

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
San Francisco, California

SPECIAL ORDER OF BUSINESS
Regular Meeting of December 10, 2013

SUBJECT: That the District, Pursuant to the Requirements of the California Education Code, Offer for Sale to the City and County of San Francisco, Acting on Behalf of the San Francisco Mayor's Office of Housing and Community Development, the Properties located at 1950 Mission Street and 1101 Connecticut Street and Receive Fee Interest Title to the "Central Freeway Parcel E" from the City and County of San Francisco.

REQUESTED ACTION:

That the Board of Education of the San Francisco Unified School District (SFUSD), pursuant to the requirements of the California Education Code, offer for sale to the City and County of San Francisco, acting on behalf of the San Francisco Mayor's Office of Housing and Community Development (MOHCD), the properties located at 1950 Mission Street and 1101 Connecticut Street in the City and County and receive fee interest title to the "Central Freeway Parcel E" from the City and County of San Francisco and authorize the Superintendent or his designee to sign all documents pertaining to the sale and property transfer. The properties will be sold and received by the District subject to the following conditions and procedures:

- 1950 Mission Street (APN 3554-005): The purchase price to MOHCD shall be \$9,775,000 (Nine Million Seven Hundred Seventy-Five Thousand Dollars)
- 1101 Connecticut (APN 4287-007): The purchase price to MOHCD shall be \$1,825,000 (One Million Eight Hundred Twenty-Five Thousand Dollars)
- Central Freeway Parcel E: SFUSD shall purchase "Parcel E" (APN 0785-030 & 033) for \$7,100,000 (Seven Million One Hundred Thousand Dollars)
- MOHCD shall pay a cash payment of \$4,500,000 (Four Million Five Hundred Thousand Dollars) to SFUSD to be paid at time of closing.
- The District shall provide limited market standard representations and warranties as to its authority to consummate this transaction and pertaining to legal and operational matters regarding the property.
- Negotiate such other terms and conditions in the purchase agreement to the benefit of the District.

BACKGROUND:

In June 2007, the Board of Education approved a Resolution designating certain properties owned by the District as surplus. Two of those properties were located at 1950 Mission Street and 1101 Connecticut Street, in the City and County of San Francisco. The 1950 Mission Street site is .84 acres and is currently an unused site with vacant modular buildings in poor condition. The 1101 Connecticut site is .57 acres and vacant land with no structures. The District has determined that it does not foresee any current or future uses of these parcels for educational purposes. MOHCD has desired to purchase both parcels for housing for some time. In exchange for the sale of these two properties the District will receive the "Central Freeway Parcel E", which is .67 acres and currently leased by SFUSD from the City on a long term ground lease for \$66,252 per year. The net balance from these 3 transactions will result in a cash payment to SFUSD by MOHCD of \$4,500,000 to be paid at the time of closing. Both the District and MOHCD have obtained recent appraisals for the "fair-market" value for the properties, and the sale prices listed above are reflective of the appraised value.

Pursuant to the California Education Code, Section 17464, the District has noticed its intent to offer the property for sale by certified letter and advertised public notices to the required public and governmental local agencies. MOHCD remains the only public agency that has notified the District in writing of its interest in purchasing the property. At this time the District may sell the property to MOHCD. Should MOHCD and the District not come to terms, the District is allowed, under the provisions of the Education Code to offer the properties for sale by public auction.

Agenda Item
Special Order of Business
12/10/2013

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1213-10502
THIS IS TO CERTIFY THAT THE FOREGOING
RESOLUTION WAS ADOPTED BY THE BOARD OF
EDUCATION OF THE CITY AND COUNTY OF SAN
FRANCISCO AT ITS REGULAR MEETING HELD
ON 12/10/13 BY A VOTE OF 7 AYES
0 NAYS 0 ABSTAIN 0 ABSENT.
Esther V. Casco, Executive Assistant
Board Of Education Date 8/27/2014