

1 [Sale of Real Property - Sale of Parcel 21 from the City of South San Francisco - Exempt
2 Surplus Land - Not to Exceed \$132,000]

3 **Resolution 1) approving and authorizing the sale of an approximately 46,097-square-**
4 **foot portion of the San Francisco Public Utilities Commission's (SFPUC) Parcel 21,**
5 **located in South San Francisco, California, for \$132,000 to the City of South San**
6 **Francisco; 2) adopting findings declaring that the property is "exempt surplus land"**
7 **and "surplus land" under the State Surplus Lands Act (California Government Code,**
8 **Section 54220 et seq); 3) adopting findings under the San Francisco Administrative**
9 **Code, Section 23.3, that offering the property for sale through competitive bidding**
10 **would be impractical and not in the public interest; 4) adopting findings that the sale is**
11 **consistent with the General Plan, and the eight priority policies of Planning Code,**
12 **Section 101.1; 5) authorizing the SFPUC General Manager and/or City's Director of**
13 **Property to execute a Purchase and Sale Agreement and Quitclaim Deed, make certain**
14 **modifications, and take certain actions in furtherance of this Resolution, as defined**
15 **herein; and to authorize the SFPUC General Manager and/or City's Director of Property**
16 **to enter into any additions, amendments, or other modifications to the Sale Agreement**
17 **that do not materially decrease the benefits to the City with respect to the Property, and**
18 **do not materially increase the obligations or liabilities of either the SFPUC or the City,**
19 **and are necessary or advisable to complete the transaction contemplated in the Sale**
20 **Agreement, to effectuate the purpose and intent of this Resolution.**

21
22 WHEREAS, The City and County of San Francisco (City), through the San Francisco
23 Public Utilities Commission (SFPUC), owns a 46,097-square-foot portion of that certain parcel
24 in the City of South San Francisco (South San Francisco) described as Parcel 21 of San
25 Mateo County Lands in the deed from Spring Valley Water Company to City, dated March 3,

1 1930, recorded in Vol. 493 of Official Records at page 1, in the Office of the Recorder of San
2 Mateo County, State of California (the Subject Property); and

3 WHEREAS, In 2008, the SFPUC sold certain property interests to the former South
4 San Francisco Redevelopment Agency, including portions of Parcel 21; and

5 WHEREAS, The unsold remainder of Parcel 21 constitutes the Subject Property and
6 has never contained any SFPUC utility infrastructure; and

7 WHEREAS, South San Francisco has historically used the Subject Property as part of
8 the public rights-of-way known as Mission Road and Antoinette Lane; and

9 WHEREAS, South San Francisco is constructing two major projects near the Subject
10 Property, including its Civic Campus Project and a multi-phase residential project that will
11 deliver 800 units of housing, a market hall, and a public plaza (together, the Projects); and

12 WHEREAS, While performing title research for the Projects, South San Francisco
13 discovered the portion of its road network comprising the Subject Property is owned in fee by
14 the City and following this discovery, South San Francisco requested the SFPUC's approval
15 to construct improvements and install new utilities within the existing road; and

16 WHEREAS, The SFPUC authorized the new improvements and utilities through the
17 issuance of Revocable License P4522, dated September 9, 2021, to South San Francisco,
18 which authorized South San Francisco to operate and maintain a road and culvert, and to
19 install, operate, and maintain utilities within the roadway; and

20 WHEREAS, South San Francisco anticipates future improvements to the Subject
21 Property will be required for the Projects; and

22 WHEREAS, South San Francisco seeks to acquire the Subject Property to own its road
23 network in fee, and to gain full control of its road infrastructure and all future improvements to
24 facilitate work for the Projects and any future work that may be necessary within the Subject
25 Property; and

1 WHEREAS, Under Administrative Code, Section 23.3, the City may convey the Subject
2 Property to South San Francisco without a competitive bidding process if the Board of
3 Supervisors determines a competitive process “is impractical, impossible, or is otherwise not
4 in the public interest, including, for example only and not by way of limitation, when the Real
5 Property is not capable of independent development, will be exchanged for other Real
6 Property, or when the Board determines that a negotiated direct Conveyance of the Real
7 Property will further a proper public purpose.” (Administrative Code, Section 23.3.); and

8 WHEREAS, A competitive bidding process is impractical and is otherwise not in the
9 public interest because (i) the Property is currently used as a public city street and is not
10 capable of independent development; (ii) the sale will support the continued use of the
11 Property as a public city street, including the construction of new infrastructure to support the
12 Projects; and (iii) the Property’s location and current use make use by any other entity
13 impractical; and

14 WHEREAS, On April 24, 2024, the Assistant General Managers of the SFPUC’s Power
15 Enterprise, Wastewater Enterprise, and Water Enterprise each declared that the Property is
16 not essential to the SFPUC’s utility needs; and

17 WHEREAS, The Property is “surplus land,” as defined in California Government Code,
18 Section 54221(b), because it is owned in fee simple by City and not necessary for City’s use;
19 and

20 WHEREAS, The Property is “exempt surplus land,” as defined in California
21 Government Code, Section 54221(f)(1)(D), because it is surplus land that the City is
22 transferring to another local, state, or federal agency for the agency’s use; and

23 WHEREAS, South San Francisco made an offer of fair and just compensation for
24 \$132,000 for its purchase of the Property, in accordance with California Government Code,
25 7267.2; and

1 WHEREAS, The purchase price for the Subject Property is equal to its appraised
2 value, as set forth in an Appraisal Report with a Date of Value of September 24, 2024,
3 performed by Erik Woodhouse, MAI of Associated Right of Way Services, Inc., and approved
4 by City's Director of Property on October 24, 2024, in accordance with Chapter 23 of the
5 City's Administrative Code; and

6 WHEREAS, SFPUC staff, through consultation with the Office of the City Attorney,
7 have negotiated with South San Francisco the proposed terms and conditions of South San
8 Francisco's fee acquisition of the Property for a purchase price of \$132,000 on an "as-is with
9 all faults" basis, as set forth in the form of an Agreement for Purchase and Sale of Real Estate
10 (Agreement) and Quitclaim Deed; and

11 WHEREAS, On December 13, 2017, the City of South San Francisco, acting as the
12 CEQA lead agency, certified a Supplemental EIR for the Community Civic Campus Project;
13 and

14 WHEREAS, On November 13, 2019, the City of South San Francisco adopted a
15 Resolution that determined that the Former SFPUC Opportunity Site Residential Project was
16 consistent with the Redevelopment Plan Program EIR and Community Civic Campus Project
17 Supplemental EIR based on an Environmental Consistency Analysis pursuant to CEQA
18 Guidelines section 15168(c); and

19 WHEREAS, The Redevelopment Plan Program EIR, Community Civic Campus Project
20 Supplemental EIR, associated CEQA Findings, Supplemental EIR Mitigation Monitoring and
21 Reporting Program, and Former SFPUC Opportunity Site Residential Project Environmental
22 Consistency Analysis that are part of the record of this approval are available for public review
23 at the SFPUC offices, Real Estate Services Division, 525 Golden Gate Avenue, 10th Floor,
24 San Francisco, California; and

1 WHEREAS, Staff has determined that since the City of South San Francisco adopted
2 the Program EIR, Supplemental EIR, and Environmental Consistency Analysis, there have
3 been no substantial changes in the Redevelopment Plan, Community Civic Campus Project,
4 and Former SFPUC Opportunity Site Residential Project or changes in Project circumstances
5 that would result in new significant environmental effects or an increase in the severity of
6 previously identified significant impacts, and there is no new information of substantial
7 importance that would change the conclusions set forth in the Program EIR, Supplemental
8 EIR, and Environmental Consistency Analysis; and

9 WHEREAS, The SFPUC Commission, acting as a responsible agency under the
10 CEQA Guidelines sections 15096 and 15381, has reviewed the Program EIR, Supplemental
11 EIR, and Environmental Consistency Analysis and has determined that the approval and
12 execution of the Purchase and Sale Agreement and Quitclaim Deed is within the scope of the
13 Project's CEQA approval and that the Program EIR, Supplemental EIR, and Environmental
14 Consistency Analysis and other materials are adequate for use in approval and execution of
15 the Purchase and Sale Agreement and Quitclaim Deed; and

16 WHEREAS, On December 10, 2024, by Resolution No. 24-0247, the SFPUC
17 Commission approved the terms and conditions of the Agreement and authorized and
18 directed the General Manager to execute the Agreement and Quitclaim Deed and declared
19 the Property surplus to the SFPUC's utility needs in accordance with Section 8B.121(e) of the
20 City Charter pursuant to Administrative Code, Section 23.3; now, therefore, be it

21 RESOLVED, That this Board of Supervisors hereby declares the Property surplus to
22 the SFPUC's utility needs in accordance with Section 8B.121(e) of the City Charter; and, be it

23 FURTHER RESOLVED, That this Board of Supervisors finds that the Property is
24 "surplus land," as defined in California Government Code, Section 54221(b), because it is
25 owned in fee simple by City and not necessary for City's use; and, be it

1 FURTHER RESOLVED, That this Board of Supervisors finds, in consideration of the
2 foregoing, that the Property is “exempt surplus land,” as defined in California Government
3 Code, Section 54221(f)(1)(D), because it is surplus land that the City is transferring to another
4 local agency for the agency’s use; and, be it

5 FURTHER RESOLVED, This Board of Supervisors hereby determines in accordance
6 with Section 23.3 of the Administrative Code, that a competitive bidding process for the
7 conveyance of the Property is impractical and is otherwise not in the public interest because
8 (i) the Property’s location, dimension, and current use make its use by any other entity
9 impractical; (ii) the sale of the Property to South San Francisco will support the continuation of
10 the Property’s current use as portions of public city streets; and (iii) the sale of the Property to
11 South San Francisco will avoid the costly risk of eminent domain litigation; and, be it

12 FURTHER RESOLVED, That, in accordance with the SFPUC’s recommendations, this
13 Board approves and authorizes the City to sell the Property to the City of South San Francisco
14 for \$132,000; and, be it

15 FURTHER RESOLVED, That this Board of Supervisors hereby approves the terms and
16 conditions of the Agreement and authorizes and directs the General Manager and/or City’s
17 Director of Property to take all actions necessary or appropriate to sell the Property and
18 effectuate the Agreement and this Resolution, and, be it

19 FURTHER RESOLVED, That the SFPUC General Manager and/or City’s Director of
20 Property is authorized and urged in the name and on behalf of the City and County of San
21 Francisco to execute the Agreement and Quitclaim Deed in substantially the form presented
22 to the Board and to take any and all steps (including, but not limited to, the execution and
23 delivery of any and all certificates, agreement, notices, consents, escrow instructions, closing
24 documents, and other instruments or documents) as the Director of Property or the SFPUC
25 General Manager deems necessary or appropriate in order to consummate the sale

1 contemplated by the Agreement, or otherwise effectuate the purpose and intent of this
2 resolution, such determination to be conclusively evidenced by the execution and delivery by
3 the Director of Property and/or the SFPUC General Manager of any such documents; and, be
4 it

5 FURTHER RESOLVED, That in accordance with the recommendation of the SFPUC
6 General Manager, the Board ratifies, approves, and authorizes all actions heretofore taken by
7 any City official in connection with the Agreement and the transaction contemplated thereby;
8 and, be it

9 FURTHER RESOLVED, That this Board of Supervisors hereby authorizes the SFPUC
10 General Manager and/or City's Director of Property to enter into any amendments or
11 modifications to the Agreement and Quitclaim Deed, including without limitation any exhibits
12 or attachments to the Agreement and Quitclaim Deed, that the General Manager determines,
13 in consultation with the City Attorney, are in the best interest of the City; do not materially
14 increase the obligations or liabilities of the City; are necessary or advisable to effectuate the
15 purposes and intent of the Agreement, Quitclaim Deed, or this resolution; and are in
16 compliance with all applicable laws, including the City Charter; and, be it

17 FURTHER RESOLVED, That within thirty (30) days after the Closing (as defined in the
18 Agreement), the SFPUC shall provide any applicable final contracts to the Clerk of the Board
19 for inclusion into the official file.
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