declared to be
16 a part of this motion as if set forth fully herein; and,

17 WHEREAS, Under State law, the State, acting by and through its political subdivision,
18 the San Francisco Unified School District (the "School District"), is the beneficial owner of the
19 School Properties, and the City, in holding record title, is merely a passive trustee, with a duty
20 to execute and deliver a quitclaim deed of its interest in the School Properties to the School
21 District if requested to do so by the School District; and,

22 WHEREAS, the School District has requested that the City to execute and deliver a
23 quitclaim deed of its interest in the School Properties to the School District; and,

24 WHEREAS, Transfer of legal title to the School Properties may reduce potential liability
25 for the City for such properties; and,

1 WHEREAS, So long as the City continues to hold legal title to the School Properties,
2 the ability of the School District to use such properties to secure financings for necessary
3 capital projects may be limited; and,

4 WHEREAS, the Director of Property has identified certain title issues regarding 5 of the
5 School Properties, identified as Block 2094, Lot 5; Block 5310, Lot 1; Block 6221, Lot 1; Block
6 6221, Lot 2; and Block 7295, Lot 16 (the "Exception Properties"), listed by their block and lot
7 numbers, common names, and street addresses on file with the Clerk of the Board of
8 Supervisors in File No. 110002, which is hereby declared to be a part of this motion as if set
9 forth fully herein, and as such require further investigation by the Director of Property prior to
10 transferring legal title to the School District; and,

11 WHEREAS, The School District in 1984 conveyed by quitclaim deed to the City five
12 parcels (the "City Properties"), which hold the following City facilities: the Richmond Police
13 Station and Arguello Mini Park (Lot 7, Block 1538); the Taraval Police Station (portion of Lot 2,
14 Block 2353); the old Potrero Police Station (portion of Lot 1, Block 4108); Fire Station No. 31
15 (Lot 7, Block 1532); and the former Juvenile Hall at 150 Otis Street (portion of Lot 7, Block
16 3515) ; and,

17 WHEREAS, The 1984 quitclaim deed, which is on file with the Clerk of the Board of
18 Supervisors in File No. 110002, and is hereby declared to be a part of this motion as if set
19 forth fully herein, contains a reversionary interest in the School District's favor that could
20 impair the City's ability to use such properties to secure financings for necessary capital
21 projects or to lease the properties; and,

22 WHEREAS, There is a proposed project for the property at 150 Otis Street, which
23 would include the adaptive rehabilitation of an existing city landmarked, federal historically
24 significant building into service space and 76 studio units (including 1 manager's unit) of
25

1 affordable rental housing of which 75 units will be targeted to homeless veterans (the "150
2 Otis Street Project"); and

3 WHEREAS, By Resolution No. 288-10 approved on June 29, 2010, the Board of
4 Supervisors has already authorized the City to enter into a long term ground lease of 150 Otis
5 Street with 150 Otis Associates, L.P. (the "150 Otis Street Lease") in order to facilitate the
6 development of the 150 Otis Street Project; and,

7 WHEREAS, the School District's reversionary interest in 150 Otis Street could prevent
8 the 150 Otis Street Lease from becoming effective, and in turn could prevent the 150 Otis
9 Street Project from commencing; and,

10 WHEREAS, By Resolution No. 1012-14Sp1 approved on December 14, 2010, which is
11 on file with the Clerk of the Board of Supervisors in File No. 110002, and is hereby declared to
12 be a part of this motion as if set forth fully herein, the San Francisco Board of Education
13 authorized the School District to execute a quitclaim for the City Properties and to accept a
14 quitclaim deed for the School Properties, a copy of which is on file with the Clerk of the Board
15 of Supervisors in File No. 110002 (the "School Quitclaim"); and,

16 WHEREAS, The Director of Property and the School District have agreed upon a form
17 of quitclaim deed for the School Properties which retains certain easement rights for the City,
18 a copy of which is on file with the Clerk of the Board of Supervisors in File No. 110002 (the
19 "City Quitclaim"); and,

20 WHEREAS, Under the circumstances, any interest the City has in the School
21 Properties is of no value to the City and any interest the School District has in the City
22 Properties is of limited value to the School District, and thus it is appropriate to exchange
23 quitclaim deeds for the property interests; and,

1 WHEREAS, The Department of City Planning reported by letter dated June 3, 2008, a
2 copy of which is on file with the Clerk of the Board of Supervisors in File No. 110002, and is
3 hereby declared to be a part of this motion as if set forth fully herein, that the transfer of
4 School Properties from the City to the School District is in conformity with the City's General
5 Plan, is consistent with the Eight Priority Policies of City Planning Code Section 101.1; now,
6 therefore, be it

7 RESOLVED, That the City's Director of Property is hereby authorized and directed to
8 execute the City Quitclaim to the School District for the School Properties (other than the
9 Exception Properties); and, be it

10 FURTHER RESOLVED, That the City's Director of Property is hereby authorized and
11 directed to execute the City Quitclaim to the School District for the Exception Properties,
12 subject to the condition that the Director of Property first determine that all title issues have
13 been resolved and that the School District has the right to legal title to the Exception
14 Properties under State law; and, be it

15 FURTHER RESOLVED, that the Director of Property shall exclude from the City
16 Quitclaim any of the Exception Properties or any portion thereof that the Director of Property
17 determines the School District does not have legal title to; and, be it

18 FURTHER RESOLVED, That the Director of Property is hereby authorized and
19 directed to accept the School Quitclaim from the School District for the City Properties; and,
20 be it

21 FURTHER RESOLVED, That the Board hereby adopts as its own and incorporates by
22 reference herein, as though fully set forth, the findings of the Planning Department that
23 transfer of the School Properties is consistent with the Eight Priority Policies of City Planning
24 Code Section 101.1; and, be it

1 FURTHER RESOLVED, The Director of Property is hereby authorized and directed to
2 take any and all actions which she or the City Attorney may deem necessary or advisable in
3 order to effectuate the purpose and intent of this Resolution.

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5 RECOMMENDED:

6 _____
7 Amy L. Brown
8 Director of Property

9 RECOMMENDED:

10 _____
11 Douglas Shoemaker
12 Director of Mayor's Office of Housing