

1 [Conveyance of Real Property - 180 Jones Street - Mayor’s Office of Housing and Community  
2 Development - \$10]

3 **Resolution approving and authorizing an agreement for the conveyance of a parcel of**  
4 **real estate for \$10, consisting of approximately 4,744 square feet in land area for the**  
5 **Mayor’s Office of Housing and Community Development, pursuant to the land**  
6 **dedication permitted under a separate Ordinance (File No. 161066); adopting findings**  
7 **under the California Environmental Quality Act; adopting findings that the conveyance**  
8 **is consistent with the General Plan, and the eight priority policies of Planning Code,**  
9 **Section 101.1; and authorizing the Director of Property to execute documents, make**  
10 **certain modifications, and take certain actions in furtherance of this Resolution, as**  
11 **defined herein.**

12  
13 WHEREAS, MM 180 Jones LLC (“Seller”), an affiliate of Mid Market Center, LLC  
14 (“Developer”) will on or about November 30, 2016, become the fee owner of Assessor’s  
15 Parcel Block No. 0343, Lot No. 014, located at 180 Jones Street in the City and County of San  
16 Francisco containing approximately 4,744 square feet of land area (the “Property”) ; and

17 WHEREAS, Developer is the owner of Assessor’s Parcel Block No. 0342, Lot  
18 Nos. 001, 002, 004, and 014, located at 950-974 Market Street in the City and County of San  
19 Francisco containing approximately 34,262 square feet of land (the “Principal Site”) with an  
20 approved Downtown Project Authorization for construction of a mixed use project including  
21 242 dwelling units, a 232-room hotel and ground floor commercial space on the Principal Site;  
22 and

23 WHEREAS, Ordinance No. \_\_\_\_\_ (File No. 161066) was approved by the Board of  
24 Supervisors on its first reading on \_\_\_\_\_, and will be read for final approval on  
25 \_\_\_\_\_, to waive the Inclusionary Affordable Housing requirements set forth

1 in Planning Code, Section 415, the Jobs-Housing Linkage Fee set forth in Planning Code,  
2 Section 413, exempt 26,575 square feet from the calculation of gross floor area pursuant to  
3 Planning Code, Sections 123, 124, and 128, waive the requirements of Health Code, Article  
4 12C, and accept a \$2,700,000 gift from the Developer for the Principal Site in exchange for  
5 dedication of the Property to the City and County of San Francisco (“City”) and payments by  
6 the Developer in the amount of \$18,100,000 minus the acquisition cost of the Dedicated Land  
7 to the 180 Jones Street Affordable Housing Fund;

8 WHEREAS, Seller and City have negotiated an Agreement of Purchase and Sale for Real  
9 Estate whereby Seller will convey fee title to the Property to City for a purchase price of \$10.00  
10 (“Purchase Agreement”), which will enable City to develop an affordable residential development  
11 consisting of at minimum 60 efficiency units on the Property; and

12 WHEREAS, It is the intent of this Board that future affordable housing development at  
13 this site maximize the number of units offered to individuals and families who have an income  
14 that is 40% AMI or lower; and

15 WHEREAS, It is the intent of this Board that future affordable housing at this site  
16 subject to fair housing laws, financial feasibility, and the Department of Homelessness and  
17 Supportive Housing leasing procedures, provide a preference for tenants who have lived in  
18 City-funded supportive housing for at least three years; and

19 WHEREAS, MOHCD has not assembled all capital subsidies for future affordable  
20 housing development at this site, MOHCD shall make its best efforts to secure the balance of  
21 the local gap capital funding; and

22 WHEREAS, MOHCD has not assembled all operating subsidies for future affordable  
23 housing at this site, MOHCD shall make its best efforts to secure operating subsidies such as  
24 VASH rental assistance vouchers or the Local Operating Support Program, to meet the intent  
25 of this Board; and

1           WHEREAS, The Planning Commission adopted a mitigated negative declaration,  
2 California Environmental Quality Act (CEQA) findings, and a Mitigation and Monitoring  
3 Reporting Program in its Motion No. 17838 for a previously approved 37 dwelling unit project  
4 at the Property (“180 Jones Planning Approvals”); and

5           WHEREAS, This resolution does not constitute an approval of any new or revised  
6 project located at the Property; and

7           WHEREAS, If and when any revised project for the Property is undertaken by the City,  
8 or is submitted to the City for review, the City will conduct any additional environmental review  
9 required by CEQA for that project; and

10           WHEREAS, The City reserves its full discretion to not approve any new project at the  
11 Property, or to approve a different project, or impose mitigation measures or alternatives, as  
12 identified after environmental review is undertaken, including approving the no-project  
13 alternative; and

14           WHEREAS, The Planning Commission adopted a mitigated negative declaration,  
15 CEQA findings, a Mitigation and Monitoring Reporting Program and Downtown Project  
16 Authorization in its Motion Nos. 19780 and 19783 for the Principal Site, a copy of which is on  
17 file with the Clerk of the Board of Supervisors under File No. 161249 and is incorporated  
18 herein by reference (“950-974 Market Planning Approvals”); and

19           WHEREAS, The terms and conditions of the Purchase Agreement and the conveyance  
20 of the Property from Seller to the City have been negotiated, as further outlined in the  
21 Purchase Agreement, a copy of which is on file with the Clerk of the Board of Supervisors  
22 under File No. 161249 and is incorporated herein by reference; and

23           WHEREAS, Because the Property is being conveyed to the City pursuant to the land  
24 dedication process permitted under Ordinance No. \_\_\_\_\_ (File No. 161066), the purchase  
25 price to be paid by the City to Seller under the Purchase Agreement is \$10.00; and

1           WHEREAS, The Planning Commission has determined that the development of the  
2 Principal Site and the land dedication and development of the Property at minimum of 60  
3 efficiency affordable units are consistent with the General Plan, and with the eight priority  
4 policies of Planning Code, Section 101.1, pursuant to Planning Commission Motion No.  
5 19783; now, therefore, be it

6           RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
7 hereby adopts the findings contained in the 180 Jones Planning Approvals and the 950-974  
8 Market Planning Approvals regarding the CEQA, and hereby incorporates such findings by  
9 reference as though fully set forth in this Resolution; and, be it

10          RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
11 hereby finds that the conveyance of the Property is consistent with the General Plan and with  
12 the eight priority policies of Planning Code, Section 101.1 for the same reasons as set forth in  
13 the Ordinance No. \_\_\_\_\_ (File No. 161066), the 180 Jones Planning Approvals and the  
14 950-974 Market Planning Approvals, and hereby incorporates such findings by reference as  
15 though fully set forth in this Resolution; and, be it

16          FURTHER RESOLVED, That in accordance with the recommendation of the Director  
17 of MOHCD and Director of Property, the Board of Supervisors hereby approves the  
18 conveyance of the Property to the City, and the transaction contemplated thereby in  
19 substantially the form of the Purchase Agreement presented to the Board and authorizes the  
20 Director of Property to execute the Purchase Agreement; and, be it

21          FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
22 Property to enter into any amendments or modifications to the Purchase Agreement and/or  
23 enter into ancillary agreements (including, without limitation, the exhibits attached to the  
24 Purchase Agreement) that the Director of Property determines, in consultation with the City  
25 Attorney and Director of MOHCD, are in the best interest of the City, do not otherwise

1 materially increase the obligations or liabilities of the City, are necessary or advisable to  
2 effectuate the purposes of the Purchase Agreement and this resolution and are in compliance  
3 with all applicable laws, including City's Charter; and, be it

4 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,  
5 in the name and on behalf of the City and County, to accept the deed to the Property from the  
6 Seller upon the closing in accordance with the terms and conditions of the Purchase  
7 Agreement, and to take any and all steps (including, but not limited to, the execution and  
8 delivery of any and all certificates, agreements, notices, consents, escrow instructions, closing  
9 documents and other instruments or documents) as the Director of Property deems necessary  
10 or appropriate in order to consummate the conveyance of the Property pursuant to the  
11 Purchase Agreement, or to otherwise effectuate the purpose and intent of this Resolution,  
12 such determination to be conclusively evidenced by the execution and delivery by the Director  
13 of Property of any such documents; and, be it

14 FURTHER RESOLVED, That the Director of Property shall provide the Clerk of the  
15 Board of Supervisors a fully executed copy of the Purchase Agreement within thirty (30) days  
16 of signature of same.

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19 Recommended:

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21 \_\_\_\_\_

22 Director  
23 Mayor's Office of Housing and Community Development

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24 \_\_\_\_\_

25 Director of Property

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