

1 [Agreement of Purchase and Sale for Real Estate for the Purchase of Real Property and
2 Improvements Located at 190 9th Street, San Francisco]

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4 **Resolution authorizing the execution, delivery and performance of an Agreement of**
5 **Purchase and Sale for Real Estate (along with all exhibits and schedules, the**
6 **“Purchase Agreement”), between the City and County of San Francisco (the “City”),**
7 **and Ninth and Howard LLC, a California limited liability company (the "Seller"),**
8 **(including certain indemnities contained therein), for the purchase of real property and**
9 **improvements located at 190 9th Street, San Francisco, for use as the Support Services**
10 **Center of the San Francisco Public Library; adopting findings under the California**
11 **Environmental Quality Act; and adopting findings that the conveyance is consistent**
12 **with the City's General Plan and Eight Priority Policies of City Planning Code Section**
13 **101.1.**

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15 WHEREAS, In November of 2000, the voters of the City passed a general obligation
16 bond for the renovation and acquisition of land and improvements for the City's Public Library
17 system; and,

18 WHEREAS, The Seller owns the real property and improvements consisting of an
19 approximately 17,000 square foot parcel of land and a three-story building containing
20 approximately 42,292 square feet, located at 190 9th Street, San Francisco, California (the
21 "Property") and desires to sell the Property; and,

22 WHEREAS, On September 19, 2002, by Resolution the San Francisco Public Library
23 Commission unanimously endorsed and recommended to the Board of Supervisors approval
24 of the purchase of the Property from the Seller; and,

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1 WHEREAS, There are sufficient bond funds available to pay for the purchase of the
2 Property; and,

3 WHEREAS, In order to consummate the purchase of the Property, the Board of
4 Supervisors desires to authorize the execution, delivery and performance of the Purchase
5 Agreement (a copy of the proposed Purchase Agreement is on file with the Clerk of the Board
6 of Supervisors); and,

7 WHEREAS, the purchase price for the Property is \$8,500,000, and an additional
8 \$60,000 for certain personal property and furniture incident and related to the Property
9 (together, the "Purchase Price") has determined by the Director of Property to reflect the fair
10 market value of the Property; and,

11 WHEREAS, Pursuant to the Purchase Agreement, the City will have the opportunity to
12 review information concerning the Property and to terminate the Purchase Agreement if the
13 City is dissatisfied with the results of its due diligence review; and,

14 WHEREAS, The Purchase Agreement includes a limited indemnification by the City in
15 connection with the City's entry onto the Property for purposes of conducting due diligence
16 investigations, inquiries and studies; and,

17 WHEREAS, The Purchase Agreement requires the City to assume an existing lease for
18 a portion of the property between the Seller and Juma Ventures, a California nonprofit public
19 benefit corporation ("Juma"), dated August 3, 2001, as the same will be amended by a certain
20 termination agreement (the "Termination Agreement"). The Termination Agreement will be
21 agreed upon and entered into by the Seller and Juma prior to the closing of the transactions
22 contemplated by the Purchase Agreement (the "Closing"), and the form of such Termination
23 Agreement shall be approved by the City in its sole discretion as a condition to Closing; and,

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1 WHEREAS, Pursuant to the Purchase Agreement, the Termination Agreement shall
2 provide that the lease with Juma shall terminate, and that Juma must completely vacate the
3 Property, not more than 120 days after the Closing; and,

4 WHEREAS, Pursuant to the Purchase Agreement, at the Closing, the City will holdback
5 the amount of \$500,000 from the payment of the Purchase Price to ensure the timely and
6 complete vacation of the Property by Juma; and,

7 WHEREAS, On September 10, 2002, the Department of City Planning adopted and
8 issued a General Plan Consistency Finding, a copy of which is on file with the Clerk of the
9 Board, wherein the Department of City Planning found that the acquisition of the Property
10 pursuant to the Purchase Agreement is consistent with the City's General Plan and with the
11 Eight Priority Policies under Planning Code Section 101.1; and,

12 WHEREAS, On September 10, 2002, the Department of City Planning also found that
13 the Property is categorically exempt from Environmental Review a copy of which finding is on
14 file with the Clerk of the Board; now, therefore, be it

15 RESOLVED, That the Board of Supervisors hereby adopts the findings contained in the
16 letter from the Department of City Planning dated September 10, 2002, regarding the
17 California Environmental Quality Act, and hereby incorporates such findings by reference as
18 though fully set forth in this Resolution; and be it,

19 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the purchase
20 of the Property, as contemplated by the Purchase Agreement is consistent with the General
21 Plan, and with the eight Priority Policies of Planning Code Section 101.1 for the same reasons
22 as set forth in the letter of the Department of City Planning, dated September 10, 2002, and
23 hereby incorporates such findings by reference as though fully set forth in this Resolution;
24 and, be it

1 FURTHER RESOLVED, That in accordance with the recommendation of the Director
2 of Property, the Library Commission and the City Librarian, the execution, delivery and
3 performance of the Purchase Agreement is hereby approved and the Director of Property (or
4 his designee) is hereby authorized to execute the Purchase Agreement, in substantially the
5 form of such Purchase Agreement presented to this Board of Supervisors in the name and on
6 behalf of the City and any such other documents that are necessary or advisable to complete
7 the transaction contemplated by the Purchase Agreement and effectuate the purpose and
8 intent of this Resolution; and, be it

9 FURTHER RESOLVED, That revenue, if any, from the assumption of the Juma Lease
10 shall be deposited back into the Proposition A funds; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
12 Property (or his designee) to enter into any additions, amendments or other modifications to
13 the Purchase Agreement and any other documents or instruments necessary in connection
14 therewith, that the Director of Property determines are in the best interests of the City, do not
15 materially decrease the benefits to the City with respect to the Property, do not materially
16 increase the obligations or liabilities of the City, and are necessary or advisable to complete
17 the transaction contemplated in the Purchase Agreement and effectuate the purpose and
18 intent of this Resolution, such determination to be conclusively evidenced by the execution
19 and delivery by the Director of Property (or his designee) of any such additions, amendments,
20 or other modifications; and, be it

21 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
22 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors.

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1 \$60,000 Available
2 Appropriation Nos.
3 2S-LIB-NPR-415235 (\$40,000)
4 2S-LIB-APR-410301- FLB510 (\$10,000)
5 7E-GIF-GIF-410112-LBGIFT-0403 (\$10,000)
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7 \$8,500,000 Available
8 Proposition A General Obligation Bonds
9 3C - PLI -O1E
10 PWA803CLI01E CLBBL2 - POSC - 40
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15 Controller

16 RECOMMENDED:
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18 _____
19 Marc S. McDonald
20 Director of Property
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23 Susan Hildreth
24 City Librarian
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