

1 [Sale of Surplus Property – 909 Tennessee Street - \$1,310,000]

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3 **Resolution approving the sale of an improved surplus property located at 909**  
4 **Tennessee, within Lot 001, Block 4108, City and County of San Francisco, to the**  
5 **highest responsible cash bidder for a purchase price of not less than \$1,310,000;**  
6 **adopting findings pursuant to the California Environmental Quality Act; adopting**  
7 **findings that the conveyance is consistent with the City’s General Plan and Eight**  
8 **Priority Policies of City Planning Code Section 101.1; and authorizing the Director of**  
9 **Property to execute documents, make certain modifications and take certain actions in**  
10 **furtherance of this Resolution.**

11  
12 WHEREAS, The City and County of San Francisco owns an "L" shaped parcel of real  
13 property located at the corner of 20th Street and Third Street and extending from Third Street  
14 to Tennessee Street, commonly known as Assessor's Block 4108, Lot 001; and,

15 WHEREAS, The 50 foot by 100 foot portion of such parcel that fronts Tennessee  
16 Street, commonly known as 909 Tennessee Street (the "Subject Property"), which is not a  
17 separate legal parcel, is under the jurisdiction of the San Francisco Fire Department; and,

18 WHEREAS, The Subject Property is improved with an unreinforced masonry building  
19 that is used currently only for storage, and would require extensive improvements for further  
20 use; and,

21 WHEREAS, The Fire Commission has by Fire Commission Resolution No. 2010-05,  
22 approved 5-0 on August 26, 2010, a copy of which is on file with the Clerk of the Board of  
23 Supervisors in File No. 101479 declared the Subject Property to be surplus and requested  
24 that the Subject Property be sold at a public sale; and,

25 WHEREAS, the Fire Department budget as shown in the adopted AAO for FY 2010-  
2011 reflected anticipated revenue of \$725,000 from the sale of the Subject Property; and,

1           WHEREAS, In accordance with the Fire Commission Resolution sealed bids were  
2 received at a public bid opening on November 23, 2010, with minimum bid amount of  
3 \$340,000.00; and,

4           WHEREAS, The highest bidder, who tendered a bid amount of \$1,310,000.00,  
5 subsequently failed to perform and the Director of Property recommends conducting another  
6 public auction on or around March 1, 2011 at which the Director of Property will receive and  
7 recommend acceptance of the highest bid, with a minimum bid price of \$1,310,000, in  
8 accordance with the terms and conditions of the Agreement of Sale of Real Estate (the  
9 "Agreement"), a copy of which is on file with the Clerk of the Board of Supervisors in File No.  
10 101479; and,

11           WHEREAS, The Director of Planning, by letter dated July 27, 2010, found that the  
12 sale of the Subject Property is categorically exempt from environmental review pursuant to  
13 CEQA guidelines and is consistent with the City's General Plan and the Eight Priority Policies  
14 of City Planning Code Section 101.1, which letter is on file with the Clerk of the Board of  
15 Supervisors in File No. 101479, and which letter is incorporated herein by this reference;  
16 now, therefore, be it

17           RESOLVED, That the Board of Supervisors hereby adopts the findings set forth in the  
18 letter of the Director of Planning, dated July 27, 2010, that the sale of the Subject Property is  
19 categorically exempt from environmental review pursuant to CEQA guidelines and is  
20 consistent with the City's General Plan and the Eight Priority Policies of City Planning Code  
21 Section 101.1 for the same reasons as set forth in the letter of the Director of Planning, and  
22 hereby incorporates such findings by reference as though fully set forth in this resolution; and,  
23 be it

24           FURTHER RESOLVED, That the Board of Supervisors hereby approves the  
25 Agreement and the transaction contemplated thereby and authorizes the Director of Property

1 to insert the amount of the accepted bid as the purchase price in the Agreement and enter  
2 into any additions, amendments or other modifications to the Agreement (including, without  
3 limitation, the attached exhibits) that the Director of Property, in consultation with the City  
4 Attorney, determines are in the best interest of the City, do not decrease the sales price for  
5 the Subject Property or otherwise materially increase the obligations or liabilities of the City,  
6 and are necessary or advisable to complete the transaction contemplated in the Agreement  
7 and effectuate the purpose and intent of this Resolution, such determination to be  
8 conclusively evidenced by the execution and delivery by the Director of Property of the  
9 Agreement and any amendments thereto; and, be it

10 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,  
11 in the name and on behalf of the City and County, to execute and deliver the deed to the  
12 Subject Property to the purchaser upon the closing in accordance with the terms and  
13 conditions of the Agreement, and to take any and all steps (including, but not limited to, the  
14 execution and delivery of any and all certificates, agreements, notices, consents, escrow  
15 instructions, closing documents and other instruments or documents) as the Director of  
16 Property deems necessary or appropriate in order to consummate the conveyance of the  
17 Subject Property pursuant to the Agreement, or to otherwise effectuate the purpose and intent  
18 of this resolution, such determination to be conclusively evidenced by the execution and  
19 delivery by the Director of Property of any such documents.

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21 RECOMMENDED:

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23 \_\_\_\_\_  
24 John Updike  
25 Acting Director of Property