

1 [Purchase and Sale Agreement - Former Waller Street, from Laguna Street to Buchanan
2 Street - Regents of the University of California]

3 **Resolution authorizing: 1) acceptance of a Purchase and Sale Agreement for former**
4 **Waller Street, from Laguna Street to Buchanan Street; 2) acceptance of Restrictive**
5 **Easement against former Waller Street as a condition of the sale; 3) adopting**
6 **environmental findings and findings that the transaction contemplated is consistent**
7 **with the San Francisco General Plan and the eight priority policies of the San Francisco**
8 **Planning Code; and 4) authorizing the Director of Property, or designee, to execute**
9 **documents, make certain modifications, and take certain actions in furtherance of this**
10 **Resolution.**

11
12 WHEREAS, On March 27, 1922, the Board of Supervisors of the City and County of
13 San Francisco ("City") approved Resolution No. 19812, which ordered the closing and
14 abandonment of Waller Street from the westerly line of Laguna Street to the easterly line of
15 Buchanan Street; and

16 WHEREAS, The Regents of the University of California ("Regents") are contemplating
17 entering into a ground lease with Alta Laguna, LLC, and 55 Laguna, L.P. of the 4.5 acre block
18 surrounded by Haight, Laguna, Hermann and Buchanan Streets to facilitate development of
19 said block with market rate and affordable housing, affordable senior housing, a senior
20 community center, retail and office space, open space, a community garden and center, a
21 pedestrian mews and off-street parking ("55 Laguna Mixed Use Project"); and

22 WHEREAS, The 55 Laguna Mixed Use Project would provide up to 440 units of new
23 housing, including up to 110 units of affordable senior housing and appropriate open space
24 amenities, including the re-introduction of Waller Street through the site as publicly accessible
25 open space; and

1 WHEREAS, Both the City and Regents lay claim to ownership rights of former Waller
2 Street right of way between Laguna and Buchanan Streets; and

3 WHEREAS, The Director of Property, in consultation with the City Attorney's Office,
4 has negotiated a Purchase and Sale Agreement for former Waller Street, on file with the Clerk
5 of the Board in File No. 120886, and by reference made a part hereof; and

6 WHEREAS, The Regents will accept title to the former Waller Street with a restrictive
7 easement that restricts use of the surface of the land to publicly accessible open space
8 improvements, but allows below-grade garage improvements that comprise an element of the
9 55 Laguna Mixed Use Project; and

10 WHEREAS, The Director of Property has determined that the proposed terms and
11 conditions of the Purchase and Sale Agreement ("Agreement"), including the sales prices of
12 \$1.00, payment of City's legal and real estate costs up to \$5,000, conditions of closing, and
13 accompanying Restrictive Easement that shall burden former Waller Street upon closing, are
14 reasonable and representative of fair market value, given the questionable title by City in and
15 to former Waller Street and the extent of the use restrictions to publicly accessible open space
16 only; and

17 WHEREAS, Pursuant to Planning Code sections 303 and 304, on August 16, 2012, the
18 San Francisco Planning Commission conducted a duly noticed public hearing on the
19 modification of the conditional use authorization related to the 55 Laguna Mixed Use Project
20 approved on January 17, 2008, in Planning Commission Motion No. 17537. The Planning
21 Commission found by Motion No. 18693 that the 55 Laguna Mixed Use Project was consistent
22 with the City's General Plan, and the eight priority policies of Planning Code Section 101.1. A
23 copy of said motion is on file with the Clerk of the Board of Supervisors in File No. 120886;
24 and

1 WHEREAS, Pursuant to San Francisco Charter Section 4.105, the San Francisco
2 Planning Department found by letter to the Board of Supervisors, dated October 11, 2012 that
3 the change in title for Waller Street for the 55 Laguna Mixed Use Project was consistent with
4 the City's General Plan, and the eight priority policies of Planning Code Section 101.1. A
5 copy of said letter is on file with the Clerk of the Board of Supervisors in File No. 120886; and

6 WHEREAS, The San Francisco Planning Commission certified the 55 Laguna Mixed
7 Use Final Environmental Impact Report ("Final EIR") on January 17, 2008, and this Board
8 affirmed the certification on April 8, 2008. On January 17, 2012, a revised project was
9 submitted to the Planning Department for review, and on May 8, 2012, the Department
10 prepared and issued an Addendum to the Final EIR; now therefore, be it

11 RESOLVED, The Board of Supervisors finds that the sale of Waller Street is consistent
12 with the General Plan and the priority policies of Planning Code Section 101.1 for the reasons
13 set forth in Planning Commission Motion No. 17537 and Planning Commission Motion No.
14 18693 and the Board hereby incorporates such findings by reference as though fully set forth
15 herein; and, be it

16 FURTHER RESOLVED, That based on review of the Final EIR and the Addendum, the
17 Board finds that the analyses conducted and the conclusions reached in the Final EIR remain
18 valid, and that no supplemental environmental review is required for the proposed project
19 modifications. The Board finds that the modified project would neither cause new significant
20 impacts not identified in the Final EIR, or result in a substantial increase in the severity of
21 previously identified significant impacts. The Board finds that no changes have occurred with
22 respect to circumstances surrounding the original project that would cause significant
23 environmental impacts to which the modified project would contribute significantly, and no
24 new information has been put forward which shows that the modified project would cause
25 significant environmental impacts; and, be it

1 FURTHER RESOLVED, The Board hereby incorporates and restates the CEQA
2 Findings it adopted on April 15, 2008, when it amended the General Plan and rezoned the two
3 blocks on either side of the former Waller Street in furtherance of the 55 Laguna Mixed Use
4 Project and located in Board File 080319, in their entirety. The CEQA Findings determined
5 that Final EIR Alternatives A, B and C and the Modified Preservation Alternative are each
6 infeasible and that there are overriding benefits of the 55 Laguna Mixed Use Project that
7 outweigh the unavoidable adverse environmental effects to historic resources. There is no
8 evidence that the financial analyses and conclusions by the prior project sponsor and by
9 Seifel Associates concerning the feasibility of the proposed project and the alternatives have
10 changed since 2008; and, be it

11 FURTHER RESOLVED, That in accordance with the recommendation of the City
12 Attorney and the Director of Property, the Board of Supervisors hereby approves the
13 Purchase and Sale Agreement and restrictive easement and transaction contemplated
14 thereby in substantially the form of such agreement presented to the Board and authorizes the
15 Director of Property to execute and deliver the Agreement, and authorizes City staff to take all
16 actions, on behalf of the City, to perform its obligations and exercise its rights under the
17 Agreement; and, be it

18 FURTHER RESOLVED, That all actions heretofore taken by any employee or official of
19 the City with respect to this Agreement are hereby approved, confirmed and ratified; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
21 Property to enter into any amendments or modifications to the Agreement (including without
22 limitation, the exhibits) that the Director of Property determines, in consultation with the City
23 Attorney, are in the best interest of the City, do not materially increase the obligations or
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1 liabilities of the City, do not materially decrease the benefits to the City, or are necessary or
2 advisable to effectuate the purposes of the Agreement or this Resolution, and are in
3 compliance with all applicable laws, including City's Charter.
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6 RECOMMENDED:

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9 John Updike
10 Acting Director
11 Real Estate Division
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Supervisor Wiener
BOARD OF SUPERVISORS



City and County of San Francisco

Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 120886

Date Passed: October 23, 2012

Resolution authorizing: 1) acceptance of a Purchase and Sale Agreement for former Waller Street, from Laguna Street to Buchanan Street; 2) acceptance of Restrictive Easement against former Waller Street as a condition of the sale; 3) adopting environmental findings and findings that the transaction contemplated is consistent with the San Francisco General Plan and the eight priority policies of the San Francisco Planning Code; and 4) authorizing the Director of Property, or designee, to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution.

October 15, 2012 Land Use and Economic Development Committee - RECOMMENDED


October 23, 2012 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

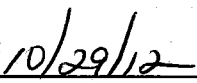
Excused: 1 - Chu

File No. 120886

I hereby certify that the foregoing Resolution was ADOPTED on 10/23/2012 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


Mayor


Date Approved