



October 15, 2021

Honorable Board of Supervisors
City and County of San Francisco City Hall, Room 224
1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

RE: Ratification of Conditional Property Exchange Agreement and
related transaction documents – 530 Sansome – Fire Station 13

Dear Board of Supervisors:

On behalf of the San Francisco Fire Department, the Real Estate Division is enclosing for your consideration a resolution ratifying the Conditional Property Exchange Agreement (“CPEA”) related transaction documents with EQX JACKSON SQ HOLDCO LLC (“Developer”) for a transfer of City real property at 530 Sansome Street (“City Property”) in exchange for a portion of the real property at 425-439 Washington Street and authorizing the Director of Property and City staff to proceed with the proposed new Fire Station 13 development project, subject to several conditions and California Environmental Quality Act (“CEQA”) findings.

On April 30, 2019, the Board of Supervisors adopted Resolution No. 220-19 approving the CPEA for the planning and potential exchange of the City Property for a new fire station to be completed by Developer. Under the CPEA, Developer intends to build a new four-story, 19,266 gross square foot fire station building (the “New Fire Station”) on a future legal parcel of approximately 5,643 square feet at Washington Street mid-block between Sansome and Battery (the “Exchange Parcel”), and a new vertically-integrated mixed-use high-rise at the southeast corner of Sansome and Washington to contain either lower level lobby space, ground floor and rooftop restaurant spaces, a health club of approximately 35,000 square feet, a 200 room hotel and approximately 40,000 square feet of offices, or a proposed residential variant of similar building design, height and bulk, but with approximately 256 residential units instead of the hotel, office, fitness center, and retail/restaurant uses (the “Tower Project”).

On June 2, 2020, the Board of Supervisors adopted Resolution No. 242-20 approving an updated CPEA which among other things increased the agreed upon project cost for the New Fire Station, at no additional cost to the City, from \$25,000,000 to \$32,128,429 and incorporated certain design changes requested by the Fire Department. Upon completion of the proposed New Fire Station and the satisfaction of closing conditions, the City will convey the City Property to Developer and Developer will convey the Exchange Parcel to the City, with the New Fire Station, as described in the CPEA.

The Board, by this resolution, is also being asked to ratify the Architect Contract, Ground Lease, Construction Contract, Construction Management Agreement, Completion Guaranty, Reciprocal Easement Agreement, as well as an amendment of the Conditional Exchange Agreement to extend the time periods for the approval of the above documents.

Should you have any questions or need additional information, do not hesitate to contact me at Andrico.penick@sfgov.org or at 415.554.9860.

Sincerely

A handwritten signature in blue ink, appearing to read "Andrico Penick", written in a cursive style.

Andrico Q. Penick
Director of Property