

1 [Old Mint; Transferable Development Rights].

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3 **Resolution authorizing the director of property for the City and County of San**
4 **Francisco to execute and cause to be recorded a Statement of Eligibility and a**
5 **Certificate of Transfer and to take such other actions as may be necessary to effectuate**
6 **the transfer of development rights from the Old Mint pursuant to Planning Code**
7 **Section 128.**

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9 WHEREAS, On April 27, 2003 the Board of Supervisors approved Ordinance No. 77-
10 04 which, among other things, amended San Francisco Planning Code Section 128 to provide
11 that a lot zoned P (public) may be a Transfer Lot for purposes of conveying Transferable
12 Development Rights ("TDR"), provided that certain criteria outlined in Section 128(a) (4) are
13 satisfied; and

14 WHEREAS, The City and County of San Francisco has entered into an Exclusive
15 Negotiating Rights agreement ("ENA") with the San Francisco Museum and Historical Society
16 ("Museum") to negotiate a 66-year lease for the historic rehabilitation and reuse of the old
17 U.S. Mint Building (the "Old Mint") located at 88 Fifth Street (the "Project"); and

18 WHEREAS, In connection with the Project, the City and County of San Francisco
19 anticipates the potential transfer of TDR from the Old Mint site (the "Property") in order to
20 finance certain predevelopment and/or development costs, including related to rehabilitation
21 and restoration of the building in accordance with the Secretary of Interior standards; and

22 WHEREAS, The Museum and 888 Howard Street Associates LLC ("888 Howard
23 Street") entered into that certain Agreement Between 888 Howard Street Associates LLC and
24 the San Francisco Museum and Historical Society dated October 23, 2003, to which the City
25 is a third party beneficiary ("Agreement"); and

1 WHEREAS, The Agreement outlines the terms and conditions under which the
2 sponsors of the proposed 888 Howard Street Project would acquire 253,195 gross square feet
3 of TDR from the Property; and

4 WHEREAS, Under the terms of Section 128, the transfer of TDR from the Property to
5 an eligible development site requires certain administrative actions by the Director of Property,
6 including, but not limited to recording of a Statement of Eligibility and a Certificate of Transfer
7 against the Property, setting forth among other things respectively, the amount of TDR
8 available for transfer, and stating that the transfer of TDR permanently reduces the
9 development potential of the Property by the amount of TDR transferred; and

10 WHEREAS, It is in the interest of the City to implement the provisions of Section 128
11 as they relate to the Property to effectuate rehabilitation and restoration of the Old Mint; now,
12 therefore, be it

13 RESOLVED, That, provided that the criteria and requirements of Section 128 with
14 respect to transfer of TDR have otherwise been met, the Board of Supervisors authorizes the
15 Director of Property to execute and record the appropriate form of Statement of Eligibility, and
16 to take such other actions as reasonably required under Section 128 in connection therewith;
17 and be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
19 Property to execute and record the Certificate of Transfer and to take such other actions as
20 reasonably required under Section 128 to effectuate the transfer of 253,195 gross square feet
21 of TDR from the Property to an eligible Development Lot after the following conditions have
22 been satisfied to the satisfaction of the Director of Property after consultation with the Mayor's
23 Office of Economic and Workforce Development: (i) the ENA must be extended to December
24 31, 2005; (ii) the Museum must provide the Director of Property with evidence satisfactory to
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1 the Director of Property that the Museum has received \$1,145,000 from 888 Howard Street in
2 payment for the transfer of the 253,195 gross square feet of TDR (the "TDR Funds"); and (iii)
3 the Museum must provide the Director of Property with written evidence satisfactory to the
4 Director of Property that the TDR Funds have been placed in a segregated bank account; and
5 the Museum has provided the Director of Property with such other reasonable documentation
6 or information to satisfy the Director of Property that the TDR Funds will be used solely for the
7 predevelopment and development of the Old Mint; and be it

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9 FURTHER RESOLVED That the Director of Property shall monitor the expenditure of TDR
10 Funds by requiring the Museum to (a) each month after adoption of this Resolution, provide a
11 monthly bank statement for such segregated bank account to the Director of Property; and (b)
12 obtain the prior written approval from the Director of Property prior to expending any TDR
13 Funds received after the adoption of this Resolution. The Director of Property, in consultation
14 with the Mayor's Office of Economic and Workforce Development shall work with the Museum
15 to develop a TDR Funds expenditure plan upon which approved plan any approval for
16 expenditure of TDR Funds shall be based.

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