

[Amended and Restated Conditional Property Exchange Agreement - EQX Jackson SQ Holdco LLC - 530 Sansome Street and 447 Battery Street]

**Ordinance approving an Amended and Restated Conditional Property Exchange Agreement between the City and County of San Francisco and EQX Jackson SQ Holdco LLC for the exchange of 530 Sansome Street and 447 Battery Street and the construction of a new fire station on 447 Battery Street; affirming exempt surplus property finding declaration; waiving the appraisal requirements of Administrative Code, Chapter 23; ratifying past actions and authorizing future actions in furtherance of this Ordinance, as defined herein; adopting findings under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
**Additions to Codes** are in single-underline italics Times New Roman font.  
**Deletions to Codes** are in ~~strikethrough italics Times New Roman font~~.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strikethrough Arial font~~.  
**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Project Findings.

The Board of Supervisors makes the following findings:

(a) EQX Jackson SQ Holdco LLC, a Delaware limited liability company (“Developer”), owns that certain real property located at 425 Washington Street and 439-445 Washington Street (Assessor’s Parcel Block 0206, Lots 013 and 014) (collectively, the “Developer Parcels”), and the City owns that certain real property located at 530 Sansome Street (Assessor’s Parcel Block 0206, Lot 017) (“530 Sansome Street”), which is currently

1 improved with the two-story San Francisco Fire Station 13.

2 (b) Pursuant to Resolution No. 244-17, adopted by the Board of Supervisors on  
3 June 13, 2017, and Resolution No. 143-18, adopted by the Board of Supervisors on  
4 May 8, 2018, the City issued a call for bids to develop 530 Sansome Street consistent with  
5 existing zoning to maximize development density and provide for inclusionary housing fees,  
6 other revenues, and a more resilient and physically functional fire station. Copies of the  
7 resolutions are on file with the Clerk of the Board of Supervisors in File Nos. 170490  
8 and 180466.

9 (c) In response to the City's call for bids, Developer submitted a proposal that was  
10 deemed by an internal review committee to be the most responsive and comprehensive bid  
11 for development of both 530 Sansome Street and Developer Parcels.

12 (d) Developer and the City subsequently entered into a Conditional Property  
13 Exchange Agreement dated as of July 30, 2020, as amended by a First Amendment to  
14 Conditional Property Exchange Agreement dated as of July 27, 2022, and a Second  
15 Amendment to Conditional Property Exchange Agreement dated as of March 27, 2023 (as  
16 amended, the "Original CPEA"), pursuant to which Developer has the conditional right to  
17 acquire 530 Sansome Street in exchange for building a new four-story fire station on a portion  
18 of the Developer Parcels (the "Original Fire Station Site") and conveying the new fire station  
19 and the Original Fire Station Site to the City.

20 (e) Under the Original CPEA, the Developer would build the new fire station at the  
21 same time as demolishing Fire Station 13 and developing a 21-story mixed-use building  
22 ("Original Tower") on the remainder of the Developer Parcels and 530 Sansome Street (the  
23 "Initial Project"), with the Original Tower and the new fire station sharing certain structural  
24 elements and reciprocal easements. The Original CPEA was approved by the Board of  
25 Supervisors under Resolution Nos. 220-19, 242-20, 543-21, and 96-24. Copies of those

1 resolutions and the Original CPEA are on file with the Clerk of the Board of Supervisors in File  
2 Nos. 190419, 200425, 211087, and 240064.

3 (f) Developer and the City have conferred and acknowledge that the development  
4 of the Initial Project is not feasible due to current market conditions and unforeseen design  
5 and operational challenges, and Developer has explored opportunities to revise the Initial  
6 Project in a manner that meets the design, fiscal, and financial objectives of the parties.

7 (g) Developer is now party to an agreement to purchase that certain real property  
8 located at 447 Battery Street (Assessor's Parcel Block 0206, Lot 002) ("447 Battery Street").

9 (h) On August 5, 2024, Developer submitted to the Planning Department an  
10 application (as subsequently refined, the "Application") to modify the Initial Project (Planning  
11 Department Case No. 2024-007066), to be comprised of a mixed-use building on the  
12 Developer Parcels and 530 Sansome Street up to 41-stories tall and with three below-grade  
13 levels (the "New Tower") and a new three-story fire station on 447 Battery Street with one  
14 below-grade level (the "New Fire Station"). A copy of the Application is on file with the  
15 Planning Department.

16 (i) The New Tower would be approximately 544 feet tall (approximately 574 feet  
17 including rooftop mechanical equipment) and would include approximately 7,405 square feet  
18 of retail/restaurant space, between approximately 372,035 and 417,230 square feet of office  
19 space, and between approximately 127,710 and 188,820 square feet of hotel space that  
20 would accommodate between approximately 100 and 200 guest rooms. The New Fire  
21 Station, which would require the demolition of the existing building at 447 Battery Street,  
22 would be approximately 40 feet tall (approximately 60 feet including rooftop mechanical  
23 equipment) and would include approximately 31,202 square feet of space. The modification  
24 to the Initial Project would also improve the entire portion of Merchant Street between  
25 Sansome Street and Battery Street (approximately 9,580 square feet) with non-standard

streetscape improvements built and maintained by Developer at its sole cost after obtaining approval from the City agencies with jurisdiction (the “Merchant Street Improvements”).

(j) The New Tower, the New Fire Station, and the Merchant Street Improvements (collectively, the “Project”) as proposed by Developer maintain key components of the Initial Project that are beneficial to the City, including delivery of a new, more resilient and physically functional fire station, payment of affordable housing fees to the City that can support the development of 100% affordable housing in District 3, streetscape improvements on adjacent streets including Merchant Street, and construction of a new mixed-use development that will boost neighborhood activity on an underutilized site in the Downtown Office (C-3-O) commercial district.

(k) In addition to the construction of the New Fire Station, the Project as proposed by Developer is anticipated to generate an annual average of approximately 388 jobs during the construction period and, upon completion, support approximately 1,608 net new permanent on-site jobs. The Project would also generate development impact fees including approximately \$8,000,000 in transportation funding, and approximately \$13,500,000 in annual net new General Fund revenue to the City.

(l) The Project as proposed by Developer would require an amendment to the Original CPEA. On December 10, 2024, the Board of Supervisors adopted Resolution No. 629-24, generally endorsing key terms for (1) a development agreement for the Project, and (2) a proposed amendment to the Original CPEA to facilitate construction of the New Fire Station on the 447 Battery Street Parcel rather than on the Original Fire Station Site, with any final development agreement and Original CPEA amendment to be negotiated by City and Developer staff and subject to subsequent approval of the Board of Supervisors. A copy of Resolution No. 629-24 is on file with the Clerk of the Board of Supervisors in File No. 241141.

(m) The City and Developer negotiated an Amended and Restated Conditional

1 Property Exchange Agreement to replace the Original CPEA to allow for construction of the  
2 New Fire Station on the 447 Battery Street and remove maximum cost provisions on  
3 Developer's cost to construct the New Fire Station in the Original CPEA (the "Amended and  
4 Restated CPEA"). A copy of the Amended and Restated CPEA is on file with the Clerk of the  
5 Board of Supervisors in File No. 250804.

6 (n) Concurrently with this Ordinance, the Board is taking a number of actions in  
7 furtherance of the Project, including approval of a development agreement, a Planning Code  
8 amendment, amendments to the General Plan, a major encroachment permit, and a  
9 development incentive agreement needed for the Project. Copies of the ordinances for those  
10 approvals are on file with the Clerk of the Board of Supervisors in  
11 File Nos. 250698, 250697, 250764, 250802, and 250803 respectively.

12  
13 Section 2. California Environmental Quality Act and General Plan Conformity Findings.

14 (a) In companion legislation adopting the Development Agreement, the Board of  
15 Supervisors adopted environmental findings pursuant to the California Environmental Quality  
16 Act (CEQA) (California Public Resources Code Sections 21000 et seq.), the CEQA Guidelines  
17 (14 Cal. 22 Code Reg. Sections 15000 et seq.), and Chapter 31 of the Administrative Code.  
18 The Board of Supervisors adopts these environmental findings as though fully set forth herein  
19 in relation to this Ordinance. A copy of said companion legislation is in Board of Supervisors  
20 File No. 250698 and it and its environmental findings are incorporated herein by reference.

21 (b) In companion legislation adopting General Plan amendments associated with  
22 the Project, the Board of Supervisors adopted findings that the actions contemplated in this  
23 Ordinance are consistent, on balance, with the City's General Plan and eight priority policies  
24 of Planning Code Section 101.1. The Board of Supervisors incorporates these findings by  
25 reference and adopts these findings as though fully set forth herein in relation to this

1 Ordinance. A copy of said companion legislation is in Board of Supervisors File No. 250764.

2  
3 Section 3. Amended and Restated CPEA; Exempt Surplus Property Determination;  
4 Encroachment Easements; Waiver of Administrative Code Chapter 23 Appraisal  
5 Requirement.

6 (a) The Board of Supervisors finds that the public interest will not be  
7 inconvenienced by the conveyance of 530 Sansome Street to the Developer, and approves all  
8 of the terms and conditions of the Amended and Restated CPEA in substantially the form on  
9 file with the Clerk of the Board of Supervisors in File No. 250804.

10 (b) The Director of Property is authorized to execute and deliver the Amended and  
11 Restated CPEA, and the Director of Property and other applicable City officials are authorized  
12 to take all actions reasonably necessary or prudent to perform the City's obligations under the  
13 Amended and Restated CPEA in accordance with its terms. The Director of Property, at their  
14 discretion and in consultation with the City Attorney, is authorized to enter into any additions,  
15 amendments, or other modifications to the Amended and Restated CPEA that the Director of  
16 Property determines are in the best interests of the City and do not materially increase the  
17 obligations or liabilities of the City or materially decrease the benefits to the City under the  
18 Amended and Restated CPEA. The Director of Property, at their discretion and in  
19 consultation with the City Attorney, is also authorized to grant or accept easements for any  
20 encroachments resulting from the initial construction of the New Tower and New Fire Station  
21 ("Encroachment Easements") as long as any Encroachment Easements that would encumber  
22 447 Battery Street will not materially affect its value or City's uses.

23 (c) Under Resolution No. 242-20, the Board of Supervisors declared 530 Sansome  
24 Street to be exempt surplus property under California Government Code Section  
25 54221(f)(1)(C) in connection with the exchange of 530 Sansome Street for the Original Fire

1 Station Site under the Original CPEA. The disposition of 530 Sansome Street under the  
2 Amended and Restated CPEA allows City to acquire 447 Battery Street instead of the Original  
3 Fire Station Site, which is necessary for the City's operation of the New Fire Station. The  
4 Board of Supervisors affirms its declaration that the 530 Sansome Street is "exempt surplus  
5 property" under California Government Code Section 54221(f)(1)(C) for the exchange  
6 contemplated in the Amended and Restated CPEA.

7 (d) The exchange of 530 Sansome Street for 447 Battery Street under the  
8 Amended and Restated CPEA is necessary for the Project and encroachments on 447  
9 Battery Street or the adjacent properties may result from the initial construction of the New  
10 Tower and New Fire Station. The Board of Supervisors finds the appraisal requirements of  
11 Administrative Code Chapter 23 are not appropriate for the exchange or any Encroachment  
12 Easements and accordingly waives those appraisal requirements.

13 (e) The effectiveness of this Ordinance is conditioned on various Project approvals  
14 by the Board of Supervisors, including an ordinance to approve the Project development  
15 agreement (the "DA Ordinance"), a copy of which is on file with the Clerk of the Board of  
16 Supervisors in File No. 250698. Under the DA Ordinance, the Board of Supervisors will  
17 approve a Workforce Agreement for the Project to be executed by Developer and waive  
18 Administrative Code Sections 6, 82, and 83, and Labor and Employment Code Sections  
19 103.1, 103.3(a)-(d), 103.3(f), 104.1, 104.2, 104.3, 106.1, 106.2, 106.4, and 106.6 for the  
20 Project. The Workforce Agreement will also apply to the Amended and Restated CPEA and  
21 those related waivers are incorporated in this Ordinance by reference.

22  
23 Section 4. Ratification of Past City Officials' Actions and Authorization of Future  
24 Actions.

25 All actions taken by City officials in preparing and submitting the Amended and

1 Restated CPEA to the Board of Supervisors for review and consideration are hereby ratified  
2 and confirmed, and the Board of Supervisors hereby authorizes all subsequent action to be  
3 taken by City officials consistent with this Ordinance.

4  
5 Section 5. Effective and Operative Dates.

6 (a) This Ordinance shall become effective 30 days after enactment. Enactment  
7 occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or  
8 does not sign the ordinance within 10 days of receiving it, or the Board of Supervisors  
9 overrides the Mayor's veto of the ordinance.

10 (b) This Ordinance shall only become operative (and no rights or duties are  
11 affected) until the later of (i) the effective date of this Ordinance and (ii) the date on which  
12 Ordinance Nos. \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ have all  
13 become effective, copies of which are on file with the Clerk of the Board of Supervisors in File  
14 Nos. 250697, 250698, 250764, 250802, 250803, and 250804.

15  
16 APPROVED AS TO FORM:  
17 DAVID CHIU, City Attorney

18 By: /s/ Carol Wong  
19 Carol Wong  
20 Deputy City Attorney

21  
22  
23  
24  
25  
n:\legana\as2025\2600013\01857625.docx