

1 [Grant of Easement - Pacific Gas and Electric Company - 68.25 Square Feet at Northern  
2 Edge of Parcel - 1101 Connecticut - At No Cost]

3 **Resolution approving and authorizing the grant of an easement on the City’s property,**  
4 **consisting of 68.25 square feet of land at the northern edge of the parcel located at**  
5 **1101 Connecticut Street (Assessor’s Parcel Block No. 4287, Lot No. 076), between the**  
6 **City and County of San Francisco and Pacific Gas and Electric Company (PG&E), at no**  
7 **cost, for a term to commence upon Board approval and until PG&E surrenders or**  
8 **abandons the easement area, the agreement is terminated, or PG&E realigns its**  
9 **electrical facilities such that it no longer requires the use of the easement area; and**  
10 **authorizing the Director of Property to execute documents, make certain modifications**  
11 **and take certain actions in furtherance of this Resolution, as defined herein.**

12  
13 WHEREAS, In August 2007, the San Francisco Board of Supervisors established the  
14 HOPE SF program to fund revitalization of San Francisco’s most distressed public housing  
15 (Ordinance No. 180-07 and 556-07); and

16 WHEREAS, In October 2007, the Housing Authority of San Francisco (“SFHA”) issued  
17 a Request for Qualifications to Redevelop Authority Property for seven sites including Potrero  
18 Terrace and Potrero Annex (“Potrero”); and

19 WHEREAS, In March 2008, the SFHA Board of Commissioners selected BRIDGE  
20 Housing Corporation as the developer for the revitalization of Potrero through HOPE SF; and

21 WHEREAS, In April 2008, the Mayor’s Office of Housing and Community Development  
22 (“MOHCD”) issued a Notice of Funding Availability for selected HOPE SF developers and  
23 BRIDGE Housing Corporation was the recipient for Potrero; and

1           WHEREAS, as part of the revitalization of Potrero, the City acquired fee title to 1101  
2 Connecticut Street (Assessor’s Parcel Block No. 4287, Lot No. 076) (the “Site,” and  
3 "Easement Area"), which is under the jurisdiction of MOHCD and adjacent Potrero; and

4           WHEREAS, BRIDGE Housing Corporation established a separate entity named  
5 Potrero Housing Associates I, L.P., a California limited partnership (“Developer”), to lease the  
6 Site and develop 72 units for low income families and individuals on the Site as part of HOPE  
7 SF Potrero (the “Project”); and

8           WHEREAS, By letter dated January 13, 2016, the Department of City Planning  
9 adopted and issued a General Plan Consistency Finding, a copy of which is on file with the  
10 Clerk of the Board, wherein the Department of City Planning found that the acquisition of the  
11 Property are consistent with the City’s General Plan, and with the eight priority policies under  
12 Planning Code, Section 101.1; and

13           WHEREAS, On December 10, 2015, the Department of City Planning certified the  
14 Final Environmental Impact Report (Motion No. 19529), adopted CEQA Finding including a  
15 statement of overriding considerations (Motion No. 19530), and adopted Findings of  
16 Consistency with the General Plan and Planning Code, Section 101.1 (Motion No. 19531);  
17 and

18           WHEREAS, In June 2016, the San Francisco Board of Supervisors passed a resolution  
19 authorizing the execution and performance of an Option to Ground Lease (Resolution  
20 No. 225-16, File No. 160555); and

21           WHEREAS, On December 14, 2016, the City entered into a 75 year Ground Lease,  
22 with 24 year extension option with the Developer, and the Developer has commenced  
23 construction of the Project; and

24           WHEREAS, Pacific Gas and Electric Company (“PG&E”) has the right to install poles,  
25 wires, conduits, and related appurtenances for the distribution and transmission of electricity

1 in City’s streets pursuant to a franchise granted by Ordinance No. 414, adopted by the City’s  
2 Board of Supervisors on December 19, 1939, and California Public Utilities Code, Section  
3 6201 (together, the “Franchise Agreement”); and

4 WHEREAS, The Developer has determined, with agreement by MOHCD, that for  
5 purposes of construction and for the ongoing benefit of the Project, PG&E will relocate  
6 existing power poles and install an underground distribution electrical vault adjacent to the  
7 Site in the street at 25th Street (the “Vault”) to provide power to the Project pursuant to the  
8 Franchise Agreement; and

9 WHEREAS, As required by law, PG&E is required to have complete access to the  
10 Vault, which requires PG&E to use the Easement Area for access to and maintenance of the  
11 Vault; and

12 WHEREAS, The City desires to grant an easement ("Easement") for a portion of the  
13 Site pursuant to an Easement Agreement in substantially the form approved by the Director of  
14 Property and the Acting Director of MOHCD on file with the Clerk of the Board of Supervisors  
15 in File No. 171200, incorporated herein by reference; and

16 WHEREAS, The Director of Property has determined the fair market value of the  
17 Easement Area is less than Ten Thousand Dollars (\$10,000) based on a review of available  
18 and relevant data and no appraisal is required pursuant to Administrative Code, Section 23.3;  
19 now, therefore, be it

20 RESOLVED, That the Board of Supervisors finds that the public interest or necessity  
21 will not be inconvenienced by the conveyance of the Easement, because the Easement Area  
22 is located within building setback area and will not impede or obstruct the construction of  
23 affordable housing buildings on the Site; and, be it

24 FURTHER RESOLVED, That the Board of Supervisors finds that a grant of the  
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1 easement to PG&E at no cost will serve the public purpose of creating affordable housing for  
2 low income families and revitalize Potrero; and, be it

3 FURTHER RESOLVED, That in accordance with the recommendation of the Director  
4 of Property, the Board of Supervisors hereby approves the grant of the Easement at no cost,  
5 and the terms and conditions of the Easement Area in substantially the form of the Easement  
6 Agreement presented to the Board and authorizes the Director of Property, in the name and  
7 on behalf of the City and County, to execute the Easement Agreement; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
9 Property to enter into any amendments or modifications to the Easement Agreement  
10 (including, without limitation, the attached exhibits) that the Director of Property determines, in  
11 consultation with the City Attorney, are in the best interest of the City, do not otherwise  
12 materially diminish the benefits to the City or increase the obligations or liabilities of the City,  
13 are necessary or advisable to effectuate the purposes of the Easement Agreement and are in  
14 compliance with all applicable laws, including City's Charter; and, be it

15 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,  
16 in the name and on behalf of the City and County, to take any and all steps (including, but not  
17 limited to, the execution and delivery of any and all certificates, agreements, notices,  
18 consents, escrow instructions, closing documents and other instruments or documents) as the  
19 Director of Property deems necessary or appropriate in order to consummate the conveyance  
20 of the Easement pursuant to the Easement Agreement, or to otherwise effectuate the purpose  
21 and intent of this Resolution, such determination to be conclusively evidenced by the  
22 execution and delivery by the Director of Property of any such documents; and, be it

23 FURTHER RESOLVED, That within thirty (30) days of the execution of the Easement  
24 Agreement, the Director of Property shall provide a copy to the Clerk of the Board for the  
25 Board's file.

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RECOMMENDED:

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John Updike, Director of Property

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Kate Hartley, Acting Director, Mayor's Office of Housing and Community Development