

1 [Agreement to sell former Central Freeway parcel.]

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3 **Resolution approving and authorizing an agreement for the sale at fair market value of**
4 **certain real property formerly occupied by the Central Freeway; adopting findings**
5 **pursuant to the California Environmental Quality Act; adopting findings that the**
6 **conveyance is consistent with the City's general plan and eight priority policies of City**
7 **Planning Code Section 101.1; and authorizing the Director of Property to execute**
8 **documents and take certain actions in furtherance of this resolution.**

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10 WHEREAS, The City has acquired certain real property consisting of the area formerly
11 occupied by the Central Freeway, including that parcel described generally as Lot 73,
12 Block 768 (hereinafter referred to as "Parcel D" or the "Property"), from the State of California,
13 Department of Transportation, pursuant to Section 72.1 of the California Streets and
14 Highways Code and Board of Supervisors Resolution No. 000667; and

15 WHEREAS, Section 72.1 of the California Streets and Highways Code requires that the
16 City use all proceeds from disposition of the former Central Freeway parcels acquired from
17 the State to finance the City's replacement of the former Central Freeway with a ground-level
18 boulevard along Octavia Street from Market to Fell Street, as described in that certain
19 Cooperative Agreement between the City and the State dated November 29, 2000 (the
20 "Octavia Boulevard Project"), and, upon full funding of the Octavia Boulevard Project, for
21 transportation and related purposes authorized under Article XIX of the California Constitution;
22 and,

23 WHEREAS, Parcel D is an irregular L-shaped area consisting of approximately
24 10,937 square feet and is of limited value to the City in the development of the remainder of

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1 the Property and has little or no value to other third parties, but has full market value to the
2 owner of the adjacent parcel; and,

3 WHEREAS, Parcel D has been appraised as having a fair market value of \$1,170,000 ,
4 which complies with the sales price of a minimum of 90% of the appraised value pursuant to
5 Sec. 23.3 of the San Francisco Administration Code, and the owner of the adjacent parcel has
6 agreed to pay fair market value for the parcel and to further include 15% affordable housing in
7 any housing developed on the combined adjacent parcel and Parcel D, as described in the
8 copy of the Agreement for Sale of Real Estate (the "Agreement") on file with the Clerk of the
9 Board of Supervisors in File No. _____, which is hereby declared to be a part of this
10 resolution as if set forth fully herein; and,

11 WHEREAS, The proposed conveyance of Parcel D (the "Transfer") under the
12 Agreement is exempt from the California Subdivision Map Act, California Government Code
13 Sections 66410 et seq., because in this instance public policy does not necessitate a parcel
14 map in accordance with Section 66428(a)(2); and,

15 WHEREAS, In a letter dated February 5, 2003, a copy of which is on file with the Clerk
16 of the Board of Supervisors in File No. _____, the Director of City Planning found that
17 the Transfer is consistent with the City's General Plan and with the Eight Priority Policies of
18 City Planning Code Section 101.1, and pursuant to the California Environmental Quality Act
19 ("CEQA"), State CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code,
20 the Director of City Planning also found that the Transfer is categorically exempt from CEQA;
21 now, therefore be it

22 RESOLVED, That in accordance with the recommendation of the Director of Property,
23 the Board of Supervisors hereby approves the Transfer and authorizes and urges the Director
24 of Property to execute the necessary sale agreements, in the name and on behalf of the City,
25 consistent with the Agreement presented to this Board to effectuate the Transfer; and, be it

1 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,
2 in the name and on behalf of the City and County, to execute and deliver a quitclaim deed to
3 the buyer of the Property under the proposed conveyance upon the closing described in the
4 Agreement in accordance with the terms and conditions of the Agreement, and to take any
5 and all steps (including, but not limited to, the execution and delivery of any and all
6 certificates, agreements, notices, consents, escrow instructions, closing documents and other
7 instruments or documents) as the Director of Property and City Attorney deems necessary or
8 appropriate in order to consummate the Transfer, or to otherwise effectuate the purpose and
9 intent of this resolution, such determination to be conclusively evidenced by the execution and
10 delivery by the Director of Property of any such documents; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors hereby finds that (i) it is in the
12 City's best interest to sell the Property directly to the adjacent property owner pursuant to the
13 Agreement in order to facilitate development of the Property and to increase inclusionary
14 affordable housing on the Property; (ii) the public interest or necessity demands, or will not be
15 inconvenienced by, the sale of the Property directly to the adjacent property owner pursuant
16 to the Agreement; and (iii) because of the irregular shape of the parcel which comprises the
17 Property, competitive bidding would be impractical and impossible in these instances; and be
18 it

19 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
20 Property to enter into any additions, amendments or other modifications to the Transfer
21 (including, without limitation, attachment of exhibits) that the Director of Property and the City
22 Attorney determines are in the best interests of the City, do not decrease the sales price for
23 the Property or otherwise materially increase the obligations or liabilities of the City, and are
24 necessary or advisable to complete the Transfer and effectuate the purpose and intent of this
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1 resolution, such determination to be conclusively evidenced by the Director of Property's
2 execution and delivery of the Agreement and any amendments thereto; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors finds, based on the record
4 before it and in its independent judgment, that the action proposed in this legislation is
5 categorically exempt from CEQA for the reasons set forth in the CEQA findings of the Director
6 of City Planning set forth above and adopts as its own and incorporates by reference herein,
7 as though fully set forth, said findings; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors adopts as its own and
9 incorporates by reference herein, as though fully set forth, the findings in the Director of City
10 Planning's letter referred to above, that the Transfer is in conformity with the General Plan and
11 consistent with the Eight Priority Policies of Planning Code Section 101.1.

12 RECOMMENDED:

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MARC S. McDONALD
Director of Property

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