

1 [Purchase of Property – 2315 Cesar Chavez Street]  
 2 APPROVING AND AUTHORIZING AN AGREEMENT BETWEEN THE CITY AND COUNTY  
 3 OF SAN FRANCISCO, AS BUYER, AND PACIFIC GAS AND ELECTRIC COMPANY, AS  
 4 SELLER, TO PURCHASE REAL PROPERTY LOCATED AT 2315 CESAR CHAVEZ  
 5 STREET, KNOWN AS APN BLOCK 4343 LOT 1A AND SBE 135-38-22 PARCEL 1, FOR A  
 6 PURCHASE PRICE OF THREE MILLION EIGHT HUNDRED FORTY-ONE THOUSAND  
 7 DOLLARS (\$3,841,000); APPROVING AN AGREEMENT BY THE CITY TO RELEASE AND  
 8 INDEMNIFY PG&E FOR HAZARDOUS MATERIALS; APPROVING CERTAIN  
 9 ENVIRONMENTAL DEED RESTRICTIONS; APPROVING THE ASSUMPTION OF A  
 10 BILLBOARD LEASE AFFECTING THE PROPERTY; APPROVING CERTAIN LIMITATIONS  
 11 ON THE CITY’S REMEDIES AGAINST PG&E FOR BREACH; ADOPTING FINDINGS THAT  
 12 THE PURCHASE AGREEMENT IS CONSISTENT WITH THE CITY’S GENERAL PLAN AND  
 13 EIGHT PRIORITY POLICIES OF CITY PLANNING CODE SECTION 101.1; AUTHORIZING  
 14 THE DIRECTOR OF PROPERTY TO EXECUTE DOCUMENTS, MAKE CERTAIN  
 15 MODIFICATIONS AND TAKE CERTAIN ACTIONS; AND RATIFYING PRIOR ACTS.

16 WHEREAS, Pacific Gas and Electric Company (“PG&E”) owns real property located at  
 17 2315 Cesar Chavez Street, also known as APN Block 4343 Lot 1A and SBE 135-38-22  
 18 Parcel 1 (the “Property”), which PG&E has declared surplus to its needs; and,

19 WHEREAS, The City and County of San Francisco (the “City”) has leased the Property  
 20 since 1986 pursuant to that certain Lease of Lands dated as of February 7, 1986 by and  
 21 between City and PG&E and that certain License dated as of July 1, 1996 by and between the  
 22 City and PG&E, for the purpose of parking vehicles, the storage of materials, and the  
 23 placement and use of mobile modular buildings in support of City’s Department of Public  
 24 Works’ operations on the adjacent property; and,

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1           WHEREAS, On July 28, 1997, the Board of Supervisors, by Ordinance No. 304-97,  
2 approved the 1997 Master Settlement Agreement between the City and PG&E, and the  
3 Master Settlement Agreement included a memorandum of understanding (Appendix K  
4 thereto) outlining the principal terms and conditions under which PG&E would sell and the City  
5 would purchase the Property; and,

6           WHEREAS, The City wishes to purchase the Property in order to meet long-term  
7 operational needs of the Department of Public Works; and,

8           WHEREAS, The City's Director of Property has determined that the purchase price and  
9 terms for the proposed acquisition represents fair market value for the Property; and,

10           WHEREAS, A copy of the proposed agreement for the purchase and sale of the  
11 Property is on file with the Clerk of the Board in File No. 992026 (the "Purchase  
12 Agreement"); and,

13           WHEREAS, PG&E requires as a condition to the sale, that the City agree, upon the  
14 closing, to release and indemnify PG&E for hazardous substances associated with the  
15 Property if such hazardous substances were not present on the Property as of the closing  
16 date, and the exacerbation by City, to the extent of such exacerbation, of any hazardous  
17 substances condition existing before the closing date with respect to the Property and  
18 specifically disclosed to City by PG&E; and,

19           WHEREAS, PG&E further requires as a condition to the sale, that the City agree that  
20 the Property will be subject to deed restrictions providing that (i) the Property will be used only  
21 for industrial or commercial purposes; and (ii) the groundwater under the Property will not be  
22 used as a water supply (collectively, the "Deed Restrictions"); provided, however, the Deed  
23 Restrictions may be modified or terminated to allow a different use or to remove the  
24 restrictions upon the satisfaction of the conditions set forth in the proposed Purchase  
25 Agreement; and,

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1 WHEREAS, As a condition to execution of the Purchase Agreement, PG&E requires  
2 that the City provide evidence that it has appropriated funds for the purchase, and the  
3 Controller has certified that the Board of Supervisors has appropriated sufficient funds to the  
4 Department of Public Works for the acquisition of the Property; and,

5 WHEREAS, The sale of the Property by PG&E to the City is subject to the approval of  
6 the California Public Utilities Commission, and under the proposed Purchase Agreement  
7 PG&E is obligated to use diligent efforts to obtain such approval and either party can  
8 terminate if such approval is not obtained within 23 months from submission of an application  
9 to the CPUC for approval; and,

10 WHEREAS, By letter dated October 20, 1999, the Director of Planning submitted a  
11 report, a copy of which report is on file with the Clerk of the Board of Supervisors in File  
12 No. 992026, wherein the Director of Planning found that the Purchase Agreement is  
13 consistent with the City's General Plan and with the Eight Priority Policies of City Planning  
14 Code Section 101.1; now, therefore, be it

15 RESOLVED, That in accordance with the recommendations of the Director of Public  
16 Works and the Director of Property, this Board of Supervisors hereby approves the Purchase  
17 Agreement and the transaction contemplated thereby, on the terms specified therein; and, be  
18 it

19 FURTHER RESOLVED, That the purchase price for the Property shall be Three Million  
20 Eight Hundred Forty-One Thousand Dollars (\$3,841,000) in all cash, and that the City shall  
21 pay for an ALTA survey, extended coverage title insurance for the Property and certain other  
22 closing costs as provided in the Purchase Agreement; and, be it

23 FURTHER RESOLVED, That the City may assume the existing lease for the billboards  
24 on the Property; and, be it

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BOARD OF SUPERVISORS

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1 FURTHER RESOLVED, That this Board of Supervisors authorizes and approves an  
2 agreement by the City to release PG&E and to indemnify PG&E and hold PG&E harmless  
3 from and against losses arising out of hazardous materials on the terms consistent with those  
4 set forth in the Purchase Agreement; and, be it

5 FURTHER RESOLVED, That the Board approves the limitations on the City's remedies  
6 against the Seller set forth in the Purchase Agreement; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the Purchase  
8 Agreement is consistent with the General Plan and the Eight Priority Policies of Planning  
9 Code Section 101.1 for the same reasons as those set forth in the Director of Planning's  
10 report referred to above, and hereby incorporates such findings by reference as though fully  
11 set forth in this resolution; and, be it

12 FURTHER RESOLVED, That this Board of Supervisors authorizes and urges the  
13 Director of Property to execute a binding Purchase Agreement, in the name and on behalf of  
14 the City, by and through its Department of Public Works; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
16 Property to enter into any additions, amendments or other modifications to the Purchase  
17 Agreement (including, without limitation, any exhibits to the Purchase Agreement) that the  
18 Director of Property, in consultation with the Director of Public Works and the City Attorney,  
19 determine are in the best interests of the City, do not increase the obligations or liabilities of  
20 the City, and are necessary or advisable to complete the transaction contemplated in the  
21 Purchase Agreement and effectuate the purpose and intent of this resolution, such  
22 determination to be conclusively evidenced by the execution and delivery by the Director of  
23 Property of any amendments to the Purchase Agreement; and, be it

24 FURTHER RESOLVED, That the Board of Supervisors authorizes and urges the  
25 Director of Property, in the name and on behalf of the City and County, by and through its


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1 Department of Public Works, to accept a grant deed from PG&E upon the closing in  
2 accordance with the terms and conditions of the Purchase Agreement, and authorizes and  
3 urges the Director of Property and any other appropriate officers, agents or employees of the  
4 City to take any and all steps (including, but not limited to, the execution and delivery of any  
5 and all certificates, agreements, notices, consents, escrow instructions, closing documents  
6 and other instruments or documents) as they or any of them deem necessary or appropriate  
7 in order to consummate the purchase of the Property in accordance with this resolution, or to  
8 otherwise effectuate the purpose and intent of this resolution, such determination to be  
9 conclusively evidenced by the execution and delivery by such person or persons of any such  
10 documents; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors approves, confirms and ratifies  
12 all prior actions taken by the officials.

13  
14  
15 **RECOMMENDED:**

16 DEPARTMENT OF PUBLIC WORKS

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18   
19 MARK A. PRIMEAU  
Director of Public Works

\$ 3,841,000.00 Available  
2S-RPF-GFD DPW772088 Proj. CSRBC  
Appropriations No. DPWSDPWF0001  
20  
21   
22 EDWARD HARRINGTON  
Controller

23 REAL ESTATE DEPARTMENT

24   
25 ANTHONY J. DELUCCHI  
Director of Property

REAL ESTATE DEPARTMENT  
BOARD OF SUPERVISORS



# 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:** 992026

**Date Passed:**

Resolution approving and authorizing an agreement between the City and County of San Francisco, as Buyer, and Pacific Gas and Electric Company as Seller, to purchase real property located at 2315 Cesar Chavez Street, known as APN Block 4343 Lot 1A and SBE 135-38-22 Parcel 1, for a purchase price of Three Million, Eight Hundred Forty-One Thousand Dollars (\$3,841,000); approving an agreement by the City to release and indemnify PG&E for hazardous materials; approving certain environmental deed restrictions; approving the assumption of a billboard lease affecting the property; approving certain limitations on the City's remedies against PG&E for breach; adopting findings that the purchase agreement is consistent with the City's General Plan and eight priority policies of the City Planning Code Section 101.1; authorizing the Director of Property to execute documents, make certain modifications and take certain actions; and ratifying prior acts.

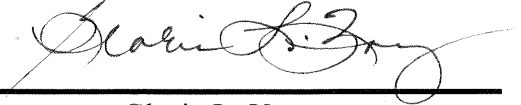
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December 6, 1999 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

File No. 992026

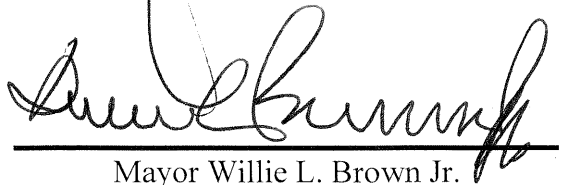
I hereby certify that the foregoing Resolution was ADOPTED on December 6, 1999 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young  
Clerk of the Board

DEC 17 1999

Date Approved



Mayor Willie L. Brown Jr.