

1 [Agreement to sell former Central Freeway parcel.]  
2

3 **Resolution approving and authorizing an agreement for the sale at 94% of fair market**  
4 **value of certain real property formerly occupied by the Central Freeway; adopting**  
5 **findings pursuant to the California Environmental Quality Act; adopting findings that**  
6 **the conveyance is consistent with the City's general plan and eight priority policies of**  
7 **City Planning Code Section 101.1; and authorizing the Director of Property to execute**  
8 **documents and take certain actions in furtherance of this resolution.**  
9

10 WHEREAS, The City has acquired certain real property consisting of the area formerly  
11 occupied by the Central Freeway, including that parcel described generally as Lot 73,  
12 Block 768 (hereinafter referred to as "Parcel D" or the "Property"), from the State of California,  
13 Department of Transportation, pursuant to Section 72.1 of the California Streets and  
14 Highways Code and Board of Supervisors Resolution No. 000667; and

15 WHEREAS, Section 72.1 of the California Streets and Highways Code requires that the  
16 City use all proceeds from disposition of the former Central Freeway parcels acquired from  
17 the State to finance the City's replacement of the former Central Freeway with a ground-level  
18 boulevard along Octavia Street from Market to Fell Street, as described in that certain  
19 Cooperative Agreement between the City and the State dated November 29, 2000 (the  
20 "Octavia Boulevard Project"), and, upon full funding of the Octavia Boulevard Project, for  
21 transportation and related purposes authorized under Article XIX of the California Constitution;  
22 and,

23 WHEREAS, Parcel D is an irregular L-shaped area consisting of approximately  
24 10,937 square feet and is of limited value to the City in the development of the remainder of  
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1 the Property and has little or no value to other third parties, but has full market value to the  
2 owner of the adjacent parcel; and,

3 WHEREAS, Parcel D has been appraised as having a fair market value of \$1,170,000  
4 and the owner of the adjacent parcel has agreed to pay \$1,100,000 for Parcel D, which  
5 represents 94% of the appraised fair market value for the parcel and therefore complies with  
6 the requirement that a sales price of must be at least a minimum of 90% of the appraised  
7 value pursuant to Sec. 23.3 of the San Francisco Administration Code, ~~and the owner of the~~  
8 ~~adjacent parcel has agreed to pay fair market value for the parcel and~~ has further agreed to  
9 further include 15% affordable housing in any housing developed on the combined adjacent  
10 parcel and Parcel D or to pay an in lieu fee which will support the development of affordable  
11 housing in the City if the owner does not develop a residential project on the combined  
12 adjacent parcel and Parcel D, all as described in the copy of the Agreement for Sale of Real  
13 Estate (the "Agreement") on file with the Clerk of the Board of Supervisors in File  
14 No. 030389, which is hereby declared to be a part of this resolution as if set forth fully  
15 herein; and,

16 WHEREAS, The proposed conveyance of Parcel D (the "Transfer") under the  
17 Agreement is exempt from the California Subdivision Map Act, California Government Code  
18 Sections 66410 et seq., because in this instance public policy does not necessitate a parcel  
19 map in accordance with Section 66428(a)(2); and,

20 WHEREAS, In a letter dated February 5, 2003, a copy of which is on file with the Clerk  
21 of the Board of Supervisors in File No. 030389, the Director of City Planning found that  
22 the Transfer is consistent with the City's General Plan and with the Eight Priority Policies of  
23 City Planning Code Section 101.1, and pursuant to the California Environmental Quality Act  
24 ("CEQA"), State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code,  
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1 the Director of City Planning also found that the Transfer is categorically exempt from CEQA;  
2 now, therefore be it

3 RESOLVED, That in accordance with the recommendation of the Director of Property,  
4 the Board of Supervisors hereby approves the Transfer and authorizes and urges the Director  
5 of Property to execute the necessary sale agreements, in the name and on behalf of the City,  
6 consistent with the Agreement presented to this Board to effectuate the Transfer; and, be it

7 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,  
8 in the name and on behalf of the City and County, to execute and deliver a quitclaim deed to  
9 the buyer of the Property under the proposed conveyance upon the closing described in the  
10 Agreement in accordance with the terms and conditions of the Agreement, and to take any  
11 and all steps (including, but not limited to, the execution and delivery of any and all  
12 certificates, agreements, notices, consents, escrow instructions, closing documents and other  
13 instruments or documents) as the Director of Property and City Attorney deems necessary or  
14 appropriate in order to consummate the Transfer, or to otherwise effectuate the purpose and  
15 intent of this resolution, such determination to be conclusively evidenced by the execution and  
16 delivery by the Director of Property of any such documents; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors hereby finds that (i) it is in the  
18 City's best interest to sell the Property directly to the adjacent property owner pursuant to the  
19 Agreement in order to facilitate development of the Property and to increase inclusionary  
20 affordable housing on the Property and adjacent parcel if it is used for residential development  
21 or in the City through the payment of an in lieu fee if the properties are not developed for  
22 residential use; (ii) the public interest or necessity demands, or will not be inconvenienced by,  
23 the sale of the Property directly to the adjacent property owner pursuant to the Agreement;  
24 and (iii) because of the irregular shape of the parcel which comprises the Property,  
25 competitive bidding would be impractical and impossible in these instances; and be it

1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
2 Property to enter into any additions, amendments or other modifications to the Transfer  
3 (including, without limitation, attachment of exhibits) that the Director of Property and the City  
4 Attorney determines are in the best interests of the City, do not decrease the sales price for  
5 the Property or otherwise materially increase the obligations or liabilities of the City, and are  
6 necessary or advisable to complete the Transfer and effectuate the purpose and intent of this  
7 resolution, such determination to be conclusively evidenced by the Director of Property's  
8 execution and delivery of the Agreement and any amendments thereto; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors finds, based on the record  
10 before it and in its independent judgment, that the action proposed in this legislation is  
11 categorically exempt from CEQA for the reasons set forth in the CEQA findings of the Director  
12 of City Planning set forth above and adopts as its own and incorporates by reference herein,  
13 as though fully set forth, said findings; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors adopts as its own and  
15 incorporates by reference herein, as though fully set forth, the findings in the Director of City  
16 Planning's letter referred to above, that the Transfer is in conformity with the General Plan and  
17 consistent with the Eight Priority Policies of Planning Code Section 101.1.

18 RECOMMENDED:

19   
20 MARC S. McDONALD  
21 Director of Property



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails Resolution

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**File Number:** 030389

**Date Passed:**

Resolution approving and authorizing an agreement for the sale at 94% of fair market value of certain real property formerly occupied by the Central Freeway; adopting findings pursuant to the California Environmental Quality Act; adopting findings that the conveyance is consistent with the City's general plan and eight priority policies of City Planning Code Section 101.1; and authorizing the Director of Property to execute documents and take certain actions in furtherance of this resolution.

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April 8, 2003 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick,  
Newsom, Peskin, Sandoval

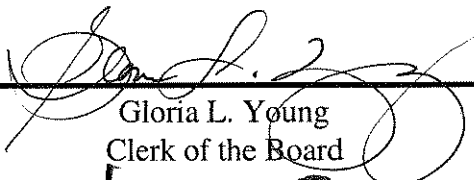
File No. 030389

I hereby certify that the foregoing Resolution was ADOPTED on April 8, 2003 by the Board of Supervisors of the City and County of San Francisco.

APR 18 2003

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Date Approved



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Gloria L. Young  
Clerk of the Board



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Mayor Willie L. Brown Jr.