

1 [Lease of Real Property – Parcel L (Portion of Assessor’s Block No. 0817, Lot No. 33)]

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3 **Resolution approving the lease of City property located at the northeast corner of**
4 **Octavia Boulevard and Fell Street and commonly known as Parcel L (portion of**
5 **Assessor’s Block No. 0817, Lot No. 33) to PROXYDevelopment, LLC for four years at a**
6 **monthly base rent of \$2,000 per month.**

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8 WHEREAS, The State of California transferred certain property (the "Central Freeway
9 Parcels") in the Hayes Valley neighborhood to the City and County of San Francisco ("City")
10 as part of the demolition of the former Central Freeway and on the condition that City use the
11 proceeds from any disposition of the Central Freeway Parcels in connection with City's
12 Octavia Boulevard project and for transportation and related purposes set forth in Section
13 72.1(f)(1) of the California Streets and Highways Code; and

14 WHEREAS, The City owns Parcel L and other Central Freeway Parcels that are either
15 currently vacant or leased for parking and other uses (the "Remaining Parcels"), and which
16 the City intends to sell when current economic conditions improve; and

17 WHEREAS, The City wishes to lease some of the Remaining Parcels for interim uses
18 that will activate the Remaining Parcels until they are sold by the City to provide additional
19 amenities to the public and promote economic development; and

20 WHEREAS, The City's Office of Economic and Workforce Development ("OEWD"),
21 issued a Request for Proposals on December 1, 2009, seeking proposals from qualified
22 respondents for such interim uses on the Remaining Parcels (the "RFP"); and

23 WHEREAS, PROXYDevelopment, LLC ("Tenant") submitted a proposal to lease Parcel
24 L for retail activities (including the sale of foods and beverages) and the operation of
25 restaurants; and

1 WHEREAS, The City wishes to lease Parcel L to the Tenant for four years at a monthly
2 base rent of \$2,000 per month for such uses under a lease substantially in the form on file
3 with the Clerk of the Board of Supervisors in File No. _____ (the "Lease"); and

4 WHEREAS, The Director of Planning, by letter dated May 14, 2010, a copy of which is
5 on file with the Clerk of the Board of Supervisors in File No. _____, found that the
6 proposed lease of Parcel L is categorically exempt from environmental review and is in
7 conformance with the City's General Plan; now, therefore, be it

8 RESOLVED, That in accordance with the recommendation of the Director of OEWD
9 and the Director of Property, the Director of Property is hereby authorized to execute the
10 Lease; and, be it

11 FURTHER RESOLVED, That all actions heretofore taken by any employee or official of
12 the City with respect to the RFP and the Lease are hereby approved, confirmed and ratified;
13 and, be it

14 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
15 Property to enter into any amendments or modifications to the Lease that the Director of
16 Property determines, in consultation with the City Attorney, are in the best interest of the City,
17 do not materially reduce the rent or otherwise materially increase the obligations or liabilities
18 of the City, are necessary or advisable to effectuate the purposes of the Lease and are in
19 compliance with all applicable laws, including City's Charter.

20 RECOMMENDED:

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22 _____
23 Michael Cohen
24 Director, Office of Economic
25 and Workforce Development

Amy L. Brown
Director of Property

FILE NO. 100669

RESOLUTION NO.

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