

BOARD of SUPERVISORS



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MEMORANDUM

TO: John Rahaim, Director, Planning Department
John Updike, Director, Real Estate Division
Ed Reiskin, Executive Director, Municipal Transportation Agency
Elaine Forbes, Executive Director, Port Department
Amy Quesada, Port Commission
Mawuli Tugbenyoh, Liaison to the Board of Supervisors, Mayor's Office

FROM: Erica Major, Assistant Clerk
Land Use and Transportation Committee

DATE: June 28, 2017

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Cohen on June 20, 2017:

File No. 170768

Resolution approving the jurisdictional transfer of approximately 17 acres of City-owned real property comprised of portions of Assessor's Parcel Block Nos. 4297, 4298, 4299, 4300, 4310, and 4313, and bounded by 25th, Illinois, Cesar Chavez, and Maryland Streets, in the City and County of San Francisco, from the Port Commission to the Municipal Transportation Agency for no additional consideration; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: erica.major@sfgov.org.

c: Scott Sanchez, Planning Department
Lisa Gibson, Planning Department
AnMarie Rodgers, Planning Department
Aaron Starr, Planning Department
Joy Navarrete, Planning Department
Laura Lynch, Planning Department
Janet Martensen, Municipal Transportation Agency
Kate Breen, Municipal Transportation Agency
Dillon Auyoung, Municipal Transportation Agency
Daley Dunham, Port Department

1 [Interdepartmental Jurisdictional Transfer of City Property - 25th, Illinois, Cesar Chavez, and
2 Maryland Streets - \$29,700,000]

3 **Resolution approving the jurisdictional transfer of approximately 17 acres of City-**
4 **owned real property comprised of portions of Assessor's Parcel Block Nos. 4297, 4298,**
5 **4299, 4300, 4310, and 4313, and bounded by 25th, Illinois, Cesar Chavez, and Maryland**
6 **Streets, in the City and County of San Francisco, from the Port Commission to the**
7 **Municipal Transportation Agency for no additional consideration; and making findings**
8 **of consistency with the General Plan, and the eight priority policies of Planning Code,**
9 **Section 101.1.**

10
11 WHEREAS, Pursuant to the Mission Bay Port Land Transfer Agreement, dated
12 November 16, 1998, the San Francisco Port Commission ("Port") acquired a site commonly
13 known as the Western Pacific Railroad Yard; and

14 WHEREAS, The Port and the San Francisco Municipal Transportation Agency
15 ("SFMTA") entered into a Memorandum of Understanding dated as of January 25, 2001
16 ("MOU"), a copy of which is on file with the Clerk of Board of Supervisors in File No. 170768
17 and incorporated herein by reference, which granted the SFMTA the right to use a portion of
18 the Western Pacific Railroad Yard, comprised of approximately 17 acres and bounded by
19 25th, Illinois, Cesar Chavez, and Maryland Streets ("Property") for light rail vehicle storage,
20 operations and maintenance facilities serving the 3rd Street Light Rail and for other incidental
21 SFMTA operational needs ("Permitted Uses") in perpetuity for so long as the Property is used
22 for the Permitted Uses; and

23 WHEREAS, On February 27, 2001, the Port Commission approved the MOU by
24 Resolution No. 01-15, a copy of which is on file with the Clerk of Board of Supervisors in File
25 No. 170768 and incorporated herein by reference; and

1 WHEREAS, On March 6, 2001, the SFMTA Board of Directors approved the MOU by
2 Resolution No. 01-018, a copy of which is on file with the Clerk of Board of Supervisors in File
3 No. _____ and incorporated herein by reference; and

4 WHEREAS, The SFMTA used the Property to build the Muni Metro East Rail Facility,
5 which houses operating and maintenance functions for Muni light rail vehicles and historic
6 streetcars that are used or daily transit service; and

7 WHEREAS, The MOU requires the Port to seek the necessary approvals for a
8 jurisdictional transfer of the Property to the SFMTA on the satisfaction of certain conditions,
9 and interdepartmental transfers of City property must be approved by the Board of
10 Supervisors; and

11 WHEREAS, As required under the MOU, the SFMTA paid the Port \$29,700,000 for the
12 perpetual use (subject to satisfaction of conditions in the MOU) and future jurisdictional
13 transfer of the Property (the "Transfer Price") in 2001, with \$25,700,000 of such amount
14 representing the fair market value of the Property and \$4,000,000 of such amount was used
15 by the Port to construct the Illinois Street Bridge over Islais Creek; and

16 WHEREAS, The jurisdictional transfer conditions in the MOU have been fully satisfied,
17 and the Port and the SFMTA wish to pursue such jurisdictional transfer; and

18 WHEREAS, On June 6, 2017, the SFMTA Board of Directors adopted Resolution No.
19 170606-072, which authorized the Director of Transportation to work with the City's Director of
20 Property to seek the jurisdictional transfer of the Property to the SFMTA), a copy of which is
21 on file with the Clerk of Board of Supervisors in File No. _____ and incorporated herein
22 by reference; and

23 WHEREAS, In accordance with Section 23.14 of the Administrative Code, the Director
24 of Property has determined and reported to the Mayor that the Transfer Fee was the
25 estimated fair market value of the Property for the perpetual use and future jurisdictional

1 transfer of the Property at the time it was paid by the SFMTA in 2001, as determined by an
2 independent appraisal update dated August 15, 2000, and in his opinion, the Property can be
3 used more advantageously by the SFMTA and has therefore recommended that the transfer
4 be made in consideration of the SFMTA's payment of the Transfer Price in 2001; and

5 WHEREAS, In accordance with the provisions of Section 23.15 of the Administrative
6 Code, the Mayor agrees the Property can be used more advantageously by the SFMTA and
7 recommends that the Board of Supervisors approve the jurisdictional transfer of the Property
8 to the SFMTA in consideration of its payment of the Transfer Price to the Port in 2001 and
9 satisfaction of certain other conditions described in the MOU; and

10 WHEREAS, Under Section 15(b) of the MOU, if this Board approves of the
11 jurisdictional transfer of the Property to the SFMTA, the Director of Property will record a
12 Declaration of Maritime and Industrial Uses, a copy of which is on file with the Clerk of Board
13 of Supervisors in File No. _____ and incorporated herein by reference, in the Official
14 Records of San Francisco County; and

15 WHEREAS, The proposed jurisdictional transfer of the Property is not subject to
16 Chapter 23A of the Administrative Code because it is not "surplus property" as defined in
17 Section 23A.4 of the Administrative Code; and

18 WHEREAS, Because the Transfer Price was established and paid, and the MOU was
19 approved by the SFMTA's Board of Directors and the Port Commission, in 2001, the Director
20 of Property does not need to obtain an "appraisal" or "appraisal review" (both as defined in
21 Section 23.2 of the Administrative Code) for the Property as required under Section 23.14 of
22 the Administrative Code, as such requirement became effective on July 24, 2016; and

23 WHEREAS, On May 9, 2017, the SFMTA, under authority delegated by the Planning
24 Department, determined that the jurisdictional transfer of the Property is not a "project" under
25

1 the California Environmental Quality Act pursuant to Title 14 of the California Code of
2 Regulations Sections 15060(c) and 15378(b)); and

3 WHEREAS, On May 14, 2002, the City Planning Department issued a letter regarding
4 the MUNI Metro East Light Rail Vehicle Maintenance and Operations Facility, finding the
5 project and associated street vacations, on balance, in conformity with the General Plan and
6 the Eight Priority Policies of Planning Code Section 101.1, in Case No. 96.281R, a copy of
7 which is on file with the Clerk of Board of Supervisors in File No. _____ and
8 incorporated herein by reference; now, therefore, be it

9 RESOLVED, In accordance with Section 23.16 of the Administrative Code, this Board
10 of Supervisors determines that the Property can be used more advantageously by the
11 SFMTA; and be it

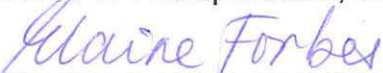
12 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the
13 jurisdictional transfer is consistent with the General Plan and the Eight Priority Policies of City
14 Planning Code Section 101.1 for the same reasons as set forth in the City Planning
15 Department letter of May 14, 2002, and hereby incorporates such findings by reference as
16 though fully set forth in this Resolution; and be it

17 FURTHER RESOLVED, That jurisdiction of the Property is hereby transferred to the
18 SFMTA on the terms of the MOU.

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20 RECOMMENDED:

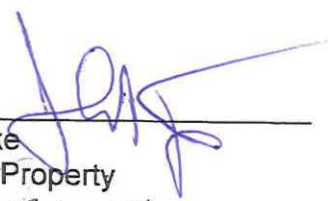
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22 Edward Reiskin
23 Director of Transportation, SFMTA

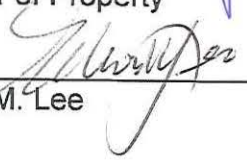
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25 Elaine Forbes
Executive Director, San Francisco Port Commission

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John Updike
Director of Property



Edwin M. Lee
Mayor