2

3

4

5 6

7

8

9

10

11

12 13

14

15 16

17

18

19 20

21

22 23

24

25

[Real Property Acquisition - 772 Pacific Avenue - Shew Yick Trust One, Robert Yick Trust Two, and Robert Yick Non-Exempt Assets Trust - Affordable Housing Project - Below Fair Market Value Purchase of \$5,000,0001

Resolution authorizing the Real Estate Division, on behalf of the Mayor's Office of Housing and Community Development, to acquire Real Property located at 772 Pacific Avenue from Shew Yick Trust One (Trustees Robert Yick and Andy Ting), Robert Yick Trust Two (Trustee Joseph Yick), and Robert Yick Non-Exempt Assets Trust (Trustee Mark Shustoff), for the purchase at below fair market value of \$5,000,000 for use in constructing affordable housing for San Franciscans.

WHEREAS, The Mayor's Office of Housing and Community Development ("MOHCD") is responsible for the funding and development of affordable housing in the City of and County of San Francisco; and

WHEREAS, The City has been offered an opportunity to purchase real property, located at 772 Pacific Avenue (the "Property"), for purposes of building affordable housing on the Property; and

WHEREAS, The purchase price for the Property (Five Million Dollars (\$5,000,000)) is below the current appraised fair market value; the current written appraisal is on file with the Clerk of the Board of Supervisors in File No. 170522; and

WHEREAS, MOHCD has evaluated the Property and confirmed that it can utilize the Property for development of permanently affordable housing; a letter from MOHCD dated April 4, 2017, supporting the purchase is on file with the Clerk of the Board of Supervisors in File No. 170522; and

WHEREAS, The Property currently contains a public restaurant Lessee, paying \$22,500/month in rent through December 31, 2021 ("Rental Income"); and

WHEREAS, The Rental Income through the lease term can be used to support the future construction of affordable housing on the Property; now, therefore, be it

RESOLVED, That MOHCD has legal authority, is willing, and is in a position financially and otherwise to assume immediate care and maintenance of the property, and that the Director of MOHCD, and the Director of the Real Estate Division of the City's General Services Agency, are hereby authorized, for and on behalf of the Board of Supervisors to do and perform any and all acts and things which may be necessary to carry out the foregoing resolution, including the preparing, making, and filing of plans, applications, reports, and other documents; the execution, acceptance, delivery, and recordation of agreements, deeds and other instruments pertaining to the transfer of said property; and the payment of any and all sums necessary on account of the purchase price thereof, including fees or costs incurred in connection with the transfer of said property for surveys, title searches, appraisals, recordation of instruments, or escrow costs.

\$5,000,000 available

Index Code: MYR2SNDFAHF

Project Code: PMOIRR

Ben Rosenfield

Controller

Olson Lee, Director

RECOMMENDED

Director of Property

John Updike

Mayor's Office of Housing and Community Development



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

170522

Date Passed: May 23, 2017

Resolution authorizing the Real Estate Division, on behalf of the Mayor's Office of Housing and Community Development, to acquire Real Property located at 772 Pacific Avenue from Shew Yick Trust One (Trustees Robert Yick and Andy Ting), Robert Yick Trust Two (Trustee Joseph Yick), and Robert Yick Non-Exempt Assets Trust (Trustee Mark Shustoff), for the purchase at below fair market value of \$5,000,000 for use in constructing affordable housing for San Franciscans.

May 18, 2017 Budget and Finance Sub-Committee - RECOMMENDED AS COMMITTEE REPORT

May 23, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170522

I hereby certify that the foregoing Resolution was ADOPTED on 5/23/2017 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Mayor

Date Approved