



London N. Breed, Mayor
Naomi M. Kelly, City Administrator



Andrico Q. Penick
Director of Real Estate

September 22, 2020

Honorable Board of Supervisors
City and County of San Francisco
Room 244, City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: Purchase of Real Property – 444 6th Street – Hall of Justice Relocation

Dear Board Members:

Attached for your consideration is a resolution authorizing the execution of a Purchase and Sale Agreement for the acquisition of the property located at 444 6th Street. The Improved land includes a building approximately 5,156 sq. ft. in size and is adjacent to the Hall of Justice at 850 Bryant Street. The Controller's Office previously appropriated the authority to issue commercial paper and certificates of participation via ordinance enacted by this Board in October 2019.

Background

In 2015, the City identified separate lots to acquire associated with the Hall of Justice Relocation Project. In 2016 this Board authorized the acquisition of one of these parcels located at 450 6th Street and in 2019, the Board authorized the acquisition of three additional parcels. This proposed acquisition represents the final parcel to complete the required assemblage.

Additionally, owning this parcel makes the City the sole owner along both Ahern and Harriet Streets, allowing even more flexibility in a potential assemblage into a future development as an administrative building as part of the future Hall of Justice Complex. No jail is contemplated as part of this redeveloped facility. The site to be acquired is currently vacant and the building is suitable for City use prior to redevelopment.

Deal Summary

The City has negotiated a price of \$4,500,000 for the acquisition of these parcels and has confirmed the price as at or below "Fair Market Value" through an appraisal and appraisal review by certified MAI appraisers. If this resolution is approved, the City intends to acquire the parcel this fall.

If you have any questions regarding this matter, please do not hesitate to contact me.

Respectfully,

Andrico Q. Penick
Director of Property